

MASON GRAPHITE INC.
SUBSCRIPTION AGREEMENT FOR COMMON SHARES

D-15

HAVE YOU COMPLETED THIS SUBSCRIPTION AGREEMENT PROPERLY?

The following items in this Subscription Agreement must be completed.
(Please initial each box.)

All Subscribers

All Subscriber information in the boxes on pages 2 and 3.

Sign the execution page of this Subscription Agreement on page 2.

Schedule "B", indicating which category is applicable and sign on page B-5.

Appendix "A" to Schedule "B", if relying on categories (j), (k) or (l) of the Accredited Investor exemption and sign on page B-6.

Schedule "C", if required to submit a TSXV Form 4C Corporate Placee Form

** see page 3 to determine whether a TSXV Form 4C Corporate Placee Form is required to be submitted

Return this executed Subscription Agreement and all applicable Schedules to:

Return by:

4:00 p.m. (Montréal time) on Wednesday, September 21, 2016

Return to:

**Heather McLennan
heather.mclennan@nbc.ca
Facsimile: (416) 869-1010**

together with payment as described herein in the aggregate Subscription Amount set out on the following page, or in such other manner as may be provided for by the Underwriters (as defined herein).

Account Registration Information:

(Name)

(Account Reference, if applicable)

(Address, including Postal Code)

TSXV Corporate Placee Registration Form:

The Subscriber, if not an individual and (i) holds, or will hold upon completion of the Offering (as defined herein), more than 5% of the issued and outstanding common shares of the Corporation on a Diluted or Undiluted basis (as such terms are defined herein); (ii) is, or will upon completion of the Offering be, an Insider; or (iii) is a Aggregate Pro Group (as defined herein) the Subscriber, either: [CHECK APPROPRIATE]

_____ has previously filed with the TSX Venture Exchange a Form 4C, Corporate Placee Registration Form, and represents and warrants that there has been no change to any of the information in the Form 4C previously filed with the TSX Venture Exchange up to the date of this Subscription Agreement; or

_____ hereby delivers to the Corporation a duly signed and completed Form 4C Corporate Placee Registration Form, in the form attached hereto as Schedule "C" for filing with the TSX Venture Exchange.

State whether Subscriber is a Registrant:

Yes No

Note: A Registrant means a dealer, adviser, investment fund manager, an ultimate designated person or chief compliance officer as those terms are used pursuant to the Securities Laws (as defined herein), or a person (as that term is defined herein) registered or otherwise required to be registered under the Securities Laws.

Number and kind of securities of the Corporation held, directly or indirectly, if any:

State whether Subscriber is an Insider of the Corporation:

Yes No

State whether Subscriber is a member of a Pro Group:

Yes No

(see Article I, section 1.1. – Definitions)

“**Option**” means the option granted by the Corporation to the Underwriters, exercisable at any time until 48 hours prior to the Closing Time, to purchase up to an additional 3,412,500 Common Shares at the Subscription Price.

“**Person**” includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning.

“**Pro Group**” means a member (brokerage firm) of the TSXV, an employee, partner, officer, director or an ‘affiliate’ (a company controlling or under common control) of a member or an ‘associate’ (a company of which more than 10% of the voting shares are owned or controlled by such person, a partner of such person, a trust or estate of which a substantial beneficial interest is owned or of which such person is a trustee, a spouse or child of such person, or a relative of such person or their spouse living in the same home as such person) of any of the foregoing.

“**Securities Laws**” means, as applicable, the securities laws, regulations, rules, rulings and orders in each of the Selling Jurisdictions, the applicable policy statements, notices, blanket rulings, orders and all other regulatory instruments of the securities regulators in each of the Selling Jurisdictions, and the policies of the TSXV.

“**Selling Jurisdictions**” means the Provinces of Canada and such other jurisdictions outside of Canada contemplated in the Underwriting Agreement.

“**Subscriber**” means the subscriber for the Common Shares as set out on page 2 of this Subscription Agreement and includes, as applicable, each Disclosed Principal for whom it is acting.

