

FORM 9

NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES

(or securities convertible or exchangeable into listed securities¹)

Name of Listed Issuer:

Symbol(s):

MGX Minerals Inc. (the "Issuer").

XMG

Date: November 30, 2020 Is this an updating or amending Notice: Yes No

If yes provide date(s) of prior Notices: Not applicable.

Issued and Outstanding Securities of Issuer Prior to Issuance: 154,139,814.

Pricing

Date of news release announcing proposed issuance: May 7, 2020 or

Date of confidential request for price protection: Not applicable

Closing Market Price on Day Preceding the news release: \$0.065 or

Day preceding request for price protection: Not applicable

Closing

Number of securities to be issued: 2,000,000 common shares pursuant to the Agreement (as such term is defined below).

Issued and outstanding securities following issuance: 156,139,814.

Instructions:

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons
4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.
5. An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions*. In addition, the completed form must be delivered to

listings@thecse.com with an appendix that includes the information in Table 1B for ALL places.

Part 1. Private Placement

Table 1A – Summary

Each jurisdiction in which purchasers reside	Number of Purchasers	Price per Security	Total dollar value (CDN\$) raised in the jurisdiction
Total number of purchasers:			
Total dollar value of distribution in all jurisdictions:			

Table 1B – Related Persons

Full Name & Municipality of Residence of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable) (CDN\$)	Prospectus Exemption	Total Securities Previously Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)

¹An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

- Total amount of funds to be raised: _____ .
- Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. _____ .

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: _____
_____ .
4. If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities.
5. Description of securities to be issued:
- (a) Class _____ .
 - (b) Number _____ .
 - (c) Price per security _____ .
 - (d) Voting rights _____ .
6. Provide the following information if warrants, (options) or other convertible securities are to be issued:
- (a) Number _____ .
 - (b) Number of securities eligible to be purchased on exercise of warrants (or options) _____
_____ .
 - (c) Exercise price _____ .
 - (d) Expiry date _____ .
7. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount _____ .
 - (b) Maturity date _____ .
 - (c) Interest rate _____ .
 - (d) Conversion terms _____ .
 - (e) Default provisions _____ .
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): ____ .
 - (b) Cash _____ .
 - (c) Securities _____ .
 - (d) Other _____ .
 - (e) Expiry date of any options, warrants etc. _____ .
 - (f) Exercise price of any options, warrants etc. _____ .
9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship ____
_____ .
10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).
_____ .
11. State whether the private placement will result in a change of control.
_____ .
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. _____

_____ .
13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.

Part 2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On May 5, 2020, the Issuer entered into a Mineral Property Option Agreement (the “**Agreement**”) with 1240089 B.C. Ltd., a company incorporated under the laws of British Columbia (“**124**”), and Gustafson Holdings Ltd., a company incorporated under the laws of British Columbia (“**Gustafson**”, and collectively with 124, the “**Vendors**”), for the option to acquire a 90% right, title, and interest in and to (the “**90% Option**”), and an additional option to acquire the remaining 10% right, title and interest in and to, the Heino-Money gold deposit and Tillicum Mountain Claims (MINFILE 082FNW234 including Grizzley, Annie Flats, and Silver Queen occurrences), located approximately 12 kilometers east of Burton (110 km east of Kelowna), in the West Kootenay region of the Province of British Columbia (collectively, the “**Assets**”). Pursuant to the Agreement, the Issuer will acquire the 90% Option upon satisfaction of, among other things, cash payments and share issuances to be made by the Issuer to the Vendors prior to May 1, 2024 in accordance with the schedules out in Item 2 below.

Further details on the Assets can be found in the Issuer’s May 7, 2020 press release announcing the Agreement.

2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material:

See Item 1 above. The Vendors are arm’s-length parties to the Issuer, and are the legal, registered, and beneficial owners of a 100% right, title, and interest in and to the Assets.

Pursuant to the Agreement, the Issuer is to pay the Vendors (split in equal amounts) cash payments totalling \$2,000,000 to acquire the 90% Option, according to the following schedule (collectively, the “**Cash Payments**”):

- i. \$25,000 within 14 days of May 5, 2020;
- ii. \$50,000 prior to July 15, 2020;
- iii. \$100,000 prior to October 1, 2020;
- iv. \$100,000 prior to January 1, 2021;

- v. \$100,000 prior to March 1, 2021;
- vi. \$125,000 prior to July 1, 2021;
- vii. \$125,000 prior to October 1, 2021;
- viii. \$125,000 prior to January 1, 2022;
- ix. \$125,000 prior to March 1, 2022;
- x. \$125,000 prior to May 1, 2022;
- xi. \$125,000 prior to October 1, 2022;
- xii. \$125,000 prior to January 1, 2023;
- xiii. \$125,000 prior to March 1, 2023;
- xiv. \$125,000 prior to May 1, 2023;
- xv. \$125,000 prior to October 1, 2023;
- xvi. \$125,000 prior to January 1, 2024;
- xvii. \$125,000 prior to March 1, 2024; and
- xviii. \$125,000 prior to May 1, 2024.

