

**MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Reporting Issuer**

ALABAMA GRAPHITE CORP. (the "Company")  
Suite 804 – 750 West Pender Street  
Vancouver, BC V6C 2T7

**Item 2: Date of Material Change**

September 18, 2014

**Item 3: News Release**

A news release was issued and disseminated on September 18, 2014 and filed on SEDAR at [www.sedar.com](http://www.sedar.com).

**Item 4: Summary of Material Changes**

The Company is pleased to announce that it has entered into a mineral lease on a land package that includes the prior producing Bama flake graphite Mine in Chilton County, Alabama, USA. The mineral lease comprises 200 acres and includes both the surface as well as the mineral rights over the historic Bama Mine. The Company has also signed a mineral exploration lease on several parcels comprising 1,160 acres adjacent to the Bama Mine. With the addition of these properties in Chilton County, the Company has a significant foothold within the Alabama Graphite Belt with two advanced-stage projects.

**Item 5: Full Description of Material Change**

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The Bama Mine was the southern-most graphite mine in Alabama and the only one in Chilton County. It was one of the larger graphite mines and included an electrostatic separator in the mill building. As with the other graphite mines in Alabama, the Bama Mine shut down prior to the end of World War II, but not before a substantial volume of ore was extracted from the existing pit. In the late 1940s the US Bureau of Mines sampled all the known occurrences of graphite in Alabama and the published results showed the Bama Mine to be unique. A sample taken from the pit wall not only registered the highest percentage of graphite (7.85% Cg), but also contained 17% jumbo flake (Pallister & Thoenen, 1948).

Thus far, the Company has conducted airborne Time Domain Electromagnetic (TDEM), magnetic and radiometric surveys over the area of interest in Chilton County. Preliminary channel samples have also been collected for both graphitic carbon analyses and metallurgical testing. An exploration program consisting of additional surface sampling, ground-based GEM2 geophysical surveys and sonic drilling is planned to start immediately.

"The Bama Mine is an acquisition that we have been pursuing for several months," stated Ron Roda, President and CEO of the Company. "Our geologists were impressed with its potential literally from the moment they set foot on the property. Whereas our flagship Coosa Project began as a green-fields exploration play, the Bama Mine's history of production suggests it has

the potential to quickly move forward. In addition, having two projects in relatively close proximity will allow us to use the same exploration staff and sample-prep facilities. The Company feels its location gives us the best logistical advantages for a flake graphite deposit in North America. Consequently, expanding our footprint in Alabama with a second advanced-stage project is in the best interests of our Company and its shareholders.”

Rick Keevil, P. Geo., a Director of the Company and VP of Project Development, is a Qualified Person as defined by National Instrument 43-101, has reviewed the contents of the press release.

**Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7: Omitted Information**

None.

**Item 8: Executive Officer**

For further information, please contact:

Ron S. Roda  
President & Chief Executive Officer  
(609) 785-1581

**Item 9: Date of Report**

September 18, 2014.