MASON GRAPHITE INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

This Management's Discussion and Analysis ("MD&A") for the years ended June 30, 2023 and 2022, has been prepared in accordance with National Instrument 51-102 – Continuous Disclosure Obligations (in Québec, Regulation 51-102 respecting Continuous Disclosure Obligations) ("NI 51-102") and approved by the Board of Directors of Mason Graphite Inc. ("we", "our", "us", "Mason Graphite", "Mason" or the "Company"). This MD&A should be read in conjunction with the audited financial statements of Mason Graphite for the years ended June 30, 2023, and 2022 (the "Financial Statements") and related notes included therein. The Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Company's functional and presentation currency is the Canadian dollars. The Company has consistently applied the accounting policies used in the preparation of the Financial Statements, including the comparative figures.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" which may include, but is not limited to, statements with respect to targeted milestones to achieve development of the Lac Guéret Project, successfully obtaining project financing, the future financial or operating performance of the Company and its projects and investments, including its investment in Black Swan Graphene Inc. and its potential joint venture with Nouveau Monde Graphite Inc., the future price of and supply and demand for graphite or graphene, the estimation of mineral reserves and resources, the realization of mineral reserves and resources estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new and existing deposits, costs and timing of future exploration, requirements for additional capital, management's belief that the Company will have sufficient funds to meet its obligations and planned expenditures for the ensuing twelve months, government regulation of mining operations, environmental risks, reclamation expenses, the success of mining operations, permitting, economic return estimates and potential upside. Often, but not always, forward-looking statements can be recognized by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Readers should not place undue reliance on forward-looking statements.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Even with the completion of the Preliminary Economic Assessment and a positive feasibility study, there are no assurances that the Lac Guéret Project and the other projects of the Company will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to achieve the milestones or complete development; general business, economic, competitive, political and social uncertainties; future prices of metals; availability of alternative graphite sources or substitutions; actual graphite recovery; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; the future cost of capital to the Company; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labor disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk and Uncertainties". Such forward-looking information is also based on a number of material factors and assumptions, including: the availability of financing at rates and on terms and conditions otherwise acceptable to the Company; future graphite and graphene prices; permitting and development consistent with the Company's expectations; foreign exchange rates; prices and availability of equipment; that contracted parties provide goods and/or services on the agreed timeframes; that the current tax credit receivable from the Québec government is collected in a timely manner; that on-going contractual negotiations will be successful and progress and/or be completed in a timely manner; and that no unusual geological or technical problems occur. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

## 1. DESCRIPTION OF BUSINESS AND OVERVIEW

Mason Graphite is a Canadian corporation focused on seeking investment opportunities. Its strategy is to develop vertical and horizontal integration in the mining industry, with a special focus on industrial and specialty minerals, notably battery-related materials and their by-products. Its strategy also includes the development of value-added products, notably for green technologies like transport electrification. The Company currently owns 100% of the rights to the Lac Guéret deposit, one of the richest graphite deposits in the world, which is under an Option and Joint Venture Agreement with Nouveau Monde Graphite Inc. (TSX-V: NOU) (NYSE: NMG). The Company is also the largest shareholder of Black Swan Graphene Inc., (TSX-V: SWAN) a Canadian publicly traded company focusing on the large-scale production and commercialization of patented high-performance and low-cost graphene products aimed at several industrial sectors, including concrete, polymers, Li-ion batteries and others.

Mason Graphite's investment objectives are:

- to seek an above average return on investment to continue to create significant value for its shareholders; to use investment income to fund other investment opportunities with attractive risk-to-reward profile; and
- to create synergies among its investments, including its management involvement into the management, business, operations and strategies of its investment portfolio.

Mason Graphite's investment strategy noted above, will be achieved by: (i) leveraging the skillset and expertise of the Board of Directors of the Company (the "Board") and management to review, diversity, and de-risk investment opportunities, and (ii) adopting a flexible approach to its investments.

### A) CORPORATE

On July 20, 2022, the Company announced the initial closing of the previously announced transactions contemplated under the investment agreement dated May 15, 2022 (the “Investment Agreement”) between the Company and Nouveau Monde Graphite Inc. (“Nouveau Monde”, or "NGM"), which was approved by the shareholders of the Company on July 14, 2022.

Pursuant to the Investment Agreement, Mason Graphite has entered into an option and joint venture agreement (the “OJV Agreement”) with Nouveau Monde.

Under the Option and JV Agreement, Mason Graphite granted an option to NMG to acquire a 51% interest in the Property to be exercisable by NMG (i) through the incurrence of work expenditures, including, but not limited to, the treatment of ores, concentrates, and other mineral products at NMG’s Demonstration Plant aggregating a minimum of C$10.0 million (the “Option Expenditure Threshold”) in respect of the exploration, development, mining, production, commercialization and sale of products in direct relation to the Property (the “First Option Condition”) as soon as reasonable and, subject to the Option Extension (as defined below), within twenty-four (24) months from the execution of the Option and JV Agreement (the “First Option Condition Deadline”), and (ii) the preparation of (a) a NI 43-101 preliminary economic assessment, with an increased project capacity from 51,900 tonnes per annum to a minimum of 250,000 tonnes per annum, within 6 months following the execution of the Option and JV Agreement, and (b) a NI 43-101 bankable feasibility study within 18 months following the execution of the Option and JV Agreement (collectively, the “Second Option Condition”).

