

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Northern Graphite Corporation (“**Northern**” or the “**Corporation**”)  
290 Picton Avenue  
Ottawa, Ontario K1Z 8P8

2. **Date of Material Change**

November 22, 2017

3. **News Release**

A news release was disseminated on November 23, 2017 via Marketwired.

4. **Summary of Material Change**

On November 23, 2017, the Corporation announced that it closed its previously announced non-brokered private placement offering of units (the “**Units**”) of the Corporation (the “**Offering**”) and had issued 4,582,644 Units at a price of \$0.45 per Unit for gross proceeds of \$2,062,190.

5. **Full Description of Material Change**

**5.1 Full Description of Material Change**

Under the Offering, Northern issued 4,582,644 Units at a price of \$0.45 per Unit for gross proceeds of \$2,062,190. Each Unit consists of one common share and one half of one common share purchase warrant, with each full warrant entitling the holder to purchase one common share at a price of \$0.60 per share for a period of two years.

Northern intends to use the net proceeds from the private placement (i) to finalize operational permitting for the Bissett Creek graphite project; (ii) to update the bankable feasibility study for the project to reflect a substantial decline in the CDN/US exchange rate, lower oil prices and more competitive equipment pricing, and to integrate some capital cost reduction modifications into the flow sheet; (iii) to conduct a pilot plant test of the Corporation’s proprietary purification process which has the potential to provide a substantial competitive advantage in the manufacture of anode material for lithium ion batteries; and (v) for working capital and general corporate purposes.

Northern paid finders’ fees on part of the private placement which consisted of \$131,119.15 in cash and 291,370 broker warrants, with each broker warrant exercisable to acquire one common share at a price of \$0.60 for a period of one year.

The securities issued under the private placement, including the broker warrants and common shares underlying the warrants and broker warrants, are subject to a statutory hold period lasting until March 23, 2018.

A director and officer of the Corporation participated in the private placement and acquired 100,000 Units. Such participation constitutes a “related party transaction” pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The issuance to this insider is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the fair market value of the Units issued to, or consideration paid by such person, did not exceed 25% of the Corporation’s market capitalization.

**5.2 Disclosure for Restructuring Transactions**

Not Applicable.

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

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

For further information, please contact Gregory Bowes, Chief Executive Officer or Stephen Thompson, Chief Financial Officer of the Corporation at (613) 241-9959.

9. **Date of Report**

December 1, 2017

**Forward-Looking Statements.** This material change report contains forward-looking statements and information. More particularly, this document contains statements and information concerning the use of proceeds. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "will", "believe", "anticipate", "estimate", "scheduled", "potential", or other similar words, or statements that certain events or conditions "may", "should" or "could" occur. These statements are only current predictions and are subject to known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. The Corporation does not intend, and does not assume any obligation, to update forward-looking statements, whether as a result of new information, future events or otherwise, unless otherwise required by applicable securities laws. Readers should not place undue reliance on forward-looking statements.