UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2015
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___________ to ______________

Commission File Number: 333-185278

NEXT GRAPHITE, INC.
(Exact name of registrant as specified in its charter)

Nevada	**90-0911609**
(State or other jurisdiction of incorporation)	(IRS Employer Identification Number)

318 North Carson Street, Suite 208
Carson City, NV 89701 USA
(Address of principal executive offices)

(949) 397-2522
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was Required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐		Accelerated filer	☐
Non-accelerated filer	☐	(Do not check if a smaller reporting company)	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of March 31, 2015 there were outstanding 50,411,443 shares of the registrant's common stock, $.0001 par value.

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PART I -- FINANCIAL INFORMATION

ITEM 1 -- FINANCIAL STATEMENTS

NEXT GRAPHITE, INC.
BALANCE SHEETS
Condensed Consolidated Balance Sheets

	March 31, 2015	December 31, 2014
	(unaudited)	
ASSETS		
Current assets:		
Cash	$ 7,132	$ 17,878
Total current assets:	7,132	17,878
Total assets	$ 7,132	$ 17,878
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 56,579	$ 62,579
Accrued interest payable	2,501	1,251
Note payable	24,000	-
Convertible note payable, net of debt discount of $35,168	64,832	47,249
Fair value of derivative liability - beneficial conversion feature	25,714	70,334
Total current liabilities	173,626	181,413
Total liabilities	173,626	181,413
Stockholders' deficit:		
Preferred stock authorized 25,000,000 shares, $.0001 par value, no shares issued and outstanding at March 31, 2015 and December 31, 2014.	-	-
Common stock authorized 100,000,000 shares, $.0001 par value, 50,411,443 shares issued and outstanding at March 31, 2015 and December 31, 2014.	5,041	5,041
Additional paid-in capital	4,046,916	4,046,916
Accumulated deficit	(4,218,451)	(4,215,492)
Total stockholders' deficit	(166,494)	(163,535)
Total liabilities and stockholders' deficit	$ 7,132	$ 17,878

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

NEXT GRAPHITE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the Three Months Ended March 31, 2015 and 2014
(Unaudited)

	Three Months Ending March 31, 2015	Three Months Ending March 31, 2014
NET SALES	$ -	$ -
OPERATING EXPENSES:		
Professional fees	21,076	173,238
Selling, general, and administrative	7,670	58,203
Total Operating Expenses	28,746	231,441
Loss from operations	(28,746)	(231,441)
OTHER INCOME (EXPENSE):		
Interest expense	(18,833)	-
Gain from changes in fair value of convertible note payable	44,620	-
Total Other Expenses, net	25,787	-
NET LOSS APPLICABLE TO COMMON SHARES	$ (2,959)	$ (231,441)
NET LOSS PER BASIC AND DILUTED SHARES	$ -	$ -
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	$ 50,411,443	$ 66,650,681

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

NEXT GRAPHITE, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Three Months Ended March 31, 2015 and Three Months Ended March 31, 2014
(Unaudited)

	Three Months March 31, 2015	Three Months March 31, 2014
Operating Activities:		
Net loss	$ (2,959)	$ (231,441)
Adjustments to reconcile net loss to net cash used in operating activities:		
Accrued interest payable	18,833	-
Changes in fair value of convertible note	(44,620)	-
Changes in operating assets and liabilities:		
Accounts payable and accrued liabilities	(6,000)	(487,542)
Net cash used in operating activities	(34,746)	(718,983)
Investing Activities:		
Purchase of Interest in Gazania	-	(150,000)
Net cash used in investing activities	-	(150,000)
Financing Activities:		
Advanced subscriptions	-	659,600
Proceeds from issuance of common stock	-	271,400
Proceeds from issuance of note payable	24,000	-
Net cash provided by financing activities	24,000	931,000
Net (decrease) increase in cash	(10,746)	62,017
Cash, Beginning of period	17,878	2,450
Cash, End of period	$ 7,132	$ 64,467

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

Next Graphite, Inc.
Notes to the Unaudited Condensed Consolidated Financial Statements

NOTE 1 – ORGANIZATION

Next Graphite, Inc. (the "Company") was incorporated in Nevada on September 26, 2012 under the name Zewar Jewellery, Inc. and is a development-stage entity. The Company's current business plan is to engage in the mining business developing graphite properties located in Namibia. The Company is based in Carson City, Nevada

On November 14, 2013, the Company consummated transactions pursuant to a Share Exchange Agreement (the "Share Exchange Agreement") dated November 14, 2013 by and among the Company and the stockholders of African Graphite, Inc., a private Nevada corporation ("AGI" and the "AGI Stockholders") whereby AGI Stockholders transferred 100% of the outstanding shares of common stock of AGI held by them, in exchange for an aggregate of 8,980,047 newly issued shares of the Company's common stock, par value $.0001 per share ("Common Stock").

