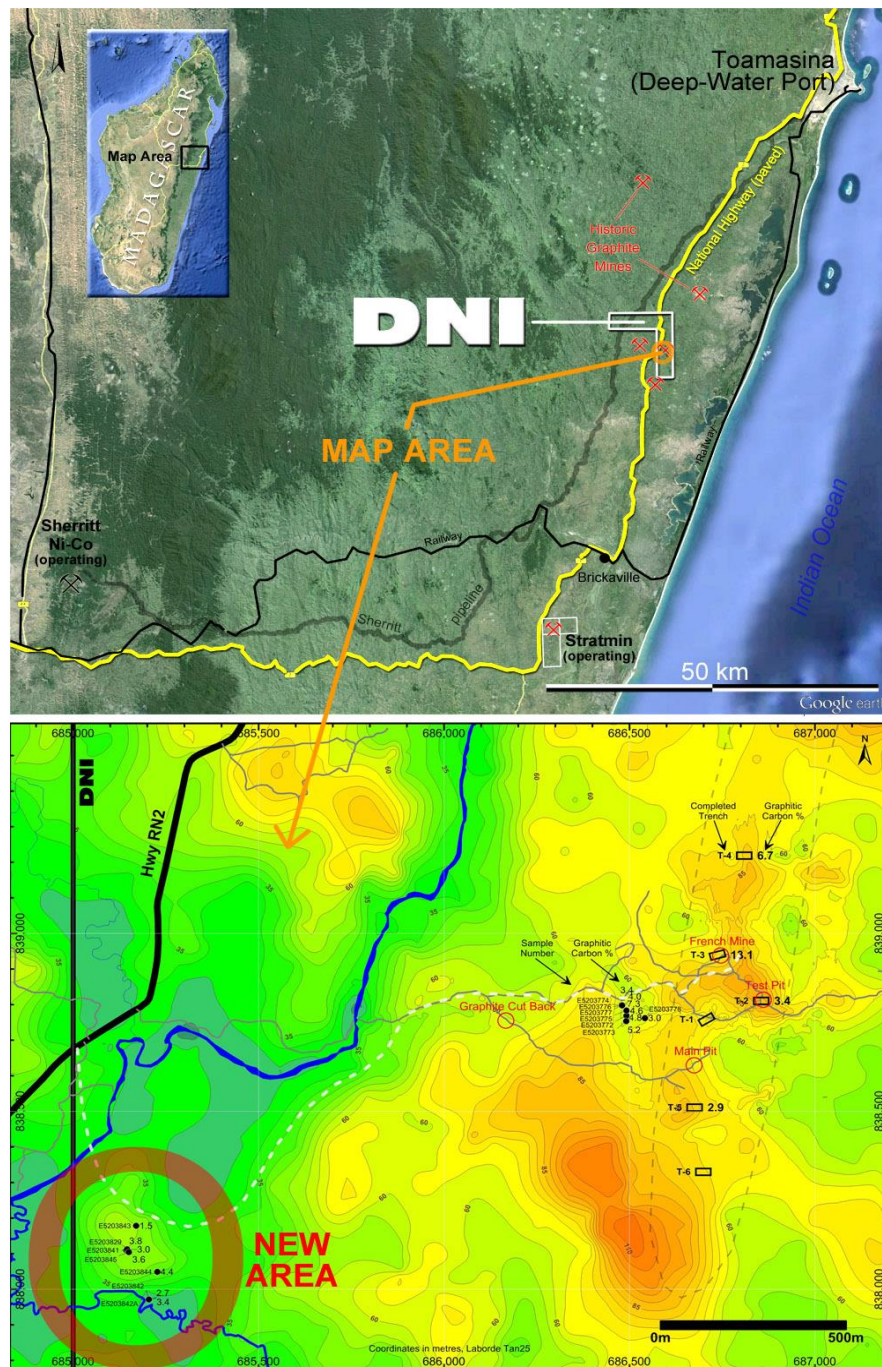


DNI METALS IDENTIFIES AN ADDITIONAL MINERALIZED ZONE ON ITS VOHITSARA GRAPHITE PROJECT, MADAGASCAR

Toronto, Ontario--(Newsfile Corp. – March 1, 2016) - DNI METALS INC. (CSE: DNI) (FSE: DG7N) is pleased to announce the discovery of an additional zone of graphite mineralization on the Company's 100%-owned Vohitsara Graphite Project in Madagascar.