If prior to the First Option Condition Deadline, NMG has satisfied the First Option Condition and is, in the reasonable opinion of NMG and Mason Graphite, working diligently and continuously towards satisfying the Second Option Condition, the parties shall agree in writing to extend the deadline to satisfy the Second Option Condition for successive periods of six (6) months and ending no later than thirty-six (36) months from the execution of the Option and JV Agreement (the latest of such periods, the “Option Deadline”). Any expenditures incurred to satisfy the Second Option Condition above the Option Expenditure Threshold will be assumed by NMG, and unless otherwise mutually agreed to by the parties in writing, a failure by NMG to satisfy the Second Option Condition prior to the Option Deadline will be deemed to be an election by NMG not to have exercised its option to become the owner of a 51% interest in the Property and will result in the automatic termination of the Option and JV Agreement.

The Joint Venture will be formed if NMG exercises its option and becomes the owner of a 51% interest in the Property. The Joint Venture will be formed with the objective of further exploring the Property and, if deemed warranted by NMG and Mason Graphite, of developing, constructing, and operating a mine on the Property or a part of it, and commercializing the minerals derived therefrom. The Joint Venture will also have full and continuous access to NMG's Demonstration Plant and the expertise of NMG in order to support the commercialization of the graphite derived from the Property.

Concurrently with the execution of the OJV Agreement, Mason Graphite and Nouveau Monde have completed the private placement of 5.0 million common shares of the Company (the "Initial Shares") to Nouveau Monde at a price of $0.50 per Initial Share for gross proceeds to the Company of $2.5 million. The Company intends to use the net proceeds from the sale of the Initial Shares to fund agreed expenses on the Lac Guéret property pursuant to the OJV Agreement. The Initial Shares will be subject to a four-month hold period pursuant to applicable securities laws.

The gross proceeds from the Subscription Receipt Financing (collectively, the "Escrowed Funds"), less the reasonable expenses of the Subscription Receipt Agent incurred in connection with the Subscription Receipt Financing, were held in escrow pursuant to the terms of the Subscription Receipt Agreement and shall be released immediately prior to completion of the Transaction.

On December 12, 2022, the Company announced that following discussions with certain of its significant shareholders and other stakeholders, the board of directors of the Company (the "Board") has decided to increase the size of the Board from six directors to seven directors, and to appoint Ms. Adree DeLazzer as an additional independent director of the Company, effective following the Annual General and Special Meeting of Shareholders of the Company held virtually on December 20, 2022.

## B) INVESTMENT IN BLACK SWAN GRAPHENE

On July 21, 2021, the Company has announced the creation of Black Swan Graphene Inc. ("Black Swan Graphene") and the entering into of a definitive agreement whereby Mason Graphite has agreed, through Black Swan Graphene, to purchase strategic assets related to patented graphene production technology from Thomas Swan & Co. Limited ("Thomas Swan"), a leading UK-based specialty chemicals company (the "Transaction"). The consideration paid by Black Swan Graphene to Thomas Swan for such assets was $7,706,200, comprised of £3 million and shares representing 33.33% of Black Swan Graphene's issued and outstanding shares. Upon the completion of the Transaction, Mason Graphite also invested approximately $2.5 million in Black Swan Graphene for working capital purposes.

In connection with the Transaction, Black Swan Graphene has acquired a license from Trinity College Dublin for the production of exfoliated defect-free, non-oxidised 2-D materials in large quantities (the "TCD License"), which license was previously held by Thomas Swan. In addition, Black Swan Graphene and Thomas Swan have entered into a License Agreement and a Sub-License Agreement, pursuant to which Black Swan Graphene has granted Thomas Swan a license to graphene processing technology for production of up to 1,000 tonnes per year and Black Swan Graphene has sub-licensed the TCD License to Thomas Swan, respectively.

In addition to the assets related to the graphene processing technology and associated know-how sold to Black Swan Graphene, Thomas Swan also contributes its exclusive production and commercialization expertise while providing access to subject matter expertise, such as access to personnel and technical support, and deliverables from its operation in Northern England pursuant to a Services Agreement entered into between Black Swan Graphene and Thomas Swan. Black Swan Graphene aims to establish a large-scale commercial production facility in Québec, Canada, in order to leverage the province's competitive and green hydroelectricity, as well as the proximity of Mason Graphite's planned production sites. These factors are key and will accelerate the production and commercialization of the graphene developed by Thomas Swan by integrating the supply chain and lowering production costs.

Upon the completion of the Transaction, Mason Graphite and Thomas Swan held 66.67% and 33.33%, respectively, of the issued and outstanding shares of Black Swan Graphene. Pursuant to an agreement entered into simultaneously with the Transaction, Mr. Fahad Al Tamimi, Chairman of Mason Graphite, acquired directly from Thomas Swan an 8%-equity interest in Black Swan Graphene.