On November 14, 2013, AGI entered into a Stock Purchase Option Agreement (the "Option Agreement") with NMC Corp., a corporation organized under the laws of the Province of Ontario, Canada ("NMC"), whereby NMC granted to AGI an option to purchase 90 ordinary shares, par value one Namibian dollar per share, of Gazania Investments Two Hundred and Forty Two (Proprietary) Limited, a corporation organized under the laws of the Republic of Namibia ("Gazania"), representing 90% of the issued and outstanding shares of Gazania, for $240,000. NMC had entered into an option agreement dated March 29, 2013, as amended on November 4, 2013 (the "Centre Agreement"), with Centre for Geoscience Research CC (formerly known as "Industrial Minerals and Rock Research Centre CC"), a company organized under the laws of the Republic of Namibia ("Centre"), whereby Centre agreed to transfer to Gazania 100% undivided interest in the exclusive prospecting license No. 3895 known as AUKUM originally issued to Centre by the government of the Republic of Namibia on April 4, 2011 and renewed on April 4, 2013 (the "License"). The License grants the right to conduct prospecting operations, bulk sampling and pilot production in the license area called AUKAM located in southern Namibia in the Karas Region within the Betaine district. The license area covers about 49,127 hectares. The only mine in Namibia which has produced graphite is situated in the license area. The transfer of the License to Gazania was approved by the Ministry of Mines and Energy of the Republic of Namibia on February 25, 2014.

Under the Option Agreement, AGI was required to pay to NMC $90,000 as an advance payment to be credited towards the purchase price of the Gazania shares. The Company made the advance payment on November 14, 2013. The balance of the purchase price in the amount of $150,000 was paid by AGI upon exercise of the option that was completed on March 14, 2014. As a result, Gazania became a direct 90% owned subsidiary of the Company.

NOTE 2 – BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and are presented in accordance with the requirements of Form 10-Q. In the opinion of management, the unaudited condensed consolidated financial statements included herein contain all adjustments, including normal recurring adjustments, considered necessary to present fairly the financial position, the results of operations and comprehensive income (loss) and cash flows of the Company for the periods presented. These unaudited condensed consolidated financial statements and notes hereto should be read in conjunction with the financial statements and notes thereto for the year ended December 31, 2014 included in the Company's Form 10-K filed on March 31, 2015. The operating results or cash flows for the interim periods presented herein are not necessarily indicative of the results to be expected for any other interim period or the full year.

NOTE 3 – GOING CONCERN

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which contemplates continuation of the Company as a going concern. The Company has incurred approximately $4,218,451 in operating deficit since its inception, and has generated no operating revenue, which could raise substantial doubt about the Company's ability to continue as a going concern.

In view of these matters, realization of the assets of the Company is dependent upon the Company's ability to meet its financial requirements through equity financing and the success of future operations. These unaudited condensed consolidated financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from those estimates.

Start-up Costs

In accordance with ASC 720-15-20, *"Start-up Activities,"* the Company expenses all costs incurred in connection with the start-up and organization of the Company.

Income Taxes

Provisions for income taxes are based on taxes payable or refundable and deferred taxes. Deferred taxes are provided on differences between the tax bases of assets and liabilities and their reported amounts in the financial statements and tax operating loss carry forwards. Deferred tax assets and liabilities are included in the financial statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes. Assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold based on the technical merits of the positions. Estimated interest and penalties related to uncertain tax positions are included as a component of general and administrative expense.

Basic and Diluted Loss per Common Share

Basic loss per common share amounts are computed by dividing net loss by the weighted-average number of shares of common stock outstanding during each period. Diluted loss per share amounts are computed assuming the issuance of common stock for potentially dilutive common stock equivalents.

Fair Value of Financial Instruments

The carrying amounts reported in the balance sheets for accounts payable, and related party payables approximate fair value because of the immediate or short-term maturity of these financial instruments. The carrying amounts reported for convertible notes payable approximate fair value based on the value of the common stock into which the notes are convertible. The carrying amounts reported for notes payable approximate fair value because the underlying instruments are at interest rates that approximate current market rates.

