MGX Minerals Announces Assay Samples Up to 4.43% Li2O at Paterson Lake Lithium Project, Ontario

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VANCOUVER, British Columbia, July 30, 2018 -- MGX Minerals Inc. (“MGX” or the “Company”) (CSE:XMG) (FKT:1MG) (OTCQB:MGXMF) is pleased announce that geological mapping at Paterson Lake (“Paterson Lake” or the “Property”), 60 km north of Kenora, northwestern Ontario has successfully identified high-grade Lithium (Li) mineralization. The geological mapping program also identified three target areas for follow up exploration:

Grab sample 159037 of pure petalite from the western extension of Marko’s pegmatite, Paterson Lake Property, Ontario.

Paterson Lake Lithium Project geology and pegmatite occurrences map.

- Western extension of Marko’s Pegmatite
- Rhea’s Pegmatite
- Cook’s Pegmatite

Paterson Lake grab sample assay highlights from the western extension of Marko’s Pegmatite include (Table 1 and Figure 1 and 2):

- Three pure petalite samples (159037, 159201, 159222) with 4.43, 4.17 and 3.90% Li_2O
- Two petalite dominate samples (159217, 159038) with 3.62 and 3.36% Li_2O
- Sample 159218 with abundant petalite with 1.57% Li_2O

Petalite is an ore mineral of Lithium. Petalite ($LiAlSi_4O_{10}$) is the high temperature lithium aluminosilicate whereas spodumene ($LiAlSi_2O_6$) is the low temperature/high pressure lithium aluminosilicate.

In addition to Lithium, the western extension of Marko’s pegmatite grab samples are also enriched in high grade Tantalum (Ta) and Cesium (Cs) with:

- Sample 159219 with 1236 ppm Ta and 2473 ppm Cs
- Sample 159221 with 725 ppm Ta and 472 ppm Cs.

The western extension of Marko’s pegmatite’s grab samples were collected between Marko’s petalite pegmatite outcrop to the east and the J-series petalite pegmatite to the west. The grab samples are up to 260 m west of the historically known Marko’s pegmatite outcrop. Historical mapping has shown that the Marko’s pegmatite occurs along the contact between mafic metavolcanics, gabbro and iron formation. Grab sampling found the petalite pegmatite samples along strike of Marko’s pegmatite along the same lithology contact. Historical mapping has shown that the Marko’s pegmatite has a central core of petalite surrounded by blocky pegmatite which hosts Ta-oxide mineralization.

In 2002, historical drilling indicated that the Marko’s pegmatite was 170 m long and made up of 2 to 12 m wide boudinaged lenses. The 2002 drilling also intersected North Marko’s pegmatite, a 10 to 30 m wide pegmatite dyke, parallel to Marko’s pegmatite with an unknown strike length. This historical drilling did not test the western extension of the Marko’s pegmatite. Since Li-rich grab samples are

along strike of the Marko’s pegmatite and North Marko’s pegmatite, there is an excellent potential for the Marko’s pegmatite to extend westward.

Paterson Lake grab sample assay highlights from Rhea’s pegmatite include (Table 1 and Figure 2):

- Sample 159021 with 2.31% Li_2O and 111 ppm Ta
- Sample 159022 with 198 ppm Ta.

Cook’s pegmatite has elevated Li values up to 0.34% Li2O and up to 161 ppm Ta. Rhea’s pegmatite and Cook’s pegmatite are 312 m apart along strike along the contact between mafic metavolcanics, metasediments and mafic tuffs. Rhea’s and Cook’s pegmatites are along the same contact between mafic metavolcanics and metasediments as other petalite pegmatites historically mapped by Ontario Geological Survey: Draven, Black Bear, Ballpeen, Pegmatites # 5, 6, 7, 8, 9, 10 and 11. The exploration potential is excellent that more petalite pegmatites will be found along this contact on the Paterson Lake Property. The Cook’s pegmatite is an enormous pegmatitic granite 420 m long by 140 m wide covered by black lichen. A thorough cleaning of the Cook’s pegmatite may result in discovery of lithium mineralization similar to that at Rhea’s pegmatite.