On November 8, 2021, Black Swan Graphene completed a private placement of 2,205,944 common shares at a price of $1.36 per share for gross proceeds of $3,000,085. Following completion of the private placement, Mason Graphite held approximately 56% of the issued and outstanding shares of Black Swan Graphene.

On March 14, 2022, Black Swan Graphene completed a private placement of subscription receipts for gross proceeds of approximately $7.0 million.

On August 2, 2022, Black Swan completed a “Qualifying Transaction” with Dragonfly Capital Corp. (“Dragonfly”) pursuant to a share exchange agreement dated January 17, 2022, as amended, entered into among Dragonfly, Black Swan and its shareholders (the “RTO”). The RTO was completed by way of share exchange whereby Dragonfly acquired all of the issued and outstanding common shares of Black Swan Graphene (each, a “Black Swan Share”) from the shareholders of Black Swan Graphene in consideration for the issuance of an aggregate of 210,230,343 common shares of Dragonfly at a deemed price of $0.15 per share.

In addition, 1,225,000 options to purchase Black Swan Shares which were outstanding immediately prior to closing of the RTO were cancelled and the holders thereof were granted an aggregate of 15,175,000 options to purchase common shares and 7,875,000 restricted share units of the issuer resulting from the RTO.

On March 14, 2023, 1,420,571 common shares were issued as part of a debt settlement for services provided to Black Swan.

On March 27, 2023, Black Swan and Nationwide Engineering Research and Development Ltd. ("NERD") announced a strategic partnership being embedded in a fully integrated supply chain which will include Arup Group Limited ("Arup"), a multinational engineering consultancy headquartered in London, United Kingdom, with 18,000 experts working across 140 countries. Black Swan and NERD will complete an equity swap where each company will own approximately five percent of the outstanding shares of the other, and the execution of a supply agreement between the two companies under which NERD will be sourcing its graphene requirements from Black Swan.

On April 5, 2023, under an Equity Swap, NERD issued to Black Swan 7,177 seed preferred shares (the "NERD Shares"), ranking senior to all other shares in the share capital of NERD, at a deemed price per share of £220 for an aggregate deemed subscription price of approximately £1.58 million or approximately CAD$2.65M (the "Subscription Amount") and representing a 5.0% ownership stake in NERD on a post-money, fully diluted basis. Black Swan paid for the NERD Shares by way of issuance of 16,371,504 common shares in the capital of Black Swan (the "Black Swan Shares"), representing a 5.0% ownership stake in Black Swan on a fully diluted basis. The Black Swan Shares are subject to a hold period of four months under Canadian securities laws and a 36-month lock-up undertaking.

## C) OPTION AND JOINT VENTURE AGREEMENT WITH NOUVEAU MONDE GRAPHITE INC.

On May 16, 2022, Nouveau Monde Graphite Inc. and Mason Graphite announced the entering into of an investment agreement (the "Investment Agreement") with a view towards the development and operation of Mason Graphite's Lac Guéret project.

Highlights included:

- On closing, Nouveau Monde and Mason Graphite to enter into an option and joint venture agreement (the "Option and JV Agreement") pursuant to which the parties will collaborate to advance the Lac Guéret project, with a view to form a joint venture (the "Joint Venture");
- Nouveau Monde to make a concurrent equity investment in Mason Graphite of an aggregate amount of up to $5.0 million payable in two instalments (the "Equity Investment", and together with the formation of the Joint Venture, the "JV Transaction");
- Conditions for the formation of the Joint Venture include: (i) a minimum of $10.0 million of expenditures from Nouveau Monde on the project, and (ii) the completion of an updated feasibility study on the property based on an estimated production scale of a minimum of 250,000 tonnes per annum of graphite concentrate, to be ascertained based on customer demand as well as technical and environmental possibilities. The latest feasibility study published by Mason Graphite is based on 51,900 tonnes per annum;
- Assuming the exercise of the option and formation of the Joint Venture, Nouveau Monde's and Mason Graphite's interest in the Joint Venture to be 51% and 49%, respectively, and Nouveau Monde to be appointed as operator of the Joint Venture;
- Joint Venture to be funded by Nouveau Monde and Mason Graphite on a pro rata basis; failure to fund work program commitments in the Joint Venture to result in a 1% dilution for each unfunded tranche of $5.0 million;
- The Joint Venture will have full access to Nouveau Monde's Phase-1 natural graphite flake concentrator plant currently in operation in Saint-Michel-des-Saints, Québec (the "Demonstration Plant") in order to accelerate the qualification and commercialization of its graphite, which has been proven instrumental as per Nouveau Monde's recent successful experience. To date, Nouveau Monde has invested approximately $30.0 million in the Demonstration Plant;
- The Joint Venture will benefit from Nouveau Monde's depth of personnel and commercialization capabilities; Nouveau Monde employs nearly 100 full-time employees, most of whom are focused exclusively on graphite advanced materials, making it one of the largest natural graphite-focused organizations in North America and the ideal partner for the project;
- The property is notably sizable, with a total Measured and Indicated Resource of 65.5 million tonnes grading 17.2% Cg, and carries one of the highest grades of graphite ore globally with a Proven and Probable Reserve totaling 4.7 Mt grading 27.8% Cg (See Mason Graphite's press release dated September 25, 2015). Mason Graphite received the governmental authorization for the property, via the issuance of the Decree 608-2018 by the Québec Government; and
- Nouveau Monde and Black Swan Graphene entered into a non-binding letter of intent for the implementation of Black Swan Graphene's graphene processing technology in Nouveau Monde's Demonstration Plant, which has a design throughput of 3.5 tonnes of ore per hour (tph), the equivalent nameplate production capacity of approximately 1,000 tonnes of graphite concentrate per annum, using Nouveau Monde's ore grading an average of 4.5% graphitic carbon, in order to establish a fully integrated facility from graphite ore to graphene finished products.