“**Subscription Agreement**” means this subscription agreement (including any Schedules hereto) and any instrument amending this Subscription Agreement; “**hereof**”, “**hereto**”, “**hereunder**”, “**herein**” and similar expressions mean and refer to this Subscription Agreement and not to a particular Article or Section; and the expression “**Article**” or “**Section**” followed by a number means and refers to the specified Article or Section of this Subscription Agreement.

“**Subscription Amount**” shall have the meaning ascribed to such term on page 2 of this Subscription Agreement.

“**Subscription Price**” shall have the meaning ascribed to such term on page 2 of this Subscription Agreement.

“**Term Sheet**” means the term sheet delivered to potential purchasers of Common Shares, a copy of which is attached hereto as Schedule “A”.

“**TSXV**” means the TSX Venture Exchange.

“**Underwriters**” means National Bank Financial Inc., Paradigm Capital Inc., Cormark Securities Inc., TD Securities Inc., Dundee Capital Markets and Macquarie Capital Markets Canada Ltd.

“**Underwriting Agreement**” means the underwriting agreement to be dated on or about the Closing Date to be entered into between the Underwriters and the Corporation in respect of the Offering.

“**Undiluted**” means the total amount of listed Common Shares held by a beneficial holder, including listed Common Shares purchased under the Offering, immediately on Closing;

“**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

“**U.S. Person**” means a “U.S. person” as such term is defined in Regulation S under the U.S. Securities Act.

for the Common Shares which is not accepted will be promptly delivered to the Subscriber without interest or deduction.

ARTICLE 4 - CLOSING

4.1 Closing

Delivery and sale of the Common Shares and payment of the aggregate Subscription Amount will be completed (the “**Closing**”) at the offices of the Corporation’s counsel, Lavery, de Billy, L.L.P., in Montréal, Québec at 8:00 a.m. (Montréal time) (the “**Closing Time**”) on September 27, 2016, or such other place or date or time as the Corporation and the Underwriters may mutually agree (the “**Closing Date**”). If, on or prior to the Closing Time, the terms and conditions contained in this Subscription Agreement and the Underwriting Agreement have been complied with to the satisfaction of the Underwriters, or waived by the Underwriters, the Underwriters shall deliver to the Corporation all completed Subscription Agreements and payment of the aggregate Subscription Amount for all of the Common Shares sold pursuant to the Underwriting Agreement against electronic deposit by the Corporation of the Common Shares with CDS (or such other evidence of issue of the Common Shares as the Underwriters and the Corporation may agree) and such other documentation as may be required pursuant to the Subscription Agreement and the Underwriting Agreement.

If, prior to the Closing Time, the terms and conditions contained in this Subscription Agreement (other than the electronic deposit of the Common Shares with CDS or such other evidence of issue of the Common Shares as the Underwriters and the Corporation may agree) and the Underwriting Agreement have not been complied with to the satisfaction of the Underwriters, or waived by them, the Underwriters, the Corporation and the Subscriber will have no further obligations under this Subscription Agreement.

It is anticipated that the Common Shares purchased hereunder will be deposited electronically with CDS through the book-based system administered by CDS on the Closing Date. In such case, no Subscriber will be entitled to receive definitive certificates or other instruments from the Corporation or CDS representing their interest in the securities purchased hereunder. The Subscriber will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the securities hereunder are purchased against payment of the Subscription Amount.

4.2 Conditions of Closing

The Subscriber acknowledges and agrees that the Corporation is relying on the truth of the representations and warranties of the Subscriber contained in this Subscription Agreement as of the date of this Subscription Agreement, and as of the Closing Time as if made at and as of the Closing Time, and the fulfillment of the following additional conditions prior to the Closing Time:

- (a) on or before September 27, 2016, payment by the Subscriber of the Subscription Amount by electronic money transfer to one of the Underwriters or such other payment method as may be agreed to by the Underwriters;
- (b) on or before 4:00 p.m. on Wednesday, September 21, 2016, the Subscriber having properly completed, signed and delivered this Subscription Agreement (including all applicable Schedules hereto) to:

National Bank Financial Inc.
130 King Street West
Suite 3200, P.O. Box 21
Toronto, Ontario, M5X 1J9
Attention: Heather McLennan
Email: heather.mclennan@nbc.ca
Fax: (416) 869-1010

- (d) without limiting the generality of the foregoing, to negotiate, settle, execute, deliver and amend the Underwriting Agreement and any ancillary documents in connection with the Offering.

