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 June 30, 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 August 14, 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.
Condensed Consolidated Balance Sheets

	June 30, 2015	December 31, 2014
ASSETS	(unaudited)	
Current assets:		
Cash	$ 3,469	$ 17,878
Total current assets:	3,469	17,878
Total assets	$ 3,469	$ 17,878
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 56,579	$ 62,579
Accrued interest payable	4,508	1,251
Notes payable	34,000	-
Note payable – related party	2,500	-
Convertible notes payable, net of debt discount of $36,030	91,970	47,249
Fair value of derivative liability	114,588	70,334
Total current liabilities	304,145	181,413
Total liabilities	304,145	181,413
Stockholders' deficit:		
Preferred stock authorized 25,000,000 shares, $.0001 par value, no shares issued and outstanding	-	-
Common stock authorized 100,000,000 shares, $.0001 par value, 50,411,443 shares issued and outstanding	5,041	5,041
Additional paid-in capital	4,069,191	4,046,916
Accumulated deficit	(4,374,908)	(4,215,492)
Total stockholders' deficit	(300,676)	(163,535)
Total liabilities and stockholders' deficit	$ 3,469	$ 17,878

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

NEXT GRAPHITE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
NET SALES	$ -	$ -	$ -	$ -
OPERATING EXPENSES:				
Professional fees	31,260	274,272	52,336	445,217
Selling, general, and administrative	35,178	22,390	42,848	82,887
Total Operating Expenses	66,438	296,662	95,184	528,104
Loss from operations	(66,438)	(296,662)	(95,184)	(525,754)
OTHER INCOME (EXPENSES):				
Changes in fair value of derivative	(68,874)	-	(24,254)	-
Interest expense	(21,145)	-	(39,978)	-
Total Other Expense	(90,019)	-	(64,232)	-
NET LOSS APPLICABLE TO COMMON SHARES	$ (156,457)	$ (296,662)	$ (159,416)	$ (525,754)
NET LOSS PER BASIC AND DILUTED SHARES	$ -	$ -	$ -	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	50,411,443	50,411,443	50,411,443	61,031,765

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

NEXT GRAPHITE, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	Six Months June 30, 2015	Six Months June 30, 2014
Operating Activities:		
Net loss	$ (159,416)	$ (525,754)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock compensation	22,275	-
Interest expense – note payables	675	
Interest expense – amortization of convertible note discount	39,303	-
Changes in fair value of convertible note	24,254	-
Changes in operating assets and liabilities:		
Prepaid	-	(361,667)
Accounts payable and accrued liabilities	(6,000)	62,579
Net cash used in operating activities	(78,909)	(863,427)
Investing Activities:		
Purchase of Interest in Gazania	-	(150,000)
Net cash used in investing activities	-	(150,000)
Financing Activities:		
Advanced subscriptions	-	60,000
Proceeds from issuance of note payable to related party	2,500	
Proceeds from issuance of note payable	34,000	
Proceeds from issuance of common stock	-	981,000
Proceeds from issuance of convertible note	28,000	-
Net cash provided by financing activities	64,500	1,041,000
Net increase (decrease) increase in cash	(14,409)	27,573
Cash, Beginning of period	17,878	2,450
Cash, End of period	$ 3,469	$ 30,023
Supplemental disclosures of cash flow information:		
Interest	$ -	$ -
Income taxes	$ -	$ -

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 that 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 $4,374,908 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.

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 June 30, 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	$ -	$	$ 114,588

Recent Accounting Pronouncements

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 – NOTES PAYABLE

On February 10, 2015, the Company issued a note payable with an interest rate of 5.0% per annum in the amount of $24,000. The outstanding balance and any accrued interest is due one year from the date of the note.

On April 1, 2015, the Company issued a note payable with the interest rate of 7.0% per annum in the amount of $10,000. The outstanding balance and any accrued interest is due six months from the date of the note.

On June 30, 2015, the Company issued a promissory note with the interest rate of 7.0% per annum in the amount of $2,500 to the Michael J. Doron who is a Chairman of the Company. The outstanding balance and any accrued interest is due three months from the date of the note.

NOTE 6 – 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.

