



MGX Minerals Announces Continuous Operations at Oilsands Wastewater Treatment Project with Engineering Partner PurLucid

VANCOUVER, BRITISH COLUMBIA / August 21, 2019 / **MGX Minerals Inc.** (“MGX” or the “Company”) ([CSE: XMG](#) / [FKT: 1MG](#) / [OTCQB: MGXMF](#)) announced today that engineering partner **PurLucid Treatment Solutions** (“PurLucid”) has reported commissioning of its first high salinity brine treatment system. The system was extensively tested in early 2019 at an independent research facility on an extensive array of wastewaters from the heavy oil industry in Alberta and proved its treatment capabilities for three potential industry clients. \$4.6M in costs was recouped from a combination of consortium partner contributions over the completion of Milestone 2 of the three-milestone Project.

The Project has entered Milestone 3 with the system subsequently installed and commissioned at a mid-sized producer location in Northern Alberta, a consortium partner where a commercial contract has already been negotiated for activation following performance acceptance during Milestone 3. Commercial scale continuous operations commenced July 25, 2019. Once Milestone 3 is completed and the Project transitions to the commercial contract, expected revenue is \$1.8M with an estimated net profit of \$270,000 over a three-year contract. These figures are inclusive of equipment payback, which remains the property of PurLucid throughout the life of the contract and will be redeployed or contract renewed at no additional capital cost investment.

Additionally, PTS has completed its first high pressure system and is in the process of moving it to the consortium partner site. A commercial contract has been signed with the consortium partner that, similar to the first unit, will generate revenue of approximately \$2M with an estimated net profit of \$300,000 over a three-year contract once it transitions to commercial operations in early 2020.

Engineering for a third and larger system will be completed in fall 2019 for installation at a third consortium member site in early 2020. Under similar arrangements, it is expected to generate \$3.2M with an estimated net profit of \$480,000 over a three-year contract upon successful completion of Milestone 3 in Q2, 2020.

The success of our technologies during Milestone 2 has opened business development channels and PTS is now pursuing a number of larger opportunities outside the heavy oil sectors in mining and geothermal water treatment.

About the Project

The operational objective of the Wastewater Treatment Consortium Project is to remove silica, dissolved ions and dissolved oil from heavy oil brines. The technology addresses industry



needs in managing wastewater below 100°C and in treating hot produced water and blowdown above 100°C. At between 110°C and 180°C, such a system can replace or debottleneck current treatment systems and subsequent filters at a SAGD Central Processing Facility (CPF), thereby reducing water treatment capital and operating costs, reducing GHG emissions of water treatment and steam generation, and simplifying operations through solids management, elimination of heat exchangers and reduction of footprint, each of which represent significant problems for the heavy oil industry.

About PurLucid

Purlucid is a water and wastewater treatment services company comprised of staff from existing large oil and gas service companies and industry research and development departments. Purlucid is introducing new technologies that revolutionize water treatment with energy requirements that are 90% of comparable technologies and can reduce greenhouse gas emissions substantively at thermal facilities while recovering valuable metals from wastewater. In addition to hard technology, Purlucid will be introducing software that will greatly reduce uncertainties in the logistics of water management, extend the life of capital assets and reduce costs. MGX owns 60% of PurLucid and has the right to acquire up to a 100% interest in PurLucid through successive investments.

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.

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Forward-Looking Statements

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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.