The Maps below show the new zone and to the east of the main area, the focus of DNI's July 2015 trenching program. <http://www.newswire.ca/news-releases/674-super-jumbolarge-flake-including-253-super-jumbo-and-295-jumbo-flake-at-dni-metals-madagascar-graphite-property-531026771.html>



Test results from Samples taken from the new zone during Management's trip to Madagascar in January 2016 are listed in the table below:

Sample ID	% C (Total)	% C (Graphite)
E5203842	2.77	2.67
E5203842A	3.61	3.44
E5203843	1.76	1.46
E5203844	4.63	4.37
E5203845	3.67	3.57

With only a small portion of DNI's 43 square km graphite property explored, substantial future exploration is planned for the property. The potential for additional zones is considered very high.

A 3,000 meter drill program is planned for the main mineralised trend that averages 300 metres width over a strike length of approximately 900 metres. This program is scheduled to begin in the spring of 2016. Compared to the majority of graphite projects in North America, which are generally hosted in hard rock, the weathered saprolitic material characteristic of DNI's Vohitsara project is comparatively easier to drill and extract.

Outside of China, major graphite producing countries like Brazil and Madagascar produce from saprolitic ores. The capital and operating expenses for these type of deposits are materially cheaper than for their hard rock counterparts.

DNI's Vohitsara Graphite Property is fully permitted as explained in a press release dated, July 22, 2015. <http://www.newswire.ca/news-releases/dni-metals-receives-full-mining-permits-for-its-graphite-project-in-madagascar-518104031.html>

Assaying for graphitic carbon was performed at Agat Laboratories located in Ontario, Canada, using a modified infrared assay method. This method is preferable to other industry-accepted assay methods including varying forms of Loss on Ignition (LOI) testing.

All representative samples were prepared and collected by or under supervision of DNI's Country Manager, Steven Goertz. Mr. Goertz is a Geologist and is a Qualified Person under NI43-101 regulations. Mr. Goertz has approved this Press release.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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For further information, contact:
DNI Metals Inc. — Dan Weir, President & CEO
416-595-1195
DanWeir@dnimetals.com

Katrin Tosine

Capital Markets and Investor Relations Advisor
kat@dnimetals.com
647.388.4984

email ir@dnimetals.com.
Also visit www.dnimetals.com

We seek Safe Harbour.

This announcement includes forward looking statements. While these statements represent DNI's best current judgment, they are subject to risks and uncertainties that could cause actual results to vary, including risk factors listed in DNI's Annual Information Form and its MD&As, all of which are available from SEDAR and on its website.

Caution Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the anticipated benefits of the Transaction to the Company and shareholders of the Company; the pro forma shareholdings of the Company's shareholders in DNI; execution of the Definitive Agreement, the timing and receipt of the required shareholder, stock exchange and regulatory approvals for the Transaction; the anticipated timing for mailing the management information circular to the shareholders of the Company in respect of the Transaction; the closing of the Transaction; the length of the current market cycle and requirements for an issuer to survive in the current market cycle; future growth potential of DNI and its business; and future mine development plans.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forwardlooking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: satisfaction or waiver of all applicable conditions to closing of the Transaction (including receipt of all necessary shareholder, stock exchange and regulatory approvals or consents, and the absence of material changes with respect to the parties and their respective businesses); the synergies expected from the Transaction not being realized; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets and the market price of the DNI Shares and the Company Shares; fluctuations in spot and forward prices of graphite or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial

accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. In addition, the failure of a party to comply with the terms of the Definitive Agreement (assuming the Definitive Agreement is entered into) may result in that party being required to pay a non-completion or other fee to the other party, the result of which could have a material adverse effect on the paying party's financial position and results of operations and its ability to fund growth prospects and current operations. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, the Company assumes no obligation to update the forward looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.