On June 10, 2015, the Company issued a convertible note payable with an interest rate of 8.0% per annum in the amount of $28,000. The outstanding balance and any accrued interest is due on March 13, 2016. Under the agreement, the note can be convertible at the holder’s discretion into common shares of the Company’s stock at the date of exercise using three days lowest stock price average times 61 percent discount.

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 June 30, 2015

Description of derivative liability	Fair Value at Date of Issuance	Changes in Fair Value 2015	Fair Value at June 30, 2015
Convertible note of $100,000	$ 70,334	$ 17,901	$ 88,235
Convertible note of $28,000	20,000	6,353	26,353
Total	$ 90,334	$ 24,254	$ 114,588

In 2014, 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 quarter ended June 30, 2015 which is recorded as interest expense.

In 2015, as a result of initial recording of derivative liability of $20,000 with proceeds of $28,000 the Company recorded debt discount of $20,000 at the date of issuance of convertible note payable.

The Company accretes debt discount of $20,000 over the life of the convertible note. The Company recorded accretion of $1,555 for the quarter ended June 30, 2015 which is recorded as interest expense.

Interest incurred for the three month ended on June 30, 2015 was $1,332 (excluding debt discount accretion of $19,138 which is also recorded as interest expense).

NOTE 7 - STOCKHOLDERS' DEFICIT

As of June 30, 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 June 30, 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 8 – STOCK BASED COMPENSATION

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.

On May 28, 2015, the Company has elected to grant warrants to certain entities and individuals in lieu of restricted common stocks granted but no yet issued.

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	-	-		
Superseded by May 28 Stock Warrants	1,760,000	-		
Outstanding at June 30, 2015				
Vested at June 30, 2015	-	-	N/A	$ -

The stock warrants issued in lieu of restricted common stock granted but not yet issued is presented below:

Date Issued	Exercise Price	Number of Shares	Expiration date
May 28, 2015 (Issued in lieu of restricted common stock)	$ 0.11	2,720,000	May 27, 2020
May 28, 2015	$ 0.11	25,000	May 27, 2020
June 16, 2015	$ 0.11	2,000,000	June 15, 2020
Total warrants at June 30, 2015		4,745,000	4.92 years

As of June 30, 2015, the weighted average contractual life of the stock warrants is 4.92 years. The initial fair value of the warrants issued in lieu of restricted common stock was estimated at an aggregate value of $29,920, which was lower than the fair value of stocks originally issued and cancelled, therefore, no incremental expense was recorded. The initial fair value of the new warrants issued on for services was estimated at an aggregate value of $22,275. All warrants are vested and exercisable immediately.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The Company is subject to various legal proceedings from time to time as part of its business. As of June 30, 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.

NOTE 10 – JOINT VENTURE

Next Graphite, Inc. (the “Company”) entered into a Joint Venture Agreement (“JVA”) with Micron Investments Pty. Ltd. (“Micron”) on June 8, 2015, which was subsequently amended on July 10 and July 17, 2015, as set forth under Item 5 below. Pursuant to the JVA, as amended, the Company and Micron are to enter into a Farm-Out Agreement which the Company expects to be completed by September 15, 2015. The JVA and Farm-Out Agreement will require Micron to pay $1.1 million to build and operate a graphite processing plant and in exchange, Micron will receive, upon achievement of milestones, up to a 63% interest in the mining and mineral rights held by the Company at its Aukam site. The Company will retain a minimum of 37% after having purchased the 10% interest held by its local partner as set forth in Item 5 below.

NOTE 11 – SUBSEQUENT EVENTS

On July 8, 2015, the Company issued a promissory note with the interest rate of 7.0% per annum in the amount of $2,500 to the Charles Bream who is a Chief Executive Officer of the Company.

On June 19, 2015, the Company entered into the Agreement with “Centre For Geosciences Research Close Corporation”, a close corporation incorporated under the laws of Namibia, “CFGR”), whereby CFGR sold to African Graphite Inc. (AGI) the 10% of ownership (10 shares) of Gazania Investments Two Hundred and Forty Two (Proprietary) Limited, a corporation organized under the laws of the Republic of Namibia ("Gazania") for the amount of $15,000.

