



MGX Renewables Inc. Announces \$3,000,000 Private Placement

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VANCOUVER, BRITISH COLUMBIA / September 13, 2019 / **MGX Renewables Inc.**

("MGXR" or the "Company") is pleased to announce that it has arranged a non-brokered private placement (the "**Private Placement**") for total gross proceeds of up to \$3,000,000. The Private Placement will consist of up to 14,285,714 units at price of \$0.21 per unit (each a "**Unit**").

Each Unit shall consist of one (1) common share and one transferable share purchase warrant (each a "**Warrant**"). The Warrants are exercisable for a period of two (2) years at a price of \$0.25 in the first year from the date of issuance and at a price of \$0.40 for the balance of the term.

The Company may pay finder's fees in conjunction with the Private Placement as permitted by applicable securities laws and the rules of the CSE. All securities issued in respect of the Private Placement will be subject to a hold period of four (4) months and a day from closing of the Private Placement in accordance with securities laws.

The proceeds of the Private Placement will be used for general working capital. The Private Placement is subject to the Company's filing requirements with the Canadian Securities Exchange.

Stock Options

The Company is also pleased to announce the grant of up to 4,688,000 incentive stock options (the "**Options**") to directors, officers, employees and consultants of the Company. Each Option shall permit the holder thereof to purchase one common share at a price of \$0.21 per share up to the earlier of five (5) years from the date of the grant and the termination of the Options in accordance with the terms of the MGXR stock option plan and the policies of the CSE. All Options granted shall vest immediately. Additionally, the proposed grant of the Options on the terms described above shall replace the previously announced but unissued incentive stock options described in the Company's news release dated July 19, 2019. The options announced in the July 19, 2019 news release did not proceed.

MGXR Energy Storage System

The MGXR ESS is a modular Energy Storage System designed to deliver power in the range 20kW - 50MW and energy storage in the range of 120kWh - 1GWh over extended periods of time. With the advantage of rechargeable zinc-air battery technology, the system can be configured to support a wide range of discharge power, recharge power and duty cycle requirements. Since the energy storage capacity of the system is determined only by the size of the zinc storage tank, a very cost-effective and scalable solution now exists as an alternative to the fixed power/energy ratio of the lithium ion battery.

Figure 1. MGXR modular Energy Storage System (ESS)



Technology

The MGXR ESS is based upon unique patented zinc-air battery technology. Energy is stored in the form of zinc particles, similar in size to grains of sand. When the system is delivering power, the zinc particles are combined with oxygen drawn from the surrounding air. When the system is recharging, zinc particles are regenerated, and oxygen is returned to the surrounding air.

Applications

The flexibility of the MGXR ESS enables it to service a wide range of applications. Typical examples include:

- Storage and smoothing current frequency from renewable energy sources such as wind and solar
- Commercial, industrial backup replacing diesel generators
- Industrial scale, on-demand power for peak shaving or standby
- Grid scale energy storage for energy trading and arbitrage

Architecture

The MGXR ESS is designed according to a modular architecture that enables a wide variety of system configurations to be created from a small number of common subsystems. Each subsystem implements a single element of the technology:

- The Zinc Regeneration Subsystem (ZRS) provides the recharging function
- The Fuel Storage Subsystem (FSS) provides the energy storage function
- The Power Generation Subsystem (PGS) provides the discharging function

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About MGX Renewables Inc.

MGXR has assembled an experienced team to execute the development and commercialization of a dependable low cost zinc-air battery. This mass storage system offers both environmental and efficiency benefits. MGXR strives to meet the growing need for secure and reliable power.

To watch a short video outlining MGXR's technology, please visit:

<http://www.mgxrenewables.com>

The sun doesn't shine all the time. The wind doesn't blow all the time. MGX Renewables mass storage batteries for the rest of the time.

Forward-Looking Information

This news release contains certain statements or disclosures relating to MGXR that are based on the expectations of its management as well as assumptions made by and information currently available to MGXR 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 MGXR 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.

MGXR 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; increased costs and expenses; and certain other risks detailed from time to time in MGXR's public disclosure documents including, without limitation, those risks identified in this news release, copies of which are available on MGXR'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.