



MASON RESOURCES INC.

PREVIOUSLY MASON GRAPHITE INC.

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)



Notice to Reader

The accompanying unaudited condensed interim financial statements of Mason Resources Inc. (Previously Mason Graphite Inc.) (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the entity's auditor.

Management's responsibility for financial reporting

Management is responsible for the preparation and presentation of the accompanying unaudited condensed consolidated interim financial statements, which includes ensuring that significant accounting judgments and estimates are made in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions for which objective judgment is required.

The Board of Directors is responsible for overseeing management in the performance of its financial reporting responsibilities and for approving the financial information included in the unaudited condensed consolidated interim financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Audit Committee has the responsibility of meeting with management to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues. The Audit Committee reports its findings to the Board for its consideration in approving the condensed consolidated interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Peter Damouni"

Peter Damouni
Executive Director

"Carmelo Marrelli"

Carmelo Marrelli
Chief Financial Officer

Laval, Québec
November 28, 2024

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Mason Resources Inc. (Previously Mason Graphite Inc.)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at,	September 30, 2024	June 30, 2024
ASSETS		
Cash	\$ 5,128,828	\$ 5,494,253
Sales tax receivables	150,456	158,294
Prepaid and other receivable	276,083	179,316
Investments (Note 6)	26,573,803	32,206,180
Total assets	\$ 32,129,170	\$ 38,038,043
LIABILITIES		
Accounts payable and accrued liabilities	\$ 79,082	\$ 110,896
Total liabilities	79,082	110,896
EQUITY		
Share capital	110,305,542	110,305,542
Reserves	14,419,048	14,419,048
Deficit	(92,674,502)	(86,797,443)
Total equity	32,050,088	37,927,147
Total liabilities and equity	\$ 32,129,170	\$ 38,038,043

Nature of operations and liquidity risk (note 1)
Commitments and contingencies (note 11)
Subsequent events (note 12)

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Mason Resources Inc. (Previously Mason Graphite Inc.)
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	For the three months September 30,	
	2024	2023
Expenses		
Salaries and consulting fees	\$ 168,120	\$ 214,867
Director fees	23,578	40,534
Professional fees	64,270	87,780
General office expenses	51,843	17,931
Travel and accommodation	5,820	1,917
Share-based compensation (Note 9)	-	1,088,599
Transfer agent and filing fees	10,221	16,395
Net foreign exchange loss	(2,009)	(379)
Loss before other items	(321,843)	(1,467,644)
Finance income	77,161	47,917
Change in fair market value (Note 6)	(5,632,377)	-
Share of loss of associate (Note 5)	-	(367,950)
Net loss from continuing operations	(5,877,059)	(1,787,677)
Net loss from discontinued operations (Note 4 and 5)	-	(40,266)
Net loss and comprehensive loss for the period	\$ (5,877,059)	\$ (1,827,943)
Net loss per share (Note 10)		
from continuing operations		
- basic and diluted	\$ (0.04)	\$ (0.01)
from discontinued operations		
- basic and diluted	\$ 0.00	\$ 0.00
Total - basic and diluted	\$ (0.04)	\$ (0.01)

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Mason Resources Inc. (Previously Mason Graphite Inc.)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	For the three months September 30,	
	2024	2023
	\$	\$
Cash flows used in operating activities		
Net income for the period	(5,877,059)	(1,827,943)
Items not affecting cash:		
Share-based compensation	-	1,088,599
Gain on sale of property, plant and equipment	-	(50,000)
Depreciation	-	4,462
Change in fair market value of investments	5,632,377	-
Share of loss of associate net of dilution gains	-	367,950
Changes in non-cash working capital items:		
Sales tax receivables	7,838	(4,863)
Prepaid and other receivable	(96,767)	(132)
Accounts payable and accrued liabilities	(31,814)	(135,600)
	(365,425)	(557,527)
Cash flows from investing activities		
Sale of property, plant and equipment	-	50,000
	-	50,000
Change in cash	(365,425)	(507,527)
Cash, beginning of the period	5,494,253	7,581,884
Cash, end of the period	5,128,828	7,074,357
Cash flows from discontinued operations		
Operating activities	-	(90,266)
Financing activities	-	-
Investing activities	-	50,000
Total cash flows from discontinued operations	-	(40,266)
Supplemental information:		
Cash held in GIC's	3,768,603	-

