

**FOCUS GRAPHITE INC.
FORM 51-102F3: MATERIAL CHANGE REPORT**

December 8, 2025

Item 1 - Name and Address of Company

Focus Graphite Inc. (“**the Company**”)
945 Princess St., Kingston, Ontario, K7L 0E9, Canada

Item 2 - Date of Material Change

December 8, 2025

Item 3 - News Release

A news release in respect of the material change was issued on December 8, 2025 through TMX Newsfile, a copy of which is attached as Exhibit “A” to this Material Change Report.

Item 4 - Summary of Material Change

The Company announced that it closed a \$3.9 Million bought deal offering, effective December 8, 2025.

Item 5 - Full Description of Material Change

The Company announced that it closed a \$3.9 Million bought deal offering, effective December 8, 2025. The offering was led by Research Capital Corporation as the sole underwriter and sole bookrunner (the “**Underwriter**”). The Company issued 9,273,410 units of the Company (the “**Units**”) at a price of \$0.42 per Unit, for aggregate gross proceeds of \$3,894,832.20 including the partial exercise of an over-allotment option granted to the Underwriter by the Company. Each Unit consists of one common share of the Company (a “**Common Share**”) and one Common Share purchase warrant of the Company (a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.60 per Common Share at any time until June 8, 2028.

Items 6 - Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 - Omitted Information

None.

Item 8 - Executive Officer

Dean Hanisch CEO, Focus Graphite Inc.
ghanisch@focusgraphite.com
+1 (613) 612-6060

Item 9 - Date of Report

DATED at Ottawa, Ontario this 8th day of December 2025.

EXHIBIT A

See attached

Focus Graphite Closes \$3.9 Million Bought Deal Offering

Ottawa, Ontario--(Newsfile Corp. - December 8, 2025) - **Focus Graphite Inc.** (TSXV: FMS) (OTCQB: FCSMF) (FSE: FKC0) ("**Focus**" or the "**Company**") is pleased to announce that it has completed its previously announced "bought deal" offering (the "**Offering**"). The Offering was led by Research Capital Corporation as the sole underwriter and sole bookrunner (the "**Underwriter**").

Pursuant to the Offering, the Company issued 9,273,410 units of the Company (the "**Units**") at a price of \$0.42 per Unit, for aggregate gross proceeds of \$3,894,832.20 including the partial exercise of an over-allotment option granted to the Underwriter by the Company. Each Unit consists of one common share of the Company (a "**Common Share**") and one Common Share purchase warrant of the Company (a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.60 per Common Share at any time until June 8, 2028.

The net proceeds from the Offering will be used for temporary working capital float, payments required before reimbursement, technical and qualification materials associated with the Government of Canada's Global Partnership Initiative and general corporate purposes.

The Units were issued pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 - Prospectus Exemptions as amended by CSA Coordinated Blanket Order 45-935 - *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (collectively, the "**Listed Issuer Financing Exemption**"). The securities offered under the Listed Issuer Financing Exemption are "free-trading" and will not be subject resale restrictions in accordance with applicable Canadian securities laws.

The Company entered into an underwriting agreement dated December 8, 2025, with the Underwriter, pursuant to which the Company (i) paid the Underwriter a cash commission of \$272,638.25, and (ii) issued an aggregate of 649,139 non-transferable broker warrants (the "**Broker Warrants**"). Each Broker Warrant entitles the holder to purchase one unit (a "**Broker Unit**") at an exercise price of \$0.60 per Broker Unit at any time until June 8, 2028. Each Broker Unit is comprised of one Common Share (a "**Broker Share**") and one Warrant (a "**Broker Warrant**"). Each Broker Warrant entitles the Underwriter to purchase one Common Share (a "**Broker Warrant Share**") at a price of \$0.60 per Broker Warrant Share at any time until June 8, 2028. The Broker Warrants, Broker Units, Broker Shares and Broker Warrant Shares are subject to a hold period of 4 months and one day from the date of issue.

This press release is not an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification or registration under the securities laws of such jurisdiction. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from U.S. registration requirements and applicable U.S. state securities laws.

About Focus Graphite Advanced Materials Inc.

Focus Graphite Advanced Materials is redefining the future of critical minerals with two 100% owned world-class graphite projects and cutting-edge battery technology. Our flagship Lac Knife project stands as one of the most advanced high-purity graphite deposits in North America, with a fully completed feasibility study. Lac Knife is set to become a key supplier for the battery, defence, and advanced materials industries.

Our Lac Tetepisca project further strengthens our portfolio, with the potential to be one of the largest and

highest-purity and grade graphite deposits in North America. At Focus, we go beyond mining - we are pioneering environmentally sustainable processing solutions and innovative battery technologies, including our patent-pending silicon-enhanced spheroidized graphite, designed to enhance battery performance and efficiency.

Our commitment to innovation ensures a chemical-free, eco-friendly supply chain from mine to market. Collaboration is at the core of our vision. We actively partner with industry leaders, research institutions, and government agencies to accelerate the commercialization of next-generation graphite materials. As a North American company, we are dedicated to securing a resilient, locally sourced supply of critical minerals - reducing dependence on foreign-controlled markets and driving the transition to a sustainable future.

For more information on Focus Graphite Inc. please visit <http://www.focusgraphite.com>

LinkedIn: <https://www.linkedin.com/company/focus-graphite/>

X: <https://x.com/focusgraphite>

Investors Contact:

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to the future prospects of the Company and the Lac Knife project, and the use of proceeds of the Offering.

Such forward-looking statements or information are based on a number of assumptions, which may prove to be incorrect. Assumptions have been made regarding, among other things: conditions in general economic and financial markets; accuracy of assay results; geological interpretations from drilling results, timing and amount of capital expenditures; performance of available laboratory and other related services; future operating costs; and the historical basis for current estimates of potential quantities and grades of target zones. The actual results could differ materially from those anticipated in these forward-looking statements as a result of risk factors, including the timing and content of work programs; results of exploration activities and development of mineral properties; the interpretation and uncertainties of drilling results and other geological data; receipt, maintenance and security of permits and mineral property titles; environmental and other regulatory risks; project costs overruns or unanticipated costs and expenses; availability of funds; failure to delineate potential quantities and grades of the target zones based on historical data; and general market and industry conditions. Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this news release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

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.

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