

MONTHLY PROGRESS REPORTName of Listed Issuer: **MGX Minerals Inc.** (the "Issuer").Trading Symbol: **XMG**Number of Outstanding Listed Securities: **61,590,287**Date: **April 7, 2017**

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 1, 2017, the Issuer announced it has entered into an engagement letter with Mackie Research Capital Corp. (the "Agent") to act as lead Agent and sole bookrunner, on a best-efforts basis, in connection with a proposed a private placement (the "Offering") for up to CA\$5 million through the issuance of special warrants ("Special Warrants") of the Issuer, as further described in Item 2 below.

Additionally on March 1, 2017, the Issuer announced recent staking activities to further expand its petro lithium land position in the Province of Alberta and State of Utah, as further described in Item 2 below.

On March 6, 2017, the Issuer announced lithium extraction process optimization results as reported by engineering partner Purlucid Treatment Solutions ("Purlucid"). Purlucid has successfully upgraded petro lithium brine taken from the Issuer's 132,000 ha Sturgeon Lake Petro Lithium Project located at Fox Creek, Alberta, as further described in Item 2 below.

On March 10, 2017, the Issuer filed a notice of intent to be qualified to file a short form prospectus under NI 44-101, as further described in Item 2 below.

On March 23, 2017, the Issuer announced that it has entered into a Joint Operating Agreement (the "Agreement") with a private vendor to act as operator and acquire a 75% working interest in certain underlying Oil and Gas Leases (the "Leases") located contiguous to the Issuer's Lisbon Valley petrolithium project, as further described in Item 2 below.

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

On March 1, 2017, the Issuer announced it has entered into an engagement letter with the Agent to act as lead Agent and sole bookrunner, on a best-efforts basis, in connection with the Offering for up to CA\$5 million through the issuance of Special Warrants of the Issuer. The Agent may invite other registered investment dealers to participate as syndicate members in the Offering. The Agent's minimum syndicate position in the Offering shall be 75%. The Issuer has also granted the Agent an option (the "Agent's Option") to increase the size of the Offering by up to an additional \$750,000 of Special Warrants at any time up to 48 hours prior to the closing of the Offering.

Each Special Warrant shall be exercisable, for no additional consideration, into one Unit ("Unit") of the Issuer. Each Unit shall be comprised of one common share ("Common Share") and one common share purchase warrant ("Warrant") of the Issuer. Each Warrant will be exercisable into one Common Share of the Issuer for a period of 24 months following the Closing of the Offering ("Closing"). Pricing of the Special Warrants and Warrants will be determined in the context of the market.

Closing is expected to take place on or about the week of March 27, 2017, or at such other date as reasonably agreed upon by the Agent and the Issuer.

The Agent will receive a cash commission equal to 8% of aggregate gross proceeds raised from the Offering as well as compensation options ("Compensation Options") equal to 8% of the number of Special Warrants sold under the Offering (or Units, as applicable), including any amount subscribed for pursuant to the exercise of the Agent's Option. The Compensation Options shall be exercisable at any time up to 24 months following Closing at an exercise price equal to the pricing of the Special Warrants.

The Issuer has agreed to use its best efforts to obtain a receipt for a final short form prospectus qualifying the distribution of the Units upon exercise of the Special Warrants (the "Qualification Condition") on or before the date that is 45 days following closing of the Offering (the "Qualification Deadline"). If the Qualification Condition does not occur before the Qualification Deadline, each holder of a Special Warrant shall be entitled to receive, without any action on their part, including payment of additional consideration, 1.1 Units per Special Warrant. Unless the Qualification Condition occurs, securities issued in connection with the Offering will be subject to a 4-month hold period from closing of the Offering.

Additionally on March 1, 2017, the Issuer announced recent staking activities to further expand its petro lithium land position in the Province of Alberta and State of Utah.

North American Lithium Portfolio

The Issuer has significantly expanded its Alberta petro lithium portfolio through the acquisition of additional Metallic and Industrial Mineral Permits ("Permits") covering over 133,000 hectares. The new Permits are located within the Leduc (9,216 hectares), Swan Hills (110,592 hectares) and Nipisi (13,824 hectares) formations.

