

Margaux Red Capital and Sigma Lithium Resources Announce Filing of Technical Report for Qualifying Property

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And Provide an Update on the Private Placement and te Qualifying Transaction

VANCOUVER, March 28, 2018 - [Margaux Red Capital Inc.](#) (NEX:MXC.H) ("Margaux") and [Sigma Lithium Resources Inc.](#) ("Sigma") are pleased to announce the filing of a technical report (the "SGS Technical Report") on Sigma's 100% owned past-producing lithium project in Brazil (the "Project"), which includes a mineral resource estimate for the Xuxa pegmatite on the Grota do Cirilo property of the Project. Margaux and Sigma also provide this update regarding the proposed qualifying transaction as detailed in Margaux's December 22, 2017 press release (the "Proposed Transaction") and Sigma's private placement financing. Margaux advises that there has been no material change to the information contained in its prior press release, other than the further information provided in this press release.

Select Technical Information regarding the Qualifying Property

Sigma, through its wholly-owned subsidiary Sigma Mineração S.A., is focused on developing its 100% owned past-producing project located in the Araçuaí and Itinga regions of the state of Minas Gerais, Brazil. Sigma's properties are comprised of 28 mineral rights. The Project has been evaluated as a potential high grade, hard rock lithium mining project which hosts numerous prospective lithium bearing pegmatites within its land package of over 18,800 hectares.

Based on the SGS Technical Report (with an effective date of January 29, 2018), completed by SGS Canada Inc. in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and approved for purposes of the Proposed Transaction by the TSX Venture Exchange (the "TSXV"), the mineral resource estimate outlines approximately 12.9 million tonnes of resource classified as Measured & Indicated at an average grade of 1.56% Li₂O. In addition the mineral resource estimate outlines an additional approximate 600,000 tonnes of resource classified as Inferred at an average grade of 1.47% Li₂O. The mineral resources outlined were reported using an open-pit mining perspective.

The following is the summary mineral resource estimate for the Xuxa pegmatite which is located on the Grota do Cirilo Property of the Project:

Cut Off Grade (Li ₂ O%)	Category	Tonnage*	Average Grade (% Li ₂ O)
0.5	Measured	8,502,000	1.57
0.5	Indicated	4,385,000	1.55
0.5	Measured+Indicated	12,887,000	1.56
0.5	Inferred	609,348	1.47

Notes: The mineral resource estimate has been conducted using the CIM Definitions Standards for mineral resources in accordance with NI 43-101. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. Inferred mineral resources are exclusive of the Measured and Indicated resources.

A fixed density of 2.72 t/m³ was used to estimate the tonnage from block model volumes.

Resources are constrained by the the topography

Geological CoG estimated from Li₂O values of the composite vs value in block

In addition, as part of the SGS Technical Report, exploration work undertaken by Sigma, as well as historical

work at the Project, was analyzed and assessed for exploration potential based on available drilling, channel samples, grab samples and surface mapping. This analysis identified the potential for additional mineralization with estimated aggregate volumes ranging from 37 million tonnes to 57 million tonnes of potential lithium bearing mineralization. The following tables summarize the exploration potential outlined in the SGS Technical Report.

Estimated volume of the Grota do Cirilo property

NORTH COMPLEX

TARGET	LENGTH	WIDTH	DEPTH	EXPLORATION POTENTIAL (Mil Tonnes)	NUMBER OF HOLE GRADES	GRADES
BARREIRO	400	300	40	(12-15)	6	1.2 –
LAVRA DO MEIO	550	30	150	(5-7)	2	1.0 –
MURIAL	450	35	200	(6-8)	2	1.0 –
MAXIXE	200	11	175	(1-2)	2	0.8 –
NEXINHO DO CHICAO	200	300	17	(3-5)	-	-
TOTAL VOLUME ESTIMATE				(27-37)		

Notes: The potential quantity and grade is conceptual in nature since there is insufficient exploration to define a mineral resource. Any future exploration does not grant mineral resource on the property and all potential quantity and grade are based on preliminary exploration results, consisting of available drilling, channel samples, grab samples and surface mapping.

