

**MONTHLY PROGRESS REPORT**Name of Listed Issuer: **MGX Minerals Inc.** (the "Issuer").Trading Symbol: **XMG**Number of Outstanding Listed Securities: **102,718,156**Date: **April 1, 2018**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report 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 Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

**General Instructions**

- (a) Prepare this Monthly Progress Report 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 items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the 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.

**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 March 6, 2018, the Issuer announced results of an independent technical report prepared in accordance with CIM guidelines and National Instrument 43-101 definition of a Preliminary Economic Assessment ("PEA") on its Driftwood Creek Magnesium Project.**

**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 product. The plant will also have the ability to produce Caustic-calcined magnesium oxide as a separate salable product. All dollar amounts in this release are stated in Canadian currency.**

**On March 6, 2018, the Issuer announced that, as a result of a review by the IIROC, it issued the following press release to retract and clarify disclosure pertaining to an article featuring MGX entitled "MGX Minerals Issues \$1 Billion Dollar Life-of Mine PEA for a World-Class Magnesium Project in British Columbia" which appeared on the website Stockhouse.com on March 6, 2017. The title of the article is overly promotional and misleading and is not in any way intended as, nor should be confused with, technical disclosure.**

**The Issuer wishes to retract the title of the article and any information that states or suggests "MGX Minerals Issues \$1 Billion Dollar Life-of-Mine PEA for a World-Class Magnesium Project in British Columbia" as the Net Present Value of the project, as disclosed by the Issuer in a press release dated March 6, 2017 entitled "MGX Minerals**

Announces Positive PEA for Driftwood Creek Magnesium; Pre-Tax NPV of C\$529.8 Million and 24.5% IRR” does not support the title of the article which appeared on Stockhouse.com.

The title disclosed in the Stockhouse.com article does not meet the scientific and technical disclosure requirements of Canadian securities legislation including National Instrument 43-101 and was not prepared by or approved by a Qualified Person and should not be relied upon.

On March 8, 2018, the Issuer announced that it has executed a Letter of Intent (the “LOI”) with Orion Laboratories, LLC (“Orion”) of Oak Ridge, Tennessee, and Light Metals International Inc. (“LMI”) of Vancouver, British Columbia, to jointly develop and commercialize a new process for extracting hard-rock lithium from spodumene concentrate.

LMI has developed a thermochemical technology to rapidly manufacture lithium carbonate ( $\text{Li}_2\text{CO}_3$ ) and/or lithium hydroxide ( $\text{LiOH}$ ) from a variety of spodumene ( $\text{LiAlSi}_2\text{O}_6$ -rich) concentrates.

#### Terms of the LOI

MGX has agreed to acquire an initial 50% interest in the technology and associated intellectual property in exchange for an initial cash payment of US\$250,000 and issuance of 100,000 common shares of the Issuer. Initial proceeds will be utilized to complete bench-scale laboratory testing of the technology. Upon successful completion of laboratory testing, MGX has agreed to issue an additional 250,000 common shares. Should MGX elect to further proceed, the Issuer will fund development of a modular manufacturing plant. Upon successful development and testing of that plant, MGX will have the option to issue an additional 500,000 shares to LMI, at which time a Joint-Venture (“JV”) will be formed with MGX holding a 70% interest and LMI a 30% interest in the JV. MGX will have the option to purchase an undivided 100% interest in the JV at any time for Can\$10 million, of which LMI will have the right to choose a combination of shares and cash as consideration.

On March 12, 2018, the Issuer announced that it has commenced optimization of charging and oxygen fuel generation functions for its zinc air fuel cell battery as part of the mass production design phase.

#### Regeneration Module

The charging function of the zinc air battery occurs in the regeneration module. Design work is now focused on optimization of the bubble field that is generated during the zinc regeneration process. A deeper understanding of the bubble field and how to optimize its effects will enable the system to operate at higher efficiency and offer improved reliability at a lower cost.

The regeneration module functions by charging zinc particles, which form the electrolyte that is then passed to the fuel tank. The fuel tank may be of any size and hold full charge for six months without any significant loss. The system may be powered by a variety of renewable and traditional sources including solar.

#### Oxygen Generation

The carbon-dioxide scrubber module is used in the generation of the oxygen fuel from air. Oxygen is combined with zinc to create the electrolyte used in the fuel cell where power is generated. Testing of an alkaline solution in removing carbon dioxide from ambient air is also underway. The outcome of these tests will be used to further optimize the scrubber module for production systems. The liquid-based scrubber promises to deliver much higher capacity and lower cost than comparable solids-based methods.

This next generation system will continue to be modular and offer capabilities to combine multiple 20kW systems at the electrical interface, allowing for deployment of containerized systems capable of providing up to one Megawatt or more. The expanded range of the system will address the need for long duration energy storage when coupled with renewable energy sources such as wind and solar. The system may be housed in a shipping container for deployment at remote locations or installed in free standing racks in warehouse-type environments.

