MGX Minerals Initiates Geophysical Survey at Utah Petrolithium Project, Blueberry Unit, Paradox Basin

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VANCOUVER, British Columbia, Nov. 08, 2017 (GLOBE NEWSWIRE) -- MGX Minerals Inc. (“MGX” or the “Company”) (CSE:XMG) (FKT:1MG) (OTCQB:MGXMF) is pleased to report the Company has engaged Dawson Geophysical Company (“Dawson”) of Houston, Texas to conduct a detailed seismic geophysical survey over the Blueberry Unit within the Company’s Paradox Basin Petrolithium project in Utah (“Paradox Basin” or the “Project”). Preparations are underway and Dawson expects to commence the survey shortly. The goal of the survey is to identify subsurface geological formations and structures favorable to the accumulation of oil, gas and mineral brine deposits.

The Blueberry Unit consists of 80,380 acres of unitized Federal, State and Private lands. MGX controls the overwhelming majority of mineral claims within the Blueberry Unit inclusive of lithium and other industrial minerals. The Blueberry Unit is part of the Company’s large landholding within the Paradox Basin and Lisbon Valley, which consists of over 110,000 acres of oil and gas leases and approximately 118,000 acres of largely overlying mineral claims. Brine content within the Lisbon oilfield have been historically reported as high as 730 ppm lithium (Superior Oil 88-21P).

The Project is also host to a National Instrument (N.I) 51-101 estimated prospective resources (the “Estimate”) consisting of leasehold and royalty interests in San Juan County, Utah and Miguel County. Colorado. The estimate was prepared by the Ryder Scott Company, L.P. (“Ryder Scott”), an independent qualified reserves evaluator within the meaning of N.I. 51-101 - Standards of Disclosure for Oil and Gas Activities (“NI 51-101”), with an effective date of June 30, 2017. The Estimate was prepared in accordance with N.I. 51-101 and the Canadian Oil and Gas Evaluation Handbook.

Estimated Gross Volumes
Unrisked Prospective (Recoverable) Hydrocarbon Resources
Leasehold Interest in San Juan County, Utah and San Miguel County, Colorado of
MGX MINERALS INC.
As of June 30, 2017

Formation	ULTIMATE RECOVERY OIL – MMBO			ULTIMATE RECOVERY GAS – BCF			COC*
	LOW	BEST	HIGH	LOW	BEST	HIGH	
Paradox Clastics							
CB2	41.799	59.498	85.324	33.441	47.602	68.266	0.075
CB3	41.915	60.641	85.833	33.536	48.517	68.671	0.075
CB4	12.766	18.745	26.692	10.213	14.781	21.355	0.075
CB5	33.185	48.065	68.841	26.548	38.453	55.074	0.075
CB6	6.603	9.607	13.874	5.283	7.686	11.100	0.045
CB7	1.892	2.735	3.948	1.514	2.188	3.158	0.032
CB8	19.108	27.525	39.079	15.287	22.022	31.264	0.068
CB9	11.452	16.671	23.711	9.162	13.337	18.970	0.068
CB10	14.565	21.169	30.088	11.652	16.936	24.073	0.068
CB11	2.021	2.929	4.244	1.617	2.344	3.396	0.032
CB12	9.352	13.609	19.525	7.482	10.887	15.620	0.045
CB13	9.333	13.158	19.297	7.468	10.815	15.438	0.045
CB14	3.195	4.621	6.634	2.556	3.697	5.308	0.045
CB15	6.455	9.432	13.633	5.164	7.546	10.908	0.045

CB16	2.752	3.987	5.768	2.202	3.190	4.615	0.045
CB17	3.770	5.390	7.835	3.016	4.313	6.269	0.040
CB18	4.673	6.728	9.572	3.739	5.383	7.658	0.045
CB19	16.690	24.226	34.542	13.358	19.381	27.636	0.068
CB20	2.931	4.253	6.118	2.435	3.402	4.895	0.040
CB21 (Cane Creek)	35.336	51.338	73.971	28.272	41.073	59.177	0.097
CB22	5.635	8.261	11.957	4.508	6.609	9.566	0.045
Leadville	1.000	2.100	4.000	153.000	231.700	341.600	0.066

**COC – Chance of Commerciality = Chance of Discovery * Chance of Development*

MGX holds a 75% working interest in the Project with the remaining interest primarily controlled by a private Utah corporation (the “Paradox Partner”). The Paradox Partner has been engaged by MGX as subcontracted operator of the Project.

