



For immediate release.

Phase 1 Pilot Plant in Operation and Commercial MgO-Silica Fume Project Description submitted to Quebec's Environment Ministry

MONTREAL, QUEBEC, CANADA/25 August 2017. **MAG ONE PRODUCTS INC.**, (“Mag One” or the “Company”) is pleased to announce that it has reached two important milestones. The first being the successful start-up and operation of the Company’s Phase 1 hydrometallurgical pilot plant (“Pilot Plant”). The Pilot Plant is designed to process 100 kg/hr of serpentinite tailings. The objective is to cost-effectively transform this material into both high-purity amorphous silica and the precursor chemical needed to produce high-purity magnesium oxide (MgO) which is the feed material for the Company’s game-changing magnesium metal manufacturing technology.

After receiving the environmental certificate of authorization (CA) in July, the Pilot Plant was rapidly commissioned and processed the first quantity of tailings later that month. Two successful pilot runs have been completed in August and we are awaiting analytical results. Operating conditions in the Pilot Plant will be optimized in the coming weeks to produce both the precursor chemical for MgO production and high-purity silica fume. The optimized silica product will then be sent for qualification testing and certification work, with the ultimate commercial goal of it being used in high performing cement and other high value-added applications.

“We are pleased with the rapid progress that the team has made and are impressed with the state-of-the-art facility that was built with our proprietary Mag One hydrometallurgical process as its design basis. We are confident that the highly qualified team will produce results that we can use for garnering both offtake agreements for silica fume, as well as key engineering design data for the commercial plant.” states Gillian Holcroft, President of Mag One.

The equipment needed for the Phase 2 Hydrometallurgical Pilot Plant, for transforming the precursor chemical into MgO is under review with the goal of piloting this portion of the process in Q4 2017. The cost-effective, sustainable production of high purity MgO is at the heart of Mag One’s game-changing, low-cost, environmentally-friendly magnesium metal production process.

The second milestone was the submission of a project description to Quebec Ministry of Environment (Ministère de Développement Durable, de L’Environnement et de la Lutte contre les Changements Climatiques, or “MDDELCC”). This is the required first step for obtaining an environmental permit and as such is a key requirement in preparing for the engineering and construction of the commercial high purity MgO and silica fume production facility. Ms. Holcroft states: “Our project description clearly outlines Mag One’s dedication to environmentally sustainable manufacturing. Our unique process is designed to transform nearly 100% of the serpentinite tailings into commercial products, resulting in essentially a zero-waste facility. Not only is the chlorine-free design environmentally friendly, it doesn’t produce any dioxins, furans or other carcinogens.” Ms. Holcroft continues: “We believe that by effectively extracting all valuable elements from the tailings, the overall process economics will be even more favourable. With this environmentally friendly design, we are confident

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that the MDDELCC and the community will be pleased to have Mag One as a valued corporate entity. Our intent is to be in business for the longterm, create hightech jobs for generations and ultimately expand our operations as we obtain market pull from offtake agreements.”

The Company first announced in March 2017 that it had signed an agreement with the Centre d’innovation Minière de la MRC des Sources (“CIMMS”) to carry out hydrometallurgical piloting, then in July announced that CIMMS had received an additional \$2.5M in Federal funding which is in addition to the \$495k received from the Provincial Government for this project. “The degree of support that we are receiving from the provincial and federal governments is very encouraging. Similarly, the local support from the community makes us confident that there is no better place to build a magnesium production facility,” states Nelson Skalbania, Chairman and CEO, Mag One.

Separately, earlier this month, Mag One communicated its desire to the local authorities in the MRC des Sources region to purchase land and to construct a 12,000 ft² facility using its magnesium-based Magboards, ROK-ON™ Structural Insulated Sheathing (SIS) building materials, a first showcase in Eastern Canada for this product. ROK-ON™ SIS provides a value-proposition to the construction industry by reducing substantially the overall construction time of commercial, industrial and institutional buildings while providing impressive fireproofing, mildew resistance and insulation. The parcel of land has already been identified and its purchase is under negotiation.

Mag One Products Inc. is a company that aims to be the diamond standard in the magnesium (Mg) market by concentrating on four Mg-related projects at its processing/manufacturing plant sites in southern Quebec, Canada:

- I.** Magboard Products Inc. will assemble and sell Mg-based sheathing panels for the huge construction industry.
 - II.** Production of high-purity SiO₂, MgO, Mg(OH)₂ and other saleable co-products, byproducts and compounds.
 - III.** Production of 99.9% pure Mg ingots-will be the Company’s Flagship operation.
 - IV.** MagPower, a scalable fuel cell/battery that supplies emergency power, light and recharging--for disaster relief and other emergency situations on land and sea; testing further commercialization viability work and market research.
- Key advantages that these four projects share are Mag One’s advanced technologies, a modular processing plant expansion concept, and the Company’s easy, environmentally friendly processes and abundant access to tonnes of serpentinite tailings.

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For further information or questions kindly contact the Company via email:

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Gillian Holcroft, Eng., M.Eng., President and Director of Mag One Products Inc., is the Company’s designated qualified person for this press release, and has reviewed and validated the information contained in it.

Signed: “Gillian Holcroft, Eng., M.Eng.”
President and Director

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Mag One listed on the CSE with the symbol, "MDD", the Börse Frankfurt stock exchange ("Frankfurt") and the Xetra with the ticker symbol "304" and the OTCQB with ticker symbol "MGPRF". The listings on the Frankfurt and OTCQB exchanges provide the company exposure to the European and U.S. markets and potential investors. Certain statements contained in this release may constitute "forward-looking statements" or "forward-looking information" (collectively "forward-looking information") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated", "anticipates" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the business of the Company, the Property, financing and certain corporate changes. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein. This news release does not constitute an offer of securities for sale in the United States. CSE has not reviewed this news release and does not accept responsibility for the adequacy or accuracy of the content of this news release. Issuers of news releases and not OTC Markets Group Inc. are solely responsible for the accuracy of such news releases.

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