Estimated volume of the São José property

SOUTH COMPLEX

TARGET	LENGTH	WIDTH	DEPTH	EXPLORATION POTENTIAL (Mil Tonnes)	NUMBER OF HOLE GRADES	GRADES
LAVRA GRANDE	228	20	300	(2-5)	-	-
SAMBAIA	250	20	150	(2-3)	-	-
ANANIAS	400	20	150	(2-4)	-	-
LAVRA DO RAMOM	200	20	200	(2-4)	-	-
LAVRA DO ANTIGA	200	15	200	(2-4)	-	-
TOTAL VOLUME ESTIMATE				(10-20)		

Notes: The potential quantity and grade is conceptual in nature since there is insufficient exploration to define a mineral resource. Any future exploration does not grant mineral resource on the property and all potential quantity and grade are based on preliminary exploration results, consisting of available drilling, channel samples, grab samples and surface mapping.

Based on the SGS Technical Report, Sigma has proposed the following exploration and development expenditures:

Xuxa Feasibility

Expense (\$)	Start-End Date
Mine design	\$250,000.00 – July 2018
Metallurgical test work	\$800,000.00 – June 2018
Process plant flowchart development	\$600,000.00 – August 2018
Infrastructural Design	\$800,000.00 – August 2018
Water treatment plant design	\$600,000.00 – August 2018
Dry stacking and reject handling system	\$650,000.00 – August 2018
Pilot plant purchase	\$500,000.00 – May 2018
Total	\$3,200,000.00

Resource Development	
Grota do Cirilo 15,000m of drilling	\$2,100,000.00
São José 10,000m of drilling	\$1,420,000.00
Chemical analysis	\$250,000.00
Metallurgical test work	\$66,200.00
Total	\$4,350,000.00

Full details are included in the SGS Technical Report which has been filed on SEDAR.

Private Placement

As previously disclosed, the pre-transaction financing is by way of a brokered private placement (the "Private Placement") of subscription receipts ("Subscription Receipts") by Sigma through a syndicate of agents being co-led by National Bank Financial Inc. and Cormark Securities Inc. and including Canaccord Genuity Corp. (together, the "Agents"). The Private Placement is expected to close on or about March 29, 2018, and is expected to provide adequate capital to further explore and develop the Project (including the exploration and development expenditures detailed above).

Through the Private Placement Sigma has offered a maximum of 10,000,000 Subscription Receipts at a subscription price of \$2.00 per Subscription Receipt for aggregate gross proceeds of up to \$20,000,000. Applying the exchange ratio for the Proposed Transaction of 10.045125 Margaux common shares per Sigma common share, the 10,000,000 Sigma common shares to be issued on conversion of the Subscription Receipts will be exchanged for 100,451,250 Margaux common shares (resulting in an effective subscription price of \$0.1991 per Margaux common share). Each Subscription Receipt will entitle the holder, at no extra cost, to one common share of Sigma. The Subscription Receipts will automatically be exchanged, without payment of any additional consideration or further action on the part of the holders, into common shares of Sigma immediately prior to closing of the Proposed Transaction.

>The net proceeds of the Private Placement will be used for ongoing exploration and development of the Project, as described in more detail above, and for working capital and general corporate purposes. Funds from the Private Placement will be held in escrow and will be released to Sigma if the conditions precedent to completion of the Proposed Transaction have been satisfied. If such conditions are not satisfied within 60 days following the closing of the Private Placement, funds will be returned to the subscribers without deduction. The Subscription Receipts were offered in Canada, the United States and in jurisdictions outside of Canada and the U.S., in each case in accordance with all applicable laws. The Agents will be entitled to agency fees of 6% of the gross proceeds of the Private Placement and warrants to acquire (at an exercise price of \$2.00 per share) such number of Sigma common shares as is equal to 3% of the number of Subscription Receipts issued.

Selected Financial Information about Sigma

The following table sets out selected financial information for Sigma for the period and as at the dates indicated. All of the financial information presented below has been prepared by management in accordance with International Financial Reporting Standards.

	Financial information (unaudited) of Sigma (consolidated)
	for the period from incorporation on April 13, 2017 to
	December 31, 2017 (year-end)
	\$
Current assets	\$337,999
Reclamation deposits	\$21,182
Exploration and evaluation assets	\$2,496,260
Total Assets	\$2,925,441
Total Current liabilities	\$14,540,415
Derivative component of Convertible Debenture	\$7,415,000
Convertible Debenture	\$2,721,482
Other current liabilities	\$4,403,933

Long term liabilities	\$3,621,793
Total liabilities	\$18,162,208
Shareholder equity	
Share capital	\$697,582
Warrants	\$11,244
Share-based payments reserve	\$81,508
Deficit	\$(16,027,101)
Total Equity	\$(15,236,767)
Total liabilities and equity	\$2,925,441

In addition, for the period from incorporation on April 13, 2017 to December 31, 2017, Sigma had general and administrative expenses of \$907,227 and a net loss (inclusive of the \$7,415,000 derivative component of Sigma's convertible debentures) of \$8,539,759.