In total, the Issuer now holds Permits throughout the Province of Alberta totaling over 600,000 hectares. The Issuer also has exploration level agreements in place with major oil and gas companies throughout the Province to conduct well sampling.

At its Lisbon Valley Petro Lithium Project the Issuer has also acquired, through staking, an additional 301 mineral claims encompassing 6,020 acres within the Paradox basin of southeastern Utah. The new claims further increase the Issuer's Lisbon Valley land package to 23,780 acres. The Issuer also recently announced an earn-in agreement to explore 111 mineral claims in the Cane Creek area of the Paradox Basin.

The Lisbon Valley oil and gas field is located approximately 40 miles southeast of Moab, Utah in the salt anticline belt on the southwest edge of the Paradox Basin in San Juan county. Historic lithium brine content has been reported as high as 730 parts per million lithium (Superior Oil 88-21P). The region is home to the former Rio Algom uranium mill facility, an active copper mine operated by Lisbon Valley Mining Company, and a natural gas processing plant.

As consideration for staking the Utah claims, the Issuer paid a fee of \$19,565 to Plateau Ventures LLC. and a fee of \$9,375 to the Government of Alberta to acquire the Metallic and Mineral Permits in that Province.

On March 6, 2017, the Issuer announced lithium extraction process optimization results as reported by engineering partner Purlucid. Purlucid has successfully upgraded petro lithium brine taken from the Issuer's 132,000 ha Sturgeon Lake Petro Lithium Project located at Fox Creek, Alberta.

Implementation of core Issuer lithium recovery technology continues to advance and progress on brine cleanup has been achieved using a newly developed process that concentrates lithium by more than 20-fold while removing contaminants in a low energy process. The next phase of development will validate these initially promising results.

A bulk sample taken from operating water batteries at Sturgeon Lake was used in bench top laboratory testing. Research and development has resulted in an upgrading of brine from 67mg/L Li to 1600mg/L Li in the filtration and pre-treatment phase of the lithium extraction process. In the latest optimization results, magnesium, boron and potassium were effectively removed in a low energy process with substantive mass of magnesium recovered in a form that may be saleable. Laboratory work was carried out by Purlucid technical staff under the direction of Purlucid CEO, Dr. Preston McEachern.

Results as reported in the Phase 2 Lithium Extraction Technology Development Report: Summary of laboratory lithium extraction optimization trials, dated February 21, 2017. Proprietary information has been redacted:

In the first attempt [using the Purlucid process], a clean lithium chloride brine containing 1600 mg/L [Li] was created free from magnesium, boron and potassium. In the second trial, run two weeks later on stored brine the results were duplicated with a clean lithium chloride brine again containing 1600 mg/L [Li]. In both cases a small amount of calcium carried through to the brine but this can be addressed in future optimization.

The biggest challenge in lithium recovery is creating a clean brine. Once other ions are removed it is much easier to recover lithium as a pure carbonate or chloride.

	Units	Feed	Pre Treatment	Concentrate
Total Boron (B)	mg/L	110	59	4
Total Calcium (Ca)	mg/L	23,000	11,000	370
Total Lithium (Li)	mg/L	67	41	1,600
Total Magnesium (Mg)	mg/L	2,800	<10	13
Total Potassium (K)	mg/L	4,500	2,800	12
Total Sodium (Na)	mg/L	57,000	43,000	68
Total Sulphur (S)	mg/L	96	56	7

Sample chain of custody was managed by Roy Eccles (M.Sc., P. Geo.), a qualified person under National Instrument (N.I.) 43-101 Standards, and Dr. Preston McEachern, CEO of PurLucid. Samples were submitted to Maxxam Analytical Labs (“Maxxam”) for ICP-ES analysis. Maxxam is an independent, ISO- certified analytical laboratory.

The Issuer and PurLucid are now in the bulk sample and pilot plant design optimization phase of development in preparation for deployment. The goal of creating a clean concentrated lithium brine using filtration prior to the mineral extraction phase is to optimize pilot plant design by reducing size and cost of mineral extraction components. The Issuer has the right to acquire a 100% interest in PurLucid.

A technical report will be filed on SEDAR within 45 days.

