

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Feb 22, 2017) - [Scientific Metals Corp.](#) ("STM" or the "Company") (TSX VENTURE:STM)(FRANKFURT:26X)(OTCQB:SCTFF) is pleased to announce it has entered into an arm's length Earn-In Agreement (the "Agreement") with [MGX Minerals Inc.](#) ("MGX") (CSE:XMG) pursuant to which MGX has been granted the option to acquire a 50% interest in STM's Paradox Basin Lithium Brine property (the "Paradox Property") located in Utah in the western United States.

Under terms of the Agreement, MGX has the option to acquire a 50% interest in the Paradox Property by: (i) making a cash payment of CDN\$50,000 to STM upon execution of the Agreement; (ii) issuing 150,000 MGX common shares to STM upon execution of the Agreement; and (iii) incurring minimum exploration expenditures on the Paradox Property of no less than CDN\$250,000 over the course of a 12 month period. If MGX earns its 50% interest, the parties will negotiate and enter into a joint venture agreement pursuant to which the parties shall be equally responsible for all future exploration and development expenses on the Paradox Property. Further, MGX will have the right to participate in an amount of up to 15% of the gross proceeds of any equity or debt financings of STM for a period of 18 months from the date of execution of the Agreement.

STM President Wayne Tisdale states: "We are pleased to partner with MGX on our exciting petro lithium project in the Paradox Basin. We benefit from being an early mover in the Paradox Basin and securing what we believe to be key ground which historically demonstrated lithium grades. With deep experience and expertise in the oil and gas sector we feel that MGX is the right partner to help explore this exciting new basin. Cementing this joint venture will allow STM to benefit from their Nanoflotation technology that is exclusive to MGX. We look forward to working together to develop our project."

The Paradox Property consists of an aggregate of 111 mineral claims covering approximately 2,200 acres located approximately four kilometers northwest of Intrepid Potash's Cane Creek operation. Approximately eight wells have been drilled on the Paradox Property with additional historic wells in the immediate area. Historic exploration, as reported by Southern Natural Gas and documented by the Utah Geological and Mineralogical Survey, reported 500 ppm lithium from well No. 1 Long Canyon ("Concentrated Subsurface Brines in the Moab Region, Utah", Utah Geological and Mineralogical Survey, June 1965).

Lithium occurs in the basin in oversaturated mineral brine (40 per cent minerals, 60 per cent water) and was discovered during oil exploration when drill wells intercepted the main brine zone (clastic break 31) of the Paradox formation. ("Concentrated Subsurface Brines in the Moab Region, Utah", Utah Geological and Mineralogical Survey, June 1965).

The Company has not undertaken any independent investigation of the drill results, fluid analysis or other information contained in this press release nor has it independently analyzed the results of the previous exploration work in order to verify the accuracy of the information or whether the information was prepared in accordance with the requirements of National Instrument 43-101. The Company believes that the historical drill results, fluid analysis and other information contained in this press release are relevant to continuing exploration on the Paradox Property. MGX and STM intend to conduct a review of recent and historic well logs, along with chemical analysis in the area and reprocessing of seismic data focusing on mineral brine.

Mr. Garry Clark, P. Geo., of Clark Exploration Consulting, is the "qualified person" as defined in NI 43-101, who has reviewed and approved the technical content in this press release.

Reader Advisory

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the Company's proposed operations and activities on the Paradox Property. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada and globally; industry conditions, including governmental regulation and environmental regulation; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; liabilities inherent in water disposal facility operations; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, processing and transportation problems; changes in tax laws and incentive programs; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes

in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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

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