This power of attorney is irrevocable, is coupled with an interest and has been given for valuable consideration, the receipt and adequacy of which are acknowledged by the Subscriber. This power of attorney and other rights and privileges granted under this section will survive any legal or mental incapacity, dissolution, bankruptcy or death of the Subscriber. This power of attorney extends to the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of the Subscriber. Any person dealing with the Underwriters may conclusively presume and rely upon the fact that any document, instrument or agreement executed by the Underwriters pursuant to this power of attorney are authorized and binding on the Subscriber, without further inquiry. The Subscriber agrees to be bound by any representations or actions made or taken by the Underwriters pursuant to this power of attorney, and waives any and all defences that may be available to contest, negate or disaffirm any action of the Underwriters taken in good faith under this power of attorney relating to the Offering.

ARTICLE 5 – REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CORPORATION

5.1 Representations, Warranties and Covenants of the Corporation

The Subscriber shall have the benefit of the representations, warranties and covenants made by the Corporation to the Underwriters and set forth in the Underwriting Agreement. Such representations, warranties and covenants shall form an integral part of this Subscription Agreement and shall survive the Closing and shall continue in full force and effect for the benefit of the Subscriber in accordance with the Underwriting Agreement. The Corporation acknowledges that, in making its decision to invest in the Corporation, the Subscriber is relying on this Subscription Agreement, the representations, warranties and covenants of the Corporation contained in the Underwriting Agreement and information about the Corporation which has been filed under its corporate profile on the SEDAR website at www.sedar.com.

ARTICLE 6- ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SUBSCRIBER

6.1 Acknowledgements, Representations, Warranties and Covenants of the Subscriber

The Subscriber, on its own behalf and, if applicable, on behalf of a Disclosed Principal for whom it is acting hereunder, hereby represents and warrants to, and covenants with, the Corporation and the Underwriters as follows and acknowledges that the Corporation and the Underwriters are relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) The Subscriber confirms that it:
 - (i) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks (including the potential loss of its entire investment) of its investment in the Common Shares;
 - (ii) is aware of the characteristics of the Common Shares and understands the risks relating to an investment therein; and
 - (iii) is able to bear the economic risk of loss of its investment in the Common Shares.
- (b) The Subscriber is resident, or if not an individual has its head office, in the jurisdiction set out on page 2 of this Subscription Agreement and intends that the Securities Law of that jurisdiction govern the Subscriber's subscription. Such address was not created and

Shares under the applicable securities laws of such International Jurisdiction without the need to rely on exemptions;

