FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **MGX Minerals Inc.** (the "**Issuer**").

Trading Symbol: **XMG**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

All related party transactions have been disclosed in the Issuer's financial statements for the interim period ended April 30, 2018.

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

All securities issued and options granted by the Issuer have been disclosed in the Issuer's financial statement notes for the interim period ended April 30, 2018.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities as at the end of the reporting period.

A summary of securities has been provided in the financial statements for the interim period ended April 30, 2018.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director	Position(s) Held
Jared Lazerson	President, CEO, Secretary and a Director
Lyndon Patrick	Director
Marc Bruner	Director
Michael Reimann	CFO and a Director
Andris Kikauka	Director and VP of Exploration
Christopher Wolfenberg	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See Management's Discussion & Analysis attached.

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 Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. 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 CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated June 29, 2018.

Jared Lazerson
Name of Director or Senior Officer

/s/ Jared Lazerson
Signature

President, CEO, Secretary and Director
Official Capacity

Issuer Details		
Name of Issuer: **MGX Minerals Inc.**	For Quarter Ended **April 30, 2018**	Date of Report: YYYYMMDD **2018/06/29**
Issuer Address: **Suite 303, 1080 Howe Street**		
City/Province/Postal Code: **Vancouver, BC V6Z 2T1**	Issuer Fax No.: **N/A**	Issuer Telephone No. **604.681.7735**
Contact Name: **Jared Lazerson**	Contact Position: **President, CEO, Secretary and Director**	Contact Telephone No. **604.681.7735**
Contact Email Address: **Jared@mgxminerals.com**	Web Site Address: **www.mgxminerals.com**	

<u>Schedule "A"</u>

Financial Statements

[inserted as pages following]

MGX MINERALS INC.

Condensed Interim Consolidated Financial Statements

For the three and nine months ended April 30, 2018 and 2017

(Unaudited - expressed in Canadian dollars)

MGX MINERALS INC.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of the Company and all information contained in the report have been prepared by and are the responsibility of the Company's management.

The Audit Committee of the Board of Directors has reviewed the condensed interim financial statements and related financial reporting matters.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - expressed in Canadian dollars)

	Note	April 30, 2018	July 31, 2017
		$	$
Assets			
Current Assets			
Cash		2,295,034	2,897,448
Prepaid	**5**	1,874,892	553,368
GST receivables		257,991	117,228
		4,427,917	3,568,044
Non-Current Assets			
Deferred financing cost		-	307,677
Equipment	**8**	12,405	14,488
Investment in PurLucid	**9**	4,266,582	2,792,715
ZincNyx IP	**6**	4,950,134	-
Mineral properties	**7**	8,981,715	4,850,186
Reclamation bond		67,125	30,000
		18,277,961	7,995,066
Total Assets		22,705,878	11,563,110
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	**10**	1,677,232	1,072,623
Flow-through premium liability	**11**	276,345	-
Due to related parties	**12**	86,604	124,763
		2,040,181	1,197,386
Shareholders' Equity			
Share capital	**11**	42,936,079	14,310,995
Subscriptions received		56,250	4,994,343
Reserve	**11**	14,035,735	8,822,638
Deficit		(36,362,367)	(17,762,252)
		20,665,697	10,365,724
Total Liabilities and Shareholders' Equity		22,705,878	11,563,110

Nature of operations (Note 1)
Subsequent events (Note 15)

Approved by the Board of Directors on June 29, 2018:

"Jared Lazerson"	*"Andris Kikuaka"*
Jared Lazerson, Director	Andris Kikuaka, Director

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the three and nine months ended April 30, 2018 and 2017
(Unaudited - expressed in Canadian dollars)

	Notes	Three months ended April 30, 2018	Three months ended April 30, 2017	Nine months ended April 30, 2018	Nine months ended April 30, 2017
		$	$	$	$
Exploration expenses	**7,12**	1,106,248	361,890	3,233,768	835,074
Administrative Expenses					
Advertising and promotion		1,967,128	429,237	4,739,477	943,240
Consulting fees		904,762	192,820	1,786,200	463,422
Depreciation	**8**	1,204	376	3,100	1,016
Office and administrative		89,547	48,505	447,552	114,177
Interest and bank charges		2,925	2,378	7,678	4,421
Management fees	**11,12**	693,433	33,000	3,627,222	99,000
Professional fees		84,467	143,829	440,935	299,296
Salaries		195,654	-	195,654	-
Share-based compensation	**11,12**	2,705,987	1,679,295	3,759,448	3,213,827
Transfer agent and filing fees		20,088	27,864	82,951	82,990
Travel and entertainment		81,670	98,357	214,275	132,904
		6,746,865	2,655,661	15,304,492	5,354,293
Loss before other (expenses) income		(7,853,113)	(3,017,551)	(18,538,260)	(6,189,367)
Other (expenses) income					
Write-off of mineral property	**7**	-	-	(470)	-
Gain on equity investment in PurLucid	**9**	(216,614)	-	6,367	-
Debt settlement (loss) gain	**10,11**	-	565	(18,687)	24,651
Foreign exchange loss		(13,778)	(14,047)	(49,065)	(14,524)
		(230,392)	(13,482)	(61,855)	10,127
Loss and comprehensive loss for the period		(8,083,505)	(3,031,033)	(18,600,115)	(6,179,240)
Loss per share, basic and diluted		(0.08)	(0.05)	(0.21)	(0.11)
Weighted average number of shares outstanding		102,054,355	61,491,647	87,661,908	55,100,988

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Changes in Equity
For the nine months ended April 30, 2018 and 2017
(Unaudited - expressed in Canadian dollars)

	Common Shares	Share Capital	Reserve*	Subscription received	Deficit	Total
	#	$	$	$	$	$
Balance, July 31, 2017	**68,617,018**	**14,310,995**	**8,822,638**	**4,994,343**	**(17,762,252)**	**10,365,724**
Shares issued pursuant to special warrants financing	19,982,688	17,767,027	801,685	(4,938,093)	-	13,630,619
Issue costs	-	(1,837,287)	-	-	-	(1,837,287)
Flow-through premium	-	(276,345)	-	-	-	(276,345)
Shares issued pursuant to debt settlement	174,093	174,699	-	-	-	174,699
Shares issued in lieu of fees	222,100	278,292	-	-	-	278,292
Shares issued pursuant to acquisition of mineral property	2,183,334	2,509,501	-	-	-	2,509,501
Shares issued pursuant to floatation plant	100,000	105,000	-	-	-	105,000
Shares issued pursuant to ZincNyx Acquisition	4,784,258	4,784,258	-	-	-	4,784,258
Restricted Share Unit (“RSU”) exercise	1,700,000	1,769,700	(1,769,700)	-	-	-
Warrant exercise	6,107,411	1,616,182	-	-	-	1,616,182
Option exercise	1,351,000	813,000	-	-	-	813,000
Transfer value on warrant and option exercises	-	921,057	(921,057)	-	-	-
RSU vesting	-	-	3,342,721	-	-	3,342,721
Share-based payments	-	-	3,759,448	-	-	3,759,448
Loss and comprehensive loss for the period	-	-	-	-	(18,600,115)	(18,600,115)
Balance, April 30, 2018	**105,221,902**	**42,936,079**	**14,035,735**	**56,250**	**(36,362,367)**	**20,665,697**
Balance, July 31, 2016	**41,753,017**	**3,938,882**	**813,712**	**-**	**(3,845,561)**	**907,033**
Shares issued pursuant to private placements	10,062,728	1,811,291	-	-	-	1,811,291
Issue costs	-	(205,148)	-	-	-	(205,148)
Finders units	-	(159,820)	159,820	-	-	-
Shares issued pursuant to acquisition of mineral properties	3,233,332	1,589,498	-	-	-	1,589,498
Shares issued for debt settlement	877,267	201,535	-	-	-	201,535
Shares issued in lieu of consulting fees	160,861	34,440	-	-	-	34,440
Shares issued pursuant to floatation plant	300,000	51,000	-	-	-	51,000
Share-based payments	-	-	3,213,827	-	-	3,213,827
Warrant exercise	4,363,328	798,737	-	-	-	798,737
Option exercise	1,525,000	334,250	-	-	-	334,250
Transfer value on option and warrant exercise	-	404,957	(404,957)	-	-	-
Loss and comprehensive loss for the period	-	-	-	-	(6,179,240)	(6,179,240)
Balance, April 30, 2017	**62,275,533**	**8,799,621**	**3,782,402**	**-**	**(10,024,801)**	**2,557,222**

*****Reserve consists of fair values of stock options and a finder’s warrants

The accompanying notes are an integral part of these condensed interim consolidated financial statements

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Cash Flows
For the nine months ended April 30, 2018 and 2017
(Unaudited - expressed in Canadian dollars)

	2018	2017
	$	$
Cash provided by (used in):		
Operating activities		
Loss for the period	(18,600,115)	(6,179,240)
Items not affecting cash:		
Depreciation	3,100	1,016
Loss (gain) on debt settlement	18,687	(24,651)
Shares issued in lieu of consulting fees	278,292	34,440
Share-based compensation	3,759,448	3,213,827
RSU vesting	3,342,722	-
Gain on investment in PurLucid	(6,367)	-
Write-down of mineral property	470	-
Changes in non-cash working capital items:		
Prepaid expense	(1,194,145)	(8,172)
GST receivable	(140,763)	(16,548)
Accounts payable and accrued liabilities	760,622	698,822
Due to related parties	(38,159)	116,731
Net cash used in operating activities	(11,816,208)	(2,163,775)
Investing activities		
Investment in PurLucid	(1,467,500)	(50,000)
Acquisition of ZincNyx	(188,255)	-
Reclamation deposit	(37,125)	-
Purchase of equipment	(1,017)	(3,653)
Property acquisition costs	(1,622,498)	(962,511)
Net cash used in investing activities	(3,316,395)	(1,016,164)
Financing activities		
Proceeds from private placements	13,630,619	1,811,291
Issue costs	(1,529,611)	(188,460)
Proceeds from exercise of options	813,000	334,250
Proceeds from exercise of warrants	1,616,181	798,737
Deferred financing costs	-	(55,141)
Advances received	-	500,000
Net cash provided by financing activities	14,530,189	3,200,677
Change in cash for the period	(602,414)	20,738
Cash, beginning of period	2,897,448	31,206
Cash, end of period	2,295,034	51,944

Significant non-cash financing and investing activities	**$**	**$**
Shares issued for debt settlement	174,699	201,535
Shares issued for mineral property acquisition	2,509,501	1,589,498

Supplemental information	**$**	**$**
Interest paid	-	-
Taxes paid	-	-

1. NATURE OF OPERATION AND CONTINUANCE OF BUSINESS

MGX Minerals Inc. ("MGX" or the "Company") was incorporated on April 27, 2012 in Canada under the legislation of the Province of British Columbia. MGX's head office is located at Suite 303 – 1080 Howe Street, Vancouver, BC, V6Z 2T1, Canada. On July 4, 2014, the Company completed a reverse takeover transaction and the Company's common shares are currently listed on the Canadian Stock Exchange ("CSE") under the symbol XMG.

