

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

ALABAMA GRAPHITE CORP. (the "Company")
Suite 804 – 750 West Pender Street
Vancouver, BC V6C 2T7

Item 2: Date of Material Change

January 20, 2014.

Item 3: News Release

A news release was issued and disseminated on January 20, 2014 through TheNewsWire and filed on SEDAR at www.sedar.com.

Item 4: Summary of Material Changes

The Company announced that it has granted incentive stock options to purchase a total of 220,000 common shares at an exercise price of \$0.105 per share for a period of five years to its directors and officers in accordance with the provisions of its stock option plan.

Item 5: Full Description of Material Change

The Company announced that it has granted incentive stock options to purchase a total of 220,000 common shares at an exercise price of \$0.105 per share for a period of five years to its directors and officers in accordance with the provisions of its stock option plan.

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

Not applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:

Dan Spine, CEO
Tel: 404.661.6254

Ron S. Roda, President
Tel: 609.785.1581

Item 9: Date of Report

January 20, 2014.