

**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

May 5, 2016

Item 3 News release

The press release was issued and distributed on May 5, 2016 via Marketwire.

Item 4 Summary of material change

Focus closes First Tranche of Non-Brokered Offering.

Item 5 Full description of material change

Focus announced the closing of the second tranche of a previously announced non-brokered private placement (the "Offering") for gross proceeds of \$337,025.25. The Company has issued 2,246,835 units (the "Units") at a price of \$0.15 per Unit. Each Unit is comprised of one (1) common share and one common share purchase warrant (a "Warrant"). Each Warrant entitles its holder to purchase one (1) common share at a price of \$0.20 per share until May 5, 2020.

In connection with the closing of the second tranche of the Offering, the Company paid cash finder's fees totaling \$19,882.02 and issued 132,546 non-transferable warrants, each warrant entitling the holder to acquire one (1) common share of the Company at a price of \$0.20 per common share until May 5, 2020.

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 September 6, 2016. The Offering is subject to the final approval of the TSX Venture Exchange.

Focus is in the process of closing additional tranches for maximum total gross proceeds of \$4,000,000.20.

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

May 12, 2016.