MGX is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed interim consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at April 30, 2018, the Company has not generated any revenues from operations and has an accumulated deficit of $36,362,367 (July 31, 2017 - $17,762,252). The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These condensed interim consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended July 31, 2017, which have been prepared in accordance with IFRS as issued by the IASB.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended July 31, 2017.

3. ACCOUNTING STANDARDS

The following standards have been issued but are not yet effective.

IFRS 9, Financial instruments
In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 will be annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 15, Revenue from Contracts with Customers
In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15') establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, *Revenue* and IAS 11, *Construction Contracts* and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 16, Leases
In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the following:

Valuation of share-based payments
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

(Unaudited - expressed in Canadian dollars)

5. PREPAID

The Company's prepaids as at April 30, 2018 and July 31, 2017 are comprised of the following:

	April 30, 2018 $	**July 31, 2018 $**
Advertising and Promotion	1,062,867	110,539
Consulting Fees	215,683	204,000
Exploration expenses	352,017	235,828
Other	244,325	3,001
	1,874,892	**553,368**

6. ACQUISITION OF ZINCNYX SOLUTIONS

On December 19, 2017 the Company announced it had entered into a definitive agreement to acquire ZincNyx Energy Solutions ("ZincNyx"). Pursuant to the definitive agreement the Company made a one-time cash payment of $250,000 and issued 4,784,258 common shares fair valued at $4,784,258. ZincNyx is a development stage company specializing in the development of zinc air batteries and modular energy storage systems.

The transaction did not meet the definition of a business combination and therefore, has been accounted for as an asset purchase intellectual property. The consideration for the acquisition has been allocated at fair value of the assets and liabilities assumed, based on management's best estimate and taking into account all available information at the time.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase Price	**$**
4,784,258 common shares of the Company at $1.00	4,784,285
Cash	250,000
	5,034,258

Net assets acquired	**$**
Cash	61,745
Prepaids	22,379
Intellectual property	4,950,134
	5,034,258

The Company has consolidated the results of ZincNyx from the date of acquisition.

7. MINERAL PROPERTIES

As at April 30, 2018 the Company had capitalized $8,981,715 (July 31, 2017 - $4,850,186) of mineral property acquisition costs. During the nine months ended April 30, 2018 the Company incurred exploration expenditures of $3,233,76868 (2017 - $835,074). The Company's mineral property assets as at April 30, 2018 and July 31, 2017 and the changes for the periods then ended, and exploration expenditures for the nine months ended April 30, 2018 is provided in Schedule 1.

(Unaudited - expressed in Canadian dollars)

Fran Claims & Adjacent Claims

The Company entered into an option agreement (the "Option Agreement") on May 24, 2013 and amended on June 30, 2013, to acquire a 100% undivided interest in the Fran Claims (the "Fran Property") located within the Omineca Mining District 60 kilometres north of Fort St. James, British Columbia.

In order to acquire its 100% undivided interest in the Fran Property, the Company must pay Manto Resources Inc. (the "Optionor") a total of $40,000 in cash, issue 24,877,310 shares of the Company to the Optionor and incur up to $100,000 of exploration expenditures on the property.

	Cumulative Exploration Expenditures $	**Common Shares #**	**Cash Payments $**
Upon closing of the plan of arrangement	-	24,823,310 (issued)	-
On or before March 31, 2014	-	54,000 (issued)	-
On or before September 30, 2014	25,000 (incurred)	-	-
On or before September 30, 2017	50,000(incurred)	-	15,000
On or before September 30, 2018	75,000	-	10,000
On or before September 30, 2019	100,000	-	10,000
On or before September 30, 2020	-	-	5,000

Driftwood Claims

The Company entered into an option agreement on July 7, 2014 to acquire a 90% interest in the Driftwood Claims (the "Driftwood Property"). The Company has completed the requirements as per the agreement and owns a 90% interest in the Driftwood Property.

On October 28, 2017 the Company entered into an agreement to rent the floatation plant to April 30, 2018. As per the agreement the Company issued 100,000 common shares (fair valued at $105,000) and will make a cash payment of $15,000.

Longworth Silica Property

On July 21, 2015, the Company completed its acquisition of the Longworth Silica Property ("Longworth") pursuant to which the Company has acquired a 100% undivided interest in Longworth. As per the terms of the acquisition the Company issued 700,000 common shares to Zimtu Capital Corp ("Zimtu"), the shares were fair valued at $350,000.

Koot Silica Property

On March 2, 2015, the Company entered into an Acquisition Agreement with American Manganese Inc. ("AMY") to acquire 100% interest in 166 contiguous hectares located in the Golden mining district of southeastern British Columbia (the "Koot Claims"). Pursuant to the terms of the Acquisition Agreement, the Company issued 100,000 shares to AMY at the fair value of $14,000 and granted a 0.5% Net Smelter Royalty ("NSR") on any future production to AMY, during the year ended July 31, 2015. The Koot Claims are also subject to a 0.5% NSR attributable to Andris Kikauka, a director of the Company.

Wonah Mineral Claims

The Company has entered into an option agreement on December 15, 2015 to acquire up to a 100% interest in the Wonah mineral claims (the "Wonah"). Pursuant to the agreement and in order to complete the acquisition, the Company is required to pay the following:

An aggregate of 150,000 common shares under the following schedule:

- 50,000 common shares within 10 days of the effective date of this Agreement (Issued at a fair value of $11,000 in Jan 2016);
- 50,000 common shares by January 1, 2017 (issued and fair valued at $58,500); and
- 50,000 common shares by January 1, 2018 (issued and fair valued at $56,500

Alberta Lithium

On January 28, 2016, the Company entered into an agreement (the "Alberta Lithium") to acquire a 100% undivided interest in 12 metallic and industrial mineral permits and permit applications in Alberta. As per the Alberta Lithium, the Company must complete the following:

- Make cash payments of $20,000 on execution of the Alberta Lithium (paid)
- Issue 500,000 common shares of the Company within 10 days of execution of the Lithium Agreement (issued and fair valued at $60,000 in March, 2016);
- Issue 500,000 common shares of the Company by January 28, 2017 (issued and fair valued at $280,000) and;
- Issue 500,000 common shares of the Company by January 28, 2018 (issued and fair valued at $895,000.)

Buck Lake Lithium

On April 7, 2016, the Company entered into an Option Agreement to acquire an undivided 100% interest in the Buck Lake Lithium claims (the "Buck Lake"). As per the Buck Lake, the Company must complete the following:

- Make cash payments of $20,000 on execution of the Buck Lake (paid)
- Cash payments of $20,000 each due on April 7, 2017(paid) and April 7, 2018;
- Issue 333,332 common shares of the Company on the execution of the Buck Lake (issued and fair valued at $133,333 on May 4, 2016);
- Issue 333,333 common shares of the Company by April 7, 2017 (issued and fair valued at $389,998 on April 7, 2017);
- Issue 333,334 common shares of the Company by April 7, 2018. (issued and fair valued at $310,001)

Additionally, the Company granted a 2% net smelter royalty, of which 1% may be repurchased by the Company for a one-time cash payment of $1,000,000.

Sturgeon Lake

On August 16, 2016, the Company entered into an agreement to acquire a 100% interest in the Sturgeon Lake Lithium Brine Property ("Sturgeon Lake") in west-central Alberta. As per the terms of the agreement the Company issued 2,000,000 common shares fair valued at $340,000 and made a cash payment of $40,000. Additionally, the property is subject to a 2% gross overriding royalty.

Lisbon Valley

On February 3, 2017 the Company announced it had entered into an agreement to acquire Lisbon Valley Petro Lithium Project ("Lisbon Valley") in Utah. As per the agreement the Company made cash payments of $75,000 USD (CAD - $98,588), issued 200,000 common shares (fair valued at $296,000) and make all land management fees.

The Company made additional cash payments of $467,098 related to additional claims and land management fees. On August 2, 2017 the Company issued an additional 100,000 common shares, fair valued at $96,000, to acquire additional Lisbon Valley Claims. The total acquisition cost at April 30, 2018 is $1,804,845 (July 31, 2017 - $1,241,747)

Paradox Basin

On February 22, 2017 the Company announced it had entered into an earn-In agreement with Scientific Metals to acquire a 50% interest in the Paradox Basin Lithium Brine Property ("Paradox Basin"). As per the agreement the Company can acquire a 50% interest by making cash payments of $50,000 (paid), issuing 150,000 common shares of the Company, issued March 17, 2017 and fair valued at $225,000, and incurring minimum exploration of no less than $250,000 over a 12-month period from the date of execution.

Blueberry Unit

On April 10, 2017 the Company finalized an earn-in agreement to acquire 75% interest in leases covering 110,000 acres located contiguous to the Company's Lisbon Valley project. As per the agreement the Company must complete the following:

- Cash payment of $50,000 USD (paid - $67,800)
- $500,000 USD on or before September 1, 2017 (paid - $648,450)
- $500,000 USD on or before March 1, 2018 (paid - $640,450)
- $500,000 USD on or before September 1, 2018
- $450,000 USD on or before March 1, 2019

The Company has also granted a Carry Period ("Carry Period") in which the Company will be responsible for 100% of expenses incurred. The Carry Period will be satisfied once the Company has made all required payments or drilled at least one well on the leases. As at April 30, 2018 the Company has recorded an additional $1,451,042 of acquisition costs related to the land management expenses incurred during the Carry Period and acquisition of additional land claims in the area. Total acquisition costs as at April 30, 2018 are $2,788,789.

