



MGX Minerals Drills High-Grade Gold Mineralization at Fran Gold Project, British Columbia

VANCOUVER, BRITISH COLUMBIA / August 12, 2019 / **MGX Minerals Inc.** ("MGX" or the "Company") ([CSE: XMG](#) / [FKT: 1MG](#) / [OTCQB: MGXME](#)) is pleased to report drill results from the 2018/2019 exploration program at its 13,905 hectare Fran Gold Property ("Fran" or the "Property") located in the Omineca mining division of north-central British Columbia, just 30km southwest of the Mount Milligan Gold-Copper mine. Highlights from drilling include:

- 1.3 meters of 13.50 g/t Au from 235.0 to 236.3 meters in DDH FR18-94
- 2.23 meters of 23.26 g/t Au from 235.5 to 237.73 meters in DDH FR18-95
- 4.1 meters of 6.55 g/t Au from 138.25 to 142.35 meters in DDH FR18-96
- 1.0 meter of 21.0 g/t Au from 225.08 to 226.08 meters in DDH FR18-100
- 8.85 meters of 1.0 g/t Au from 265.00 to 273.85 meters in DDH FR18-100
- 0.80 meters of 8.38 g/t Au from 166.00 to 166.80 in DDH FR18-102

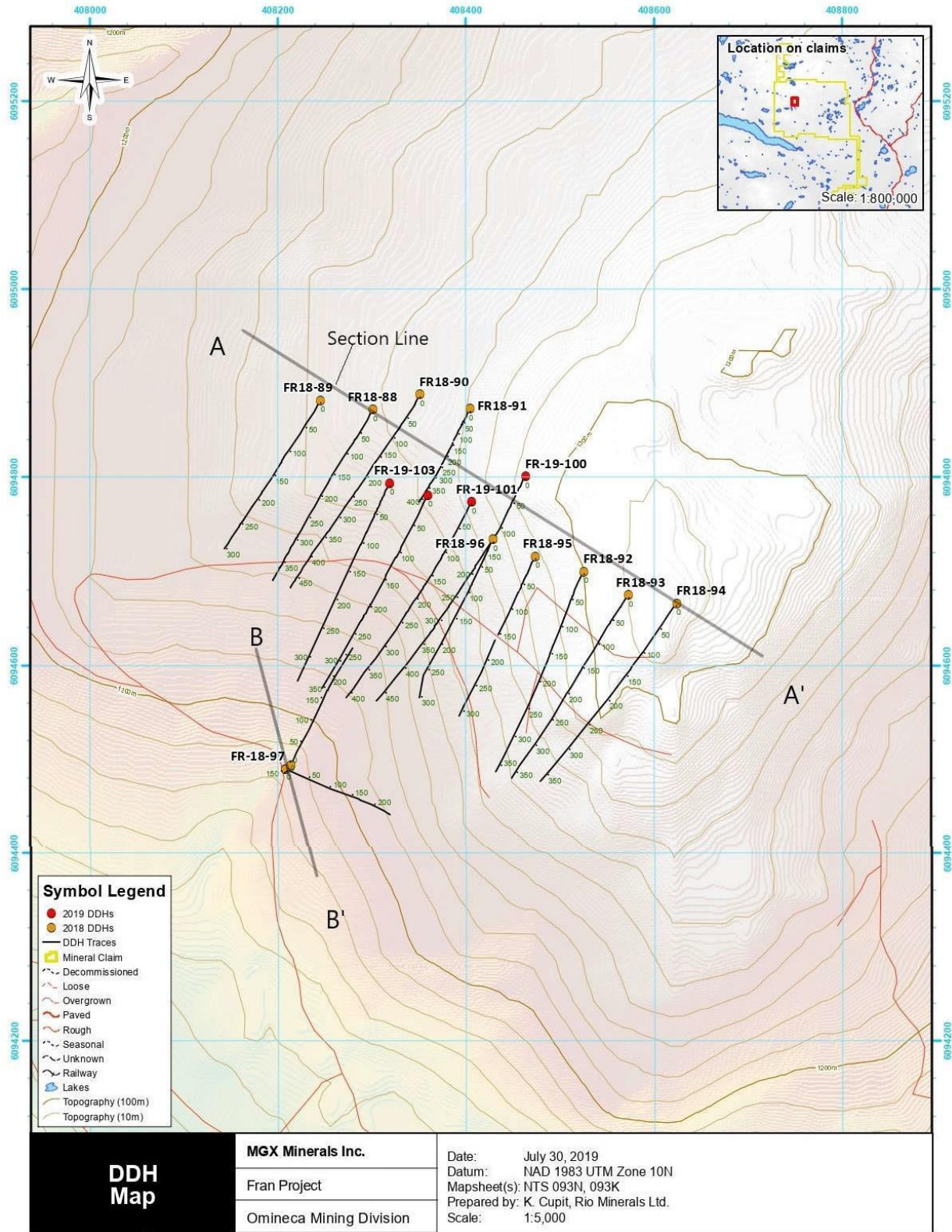
The C\$1.9 million exploration program completed 16 NQ-size diamond drill holes across 5,653 meters (see Figure 1 and Table 1) as well as 18 kilometers of Induced Polarization surveys (see Figure 2). Based on the positive results, MGX is now planning a follow up seven-hole, 2,800 meter drill program to further delineate the SE and NW extensions of the high-grade Bullion Alley gold zone.