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Mason Resources Inc. (Previously Mason Graphite Inc.)
Condensed Consolidated Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital		Reserves				
	Number	Amount	Warrants	Broker warrants	Options	Deficit	Total
		\$	\$	\$	\$	\$	\$
Balance as of July 1, 2024	141,292,585	110,305,542	5,622,949	591,458	8,204,641	(86,797,443)	37,927,147
Net loss and comprehensive loss for the period	-	-	-	-	-	(5,877,059)	(5,877,059)
Balance, September 30, 2024	141,292,585	110,305,542	5,622,949	591,458	8,204,641	(92,674,502)	32,050,088
Balance as of July 1, 2023	141,292,585	110,305,542	5,622,949	591,458	7,116,042	(97,037,440)	26,598,551
Share-based compensation	-	-	-	-	1,088,599	-	1,088,599
Net loss and comprehensive loss for the period	-	-	-	-	-	(1,827,943)	(1,827,943)
Balance, September 30, 2023	141,292,585	110,305,542	5,622,949	591,458	8,204,641	(98,865,383)	25,859,207

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Mason Resources Inc. (Previously Mason Graphite Inc.)
Notes to Condensed Interim Consolidated Financial Statements
Three months ended September 30, 2024, and 2023
(Expressed in Canadian Dollars, except where noted)
(Unaudited)

1. NATURE OF OPERATIONS AND LIQUIDITY RISK

Mason Resources Inc. (Previously Mason Graphite Inc.) ("Mason" or the "Company") was incorporated on March 15, 2011 under the *Business Corporations Act* (Ontario) and was continued under the *Canada Business Corporations Act* effective March 3, 2016. The Company's head office is located at 26-1501 Av. McGill College, Montréal, Québec, H3A 3M8, Canada. On October 27, 2023, the Company's changed its name to Mason Resources Inc. from Mason Graphite Inc.

Mason is a Canadian corporation focused on investment opportunities in minerals and materials, notably battery-related materials and their by-products and includes the development of value-added products, notably for green technologies like transport electrification.

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the most recent reporting period. As of September 30, 2024, the Company had a working capital (not including investments) of \$5,476,285 (2024 - \$5,720,967), an accumulated deficit of \$92,674,502 (June 30, 2024 - \$86,797,443) and a net loss from continuing operations of \$5,877,059 (September 30, 2023 - \$1,787,677) for the three months ended September 30, 2024. Working capital included a cash balance of \$5,128,828 (June 30, 2024 - \$5,494,253).

Management believes that the Company has sufficient funds to meet its obligations, operating expenses and some development expenditures of the value-added graphite product for the next 12 months. Should it become required to obtain additional financing, the Company can raise funds in various ways, including through strategic partnerships, joint venture agreements, debt project financing or other options offered by financial markets. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company.

2. MATERIAL ACCOUNTING POLICIES

a) Basis of presentation

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS issued and outstanding as of November 28, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual financial statements as at and for the year ended June 30, 2024, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending June 30, 2025 could result in restatement of these unaudited condensed consolidated interim financial statements.

Mason Resources Inc. (Previously Mason Graphite Inc.)
Notes to Condensed Interim Consolidated Financial Statements
Three months ended September 30, 2024, and 2023
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3. PROPERTY, PLANT AND EQUIPMENT

As of September 30, 2024 and June 30, 2024, the Company does not have any property plant and equipment.

