

Zenyatta to raise \$2.9 million via a Rights Issue

Zenyatta Ventures {TSX.V: ZEN} announced that it will be offering rights to holders of its common shares at the close of business on the record date of May 13, 2016, on the basis of one right for each common share held.

Zenyatta Announces Rights Offering to Fund Ongoing Market & Business Development Programs

Positive Feedback From Global End-Users Concluded That Additional Samples for Scaled up Testing Is an Important Step for Further High-Purity Albany Graphite Product Development

Zenyatta Ventures {TSX.V: ZEN} announces that it will be offering rights to holders of its common shares at the close of business on the record date of May 13, 2016, on the basis of one right for each common share held.

Fifteen (15) Rights will entitle the holder to subscribe for one Common Share of Zenyatta upon payment of the subscription price of \$0.75 per Common Share (the "Exercise Price"). The Rights Offering will be conducted in Canada and to shareholders outside of Canada who are eligible under certain exemptions. Shareholders who are resident outside of Canada are requested to contact the Company for further details.

The Rights will trade on the TSX Venture Exchange under the symbol **ZEN.RT** commencing on May 11, 2016 and until 12:00 p.m. (Toronto time) on June 3, 2016. The Rights will expire at 5:00 p.m. (Toronto time) on June 3, 2016 (the “Expiry Time”), after which time unexercised Rights will be void and of no value. Shareholders who fully exercise their Rights will be entitled to subscribe for additional Common Shares, if available as a result of unexercised Rights prior to the Expiry Time, subject to certain limitations set out in Zenyatta’s rights offering circular.

Details of the Rights Offering will be set out in the rights offering notice and rights offering circular which will be available under Zenyatta’s profile at www.sedar.com

The rights offering notice and accompanying rights certificate will be mailed to each shareholder of Zenyatta as at the record date. Registered shareholders who wish to exercise their Rights must forward the completed rights certificate, together with the applicable funds, to the rights agent, Capital Transfer Agency Inc., on or before the Expiry Time. Shareholders who own their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary. The Company will not issue or forward rights certificates to shareholders resident in a jurisdiction outside of Canada (the “Ineligible Holders”). The rights certificates of Ineligible Holders will be issued to and held on their behalf by Capital Transfer Agency Inc., who will, prior to the Expiry Time, attempt to sell the rights of Ineligible Holders on such dates and at such prices as it determines in its sole discretion.

There are currently 58,954,016 Common Shares of Zenyatta outstanding. If all of the Rights issued under the Rights Offering are validly exercised, a total of 3,930,268 Common Shares will be issued under the Rights Offering with gross proceeds of approximately \$2,945,000.

Zenyatta intends to use the net proceeds of the Rights Offering to further the positive market and business development program initiated over a year ago for validation of Albany graphite in high purity graphite applications. This will include production of additional high purity Albany graphite samples for testing by end-users, academic labs and third party testing facilities in Europe, North America and Asia under confidentiality agreements. Production of samples will also provide added insights into the scale up of the purification process with optimization analysis and potentially associated cost reductions. Many of these organizations were provided a small amount of purified graphite material. These tested samples provided a good initial assessment and guidance for the potential of Albany graphite for various applications that included batteries, fuel cells, powder metallurgy and graphene. The positive feedback concluded that additional samples for scaled up testing is an important step for further development of Zenyatta's Albany graphite material as a substitute for existing synthetic graphite in use today.

Standby Commitment

In connection with the Rights Offering, Zenyatta will be entering into stand-by purchase agreements with investors and insiders in an amount to be determined. In consideration for providing the Stand-By Commitment, the Stand-By Purchasers will be granted that number of common share purchase warrants

(the “Stand-By Warrants”) equal to 25% of the Stand-By Shares purchased under the Stand-By Commitment. Each whole Stand-By Warrant entitles the holder to acquire one Common Share for a price equal to the Exercise Price until June 4, 2018.

A further announcement will be made regarding the standby commitment before filing the rights offering notice and rights offering circular under Zenyatta’s profile at www.sedar.com

To find out more on Zenyatta Ventures Ltd., please visit www.zenyatta.ca

CAUTIONARY STATEMENT: Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release may contain forward looking information and Zenyatta cautions readers that forward looking information is based on certain assumptions and risk factors that could cause actual results to differ materially from the expectations of Zenyatta included in this news release. This news release includes certain “forward-looking statements”, which often, but not always, can be identified by the use of words such as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. These statements are based on information currently available to Zenyatta and Zenyatta provides no assurance that actual results will meet management’s expectations. Forward-looking statements include estimates and statements with respect to Zenyatta’s future plans, objectives or goals, to the effect that Zenyatta or management expects a stated condition or result to occur, including the expected timing for release of a pre-feasibility study, the expected uses for graphite in the future, and the

future uses of the graphite from Zenyatta's Albany deposit. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of metallurgical processing, ongoing exploration, project development, reclamation and capital costs of Zenyatta's mineral properties, and Zenyatta's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as, but are not limited to: failure to convert estimated mineral resources to reserves; the preliminary nature of metallurgical test results; the inability to identify target markets and satisfy the product criteria for such markets; the inability to complete a prefeasibility study; the inability to enter into offtake agreements with qualified purchasers; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; political risks; uncertainties relating to the availability and costs of financing needed in the future; changes in equity markets, inflation, changes in exchange rates; fluctuations in commodity prices; delays in the development of projects; capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry; and those risks set out in Zenyatta's public documents filed on SEDAR. This list is not exhaustive of the factors that may affect any of Zenyatta's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Zenyatta's forward-looking statements. Although Zenyatta believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Zenyatta disclaims any intention or obligation to update or revise any

forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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