ITEM 2. 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

Next Graphite, Inc. (the “Company”) entered into a Joint Venture Agreement (“JVA”) with Micron Investments Pty. Ltd. (“Micron”) on June 8, 2015, which was subsequently amended on July 10 and July 17, 2015, as set forth under Item 5 below. Pursuant to the JVA, as amended, the Company and Micron are to enter into a Farm-Out Agreement which the Company expects to be completed by September 15, 2015. The JVA and Farm-Out Agreement will require Micron to pay $1.1 million to build and operate a graphite processing plant and in exchange, Micron will receive, upon achievement of milestones, up to a 63% interest in the mining and mineral rights held by the Company at its Aukam site. The Company will retain a minimum of 37% after having purchased the 10% interest held by its local partner as set forth in Item 5 below.

In July, 2015 Micron was acquired by Caribou King Resources, Ltd.

Execution of the Farm-Out Agreement and commencement of revenue generating activities are contingent on the Company obtaining approval of the Namibian government to renew its EPL 3895. Renewal is anticipated to occur by September, 2015.

The JVA calls for Micron and the Company to begin the processing approximately 140,000 tonnes of existing graphite tailings, and develop three existing adits as well as other locations on the Company’s 125,000 acre Aukam site. Engineering and research are currently being conducted on the adits.

The JVA also calls for the plant to process up to 5,000 tonnes per year. Initial production is anticipated to commence in the Q2 - Q3 2016 timeframe.

Previously reported Company activities in 2013-2014 included: compilation of an initial geological report; process testing of surface graphite samples; issuance of an Environmental Impact Assessment report; a Preliminary Economic Analysis based on our findings and a scoping study that detailed the engineering for production, mining design, flowchart and operations; and construction planning for an initial processing facility.

Favorable results from these 2013-2014 activities resulted in the go-forward build-out called for in the JVA. Based on previously reported and quantified findings on Aukam graphite from two third-party laboratories, the 140,000 tonnes of above ground tailings are forecast to generate approximately $18 million in sales proceeds based on a $1,200 per ton price. Next Graphite’s portion of that would be approximately $6,500,000. The Company is presently awaiting laboratory results on graphite findings from extensive sampling in one of its adits that could result in additional revenues. There is no assurance that laboratory tests will be favorable and that there is no assurance that $18 million in revenue forecast can be met.

Prior to entering into the JVA, the Company was constrained by a lack of working capital. That situation has been largely corrected by funding that is being provided by Micron. In addition to our joint venture partner building a processing plant and assuming all plant responsibilities until five months after plant completion, the JVA stipulates that the Company will receive $180,000 in cash during the construction phase of the plant. Nevertheless, after that point, the Company will be responsible for funding 30% of the operating costs and the Company anticipates that it will need to raise additional capital to do so. There can be no assurance that such capital will be available to the Company when needed. There is no assurance that laboratory tests will be favorable and that there is no assurance that $18 million in revenue forecast can be met.

Results of Operations

We did not have any revenues since inception.

Operating expense. Operating expenses were $66,438 and $95,184 for the three and six months ended June 30, 2015, respectively, compared to $296,662 and $525,754 for the three and six months ended June 30, 2014, respectively. The decrease in expense for both periods is due to legal costs incurred during 2014 in conjunction with the agreement with Wall Street Relations, Inc. who are engaged to provide various advisory services

Other expenses. Other expenses were $90,109 and $64,232 for the three and six months ended June 30, 2015, respectively, compared to $0 for the both the three and six months ended June 30, 2014. It is primarily to due to changes in value of derivative, debt discount amortization and interest expense.

Change in value of derivative. The change in value of derivative as a non-cash expense of $68,874 and $24,254 for the three and six months ended June 30, 2015, respectively. This compares to $0 for the both the three and six months ended June 30, 2014. These adjustments result from periodic valuation adjustments related to fluctuations in our stock price for convertible notes issued in connection with the Convertible Notes issued in our private placement Changes in the value of our derivative are non-cash and do not affect the core operations of our business or liquidity.

