

FORM 7

**MONTHLY PROGRESS REPORT**

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

Trading Symbol: XMG

Number of Outstanding Listed Securities: 124,072,951

Date: August 1, 2018

**Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

On July 4, 2018, the Issuer announced that diamond drilling had commenced at its Koot silicon project ("Koot") north of Cranbrook, BC and proximate to the Company's Driftwood Creek magnesium project. Additionally, the Company announced that metallurgical test work had commenced on mineralized material from the recently acquired Gibraltar silicon project ("Gibraltar") for assessment of upgrading to standard and solar grade silicon metal.

On July 5, 2018, the Issuer reported that their local Operating Partner had filed with the U.S. Bureau of Land Management an application to complete a 65.4 square mile 3D seismic survey over the Blueberry Unit at the Company's Utah Petrolithium Project located in the Paradox Basin of Utah. The survey will include 9,062 source points and comprise 6,354 vibrator points, 841 buggy drill points and 1,867 Heli points.

On July 9, 2018, the Issuer announced that it had engaged engineering firm Hatch Ltd. ("Hatch") to conduct a comprehensive review and multi-phased work program for Driftwood Creek. The Issuer reported that Hatch will review current mine planning and mine design, mineral processing process design, environmental and social impact assessment (ESIA) and permitting work completed to date. Additionally, Hatch will suggest project implementation logistics such as power, access, local infrastructure and more.

On July 11, 2018, the Issuer and its engineering partner PurLucid Treatment Solutions Inc. ("PurLucid") reported that two sea containers containing a second wastewater treatment system had arrived from the pipe and metal fabricator. The system is scheduled for installation at an oil and gas operation in Alberta to treat evaporator blowdown brine. The system, capable of processing high salinity wastewater from SAGD operations, will remove colloidal and dissolved minerals for substantial water reuse, lower cost and reduced environmental liability. These wastewaters contain lithium in the 100ppm range providing an initial commercial platform for this widely applicable technology. This represents the second system built for this purpose. The first system completed large-scale trials and client acceptance testing and is scheduled for deployment as soon as on-site preparations for installation of the system are completed.

On July 12, 2018, the Issuer reported that additional work had commenced on gasification of petroleum coke ("petcoke"), an oilsands and refinery by-product, into a synthetic liquid equivalent to refinery crude oil feedstock. The expanded research and development is focused on the re-processing of petcoke waste product to a synthetic crude oil. The target specification is being designed to allow for reuse of petcoke into a primary input equivalent to crude oil that can be upgraded into petro-chemical products in a traditional refinery without any modification to existing equipment. The goal is to produce a fuel which can seamlessly integrate into existing refinery operations. This represents a potential long-term

use for the large existing stockpiles of petcoke as well as ongoing output of petcoke and other waste products without significant changes to the existing refinery infrastructure.

On July 13, 2018, the Issuer announced that it had entered into a Property Option Agreement (the “Agreement”) with Belmont Resources (“Belmont”) to acquire an initial 25% interest in the Kibby Basin, Nevada lithium brine property (“Kibby Basin”), approximately 50km North of Clayton Valley, NV. The Company will fund up to C\$300,000 in exploration expenditures, to be used for drilling in the Kibby Basin. The target area is a large well-defined anomaly discovered by a magnetotelluric survey carried out by Belmont in January 2018. The Agreement allows the Company to earn an additional 25% interest in Kibby Basin property by funding an additional C\$300,000 in exploration expenditures for drilling at which time the project will become a 50/50 Joint Venture with access to the Company's rapid lithium extraction technology.

The Issuer has also agreed to acquire four million Units (the “Units”) of Belmont at a price of \$0.05 per Unit in the form of a non-brokered private placement. Each Unit will consist of one common share of Belmont and one transferable share purchase warrant (a “Warrant”). Each whole warrant will permit the holder to acquire one additional share of the Company at a price of \$0.08 in the first year and at \$0.10 in the second year after closing. The Common Shares and Warrants are subject to a statutory hold period and subject to the TSX Venture Exchange (the “Exchange”) approval. Additionally, the Company will be granted warrants to purchase up to 10 million shares of Belmont, at a price of \$0.20 per share, exercisable for a period of three (3) years. Upon exercise of the full option agreement, the Company will become operator and the 50/50 Joint Venture will be formed with Belmont covering further exploration in the Kibby Basin, which may include additional exploration drilling, well testing operations, and extraction plant installation and operation. The Joint Venture will have access to the Company's rapid lithium extraction technology

On July 18, 2018, the Issuer announced the completion of a geotechnical drill program and associated assay results from its Driftwood Creek magnesium project (“Driftwood Creek”) in southeastern British Columbia. The objective of the drill program was to establish pit wall stability and assess static pressure of groundwater using piezometers.