- (iv) the subscription does not contravene the applicable securities laws of the International Jurisdiction and such laws do not require the Corporation to prepare and/or file any documents or be subject to ongoing reporting requirements or seek any approvals of any kind whatsoever in respect of the offer and sale of the Common Shares to the Subscriber from any regulatory authority of any kind whatsoever in the International Jurisdiction; and
 - (v) the Subscriber will, if requested by the Corporation or the Underwriters, deliver to the Corporation and the Underwriters a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in subparagraphs (iii) and (iv) above to the satisfaction of the Corporation and the Underwriters, acting reasonably.
- (i) The execution and delivery of this Subscription Agreement, the performance and compliance with the terms hereof, the subscription for the Common Shares and the completion of the transactions described herein by the Subscriber will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, by-laws or resolutions of the Subscriber, if applicable, the Securities Laws or any other laws applicable to the Subscriber, any agreement to which the Subscriber is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Subscriber.
 - (j) The Subscriber is subscribing for the Common Shares as principal for its own account and not for the benefit of any other person (within the meaning of applicable Securities Laws) or if it is not subscribing as principal it is acting as agent for a Disclosed Principal (whose identity is disclosed on page 2 of this Subscription Agreement) who is purchasing as principal for its own account and not for the benefit of any other person.
 - (k) If the Subscriber is contracting hereunder as trustee or agent for a fully managed account (including for greater certainty, a portfolio manager or comparable advisor) or as agent for a Disclosed Principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription and if the Subscriber is acting as agent for a Disclosed Principal, who is subscribing as principal for its own account and not for the benefit of any other person, this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of and constitutes a legal, valid and binding agreement of such Disclosed Principal and the Subscriber acknowledges that the Corporation and/or Underwriters may be required by law to disclose to certain regulatory authorities the identity of such Disclosed Principal for whom it is acting.
 - (l) In the case of a subscription for the Common Shares by the Subscriber acting as principal, this Subscription Agreement has been duly authorized, executed and delivered by, and constitutes a legal, valid and binding agreement of the Subscriber. This Subscription Agreement is enforceable in accordance with its terms against the Subscriber.
 - (m) If the Subscriber is:
 - (i) a corporation, the Subscriber is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite legal and

not based upon, and the Subscriber has not relied upon, any oral or written representations as to facts made by or on behalf of the Corporation or the Underwriters, except as set forth herein. The Subscriber's decision to subscribe for the Common Shares was based solely upon this Subscription Agreement (including the Term Sheet attached as Schedule "A" hereto), the representations, warranties and covenants of the Corporation contained in the Underwriting Agreement and information about the Corporation which is publicly available (any such information having been obtained by the Subscriber without independent investigation or verification by the Underwriters).

- (t) Neither the Corporation nor the Underwriters, nor any of their directors, employees, officers, affiliates or agents has made any written or oral representations:
 - (i) that any person will resell or repurchase the Common Shares;
 - (ii) that any person will refund all or any part of the Subscription Amount; or
 - (iii) as to the future price or value of the Common Shares.
- (u) The Subscriber is not purchasing the Common Shares with knowledge of any material information concerning the Corporation that has not been generally disclosed.
- (v) The subscription for the Common Shares has not been made through or as a result of, and the distribution of the Common Shares is not being accompanied by any advertisement, including without limitation in printed public media, radio, television or telecommunications, including electronic display, or as part of a general solicitation.
- (w) The funds representing the Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the "PCMLTFA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge (a) none of the subscription funds to be provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (b) the Subscriber shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith.
- (x) The Subscriber is not a person or entity identified in the legislation or regulations enacting any economic or financial sanctions, laws, regulations, embargoes, or restrictive measures imposed, administered or enforced by Canada, including but not limited to, the provisions of the *United Nations Act* (Canada), the *Special Economic Measures Act* (Canada) or any other economic sanctions laws administered by Foreign Affairs and International Trade Canada or the Department of Public Safety Canada.

6.2 Acknowledgments and Covenants of the Subscriber

The Subscriber acknowledges, covenants and agrees as follows:

- (a) There are risks associated with the purchase of the Common Shares and no securities commission, agency, governmental authority, regulatory body, stock exchange or