On July 20, 2022, Mason Graphite announced the entering into of the Option and JV Agreement and the completion of the private placement of 5,000,000 common shares of the Company to Nouveau Monde at a price of $0.50 per share for gross proceeds to the Company of $2.5 million.

On January 10, 2023 the Company in collaboration with Nouveau Monde released the results of a preliminary economic assessment ("PEA"), according to National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), for a new project covering Mason Graphite's Lac Guéret graphite deposit, the Uatnan mining project (the "Uatnan Mining Project") located in Québec, Canada.

The PEA, conducted by engineering firms BBA Inc. ("BBA") and GoldMinds Geoservices Inc. ("GMG"), shows strong economics for NMG's updated operational parameters and production volumes targeting the production of approximately 500,000 tonnes of graphite concentrate per annum over a 24-year life of mine ("LOM"). The proposed Uatnan Mining Project is currently one of the largest projected natural graphite productions in the world as battery and electric vehicle ("EV") manufacturers seek local alternatives for sourcing their graphite-based solutions amidst growing demand and a projected structural deficit of production as of this year as supported by Benchmark Mineral Intelligence (December 2022).

On March 1, 2023 Nouveau Monde announced that following the publishing of results on January 10, 2023, it has filed the preliminary economic assessment ("PEA") for the Uatnan mining project located in Québec, Canada, with the securities commissions and regulatory authorities in Canada and the U.S. The PEA, conducted by engineering firms BBA Inc. and GoldMinds Geoservices Inc. according to National Instrument 43-101 Standards of Disclosure for Mineral Projects, was carried out in collaboration with the Company as the Uatnan Mining Project leverages the Lac Guéret deposit wholly-owned by Mason Graphite and subject to an investment agreement and option and joint venture agreement with NMG.

## D) SOCIAL ACCEPTABILITY AND FIRST NATIONS RELATIONS

The Lac Guéret project enjoys strong social acceptability and support from the local communities.

The Company and the Innu Council of Pessamit signed the Mushalakan Agreement in June 2017, an Impact Benefit Agreement (the “IBA”) for the construction and operation of the Lac Guéret project (Lac Guéret mine and Baie-Comeau concentrator). Under the IBA, both parties commit to develop a specific training and employment strategy for the Pessamiuilnut (members of the Innus of Pessamit community). Additionally, the IBA will allow the Innus of Pessamit to participate in the project concretely, through contracting opportunities and will ensure fair and equitable financial and socio-economic benefits.

## 2. OPERATIONAL RESULTS

**For the three month period ended June 30, 2023, compared with three month period ended June 30, 2022**

The Company's loss from continuing operations totaled $565,296 for the three month period ended June 30, 2023. This compares with a loss of $1,722,223 for the three-month period ended June 30, 2022, for a variance of $1,156,927, which is due to the following significant variations:

| | For the three month period ended June 30, | | | |
|---|---|---|---|---|
| | 2023 | 2022 | Variance | Comments |
| Salaries and consulting fees | $ 367,214 | $ 556,029 | $ (188,815) | Salaries and consulting fees decreased during the current quarter due the Company completing the Nouveau Monde joint venture in the prior quarter and in the comparative period the Company was focusing on the Nouveau Monde joint venture. |
| Professional fees | 221,198 | 760,354 | (539,156) | Professional fees decreased in the quarter as the Company completed the closing the option and joint venture agreement with Nouveau Monde, and in a prior comparative period the Company was focusing on the closing the joint venture agreement with Nouveau Monde. |
| Share-based compensation | 5,667 | 102,312 | (96,645) | The Company has stock options which had vesting over a period of time, as a result the full amount of the stock based compensation is still being recognized, these include options which were granted January 12, 2021, 6,925,000 options and 400,000 options were granted on September 2, 2021. |
| Impairment of property plant and equipment | 625,000 | - | 625,000 | The Company impaired its construction in progress assets after consideration of the Nouveau Monde transaction. |
| Finance income | (88,466) | (11,247) | (77,219) | The Company had cash invested in a GICs, which matured during the period. |
| Gain on dilution of Black Swan Graphene Inc. | (176,745) | - | (176,745) | The Company recorded a gain on dilution due to the changes in the percentage ownership of Black Swan. |
| Deferred tax recovery | (1,200,000) | - | (1,200,000) | The deferred tax recovery in continuing operations is offset by the deferred tax loss in discontinued operations to net $nil, on an overall basis. |
| Share of loss of associate | 555,266 | - | 555,266 | The Company recorded its portion of Black Swans loss which became an investment in associate on August 2, 2022. |
| Other expenses and revenues | 256,162 | 314,775 | (58,613) | Non-significant variances in other expenses and revenues items. |
| **Total loss** | 565,296 | 1,722,223 | (1,156,927) | |

