

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and address of the Company

Focus Graphite Inc. (the "Company" of "Focus")
912-130 Albert Street
Ottawa, Ontario K1P 5G4

Item 2 Date of material change

September 24, 2015

Item 3 News release

The press release was issued and distributed on September 25, 2015 via Marketwire.

Item 4 Summary of material change

Focus and Grafoid finalize two definitive offtake agreements for Lac Knife graphite concentrate.

Item 5 Full description of material change

Focus announced it has finalized two definitive offtake agreements with Grafoid Inc., a graphene application development company, and a related party.

The first offtake agreement (the "Graphene Offtake," formerly the "Energy Offtake") commits Grafoid to acquire, at its discretion, up to an annual maximum of 1,000 tonnes of high-purity (98.3% total carbon "Ct")(1) large flake (+80 mesh) graphite concentrate annually from the Lac Knife Project for 10 years, representing up to 6.8% of the projected annual production of 14,606 tonnes of high-purity large flake concentrate. (Taken from "Technical Report on The Lac Knife Graphite Feasibility Study" filed on SEDAR on August 8, 2014.)

The second offtake agreement (the "Polymer Offtake") commits Grafoid to acquire, at its discretion, up to 25,000 tonnes of 97.8% Ct (average concentrate grade for all flake sizes) graphite concentrate annually from the Lac Knife Project for 10 years, representing up to 56.4% of the projected total annual production of 44,300 tonnes (all flake sizes). (Taken from "Technical Report on The Lac Knife Graphite Feasibility Study").

Graphene Offtake Agreement

If the Lac Knife Project comes into production, the Graphene Offtake is intended to supply Grafoid's needs for a range of next-generation graphene-based automotive batteries, batteries for consumer electronics, and energy storage applications. Customer requirements would come from Grafoid, its subsidiaries, acquisitions and/or joint venture partnerships.

Under the terms of the Graphene Offtake agreement, Grafoid will pay Focus Graphite C\$1 million over a 12-month period, with the first payment of \$83,333 being on or before September 30, 2015 (received), for the right of first refusal to purchase up to the annual maximum of 1,000 tonnes and will also give Grafoid the first right of refusal to extend and expand the offtake agreement for an additional 10-year period. The pricing for an additional 10-year period will be set at market price less 10%.

Polymer Offtake Agreement

If the Lac Knife Project comes into production, the Polymer Offtake is intended to supply Grafoid's needs for a range of graphite-based polymer applications for the automotive and aerospace industry. Customer requirements would come from original equipment manufacturers (OEMs) and Tier 1 or Tier 2 suppliers.

Under the terms of the executed Polymer Offtake agreement, Grafoid will pay Focus Graphite C\$1 million over a 12-month period, with the first payment of \$83,333 being on or before September 30, 2015 (received), for the right of first refusal to purchase up to the annual maximum of 25,000 tonnes of the projected total annual production of all flake size graphite concentrate. Grafoid will also have the first right of refusal to extend the offtake agreement for an additional 10-year period. The pricing for an additional 10-year period will be set at market price less 10%.

Additional Terms of the Agreements

Under the terms of both agreements, Grafoid has been granted a right of first refusal on the sale of Grafoid shares by Focus to a third party. Furthermore, in the event the sale of graphite concentrate to Grafoid under the agreements result in a profit margin of less than 10% for Focus, the parties agree to review and renegotiate the annual quantity and purchase price of the concentrate.

The definitive offtake agreements were approved by the independent directors of Focus. As Gary Economo and Jeff York are also directors and officers of Grafoid, both agreements constitute transactions with a "non arm's length party" under the rules and policies of the TSX Venture Exchange ("TSX-V") and are therefore subject to TSX-V acceptance.

Item 6	Reliance on subsection 7.1(2) of National Instrument 51-102
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N/A

Item 7	Omitted Information
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None

Item 8	Executive Officer
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Judith Mazvihwa-MacLean
Chief Financial Officer
Telephone: 613-241-4040

Item 9	Date of Report
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October 4, 2015.