Debt discount amortization. Debt discount amortization expense were $19,138 and $39,303, of non-cash expenses for the three and six months ended June 30, 2015. For the three and six months ended June 30, 2014, debt discount amortization expense was $0, for the both the three and six months ended June 30, 2014. It is primarily related to the periodic amortization of issuance costs associated with the Convertible Notes.

Interest expense. Interest expenses relate to interest accrued from convertible note payable and note payable for the respective periods. Such amounts were $2,007 and $3,257 for the three and six-month periods ended June 30, 2015, respectively. This compares to $0 for the both the three and six-month periods ended June 30, 2014.

Liquidity and Capital Resources

For the six months ended June 30, 2015, our cash used in operations was $78,909, cash provided by financing activities was $64,500, primarily due to issuance of Convertible Note. As of June 30, 2015, our cash balance was $3,469.

The Company does not currently have sufficient resources to cover ongoing expenses and expansion. From August 2013 to June 30, 2014, 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. 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

This management’s discussion and analysis of financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these unaudited condensed consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as revenues and expenses during the reporting periods. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on historical experience and on various other factors we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could therefore differ materially from those estimates under different assumptions or conditions.

Our significant accounting policies are described in Note 4 to our unaudited condensed consolidated financial statements included elsewhere in this report. We believe the following critical accounting policies reflect our more significant estimates and assumptions used in the preparation of our unaudited condensed consolidated financial statements.

Management has entered into a Joint Venture Agreement that provides working capital and plant expansion, and 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 additional 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 6. EXHIBITS.

(a) The following exhibits are filed herewith:

10.1	July 17, 2015 Second Amendment to Joint Venture Agreement
10.2	June 8, 2015 Joint Venture Agreement
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: August 19, 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)

Micron Investments Pty Ltd.
3 Kasteel Street P.O. Box 40330
Ausspannplatz
Windhoek, Khomas Region
Namibia

July 17, 2015

Charles C. [Cliff] Bream III
CEO
Next Graphite, Inc.
318 N Carson St.
Carson City, NV 89701
United States

AMENDMENT #2 TO LETTER AGREEMENT

Re: Joint Venture Agreement between Micron Investments Pty. Ltd. and jointly Next Graphite Inc. and Gazania Pty Ltd. on the Aukam Property, Namibia – Executed 8 June 2015

Whereas there have been unexpected delays in the EPL renewal by the Ministry in Namibia, and

the Parties intend to proceed with the work program at the Aukam site as soon as practicable, notwithstanding such delay in EPL extension,

therefore the Parties agree to the following amendments to the JVA executed between the Parties on 8 June 2015.

1. The Parties recognize Amendment #1 executed by email and appended with respect to the deferral of the Farm-Out Agreement negotiation and execution (and associated payment) until a maximum of 14 days from EPL extension.

2. In advance of EPL renewal, Micron shall continue work on the Aukam site and shall begin removal of up to 10,000 tonnes of graphite bearing material (the "Material") from the site to a warehouse in Luderitz. The Material shall be tested and pilot operations will be managed in this closed-roofed facility in order to optimize commercial opportunities and circuit design. It is further agreed as follows:

   a. Next hereby authorizes Micron to conduct the program described above.
   b. Micron shall bear the expense of this work.
   c. All expenses shall be creditable towards the Farm-Out Amount.

d. In the event the Material is sold at any time from the date of this Amendment # 2, any realizable amount from net proceeds of sale of the Material shall be distributed to the Parties in accordance with the Post Farm-Out proportions (after consideration to Micron for its costs); i.e, 70% to Micron and 30% to Next after compensation to the local 10% partner.

3. In consideration for this Amendment, Micron hereby agrees to waive the EPL renewal condition under 3a of the June 3 JVA and shall advance to Next the balance of the $25,000 payment within 3 days of the execution of this Amendment #2. Next acknowledges that Micron has thus far paid to Next or on behalf of Next US$5,000 with respect to the Country Manager, Ministry Fees and to the local Farmor. The balance owing under 3a of the JVA to be advanced is therefore US$20,000.

4. Next hereby acknowledges that Micron has completed its adit work obligations under 3d of the JVA

5. The spelling of Aukam. The Parties acknowledge that Aukam is often also spelled as "Aukum". The more prevalent spelling is "Aukam" and therefore we shall settle on this spelling in the future and hereby amend any earlier references to Aukam.