- (ii) the common law may not provide investors with an adequate remedy in the event that they suffer investment losses in connection with securities acquired in a private placement,
 - (iii) the Subscriber may not receive information that would otherwise be required to be given under the Securities Laws, and
 - (iv) the Corporation is relieved from certain obligations that would otherwise apply under the Securities Laws.
- (g) The offer, issuance, sale and delivery of the Common Shares is conditional upon such sale being exempt from the prospectus filing or registration requirements and the requirement to deliver an offering memorandum in connection with the distribution of the Common Shares under the Securities Laws of the Selling Jurisdictions or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus.
- (h) The Corporation may complete additional financings in the future in order to develop the business of the Corporation and fund its ongoing development, and such future financings may have a dilutive effect on current shareholders or securityholders of the Corporation, including the Subscriber.
- (i) The Subscriber is responsible for obtaining such legal and tax advice as it considers appropriate in connection with the execution, delivery and performance of this Subscription Agreement and the transactions contemplated under this Subscription Agreement.
- (j) This offer to subscribe is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber without the consent of the Corporation.
- (k) There is no government or other insurance covering the Common Shares.
- (l) Legal counsel retained by the Corporation and legal counsel retained by the Underwriters are acting as counsel to the Corporation and Underwriters respectively, and not as counsel to the Subscriber.
- (m) The Subscriber acknowledges and consents to the collection, use and disclosure of personal information, including information provided by the Subscriber on the cover page and in the Schedules attached hereto, by the TSXV and its affiliates, authorized agents, subsidiaries and divisions for the following purposes: (i) to verify personal information that has been provided about each individual, (ii) to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the issuer or its associates or affiliates, (iii) to conduct enforcement proceedings, and (iv) to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the TSXV, Securities Laws and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada. As part of this process, the Subscriber further acknowledges that the TSXV also collects additional personal information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished. The personal information collected by the TSXV may also be disclosed (i) to the aforementioned

Agreement shall survive the Closing and continue in full force and effect for the benefit of the Corporation and the Underwriters for a period of two years following the Closing, in each case notwithstanding such Closing or any investigation made by or on behalf of the Corporation or the Underwriters with respect thereto and notwithstanding any subsequent disposition by the Subscriber of any of the Common Shares.

ARTICLE 8 – INDEMNITY

The Subscriber acknowledges that the Corporation, the Underwriters and their respective counsel are relying upon the representations, warranties, acknowledgements and covenants of the Subscriber set forth herein (including the schedules attached hereto) in determining the eligibility (from a securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Common Shares) to purchase Common Shares under the Offering, and hereby agrees to indemnify the Corporation, the Underwriters and their respective directors, officers, employees, consultants, advisers, affiliates, shareholders, representatives and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties, acknowledgements and covenants. To the extent that any person entitled to be indemnified hereunder is not a party to this Subscription Agreement, the Corporation or the Underwriters as the case may be, shall obtain and hold the rights and benefits of this Subscription Agreement in trust for, and on behalf of, such person, and such person shall be entitled to enforce the provisions of this section notwithstanding that such person is not a party to this Subscription Agreement.

ARTICLE 9 - COMMISSION

9.1 Commission to the Underwriters

The Subscriber understands that in connection with the issue and sale of the Common Shares pursuant to the Offering, the Underwriters will receive from the Corporation on Closing, a cash commission equal to 5.0% of the gross proceeds from the Offering (including for certainty on any exercise of the Option). No other fee or commission is payable by the Corporation in connection with the completion of the Offering; however, the Corporation will pay certain fees and expenses of the Underwriters (including fees and expenses of counsel to the Underwriters) plus applicable taxes in connection with the Offering, as set out in the Underwriting Agreement.

ARTICLE 10 - MISCELLANEOUS

10.1 Further Assurances

Each of the parties hereto upon the request of each of the other parties hereto, whether before or after the Closing Time, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.

10.2 Notices

- (a) Any notice, direction or other instrument required or permitted to be given to any party hereto shall be in writing and shall be sufficiently given if delivered personally, or transmitted by facsimile tested prior to transmission to such party, as follows:
 - (i) in the case of the Corporation, to:

Mason Graphite Inc.
3030, boul. Le Carrefour, suite 600
Laval, Québec
H7T 2P5

10.5 Applicable Law

This Subscription Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Québec and the laws of Canada applicable therein. Any and all disputes arising under this Subscription Agreement, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the Province of Québec and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such Province.

10.6 Entire Agreement

Except as contemplated hereby with respect to the Underwriting Agreement, this Subscription Agreement, including the Schedules hereto, constitutes the entire agreement between the parties with respect to the transactions contemplated herein and cancels and supersedes any prior understandings, agreements, negotiations and discussions between the parties. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the parties hereto other than those expressly set forth in this Subscription Agreement or in any such agreement, certificate, affidavit, statutory declaration or other document as aforesaid. This Subscription Agreement may not be amended or modified in any respect except by written instrument executed by each of the parties hereto.