Power Metals

On September 18, 2017 the Company entered into an agreement with Power Metals Corp. ("Power Metals") in exchange for common shares of the Company. The terms of the transaction are as follows:

- The Company can acquire all of Power Metal's US Petrolithium Brine assets and a 20% working interest in Power Metal's current hard rock assets and any future assets acquired by Power Metals for the following 36 months
- MGX can acquire an additional 15% working interest in Power Metals hard rock assets for a period of 36 months for a total of $10,000,000.
- MGX will receive a call option to purchase up to 10,000,000 common shares of Power Metals at a price of $0.65 per share for a period of 36 months. The options will be granted to MGX if the Company completes the required share issuances.

(Unaudited - expressed in Canadian dollars)

- MGX will issue Power Metals 3,000,000 common shares that will be restricted and subject to a release schedule of 1,000,000 shares every 5 months from the signing of a definitive agreement. The first 1,000,000 shares were issued during the nine months ended April 30, 2018 and fair valued at $960,000.

The Company also made cash payments of $80,731 related to other hard rock asset acquisition costs during the nine months ended April 30, 2018.

REN Mineral Claims

On August 2, 2017 the Company entered into an agreement to acquire a 90% interest in the REN Mineral Claims ("REN") located in the northern Monashee Mountains of Southeastern British Columbia. As per the terms of the agreement the Company can acquire a 90% interest by completing the following:

- Incur exploration and development expenses of $200,000 within two years.
- Cash payments of $33,333 over the next year.
- Issuance of 600,000 common shares of the Company over the next two years (200,000 issued on August 2, 2017 and fair valued at $192,000)
- The Company can purchase the remaining 10% interest in the REN property for $200,000 cash at any time.

Prospects and others

The Company currently holds the rights to several prospects, the acquisition costs associated to the prospects have been capitalized. The Company incurred $13,268 of exploration costs related to the prospects during the period ended April 30, 2018. The Company wrote-off $470 in prospect acquisition costs related to prospect the Company will no longer pursue.

8. EQUIPMENT

	Furnace $	Equipment $	Software $	Total $
Cost:				
Balance, July 31, 2017	**11,426**	**3,652**	**2,558**	**17,636**
Additions	-	750	266	1,016
Balance, April 30, 2018	**11,426**	**4,402**	**2,824**	**18,652**
Accumulated Depreciation:				
Balance, July 31, 2017	2,737	251	160	3,148
Depreciation	857	1,632	610	3,100
Balance, April 30, 2018	**3,594**	**1,883**	**770**	**6,248**
Net Book Value:				
July 31, 2017	**8,689**	**3,401**	**2,398**	**14,488**
April 30, 2018	**7,832**	**2,519**	**2,054**	**12,405**

9. INVESTMENT IN PURLUCID

On November 14, 2016 the Company entered into a definitive agreement (the "Agreement") to acquire up to 100% of PurLucid. PurLucid is a water and wastewater treatment service company that would work with MGX to further develop the Company's lithium assets. PurLucid would use its technology to convert waste water to concentrated lithium brine that the Company would process through its rapid lithium brine production process.

(Unaudited - expressed in Canadian dollars)

As per the terms of the Agreement the Company can initially acquire a 50% interest through the following phases of investment:

- Phase 1 - $50,000 initial payment (paid)
- Phase 2 - $40,000 integration payment to be applied to Phase 3 expenses (paid)

On May 2, 2017 the Company and PurLucid amended the Agreement as follows:

- Phase 3 - cash payments of $950,000 resulting in the Company acquiring 26.62% of the outstanding shares of PurLucid. The completion date of Phase 3 was May 17, 2017, with the total investment in PurLucid at that time being $1,000,000. The Company also exercised an option to acquire an additional 7.5% of the outstanding shares of PurLucid in exchange for 1,500,000 common shares of MGX. The common shares were issued on May 30, 2017 and fair valued at $1,605,000.
- Phase 4 – cash payments of between $500,000 and $1,467,500 by the completion date of December 31, 2017. Upon completion of Phase 4 the Company will increase its total interest in PurLucid to 46.16%. The Company will also have the option to acquire an additional 5% in exchange for 1,000,000 common shares of MGX.(Cash paid of $1,467,500)
- Phase 5 – cash payments between $1,000,000 and $2,612,500 by the completion date July 31, 2018. Upon completion of Phase 5 the Company will increase its total interest in PurLucid to 57.5%. The Company will also have the option to acquire an additional 5% in exchange for 1,000,000 common shares of MGX.

Upon completion of Phase 5 the Company will have a 10-year option period to acquire the remaining 50% of the outstanding shares of PurLucid based on a shareholders agreement to be completed at the end of Phase 3. The purchase price for the remaining shares during the first three years of the option period shall be determined by applying the aggregate valuation for the Phase 3, 4 and 5 shares. The purchase price for the remainder of the option period shall be determined by an independent valuation of the remaining shares.

The Company accounts for its investment in PurLucid using the equity method of accounting as the Company owned 46.16% interest in PurLucid as at April 30, 2018. During the three and nine months ended April 30, 2018 the Company recorded a gain of $338,426 and $222,981 respectively, related to its equity investment in PurLucid. Changes in the carrying value of the Company's investment in PurLucid are as follows:

	% of ownership	**Amount $**
Balance, July 31, 2016	**-**	**-**
Acquisition	34.12%	2,855,000
Loss from investment in associate	-	(62,285)
Balance, July 31, 2017	**34.12%**	**2,792,715**
Acquisition	**12%**	1,467,500
Gain from investment in associate	-	6,367
Balance, April 30, 2018	**46.12%**	**4,266,582**

(Unaudited - expressed in Canadian dollars)

The following table summarises PurLucid's revenue, expenses and net loss:

	Three months ended		Nine months ended	
	April 30, 2018	**April 30, 2017**	**April 30, 2018**	**April 30, 2017**
	$	**$**	**$**	**$**
Revenue	107,000	-	2,945,192	-
Expense	(577,880)	-	(1,842,658)	-
Net loss	**470,880**		**1,102,534**	**-**

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at April 30, 2018 the Company has accounts payable and accrued liabilities of $1,677,232 (July 31, 2017 - $1,072,623) consisting solely of trade payables. During the nine months ended April 30, 2018 the Company settled debts of $156,012 through the issuance of 174,093 common shares resulting in a loss on debt settlement of $18,687 (Note 11).

11. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value

b) Financings

Financings during the period ended April 30, 2018 are as follows:

- On August 2, 2017, the Company issued 60,012 common shares to settle debts of $54,012. The shares were fair valued at $57,611 and the Company recorded a loss on debt settlement of $3,599.
- On August 2, 2017 the Company issued 300,000 common shares, fair valued at $288,000, related to mineral property acquisitions (note 7).
- On August 22, 2017, the Company issued 67,415 common shares to settle debts of $60,000. The shares were fair valued at $68,089 and the Company recorded a loss on debt settlement of $8,089.
- On August 22, 2017, the Company issued 7,093 common shares in lieu of consulting fees; the shares were fair valued at $7,164.
- On August 30, 2017 the Company closed a special warrant offering through the distribution of 6,253,842 special warrants of the Company, at a price of $0.90 per special warrant, for gross proceeds of $5,628,458. The Company was required to file a short form prospectus by June 26, 2017, as the Company did not meet this requirement each holder of a special warrant was entitled to receive 1.1 units. As a result, a total of 6,879,224 special warrants were issued. Each special warrant is exercisable at no additional cost into one unit ("Unit"), with each Unit consisting of one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share of the Company at $1.15 per warrant until May 12, 2019. In connection with the special warrant offering the Company paid finder's fees $945,506 and issued 531,576 compensation warrants ("compensation warrant). Each compensation warrant is exercisable at $0.90 into one Unit until May 12, 2019. The compensation warrants were valued at $448,250 using the Black-Scholes option pricing model based on the following assumptions: risk free rate - 0.79%; expected dividend - nil; expected life – 2 years; expected volatility – 135%.

- On October 27, 2017, the Company issued 46,666 common shares to settle debts of $42,000. The shares were fair valued at $48,999 and the Company recorded a loss on debt settlement of $6,999.
- On October 27, 2017 the Company issued 100,000 common shares, fair valued at $105,000, for a floatation plant rental (note 7).
- On November 16, 2017, the Company issued 9,867 common shares in lieu of consulting fees; the shares were fair valued at $9,472.
- On November 16, 2017 the Company issued 1,000,000 common shares, fair valued at $960,000, related to mineral property acquisitions (note 7).
- On December 29, 2017 the Company closed a non-brokered financing issuing 5,526,908 flow-through units ("FT Units") at $1.05 per FT Unit for gross proceeds of $5,803,253 and 7,137,000 non-flow-through units ("NFT Unit") at $1.00 per NFT Unit for gross proceeds of $7,137,000. Each NFT Unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share for a period of 36 months from the date of closing at an exercise price of $1.15. Each FT Unit consists of one flow-through common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one additional common share, on a non-flow-through basis, for a period of 36 months at a price of $1.15. The Company allocated a value of $48,694 to the warrants using the residual method.

  The Company also paid finders fees of $891,782 and issued 439,556 finders shares as well as 439,556 finders warrants. The finder's warrants have the same terms as the warrants in the financing. The finder's warrants were fair valued at $304,740 using the Black-Scholes option pricing model using the following assumptions: risk free rate - 1.54%; expected dividend - nil; expected life – 3 years; expected volatility – 120%.

