

MONTHLY PROGRESS REPORTName of Listed Issuer: **MGX Minerals Inc.** (the "Issuer").Trading Symbol: **XMG**Number of Outstanding Listed Securities: **68,116,018**Date: **August 8, 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 July 6, 2017, the Issuer announced that engineering partner PurLucid Treatment Solutions Inc. ("PurLucid") has filed a new provisional patent related to the recovery of metals and minerals from produced wastewater brine in the oil and gas industry, as further described in Item 2 below.

On July 13, 2017, the Issuer announced it has received approval from the US Bureau of Land Management ("BLM") to unitize its oil and gas leases within the Issuer's Paradox Basin Petrolithim project in Utah ("Paradox Basin" or the "Project"), as further described in Item 2 below.

On July 19, 2017, the Issuer announced a nine hold diamond drill program is underway at the Issuer's Longworth Silica Project ("Longworth") in British Columbia, as further described in Item 2 below.

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

On July 6, 2017, the Issuer announced that engineering partner PurLucid has filed a new provisional patent related to the recovery of metals and minerals from produced wastewater brine in the oil and gas industry. Patent rights have been exclusively granted to the Issuer for the life of the patent and focus on concentrating metals and minerals such as lithium, magnesium and boron from produced oilfield brines.

The new patent directly complements the Issuer's other provisional patent, which purifies wastewater brine through an added evaporation cycle. Combined, this Cleantech process positions the Issuer to provide flexible and fully integrated oilfield solutions to oil and gas operators. Pre-commercial test pilot plants are currently being manufactured and engineering 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 invention relates to recovery of metals and minerals from produced or wastewaters from the hydrocarbon industry. These water are produced in large volumes annually throughout the hydrocarbon industry, are a considerable logistical and environmental liability for the companies producing them, and according to the claims herein, can be treated making some portion of the water reusable while also extracting metals and minerals during the treatment process.

Aspects of the invention provide systems and methods for the treatment of waters produced by the hydrocarbon industry that allows recovery of water, metals and minerals as practical resources. The system for treatment and metal and minerals recovery may be incorporated into an industrial water treatment system or stand alone as a complete system.

On July 13, 2017, the Issuer announced it has received approval from the BLM to unitize its oil and gas leases within the Issuer's Project in Utah.

The newly unitized area (the "Unit") encompasses 80,380.84 acres of Federal, State of Utah, and private lands and provides the Issuer with a base of operations to conduct petrolithium exploration in Utah. Because of the high percentage of committed oil and gas leases, the Issuer has retained effective control of operations on committed oil and gas leases within the Unit. The Issuer currently controls mineral claims inclusive of lithium and other industrial minerals within the overwhelming majority of the Unit and the contiguous Lisbon oilfield.

The Issuer's rapid extraction process harvest minerals like lithium and magnesium from petroleum brine- the salt water that accompanies oil and gas to the surface at oil wells (also known as produced water)- that's normally considered a waste product from oil and gas production. The patented process yields lithium- a crucial mineral for the renewable energy economy- in a matter of days, rather than months or years required for traditional lithium extraction methods. While extracting minerals, the Issuer's technology also treats the produced water for reuse or simple disposal.

Reservoir Study Nearing Completion

The Issuer also reports that the Ryder Scott Company ("Ryder Scott") is nearing completion of an independent resource evaluation for oil, gas and water for the Project. The Issuer expects to receive the report shortly.

Paradox Basin and Lisbon Valley Oilfield

The Issuer controls 110,000 acres of oil and gas leases and approximately 118,000 acres of largely overlying mineral claims within the Paradox Basin, located in close proximity to the Lisbon Valley oilfield 40 miles southeast of Moab, Utah. Brine content within the Lisbon oilfield have been historically reported as high as 730 ppm lithium (Superior Oil 88-21P). The Paradox Basin has been noted by the USGS as having one the largest undeveloped oil and gas fields in the United States (Assessment of Oil and Gas Resources in the Paradox Basin Province...", USGS, 2011; <https://pubs.usgs.gov/fs/2012/3031/FS12-3031.pdf>).

According to production statistics, as reported by the Utah Department of Natural Resources, Oil, Gas and Mining Division, cumulative lifetime production within Lisbon Valley oilfield, contiguous with the Blueberry Unit, has totaled 51.4 million barrels of oil as of February 2017 (“Oil Production by Field, Utah Department of Natural Resources, Division of Oil, Gas and Mining”; February 2017; http://oilgas.ogm.utah.gov/Statistics/PROD_Oil_field.cfm).

On July 19, 2017, the Issuer announced a nine hold diamond drill program is underway at the Issuer’s Longworth in British Columbia. The drill program will target a near surface, 4.5-hectare mineralized zone known as the Snow Zone to a depth of 90 meters. Longworth is listed as one of the top silica occurrences throughout the Province of British Columbia by the BCGS (Simandl, 2014) and was previously controlled by Consolidated Silver Standard Mines (“Silver Standard”) for 25 years.

Exposed bedrock samples collected from the Snow Zone by the Issuer’s Vice-President of Exploration, Andris Kikauka (P. Geo) assayed up to 99.34% silicon dioxide (SiO₂). These levels are consistent with Silver Standard’s results and meet the chemical and thermal shock specifications required to be used as a primary feedstock for silicon metal smelting (Quartermain 1986). End uses for silicon metal include semiconductors, solar panels and aluminum alloys.

The Snow Zone is part of the Issuer’s larger Longworth claim package that encompasses 1,198 hectares and consists of four distinct high purity quartzite zones across a collective strike length of 7,000 meters. Longworth is situated for kilometers from the Canadian National railroad mainline and power grid and is accessible by a network of well-maintained logging roads.

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.

None.

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.
- Please see Item 2 above.**
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.
- None.**
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: August 8, 2017

Jared Lazerson
Name of Director or Senior Officer

"Jared Lazerson"
Signature

President and CEO
Official Capacity

Issuer Details Name of Issuer	For Month End	Date of Report YY/MM/D
MGX Minerals Inc.	July 2017	17/08/08
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