



MGX Minerals Announces Silicon Partnership with Dong Bang Metal Company

VANCOUVER, January 5, 2021 / MGX Minerals Inc. (“MGX” or the “Company”) (CSE:XMG) (FKT:1MG) (OTC:MGXMF) is pleased to announce a business development and distribution partnership (the “**Partnership**”) with Dong Bang Metal Co. Ltd (“**Dong Bang**”) of Korea for metallurgical grade silicon (3303#). The Partnership has executed a non-binding Letter of Intent (the “**LOI**”) outlining commercial terms including grade, quantity, price, delivery and distribution plan. Under certain terms and conditions, Dong Bang will receive exclusive distribution rights for Asia, inclusive of Korea and Japan.

Silicon

Metallurgical testing on an one ton sample from the Company’s Gibraltar Silica deposit, located 95 kilometers north-east of Cranbrook, British Columbia, has indicated that the material is chemically suitable, as medium quality feedstock, for metallurgical-grade silicon. The one ton sample of quartzite from Gibraltar was shipped to an independent lab, Dorfner Anzaplan, an independent laboratory, for mineralogical analyses through X-ray diffraction analysis, chemical analyses through X-ray fluorescence spectroscopy, grain size distribution, mineral processing analysis, automated optical sorting, and thermal stability testing. The sample was crushed and screened into fractions between 20–120 mm for evaluation of applicability of these fractions as feedstock for metallurgical-grade silicon production. Results indicate that the material, after comminution and classification fraction, is of high initial purity (99.5 wt.-%), making the fraction chemically suitable as medium quality feedstock material for metallurgical-grade silicon metal production.

The demand for silicon metal continues to grow and recent supply chain bottlenecks have limited overall supply, creating an opportunity for the distribution of silicon in Asia from North America. Increased demand for solar panels, microprocessors, and silicon alloys, due to its semi-conductor and structural properties, continue to create large scale shortages for silicon. The current quoted spot price of silicon 3303# grade in China is \$2,100 USD per tonne

Gibraltar Silica

The Gibraltar Silica Property is located approximately 95 kilometres northeast of Cranbrook, BC. It covers a sedimentary clastic-carbonate rock package located near the confluence of Kootenay and White River. Sedimentary rocks generally have a north-northwest strike, but locally a north-northeast strike is prominent. Minor folding was noted in the carbonate sequence immediately adjacent to quartzite unit. Two westerly dipping thrust faults (Hay, Carter, 1988) are believed to run north-south close to the eastern edge of the Gibraltar property.

The Company has completed 5 drill holes at Gibraltar. The holes were located at the Red Cloud (Gibraltar) quarry that was operated on a small scale in 1967. The objective of the drill program was to test subsurface dimensions of high purity quartzite. The Gibraltar North Zone has been sampled, mapped and the area located about 400 meters north of the south zone, represents the continuation of the Mount Wilson Formation quartzite.

Table 1. Gibraltar Drill Results

DDH No.	Azimuth	Dip Deg.	Depth(m)	From'(m)	To(m)	Interval(m)	SiO ₂ %
18G-1	345	45	45.7	6.0	27.0	21.0	99.24
18G-2	270	45	38.1	4.4	30.0	25.6	99.10
18G-3	020	45	42.7	5.8	24.0	18.2	99.11
18G-4	290	50	6.0	24.0	18.0	18.0	98.70
18G-5	vertical	90	12.0	18.0	6.0	6.0	99.20

(British Columbia Assessment Report 38566)

Koot Silica

The Koot Silica project is located proximate (5 kilometres) to Gibraltar. The 2018 core drilling and geochemical sampling was carried out to evaluate mineral potential in a 180 meter X 600 meter area (elongated northwest), located in the east portion of the Koot Silica property in the area where quartzite is well exposed on a low relief ridge. This coincides with the general area where Cominco Ltd Drilled 8 holes in 1981. Exploration drill results from 2018 are as follows:

Table 2. Koot Drill Results

DDH No.	From (m)	To (m)	Interval (m)	SiO2 %	Al2O3 %	Fe2O3 %	K2O %	TiO2 %	LOI %	Total %	SiO2 / Total%
18K-1	0.9	56.39	55.49	98.5	0.54	0.39	0.17	0.13	0.49	100.25	98.15
18K-2	0.9	76.20	75.3	97.9	0.51	0.24	0.10	0.14	0.30	99.30	98.64
18K-3	1.5	106.68	106.18	98.7	0.33	0.24	0.10	0.10	0.26	99.84	98.88
18K-4	0.0	86.0	86.0	98.3	0.37	0.38	0.14	0.12	0.36	99.81	98.5
18K-5	2.0	99.0	97.0	98.1	0.70	0.33	0.19	0.14	0.41	99.90	98.16
18K-6	2.2	36.0	33.8	99.0	0.97	0.09	0.29	0.06	0.33	100.89	98.28
18K-7	6.0	54.0	58.0	99.0	0.44	0.25	0.12	0.12	0.40	100.41	98.61
18K-9	2.3	77.72	75.42	98.4	0.43	0.37	0.11	0.11	0.42	99.95	98.43
18K-10	2.25	54.0	51.75	98.9	0.39	0.23	0.08	0.11	0.32	100.16	98.78

(British Columbia Assessment Report 37630)

Processing

The processing of silica to silicon is a relatively simple process primarily dependent on high quality feedstock. Additional ingredients of wood chips, for spacing, and metallurgical grade coal, to reduce energy requirements and assist in even heat transfer are required. Both of these ingredients as well as electricity, at a globally competitive price, are available in the region. The materials are top loaded into a submerged arc furnace (“**SAF**”) and heated to 1600 degrees Celsius melting the silica which is then bottom poured into bricks which are ground into 3”- 4” pieces for shipping. MGX has issued a global request for quotation (‘**RFQ**’) from major furnace manufacturers with minimum specification of 1,000 tonnes per month as outlined in the LOI.

Qualified Person

Andris Kikauka (P. Geo.), CEO of 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.

About Dong Bang Metal Co. Ltd

Dong Bang Metal Co. Ltd is a nonferrous metal processing company located in Incheon, Korea. Founded in 1990, Dong Bang has primarily manufactured and assembled aluminum zinc die-cast materials in cooperation with Kia Corporation (Hyundai), SL Mirrortech, Mobase Electronics, INFAC Elecs, Seung Won Industry, and Pavonine. Dong Bang expanded production in 2018 with a second factory. Founder and President of Dong Bang, Mr. Nam Dong-Seop, is a former honorary Director of the Korea Nonferrous Metal Association (KONMA) (1997-2005). Prior to founding Dong Bang, Mr. Nam spent ten years with Samsung Electronics. The Dong Bang Metal Company recognizes the potential of the global market and seeks new, highly qualified resources to meet a change in the worldwide nonferrous metal industry.

Photo 1. Dong Bang Metal Co. Ltd Factory in Incheon



About MGX Minerals

MGX Minerals is a diversified Canadian resource and technology company with interests in strategic metals, precious metals, and energy technologies.

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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, and the filing of an amended notice of meeting and record date for the postponed Meeting. 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, and the ability to find a suitable location which can accommodate an in-person shareholders' meeting. 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. 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.