- On January 12, 2018, the Company issued 100,000 common shares in lieu of consulting fees; the shares were fair valued at $124,000.
- On January 15, 2018, the Company issued 49,075 common shares in lieu of consulting fees; the shares were fair valued at $49,075.
- On January 25, 2018 the Company issued 500,000 common shares, fair valued at $895,000, related to mineral property acquisitions (note 7).
- On February 20, 2018 the Company issued 56,065 common shares in lieu of consulting fees; the shares were fair valued at $88,583
- On March 19, 2018 the Company issued 50,000 common shares, fair valued at $56,500, related to mineral property acquisitions (Note 7)
- On April 5, 2018 the Company issued 333,334 common shares, fair valued at $310,001, related to mineral property acquisitions (note 7)

Financings during the nine months ended April 30, 2017 are as follows:

- On September 19, 2016, the Company closed its rights offering issuing 10,062,728 units at $0.18 per unit for gross proceeds of $1,811,291. Each unit consists of one common share and one-half of one purchase warrant, with each warrant exercisable into one common share at a price of $0.20 per share for a period of 24 months. The Company paid $196,410 of cash issue costs related to the financing.
- The Company also issued 1,422,939 finders unit warrants at an exercise price of $0.18 per unit for a period of 24 months following the closing date. Each finders unit consisted of one common share of the Company and half a share purchase warrant exercisable at $0.20. The finders units were fair valued at $159,820 using the Black-Scholes model based on the following assumptions: risk free rate - 0.51%; expected dividend - nil; expected life – 2 years; expected volatility – 125%.

- On October 7, 2016, the Company issued 2,000,000 common shares fair valued at $340,000 related to a mineral property acquisition
- On October 7, 2016, the Company issued 300,000 in consideration for a float plant rental for the Driftwood creek property
- On October 7, 2016, the Company issued 620,764 common shares to settle debts of $119,738. The shares were fair valued at $105,530 and the Company recorded a gain on debt settlement of $14,208.
- On October 7, 2016, the Company issued 113,888 common shares in lieu of consulting fees; the shares were fair valued at $19,361.
- On November 8, 2016, the Company issued 40,695 common shares in lieu of consulting fees; the shares were fair valued at $6,511.
- On November 8, 2016 the Company issued 111,111 common shares to settle debt of $20,000. The shares were fair valued at $17,778 and the Company recorded a gain on debt settlement of $2,222.
- On January 26, 2017 the Company issued 141,046 common shares to settle debt of $58,904. The shares were fair valued at $73,142 and the Company recorded a loss on debt settlement of $14,238.
- On March 3, 2017 the Company issued 1,430 common shares in lieu of consulting fees; the shares were fair valued at $2,116
- On March 3, 2017 the Company issued 200,000 common shares, fair valued at $296,000, related to the Lisbon Valley acquisition
- On March 10, 2017 the Company issued 2,435 common shares in lieu of consulting fees; the shares were fair valued at $3,628.
- On March 17, 2017 the Company issued 150,000 common shares, fair valued at $225,000, relating to the Paradox Basin acquisition
- On April 7, 2017 the Company issued 4,346 common shares to settle debt of $5,650. The shares were fair valued at $5,085 and the Company recorded a gain on debt settlement of $565.
- On April 7, 2017 the Company issued 333,332 common shares, fair valued at $389,998, related to the Buck Lake claims
- On April 7, 2017 the Company issued 50,000 common shares, fair valued at $58,500, related to the Wonah claims
- On April 7, 2017 the Company issued 2,413 common shares in lieu of consulting fees; the shares were fair valued at $2,823.

(Unaudited - expressed in Canadian dollars)

c) Share purchase options

The balance of share purchase options outstanding and exercisable as at April 30, 2018 and July 31, 2017 and the changes for the periods then ended is as follows:

	Number of Options #	Weighted Average Exercise Price $	Weighted Average Life Remaining (years)
Balance, July 31, 2016	**3,975,000**	**0.31**	**1.71**
Granted	4,835,000	1.03	
Exercised	(1,525,000)	0.22	
Expired	(200,000)	0.58	
Balance, July 31, 2017	**7,085,000**	**0.81**	**1.59**
Granted	5,000,000	0.90	
Exercised	(1,351,000)	0.60	
Balance, April 30, 2018	**10,734,000**	**0.88**	**1.82**
Unvested	(325,000)	**1.06**	**2.12**
Exercisable, April 30, 2018	**10,409,000**	**0.88**	**1.81**

The Company recorded share-based compensation expense of $3,759,448 during the nine months ended April 30, 2018 (2017 - $3,213,827) as the Company granted 5,000,000 stock options, vesting immediately, to directors, officers and consultants of the Company and through the vesting of previously granted options. The Company fair valued the options granted during the period using the Black-Scholes option pricing model based on the following assumptions: risk free rate - 1.37%; expected dividend - nil; expected life – 3 years; expected volatility – 125%.

(Unaudited - expressed in Canadian dollars)

As at April 30, 2018, the following share purchase options were outstanding and exercisable:

Expiry Date	Exercise price $	Remaining life (years)	Options outstanding	Unvested	Vested
May 5, 2018	0.40	0.01	200,000	-	200,000
June 18, 2018	0.10	0.13	275,000	-	275,000
June 29, 2018	0.35	0.16	900,000	-	900,000
January 24, 2019	1.00	0.74	2,559,000	-	2,559,000
March 21, 2019	1.42	0.89	100,000	-	100,000
June 12, 2019	1.06	1.12	200,000	-	200,000
June 30, 2019	0.90	1.17	200,000	-	200,000
November 2, 2019	0.96	1.51	200,000	-	200,000
March 3, 2020	1.25	1.84	200,000	-	200,000
June 12, 2020	1.06	2.12	1,300,000	325,000	975,000
August 1, 2020	0.95	2.26	500,000	-	500,000
April 30, 2021	0.89	3.00	4,100,000	-	4,100,000
			10,734,000	**325,000**	**10,409,000**

d) Warrants

The balance of warrants outstanding and exercisable as at April 30, 2018 and July 31, 2017 and the changes for the periods then ended are as follows:

	Number of Warrants	Weighted average exercise price $
Balance, July 31, 2016	**6,692,662**	**0.19**
Expired	(472,364)	0.65
Exercised	(4,858,210)	0.18
Issued	8,981,162	0.39
Balance, July 31, 2017	**10,343,250**	**0.35**
Issued	18,388,702	1.11
Exercised	(6,107,411)	0.26
Balance, April 30, 2018	**22,624,541**	**1.02**

(Unaudited - expressed in Canadian dollars)

The following table summarizes the warrants outstanding as at April 30, 2018:

Warrants	Exercise Price	Expiry Date
#	$	
300,000	0.15	May 4, 2018
2,942,430	0.20	September 21, 2018
6,775,224	1.15	May 12, 2019
584,734	1.15	May 12, 2019
1,547,670	1.15	June 12, 2019
134,473	1.55	June 12, 2019
10,340,010	1.15	December 27, 2020
22,624,541	**1.02**	

e) Restricted Stock Units ("RSU")

On January 29, 2017 the Company entered into an agreement to issue 9,500,000 RSU's as compensation for a service agreement. Each RSU allows the holder to acquire one common share without par value of the Company. The RSU vest over two years and match the length of the service agreement. The vesting dates are as follows:

# of RSU	Vesting Date
1,425,000	May 1, 2017
1,425,000	August 1, 2017
1,650,000	November 1, 2017
1,650,000	February 1, 2018
1,675,000	May 1, 2018
1,675,000	August 1, 2018
9,500,000	

The grant date fair value of the RSU is $9,889,500 and is based on the market price of the Company' common shares at the effective date of January 29, 2017. The amount will be recognized evenly over the vesting periods. For the nine months ended April 30, 2018 the Company recorded $3,360,610 of expense related to the RSU. The Company has recorded the expense to management fees. During the nine months ended April 30, 2018, 1,700,000 common shares of the Company were issued in respect to the RSU's.

As at April 30, 2018, 6,150,000 RSU have vested and 2,200,000 have been exercised.

e) Flow-through obligation

Flow-through share arrangements entitle the holder of the flow-through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined under the Income Act, Canada ("Qualifying CEE"). During the calendar year ending December 31, 2017 the Company received $8,888,742 of flow-through share proceeds and renounced the full amounts at December 31, 2017. The Company will be required to incur $8,888,742 of Qualifying CEE by December 31, 2018 with respect to the flow-through shares previously issued.

(Unaudited - expressed in Canadian dollars)

The Company has recorded a flow-through premium liability of $276,345 related to the issuance of flow-through shares. This balance does not represent a cash liability to the Company but rather this balance will be amortized to the statement of comprehensive income or loss pro-rata with the amount of qualifying CEE that are incurred by the Company.

12. RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the three and nine months ended April 30, 2018 and 2017:

	Three months ended April 30,		**Nine months ended April 30,**	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Management fees	693,433	33,000	3,430,839	99,000
Geological fees	-	4,000	17,650	17,900
Share-based payments	1,429,741	1,467,300	1,429,741	2,509,266
	2,123,174	1,504,300	4,878,230	2,626,166

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

As at April 30, 2018, the Company had $86,604 (July 31, 2017 - $124,763) owing to related parties, all of which is unsecured, non-interest bearing and due on demand. A total payable of $82,580 (July 31, 2017 - $120,739) was owed to directors and officers of the Company and companies owned by them. A payable of $960 (2017 - $960) was owed to a company with common directors and a payable of $3,064 (2017 - $3,064) was owed to a former parent company.

(Unaudited - expressed in Canadian dollars)

13. SEGMENTED INFORMATION

The Company operates in two reportable operating segment, the first being the acquisition and exploration of mineral properties in Canada and the USA; and the second being the development of zinc-air batteries through its wholly owned subsidiary ZincNyx.

A breakdown of the Company's assets by operating and geographic segment as at April 30, 2018 and July 31, 2017 are as follows:

	April 30, 2018	July 31, 2017
	$	$
Mineral properties		
Canada	5,032,603	2,382,960
USA	3,949,112	2,467,226
Total	**8,981,715**	**4,850,186**
ZincNyx		
Canada	**4,950,134**	**-**

The Company's incurred losses of $286,658 (2017 - $nil) and $462,103 (2017 - $nil) for the three and nine months ended April 30, 2018 relating to ZincNyx.

14. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements as at April 30, 2018.

15. SUBSEQUENT EVENTS

- Subsequent to April 30, 2018 the Company closed a non-brokered private placement. The Company issued 5,443,205 flow-through units (the "FT Units") at $1.15 per FT Unit for gross proceeds of $6,259,686 and 8,393,317 non-flow through units (the "NFT Units") at $1.10 per NFT Unit for gross proceeds of $9,232,649. Each NFT unit is comprised of one common share of the Company and one common share purchase warrant entitling the holder of the warrant to acquire on additional common share of the Company for a period of 36 months from the closing date at an exercise price of $1.20. Each FT unit is comprised of one common share issue on a flow-through basis and one half of one common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share, on a non-flow through basis, for a period of 36 months at a price of $1.20. In connection with the private placement the Company paid a cash finders fee of 8% and issued common shares equal to 4% of the total NFT and FT units sold and non-transferable finders warrants equal to 4% of the total NFT and FT Units. The finders' warrants are exercisable for a period of 36 months from the date of closing and have an exercise price of $1.20. The Company also paid a finance fee of $50,000.