ASC 820 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability. ASC 820 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 establishes three levels of inputs that may be used to measure fair value:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company holds. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 – Valuation based on quoted prices in markets that are not active for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Financial instruments include cash, accounts payable and accrued expenses and other current liabilities. The carrying amounts of cash, accounts payable and accrued expenses and other current liabilities approximate their fair value due to the short term maturities of these instruments.

The Company has Level 3 financial instrument, an embedded derivative liability (beneficial conversion feature) that is recorded at fair value on periodic basis. The embedded derivative is evaluated under the hierarchy of ASC 480-10, ASC Paragraph 815-25-1 and ASC Subparagraph 815-10-15-74 addressing embedded derivatives. The fair value of such Level 3 financial instrument is estimated using the Black-Scholes option pricing model. The foregoing Level 3 financial instrument has certain provisions which qualifies to be classified as a liability under ASC 815.

As of March 31, 2015, the following table represents the Company's fair value hierarchy for items that are required to be measured at fair value on a recurring basis:

Description	Level 1	Level 2	Level 3
Derivative liability	$ -	$ 25,714	$ -

Recent Accounting Pronouncements

In August 2014, the Financial Accounting Standards Board ("FASB") issued a new standard on disclosure of uncertainties about an entity's ability to continue as a going concern. The new standard provides guidance on determining when and how reporting entities must disclose going concern uncertainties in their financial statements. The new standard requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date of issuance of the entity's financial statements. Additionally, an entity must provide certain disclosures if there is substantial doubt about the entity's ability to continue as a going concern. The new standard will be effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted. The Company is in the process of evaluating the impact of adoption on the Company's financial statements.

In June 2014, the FASB issued a new standard on accounting for share-based payments. The new standard clarifies that entities should treat performance targets that can be met after the requisite service period of a share-based payment award as performance conditions that affect vesting. As such, the performance target should not be reflected in estimating the grant date fair value of the award. The new standard also clarifies that compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the period for which the requisite service has already been rendered. The new standard will be effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. The Company is in the process of evaluating the impact of adoption on the Company's financial statements.

In May 2014, the FASB issued a new standard on recognizing revenue in contracts with customers. The new standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance. The new standard creates a five-step process to recognize revenue that requires entities to exercise judgment when considering contract terms and relevant facts and circumstances. The new standard also requires expanded disclosures surrounding revenue recognition. The new standard will be effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2016. The Company is in the process of evaluating the impact of adoption on the Company's financial statements.

Other recently issued accounting standards are not expected to have a material effect on the Company's financial statements.

In May 2014, the FASB issued Accounting Standards Update No. 2014-09 (ASU 2014-09), Revenue from Contracts with Customers. ASU 2014-09 will eliminate transaction- and industry-specific revenue recognition guidance under current U.S. GAAP and replace it with a principle based approach for determining revenue recognition. ASU 2014-09 will require that companies recognize revenue based on the value of transferred goods or services as they occur in the contract. The ASU also will require additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. ASU 2014-09 is effective for reporting periods beginning after December 15, 2016, and early adoption is not permitted. Entities can transition to the standard either retrospectively or as a cumulative-effect adjustment as of the date of adoption. Management is currently assessing the impact the adoption of ASU 2014-09 and has not determined the effect of the standard on our ongoing financial reporting.

In February 2015, the FASB issued ASU 2015-02, Consolidation (Topic 810). ASU 2015-02 amends whether the reporting entities are required to evaluate whether they should consolidate certain legal entities. All legal entities are subject to reevaluation under the revised consolidation modal. The amendments include: (1) modify the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities; (2) eliminate the presumption that a general partner should consolidate a limited partnership; (3) Affect the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships; (4) provide a scope exception from consolidation guidance for reporting entities with interests in legal entities that are required to comply with or operate in accordance with requirements that are similar to those in Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds. The amendments in ASU 2015-02 will be effective prospectively for annual reporting periods beginning after December 15, 2016, and interim periods within those annual periods, however early adoption is permitted. Management is currently assessing the impact of the adoption of ASU 2015-02 and has not determined the effect of the standard on our ongoing financial reporting.