The Parties hereby agree to Amendment #2 of the JVA Letter Agreement.

MICRON INVESTMENTS PTY LTD.

Per: ______________________

Name: Roger Moss

Title: CEO

Duly executed and agreed on

7/20/15

NEXT GRAPHITE, INC.

Per:

Name: Charles C. [Cliff] Bream III

Title: President & CEO

Duly executed and agreed on

7/20/15

GAZANIA PTY LTD.

Per: ______________________

Name: Michael Doron

Title: Chairman

Duly executed and agreed on

07/20/15

Micron Investments Pty Ltd.
3 Kasteel Street P.O. Box 40330
Ausspannplatz
Windhoek, Khomas Region
Namibia

June 8, 2015

Charles C. Bream III
President & CEO
Next Graphite, Inc.
318 N Carson St.
Carson City, NV 89701
United States

LETTER AGREEMENT

Re: Joint Venture Agreement between Micron Investments Pty. Ltd. and jointly Next Graphite Inc. and Gazania Pty Ltd. on the Aukum Property, Namibia

This legally-binding letter serves to confirm the terms of the Joint Venture Agreement ("JVA") between Micron Investments Pty. Ltd. ("Micron", its successors or assignees or the "Farmee") and jointly Next Graphite Inc. ("Next") and Gazania 242 Pty Ltd. ("Gazania"), (Next and Gazania collectively, the "Farmor", or the "Junior Partner" post Farm-in) on the Aukum Property, Namibia, EPL 3895 ("Aukum" or the "Property").

As background, Micron and Next together with Gazania (the "Parties") understand the following:

- Next owns 90% of the shares of Gazania.
- Gazania holds free and clear title to a 100% interest in each of the mining and mineral rights on the Aukum Property (the "License"), such property containing graphite, including approximately 140,000 tonnes of graphite in pilings.
- Micron represents that it has the expertise, project management engineering skills, and financial assistance required to Mine, Process, and bring to Market the graphite and potentially other commodities at Aukum and further explore the Property (the "Project").
- The Parties will hereby undertake to execute a Farm-out Agreement and a Joint Operator's Agreement ("JOA") in substantially the form attached herein.
- It is envisaged that Micron will enter into an agreement with a public company that will in turn, assume the obligations of Micron hereunder. Micron will inform Next once it is ready to do so.

Now therefore, the Parties agree to enter into a Joint Venture Agreement on the following terms:

1. Farm-Out
    a. Micron will earn through milestone accomplishments as detailed in the JOA and Farm-Out agreements, a direct 63% interest in the License in exchange for contributing up to USD $1.1 million in cash towards developing the Project.
    b. Post Farm-Out, for the first five months, Micron will be wholly responsible for funding all operations and raising the operating capital needed to run operations at Aukum and all plant-related activities and expenditures. Profits will be shared according to respective ownership.).
    c. Thereafter, each Party will contribute funding proportionately to their respective 70%-30% holdings (the Namibian local 10% partner's interest receiving a free carry).

2. Farm-Out Period
    a. The Farm-Out Period shall commence upon execution of this Letter Agreement and Micron will have earned in its full 63% of the License and the Project upon completion of (i) investing the Farm-Out Amount of $1.1 million in cash; or (ii) the completion of the Plant and Infrastructure set up; and (iii) government authorization to begin commercial operations.
    b. Namibia mining legislation will require both companies to submit applications for mining and a mining permit, and at time of submission both companies will be responsible for their contribution in proving to the government that they are capable of running a mining operation in Namibia. Both companies will share this responsibility and be in good standing to complete the process.
    c. In an event where by Next needs additional capital to cover its day to day costs and cover past debt obligations, Micron will have first right of refusal on placing the funds required by Next, in return for a loan or additional equity in the license, on terms as may be agreed upon.