- On April 3, 2018 the Company announced its intention to spin out its wholly owned subsidiary ZincNyx into a separate publicly traded entity. The proposed spin out would occur via share dividend in kind of common shares in the capital of ZincNyx to shareholders of the Company. The proposed distribution is expected to be made by way of ZincNyx filing a prospectus with securities regulatory authorities in the jurisdictions where MGX is a reporting issuer. The spin out will not occur unless or until a receipt for the final prospectus is obtained from the appropriate securities and regulatory authorities. The prospectus will constitute a public offering of ZincNyx shares.
- On May 16, 2018 Marc Bruner, Director and consultant at the time, filed a Petition against the Company in British Columbia Supreme Court seeking a declaration that the Company acted unfairly and in bad faith by not permitting shares to vest that he alleges were owed to him and an order to direct the Company to issue the shares and to compensate him for any losses that he may have suffered. The Company has reviewed the Petition and believes the claims are without merit. The Company intends to vigorously defend this matter and has filed a Response to the Petition which includes set-off claims against Mr. Bruner for his breaches of the consultancy agreement (the "Agreement"). In its response to the Petition, the Company also accepted Mr. Bruner's repudiation of the Agreement and as a result the Agreement is terminated.
- On May 25, 2018, the ZincNyx, along with certain research partners, was approved to receive a grant of $580,000 over the next three years from the Canada's Natural Science and Engineering Research Council to develop nanostructured material for their next generation Zinc-air energy storage.

MGX Minerals Inc. **Schedule 1**

Schedule of Mineral Properties
For the nine months ended April 30, 2018 and 2017
(Unaudited - expressed in Canadian dollars)

The following table summarizes the Company's mineral property assets as at April 30, 2018 and July 31, 2017 and the changes for the periods then ended, and exploration expenditures for the nine months ended April 30, 2018.

	Driftwood	Fran	Canada Lithium	US Petrolithium	Case Lake	Silica Projects	Prospects and Others	Total
	$	$	$	$	$	$	$	$
Deferred costs								
Balance July 31, 2017	**230,231**	**414,429**	**1,303,331**	**2,467,226**	**-**	**364,000**	**70,969**	**4,850,186**
Paid in cash	-	-	20,000	1,521,767	80,731	-	-	1,622,498
Paid by issue of shares	-	-	1,397,001	96,000	960,000	-	56,500	2,509,501
Write-off of mineral property	-	-	-	-	-	-	(470)	(470)
Balance April 30, 2018	**230,231**	**414,429**	**2,720,332**	**4,084,993**	**1,040,731**	**364,000**	**126,999**	**8,981,715**
Exploration expenditures								
Assays	-	250	19,519	-	11,739	-	-	31,508
Administrative	55		12,997	2,945	13,525	-	-	29,522
Consulting	20,183	856	159,442	59,708	-	11,848	89,863	341,900
Drilling	233,070	43,633	-	-	223,260	58,045	-	558,008
Engineering	62,844	-	844,026	-	-	-	-	906,870
Excavation	6,000	1,250	-	-	-	7,875	-	15,125
Field work	398,507	493	14,221	238	-	35,560	-	449,019
Freight	3,150	-	-	-	-	18,430	-	21,580
Geological	112,725	20,800	32,640	517,222	19,682	30,450	6,900	740,419
Lab work	5,600	130	1,791	1,618	-	2,834	-	11,973
Licenses and fees	5,368	30,024	11,274	-	-	-	5,625	52,291
Miscellaneous	488	4,395	-	-	-	4,000	33	8,916
Travel & accommodation	60,233	648	169	2,900	-	2,687	-	66,637
Total at April 30, 2018	**908,223**	**102,479**	**1,096,079**	**584,631**	**268,206**	**171,729**	**102,421**	**3,233,768**

Schedule "B"

Supplementary Information

[inserted in Schedule "A"]

<u>Schedule "C"</u>

Management's Discussion & Analysis

[inserted as pages following]

MGX MINERALS INC.
303 – 1080 Howe Street
Vancouver, BC V6Z 2T1
Tel.: (604) 681-7735

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2018

The following Management's Discussion and Analysis ("MD&A"), prepared as of April 3, 2018, should be read in conjunction with the unaudited condensed interim consolidated financial statements of MGX Minerals Inc. ("MGX" or "the Company") for the three and nine months ended April 30, 2018, together with the audited consolidated financial statements of the Company for the year ended July 31, 2017 and the accompanying MD&A for that fiscal year. The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. All financial amounts are stated in Canadian dollars unless stated otherwise.

Additional information relating to the Company and its operations is available under the Company's profile on SEDAR at www.sedar.com

FORWARD-LOOKING STATEMENTS

The Company's condensed interim consolidated financial statements for the three and nine months ended April 30, 2018, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

It is important to note that, unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of June 29, 2018.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions.

These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. All statements, other than statements of historical fact, included herein, including without limitation, statements about potential mineralization at the Company's properties, the timelines to complete exploration programs or technical reports and statements about the Company's future development of its properties. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of commodities; that the Company can access financing, appropriate equipment and sufficient labour and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Additional risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, except as required by law, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral resource properties located in Canada. The head office is located at Suite 303, 1080 Howe Street, Vancouver, British Columbia, Canada, V6Z 2T1.

On July 4, 2014, the Company completed a reverse takeover transaction (the "RTO" or the "Transaction") by Manto Gold Corp. ("Manto" or the "Subsidiary"). In connection with closing of the Transaction, "Defiant Minerals Corp." ("Defiant") changed its name to "MGX Minerals Inc." and Manto became the wholly-owned subsidiary of the Company.

OVERALL PERFORMANCE

Highlights:

- On August 30, 2017 the Company closed a special warrant offering through the distribution of 6,253,842 special warrants of the Company, at a price of $0.90 per special warrant, for gross proceeds of $5,628,458. The Company was required to file a short form prospectus by June 26, 2017, as the Company did not meet this requirement each holder of a special warrant was entitled to receive 1.1 units. As a result, a total of 6,879,224 special warrants were issued. Each special warrant is exercisable at no additional cost into one unit ("Unit"), with each Unit consisting of one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share of the Company at $1.15 per warrant until May 12, 2019.
- On August 2, 2017 the Company entered into an agreement to acquire a 90% interest in the REN Mineral Claims ("REN") located in the northern Monashee Mountains of Southeastern British Columbia. As per the terms of the agreement the Company can acquire a 90% interest by completing the following:
    - Incur exploration and development expenses of $200,000 within two years.
    - Cash payments of $33,333 over the next year.
    - Issuance of 600,000 common shares of the Company over the next two years (200,000 issued on August 2, 2017 and fair valued at $192,000)
    - The Company can purchase the remaining 10% interest in the REN property for $200,000 cash at any time.
- On September 18, 2017 the Company entered into an agreement with Power Metals Corp. ("Power Metals") in exchange for common shares of the Company. The terms of the transaction are as follows:
    - The Company can acquire all of Power Metal's US Petrolithium Brine assets and a 20% working interest in Power Metal's current hard rock assets and any future assets acquired by Power Metals for the following 36 months
    - MGX can acquire an additional 15% working interest in Power Metals hard rock assets for a period of 36 months for a total of $10,000,000.
    - MGX will receive a call option to purchase up to 10,000,000 common shares of Power Metals at a price of $0.65 per share for a period of 36 months. The options will be granted to MGX if the Company completes the required share issuances.
    - MGX will issue Power Metals 3,000,000 common shares that will be restricted and subject to a release schedule of 1,000,000 shares every 5 months from the signing of a definitive agreement. The first 1,000,000 shares were issued and fair valued at $960,000.
- The Company closed a non-brokered financing issuing 5,526,908 flow-through units ("FT Units") at $1.05 per FT Unit for gross proceeds of $5,803,253 and 7,137,000 non-flow-through units ("NFT Unit") at $1.00 per NFT Unit for gross proceeds of $7,137,000. Each NFT Unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share for a period of 36 months from the date of closing at an exercise price of $1.15. Each FT Unit consists of one flow-through common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one additional common share, on a non-flow-through basis, for a period of 36 months at a price of $1.15.

- On December 19, 2017 the Company entered into a definitive agreement to acquire ZincNyx Energy Solutions ("ZincNyx"). Pursuant to the definitive agreement the Company made a one-time cash payment of $250,000 and issued 4,784,258 common shares fair valued at $4,784,258. ZincNyx is a development stage company specializing in the development of zinc air batteries and modular energy storage systems.
- the Company closed a non-brokered private placement. The Company issued 5,443,205 flow-through units (the "FT Units") at $1.15 per FT Unit for gross proceeds of $6,259,686 and 8,393,317 non-flow

through units (the “NFT Units”) at $1.10 per NFT Unit for gross proceeds of $9,232,649. Each NFT unit is comprised of one common share of the Company and one common share purchase warrant entitling the holder of the warrant to acquire on additional common share of the Company for a period of 36 months from the closing date at an exercise price of $1.20. Each FT unit is comprised of one common share issue on a flow-through basis and one half of one common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share, on a non-flow through basis, for a period of 36 months at a price of $1.20. In connection with the private placement the Company paid a cash finders fee of 8% and issued common shares equal to 4% of the total NFT and FT units sold and non-transferable finders warrants equal to 4% of the total NFT and FT Units. The finders’ warrants are exercisable for a period of 36 months from the date of closing and have an exercise price of $1.20. The Company also paid a finance fee of $50,000.

DISCUSSION OF OPERATIONS

The Company recorded a net loss of $18600,115 ($0.21 per share) for the nine months ended April 30, 2018 as compared to a loss of $6,179,240 ($0.11 per share) for the nine months ended April 30, 2017.