	IT equipment	Production equipment	Construction in progress	Total
	\$	\$	\$	\$
Balance, June 30, 2023	100,898	4,951,941	-	5,052,839
Depreciation	(4,462)	-	-	(4,462)
Balance, September 30, 2023	96,436	4,951,941	-	5,048,377
As of September 30, 2023				
Cost	218,593	15,069,570	32,469,164	47,757,327
Accumulated depreciation	(122,157)	-	-	(122,157)
Accumulated charge for impairment	-	(10,117,629)	(32,469,164)	(42,586,793)
Net book value	96,436	4,951,941	-	5,048,377

4. EXPLORATION PROPERTY

The Company was previously engaged in the development of its 100% owned Lac Guéret graphite property located in Québec, Canada. Substantially, all of the Company's efforts were devoted to financing and developing this property. On May 15, 2023, Nouveau Monde Graphite Inc. and the Company entered into an agreement with a joint venture option on Lac Guéret graphite property. The Company disposed of its interest in Lac Guéret in January 2024, and sold all property, plant and equipment to various parties. Operations related to the property were classified as a discontinued operations.

	For the three months September 30,	
	2024	2023
Expenses (income)		
Added-value processing	\$ -	\$ 7,642
Government assistance	-	(1,725)
Care and maintenance for Lac Guéret project	-	79,887
Gain on sale of mineral data	-	(50,000)
Depreciation (Note 3)	-	4,462
Net income from discontinued operations	\$ -	\$ 40,266

Mason Resources Inc. (Previously Mason Graphite Inc.)
Notes to Condensed Interim Consolidated Financial Statements
Three months ended September 30, 2024, and 2023
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5. INVESTMENT IN ASSOCIATE - BLACK SWAN GRAPHENE INC. ("BLACK SWAN")

On August 2, 2022, Black Swan Graphene Inc. ("Old Black Swan") closed a Qualifying Transaction with Dragonfly Capital Corp. ("Dragonfly") pursuant to the terms of a share exchange agreement dated January 17, 2022, as amended, with Old Black Swan and its shareholders (the "Transaction"). The Transaction was completed by way of share exchange whereby Dragonfly acquired all of the outstanding common shares in the capital of Black Swan (each, a "Black Swan Share") from the shareholders of Old Black Swan. As a result of the Transaction, the Company became a reporting issuer.

Dragonfly previously raised \$7 million through the issuance of subscription receipts which were also released to the combined entity. Following these transactions, the Company received 117,799,982 shares in Dragonfly, now renamed Black Swan Graphene Inc ("Black Swan"), representing a participation of 41.49% in Black Swan. The Company previously accounted for its participation in Black Swan as an investment in an associate from the date of the Transaction, using the equity method up until the Company became an investment entity under the rules of IFRS 10 on April 1, 2024.

For the period ended September 30, 2023, the impact of the changes on the Company's investment in Black Swan are as follows:

	Three Months Ended September 30, 2023
Balance, beginning of period	\$ 14,011,792
Participation in New Black Swan at the time of the Transaction	-
Gain on dilution	-
Share of loss and comprehensive loss	(367,950)
Balance, end of period	\$ 13,643,842

The following table summarizes, in aggregate, the financial information of Black Swan. The amounts included in the IFRS financial statements of the associate are adjusted to reflect adjustments made by the Company, when using the equity method, such as fair value adjustments made at the time of acquisition.

	As of September 30, 2023
	\$
Cash	6,030,879
Total current assets	6,508,348
Total non-current assets	9,943,786
Total assets	16,452,134
Total current liabilities	410,006
Net assets	16,042,128
Proportion of ownership interest held	39.04 %
Proportion share of net assets	6,262,847
Goodwill	7,354,575
Net carrying amount of investment in Black Swan	13,643,842
	For The Three Months Ended September 30, 2023
Loss from continuing operations and total comprehensive loss	\$ 942,494

Mason Resources Inc. (Previously Mason Graphite Inc.)
Notes to Condensed Interim Consolidated Financial Statements
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6. INVESTMENTS