3. Cash Consideration to Next (in addition to the Farm-Out amount)
    a. Upon execution of this Letter Agreement, Micron will wire within three business days, $25,000 to Next, subject to the License being renewed.
    b. Upon the execution of the Farm-Out Agreement, Micron will pay to Next $40,000, under the same payment terms. This Farm-Out Agreement will be signed within 30 days of the execution of this Letter Agreement but no later than the 10th of July 2015.
    c. Upon each three (3) month anniversary of the execution of the Farm-out Agreement, Micron will pay to Next $25,000 under the same payment terms; such payments to cease upon conclusion of the Farm-Out Period, but Next will receive a minimum of a total of $180,000, over the length of the Farm-Out period including the initial two payments upon the executions of this Letter Agreement and the Farm-Out agreement outlined

in 3a and 3b.

d. Micron will also invest $25,000 on the Adits, within 20 Days of the executed JVA. This funding is separate from the Cash Consideration to Next and will be creditable against the $1.1M Farm-Out Amount.

4. Farm-Out Agreement Contract
   a. The Parties hereby agree that Micron shall be the exclusive manager of the Project and shall have oversight and primary decision-making authority during the Farm-Out Period, the detailed terms of which shall be fully documented in the Farm-Out Agreement. Next will have decision-making input as a Junior Partner and full observation of the work being carried out on the property at its own expense. Once a month the two parties will participate in teleconference calls to map out progress on the property. Next will have full visitation rights and may have an on the ground representative present at all times during the course of the Farm-Out period, at its own expense.
   b. Post Farm-Out decision-making will be governed by a board of directors of three (3), two (2) nominated by Micron, one (1) nominated by Next.
   c. Post the Farm-Out Period, Micron shall continue as exclusive manager of the Project, however it shall have the obligation to present to the Junior Partner the upcoming annual plan sixty days in advance of implementation. Micron shall in good faith take into account the input from the Farmor.
   d. The Scope of work during the Farm-Out period shall include Design, Engineering, Procurement, Build of Plant and Infrastructure, associated Hiring, and other matters as required to ready the Property for Commercialization. The detailed terms shall be fully documented in the Joint Operations Agreement, a draft of which will be circulated and broadly agreed by the Parties.
   e. The Scope of Work post Farm-Out shall include Mining, Processing, Marketing, Project Management and other matters as required for any remaining readying for and Commercialization.
   f. Consideration: Micron shall fulfill the scope of its obligations under the Farm-Out Agreement and JOA for consideration as outlined in the Initial Funding Program as set out in Appendix A.
   g. Subcontract: Micron shall have the right to sub-contract all or part of the work under its obligations under the Farm-Out Agreement and the JOA to advance the Project with the written consent of Next, which shall not be unreasonably withheld or denied.

5. Funding

a. Micron will bear the first $1.1 million costs in cash (the "Initial Funding" or "Farm-Out Amount") as defined in Paragraphs 1 and 2 to advance the commercialization of the project, as ultimately documented in the Farm-Out Agreement.
    i. The Farm-Out amount shall include all categories of costs included in the Scope of the Farm-Out and as ultimately documented in the Farm-Out Agreement. The Farm-Out Amount will not include origination fees paid consultants in the formation of this joint venture nor overhead or SG&A of Micron or its successors or assignees.
    ii. The Farm-Out amount shall exclude public company costs and OSC regulatory compliance costs such as 43-101 related expenses.
    iii. All fees paid by Micron or its successors or assignees to third parties related to obligations under the Farm-Out Agreement and JOA will be fully disclosed to Next.

b. Post the Farm-Out and after 5 months of commercial operations, the Parties shall bear all expenses with respect to the Property in proportion to their ownership interests, as detailed in Paragraph 1 herein and ultimately documented in the Joint Operations Agreement. In the event a Party cannot or choses to not contribute, ownership shall be adjusted in accordance with the Dilution Formula as mutually agreed to.

c. In the event Micron is not able to meet its scheduled funding obligations hereunder for market conditions or other reasons, the parties will work in good faith to develop a reasonable funding schedule which delays funding obligations not more than six months.

6. Profit Sharing
    a. Next will be paid the net proceeds of its respective ownership within 30 days of the end of each calendar Quarter. It will be responsible for reconciling the income it receives with Gazania.
    b. Next will be given full access to all financial and expenditure information used in arriving at net proceeds. Both parties must agree on the calculation methodology for determining "net proceeds" and document it in the JOA.

