

# MGX Minerals Completes Haul Road Layout at Driftwood Creek Magnesium Project

**VANCOUVER, BRITISH COLUMBIA** / February 25, 2016 / **MGX Minerals Inc.** ("MGX" or the "Company") (<u>CSE: XMG</u> / <u>FKT: 1MG</u>) is pleased to announce Spring 2016 on site operations have commenced ahead of schedule at MGX's <u>Driftwood Creek magnesium project</u>. Layout and design of the haul road has been completed including flagging, centerline, right of way, and grade control. The haul road development and improvement is being done by Dominion Excavating in support of the current 100t bulk sample program.

# **Bulk Sample Testing & Off-take**

The purpose of the bulk sample program is to provide definitive grade and run of mine representative samples for testing in the milling and calcination processes, including pilot plant scale calcination at 800C, 1000C and 1800C for production of light burned CCM (caustic calcined magnesia), hard burned CCM, and DBM (dead-burned magnesia) respectively. Multi-tonne samples will be available to endusers for the purpose of finalizing off-take agreements and used internally by MGX in the development of MgO (magnesium oxide) wallboard.

## **MgO Wallboard Production**

A portion of material from the current bulk sample program will be used in trial production of MgO wallboard. MGX continues to evaluate the development of a value-added MgO wallboard plant utilizing feedstock from Driftwood Creek. MgO board is known to be environmentally friendly and similar to a light cement board as well as fire, water, and mold resistant with superior acoustic qualities and a very smooth finish as compared with conventional drywall. MgO board is significantly stronger than conventional wallboard and is heavily used in Asia, including the interior of Taipei 101, one of the tallest buildings in the world. While MgO board is widely used outside of North America there are currently no Canadian or US based manufacturers and all board is imported, significantly increasing the price to contractors and developers. A vertically integrated North American based manufacturer could potentially cut the cost of MgO board to domestic markets, providing a superior product at a similar price. The wallboard market is diverse and the opportunity in specialized board may be the greatest as specialized fire-resistant Type X board (1.39B sq. ft.) and water resistant board (390M sq. ft.) make up 40% of the 4.39B sq. ft. annual US wallboard sales (United States Department of Interior 2014).

#### **About MGX Minerals**

MGX Minerals (<u>CSE: XMG</u>) is a diversified Canadian mining company engaged in the acquisition and development of industrial mineral deposits in western Canada that offer near-term production potential, minimal barriers to entry and low initial capital expenditures. The Company operates the Driftwood Creek magnesium project located in the East Kootenay Region of British Columbia. MGX has recently received approval of a 20 year mining lease for Driftwood and bulk sampling is currently underway. For further information, please visit the Company's website at <u>www.mgxminerals.com</u>.



## **About Dominion Excavating**

Dominion Excavating is a quarry mining and construction company located in Invermere, BC. MGX has entered into a comprehensive development agreement with Dominion for the road and mine construction at the Driftwood Creek magnesium project. Dominion is an MGX Minerals equity partner and a First Nations owned company.

### **Contact Information**

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## **Forward-Looking Statements**

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