


May 19/17 
~~20 April 2017.~~

MEMORANDUM

TO: John LeBoutillier
FROM: Nelson Skalbania

RE: TAILINGS AT THETFORD: OFFER TO OPTION

It is my understanding that you are the Chairman and President of Asbestos Corp. Ltd., ("ACL") In turn, ACL owns and/or controls some 400M tonnes of tailings derived from past mining operations of asbestos.

Further, Dundee Sustainable Technologies, ("DST") has paid for a 43.101 report on 60M tonnes of these tailings.

I am the Chairman of Mag One Products Inc., ("Mag One") and we would like to secure a six-month option to explore commercial opportunities based on utilizing the specified 60M tonnes of tailings at Thetford. Specifically, to process the tailings to produce magnesium, ("Mg") metal and related Mg-compounds as outlined on our website (www.MagOneProducts.com and detailed in the Investor Presentation Download on the site).

The following is a draft outline of the proposal we would like to make:

1. **Option:**
To process/purchase up to 60M tonnes of the tailings (as identified in the DST report)
2. **Option Term:**
Six (6) months from the date of execution of a formal Agreement.
3. **Option Deposit:**
Non-refundable deposit of 50,000 shares of Mag One ("MDD" on the Canadian Stock Exchange)

plus \$5,000. CASH paid on acceptance
1...2



ACL:Mag One Option Offer

~~2014.17~~ ~~2015.17~~ MAY 19/17
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4. **On Exercise of the Option:**

- (a) \$100,000. Cash deposit
- (b) royalty payments of \$1.00/tonne of tailings, as they are used, but no less than 10,000 tonnes/year
- (c) tailings to be processed in compliance with all environmental and government permits.
- (d) Mag One to be granted full and free encumbered access to the tailings and no less than five (5) acres to be available for its supporting equipment, structures, etc.

5. **Subject Clause:**

This Option Offer is only subject to an agreement between Mag One and DST concerning Mag One's review and use of the existing DST 43.101 report on the subject tailings.

Should the foregoing basic terms be acceptable, please endorse this Memorandum below. Formal agreement documentation to be prepared mutually by ACL and Mag One.

Regards,

MAG ONE PRODUCTS INC.


Nelson M. Skalbania
CEO & Chairman

ACKNOWLEDGED AND AGREED TO

This 19th day of ~~April~~, 2017

BY: 

ASBESTOS CORP. LTD.


John LeBoutillier

#145 - 925 Georgia Street West, Vancouver, BC V6C3L2 Canada

T:+1.604.669.4771 Fx: +1.604.669.4731 E: info@MagOneProducts.com www.MagOneProducts.com

NELSON M. SKALBANIA
3585 PT. GREY RD.
VANCOUVER, B.C. V6R 1A7

075

DATE 2017-05-19
Y Y Y Y M M D D

PAY TO THE ORDER OF Asbestos Corp. Ltd \$ 5,000^{XV}₁₀₀
Five thousand ^{XV}/₁₀₀ DOLLARS



HSBC BANK CANADA
885 WEST GEORGIA STREET
VANCOUVER, B.C. V6C 3G1

Advance

MEMO Deposit on 6047 [Signature] MP
Salaries @ Thatford

⑈075⑈ ⑆10270⑈016⑆ 247807⑈290⑈

to PRM Adm

Handwritten notes:
1 1 1
2 3 5 1 5
6 1 8
5 4 7 4
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