FOCUS GRAPHITE INC.
945 Princess Street
Kingston, ON K7L 0E9

MATERIAL CHANGE REPORT

May 11, 2021

Item 1. Name and Address of Company

The name of the reporting issuer is Focus Graphite Inc. (the "**Issuer**" or "**Focus Graphite**"). Its head office is located at 945 Princess Street, Kingston, Ontario K7L 0E9.

Item 2. Date of Material Change

The material change occurred on May 5, 2021.

Item 3. News Release

The Issuer disseminated a News Release via Accesswire on May 5, 2021, and filed the News Release on SEDAR on May 10, 2021.

Item 4. Summary of Material Changes

On May 5, 2021, the Issuer announced that it had closed the first tranche of the previously announced non-brokered private placement (the "**Offering**") for gross proceeds of $1,822,800.08. Focus Graphite has issued 15,190,001 flow-through common shares (the "**Flow-Through Shares**") at a price of $0.12 per Flow-Through Share. The proceeds of the Offering will be used to support the exploration program on Focus Graphite's Tétépisca Graphite Project located southwest of the Manicouagan reservoir in the Cote-Nord administrative region of north-eastern Quebec.

Item 5. Full Description of Material Changes

On May 5, 2021, the Issuer announced that it had closed the first tranche of the previously announced non-brokered private placement (the "**Offering**") for gross proceeds of $1,822,800.08. Focus Graphite has issued 15,190,001 flow-through common shares (the "**Flow-Through Shares**") at a price of $0.12 per Flow-Through Share. The proceeds of the Offering will be used to support the exploration program on Focus Graphite's Tétépisca Graphite Project located southwest of the Manicouagan reservoir in the Cote-Nord administrative region of north-eastern Quebec.

In connection with the closing of the first tranche of the Offering, the Issuer paid finder's fees in cash totaling $117,236.00 and issued 976,966 non-transferable finder's warrants (the "**Finders Warrants**"). Each Finders Warrant entitles the holder to acquire one (1) non-flow-through common share of the Issuer at a price of $0.12 per common share until May 4, 2023.

The securities issued in connection with the closing of the first tranche of the Offering are subject to a four-month hold period expiring on September 5, 2021. The Offering is subject to the final approval of the TSX Venture Exchange.

Two insiders of the Issuer participated in the Offering and subscribed for an aggregate of 2,500,00 Flow-Through Shares representing an aggregate amount $300,000. Participation of insiders in the Offering constitutes a "related party transaction" as defined under Multilateral Instruments 61-101 Protection of Minority Security Holders in Special Transactions ("**61-101**"). The Offering is exempt form the formal valuation and minority shareholder approval requirements of 61-101 as neither the fair market value of securities being issued to insures nor the consideration being paid by insiders will exceed 25% of the Issuer's market capitalization. Focus Graphite did not file a material change report 21 days prior to the closing of the Offering as the details of the participation of insiders of the Issuer had not been confirmed at that time.

Items 6 and 7. Reliance on Subsection 7.1(2) of National Instrument 51-102 and Omitted Information

The Issuer is not relying on sub-section 7.1(2) of National Instrument 51-102 or the equivalent provisions of the securities legislation in other jurisdictions governing the Issuer for the filing of this report nor is any information being omitted in reliance thereon.

Item 8. Executive Officers

For further information, please contact Scott Anderson, of Investors Relations of the Issuer, at (858) 229-7063 or sanderson@nextcap-ir.com; or Judith Mazvihwa-MacLean, CFO of the Issuer, at (613) 581-4040 or jmazvihwa@focusgraphite.com.

Item 9. Date of Report

Dated this 11th day of May, 2021.