The Paterson Lake Property occurs within the Separation Rapids Greenstone Belt which is also home to the Big Whopper and Big Mack petalite pegmatites (Figure 2). Separation Rapids Greenstone Belt is known as the Bird River Greenstone Belt in Manitoba which hosts the Tanco pegmatite. The Property consists of 106 cell claims within the Paterson Lake and Treelined Lake Areas. The Property is approximately 7 km x 3 km in size. Power Metals optioned the Paterson Lake property in 2017 because the property has multiple known petalite pegmatite dykes on surface, but yet is still underexplored.

Quality Control
The grab samples were delivered to SGS preparation lab in Red Lake by Power Metals’ geologist. The samples were then shipped to SGS analytical lab in Lakefield, Ontario which has ISO 17025 certification. Every 20 samples included one external quartz blank and one external lithium standard. The ore grade Li_2O% was prepared by sodium peroxide fusion with analysis by ICP-OES with a detection limit of 0.002% Li_2O. A QA/QC review of the standards and blanks for this mapping program indicate that they passed and the assays are accurate and not contaminated.

Paterson Lake
Paterson Lake Property is located in Paterson Lake and Treelined Lake Areas, 60 km north of Kenora, NW Ontario close to the Ontario-Manitoba border. Paterson Lake Property is located within the Separation Rapids Greenstone Belt and hosts multiple petalite-bearing pegmatite dykes. The Property was optioned from Exiro Minerals Corp. in 2017 (Power Metals press release dated April 20, 2017). Avalon Advanced Materials Separation Rapids Lithium Project with 8.12 Mt at 1.37% Li_2O measured + indicated resources as of November 15, 2017 is located 1.2 km from the Paterson Lake Property.

Table 1 Grab samples from Paterson Lake Property, northwestern Ontario. UTM NAD 83, Zone 15.

Sample Number	Easting (m)	Northing (m)	Li_2O (%)	Ta (ppm)	Cs (ppm)
West along strike of Marko's pegmatite					
159001	393086	5569688	0.096	151	327
159002	393085	5569685	0.204	116	373
159035	392852	5569586	0.233	3.1	935
159037	392864	5569586	4.43	23.1	170
159038	392865	5569592	3.36	157	1742
159039	392866	5569589	0.121	200	1307
159201	393087	5569689	4.17	17.4	39.5
159217	392853	5569581	3.62	74.3	1025
159218	329400	5570239	1.57	1.9	230
159219	392386	5570235	0.245	1236	2473
159221	392901	5569591	0.118	725	472
159222	392900	5569594	3.90	29.7	185

Rhea's Pegmatite					
159021	391872	5570163	2.31	111	32.1
159022	391872	5570160	0.018	198	22.9
Cook's pegmatite					
159018	329400	5570239	0.221	22.3	195
159043	392275	5570234	0.217	17.4	81.8
159045	392331	5570238	0.275	161	120
159206	392303	5570225	0.337	25.8	170

Terms of the Joint-Venture
MGX currently has a paid 20% working interest in five lithium hard rock properties in Ontario controlled by Power Metals Inc as well as any additional properties acquired by Power Metals prior to August 2020. MGX also maintains the right to acquire an additional 15% working interest, for a total of 35%, in each of the hard rock lithium properties by making a one-time payment of $10M prior to August 2020. MGX currently holds an option to acquire 10,000,000 shares of Power Metals at $0.65 (see press release dated August 2, 2017).

Qualified Person
Andris Kikauka (P. Geo.), Vice President of Exploration for MGX Minerals, has prepared, reviewed and approved the scientific and technical information in this press release. Mr. Kikauka is a non-independent Qualified Person within the meaning of National Instrument 43-101 Standards.

About MGX Minerals
MGX Minerals is a diversified Canadian resource company with interests in advanced material and energy assets throughout North America. Learn more at www.mgxminerals.com.

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.

Photos accompanying this announcement are available at

http://www.globenewswire.com/NewsRoom/AttachmentNg/bda597c6-562c-4f89-8aa7-5041356f7403

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