	As of September 30, 2024	As of June 30, 2024
Black Swan Graphene Inc. (note 5)	\$ 12,368,998	\$ 14,135,998
NorthX Nickel Corp. - Common shares	574,568	1,145,833
NorthX Nickel Corp. - Warrants	344,667	907,167
Nouveau Monde Graphite Inc.	13,285,570	16,017,182
Total	<u>\$ 26,573,803</u>	<u>\$ 32,206,180</u>

Nouveau Monde Graphite Inc. ("NMG")

On January 31, 2024, the Company closed the sale of the Lac Guéret Property by way of an asset purchase agreement dated January 21, 2024 with Nouveau Monde Graphite Inc. In consideration for the sale of the Lac Guéret Property, Mason received 6,208,210 common shares of NMG, representing approximately 9.25% of the issued and outstanding common shares of NMG. These common shares were treated as a financial asset classified at FVPTL. At the start of commercial production of the contemplated Uatnan Mining Project an additional payment of \$5,000,000 in cash is to be paid to the Company. As this contingent payment is not virtually certain to occur, no amounts have been recorded related to this potential additional payment.

NorthX Nickel Corp.

On May 15, 2024, the Company invested \$1,000,000 in NorthX Nickel Corp. (CSE: NIX) (OTCQB: RCHRF), formerly known as Archer Exploration Corp. ("NorthX"), Mason subscribed to 4,166,667 Units at a price of \$0.24 per Unit, with each Unit being comprised of one common share of NorthX and one share purchase warrant entitling Mason to purchase one NorthX share at a price of \$0.36 per Share until May 14, 2027.

In connection with the subscription of the Units, NorthX and Mason entered into an Investor Rights Agreement, pursuant to which, among other things, Mason has the right to designate two (2) nominees for election as directors of NorthX so long as it maintains ownership, directly or indirectly, of at least 10% of the issued and outstanding Shares on a non-diluted basis, and one (1) nominee for election as a director of NorthX so long as it maintains ownership, directly or indirectly, of at least 5% of the issued and outstanding Shares on a non-diluted basis.

Fair value hierarchy

The Company's investment portfolio is measured using the most reliable measure of fair value and range from level 1 to level 3 inputs. During the year ended September 30, 2024, there were no transfers between levels. The Company's measurement of the fair value of financial instruments as at September 30, 2024 in accordance with the fair value hierarchy is as follows:

Investments	Level 1	Level 2	Level 3	Total
September 30, 2024	26,229,136	344,667	-	26,573,803
June 30, 2024	31,299,013	907,167	-	32,206,180

Mason Resources Inc. (Previously Mason Graphite Inc.)
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7. SHARE CAPITAL

(a) Authorized

An unlimited number of common shares without nominal value which confer to each shareholder the right to vote at any meeting of the shareholders, except at meetings which only holders of special shares are entitled to attend, receive dividends declared by the Company thereon and share the residual property upon dissolution of the Company.

The Company has an unlimited number of special shares without nominal value which include certain rights and privileges. No special shares have been issued.

(b) Share issuances

During the three months ended September 30, 2024 and 2023, the Company did not issue any common shares.

8. WARRANTS

The Company did not have any outstanding warrants as of September 30, 2024 and 2023, June 30, 2024, and 2023.

9. STOCK OPTIONS

The Company has implemented a stock option plan ("the Plan") to be administered by the Board of Directors. Pursuant to the Plan the Board of Director's has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The terms and conditions of each option granted under the Plan will be determined by the Board of Directors. Options will be priced in the context of the market and in compliance with applicable securities laws and exchange guidelines. Consequently, the exercise price for any stock option shall not be lower than the market price of the underlying common shares at the time of grant. The Board shall determine the vesting period and the term of stock options granted under the Plan, provided that no stock option shall be outstanding for a period greater than ten years.

During the three months ended September 30, 2024, no stock options were granted.