**For the year ended June 30, 2023, compared with year ended June 30, 2022**

The Company's loss totaled $5,703,484 for the year ended period ended June 30, 2023. This compares with a loss of $4,465,620 for the year ended period ended June 30, 2022 for a variance of $10,169,104, due to the following significant variations:

| | For the year ended June 30, | | | |
|---|---|---|---|---|
| | **2023** | **2022** | **Variance** | **Comments** |
| Salaries and consulting fees | $ 1,525,560 | $ 1,329,530 | $ 196,030 | Salaries and consulting fees increased during the current year due to costs associated with closing the Option and JV Agreement with Nouveau Monde. |
| Professional fees | 585,223 | 1,057,332 | (472,109) | Professional fees decreased in the period due to the costs associated with closing the option and joint venture agreement with Nouveau Monde |
| Share-based compensation | 205,789 | 810,687 | (604,898) | The Company has stock options which were granted and vesting over a period of time, as a result the full amount of the stock based compensation is still being recognized, these include options which were granted January 12, 2021, 6,925,000 options and 400,000 options were granted on September 2, 2021. |
| Added-value processing | 145,558 | 425,192 | (279,634) | The Company spent less for the period ended March 31, 2023 compared to comparative 2022 period as the value-added graphite products project is no longer the priority. |
| Gain on sale of equipment | (174,010) | - | (174,010) | The Company sold equipment which was previously written off during the period. |
| Impairment of property plant and equipment | 625,000 | - | 625,000 | The Company impaired its construction in progress assets after consideration of the Nouveau Monde transaction. |
| Gain on dilution of Black Swan Graphene Inc. | (176,745) | - | (176,745) | Black Swan is no longer a subsidiary of the Company after its ownership reduced from 56% to 41% on August 2, 2022 in accordance with the RTO transaction, and further decreased to 39.04% as of June 30th, 2023. |
| Deferred tax recovery | (1,200,000) | - | (1,200,000) | The deferred tax recovery in continuing operations is offset by the deferred tax loss in discontinued operations to net $nil, on an overall basis. |
| Share of loss of associate | 3,834,950 | - | 3,834,950 | The Company recorded its percentage share of the loss of Black Swan during the year. Black Swan completed a number of transactions related to the going public event which resulted in higher costs. |
| Other expenses and revenues | 332,159 | 842,879 | (510,720) | Non-significant variances in other expenses and revenues items. |
| **Total loss** | **5,703,484** | **4,465,620** | **1,237,864** | |

## 3. SELECTED ANNUAL FINANCIAL INFORMATION

| | For the years ended June 30, | | |
|---|---|---|---|
| | **2023** | **2022** | **2021** |
| | $ | $ | **$** |
| Loss from continuing operations | 5,703,484 | 4,465,620 | 6,545,410 |
| Net loss from continuing operations per share (basic and diluted) | 0.04 | 0.03 | 0.05 |
| (Income) loss from discontinued operations | (9,135,981) | 1,634,300 | - |
| Net (Income) loss from discontinued operations per share (basic and diluted) | (0.06) | 0.01 | - |
| Total assets | 26,907,425 | 26,443,050 | 26,510,441 |
| Non-current financial liabilities | - | - | - |

The Company has not, since the date of its incorporation, declared or paid dividends on its common shares. For the foreseeable future, the Company anticipates that it will retain future earnings and other cash resources for the operation and development of its business. The Financial Statements have been prepared in accordance with IFRS. The Company has consistently applied the accounting policies used in the preparation of the Financial Statements, including the comparative figures.

## 4. SUMMARY OF QUARTERLY RESULTS

| | **Jun 30, 23** | **Mar 31, 23** | **Dec 31, 22** | **Sep 30, 22** |
|---|---|---|---|---|
| | **Q4** | **Q3** | **Q2** | **Q1** |
| | (note 1) | (note 2) | | (note 3) |
| Loss from continuing operations | 565,296 | 880,407 | 1,372,499 | 1,064,044 |
| Net loss from continuing operations per share (basic and diluted) | 0.00 | 0.01 | 0.01 | 0.01 |
| Income from discontinued operations | - | - | - | (8,911,332) |
| Net income from discontinued operations per share (basic and diluted) | 0.00 | 0.00 | 0.00 | (0.06) |

| | **Jun 30, 22** | **Mar 31, 22** | **Dec 31, 21** | **Sep 30, 21** |
|---|---|---|---|---|
| | **Q4** | **Q3** | **Q2** | **Q1** |
| | (note 4) | | (note 5) | |
| Loss for the period | 1,722,254 | 897,783 | 939,588 | 905,995 |
| Net loss from continuing operations per share (basic and diluted) | 0.01 | 0.01 | 0.01 | 0.01 |
| Loss from discontinued operations | 431,481 | 546,092 | 1,861,993 | 78,826 |
| Net loss from discontinued operations per share (basic and diluted) | 0.00 | 0.00 | 0.01 | 0.00 |

**Note 1:** The Company impaired its assets which had been classified as construction in progress.
**Note 2:** The Company sold equipment which was previously written off, and a GIC matured during the period.
**Note 3:** A gain on deemed disposition of Black Swan Graphene as a result of the deconsolidation of the Black Swan, and the loss from the associate.
**Note 4:** The costs associated with closing the option and joint venture agreement with Nouveau Monde.
**Note 5:** The higher loss is explained by significant expenses of the new subsidiary acquired in the first quarter of 2022.