In April 2015, the FASB issued ASU 2015-03, Imputation of Interest (Subtopic 835-30). ASU 2015-03 simplifies the presentation of debt issuance costs by requiring debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying amount of debt liability, consistent with debt discounts or premiums. The recognition and measurement guidance for debt issuance costs would not be affected by the amendments in this update. The amendments in ASU 2015-03 will be effective prospectively for annual reporting periods beginning after December 15, 2015, and interim periods within those annual periods, however early adoption is permitted. Management is currently assessing the impact of the adoption of ASU 2015-03 and has not determined the effect of the standard on our ongoing financial reporting.

NOTE 5 – CONVERTIBLE NOTE PAYABLE

On October 2, 2014, the Company issued a convertible note payable with an interest rate of 5.0% per annum in the amount of $100,000. The outstanding balance and any accrued interest is due on December 31, 2015. Under the agreement, the note can be convertible at the holder's discretion into common shares of the Company's stock at a 25% discount to the price at the date of exercise.

The Company adopted the provisions of FASB ASC Topic 815, "Derivatives and Hedging" ("ASC 815") (previously EITF 07-5, "Determining Whether an Instrument (or an Embedded Feature) is Indexed to an Entity's Own Stock"), as the convertible note agreement contained certain provision that the convertible note failed to pass the "fixed for fixed" criteria of ASC815, the conversion feature of the convertible debt should have to be bifurcated and recorded separately until the conversion date.

Based on ASC 815, the Company determined that the convertible debt contained embedded derivatives and full-ratchet provision which the Company valued the embedded derivative using the Black-Scholes method. The following table represents fair value of embedded derivative movement from the date of issuance to March 31, 2015

Description	Fair Value at Date of Issuance	Changes in Fair Value	Fair Value at March 31, 2015
Derivative liability	$ 70,334	$ (44,620)	$ 25,714

As a result of initial recording of derivative liability of $70,334 with proceeds of $100,000 the Company recorded debt discount of $70,334 at the date of issuance of convertible note payable.

The Company accretes debt discount of $70,334 over the life of the convertible note which is 12 months. The Company recorded accretion of $17,583 for the three months ended March 31, 2015 which is recorded as interest expense.

Interest incurred for the three month ended on March 31, 2015 was $1,251 (excluding debt discount accretion of $17,583 which is also recorded as interest expense).

NOTE 6 - STOCKHOLDERS' EQUITY

As of March 31, 2015 the Company had (i) 100,000,000 Common shares authorized with a par value of $.0001 per share, of which 50,411,443 shares were issued and outstanding, and (ii) 25,000,000 shares of preferred stock, par value $.0001 per share, authorized, none of which was issued and outstanding. 8,980,047 shares of Common Stock have been issued to founders, of which, 400,016 shares were issued to the President and director as part of their consulting agreements. The shares were valued at par for a value of $898.

The Company had the following common stock issuance transactions from January 1, 2014 to March 31, 2015 pursuant to a Subscription Agreement with accredited investors:

Quarter	Date	# of Shares Sold		Per Share Price		Gross Proceeds
Q1 2014	February 3, 2014	271,400	$	1.00	$	271,400
Q1 2014	March 14, 2014 and March 20, 2014	550,000	$	1.00	$	550,000
Q1 2014	March 25, 2014	150,000	$	1.00	$	150,000
Q2 2014	April 29, 2014	50,000	$	1.00	$	50,000
Q2 2014	June 19, 2014	60,000	$	1.00	$	60,000
Q3 2014	August 28, 2014	170,000	$	1.00	$	170,000

On March 21, 2014, the Company cancelled 25,740,000 shares of common stock. The cancellation of the shares decreased the amount of common stock by $2,574 and increased additional paid in capital by the same amount. The shares were held by African Graphite and were cancelled for internal company restructuring.

On March 14, 2014, AGI exercised its option under the Option Agreement and the Company paid to NMC the balance of the purchase price in the amount of $150,000 outstanding under the Option Agreement.

NOTE 7 – RESTRICTED COMMON SHARES

On May 20, 2014, the Company approved future issuances of performance based restricted common shares to the following employees and outside consultants. The Company accounts the issuances of restricted common shares, as defined by ASC 718, *Compensation—Stock Compensation*, in accordance with ASC 718. The restricted common shares will be issued upon completion of certain tasks or deliverables and contain certain exercise price with no expiration period.