7. Farmer's Contract
    a. It is understood that Next is responsible for payment in full its monthly fee obligations to the Farmer who holds title to the surface rights on the Aukum Property. However, Farmer royalty payments will be shared in proportion to the ownership interests of Next and Micron or its successors.

8. Next 10% Option
    a. Three months after executing the Farm-Out agreement, Micron shall have the option to buy an incremental 10% of Next's remaining interest in the License for a cash payment of $185,000 or a 30-day trailing average of the Next stock price, whichever is more.

b. After execution of the Farm-Out agreement and in an event where Next needs additional working capital, Micron will honor any advance cash call on it by Next up to $185,000, in return for a loan with interest terms as may be agreed upon. Any such cash call will be credited against the $185,000 cash payment described in 8.a. above.

9. Micron Right of First Refusal
   a. Farmor hereby grants a right of first refusal to Micron in the event the Farmor choses to sell its interest in the License.

10. Representations and Warrantees of Next and Gazania
    a. Gazania and Next are current and in good corporate standing in all respects.
    b. Gazania holds free and unencumbered title to the Aukum Property surface and mining rights such title being in good standing with the Ministry of the Government of Namibia and such License includes the EPL 3895 License Renewal. Next holds clear and unencumbered title to 90% of the shares of Gazania.
    c. None of the assets of Next or Gazania have been or will be pledged to any lender, other financer or party and there is no outside interest, lien or other encumbrance on the Property, Project, or License.
    d. Each of Next and Gazania has the corporate authority and the undersigned is duly authorized to enter into this Letter Agreement.
    e. Other Representations and Warrantees will be included in the Farm-out and Joint Operations Agreements.

11. Representations and Warrantees of Micron
    a. Micron is incorporated under the Laws of Namibia and is current and in good standing in all respects.
    b. Micron has the corporate authority and the undersigned is duly authorized to enter into this Letter Agreement.

12. Registration with Ministry of Mines and Energy, Government of Namibia
    a. The Farmor will register this JVA and the Farmee's interest in Aukum herein with the Ministry of Mines and Energy of the Government of Namibia and provide formal Ministry receipt of registered interest.

13. Binding Nature
    a. This Letter Agreement is Binding on all Parties, their Successors and Assigns.

14. Announcement
    a. Next and Micron shall announce this Letter Agreement in a mutually agreed to press release within 5 business days of execution.

15. Timing

a. The Parties agree to work in good faith to finalize and execute the follow-on Farm-Out agreement within 30 days of the execution of this Letter Agreement. In the event that Next does not execute the Farm-Out Agreement within a reasonable period, all payments made by Micron to Next will be repayable to Micron within 60 days.

16. Conditions:

a. No breach of Representations and Warrantees. The Parties have provided satisfactory evidence that the Representations and Warrantees are true in all material respects.

17. Other Matters:

a. Confidentiality - Except for the Press Release, the Parties agree to keep the contents of the JVA discussions strictly confidential except as necessary to pursue the various required financings, so long as potential counter-parties execute an appropriate Non-Disclosure Agreement.
b. Currency. All currency herein is in US$.
c. Law - This Letter Agreement will be governed in accordance with the Laws of the Province of Ontario.
d. Access – Next and Micron and its successors agree to provide access to books, records, financials, etc. as required by the other party.
e. Expenses – Each Party shall bear its own expenses.
f. Termination – this Letter Agreement shall expire if not fully executed by June 8, 2015.

If you are in agreement with the foregoing, please sign and return one copy of this letter agreement, which thereupon will constitute our agreement with respect to its subject matter.

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Yours truly,

MICRON INVESTMENTS PTY LTD.

Per: ______________________________
Name: Roger Moss
Title: CEO

Duly executed and agreed on

June 8, 2015

NEXT GRAPHITE, INC.

Per: Charles Clifford Bream III
Name: Charles C. Bream III
Title: President & CEO

Duly executed and agreed on

June 8, 2015

GAZANIA PTY LTD.

Per: ______________________________
Name: Michael J. Doron
Title: Chairman

Duly executed and agreed on

June 8, 2015

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: August 19, 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 June 30, 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: August 19, 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.