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

September 24, 2014

Item 3: News Release

A news release was issued and disseminated on September 24, 2014 and filed on SEDAR at www.sedar.com.

Item 4: Summary of Material Changes

The Company is pleased to announce that it has received the first set of metallurgical results from SGS Laboratory in Lakefield, Ontario, Canada on sample material originating from the newly acquired Bama Property.

Item 5: Full Description of Material Change

The Company is pleased to announce that it has received the first set of metallurgical results from SGS Laboratory in Lakefield, Ontario, Canada on sample material originating from the newly acquired Bama Property. Using only simple floatation (without chemical or thermal treatment) the Bama composite sample produced a graphite concentrate that contained an aggregate of 54.7% large flake (+80 mesh), of which 17.8% was in the jumbo flake (+48 mesh) category. For all size ranges coarser than +150 mesh the purity exceeded 96.3% with the jumbo flake fraction having a purity of 98.5% in Scoping Level Evaluations. Another notable characteristic is the sample's low sulphur content at 0.02%.

The 5 kg composite sample was taken from the upper 50 feet of the existing Bama Mine pit wall. The following table presents the size flake distribution and concentrate purities of the sample.

Flake Size	Weight %	Assays %C(t)
+ 48 mesh (Jumbo)	17.8	98.5
+ 65 mesh (Large)	25.2	96.8
+ 80 mesh (Large)	11.7	96.4
+ 100 mesh	10.4	96.3

As with the Company's flagship Coosa Project, the Bama Mine contains a thick oxidized zone where weathering has both removed sulfide minerals and significantly reduced the hardness of the graphitic schist host. It is well established that far less work and energy is required to liberate minerals from soft, weathered host rock. In addition, the ease of liberating the graphite from the weathered rock in Alabama could lead to potential savings in both capital and operating expenses.

"We are tremendously pleased to see such high purity values within a simple flotation, in our first sample of the Bama material," stated Ron Roda, President and CEO of the Company. "To combine this with over 50% large and jumbo flakes indicate that the Bama Property shows excellent economic potential. This combination of flake size distribution, purity and low sulphur content will allow us to support our mission of having one of the greenest graphite operations in the world. The Chilton properties we recently acquired will deservedly receive significant attention this fall and winter."

The Company is continuing metallurgical studies of its Chilton and Coosa County properties with detailed flowsheet development that maximizes concentrate grade and carbon recovery while minimizing the degradation of graphite flakes. This work is in preparation for a Preliminary Economic Assessment to begin later this year in respect of the Coosa Project.

Rick Keevil, P. Geo., a Director of the Company and VP of Project Development, is a Qualified Person as defined by National Instrument 43-101, has reviewed the contents of the press release.

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:

Ron S. Roda
President & Chief Executive Officer
(609) 785-1581

Item 9: Date of Report

September 24, 2014.