Discussion of Drill Results

Results from the Winter 2018/2019 exploration program at Fran verified continuity of the north contact at the Bullion Alley Zone. The contact zone between the intrusive monzonite and hornfels volcanic/sedimentary rocks host several sub-parallel gold bearing shear zones. Interpretation of the results suggest higher gold grades correlate with vein strike flexure and intersecting shears in this 200 X 250 m area, along with relatively consistent continuity down-dip to the north.

Approximately 75% of the gold enriched shear zones of Bullion Alley are hosted in porphyritic monzonite with the remaining 25% hosted in Inzana Formation (Takla Group) indurated volcanic and sedimentary lithologies. Several other syn to post-mineral vein types have been identified in drilling and in outcrops in the Bullion Alley zone. The best gold values are localized in areas of vein flexures where thickening of mineralized structures occur. These structures are associated with increased K-feldspar, magnetite, chlorite, silica, and carbonate alteration, and monzonite composition hornblende and plagioclase porphyry dyke/sill lithologies in Late Triassic-Early Jurassic porphyritic monzonite host-rock as well as hornfels in Inzana Formation (Takla Group) volcanic and sedimentary host-rocks.

Figure 1. Drill Hole Locations and Section Line





The table below reports 12 out of 16 drill hole intercepts >1 g/t Au as intersected interval lengths (not true width):

Table 1. Fran 2018-2019 DDH Interval Length Reporting >1g/t Au

DDH #	From (m)	To (m)	Interval m	g/t Au	% Cu
FR18-92	175.5	177.09	1.59	2.19	0.30
FR18-92	183.0	185.05	2.05	1.03	0.06
FR18-92	255.7	256.34	0.64	2.19	0.11
FR18-92	273.5	274.1	0.60	2.62	0.09
FR18-92	274.62	275.1	0.48	6.73	0.23
FR18-92	279.0	280.72	1.72	1.58	0.03
FR18-92	292.0	294.0	2.0	1.09	0.01
FR18-92	303.55	304.1	0.55	1.08	0.06
FR18-93	277.0	278.0	1.0	1.20	0.02
FR18-93	298.6	299.1	0.5	1.77	0.23
FR18-93	305.0	306.0	1.0	1.69	0.11
FR18-94	222.0	223.12	1.12	2.37	0.08
FR18-94	231.35	231.9	0.55	6.37	0.62
FR18-94	235.0	236.3	1.3	13.50	0.25
FR18-94	259.0	260.0	1.0	4.99	0.02
FR18-95	204.0	205.32	1.32	5.91	0.15
FR18-95	227.0	228.34	1.34	2.78	0.23
FR18-95	229.24	230.1	0.86	3.05	0.07
FR18-95	235.5	237.73	2.23	23.26	0.15
FR18-95	276.7	279.35	2.65	1.41	0.26
FR18-95	284.88	285.64	1.51	1.40	0.05