## 5. CASH FLOW

| | For the years ended June 30, 2023 | 2022 |
|---|---|---|
| | $ | $ |
| Sources and uses of cash | | |
| Cash used for operations prior to changes in working capital | (2,823,237) | (4,984,252) |
| Changes in non-cash working capital | 268,520 | (138,297) |
| Cash used in operating activities | (2,554,717) | (5,122,549) |
| Cash from financing activities | 2,485,626 | 2,980,085 |
| Cash used in investing activities | (3,791,478) | (6,540,919) |
| Net change in cash classified within subsidiary loss of control | 4,125,463 | (4,125,463) |
| **Change in cash** | **264,894** | **(12,808,846)** |

### Operating Activities

For the year ended June 30, 2023, cash outflows from operating activities prior to changes in working capital decreased by $2,161,015 before changes in non-cash items compared to the same period last year (from $4,984,252 in 2022 to $2,823,237 in 2023). No significant variance was noted, other than those mentioned in section 3: Operating results: Comparison of year ended June 30, 2023 and 2022.

For the year ended June 30, 2023 and 2022, cash used in non-cash working capital increased by $268,520 in 2023 and decreased by $138,297 in 2022. This variation is mainly explained by a significant variation in the balance the sales tax receivables and accounts payables between June 30, 2023, and 2022.

### Financing Activities

During the year ended June 30, 2023, Black Swan Graphene completed a private placement of 5,000,000 common shares at a price of $0.50 per share for total gross proceeds of $2,500,000 with issuance costs of $14,374.

### Investing Activities

For the year ended June 30, 2023, cash used in investing activities was 3,791,478 which consisted of $3,965,488 of cash held by Black Swan Graphene prior to the RTO event, and was offset by cash received from the sale of equipment of $174,010.

## 6. FINANCIAL POSITION

| **As at,** | **June 30, 2023** | **June 30, 2023** |
|---|---|---|
| | $ | $ |
| Cash (note 1) | 7,581,884 | 7,316,990 |
| Other current assets (note 2) | 260,910 | 13,430,372 |
| **Total current assets** | **7,842,794** | **20,747,362** |
| **Non-current assets** (note 2) | 19,064,631 | 5,695,688 |
| **Total assets** | **26,907,425** | **26,443,050** |
| **Total liabilities** | **308,874** | **277,125** |
| **Equity** | **26,598,551** | **26,165,925** |

Note 1: The increase is due to the closing of the private placement, and offset by the spend in the fiscal period.

Note 2: During the year ended June 30, 2023, Black Swan Graphene completed its RTO transaction, the investment for Black Swan Graphene is accounted for as an equity investment subsequent to the RTO date.

## 7. RELATED PARTY TRANSACTIONS

As of June 30, 2023, the balance due to the related parties amounted to $7,508 (as of June 30, 2022: $18,046). The amounts due are mainly directors' fees, do not bear interest, are not guaranteed and are payable on request.

As of June 30, 2023, included in prepaids and other receivables are amounts related to prepayments to related parties of $nil (as of June 30, 2022: $34,177).

| | For the years ended June 30, | |
|---|---|---|
| | **2023** | 2022 |
| Salaries, consulting fees and other benefits | **$ 676,305** | $ 569,403 |
| Severance fees | **-** | 109,154 |
| Directors fees | **224,275** | 160,000 |
| Share-based compensation – Management | **44,458** | 383,705 |
| Share-based compensation – Directors | **108,064** | 396,286 |
| | **$ 1,053,102** | $ 1,618,548 |

In accordance with IAS 24, Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The Company is party to certain management contracts. Minimum commitments under these contracts are approximately $750,000. These contracts require that maximum payments of approximately $925,000 be made upon the occurrence of certain events such as a change of control.

## 8. LIQUIDITY AND CAPITAL RESOURCES

To benefit from the structural change rapidly unfolding in the graphite industry, a goal of the Board of Directors of the Company was to progress the development of the Company's Lac Guéret project, through an agreement and joint venture option agreement. The Company is of the view that customers are currently looking to secure unprecedented volumes of graphite supply, preferably sourced in North America, to support the electrification of the transportation industry. As such, graphite prices will soon need to reach significantly higher levels to allow for new sources of supply, or upstream integration will be necessary to establish an adequate supply chain.

The Company has no operating income, is mainly dependent on external funding for its development projects. It has had recourse to the cash issuance of equity, borrowing, funds received from the Government of Quebec in the form of a resource-related tax credit and a mining tax credit for eligible exploration expenses and funds obtained from stock warrants and options exercised.