Margaux Red Capital Inc.

Margaux is a capital pool company incorporated under the provisions of the *Canada Business Corporations Act* with its registered and head office in Vancouver, British Columbia. Margaux is a "reporting issuer" in the provinces of British Columbia and Alberta. Margaux does not hold any interest in any of the consolidated assets of Sigma.

The Proposed Transaction is an arm's length transaction subject to requisite regulatory approval, including the approval of the TSXV. A filing statement outlining the terms of the Proposed Transaction is currently being reviewed by the TSXV, and will be filed following completion of that review and settlement of any comments of the TSXV.

Margaux currently has 6,696,750 Margaux common shares issued and outstanding. Under the terms of the share exchange agreement for the Proposed Transaction, an aggregate of 662,978,250 Margaux common shares are to be issued in exchange for all outstanding Sigma common shares, being an exchange ratio of 10.045125 Margaux common shares per Sigma common share. Since (as noted above) the Proposed Transaction is not a non-arm's length transaction for purpose of applicable TSXV rules, Margaux shareholder approval is not required for the Proposed Transaction. Following completion of the Proposed Transaction it is expected that shareholder approval will be sought to change Margaux's name to "Sigma Lithium Resources Inc." and to do a consolidation of the then outstanding Margaux common shares.

The respective pro forma holdings of Margaux upon completion of the Proposed Transaction is expected to be as follows: (i) Margaux's current shareholders will hold 6,696,750 Margaux shares (1%); (ii) 506,274,300 Margaux shares (75.6%); (iii) 56,252,700 Margaux shares (8.4%) will be held by holders of convertible debentures of Sigma; and (iv) 100,451,250 Margaux shares (15%) will be held by the Subscription Receipt investors.

Board of Directors and Management

In addition to the directors and officers disclosed in Margaux's December 22, 2017 press release, it is expected that additional directors of Margaux will be appointed upon completion of the Proposed Transaction, the biographies of whom will be included in a press release at the time.

Trading Halt

Trading in the Margaux common shares has been halted and may remain halted pending completion of the review of the Proposed Transaction by the TSXV. There can be no assurance that trading in the Margaux shares will resume prior to the completion of the Proposed Transaction.

Sponsorship

A waiver of the sponsorship requirement has been conditionally provided by the TSXV in light of the Private Placement being brokered.

Conditions to Completion of the Proposed Transaction

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to: (a) closing conditions customary to transactions of the nature of the Proposed Transaction; (b) approvals of the TSXV for the Proposed Transaction; and (c) the completion of the Private Placement. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Marc-Antoine Laporte, P.Geo, M.Sc., of SGS Canada Inc. and a qualified person for purposes of NI 43-101 has reviewed the scientific and technical information in this press release.

For further information, please contact:

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Investors are cautioned that, except as disclosed in the filing statement to be filed in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

This press release does not constitute an offer of the securities of Margaux or Sigma for sale in the United States. The securities of Margaux and Sigma have not been registered under the United States Securities Act of 1933, (the "1933 Act") as amended, and may not be offered or sold within the United States absent registration or an exemption from registration under the 1933 Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

The TSXV has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this news release.

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

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements relating to the Proposed Transaction, including statements regarding timing for closing of the Private Placement, the use of proceeds of the Private Placement, the exchange of Subscription Receipts, the receipt of all necessary regulatory and other approvals and satisfaction of all other closing conditions in connection with the Proposed Transaction and other statements that are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: the risk that the Proposed Transaction will not be completed or that the necessary approvals and/or exemptions are not obtained or some other condition to the closing of the Proposed Transaction will not be satisfied; the risk that closing of the Proposed Transaction could be delayed if Margaux and Sigma are not able to obtain the necessary approvals on the timelines planned; the risk that the Private Placement will not be completed, the timing of obtaining required approvals, closing conditions for the Proposed Transaction, state of the economy in general and capital markets in particular, investor interest in the business and future prospects of Margaux and Sigma.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, Margaux and Sigma disclaim any intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, Margaux and Sigma undertake no obligation to

comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.

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