FR18-96	44.50	46.02	1.52	3.28	0.01
FR18-96	138.25	142.35	4.10	6.55	0.14
FR18-96	157.50	166.15	8.65	3.13	0.12
FR18-96	181.00	181.50	0.50	4.04	0.17
FR18-96	207.00	208.00	1.00	2.05	0.01
FR18-96	247.19	250.00	2.81	1.65	0.04
FR18-96	254.2	254.90	0.65	8.89	0.06
FR18-97	39.75	40.90	1.15	3.61	0.01
FR18-97	42.61	43.11	0.50	1.03	0.02
FR18-97	45.11	46.63	1.52	1.11	0.02
FR18-98	25.30	26.30	1.00	6.75	0.04
FR18-98	33.00	34.00	1.00	1.92	0.06
FR18-98	206.22	206.89	0.67	1.0	0.03
FR18-99	9.35	10.02	0.67	3.87	0.03
FR18-99	68.68	69.53	0.85	2.63	0.02
FR18-99	103.14	103.76	0.62	1.99	0.08
FR18-99	103.76	104.41	0.65	2.19	0.07
FR18-99	223.73	224.40	0.67	5.25	0.83
FR18-100	225.08	226.08	1.00	21.0	0.10
FR18-100	265.00	273.85	8.85	1.0	0.06
FR18-100	307.32	308.33	1.01	6.22	0.03
FR18-101	219.03	221.00	1.97	2.36	0.18
FR18-101	346.40	347.71	1.31	1.65	0.04
FR18-102	94.41	95.15	0.74	1.51	0.03
FR18-102	113.0	114.14	1.14	1.4	0.02



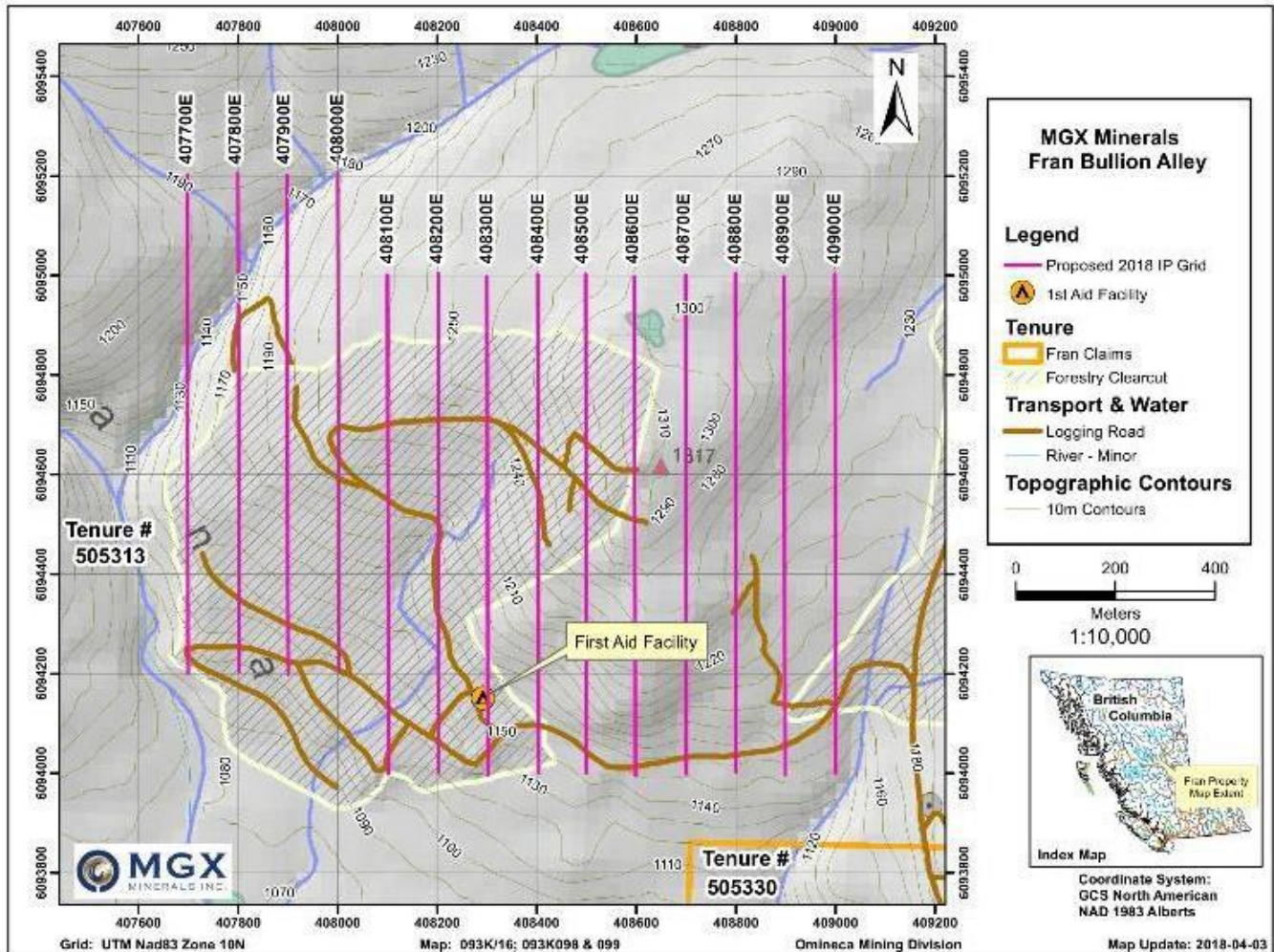
FR18-102	132.14	132.64	0.50	1.91	0.04
FR18-102	166.00	166.80	0.80	8.38	0.10
FR18-102	186.14	187.50	1.36	1.89	0.05
FR18-102	187.50	188.35	0.85	2.19	0.07
FR18-102	188.35	189.14	0.79	4.9	0.02
FR18-102	215.00	216.14	1.14	1.22	0.03
FR18-103	105.68	106.76	1.08	2.74	0.04
FR18-103	115.11	115.89	0.78	4.02	0.06
FR18-103	148.50	149	0.50	1.88	0.02
FR18-103	150.33	151	0.67	4.89	0.02
FR18-103	156.06	157.42	1.36	4.21	0.29
FR18-103	157.98	158.48	0.50	1.05	0.08
FR18-103	178.00	178.6	0.60	1.05	0.02
FR18-103	308.69	309.84	1.15	1.19	0.02
FR18-103	338.94	339.44	0.50	1.0	0.09

