

Vancouver, British Columbia / TheNewswire / July 27, 2016 - [MGX Minerals Inc.](#) ("MGX" or the "Company") (CSE: XMG / FKT: 1MG) is pleased to announce that it will be offering rights to shareholders of its common shares at the close of business on the record date of August 12, 2016, on the basis of one right for each common share held. Four rights will entitle the holder to subscribe for one unit of the Company (a "Unit") upon a subscription price of \$0.18. Each Unit consists of one common share and one-half of one purchase warrant, with each whole warrant exercisable into one common share at a price of \$0.20 per share for a period of 24 months from the issuance date of the Units.

The rights will trade on the Canadian Securities Exchange under the symbol XMG.RT commencing on August 10, 2016 and will expire at 2:00 p.m. (Vancouver time) on September 16, 2016 (the "Expiry Time"), after which time unexercised rights will be void and of no value. Shareholders who fully exercise their rights will be entitled to subscribe for additional Units, if available as a result of unexercised rights prior to the Expiry Time, subject to certain limitations set out in the Company's rights offering circular.

Details of the rights offering will be set out in the rights offering notice and rights offering circular which will be available under the Company's profile at www.sedar.com. The rights offering notice and accompanying rights certificate will be mailed to each eligible shareholder of the Company as at the record date. Registered shareholders who wish to exercise their rights must forward the completed rights certificate, together with the applicable funds, to the rights agent, Computershare Investor Services Inc., on or before the Expiry Time. Shareholders who own their common shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary. Rights delivered to brokers, dealers or other intermediaries may not be delivered by those intermediaries to beneficial shareholders who are residents in a jurisdiction outside of Canada ("Ineligible Jurisdictions"). Intermediaries receiving rights that would otherwise be deliverable to Ineligible Shareholders may attempt to sell those Rights for the accounts of such Ineligible Shareholders and should deliver the proceeds of sale to such persons.

The Company currently has 41,753,017 common shares outstanding. A minimum of 5,555,600 Units (the "Minimum Offering") and a maximum of 10,438,254 Units will be issued under the rights offering. If all the rights issued under the rights offering are validly exercised, the offering will raise gross proceeds of approximately \$1,878,886, the net proceeds of which will be used for exploration and development of the Company's Alberta Lithium Properties and the Driftwood Creek Property, as well as for general working capital.

Soliciting Dealer and Standby Commitment

In connection with the rights offering, the Company has entered into a soliciting dealer and standby guarantee agreement (the "Standby Agreement") with Mackie Research Capital Corporation ("MRCC"). Under the Standby Agreement, MRCC will use commercially reasonable efforts to assist the Company in soliciting the exercise of rights. MRCC has also agreed to a limited stand-by commitment whereby it will purchase up to but not exceeding \$500,000 worth of Units (the "Standby Guarantee"), subject to the condition that the total Units subscribed for by rights holders and under the Standby Guarantee achieves the Minimum Offering. For example, if the Company has received subscriptions for \$600,008 of Units by the Expiry Time, then MRCC will be obligated to purchase \$400,000 of Units under the Standby Guarantee in order to complete the Minimum Offering. However, in the event that the Company receives subscriptions for less than \$500,000 of Units by the Expiry Time, then MRCC will not be obligated to purchase any Units under the Standby Guarantee and the rights offering will terminate.

The Company will pay MRCC a fee of \$17,500 plus disbursements and applicable taxes, and a cash commission of 8% of the gross proceeds raised under the rights offering (the "Commission"). The Company will also grant MRCC broker warrants ("Broker Warrants") entitling MRCC to acquire that number of Units equal to 25% of the number of Units distributed pursuant to the rights offering for proceeds of up to \$500,000 and 10% of the remaining number of Units distributed pursuant to the rights offering, with each Broker Warrant exercisable at \$0.18 to acquire one Unit for a period of 24 months from the date of the closing of the rights offering.

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. For further information, please visit the Company's website at www.mgxminerals.com.

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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.

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.

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