

**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 30, 2015

**Item 3 News release**

The press release was issued and distributed on October 2<sup>nd</sup>, 2015 via Marketwire.

**Item 4 Summary of material change**

Focus closes second and final tranche of non brokered offering.

**Item 5 Full description of material change**

Focus announced the closing of the second and final tranche of a non brokered private placement (the "Offering") for gross proceeds of approximately \$487,324. The Company has issued 3,748,646 units (the "Units") at a price of \$0.13 per Unit, each Unit being comprised of one (1) common share of the Company and one common share purchase warrant (a "Warrant"), each Warrant entitling the holder thereof to acquire one (1) additional common share of the Company at a price of \$0.17 per share until September 30, 2019.

In connection with the closing of the second tranche of the Offering, the Company paid cash finder's fees totaling \$9,385.92 and issued 63,584 non-transferable warrants, each warrant entitling the holder to acquire one (1) common share of the Company at a price of \$0.17 per common share until September 30, 2017.

The securities issued in connection with the closing of the second tranche of the Offering are subject to a four-month hold period expiring on January 31, 2016. The Offering is subject to the final approval of the TSX Venture Exchange.

Certain insiders of the Company participated in the Offering and subscribed for an aggregate of 2,692,308 Units representing an aggregate amount of approximately \$350,000. Participation of insiders of the Company in the Offering constitutes a "related party transaction" as defined under *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* ("Regulation 61-101"). The Offering is exempt from the formal valuation and minority shareholder approval requirements of Regulation 61-101 as neither the fair market value of securities being issued to insiders nor the consideration being paid by insiders will exceed 25% of the Company's market capitalization.

The Company also issued a correction to its news release issued on August 28, 2015. It was disclosed that in relation to the first closing of the Offering, a cash finder's fee of \$34,386 and 269,510 non-transferable warrants were issued. However, in relation to the closing of the first tranche of the Offering, the cash finder's fee paid was \$31,442.84 and 241,868 non-transferable warrants were issued.

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

N/A

**Item 7 Omitted Information**

None

**Item 8 Executive Officer**

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

**Item 9 Date of Report**

October 9, 2015.