On March 15, 2018, the Issuer announced that as a result of the recently announced positive Preliminary Economic Assessment (“PEA”) for the production of 161,000 net tonnes per year of magnesium oxide (MgO) at its Driftwood Creek Magnesium Project (“Driftwood Creek” or the “Project”), the Issuer has engaged engineering firm Hatch Ltd. (“Hatch”) to complete a scoping study for the purpose of selecting appropriate process and associated economics for the upgrading of magnesium oxide to magnesium metal. The Hatch study will evaluate process routes, and order of magnitude capital and operating cost estimates for an initial 10,000 tonne per year (tpy) magnesium plant as well as address various environmental and engineering topics.

On March 20, 2018, the Issuer announced that they have been nominated in two categories as a finalist for the S&P Global Platts Metal Awards. MGX has been chosen as a finalist for the Base and Specialty Metals Industry Leadership Award as well as the Breakthrough Solution of the Year Award.

Global Metals Awards Finalists were chosen from a pool of nearly 100 nominations. An independent panel of international experts, whose background and experience include regulation, corporate leadership, trading and technology, will determine the award winners. Winners of the 2018 Global Metals Awards will be announced at a black-tie celebration on May 17, 2018 at the Marriott Grosvenor Square in London. For more information visit <https://gma.platts.com/Finalists/Finalists2018>.

On March 22, 2018, the Issuer announced it has retained the services of Capstone Headwaters LLC (“CSHW”) to provide investment banking and financial advisory services. Advancement of the Issuers’s lithium, magnesium and energy assets will remain in focus.

In light of recent events, including completion of a positive N.I. 43-101 Preliminary Economic Assessment for Driftwood Creek (see press release dated March 6, 2018), entry into the Chilean lithium brine and California geothermal brine markets (see press release dated January 23, 2018), commercialization of its lithium extraction technology (see press release dated February 12, 2018), and acquisition of ZincNyx Energy Solutions with development of next generation zinc air fuel cell battery technology (see press release dated January 30, 2018) the Issuer recognizes the need for an experienced investment banking advisor.

Capstone will advise the Issuer in all transaction related matters including project financing, assets disposition, valuation, banking, acquisitions and corporate structuring.

On March 29, 2018, the Issuer reported additional assay results of Petroleum Coke (“Petcoke”) samples collected from stockpiles produced from the Fort McMurray area mining and upgrading operation as well as the Edmonton refinery. Both samples originated from Delayed Coking operations. Samples were obtained and prepared by Highbury Energy Inc. (“Highbury”) and metal contents analyzed by Acme Labs of Vancouver, British Columbia using standard ICP analyses.

### Ash Content

Ash was determined by weighing residues after burning coke samples of about 200 g in air in a muffle oven over extended periods at 815°C.

### Proximate Analyses

The cokes contain over 95 % organic (non-mineral) matter.

### Metals Analysis in the Coke Samples

Lithium borate fusion ICP-MS method measures 45 trace metal concentrations in the coke.

### Ash Analyses

Ash analysis was completed by Bureau Veritas Commodities Canada Ltd. (“BV”) of Vancouver, British Columbia using XRF method (XF701). The ash samples were prepared in Highbury’s laboratory and sent to BV for analysis. The maximum % the analysis method could accommodate was 10.0 % for V<sub>2</sub>O<sub>5</sub>; therefore ash samples were diluted by mixing with other solids. In the Highbury laboratory both Al<sub>2</sub>O<sub>3</sub> and Fe<sub>2</sub>O<sub>3</sub> were used.

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.

**On March 8, 2018, the Issuer announced that it has executed a Letter of Intent (the “LOI”) with Orion Laboratories, LLC (“Orion”) of Oak Ridge, Tennessee, and Light Metals International Inc. (“LMI”) of Vancouver, British Columbia, to jointly develop and commercialize a new process for extracting hard-rock lithium from spodumene concentrate. Orion and LMI are non-related parties to the Issuer.**

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**On March 22, 2018, the Issuer announced it has retained the services of Capstone Headwaters LLC (“CSHW”) to provide investment banking and financial advisory services. Advancement of the Issuer’s lithium, magnesium and energy assets will remain in focus. CSHW is a non-related party to the Issuer.**

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.

**None.**

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 trademarks.

**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.

Security	Number Issued	Details of Issuance	Use of Proceeds
Common Shares	50,000 common shares	Issued at a deemed price of \$1.13 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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **April 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	For Month End	Date of Report YY/MM/D
<b>MGX Minerals Inc.</b>	<b>March 2018</b>	<b>18/04/01</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, CEO &amp; Director</b>	Contact Telephone No. <b>(604) 681 7735</b>
Contact Email Address <a href="mailto:jared@mgxminerals.com">jared@mgxminerals.com</a>	Web Site Address <a href="http://www.mgxminerals.com">www.mgxminerals.com</a>	