As of June 30, 2023, the Company had a working capital of $7,533,920, an accumulated deficit of $97,037,440 and a net loss from continuing operations of $3,286,675 for the year ended June 30, 2023. Working capital included a cash balance of $7,581,884.

Management believes that the Company has sufficient funds to meets its obligations, operating expenses and some development expenditures for its value-added product project for the ensuing twelve months. The Company's ability to pursue its development activities for its value-added product project and the Lac Guéret project depends on management's ability to obtain additional financing, which it can do in various ways, including through strategic partnerships, joint venture agreements, debt project financing, royalty financing or other options offered by the financial markets.

On July 20, 2022, the Company entered into the Option and JV Agreement with Nouveau Monde. Although management has been successful in securing funding in the past, there can be no assurance that it will achieve funding in the future, including under the Option and JV Agreement, or that such funding sources or measures will be available to the Company or that they will be available on terms and conditions acceptable to the Company.

## 9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Fair value

The Company has determined that the carrying value of its short-term financial assets and financial liabilities, including cash and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturities.

Credit

The Company's cash is held in accounts with Canadian chartered banks. Management believes that the credit risk with respect to these financial instruments is minimal.

Liquidity

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital and maintain liquidity.

Currency (foreign exchange)

The Company is exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company has determined that there is limited currency risk at this time.

As of June 30, 2023, the Company maintained minor cash balances in foreign currency. The Company does not have any other monetary assets and liabilities in currencies other than its functional currency.

Interest rate

The Company's cash balance is subject to interest rate cash flow risk, as it carries a variable rate of interest. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase.

Based on the cash as of June 30, 2023, an increase (decrease) of 0.5% in interest rates could result in an increase (decrease) in the annual net income of approximately $7,680.

The Company's accounts payable and accrued liabilities are non-interest bearing.

## 10. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions include, but are not limited to, the following:

i) Impairment of non-financial assets

Asset groups are reviewed for an indication of impairment or reversal thereof at each statement of financial position date or when a triggering event is identified. This determination requires significant judgment. Factors which could trigger an impairment are the following: very negative trends in the industry or economic conditions, including changes in graphite prices, changes in exchange rates, changes in mineral reserves, changes in graphite grade or recovery, and/or declines in market capitalization of the Company or its investment in associate. Opposite factors may lead to a reversal of a prior impairment.

ii) Going Concern

The assessment of the Company's ability to execute its strategy by funding future working capital involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Areas of significant judgments in assessing whether the going concern assumption is appropriate, which is at least, but not limited to twelve (12) months from the end of the reporting period.

iii) Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets that could be recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within its control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each the end of the reporting period.

The determination of income tax expense and deferred income tax involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities and interpretations of laws in Canada, including the rules and laws related to flow-through share financings. The Company is subject to assessments by tax authorities that may interpret the tax law differently. Changes in these estimates may materially affect the final amount of deferred income taxes or the timing of tax payments.

## 11. NEW SIGNIFICANT ACCOUNTING POLICIES

There were no significant accounting policies which were adopted during the year ended June 30, 2023.

## 12. OUTSTANDING SHARE DATA

As of October 25, 2023, the Company has:

a) 141,292,585 common shares issued and outstanding;

b) 13,497,000 options outstanding with expiry dates ranging between January 12, 2026 and July 31, 2028 with exercise price from $0.23 to $0.51 (weighted average price: $0.36). If all outstanding options were exercised the Company would raise aggregate proceeds of $4,669,220.

## 13. RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration, evaluation, development and operation of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company.

*Nature of Mining, Mineral Exploration and Development Projects*

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in the mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to unfavorable or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses, and possible legal liability.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, resource and reserve estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Indeed, current market conditions are forcing many mining operations to increase capital and operating cost estimates. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

*No Revenues*

To date the Company has recorded no revenues from operations and the Company has not commenced commercial production on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's properties. The Company expects to continue to incur losses unless and until such time as it enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming development. There can be no assurance that the Company will generate any revenues or achieve profitability.

*Liquidity Concerns and Future Financings*

The Company will require significant capital and operating expenditures in connection with the development of its property. There can be no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favourable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

*Impairment of Non-Financial Assets*

Asset groups are reviewed for an indication of impairment at each statement of financial position date or when a triggering event is identified. This determination requires significant judgment. Factors which could trigger an impairment are the following: very negative trends in the industry or economic conditions, including graphite prices, changes in exchange rates, increase of the discount rate, a delay in the start of the commercial production, changes in mineral reserves, changes in graphite grade or recovery, and/or declines in market capitalization of the Company.

*Foreign Exchange*

Mineral commodities are sold in US dollars and consequently, the Company is subject to foreign exchange risks relating to the relative value of the Canadian dollar as compared to the US dollar. To the extent Mason Graphite generates revenue upon reaching the production stage on its properties; it will be subject to foreign exchange risks as revenues will be received in US dollars while operating and capital costs will be incurred primarily in Canadian dollars. A decline in the US dollar would result in a decrease in the real value of Mason's revenues and adversely affect its financial performance. The Company is exposed to currency risk by incurring certain expenditures and debt in currencies other than Canadian dollar.