The increase in loss for the nine months ended April 30, 2018 is due to the following:

- Exploration expense of $3,233,768 (2017 - $835,074) increased as the Company increased exploration work on Driftwood including additional drilling. The Company also acquired additional lithium properties in Alberta and Utah that resulted in increased exploration work. Additionally, the Company commenced explorations expenditures at Case Lake.
- The Company incurred $4,739,477 (2017 - $943,240) of advertising and promotion expenses during the nine months ended April 30, 2018. The Company continued to expand its exploration operations and is therefore focused on creating more awareness of its activities. The Company has engaged consultants in various industries as the Company continues to expand its presence in both the lithium extraction and traditional exploration markets. Additionally, with the Company’s increased presence in the US the Company is entering an additional geographic market which is leading to greater promotional efforts.
- The Company recorded share-based compensation expense of $3,759,448 (2017 - $3,213,827) during the nine months ended April 30, 2018 as the Company granted options to directors, officers and consultants of the Company.
- The Company incurred management fees of $3,627,222 (2017 - $99,000). Management fees included the vesting of Restricted Share Units (“RSU”) that were issued to a Director of the Company.
- Professional fees of $440,935 (2017 - $299,296) increased as the Company finalized definitive agreements to acquire certain assets.
- Consulting fees of $1,786,200 (2017 - $463,422) increased as the Company has increased its presence in the lithium exploration and rapid extraction markets. Additionally, the Company has added additional consulting fees related to activity in the US.
- Travel and entertainment expense of $214,275 (2017 - $132,904) increased as management attended investor conferences and industry events. Additionally, with projects in multiple jurisdictions the Company expects increased travel expenses.

Results of operations Three Months Ended April 30, 2018:

During the three months ended April 30, 2018 the Company recorded a net loss of $8,083,505 ($0.08 per share) as compared to a net loss of $3,031,033 ($0.05 per share) for the three months ended April 30, 2017. The increase in net loss for the period is due primarily to the following:

- Management fees of $693,433 (2017 - $33,000) increased as a result of the RSU’s vesting during the three months ended April 30, 2018.
- Advertising and promotion increased to $1,967,128 (2017 - $429,237) as a result of the Company increasing its promotional efforts in the US to raise market awareness and presence.
- Office and administrative of $89,547(2017 - $448,505) increased due to rental fees for the Company’s office and as the Company now consolidates the operations of ZincNyx there is increased office expenditures.

- Consulting fees of $904,762 (2017 - $192,820) increased as the Company has increased its presence in the lithium exploration and rapid extraction markets. Additionally, the Company has added additional consulting fees related to activity in the US.
- Salaries of $195,654 (2017 - $nil) consist of salaries paid to employees of the Company's wholly owned subsidiary ZincNyx

SUMMARY OF QUARTERLY RESULTS

The following table sets out financial information for the past eight quarters:

	Three Months Ended ($)			
	April 30, 2018	**January 31, 2018**	**October 31, 2017**	**July 31, 2017**
Loss and comprehensive loss	(8,083,505)	(5,627,706)	(4,887,904)	(7,737,451)
Basic and diluted loss per share*	(0.08)	(0.06)	(0.07)	(0.12)
Total assets	22,705,878	25,520,622	9,875,187	11,563,110
Working capital (deficit)	2,387,736	6,592,655	(97,039)	2,370,658

	Three Months Ended ($)			
	April 30, 2017	**January 31, 2017**	**October 31, 2016**	**July 31, 2016**
Loss and comprehensive loss	(3,031,033)	(2,492,079)	(656,128)	(1,157,428)
Basic and diluted loss per share*	(0.05)	(0.05)	(0.01)	(0.03)
Total assets	4,274,334	2,982,460	2,719,081	1,534,777
Working capital	(1,382,857)	511,825	679,170	(389,948)

* No exercise or conversion is assumed during the periods in which a loss is incurred, as the effect is anti-dilutive.

The increase in net loss for the period ended July 31, 2016 is due to share based compensation related to the grant of stock options and an increase in exploration expenses related to the development of the Driftwood property and the Lithium properties. The increase in net loss for the period ended April 30, 2017 is related primarily to share based payments expense of $1,534,532. The increase in the net loss for the period ended April 30, 2018 is discussed above. The Company also completed a financing during the period ended January 31, 2018 resulting in the increase in working capital.

The loss for the quarter ended July 31, 2017 includes $4,765,040 of management expense related to the vesting of the restricted stock units granted to director.

Investment in ZincNyx

On December 19, 2017 the Company announced it had entered into a definitive agreement to acquire ZincNyx Energy Solutions ("ZincNyx"). Pursuant to the definitive agreement the Company made a one-time cash payment of $250,000 and issued 4,784,258 common shares fair valued at $4,784,258. ZincNyx is a development stage company specializing in the development of zinc air batteries and modular energy storage systems.

The transaction did not meet the definition of a business combination and therefore, has been accounted for as an asset purchase intellectual property. The consideration for the acquisition has been allocated at fair value of the assets and liabilities assumed, based on management's best estimate and taking into account all available information at the time.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase Price	**$**
4,784,258 common shares of the Company at $1.00	4,784,285
Cash	250,000

	5,034,258

Net assets acquired	**$**
Cash	61,745
Prepaids	22,379
Intellectual property	4,950,134
	5,034,258

ZincNyx has commenced development of a scaled-up 20 KW system for use in utility-scale battery storage. The 20Kw/160kWh modules represent a 4x increase in both energy and power as compared to ZincNyx previous 5kW systems. The ZincNyx innovative regenerative zinc-air flow battery can be readily scaled from kilowatt to megawatt range to provide low cost energy storage. The regenerative zinc-air flow battery 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. ZincNyx technology uses a fuel tank system that offers flexible energy/power ratios and scalability. The storage capacity is directly related to the fuel tank size and quantity of charged zinc fuel, allowing for major scalability. On February 1, 2018 the Company acquired 20 metal air battery and fuel cell patents through ZincNyx. The Company is currently focused on the optimization of the charging and oxygen fuel generation functions of the zinc air fuel cell battery as part of the mass production design phase.

Investment in PurLucid

On November 14, 2016 the Company entered into a definitive agreement (the "Agreement") to acquire up to 100% of PurLucid. PurLucid is a water and wastewater treatment service company that would work with MGX to further develop the Company's lithium assets. PurLucid would use its technology to convert waste water to concentrated lithium brine that the Company would process through its rapid lithium brine production process.

The agreement was amended and finalized on May 2, 2017 and as per the terms of the amended Agreement the Company can initially acquire a 50% interest through the following phases of investment:

- Phase 1 - $50,000 (paid)
- Phase 2 - $40,000 of engineering expenses (paid)
- Phase 3 - cash payments of $950,000 resulting in the Company acquiring 26.62% of the outstanding shares of PurLucid. The completion date of Phase 3 was May 17, 2017, with the total investment in PurLucid at that time being $1,000,000. The Company also exercised an option to acquire an additional 7.5% of the outstanding shares of PurLucid in exchange for 1,500,000 common shares of MGX. The company owns 34.12% of the outstanding shares of PurLucid as at July 31, 2017.
- Phase 4 – cash payments of between $500,000 and $1,467,500 by the completion date of December 31, 2017. Upon completion of Phase 4 the Company will increase its total interest in PurLucid to 47.5%. The Company will also have the option to acquire an additional 5% in exchange for 1,000,000 common shares of MGX. (Paid $1,467,500)
- Phase 5 – cash payments of between $1,000,000 and $2,612,500 by the completion date July 31, 2018. Upon completion of Phase 5 the Company will increase its total interest in PurLucid to 57.5%. The Company will also have the option to acquire an additional 5% in exchange for 1,000,000 common shares of MGX.

Upon completion of Phase 5 the Company will have a 10 year option period to acquire the remaining 50% of the outstanding shares of PurLucid based on a shareholders agreement that was completed at the closing of Phase 3. The purchase price for the remaining shares during the first three years of the option period shall be determined by applying the aggregate valuation for the Phase 3, 4 and 5 shares. The purchase price for the remainder of the option period shall be determined by an independent valuation of the remaining shares.

The Company accounts for its investment in PurLucid using the equity method of accounting as the Company owned 47.5% interest in PurLucid as at April 30, 2018. During the three and nine months ended April 30, 2018 the Company recorded a gain of $338,426 and $222,981 respectively, related to its equity investment in PurLucid. Changes in the carrying value of the Company's investment in PurLucid are as follows:

	% of ownership	Amount $
Balance, July 31, 2016	-	-
Acquisition	34.12%	2,855,000
Loss from investment in associate	-	(62,285)
Balance, July 31, 2017	**34.12%**	**2,792,715**
Acquisition	12%	1,467,500
Gain from investment in associate	-	6,367
Balance, April 30, 2018	**46.12%**	**4,266,582**

The following table summarizes PurLucid's revenue, expenses and net loss:

	Three months ended		Nine months ended	
	April 30, 2018 $	April 30, 2017 $	April 30, 2018 $	April 30, 2017 $
Revenue	107,000	-	2,945,192	-
Expense	(577,880)	-	(1,842,658)	-
Net loss	**470,880**		**1,102,534**	**-**

MINERAL PROPERTIES

The following table summarizes the Company's mineral property assets as at April 30, 2018 and July 31, 2017 and the changes for the periods then ended, and exploration expenditures for the nine months ended April 30, 2018.