Following the Issuer's acquisition of the 90% Option, the remaining 10% right, title, and interest in and to the Assets may be purchased from the Vendors at any time for \$1,000,000 (split equally by the Vendors).

Additionally, the Issuer is to issue 20,000,000 common shares to the Vendors (split in equal amounts to each of the Vendors), at a deemed price of \$0.10 per common share, to acquire the 90% Option according to the following schedule (collectively, the "Share Issuances"):

- i. 2,000,000 common shares within 14 days of May 5, 2020;
- ii. 2,000,000 common shares prior to October 1, 2020;
- iii. 2,000,000 common shares prior to May 1, 2021;
- iv. 2,000,000 common shares prior to October 1, 2021;
- v. 2,000,000 common shares prior to May 1, 2022;
- vi. 2,000,000 common shares prior to October 1, 2022;

- vii. 2,000,000 common shares prior to May 1, 2023;
- viii. 2,000,000 common shares prior to October 1, 2023; and
- ix. 4,000,000 common shares prior to May 1, 2024.

In addition to the Cash Payment and the Share Issuance, the Issuer a) granted to the Vendors a net smelter royalty of 5%, which may be bought back for \$1,000,000 and b) agreed to fund and pay exploration expenditures, in respect of the Assets, in the aggregate amount of \$1,050,000 on or before May 1, 2024.

The total consideration described in Item 3 below relates to the third scheduled Cash Payment and second scheduled Share Issuance in accordance with the schedules outlined above.

3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
- (a) Total aggregate consideration in Canadian dollars: In satisfaction of the third Cash Payment and second Share Issuance, the total aggregate consideration is \$300,000, split up between cash and common shares, as described below.
 - (b) Cash: The Issuer has paid \$100,000 to the Vendors (\$50,000 to each of 124 and Gustafson) in satisfaction of the third Cash Payment due under the Agreement.
 - (c) Securities (including options, warrants etc.) and dollar value: The Issuer has issued 2,000,000 common shares to the Vendors (1,000,000 common shares to each of 124 and Gustafson), at a deemed price of \$0.10 per common share, in satisfaction of the second Share Issuance due under the Agreement.
 - (d) Other: Not applicable.
 - (e) Expiry date of options, warrants, etc. if any: Not applicable.
 - (f) Exercise price of options, warrants, etc. if any: Not applicable.
 - (g) Work commitments: Not applicable.
4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).

Arm's-length negotiation.

5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: None.
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	Total Securities, Previously Owned, Controlled or Directed by Party	Describe relationship to Issuer⁽¹⁾
1240089 B.C. Ltd., whose insiders include John Nick Bakus	1,000,000 common shares	Deemed price of \$0.10 per common share	Not applicable	Section 2.13 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	1,000,000 common shares	Arm's-length
Gustafson Holdings Ltd., whose insiders include Douglas Dean, Leonard Gustafson, Douglas Gustafson, Debra Gustafson, William Dean, Fran Hancock, and Claudia Dean	1,000,000 common shares	Deemed price of \$0.10 per common share	Not applicable	Section 2.13 of National Instrument 45-106 – <i>Prospectus Exemptions</i>	1,000,000 common shares	Arm's-length

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: Conducted customary due diligence investigations.
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): Not applicable.
- (b) Cash _____ .
- (c) Securities _____ .
- (d) Other _____ .
- (e) Expiry date of any options, warrants etc. _____
- (f) Exercise price of any options, warrants etc. _____ .
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. Not applicable.
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. In May, 2020, the Issuer entered into a Letter Agreement with Dykes Geologic Systems Ltd. (“Geologic”), to acquire all of Geologic’s data (the “Data”) covering the Assets. The Data includes approximately 1,000 digital data files and drawings covering the Assets. Further details can be found in the Issuer’s May 15, 2020 press release announcing the Letter Agreement.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. the Issuer has obtained the express written consent of each applicable individual to:

- (a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and
- (b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CSE Policy 1).
5. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated November 30, 2020.

Jared Lazerson
Name of Director or Senior
Officer

"Jared Lazerson"
Signature

Director
Official Capacity

Appendix A

PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, “CSE or the “Exchange”) collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

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- To determine whether an individual is suitable to be associated with a Listed Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with Exchange Requirements and applicable securities legislation; and
- To fulfil the Exchange’s obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.