The Paradox Basin has been noted by the USGS as having one of the largest undeveloped oil and gas fields in the United States (“Assessment of Oil and Gas Resources in the Paradox Basin Province…”; USGS; 2011; Click Here). According to production statistics, as reported by the Utah Department of Natural Resources, Oil, Gas and Mining Division, cumulative lifetime production within Lisbon Valley oilfield, contiguous with the Blueberry Unit, has totaled 51.4 million barrels of oil as of April 2017 (“Oil Production by Field, Utah Department of Natural Resources, Division of Oil, Gas and Mining”; February 2017; Click Here).

MGX may decide to advance its petrolithium projects into production without first establishing mineral resources supported by an independent technical report or completing a feasibility study. A production decision without the benefit of a technical report independently establishing mineral resources or reserves and any feasibility study demonstrating economic and technical viability creates increased uncertainty and heightens economic and technical risks of failure. Historically, such projects have a much higher risk of economic or technical failure.

Qualified Person

The technical portions of this press release were prepared and reviewed by Andris Kikauka (P. Geo.), 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 MGX Minerals

MGX Minerals is a diversified Canadian resource company with interests in lithium, magnesium and silicon assets throughout North America. Learn more at www.mgxminerals.com.

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Forward-Looking Statements

This press release contains certain statements that constitute forward-looking statements or information ("forward-looking statements") including the volume of resources. Although MGX believes that the expectations reflected in such forward-looking statements are reasonable, such forward-looking statements have been based on factors and assumptions concerning future events that may prove to be inaccurate. Those factors and assumptions are based upon currently available information available to the Company. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. As such, readers are cautioned not to place undue reliance on the forward-looking information, as no assurance can be provided as to future results, levels of activity or achievements.

MGX believes that the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking statements included in this press release are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: inaccurate estimation of MGX’s prospective resources; risk associated with the Company having no history of operations or earnings including, but not limited to, any oil and gas operations; and certain other risks detailed from time to time in MGX’s public disclosure documents including, without limitation, those risks identified in this press release, and in MGX’s annual information form, copies of which are available on the Company’s SEDAR profile at www.sedar.com*.*

Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, MGX does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Resource Definitions

Resources encompass all petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including Discovered and Undiscovered (recoverable and unrecoverable) plus quantities already produced. "Total Resources" is equivalent to "Total Petroleum Initially In-Place". Resources are classified in the following categories:

Total Petroleum Initially In-Place ("TPIIP") is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered.

Discovered Petroleum Initially In-Place ("DPIIP") is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of DPIIP includes production, reserves, and Contingent Resources; the remainder is unrecoverable.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development but which are not currently considered to be commercially recoverable due to one or more contingencies. Economic Contingent Resources are those contingent resources that are currently economically recoverable. Sub-Economic Contingent Resources are those contingent resources that are not currently economically recoverable, provided that there should be a reasonable expectation of a change in economic conditions within the near future that will result in them becoming economically viable.

Undiscovered Petroleum Initially In Place ("UPIIP") is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of UPIIP is referred to as Prospective Resources and the remainder is unrecoverable.

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective

Resources have both an associated chance of discovery and a chance of development.

Unrecoverable is that portion of DPIIP or UPIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or by a probability distribution. Resources are provided as low, best and high estimates as follows:

Low Estimate: This is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.

Best Estimate: This is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater than or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.

High Estimate: This is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

Certain resource estimate volumes disclosed herein are arithmetic sums of multiple estimates of DPIIP or UPIIP, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of resources and appreciate the differing probabilities of recovery associated with each class as explained under this Resource Definitions section.