*Mineral Resource and Mineral Reserve Estimates May be Inaccurate*

There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the control of the Company. The accuracy of any mineral resource or mineral reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different. Differences between management's assumptions, including economic assumptions such as mineral prices and market conditions, could have a material adverse effect on the Company's financial position and operational results.

*Licences and Permits, Laws and Regulations*

The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, require permits and approvals from various government authorities and cooperation from certain First Nations groups, and are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that Mason will be able to maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

*Mineral Commodity Prices*

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

*Environmental*

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

*Property Titles*

The acquisition and maintenance of titles to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

*Dependence on Management and Key Personnel*

The Company is dependent on the services of key executives, including a small number of highly skilled and experienced executives and personnel. The Company's development to date has largely depended, and in the future will continue to depend, on the efforts of key management and other key personnel to develop its projects. Loss of any of these people, particularly to competitors, in the short term, could have a material adverse impact upon to the Company.

*Uninsured Risks*

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the common shares of the Company.

*Competition*

Mason Graphite competes with other mining companies that have interesting resources. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

*Dependence on Outside Parties*

Mason Graphite has relied upon consultants, engineers and others and intends to rely on these parties for development, construction, and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Mason Graphite.

*Reliance on Professional Advisors and Service Providers*

The Company relies on a number of professional advisors and service providers, including external auditors, legal counsel and its accounting and CFO service provider. These professionals are subject to their respective professional and/or regulatory requirements and they may not comply with all regulatory requirements or may fail to perform to their respective professional standards. They may not comply with their obligations to the Company or perform their services in a timely or acceptable manner. The failure of such professionals to comply with their respective regulatory requirements or professional standards could affect the Company in ways that are not predictable, including ways that could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

*Qualified Personnel*

Recruiting and retaining qualified personnel in the future is critical to the Company's success. As the Company develops the Lac Guéret property toward commercial production, the need for skilled labour will increase. The number of persons skilled in development and operations of mining properties is limited and competition for this workforce is intense. The development of the Company's properties may be significantly delayed or otherwise adversely affected if the Company cannot recruit and retain qualified personnel as and when required.

*Share Price Fluctuations*

The market price of securities of many companies, particularly development stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

*Conflicts of Interest*

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Mason Graphite may have a conflict of interest in negotiating and concluding terms respecting such participation.

*Litigation*

Mason Graphite has entered into legally binding agreements with various third parties on a consulting and partnership basis. The interpretation of the rights and obligations that arise from such agreements is open to interpretation and Mason Graphite may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Mason Graphite to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any such disputes could have a material adverse effect on Mason Graphite.

*Global Conflict*

The military conflict in Ukraine has led to heightened volatility in the global markets, increased inflation, and turbulence in commodities markets. While the Company does not have any direct exposure or connection to Russia or Ukraine, as the military conflict is a rapidly developing situation, it is uncertain as to how such events and any related economic sanctions will continue to impact the global economy and commodities markets. Any negative developments in respect thereof could have a material adverse effect on the Company's business, operations or financial condition.

## 14. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this MD&A, including the Financial Statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

In contrast to the certificate required under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (in Québec, *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*) ("NI 52-109"), the "Venture Issuer Basic Certificate" does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and;

- A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that the design and implementation of such processes by those responsible for a venture issuer are subject to cost limitation.

DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## 15. SUBSEQUENT EVENTS

On August 1, 2023, the Company announced that its Chairman, Mr. Fahad Al-Tamimi, has acquired an aggregate of 6,399,500 common shares in the capital of the Company. Prior to the transaction, Mr. Fahad Al-Tamimi owned 13,517,337 common shares, representing approximately 9.57% of Mason Graphite's issued and outstanding shares. Following the transaction, Mr. Fahad Al-Tamimi owns 19,916,837 common shares, representing approximately 14.1% of the Company's issued and outstanding shares.

Additionally on August 1, 2023, the Company announced that it has granted an aggregate of 6,780,000 stock options to directors, members of management, consultants, and employees of the Company pursuant to its stock option plan. Each option will entitle its holder to purchase one common share of Mason Graphite at a price of $0.23 until July 31, 2028.

On October 25, 2023, the Company announced that subsequent to shareholders' approval at the last annual general meeting of shareholders, the Company has officially rebranded as "Mason Resources Inc." to more accurately mirror its evolving aspirations and objectives. It is anticipated that, subject to the approval of the TSX Venture Exchange, trading of the Company's common shares under "Mason Resources Inc." will be effective as of the open of markets on October 27, 2023. The Common Shares will continue to trade under the existing trading symbols, "LLG" and "MGPHF", on the TSX-V and OTCQX, respectively; the new CUSIP and ISIN numbers assigned to the Common Shares are 57532C100 and CA57532C1005, respectively.

## 16. APPROVAL

The Board of Directors of the Company oversees management's responsibility for financial reporting through the Audit Committee. The Audit Committee meets quarterly with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders. The Board of Directors has approved the Financial Statements and the disclosure contained in this MD&A dated October 25, 2023.