

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

Graphite Energy Corp. (the “**Company**”)
804-750 West Pender Street
Vancouver, BC V6C 2T7

Item 2: Date of Material Change

August 17, 2020

Item 3: News Release

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

Item 4: Summary of Material Changes

The Company announced the closing of its non-brokered private placement (the “**Private Placement**”). See Item 5 below for further details.

Item 5: Full Description of Material Change

The Company announced that it has closed its Private Placement issuing 13,000,000 units (the “**Units**”), at a price of \$0.20 per Unit for gross proceeds of \$2,600,000. Each Unit is comprised of one common share (a “**Share**”) and one transferable common share purchase warrant (a “**Warrant**”).

Each Warrant allows the holder to purchase one Share of the Company at a price of \$0.35 per Share for a period of three (3) years from the date of closing of the Private Placement. The Warrants are subject to an acceleration provision, whereby if the Company's Shares close at or above \$0.40 per Share for more than 10 consecutive trading days, the holder will have 30 days from that date to exercise the Warrant or it will expire.

The Company paid finder's fees totaling \$82,000 and 930,000 finder's warrants (the “**Finder's Warrants**”) to PI Financial Corp., Haywood Securities Inc., MarketSmart Communications Inc. and Chris Jackson. The Finder's Warrants are non-transferable and exercisable on the same terms as the Warrants issued in the Private Placement.

All securities issued pursuant to the Private Placement are subject to a four-month hold period.

The Company intends to use the net proceeds from the Private Placement for exploration activities, in particular, the proposed acquisition of the Beatons River, Cuprite West & East, Tyche, Fortuna & Nortia under-explored projects located in Western Australia's Pilbara Gold District, as announced in the Company's news release dated July 16, 2020, and for general working capital.

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:

Adrian Hobkirk,
President, CEO and Director
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Item 9: Date of Report

August 24, 2020