

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

KEYMARK RESOURCES INC. (the "Company")
Suite 804 – 750 West Pender Street
Vancouver, BC V6C 2T7

Item 2: Date of Material Change

August 1, 2012

Item 3: News Release

A news release was issued and disseminated on August 1, 2012 through TheNewsWire and filed on SEDAR at www.sedar.com.

Item 4: Summary of Material Changes

The Company announced that it has entered into a Mining Lease Agreement and Option (the "**Lease Agreement**") through its wholly-owned Alabama subsidiary, Alabama Graphite Company, Inc. ("**Alabama Graphite**") pursuant to which it has (a) leased the mineral rights in respect of an area with the potential for graphite comprising 17,280 acres (the "**Leased Property**") in Coosa County, Alabama; and (b) received an option of first refusal (the "**Option**") to lease the mineral rights in and to an adjacent area comprising 27,720 acres (the "**Optioned Property**" and collectively with the Leased Property, the "**Properties**").

Item 5: Full Description of Material Change

Please see the news release attached as Schedule "A" hereto, for a full description of the material change.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Note applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:

Tom Kennedy, CEO
Tel: 604.682.2928
Fax: 604.685.6905

Item 9: Date of Report

August 1, 2012

Schedule "A"

KEYMARK RESOURCES INC.

NEWS RELEASE

KEYMARK RESOURCES ANNOUNCES ACQUISITION OF GRAPHITE EXPLORATION PROPERTY IN ALABAMA

August 1, 2012 - VANCOUVER, BC, Canada – Keymark Resources Inc. (the "**Company**") (**CNSX:KKR**) announces that it has entered into a Mining Lease Agreement and Option (the "**Lease Agreement**") through its wholly-owned Alabama subsidiary, Alabama Graphite Company, Inc. ("**Alabama Graphite**") pursuant to which it has (a) leased the mineral rights in respect of an area with the potential for graphite comprising 17,280 acres (the "**Leased Property**") in Coosa County, Alabama; and (b) received an option of first refusal (the "**Option**") to lease the mineral rights in and to an adjacent area comprising 27,720 acres (the "**Optioned Property**") and collectively with the Leased Property, the "**Properties**").

Under the terms of the Lease Agreement, Alabama Graphite leased the Leased Property for successive renewable 5-year terms (not to exceed 70 years) in consideration for an initial cash payment of US\$30,000 and annual advance royalty payments of US\$10,000 (starting on July 1, 2015). In accordance with the Lease Agreement, Alabama Graphite paid US\$1,000 in respect of the grant of the Option and is required to make annual payments of US\$1,000 to keep the Option in good standing. The Company is also obliged to pay the lessor a net smelter returns royalty of 2% from the commercial production and sale of graphite from the Properties, as well as royalties for precious metals, mica, iron magnetite, manganese, calcium carbonate copper, tantalum and rare earths commercially produced and sold from the Properties.

In connection with the Lease Agreement, the Company also announces that it had engaged Charles H. Merchant, Sr., an arm's length party to the Company, as an independent contractor to assist it with establishing its graphite operations in Alabama. As consideration for Mr. Merchant's services and for introducing the Properties to the Company, the Company has agreed to pay Mr. Merchant the cash sum of US\$320,000 and to issue to Mr. Merchant 500,000 common shares of the Company (the "**Finder's Shares**"), which Finder's Shares are to vest once Alabama Graphite has secured the surface rights to the Properties. The Finder's Shares are to be subject to an initial 6 month trading restriction, at which time 1/3 of the Finder's Shares will be released from the trading restriction, with the remaining 2/3 to be released from the trading restriction at six month intervals.

The Company is obliged to pay Mr. Merchant an additional US\$100,000 upon receipt by Alabama Graphite of a bankable feasibility study in respect of the Leased Property and a further US\$150,000 upon full permitting of the Leased Property. The Company is also obliged to pay Mr. Merchant net smelter royalties of up to US\$150,000 if and when graphite mining operations commence on the Leased Property.

Closing of the above transactions is to occur once the Company has completed the requisite filings under CNSX policies and the requisite one day waiting period has elapsed.

KEYMARK RESOURCES INC.

Thomas Kennedy, Chief Executive Officer
T: 604-682-2928

THE CANADIAN NATIONAL STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS NEWS RELEASE.

Not for Distribution in the United States or to U.S. Persons