10.7 Counterparts

This Subscription Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same Subscription Agreement. Counterparts may be delivered either in original, PDF or faxed form and the parties adopt any signatures received by PDF or a receiving fax machine as original signatures of the parties. If less than a complete copy of this Subscription Agreement is delivered to the Corporation or the Underwriters, the Corporation, the Underwriters and their respective advisors are entitled to assume that the Subscriber accepts and agrees to all the terms and conditions of the pages not delivered, unaltered.

10.8 Assignment

This Subscription Agreement may not be assigned by either party except with the prior written consent of the other party hereto.

10.9 Enurement

This Subscription Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors (including any successor by reason of the amalgamation or merger of any party), administrators and permitted assigns.

10.10 Language

It is the express wish of the Subscriber that the Subscription Agreement and any related documentation be drawn up in English only. *Il est de la volonté expresse du souscripteur que la convention de souscription ainsi que tout document connexe soient rédigés en langue anglaise uniquement.*

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SCHEDULE "A"
TERM SHEET

- Issuer:** Mason Graphite Inc. ("Mason Graphite" or the "Company").
- Issue:** Private placement on a "bought deal" basis (the "Offering") of common shares of the Company ("Offered Common Shares").
- Issue Price:** \$1.10 per Offered Common Share.
- Issue Size:** 22,750,000 Offered Common Shares for aggregate gross proceeds of \$25,025,000.
- Underwriter's Option:** The Underwriter (as defined below) will have the option (the "Underwriter's Option") to purchase, exercisable at any time up to 48 hours prior to the closing of the Offering, up to 3,412,500 additional Offered Common Shares for additional gross proceeds of up to \$3,753,750, at the same price per Offered Common Share as applicable under the Offering.
- Use of Proceeds:** The gross proceeds of the Offered Common Shares sold under the Offering shall be used by the Company as follows:
- i. Approximately \$17 million for development expenses related to the Company's Lac Guéret graphite mine and Baie-Comeau, Québec concentrator plant project (the "Project"), the majority of which the Company expects to incur over the next twelve months (or approximately \$21 million if the over-allotment option is exercised in full). These development expenses represent a portion of the Project's estimated \$165.9 million capital expenditure budget, as described in the "NI 43-101 Technical Report: Resource Update and Feasibility Study, Lac Guéret Graphite Project" report published by the Company on February 29, 2016;
 - ii. Up to approximately \$6 million for the payment of amounts owing to Quinto Mining Corporation related to the Company's acquisition of the mining claims that comprise the Lac Guéret property;
 - iii. Approximately \$1 million for an additional equity investment in Group NanoXplore Inc., an advanced materials company specialized in the production of graphene and graphene-enhanced polymers, and in which Mason Graphite currently holds a 31% equity stake on a non-diluted basis;
 - iv. The remainder of the proceeds for general corporate purposes.
- Selling Jurisdictions:** The Common Shares will be offered and sold by way of private placement exemptions in the provinces of Canada, and/or to institutional accredited investors or qualified institutional buyers in the United States that satisfy the requirements of Rule 501(a) of Regulation D or Rule 144A, as the case may be, under the United States Securities Act of 1933, as amended (the "U.S. Securities Act").
- Eligibility:** Eligible for RRSPs, RRIFs, RESPs, RDSP's, DPSPs and TFSA's.

SCHEDULE "B"
ACCREDITED INVESTOR STATUS CERTIFICATE
TO BE COMPLETED BY ALL SUBSCRIBERS.

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate.

