

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and address of the Company

Focus Graphite Inc. (the "Company" of "Focus")
945 Princess Street
Kingston, Ontario K7L 0E9

Item 2 Date of material change

August 14, 2017.

Item 3 News release

The press release was issued and distributed on August 15, 2017 via Marketwired.

Item 4 Summary of material change

Focus announced closing of a private placement

Item 5 Full description of material change

5.1 - Full description of material change

Focus announced that it has held a fourth closing of a non-brokered private placement at which it issued an aggregate of 38,966,667 units at a price of \$0.075 per unit, for gross proceeds to Focus of \$2,922,500. Each of the units consists of one common share in the capital of Focus Graphite and one common share purchase warrant. Each warrant entitles its holder to purchase one additional common share of Focus at an exercise price of \$0.10 for a period of 48 months. Focus expects to hold additional closings of the private placement until August 21, 2017, subject to an aggregate maximum of \$6.5 million (86,666,666 units), pending the approval of the TSX Venture Exchange.

The net proceeds from the sale of the units will be added to Focus' working capital.

Under applicable securities legislation and the policies of the TSX Venture Exchange, the securities issued at the fourth closing of the private placement are subject to a four-month hold period, expiring on December 15, 2017.

5.2 - Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

None.

Item 8 Executive Officer

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

Item 9 Date of Report

August 23, 2017.