



MGX Minerals Announces Commencement of Metallurgy for Heino Gold Deposit and Tillicum Claims, Acquisition of the GC Li- REE – Cesium – Rubidium Property, Shareholder and Corporate Updates

VANCOUVER, September 21, 2020 – MGX Minerals Inc. (“**MGX**” or the “**Company**”) (CSE:XMG) (FKT:1MG) (OTC:MGXMF) announces metallurgy studies for extraction of gold from mineralized rock from the Heino Gold Deposit and Tillicum Claims are now underway at ALS Global Canada as described below:

ALS Metallurgy Phase I

A set of samples from the project site were received at ALS Metallurgy on August 4, 2020. These included approximately 140 kilograms of surface rock samples from the Heino zone, and 210 kilograms of ½ drill core samples from the East Ridge zone. Historical gold assay values on samples from the East Ridge zone were provided and reviewed with consultants from SRK.

It was decided that a greater understanding of the gold contents was required, as significant variances in gold grades from multiple assays on several samples were reported. The following test plan is designed to assess the degree to which gold “nugget” occurrences are affecting the assay results, and determine what preparation methods might be suitable for future samples. The Heino samples would be prepared into 3 composites, each representing a section of the surface outcropping. Selected East Ridge drill core intervals would be prepared separately for analysis. These include 6 intervals that reported significantly higher gold grades, 3 intervals that reported considerable gold assay variances over multiple cuts, and 4 intervals that are expected to be of average gold grade.

Each sample would be stage crushed to minus 6 mesh, homogenized and split into sub-samples using a rotary splitter where applicable. Smaller sample masses would be riffle split. A 500 gram head cut would be extracted from each sample and analyzed using a screened metallic preparation method, which includes fire assays on the plus 106µm portion and duplicate cuts of the minus 106µm portion following pulverizing. An additional 200 gram head cut would be extracted from each sample, pulverized, and gold fire assays would be conducted on duplicate 30 gram aliquots. The Heino composites would also be assayed for silver in duplicate. All remaining East Ridge samples would be crushed to minus 6 mesh and homogenized with the crushed rejects from the assayed East Ridge intervals. A 48 kg sub-sample would be rotary split into 2 kilogram charges for metallurgical testing and suitably sealed under nitrogen and kept in cold storage until consumed in the Phase 2 testing. Similar to above, a 500 gram head cut would be extracted for a screened metallic gold analysis, and an additional 200 gram cut for duplicate standard gold fire assays as well as silver analysis. At this point, results would be reported and reviewed prior to proceeding.

ALS Metallurgy Phase II

Provided that the gold analyses are acceptable, additional preparation and head analyses would be conducted in advance of metallurgical testing. The 3 Heino composites would be combined into a single composite, homogenized and a 48 kilogram sub-sample would be rotary split into 2



kilogram charges, sealed under nitrogen and kept in cold storage until consumed in the test program. A single head sample would be extracted and assayed, along with the East Ridge composite head sample, for Pb, Zn, Fe and S. Each head sample would also be submitted to ALS Geochemistry for a 33 element ICP scan following 4 acid digestion. A Bulk Mineral Analysis (BMA) using QEMSCAN/TESCAN would be completed on each sample to confirm the mineral composition. Metallurgical testing would then proceed on the Heino and East Ridge metallurgical composites. A Bond ball mill work index test would be conducted on each composite using a closing screen size of 106µm.

Three laboratory rod mill grind calibrations per composite are budgeted to target a primary grind size range of 100 to 200µm P80.

A series of bench scale flotation tests, preceded by gravity concentration, would be completed on both composites. Gravity concentration on each ground feed would include processing through a laboratory Knelson concentrator, followed by hand panning to achieve a low mass concentrate. Gravity tails would advance to flotation. The objective of the flotation testing would be to produce a bulk sulphide concentrate that contains elevated levels of gold and silver, and maximize recovery of these precious metals. Five rougher kinetic tests per composite are budgeted to investigate reagent requirements and recovery as a function of primary grind size. One rougher test per composite would exclude gravity concentration for comparison.

Three open circuit cleaner flotation tests per composite are budgeted to investigate the potential to produce high grade concentrates, and evaluate the effect of regrinding. Finally, a locked cycle test is budgeted for each composite to confirm metallurgical performance in closed circuit. All test products would be assayed for Au, Ag, Pb, Zn, Fe and S. Final concentrates produced in locked cycle tests would be submitted for a suitable multi-element analysis to determine minor element levels.

A series of graduated cylinder settling tests on flotation tailings are budgeted to scope out suitable flocculant types. A sub-sample of tailings from each locked cycle test would be submitted to ALS Geochemistry for an Acid-Base Accounting analysis package.