TO: MASON GRAPHITE INC. (the "Corporation")
AND TO: NATIONAL BANK FINANCIAL INC., PARADIGM CAPITAL INC., CORMARK SECURITIES INC., TD SECURITIES INC., DUNDEE CAPITAL MARKETS AND MACQUARIE CAPITAL MARKETS CANADA LTD. (the "Underwriters")

In connection with the purchase by the undersigned Subscriber of the Common Shares, the Subscriber, on its own behalf or on behalf of each Disclosed Principal for whom the Subscriber is acting (collectively, the "Subscriber"), hereby represents, warrants, covenants and certifies to the Corporation and the Underwriters (and acknowledges that the Corporation, the Underwriters and their respective counsel are relying thereon) that:

- (a) the Subscriber is resident in or otherwise subject to the securities laws of at least one jurisdiction of Canada;
- (b) the Subscriber is purchasing the Common Shares as principal for its own account and not for the benefit of any other person or is deemed to be purchasing as principal pursuant to NI 45-106;
- (c) the Subscriber is an "accredited investor" within the meaning of NI 45-106 on the basis that the Subscriber fits within one of the categories of an "accredited investor" reproduced below beside which the Subscriber has indicated the undersigned belongs to such category;
- (d) the Subscriber was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) below;
- (e) if the Subscriber is purchasing under category (j), (k) or (l) below, it has completed and signed Exhibit "A" attached hereto; and
- (f) upon execution of this Schedule "B" by the Subscriber, this Schedule "B" shall be incorporated into and form a part of the Subscription Agreement to which this Schedule "B" is attached.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

- (a) (i) except in Ontario, a Canadian financial institution, or a Schedule III bank; or
(ii) in Ontario, a financial institution that is (A) a bank listed in Schedule I, II or III of the *Bank Act* (Canada); (B) an association to which the *Cooperative Credit Associations Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act; or (C) a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be;
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- (c) a subsidiary of any person or company referred to in paragraphs (a) or (b), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;

- (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
- (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;
- (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;
- (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;
- (v) a person that is recognized or designated by the securities regulatory authority or, except in Québec, the regulator as an accredited investor;
- (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse; or
- (x) in Ontario, such other persons or companies as may be prescribed by the regulations under the Securities Act (Ontario).

***If checking this category (x), please provide a description of how this requirement is met.

For the purposes hereof, the following definitions are included for convenience:

- (a) “**bank**” means a bank named in Schedule I or II of the *Bank Act* (Canada);
- (b) “**Canadian financial institution**” means (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (c) “**company**” means any corporation, incorporated association, incorporated syndicate or other incorporated organization;
- (d) “**eligibility adviser**” means:
 - (i) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time (as defined in the Subscription Agreement to which this Schedule "B" is attached) and the Subscriber acknowledges that this accredited investor status certificate is incorporated into and forms a part of the Subscription Agreement to which it is attached. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Corporation prior to the Closing Time.

Dated: _____

Signed: _____

Witness (If Subscriber is an Individual)

Print the name of Subscriber

Print Name of Witness

If Subscriber is a corporation,
print name and title of Authorized Signing Officer

assets are your total assets (including real estate) minus your total debt.)	
4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:
SECTION 5 TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson information	
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
6. For more information about this investment	
<p>For investment in a non-investment fund</p> <p><u>Mason Graphite Inc.</u> <u>3030, boul. Le Carrefour, suite 600, Laval, Québec H7T 2P5</u> <u>Benoit Gascon, President and CEO</u> <u>(514) 289-3574</u> <u>bgascon@masongraphite.com</u> <u>www.masongraphite.com</u></p> <p>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.</p>	

Form instructions:

1. This form does not mandate the use of a specific font size or style but the font must be legible.
2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.
3. The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.

Name *	City	Province or State	Country

* If the Control Person is not an individual, provide the name of the individual that makes the investment decisions on behalf of the Control Person.

5. Acknowledgement - Personal Information and Securities Laws

- (a) "Personal Information" means any information about an identifiable individual, and includes information contained in sections 1, 2 and 4, as applicable, of this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (i) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to this Form; and
 - (ii) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.
- (b) The undersigned acknowledges that it is bound by the provisions of applicable Securities Law, including provisions concerning the filing of insider reports and reports of acquisitions.

Dated and certified (if applicable), acknowledged and agreed, at _____
on _____.

(Name of Purchaser - please print)

(Authorized Signature)

(Official Capacity - please print)

(Please print name of individual whose signature
appears above)

THIS IS NOT A PUBLIC DOCUMENT