NOTE: Elevated copper values > 0.1 % Cu contain elevated zinc and silver values (not listed)

Induced Polarization Survey

As part of the exploration program, MGX also retained Scott Geophysics Ltd. to complete an induced polarization (IP) survey. The objective of the IP survey was to combine 3D inversion results with drill result to further refine targets that may be indicative of structures and/or mineralized bodies at Fran consistent with high-grade gold-poly metallic share zones and veins.

Figure 2. Fran 2018 IP Grid Map



Next Steps

A seven-hole, 2,800 meter drill program to further delineate the SE and NW extensions of the high-grade Bullion Alley gold zone are now being planned. Additional drilling will focus in site-specific areas of the north monzodiorite-hornfels contact zone, where most drilling at Bullion Alley has taken place.

Fran Gold Project

The Fran property encompasses 13,905 hectares located in the Omineca mining division of north-central British Columbia. The Property lies in a northwest trending belt of volcanic rocks in the Quesnelia terrain which host alkalic porphyry Cu-Au deposits, including the Mount Milligan gold-copper mine located 38km northeast of Fran.



Quality Assurance / Quality Control

The sample chain of custody was managed by site geologist Myles Dickson (P.Geol). Drill core was stored and split at a secure storage facility in Fort St. James, BC. and shipped to ACT Labs Minerals ("ACT") for assay using 1A2-ICP Kamloops Au-Fire Assay and 1E3-Kamloops Aqua Regia ICP(AQUAGEO). ACT is an independent, ISO-certified analytical laboratory located in Kamloops, British Columbia. Blanks and standards were used for data verification purposes.

Qualified Person

Andris Kikauka (P. Geol.), 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 National Instrument 43-101 Standards.

About MGX Minerals

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

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