GC Rare Earth LCT Pegmatite Lithium – Cesium – Rubidium Property

The Company has staked the GC occurrence located on Tonkawatla Ridge approximately 5 kilometres north- north west of Victor Lake in British Columbia. The claims are comprised of mineral titles 1074604 and 1074605 totalling 150 hectares. As quoted from the British Columbia MINFILE [082M 024](#):

The area lies on the south flank of the Frenchman's Cap gneiss dome in the Shuswap Metamorphic Complex. Gneiss, quartzite, schist, calc-silicate rocks, minor marble and argillite are iso-clinally folded with easterly trending structures. Folding and jointing are common with planes intruded by swarms of pegmatite and lamprophyre dikes. Locally, a 3 to 6- metre wide pegmatite dike of coarse-grained quartz, feldspar with black and pink tourmaline is hosted by a biotite (lepidolite) schist. Minor amounts of beryl and rose quartz are also reported. The pegmatite trends 062 degrees and has been followed for 65 metres. Other pegmatite dikes, referred to as the Green, Grail and Red, are located approximately 3 kilometres to the east. In 2013, two rock samples (48193 and 48194) of the pegmatite dike assayed up to 0.111 per cent caesium and greater than 0.2 per cent lithium and rubidium, respectively (Assessment Report



34293). In 2015, rock sampling yielded values up to 1.72 per cent lithium, 0.124 per cent caesium and greater than 0.2 per cent rubidium (Assessment Report 36579).

MGX currently controls the nearby REN Niobium Rare Earth Property and has completed successful drilling for niobium and related minerals in 2018. MGX controls a portfolio of industrial and speciality minerals and metals in British Columbia including magnesium oxide and silica.

Name Change

The Company has received Provincial and Regulatory approval for a name change to Tillicum Mountain Gold Inc. and ticker symbol change to **CSE: TLCM**, as the Company plans to focus on gold moving forward.

Annual General Meeting

The Company announces it has been forced to further postpone its annual general meeting and requisitioned meeting of shareholders (together, the “**Meeting**”), originally scheduled for June 30, 2020 with the deadline to hold the Meeting extended by Court Order to September 30, 2020.

The postponement of the Meeting is necessary due to public health measures currently in place with regard to the COVID-19 pandemic. The Company has been advised that it is not possible to hold a contested virtual-only meeting in Canada and a suitable location which can accommodate an in-person meeting is not available at this time, given the restrictions on public gatherings and in the best interest of the health and safety of our employees, shareholders, and directors. On June 19, 2020, the Court ordered that the Meeting be adjourned, and the statutory deadlines to hold those meetings were pushed to September 30, 2020.

Accordingly, the Company will file a further application with the Court seeking relief from statutory meeting deadline requirements. The Company will ask the Court to grant the Company the ability to hold the Meeting at any time prior to January 31, 2021.

Once a new Meeting date is determined, the Company will file an amended notice of meeting and record date on its SEDAR profile. Shareholders are not required to take any action at this time. Shareholders will receive detailed information about how to vote and the matters presented at the Meeting in a management information circular to be sent to shareholders in advance of the Meeting.

Issuance of Shares for Debt

The Company announces that it has reached an agreement (the “**Settlement**”) with 3 Oaks Investments Inc. (“**3 Oaks**”) to settle a debt of \$220,350.00 owed to 3 Oaks in connection with services previously provided to the Company. Pursuant to the Settlement, the Company agreed to issue 2,938,000 common shares in the capital of the Company to 3 Oaks at a deemed price of \$0.075 per share.

Resignation of Officers



The Company announces that it has received and accepted the resignation of Jared Lazerson as President and Chairman of the Company, effective as of September 16, 2020. Mr. Lazerson will continue to serve on the Company's board of directors.

Qualified Person

Andris Kikauka (P. Geo.), Vice President of Exploration for MGX Minerals, has prepared, reviewed and approved the scientific and technical information in this press release. Mr. Kikauka is a non-independent Qualified Person within the meaning of NI 43-101.

Advisors

Kingsdale Advisors is acting as strategic shareholder and communications advisor and Norton Rose Fulbright Canada LLP is acting as legal advisor to MGX Minerals Inc.

About MGX Minerals Inc.

MGX Minerals is a diversified Canadian resource and technology company with interests in global advanced material, energy and water assets.

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Forward-looking Statements

This press release contains forward-looking information or forward-looking statements (collectively, "forward-looking information") within the meaning of applicable securities laws. All statements, other than statements of historical fact, included herein are forward-looking information. Forward-looking information in this press release include, but are not limited to, statements with respect to holding the postponed Meeting, the filing of an amended notice of meeting and record date for the postponed Meeting and sampling and testing and any and all results expected therefrom. Forward-looking information is generally, but not always, identified by the words "expects", "plans", "anticipates", "in the event", "if", "believes", "asserts", "position", "intends", "envisages", "assumes", "recommends", "estimates", "approximate", "projects",



"potential", "indicate" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur.

The Company's forward-looking information are based on the applicable assumptions and factors the Company considers reasonable as of the date hereof, based on the information available to the Company at such time, including without limitation, the ability to host the postponed Meeting at a later date, the ability to find a suitable location which can accommodate an in-person shareholders' meeting, the ability of the Company to seek and obtain Court-ordered relief from the statutory deadline for holding the Meeting, the ability of the Company to successfully complete sampling and testing and any and all results expected therefrom. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various risk factors. These factors include, among others, uncertainties arising from the COVID-19 pandemic, and general economic conditions or conditions in the financial markets or factors otherwise affecting project sites or sampling and testing. The reader is referred to the Company's public filings for a more complete discussion of such risk factors, and their potential effects, which may be accessed through the Company's profile on SEDAR at www.sedar.com. Except as required by securities law, the Company does not intend, and does not assume any obligation, to update or revise any forward-looking information, whether as a result of new information, events or otherwise.