

VANCOUVER, BRITISH COLUMBIA / TheNewswire / May 9, 2016 - [MGX Minerals Inc.](#) ("MGX" or the "Company") (CSE: XMG / FKT: 1MG) is pleased to announce receipt of the initial capital expenditure ("CAPEX") report for a lithium carbonate production plant from engineering consultant Cementation AG. The CAPEX budget is the second part of the previously received initial Process Design and Scoping Study (the "Study") (see press release dated April 14, 2016).

MGX engaged Cementation AG to analyze extraction of minerals from the heavily mineralized brine within the Fox Creek and Swan Hills areas, which are part of the Company's portfolio of Alberta lithium properties. Cementation AG formulated a detailed initial CAPEX budget based on quotations from potential vendors in addition to applying in-house expertise and experience. The CAPEX plan provides a positive basis for the Company to proceed with engineering of an initial 20,000 bpd (barrels per day) lithium carbonate production plant.

### Scoping Study Highlights

Further details of the proposed process and production plant design are provided as follows:

- -Reduction of production time of lithium carbonate by greater than 99% over current traditional brine production - 1 day versus 18 months;
- multiple end market products including lithium carbonate, sodium chloride and calcium chloride with potential for addition of boron and bromine production;
- strategic sourcing of reagents and energy to reduce input costs;
- application of energy efficient technology to significantly reduce potential operating expenditures (OPEX); and
- utilization of existing oil and gas infrastructure and expertise to reduce CAPEX and OPEX.

The Study includes flowsheet recommendations and operational expenditure (OPEX) calculations to process lithium-bearing brine of 20,000 bpd (barrels per day) in a commercial plant. The process is designed to rapidly separate brine minerals to produce various industrial mineral compounds. The Study also includes a metallurgy testing protocol. MGX is currently evaluating metallurgical laboratories for bench testing of the proposed process. As a result of the positive CAPEX report, Cementation AG has provided a 6-month engineering and development project plan to follow metallurgy testing for the detailed engineering of the proposed lithium carbonate plant.

### Alberta Lithium Properties

MGX has staked or entered into purchase agreements to acquire a 100% undivided interest in 24 Metallic and Industrial Mineral Permits (the "Permits") throughout the Province of Alberta encompassing over 1,150 square miles (300,000 hectares). These Permits were acquired based on compilation of historic exploration for lithium by the Province as well as oil and gas well data and known geology. The Permits are all geological associated with current and past producing oil fields.

### Qualified Person

This press release was prepared under the supervision and review of Andris Kikauka, P. Geo. and Vice President of Exploration for MGX Minerals. Mr. Kikauka is a non-independent Qualified Person within the meaning of National Instrument (N.I.) 43-101 Standards.

### About Cementation AG

Cementation AG holds expertise in the handling and processing of industrial and energy minerals from scoping study through construction, operations, and maintenance. The lithium plant engineering team is being led by Cementation AG's process engineers with extensive experience in process design, metallurgy and operations. Cementation AG process engineers have supported projects with Suncor, Intrepid Potash, Copper Mountain, Rio Tinto, Phelps Dodge, HudBay Minerals and others.

### About MGX Minerals

MGX Minerals (CSE: XMG) is a diversified Canadian mining company engaged in the acquisition and development of industrial mineral deposits in western Canada that offer near-term production potential, minimal barriers to entry and low initial capital expenditures. The Company operates lithium, magnesium and silicon projects throughout British Columbia and Alberta,

including the Driftwood magnesium project. MGX has recently received approval of a 20 year mining lease for Driftwood and bulk sampling is currently underway. For further information, please visit the Company's website at [www.mgxminerals.com](http://www.mgxminerals.com).

## Contact Information

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Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

The Company is actively working on bringing its Alberta Lithium Properties into production. However, readers are cautioned that the Company has not completed a pre-feasibility or feasibility study which establishes mineral reserves with demonstrated economic and technical viability. Further, the Company cautions readers that any potential production may not be economically feasible and historically projects taken to production without establishing reserves through a feasibility study have a much higher risk of economic or technical failure.

## Forward-Looking Statements

This press release contains forward-looking information or forward-looking statements (collectively "forward-looking information") within the meaning of applicable securities laws. Forward-looking information is typically identified by words such as: "believe", "expect", "anticipate", "intend", "estimate", "potentially" and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various factors. The reader is referred to the Company's public filings for a more complete discussion of such risk factors and their potential effects which may be accessed through the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

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