	Driftwood	Fran	Canada Lithium	US Petrolithium	Case Lake	Silica Projects	Prospects and Others	Total
	$	$	$	$	$	$	$	$
Deferred costs								
Balance July 31, 2017	**230,231**	**414,429**	**1,303,331**	**2,467,226**	**-**	**364,000**	**70,969**	**4,850,186**
Paid in cash	-	-	20,000	1,521,767	80,731	-	-	1,622,498
Paid by issue of shares	-	-	1,397,001	96,000	960,000	-	56,500	2,509,501
Write-off of mineral property	-	-	-	-	-	-	(470)	(470)
Balance April 30, 2018	**230,231**	**414,429**	**2,720,332**	**4,084,993**	**1,040,731**	**364,000**	**126,999**	**8,981,715**
Exploration expenditures								
Assays	-	250	19,519	-	11,739	-	-	31,508
Administrative	55		12,997	2,945	13,525	-	-	29,522
Consulting	20,183	856	159,442	59,708	-	11,848	89,863	341,900
Drilling	233,070	43,633	-	-	223,260	58,045	-	558,008
Engineering	62,844	-	844,026	-	-	-	-	906,870
Excavation	6,000	1,250	-	-	-	7,875	-	15,125
Field work	398,507	493	14,221	238	-	35,560	-	449,019
Freight	3,150	-	-	-	-	18,430	-	21,580
Geological	112,725	20,800	32,640	517,222	19,682	30,450	6,900	740,419
Lab work	5,600	130	1,791	1,618	-	2,834	-	11,973
Licenses and fees	5,368	30,024	11,274	-	-	-	5,625	52,291
Miscellaneous	488	4,395	-	-	-	4,000	33	8,916
Travel & accommodation	60,233	648	169	2,900	-	2,687	-	66,637
Total at April 30, 2018	**908,223**	**102,479**	**1,096,079**	**584,631**	**268,206**	**171,729**	**102,421**	**3,233,768**

Fran Property *(British Columbia)*

The Company entered into an option agreement (the "Option Agreement") on May 24, 2013, and amended on June 30, 2013, to acquire a 100% undivided interest in the Fran Claims (the "Fran Property"), located within the Omineca Mining District 60 kilometres north of Fort St. James, British Columbia.

In order to acquire its 100% undivided interest in the Fran Property, the Company must pay Manto Resources Inc. (the "Optionor") a total of $40,000 in cash, issue 24,877,310 shares of the Company to the Optionor and incur up to $100,000 of exploration expenditures on the property September 30, 2019.

Driftwood Claims *(British Columbia)*

The Company entered into an option agreement on July 7, 2014 to acquire a 90% interest in the Driftwood Claims (the "Driftwood Property"). The Company has completed the requirements as per the agreement and owns a 90% interest in the Driftwood Property.

During the year ended July 31, 2017, the Company filed a resource estimate for the Driftwood Property that showed measured plus indicated mineral resources of 8.028 million tonnes grading 43.31% magnesium oxide, inferred mineral resources of 846,000 tonnes grading 43.20 magnesium oxide with the bulk of the resource located less than 100 metres from surface. The full NI 43-101 complaint resource estimate was filed on www.sedar.com on September 26, 2016. On October 27, 2016, the Company completed 16 drill holes as part of an infill drilling campaign in an effort to complete a preliminary economic assessment. On December 5, 2016 the Company completed its Phase III drill program on 16 holes totaling 1,212 metres. Significant intercepts from the drill program showed grades ranging from 41.6% to 43.8 at intercepts of 46.5 to 120 metres. A geotechnical drill program is currently underway to define hard contacts between magnesite and dolomite host rock for pit optimization.

As reported in the Company's March 6, 2018 news release, the Company has completed a successful Preliminary Economic Assessment ("PEA"). The complete PEA has been prepared in accordance with NI-43-101 standards. The PEA presumes a conventional quarry pit operation with a process plant and a furnace/kiln combination to produce a saleable dead burn magnesium oxide (DBM) product. The plant will also have the ability to produce caustic-calcined magnesium oxide (CCM) as a separate saleable product.

In summary the PEA showed average annual magnesium oxide production of 169,700 tonnes over a 19 year mine life with average head grades of 43.27% MgO and recoveries of 90%. The total resource is estimated at 7.8M tonnes.

The PEA is preliminary in nature and there is no certainty that the forecast results stated in the PEA will be realized.

Longworth Silica Property (*British Columbia)*

On July 21, 2015, the Company completed its acquisition of a 100% undivided interest in the Longworth Silica Property ("Longworth"). As per the terms of the acquisition, the Company issued 700,000 common shares to Zimtu Capital Corp ("Zimtu") at a fair value of $350,000. On July 7, 2016, the Company filed a NI 43-101 technical report for the property. The Company has commenced a nine hole diamond drill program. The exposed bedrock samples collected from Longworth assayed up to 99.34% silicon dioxide.

Koot Silica Property *(British Colombia)*

On March 2, 2015, the Company entered into an Acquisition Agreement with American Manganese Inc. ("AMY") to acquire a 100% interest in 166 contiguous hectares located in the Golden mining district of southeastern British Columbia (the "Koot Claims"). Pursuant to the terms of the Acquisition Agreement, the Company issued 100,000 shares to AMY at the fair value of $14,000 and granted a 0.5% Net Smelter Royalty ("NSR") on any future production to AMY. The Koot Claims are also subject to a 0.5% NSR attributable to Andris Kikauka, a director of the Company.

Wonah Mineral Claims

On December 15, 2015, the Company entered into a Share Purchase Agreement to acquire a 100% undivided interest in the Wonah Mineral Claims ("Wonah"). In consideration, the Company will issue 150,000 shares over a three-year period to the Company's non-independent Qualified Person, Andris Kikauka, and a third party. There are no underlying royalties. During the year ended July 31, 2016, the Company issued 50,000 shares to the vendor at a fair value of $11,000. During the year ended July 31, 2017 the Company issued 50,000 shares that were fair valued at $68,500. The Company issued an additional 50,000 common shares, fair valued at $56,500 during the nine months ended April 30, 2018

The Company has commenced development activity at both its Koot and Wonah projects. Archaeological assessment and environmental assessments are expected to commence in the near future. The Company has prioritized the evaluation and development of its silicon projects to as it continues its expansion into low cost mass energy storage systems.

Lithium Properties

Alberta Lithium

On January 28, 2016, the Company entered into a purchase agreement (the "Alberta Lithium Agreement") to acquire a 100% undivided interest in 12 metallic and industrial mineral permits and permit applications in Alberta. As per the Alberta Lithium Agreement, the Company must complete the following:

- Make cash payments of $20,000 (paid in March, 2016);
- Issue 500,000 common shares of the Company (issued and fair valued at $60,000 in March, 2016);
- Issue 500,000 common shares of the Company by January 28, 2017 (issued and fair valued at $280,000); and,
- Issue 500,000 common shares of the Company by January 28, 2018. (issued and fair valued at $895,000)

The Company has the right to accelerate the issuance of shares at any time after execution of the Alberta Lithium Agreement by providing a written notification to the vendors.

Buck Lake Lithium

On April 7, 2016, the Company entered into an Option Agreement to acquire an undivided 100% interest in the Buck Lake Lithium claims (the "Buck Lake Agreement"). As per the Buck Lake Agreement, the Company must complete the following:

- Make cash payments of $20,000 (paid in April, 2016);
- Make cash payments of $20,000 each due on April 7, 2017 and April 7, 2018;
- Issue 333,332 common shares of the Company (issued at the fair value of $133,333 in May, 2016);
- Issue 333,333 common shares of the Company by April 7, 2017 (issued and fair valued at $398,998 on April 7, 2017); and,
- Issue 333,334 common shares of the Company by April 7, 2018.(issued and fair valued at $310,001)

Additionally, the Company granted a 2% NSR, of which 1% may be repurchased by the Company for a one-time cash payment of $1,000,000.

Sturgeon Lake Lithium

On August 16, 2016, the Company entered into an agreement to acquire a 100% interest in the Sturgeon Lake Lithium Brine Property ("Sturgeon Lake") in west-central Alberta. As per the terms of the agreement, the Company issued 2,000,000 common shares fair valued at $340,000 and made a cash payment of $40,000. Additionally, the property is subject to a 2% gross overriding royalty.

Lisbon Valley

On February 3, 2017 the Company announced it had entered into an agreement to acquire Lisbon Valley Petro Lithium Project (“Lisbon Valley”) in Utah. As per the agreement the Company made cash payments of $75,000 USD (CAD - $98,588), issued 200,000 common shares (fair valued at $296,000) and make all land management fees.

The Company made additional cash payments of $324,632 related to additional claims and land management fees. On August 2, 2017 the Company issued an additional 100,000 common shares, fair valued at $96,000, to acquire additional Lisbon Valley Claims. The total acquisition cost at April 30, 2018 is $1,662,379 (July 31, 2017 - $1,241,747)

Paradox Basin

On February 22, 2017 the Company announced it had entered into an Earn-In agreement with Scientific Metals to acquire interest in the Paradox Basin Lithium Brine Property (“Paradox Basin”). As per the agreement the Company can acquire a 50% interest by making cash payments of $50,000 (paid), issuing 150,000 common shares of the Company, issued March 17, 2017 and fair valued at $225,000, and incurring minimum exploration of no less than $250,000 over a 12 month period from the date of execution.

The Company completed a site survey in preparation for 3D seismic geophysics at Paradox Basin.

Blueberry Unit

On April 10, 2017 the Company finalized an earn-in agreement to acquire 75% interest in leases covering 110,000 acres located contiguous to the Company’s Lisbon Valley project. As per the agreement the Company must complete the following:

- Cash payment of $50,000 USD (paid - $67,800)
- $500,000 USD on or before September 1, 2017 (paid - $648,480)
- $500,000 USD on or before March 1, 2018
- $500,000 USD on or before September 1, 2018
- $450,000 USD on or before March 1, 2019

The Company has also granted a Carry Period (“Carry Period”) in which the Company will be responsible for 100% of expenses incurred. The Carry Period will be satisfied once the Company has made all required payments or drilled at least one well on the leases. As at July 31, 2017 the Company has recorded an additional $234,229 of acquisition costs related to the land management expenses incurred during the Carry Period.

The Company is focused on continuing to develop its lithium properties and developed a process for a rapid extraction of lithium from salt brine, in particular oilfield production water brine. The process was developed to eliminate the solar evaporation phase which is part of a two-step lithium extraction from brine process in common use. By eliminating the solar evaporation phase the process time could be reduced by 99% from approximately 18 months to one day. The Company currently holds over 250,000 hectares of metal and metallic mineral claims in the Province of Alberta, covering the majority of historical anomalous lithium assays greater than or equal to 90mg/L Li as reported by the Alberta Geological Survey (2011).

The Company continues to work with PurLucid to continue development and testing work on its lithium properties. The Company was able to successfully extract lithium from oil wastewater at its Albert Lithium property. Initial heavy oil evaporator blowdown wastewater (“EBD”) had a Li concentrate of 87mg/l and final recovery of Li was 34.8mg/l or 40% while 21% of the total Li remained in the final brine and has a high probability of recover by further reaction or during a second pass. The Company also filed a technical report on related to the rapid lithium extraction process.

