



Dear Fellow Shareholders,

Firstly, I would like to wish you all a very happy and prosperous 2018.

As we move into what is expected to be a great year for the copper industry on the back of the emerging electric car revolution, I would like to provide you with a brief recap of 2017, but more importantly, share my thoughts on Mason Resources Corp. (“Mason Resources”) and the investment environment for the year ahead. As most of you will be aware, Mason Resources was spun-out of Entrée Gold Inc. (now Entrée Resources Ltd.) in May 2017, with a goal of unlocking shareholder value for its US assets: the 100%-owned Ann Mason copper project in Nevada and the 100% owned copper-gold Lordsburg property in New Mexico.

In the short eight months since its creation, Mason Resources has started trading on the TSX and OTCQB, released an updated Preliminary Economic Assessment (“PEA”) confirming the Ann Mason project’s robust economics, and attracted two supportive cornerstone strategic shareholders: Mantos Copper SA and Hudbay Minerals Inc. I am delighted to welcome on board many other new institutional and retail investors who have also recognised the potential of the Ann Mason and Lordsburg assets.

As a reminder, Ann Mason copper project highlights include:

- 4th largest undeveloped copper porphyry resource in Canada/US¹ with 1.4 billion tonnes of measured and indicated resources
- Robust PEA with a net present value (7.5%) of US\$770 million, high quality metallurgy, 30% clean copper concentrate and expected production of 5.1 billion pounds of copper over its initial 21-year mine life²
- Located in Yerington, Nevada, a safe mining jurisdiction with strong community support and mining experience in a region with excellent infrastructure
- Notification has been received from the US Army Corps of Engineers that no permit will be required under Section 404 of the Clean Water Act, thereby expediting the overall permitting process

To add some perspective, if in production today, Ann Mason would be the 5th largest copper mine in Canada and the US.¹

Moving to the current investment environment, it is widely believed that there is an increasing global demand for copper. Both China and India continue to grow and urbanize, but equally importantly the world is embracing a new phase of electrification. As one example, in 2017 several vehicle manufacturers stated publicly that they will stop producing fossil fuel powered vehicles as early as 2021 after which all models produced by those manufacturers will be either hybrid or fully electric.

At the same time there is widespread consensus that copper output from current operating mines will decline in the coming years largely due to decline in mined copper grade and resource depletion. In addition, there is a current and worsening shortage of advanced, large, long life copper projects being developed to meet increasing demand. Copper supply is widely predicted to move into a deficit position some time around 2019/20. This supply imbalance is likely to be sustained until significant investment is made in the exploration for new supply. Even if such investment were to start today, there is a significant time delay between exploration leading to producing capacity. This is good news for companies that currently have advanced copper projects like Ann Mason in their portfolios. Given current market conditions, and with copper prices currently over US\$3.00 per pound, the Ann Mason copper project is ideally positioned to help fill the emerging global copper supply gap.

Looking ahead to 2018, Mason Resources is currently developing plans to advance the Ann Mason project towards Prefeasibility either alone or with the assistance of a strategic partner. Mason Resources was consciously created with a relatively small number of outstanding shares to give it flexibility as to how it raises the funds required to advance the project. We are starting the year with a strong treasury and will continue to be committed to using that treasury to maximise value creation for shareholders. We have recently commenced a number of environmental and project de-risking initiatives to help us define the best project to move forward. In the immediate future, the team at Mason Resources will be developing the detailed plans and actions required in their effort to deliver optimal investment returns to shareholders.

In closing, Mason Resources' strong financial position, high quality asset portfolio and supportive cornerstone shareholders provide it with a strong foundation and flexibility for growth. In a short time period we've come a long way, but we're only getting started! Thank you for your support in 2017 as we look forward to a safe and busy 2018.

Sincerely,



Stephen Scott
President & CEO
January 10, 2018

More on Mason Resources Corp (TSX: MNR | OTCQB: MSSNF) can be found on our [website](#), including the latest [News](#), [Corporate Presentation](#) and [Corporate Video](#), or by calling Investor Relations at 604-673-2001 or emailing info@MasonResources.com.

Visit us at **Vancouver Resource Investment Conference**, Vancouver, BC on January 21 & 22, 2018 at booth #910 and at **PDAC**, Toronto, ON on March 4 to 7, 2018 at booth #2712.

Notes:

- (1) *Data source: SNL database*
- (2) *See Mason Resources' press release dated May 10, 2017. The PEA is preliminary in nature and includes Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.*

Forward-Looking Statements

This letter contains forward-looking statements and forward-looking information, as defined under applicable Canadian and US securities laws, which are subject to known and unknown risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Known risk factors are described under the heading "Risk Factors" in the Company's most recently filed MD&A which is available on SEDAR at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate; accordingly, readers should not place undue reliance on forward-looking statements. Mr. Robert Cinits, P.Ge., Chief Operating Officer of Mason Resources Corp., a qualified person under National Instrument 43-101, has approved the technical information in this letter.