On July 19, 2018, the Issuer reported that it had completed the previously announced diamond drill program on its Koot silicon project in British Columbia. A total of 782 meters (2,565 feet) of drilling were completed across 10 drill holes. Drill core was then split and sent to ALS Minerals in North Vancouver, British Columbia for special carbide pulverizing disc preparation and ME-ICP06 whole rock analysis.

On July 25, 2018, the Issuer announced that it had entered into an Option Agreement with A.I.S. Resources to acquire up to an 80% interest in the Salinitas lithium brine mining tenements (“Salinitas” or the “Project”) located in the lithium triangle of Argentina, Salar de Salinas Grandes, Province of Salta. The 4,308 hectare contiguous land package resides in the Puna region of northwest Argentina near the border of Chile, an area renowned for its lithium- and potassium-rich brine resources. To secure the Option Agreement, the Issuer has agreed to pay US\$250,000 on or before July 31, 2018. The Company can acquire an undivided 80% in the Project at any time during the Agreement by making payments totaling US\$3.2 million. The Issuer has also agreed to incur total expenditures of at least US\$1.2 million prior to May 31, 2020.

On July 26, 2018, the Issuer announced the engagement of Harris Exploration Drilling and Associates Inc. (“Harris Drilling”) for drilling on the Kibby Basin, Nevada lithium brine property. Harris Drilling will employ a RD 10 rotary drill to complete the holes. Drill samples will be collected continuously on 3 m (10 ft) intervals and analyzed for lithium and associated elements. Water samples will be collected periodically as the hole progresses and will be analyzed for lithium, associated elements, and physical properties (conductivity, pH, TDS). Downhole geophysical logging will be performed by Southwest Exploration Services of

**Chandler, Arizona to identify permeable/aquifer zones and zones of conductivity. Aquifer water will be sampled using downhole packers to isolate the aquifer intervals.**

**On July 30, 2018, the Issuer announced the engagement of Quantec Geoscience (“Quantec”) to complete a Time Domain Electromagnetic (TDEM) survey on the Salinitas lithium brine project in the Salinas Grande Salar of northwest Argentina.**

**On July 30, 2018, the Issuer announced that geological mapping at Paterson Lake, 60 km north of Kenora, northwestern Ontario has successfully identified high-grade Lithium (Li) mineralization. The geological mapping program also identified three target areas for follow up exploration:**

- **Western extension of Marko’s Pegmatite**
- **Rhea’s Pegmatite • Cook’s Pegmatite**

**On July 31, 2018, the Issuer announced that Orion Laboratories, LLC (“Orion”) and Light Metals International Inc. (“LMI”) have commenced laboratory bench-scale testing of a 10 kilogram bulk sample of spodumene-rich rock originating from the Case Lake lithium project in Ontario. The mineralized material is currently undergoing chemical and mineralogical homogeneity testing, with the objective of extracting lithium compounds and achieving a 95% pure spodumene concentrate.**

2. Provide a general overview and discussion of the activities of management.

**Please see item 1 above.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**Please see Item 1 above.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None.**

5. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**Please see item 1 above.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer’s assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**Please see Item 1 above.**

8. Describe the acquisition of new customers or loss of customers.

**None.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**None.**

14. Provide details of any securities issued and options or warrants granted.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds</b>
Common Shares	1,000,000 Common Shares	Issued at a deemed price of \$0.99 per share	Not applicable

15. Provide details of any loans to or by Related Persons.

**N/A.**

16. Provide details of any changes in directors, officers or committee members.

**N/A.**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**N/A.**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were 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 7 Monthly Progress Report is true.

Dated August 1, 2018.

Jared Lazerson  
Name of Director or Senior Officer

/s/ Jared Lazerson  
Signature

President and CEO  
Official Capacity

<b>Issuer Details</b> Name of Issuer <b>MGX Minerals Inc.</b>	For Month End <b>July 2018</b>	Date of Report YY/MM/D <b>18/08/01</b>
Issuer Address <b>Suite 303 – 1080 Howe Street</b>		
City/Province/Postal Code <b>Vancouver, BC V6Z 2T1</b>	Issuer Fax No. <b>N/A</b>	Issuer Telephone No. <b>(604) 681 7735</b>
Contact Name <b>Jared Lazerson</b>	Contact Position <b>President &amp; CEO</b>	Contact Telephone No. <b>(604) 681 7735</b>
Contact Email Address <b>jared@mgxminerals.com</b>	Web Site Address <b>www.mgxminerals.com</b>	