PurLucid also filed a provisional patent related to the recovery of metals and minerals from produced wastewater brine in the oil and gas industry, the patent rights have been exclusively granted to MGX for the life of the patent. This allows the Company to provide flexible fully integrated oilfield solutions to oil and gas operators. A pre-commercial test pilot plant has been manufactured and an additional 120 cubic meter plant is now near completion. Initial deployment and demonstration is underway for a 1,200 cubic meter per day commercial plant to target metal and mineral extraction as well as water reuse and re-purpose applications.

The Company has also completed initial component design of a 2400 cubic meter per day system.

Power Metals

On September 18, 2017 the Company entered into an agreement with Power Metals Corp. (“Power Metals”) in exchange for common shares of the Company. The terms of the transaction are as follows:

- The Company can acquire all of Power Metal’s US Petrolithium Brine assets and a 20% working interest in Power Metal’s current hard rock assets and any future assets acquired by Power Metals for the following 36 months
- MGX can acquire an additional 15% working interest in Power Metals hard rock assets for a period of 36 months for a total of $10,000,000.
- MGX will receive a call option to purchase up to 10,000,000 common shares of Power Metals at a price of $0.65 per share for a period of 36 months. The options will be granted to MGX if the Company completes the required share issuances.
- MGX will issue Power Metals 3,000,000 common shares that will be restricted and subject to a release schedule of 1,000,000 shares every 5 months from the signing of a definitive agreement. The first 1,000,000 shares were issued and fair valued at $960,000.

A 30-hole 3,000 metre drill program was completed on Case Lake, a property held by Power Metals in which the Company has a 20% working interest. The drilling successfully intersected multiple course-grain pale green spodumene zones at shallow depths. Planning is currently underway on an 8,000 metre drill program over three targets during the summer.

Prospects

The Company currently holds the rights to several prospects, the acquisition costs associated with the prospects have been capitalized.

OUTSTANDING SHARE DATA

Authorized: Unlimited common shares without par value

All share information is reported as of June 29, 2018, in the following table:

Type of Security	**Number**
Issued and outstanding common shares	122,655,926
Stock options with a weighted average exercise price of $0.92	10,084,000
Warrants with a weighted average exercise price of $1.14	31,984,143
RSU	7,300,000
Total	172,024,069

TRANSACTIONS BETWEEN RELATED PARTIES

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the three and nine months ended April 30, 2018 and 2017:

	Three months ended April 30,		Nine months ended April 30,	
	2018	**2017**	**2018**	**2017**
	$	**$**	**$**	**$**
Management fees[1]	693,433	33,000	3,430,839	99,000
Geological fees[2]	-	4,000	17,650	17,900
Share-based payments	1,429,741	1,467,300	1,429,741	2,509,266
	2,123,174	**1,504,300**	**4,878,230**	**2,626,166**

[1] Management fees consisted of fees from Jared Lazerson (CEO) and Michael Reimann (CFO) and Marc Bruner (Director and Chairman of the Board)
[2] Geological fees consisted of fees from Andris Kikauka

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

As at April 30, 2018, the Company had $86,604 (July 31, 2017 - $124,763) owing to related parties, all of which is unsecured, non-interest bearing and due on demand. A total payable of $82,580 (July 31, 2017 - $120,739) was owed to directors and officers of the Company and companies owned by them. A payable of $960 (July 31, 2017 - $960) was owed to a company with common directors and a payable of $3,064 (July 31, 2017 - $3,064) was owed to a former parent company.

LIQUIDITY AND CAPITAL RESOURCES

The following table summarizes the Company's cash on hand, working capital and cash flow:

As at	**April 30, 2018**	**July 31, 2017**
	$	**$**
Cash	2,295,034	2,897,448
Working capital (deficiency)	2,387,736	2,370,658

For the period ended	**April 30, 2018**	**April 30, 2017**
	$	$
Cash used in operating activities	(11,816,208)	(2,163,775)
Cash used in investing activities	(3,316,395)	(1,016,164)
Cash provided by financing activities	14,530,189	3,200,677
Change in cash	(528,606)	20,738

As at April 30, 2018, the Company had working capital of 2,387,736 (July 31, 2017 – working capital of $2,370,658), has not generated any revenue from operations and has an accumulated deficit of $36,362,367 (July 31, 2017 - $17,762,252).

The Company has no operations that generate cash flow and its long term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital asset is a resource property. Exploration expenditures are expensed as incurred.

The Company's resource property agreement is an option agreement and the exercise thereof is at the discretion of the Company. To earn its interest in the properties, the Company must incur certain expenditures in accordance with the agreements (see "Mineral Properties" in this MD&A for more information).

The Company depends on equity sales to finance its exploration programs and to cover administrative expenses.

FINANCING ACTIVITIES AND CAPITAL EXPENDITURES

During the three months ended April 30, 2018 the Company completed the following financing activities:

- On August 2, 2017, the Company issued 60,012 common shares to settle debts of $54,012. The shares were fair valued at $57,611 and the Company recorded a loss on debt settlement of $3,599.
- On August 2, 2017 the Company issued 300,000 common shares, fair valued at $288,000, related to mineral property acquisitions
- On August 22, 2017, the Company issued 67,415 common shares to settle debts of $60,000. The shares were fair valued at $68,089 and the Company recorded a loss on debt settlement of $8,089.
- On August 22, 2017, the Company issued 7,093 common shares in lieu of consulting fees; the shares were fair valued at $7,164.
- On August 30, 2017 the Company closed a special warrant offering through the distribution of 6,253,842 special warrants of the Company, at a price of $0.90 per special warrant, for gross proceeds of $5,628,458. The Company was required to file a short form prospectus by June 26, 2017, as the Company did not meet this requirement each holder of a special warrant was entitled to receive 1.1 units. As a result, a total of 6,879,224 special warrants were issued. Each special warrant is exercisable at no additional cost into one unit ("Unit"), with each Unit consisting of one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share of the Company at $1.15 per warrant until May 12, 2019. In connection with the special warrant offering the Company paid finder's fees $945,506 and issued 531,576 compensation warrants ("compensation warrant). Each compensation warrant is exercisable at $0.90 into one Unit until May 12, 2019. The compensation warrants were valued at $448,250 using the Black-Scholes option pricing model based on the following assumptions: risk free rate - 0.79%; expected dividend - nil; expected life – 2 years; expected volatility – 135%.
- On October 27, 2017, the Company issued 46,666 common shares to settle debts of $42,000. The shares were fair valued at $48,999 and the Company recorded a loss on debt settlement of $6,999.
- On October 27, 2017 the Company issued 100,000 common shares, fair valued at $105,000, for a floatation plant rental
- On December 29, 2017 the Company closed a non-brokered financing issuing 5,526,908 flow-through units ("FT Units") at $1.05 per FT Unit for gross proceeds of $5,803,253 and 7,137,000 non-flow-through units ("NFT Unit") at $1.00 per NFT Unit for gross proceeds of $7,137,000. Each NFT Unit consists of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share for a period of 36 months from the date of closing at an exercise price of $1.15. Each FT Unit consists of one flow-through common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one additional common share, on a non-flow-through basis, for a period of 36 months at a price of $1.15. The Company allocated a value of $48,694 to the warrants using the residual method.

  The Company also paid finders fees of $891,782 and issued 439,556 finders shares as well as 439,556 finders warrants. The finder's warrants have the same terms as the warrants in the financing. The finder's warrants were fair valued at $304,740 using the Black-Scholes option pricing model using the following assumptions: risk free rate - 1.54%; expected dividend - nil; expected life – 3 years; expected volatility – 120%.

- On January 12, 2018, the Company issued 100,000 common shares in lieu of consulting fees; the shares were fair valued at $124,000.
- On January 15, 2018, the Company issued 49,075 common shares in lieu of consulting fees; the shares were fair valued at $49,075.
- On January 25, 2018 the Company issued 500,000 common shares, fair valued at $895,000, related to mineral property acquisitions

- On February 20, 2018 the Company issued 56,065 common shares in lieu of consulting fees; the shares were fair valued at $88,583
- On March 19, 2018 the Company issued 50,000 common shares, fair valued at $56,500, related to mineral property acquisitions
- On April 5, 2018 the Company issued 333,334 common shares, fair valued at $310,001, related to mineral property acquisitions

During the nine months ended April 30, 2018 the Company received proceeds of $813,000 pursuant to the exercise of 1,351,000 stock options and $1,616,182 from the exercise of 6,107,411 warrants.

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

PROPOSED TRANSACTIONS

The Company has no proposed transactions that will materially affect the performance of the Company.

ACCOUNTING POLICIES

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended July 31, 2017.

The following standards have been issued but are not yet effective:

IFRS 9, Financial instruments
In July 2014, the IASB issued the final version of IFRS 9, Financial Instruments, bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7, Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 will be annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 15, Revenue from Contracts with Customers
In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers ("IFRS 15') establishing a comprehensive framework for revenue recognition. The standard replaces IAS 18, Revenue and IAS 11, Construction Contracts and related interpretations and is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 16, Leases
In January 2016, the IASB issued IFRS 16, Leases, which supersedes IAS 17, Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions.

FINANCIAL INSTRUMENTS

The Company has classified its financial instruments as follows:

	April 30, 2018	July 31, 2017
	$	$
Loans and receivables:		
Cash	2,295,034	2,897,448
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	1,677,232	1,072,623
Flow-through premium	276,345	-
Due to related parties	86,604	124,763
	2,013,085	1,197,386

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at April 30, 2018, the Company had working capital of $ 2,387,736 (July 31, 2017 – $2,370,658).

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Foreign currency exchange rate risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal. The Company will be exposed to increased foreign currency risk relating to US dollar transactions as the Company increases exploration expenses related to the Lisbon Valley, Paradox Basin and Blueberry Unit properties.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish mineral reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim financial statements for the three and nine months ended April 30, 2018, and this accompanying MD&A (together the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

OUTLOOK

The outlook for precious metals is good. The capital markets needed to access financing are challenging but management believes the Company will continue as a viable entity. The properties will require significant investment as they transition into development stage projects.

OTHER

Additional information relating to the Company's operations and activities can be found by visiting www.sedar.com and www.mgxminerals.com.