

MGX Minerals and Eureka Resources Enter Joint Venture Agreement to Install World's First Commercial Rapid Petrolithium Recovery System in Pennsylvania

VANCOUVER, BRITISH COLUMBIA / June 10, 2019 / **MGX Minerals Inc.** ("MGX" or the "Company") (CSE: [XMG](#) / FKT: [1MG](#) / OTCQB: [MGXMF](#)) and **Eureka Resources, LLC** ("Eureka") are pleased to announce signing of a definitive Joint Venture Agreement ("JV" or the "Agreement") which outlines a new strategic partnership.

Initial System Installation

The newly formed JV will initially focus on fast tracking deployment of the world's first commercial rapid lithium recovery system at Eureka's state-of-the-art [Standing Stone advanced wastewater Treatment Facility](#) ("Standing Stone") near Towanda, Pennsylvania. The JV is working to commission the system in Q3 2019.

Eureka's Standing Stone facility, which originally opened in 2013, provides regional energy producers with advanced wastewater treatment services for raw oil and gas brines. Post-concentration lithium values in the range of 1,000ppm have been reported by Eureka and verified by MGX from produced water from within the Marcellus Shale.

Figure 1. Eureka Resources Standing Stone Wastewater Treatment Facility





Additional System Deployments

In addition to the initial system installation at Standing Stone, the JV has also outlined a growth strategy that focuses on growing lithium output and deploying additional rapid recovery systems throughout the Marcellus and Utica shale formations. This includes scaling up lithium output at Standing Stone, deploying additional systems to other Eureka facilities, and identifying new installation sites at third-party treatment facilities. Eureka shall retain exclusive rights to develop all JV relationships with third-party facilities within the Marcellus and Utica shale formations for an initial period of five years. Both Parties will have mutual discretion to further extend the JV for up to four additional years thereafter.

Joint Venture Details

Terms of the JV provide that MGX will initially receive a disproportionate share of gross revenue proceeds until its petrolithium unit capital costs are recovered. Eureka will obtain and manage all necessary environmental permits related to each system installation as well as day-to-day operational duties. MGX will fabricate and install each system, market the petrolithium, and provide ongoing system maintenance.

Petrolithium

MGX has developed a rapid lithium extraction technology that eliminates or greatly reduces the physical footprint and investment needed for large, multi-phase, lake-sized, lined evaporation ponds. The technology enhances the quality of lithium extraction and recovery across a complex range of brines as compared with traditional solar evaporation and is applicable to oil and gas produced water, natural brine, lithium-rich mine brine and industrial plant wastewater. MGX's petrolithium technology was recognized with a Base & Specialty Metals Industry Leadership Award at the 2018 Platts Global Metals Awards.

MGX may utilize its petrolithium technology for lithium and other valued products production without first establishing mineral reserves supported by an independent technical report or completing a feasibility study. A production decision without the benefit of a technical report independently establishing mineral resources or reserves and any feasibility study demonstrating economic and technical viability creates increased uncertainty and heightens economic and technical risks of failure. Historically, such projects have a much higher risk of economic or technical failure.

About Eureka Resources

Eureka Resources provides industry-leading advanced treatment technology in oil and gas produced water management. Since 2008, Eureka's patented and permitted services have expanded to meet the growing need for produced water solutions and critical mineral production. Eureka's three conveniently located facilities provide regional environmental and



economic solutions to oil and gas producers and the community. Learn more at www.eureka-resources.com.

About MGX Minerals

MGX Minerals is a diversified Canadian resource and technology company with interests in global advanced material, energy and water assets. Learn more at www.mgxminerals.com.

Contact Information

MGX Minerals

Jared Lazerson

President and CEO

Telephone: 1.604.681.7735

Web: www.mgxminerals.com

Eureka Resources

Daniel Ertel

President and CEO

Telephone: 1.570.651.9972

Web: www.eureka-resources.com

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

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. Forward-looking information is typically identified by words such as: "believe", "expect", "anticipate", "intend", "estimate", "potentially" and similar expressions, or are those, which, by their nature, refer to future events. 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 factors. 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.