A summary of the status of the Company's restricted common shares is presented below:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2013	-	-		
Granted	1,760,000	$ 0.17		
Exercised	-	-		
Forfeited or expired	-	-		
Outstanding at December 31, 2014	1,760,000	$ 0.17	N/A	$ 246,400
Granted	-	-		
Exercised	-	-		
Forfeited or expired	-	-		
Outstanding at March 31, 2015	1,760,000	$ 0.17	N/A	$ 61,600
Vested at March 31, 2015	1,760,000	$ 0.17	N/A	$ 61,600

The aggregate intrinsic value in the preceding table represents the total pre-tax intrinsic value, based upon the Company's closing stock price of $0.035 as of March 31, 2015, which would have been received by the share option award holders had all share option award holders exercised their share option awards as of that date.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

The Company is subject to various legal proceedings from time to time as part of its business. As of March 31, 2015, the Company was not currently party to any legal proceedings or threatened legal proceedings, the adverse outcome of which, individually or in the aggregate, it believes would have a material adverse effect on its business, financial condition and results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

SPECIAL NOTE OF CAUTION REGARDING FORWARD-LOOKING STATEMENTS

CERTAIN STATEMENTS IN THIS REPORT, INCLUDING STATEMENTS IN THE FOLLOWING DISCUSSION, ARE WHAT ARE KNOWN AS "FORWARD-LOOKING STATEMENTS", WHICH ARE BASICALLY STATEMENTS ABOUT THE FUTURE. FOR THAT REASON, THESE STATEMENTS INVOLVE RISK AND UNCERTAINTY SINCE NO ONE CAN ACCURATELY PREDICT THE FUTURE. WORDS SUCH AS "PLANS", "INTENDS", "WILL", "HOPES", "SEEKS", "ANTICIPATES", "EXPECTS "AND THE LIKE OFTEN IDENTIFY SUCH FORWARD-LOOKING STATEMENTS, BUT ARE NOT THE ONLY INDICATION THAT A STATEMENT IS A FORWARD-LOOKING STATEMENT. SUCH FORWARD-LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING OUR PLANS AND OBJECTIVES WITH RESPECT TO THE PRESENT AND FUTURE OPERATIONS OF THE COMPANY, AND STATEMENTS WHICH EXPRESS OR IMPLY THAT SUCH PRESENT AND FUTURE OPERATIONS WILL OR MAY PRODUCE REVENUES, INCOME OR PROFITS. NUMEROUS FACTORS AND FUTURE EVENTS COULD CAUSE THE COMPANY TO CHANGE SUCH PLANS AND OBJECTIVES OR FAIL TO SUCCESSFULLY IMPLEMENT SUCH PLANS OR ACHIEVE SUCH OBJECTIVES, OR CAUSE SUCH PRESENT AND FUTURE OPERATIONS TO FAIL TO PRODUCE REVENUES, INCOME OR PROFITS. THEREFORE, THE READER IS ADVISED THAT THE FOLLOWING DISCUSSION SHOULD BE CONSIDERED IN LIGHT OF THE DISCUSSION OF RISKS AND OTHER FACTORS CONTAINED IN THIS REPORT ON FORM 10-K AND IN THE COMPANY'S OTHER FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION. NO STATEMENTS CONTAINED IN THE FOLLOWING DISCUSSION SHOULD BE CONSTRUED AS A GUARANTEE OR ASSURANCE OF FUTURE PERFORMANCE OR FUTURE RESULTS.

Plan of Operations

The Company plans to re-launch mining production and on site processing at the Aukum Graphite Mine at an estimated cost of $2,000,000. Approximately $1,000,000 has been targeted for 2013-2014 start-up costs such as mining rights acquisition, licensing, engineering, geological and project consultants fees, accounting and legal fees. An additional $1,000,000 has been budgeted for the 2015 costs of a small-scale, on-site processing plant.

Targeted second-half 2014 pre-production activities, budgeted at approximately $600,000 of the $1 million in start-up costs, have and will include: the transfer of the mining license to Next Graphite Inc.; initial testing of the Aukum Graphite Mine samples and the compilation of its initial geological report; process testing of surface graphite samples from on-site tailings; preparation of an Environmental Impact Assessment report; application for a Mining License for extraction; preliminary drilling and advanced product testing; preliminary economic analysis based on our findings and a scoping study that details the engineering for production, mining design, flowchart and operations; construction planning for a small-scale processing facility; and continuing public company governance, overhead & professional services.

The Company will need to raise the aforementioned $600,000 in funding for planned second-half 2014 activities. Funds will also be required to pursue the exploration of additional subterranean graphite on the property with the goal to produce 2,000 tonnes of graphite yearly.

