

FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

1. **Name and Address**

SRG Graphite Inc.
1320 Graham Blvd., suite 132,
Town of Mont Royal, Quebec
H3P 3C8
(the "Company" or "SRG")

2. **Date of Material Change**

May 18, 2018

3. **News Release**

The attached news release describes the material change and was disseminated on May 18, 2018.

4. **Summary of Material Change**

SRG closed its marketed public offering (the "Offering") by issuing an aggregate of 5,334,000 units (the "Units") at a price of \$1.50 per Unit for gross proceeds of \$8,001,000.

5. **Full Description of Material Change**

SRG closed the Offering through a syndicate of underwriters co-led by National Bank Financial Inc. and TD Securities Inc. and including Macquarie Capital Markets Canada Ltd., Beacon Securities Limited and Clarksons Platou Securities AS (collectively, the "Underwriters"). In connection with the closing of the Offering, the Company issued 5,334,000 Units at a price of \$1.50 per Unit for gross proceeds of \$8,001,000. Each Unit is comprised of one common share of the Company (a "Common Share") and one Common Share purchase warrant of the Company (a "Warrant"). Each Warrant will entitle the holder thereof to acquire one additional Common Share (each a "Warrant Share") at an exercise price of \$2.30 per Common Share at any time for a period of 12 months.

In connection with the Offering, the Company paid to the Underwriters a cash fee of \$480,060 and issued 320,040 broker warrants to the Underwriters, each such broker warrant entitling the holder thereof to acquire one Common Share at an exercise price of \$1.50 for a period of 12 months.

The Company has granted the Underwriters an over-allotment option to purchase up to an additional 15% of the Units sold pursuant to the Offering, exercisable in whole or in part at any time for a period of 30 days from today. The over-allotment option may be exercised for Units, Warrants or a combination thereof.

In addition, the Company has completed its previously announced concurrent non-brokered private placement (the "Concurrent Private Placement") with Coris Capital SA ("Coris") pursuant to which Coris subscribed for 1,333,333 units (the "Private Placement Units"), which were issued on the same terms and conditions as those issued pursuant to the Offering. The Private Placement Units are subject to a statutory four month hold period in accordance with applicable securities laws. The Company intends to use the proceeds from the Offering and the Concurrent Private Placement for advancement of the

Company's Lola graphite project, including, in the near term, to further regional exploration and infill resource drilling and to progress towards a feasibility study; for continued exploration of its Gogota cobalt-nickel-scandium project; and for general working capital purposes.

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

Not Applicable.

7. **Omitted Information**

None.

8. **Executive Officer**

Inquiries in respect of this material change report may be made to:

SRG Graphite Inc.
Ugo Landry-Tolszczuk
President & Chief Operating Officer
Tel: +1 (514) 679-4196

9. **Date of Report**

June 6, 2018



SRG Graphite Inc.
1320 Graham, Suite 132
Ville Mont-Royal, Québec
H3P 3C8

PRESS RELEASE

FOR IMMEDIATE RELEASE

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

**SRG GRAPHITE INC. ANNOUNCES CLOSING OF \$8,001,000
MARKETED UNIT OFFERING AND CONCURRENT PRIVATE
PLACEMENT OF \$2,000,000**

Montreal, Quebec, May 18, 2018 – SRG Graphite Inc. (TSXV: SRG) (“SRG” or the “Company”) is pleased to announce that it has closed its marketed public offering (the “Offering”) through a syndicate of underwriters co-led by National Bank Financial Inc. and TD Securities Inc. and including Macquarie Capital Markets Canada Ltd., Beacon Securities Limited and Clarksons Platou Securities AS (collectively, the “Underwriters”). In connection with the closing of the Offering, the Company issued 5,334,000 units of the Company (“Units”) at a price of \$1.50 per Unit for gross proceeds of \$8,001,000. Each Unit is comprised of one common share of the Company (a “Common Share”) and one Common Share purchase warrant of the Company (a “Warrant”). Each Warrant will entitle the holder thereof to acquire one additional Common Share (each a “Warrant Share”) at an exercise price of \$2.30 per Common Share at any time for a period of 12 months from today.

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The Company intends to use the proceeds from the Offering and the Concurrent Private Placement for advancement of the Company’s Lola graphite project, including, in the near term, to further regional exploration and infill resource drilling and to progress towards a feasibility

study; for continued exploration of its Gogota cobalt-nickel-scandium project; and for general working capital purposes.

The TSX Venture Exchange has conditionally approved the Offering and the Concurrent Private Placement. Listing of Common Shares and Warrant Shares will be subject to the fulfillment by the Company of the customary listing conditions of the TSX Venture Exchange. The Offering was made pursuant to a short form prospectus dated May 11, 2018 (the "Prospectus"), filed in each of the Provinces of Canada and available on SEDAR at www.sedar.com.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

ABOUT SRG

SRG is a Canadian-based company focused on developing the Lola graphite deposit and the Gogota cobalt-nickel-scandium deposit located in the Republic of Guinea, West Africa. SRG is committed to operating in a socially, environmentally and ethically responsible manner.

For additional information, please visit SRG's website at www.srggraphite.com.

For more information contact:

Ugo Landry-Tolszczuk

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Benoit La Salle, FCPA FCA

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of Canadian securities legislation. All information contained herein that is not clearly historical in nature may constitute forward-looking information. Generally, such forward-looking information can be identified by the use of forward-looking terminology such as "reduce", "suggest", "opportunity", "demonstrate", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would" or "might" occur. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: (i) the Company's use of proceeds of the Offering may differ from those indicated; (ii) volatile stock price; (iii) the general global markets and economic conditions; (iv) the possibility of write-downs and impairments; (v) the risk associated with exploration, development and operations of mineral deposits; (vi) the risk associated with establishing title to mineral properties and assets; (vii) fluctuations in commodity prices and other risks and factors described or referred to in the sections entitled "Risk Factors" in the Annual Information Form of the Company and the

Prospectus available at www.sedar.com, all of which should be reviewed in conjunction with the information found in this news release.

Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities and no material adverse change in mineral prices. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is given as of the date of this press release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.