During the three months ended September 30, 2023, the Company granted 6,780,000 options to directors, officers, and consultants of the Company, which vest immediately. The fair value of the options granted, as estimated at the time of grant, was \$1,084,800. This value was calculated using the Black-Scholes pricing model and the following assumptions: weighted average exercise price of the options of \$0.23 which corresponds to the share price at the time of grant, estimated life of five years, weighted average risk-free interest rate of 3.90%, volatility of 94.4% (based on past volatility of the Company's stock) and expected return on the stock of nil.

The following table reflects the continuity of options for the three months ended September 30, 2024 and 2023:

	Number of stock options	Weighted average exercise price (\$)
Balance, June 30, 2023	6,717,000	0.460
Granted	6,780,000	0.230
Balance, September 30, 2023	13,497,000	0.350
Balance, June 30, 2024	13,000,000	0.340
Forfeited	(300,000)	(0.230)
Balance, September 30, 2024	12,700,000	0.350

Mason Resources Inc. (Previously Mason Graphite Inc.)
Notes to Condensed Interim Consolidated Financial Statements
Three months ended September 30, 2024, and 2023
(Expressed in Canadian Dollars, except where noted)
(Unaudited)

9. STOCK OPTIONS (continued)

As of September 30, 2024, the Company had the following options outstanding:

Expiry Date	Exercise Price (\$)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
January 12, 2026	0.46	1.28	6,000,000	6,000,000
September 2, 2026	0.51	1.92	400,000	400,000
July 31, 2028	0.23	3.84	6,300,000	6,300,000
	0.35	2.57	12,700,000	12,700,000

Share-based compensation costs related to Mason for the three months ended September 30, 2024, totaled \$nil (September 30, 2023: \$1,088,599).

10. NET LOSS PER SHARE

	For the three months September 30,	
	2024	2023
Weighted average number of common shares	141,292,585	141,292,585
Dilutive effect on stock options	-	-
Weighted average of diluted common shares	141,292,585	141,292,585
Net loss from continuing operations attributable to common shareholders of Mason	(5,877,059)	(1,787,677)
Net loss from continuing operations per share – Basic and diluted	(0.04)	(0.01)
Net loss from discontinued operations attributable to common shareholders of Mason	-	(40,266)
Net loss from discontinued operations per share – Basic and diluted	0.00	0.00
Net loss attributable to common shareholders of Mason	(5,877,059)	(1,827,943)
Net loss per share – Basic and diluted	(0.04)	(0.01)

Given the net loss from continuing operations, the effect of potential issuances of shares under options would be anti-dilutive for the period ended September 30, 2024 and 2023 and accordingly, all basic, and diluted losses per share are the same.

Mason Resources Inc. (Previously Mason Graphite Inc.)
Notes to Condensed Interim Consolidated Financial Statements
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11. RELATED PARTY TRANSACTIONS

As of September 30, 2024, the balance due to the related parties amounted to \$4,069 (as of June 30, 2024: \$3,195). The amounts due are mainly directors' fees, do not bear interest, are not guaranteed and are payable on request.

As of September 30, 2024, included in prepaid and other receivables are amounts related to prepayments to related parties of \$20,833 (as of June 30, 2024: \$nil).

	For the three months	
	September 30,	
	2024	2023
Salaries, consulting fees and other benefits	\$ 76,263	\$ 87,812
Directors fees'	22,500	37,500
Share-based compensation – Management	-	208,000
Share-based compensation – Directors	-	476,000
	\$ 98,763	\$ 809,312

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 \$550,000. These contracts require that maximum payments of approximately \$1,000,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these unaudited condensed consolidated interim financial statements.

12. SUBSEQUENT EVENTS

Subsequent to September 30, 2024, 6,400,000 stock options were voluntarily terminated or cancelled.

On October 18, 2024, the Company completed the acquisition of 10,000,000 common shares of Sand Minerals Inc. at \$0.10 per share for gross proceeds of \$1,000,000.

On November 5, 2024, the Company completed the acquisition of 1,666,666 units of Astra Exploration Inc. at \$0.06 per unit for gross proceeds of \$100,000.