The completed, re-opened mine will be targeting an estimated 2,000 tonnes of annual production, with initial production targeted for the first quarter of 2015. As previously stated, approximately $1,000,000 has been targeted for securing basic processing equipment and other costs associated with the construction of a small-scale, on-site processing plant. We believe the Company should be profitable within 18 months of initial production.

The management team continues to review and assess the benefits and costs to of financing structures and methods to fund its growth. While the Company believes it will begin to realize some revenue and working capital in 2015 through initial sales of graphite, it plans to obtain most of its required capital through private placements of its common stock to accredited investors.

Results of Operations

We did not have any revenues since inception. Operating expenses have been incurred of $28,746 for the three month period ending March 31, 2015.

Liquidity and Capital Resources

As of March 31, 2015, we had $7,132 in cash.

The Company does not currently have sufficient resources to cover ongoing expenses and expansion. From August 2013 to March 31, 2015, we consummated various private placements of our securities, which resulted in net proceeds to us of $1,541,800. We used $240,000 out of the net proceeds to make a payment to NMC under the Option Agreement in connection with the option grant closing and the option exercise closing. Under the Option Agreement, we undertook to provide at least $260,000 of working capital to or for the benefit of Gazania from the option grant closing date to September 30, 2014. We plan on raising additional funds from investors to implement our business model. In the event we are unsuccessful, this will have a negative impact on our operations.

If the Company cannot find sources of additional financing to fund its working capital needs, the Company will be unable to obtain sufficient capital resources to operate our business. We cannot assure you that we will be able to access any financing in sufficient amounts or at all when needed. Our inability to obtain sufficient working capital funding will have an immediate material adverse effect upon our financial condition and our business.

Critical Accounting Policies

Development stage entity

The Company is considered a development stage entity, as defined in FASB ASC 915, because since inception it has not commenced operations that have resulted in significant revenue and the Company's efforts have been devoted primarily to activities related to raising capital.

Going concern

The Company's unaudited condensed consolidated financial statements are prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of obligations in the normal course of business. However, it has $7,132 in cash, has losses and an accumulated deficit, and a working capital deficiency. The Company does not currently have any revenue generating operations. These conditions, among others, raise substantial doubt about the ability of the Company to continue as a going concern.

In view of these matters, continuation as a going concern is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to, meets its financial requirements, raise additional capital, and the success of its future operations. The unaudited condensed consolidated financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should the Company not continue as a going concern.

Management believes they can raise the appropriate funds needed to support their business plan and acquire an operating company with positive cash flow. Management intends to seek new capital from owners and related parties to provide needed funds.

Off-Balance Sheet Arrangements

We do not have off-balance sheet arrangements, financings, or other relationships with unconsolidated entities or other persons, also known as "special purpose entities" (SPEs).

ITEM 3. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

The Securities and Exchange Commission defines the term "disclosure controls and procedures" to mean controls and other procedures of an issuer that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company maintains such a system of controls and procedures in an effort to ensure that all information which it is required to disclose in the reports it files under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified under the SEC's rules and forms and that information required to be disclosed is accumulated and communicated to principal executive and principal financial officers to allow timely decisions regarding disclosure.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this report.

Changes in Internal Controls over Financial Reporting

No change in our system of internal control over financial reporting occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 4. EXHIBITS.

(a) The following exhibits are filed herewith:

31.1	Certifications by the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certifications by the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Schema Document
101.CAL	XBRL Calculation Linkbase Document
101.DEF	XBRL Definition Linkbase Document
101.LAB	XBRL Label Linkbase Document
101.PRE	XBRL Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Next Graphite, Inc.

Date: May 15, 2015

By: /s/ Charles Bream
Name: Charles Bream
Title: Chief Executive Officer, Chief Financial Officer and Director
(Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION

I, Charles Bream certify that:

1. I have reviewed this report on Form 10-Q of Next Graphite, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2015

/s/ Charles Bream
Charles Bream
Chief Executive Officer, Chief Financial Officer
and Director (principal executive officer,
principal financial officer and
principal accounting officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certifies, in her capacity as an officer of Next Graphite, Inc. (the "Company"), for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of her knowledge:

(1) The Quarterly Report of the Company on Form 10-Q for the quarter ended March 31, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 15, 2015

/s/ Charles Bream
Charles Bream
Chief Executive Officer, Chief Financial Officer
and Director (principal executive officer,
principal financial officer and
principal accounting officer)

A signed original of this written statement required by Section 906 has been provided to Next Graphite, Inc. and will be retained by Next Graphite, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.