On March 10, 2017, the Issuer filed a notice of intent to be qualified to file a short form prospectus under NI 44-101. The Issuer acknowledges that it must satisfy all applicable qualification criteria prior to filing a preliminary short form prospectus. The notice does not evidence the Issuer’s intent to file a short form prospectus, to enter into any particular financing or transaction or to become a reporting issuer in any jurisdiction. The notice will remain in effect until withdrawn by the Issuer.

On March 23, 2017 the Issuer announced it has entered into an Agreement with a private vendor to act as operator and acquire a 75% working interest in certain underlying Leases located contiguous to the Issuer’s Lisbon Valley petrolithium project.

The Leases cover portions of San Juan County, Utah and San Miguel County, Colorado and will provide access to the brine-bearing aquifer systems within the Lisbon Valley area of the Paradox Basin. Preparations to permit the Petrolithium #1 borehole well will commence upon closing of the Agreement.

The Issuer plans to conduct well-sampling and collect seismic data to advance hydrogeological understanding within the Pennsylvanian-age Paradox Formation, which consists of a thick (>3,667 meters) evaporite sequence. The most active period of subsidence extended from mid-Pennsylvanian to Late Triassic time. Thick cyclic accumulations of salt were deposited early and influenced by irregular and episodic movements of the faults, resulting in salt redistribution and flexure of the overlying rock. As a result, there are a large number of identified clastic zones.

Agreement Terms

To earn a 75% working interest, the Issuer will make payments totaling US\$2,000,000 on or before September 1, 2018. The Issuer can choose to accelerate payments and issue consideration totaling \$1,700,000 on or before September 1, 2017, in which case the vendor will waive any additional payments due.

The Issuer has granted the vendor a Carry Period ("Carry Period") in which the Issuer shall be responsible for 100% of all expenses incurred. The Carry Period shall be considered satisfied once the Issuer has made all required payments or drilled at least one well on the Leases on or before February 28, 2020. Upon satisfying these conditions the Issuer shall earn an undivided 75% working interest in the Leases and the vendor shall be responsible to contribute proportionate expenses equal to their interest in the Leases.

Overview of Lisbon Valley Oilfield

The oil and gas leases are proximate to the Issuer's Lisbon Valley Lithium Project which overlies the Lisbon Valley oil and gas field located approximately 40 miles southeast of Moab, Utah in the salt anticline belt on the southwest edge of the Paradox Basin in San Juan county. Historic lithium brine content has been reported as high as 730 parts per million lithium (Superior Oil 88-21P) at Lisbon Valley. The region is home to the former Rio Algom uranium mill facility, an active copper mine operated by Lisbon Valley Mining Company, and a natural gas processing plant.

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 2 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 23, 2017, the Issuer announced it has entered into an Agreement with a private vendor. The private vendor is a non-related party of the Issuer.

On March 27, 2017, the Issuer announced it has entered into an engagement letter with the Agent. The Agent is a non-related party of 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.

On March 1, 2017, the Issuer expanded its petro lithium land position in the Province of Alberta and State of Utah.

The acquisition was through staking and the Issuer paid a fee of \$19,565 to Plateau Ventures LLC. and a fee of \$9,375 to the Government of Alberta to acquire the Metallic and Mineral Permits in that Province.

The consideration was determined for both fees by a \$625 per application fee, with a maximum size of 1 township, which is approximately 9,600 hectares.

Plateau Ventures LLC and the Government of Alberta are non-related parties of the Issuer.

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
Stock Options	200,000 common shares	Issued at an exercise price of \$1.25 per common share until March 3, 2020	N/A
Common Shares	150,000 common shares	Issued at a deemed price of \$1.40 pursuant to an earn-in agreement	N/A
Stock Options	100,000 common shares	Issued at an exercise price of \$1.42 per common share until March 21, 2019	N/A

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 7, 2017** _____.

Jared Lazerson
Name of Director or Senior Officer

"Jared Lazerson"
Signature

President and CEO
Official Capacity

<i>Issuer Details</i> Name of Issuer	For Month End	Date of Report YY/MM/D
MGX Minerals Inc.	March 2017	17/04/07
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Contact Name Jared Lazerson	Contact Position President, CEO & Director	Contact Telephone No. (604) 681 7735
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