

MGX Minerals Closes Spin-Out of MGX Renewables Inc.

VANCOUVER, June 28, 2019 /CNW/ - **MGX Minerals Inc.** ("MGX" or the "Company") ([CSE: XMG](#) / [FKT: 1MG](#) / [OTCQB: MGXMF](#)) is pleased to announce that MGX has completed the spin-out of approximately 40% of the common shares of **MGX Renewables Inc.** ("**Renewables**") pursuant to a plan of arrangement (the "**Plan of Arrangement**") under the *Business Corporations Act* (British Columbia). The Company retains approximately 18 million shares of MGXR.

In connection with completion of the Plan of Arrangement, MGX is also pleased to announce that the escrow release conditions have been satisfied in respect of Renewables' previously completed offering of 8,020,000 subscription receipts ("**Subscription Receipts**") for gross proceeds of \$2,005,000 (the "**Escrowed Proceeds**"). Pursuant to the subscription receipt agreement dated June 11, 2019 between MGX, Renewables and Computershare Trust Company of Canada, the net Escrowed Proceeds have been released to Renewables.

Renewables has been conditionally approved to list the common shares of Renewables ("**Renewables Shares**") on the Canadian Securities Exchange ("**CSE**"). Listing on the CSE will be subject to Renewables fulfilling all of the requirements of the CSE. Renewables expects to satisfy the requirements of the CSE on or before July 11, 2019.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The Renewables Shares, Subscription Receipts and any securities underlying the Subscription Receipts have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States, unless pursuant to an exemption from such laws.

For more information on the Plan of Arrangement and the Subscription Receipt Offering, please refer to the Company's news releases dated November 1, 2018 and June 12, 2019, available on the Company's profile on SEDAR at www.sedar.com and at www.mgxminerals.com.

About MGX Renewables

MGX Renewables has developed a patented zinc-air flow battery that efficiently stores energy in the form of zinc particles and contains none of the traditional high cost battery commodities such as lithium, vanadium or cobalt. The technology allows for low cost mass storage of energy and can be deployed into a wide range of scalable energy storage applications. The zinc-air flow-battery is differentiated from other battery technologies by its ability to decouple the relationship between energy (kWh) and power (kW), by the very low cost of its zinc energy storage medium, and by the inherent safety of its chemistry. For more information visit www.mgxrenewables.com.

About MGX Minerals

MGX Minerals is a diversified Canadian resource and technology company with interests in global advanced material, energy and water assets. Learn more at www.mgxminerals.com.

Legal Advisories

Listing of the Renewables shares remains subject to CSE approval. A market for Renewables Shares may not sustainably develop following the completion of the Plan of Arrangement. If a market for Renewables Shares does not sustainably develop, MGX shareholders may have difficulty selling their Renewables Shares and the market price for Renewables Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's and Renewables' control.

Following completion of the Plan of Arrangement, the Company will own or control Renewables Shares and that ownership or control may be material. As a result, the Company could have the ability to control or veto matters submitted to Renewables' shareholders for approval. This may negatively affect the attractiveness of Renewables to third parties considering an acquisition of Renewables or cause the market price of the Renewables Shares to decline. The interests of the Company may not in all cases be aligned with the interests of Renewables' shareholders. In addition, the Company may have an interest in pursuing acquisitions, divestitures and other transactions that, in the judgment of its management, could enhance its equity investment, even though such transactions might involve risks to Renewables' shareholders and may ultimately adversely affect the market price of the Renewables Shares. So long as the Company continues to own,

directly or indirectly, a significant amount of the Renewables Shares, the Company may be able to strongly influence or effectively control Renewables' decisions.

The Company does, from time to time, make investments in other companies and in its own research and development initiatives. As such, the Company may acquire interests in companies or otherwise develop businesses that directly or indirectly compete with all or certain portions of Renewables' business or that are suppliers to, or customers of, Renewables.

MGX shareholders should consult their own tax advisors in respect of the Plan of Arrangement.

Forward-Looking Statements

This news release contains certain statements or disclosures relating to MGX that are based on the expectations of its management as well as assumptions made by and information currently available to MGX which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that MGX anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the word "will", "could", "expect", "may" and other similar expressions.

In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to the following: the listing of the Renewables Shares on the CSE; the market for the Renewables Shares; the ownership and control of Renewables Shares by the Company; and the Company's future plans and investment strategy.

The forward-looking statements contained in this news release reflect several material factors, expectations and assumptions of MGX including, without limitation: that MGX will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; availability of debt and/or equity sources to fund MGX's capital and operating requirements as needed; and certain cost assumptions.

MGX believes the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such forward-looking 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 statements including, without limitation: general economic, market and business conditions; the listing of the Renewables Shares may not be completed in the timelines anticipated, in the manner anticipated or at all; the Plan of Arrangement, Subscription Receipt Offering and/or listing of the Renewables Shares may not have the results currently anticipated by MGX; the failure to realize the anticipated benefits of the Plan of Arrangement; increased costs and expenses; and certain other risks detailed from time to time in MGX's public disclosure documents including, without limitation, those risks identified in this news release, copies of which are available on MGX's SEDAR profile at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither the CSE nor any Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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