FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **MGX Minerals Inc.** (the "**Issuer**").

Trading Symbol: **XMG**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

All related party transactions have been disclosed in the Issuer's financial statements for the interim period ended April 30, 2016.

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

All securities issued and options granted by the Issuer have been disclosed in the Issuer's financial statement notes for the interim period ended April 30, 2016

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities as at the end of the reporting period.

A summary of securities has been provided in the financial statements for the interim period ended April 30, 2016.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director	Position(s) Held
Jared Lazerson	President, CEO, Secretary and a Director
Lyndon Patrick	Director
H. David Read	Director
Michael Reimann	CFO and a Director
Andris Kikauka	Director and VP of Exploration

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See Management's Discussion & Analysis attached.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated June 29, 2016.

Jared Lazerson
Name of Director or Senior Officer

/s/ Jared Lazerson
Signature

President, CEO, Secretary and Director
Official Capacity

Issuer Details		
Name of Issuer: **MGX Minerals Inc.**	For Quarter Ended **April 30, 2016**	Date of Report: YYYYMMDD **2016/06/29**
Issuer Address: **Suite 303, 1080 Howe Street**		
City/Province/Postal Code: **Vancouver, BC V6Z 2T1**	Issuer Fax No.: **N/A**	Issuer Telephone No. **604.681.7735**
Contact Name: **Jared Lazerson**	Contact Position: **President, CEO, Secretary and Director**	Contact Telephone No. **604.681.7735**
Contact Email Address: **Jared@mgxminerals.com**	Web Site Address: **www.mgxminerals.com**	

Schedule “A”

Financial Statements

[inserted as following pages]

MGX MINERALS INC.

Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended April 30, 2016 and 2015

(Unaudited - Expressed in Canadian dollars)

MGX MINERALS INC.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company and all information contained in the report have been prepared by and are the responsibility of the Company's management.

The Audit Committee of the Board of Directors has reviewed the condensed interim consolidated financial statements and related financial reporting matters.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim consolidated financial statements by an entity's auditor.

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	April 30, 2016	July 31, 2015
		$	$
Assets			
Current Assets			
Cash		508,312	142,934
Prepaid		95,568	58,308
GST receivables		50,987	33,719
		654,867	234,961
Non-Current Assets			
Equipment	**7**	10,117	10,974
Mineral properties	**5**	1,027,129	926,129
Reclamation bond		16,000	13,000
		1,053,246	950,103
Total Assets		1,708,113	1,185,064
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities		547,424	329,779
Due to related parties	**10**	236,137	114,130
		783,561	443,909
Loan payable	**8**	32,000	30,200
Total Liabilities		815,561	474,109
Shareholders' Equity			
Share capital	**9**	2,308,479	1,812,465
Reserve	**9**	762,206	407,007
Subscriptions received	**9**	510,000	24,100
Deficit		(2,688,133)	(1,532,617)
		892,552	710,955
Total Liabilities and Shareholders' Equity		1,708,113	1,185,064

Nature of operations and continuance of business (Note 1)
Subsequent events (Note 12)

Approved by the Board of Directors on June 29, 2016:

"Jared Lazerson"	*"Andris Kikuaka"*
Jared Lazerson, Director	Andris Kikuaka, Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
For the Three and Nine Months Ended April 30, 2016 and 2015
(Unaudited - Expressed in Canadian dollars)

		Three months ended April 30,		Nine months ended April 30,	
	Notes	**2016**	**2015**	**2016**	**2015**
		$	**$**	**$**	**$**
Exploration expenses	**5,10**	54,649	23,432	350,857	139,291
Administrative Expenses					
Advertising and promotion		58,809	1,549	160,236	20,049
Consulting fees		7,666	3,319	159,137	14,455
Depreciation	**7**	286	-	857	-
Office and administrative		4,281	1,407	19,285	17,876
Interest and bank charges	**8**	811	746	2,787	2,474
Management fees	**10**	33,000	1,100	99,000	3,300
Professional fees	**10**	37,481	26,285	109,878	96,398
Share-based compensation	**9**	20,509	-	208,621	-
Transfer agent and filing fees		9,818	3,139	23,961	15,124
Travel and entertainment		1,841	15,970	3,408	15,970
		174,502	53,515	787,170	185,646
Loss before other items		(229,151)	(76,947)	(1,138,027)	(324,937)
Other income (loss)					
Debt settlement gain (loss)	**9(b)**	-	25,075	(39,750)	25,075
Foreign exchange gain (loss)		1,697	(530)	950	(530)
Flow-through premium reversal		21,311	-	21,311	-
		23,008	24,545	(17,489)	24,545
Loss and comprehensive loss for the period		(206,143)	(52,402)	(1,155,516)	(300,392)
Loss per share, basic and diluted		(0.01)	(0.00)	(0.04)	(0.01)
Weighted average number of shares outstanding		31,778,574	26,258,457	30,917,333	26,470,111

The accompanying notes are an integral part of these condensed interim consolidated financial statements

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Changes in Equity
For the Nine Months Ended April 30, 2016 and 2015
(Unaudited - Expressed in Canadian dollars)

	Common Shares	Share Capital	Reserve*	Subscriptions Received	Share to be issued	Deficit	Total
	#	$	$	$	$	$	$
Balance July 31, 2014	**25,938,457**	**787,704**	**92,287**	**-**	**-**	**(377,477)**	**502,514**
Shares issued pursuant to private placements	691,333	172,833	-	-	-	-	172,833
Issue costs	-	(10,500)	-	-	-	-	(10,500)
Shares issued pursuant to acquisition of mineral properties	100,000	14,000	-	-	-	-	14,000
Shares issued pursuant to option exercise	200,000	20,000	-	-	-	-	20,000
Shares issued for debt settlement	270,033	40,505	-	-	-	-	40,505
Transfer value on option exercise	-	1,230	(1,230)	-	-	-	-
Subscriptions received	-	-	-	82,000	-	-	82,000
Shares to be issued	-	-	-	-	5,000	-	5,000
Loss and comprehensive loss for the period	-	-	-	-	-	(300,392)	(300,392)
Balance, April 30, 2015	**27,199,823**	**1,025,772**	**91,057**	**82,000**	**5,000**	**(677,869)**	**525,960**
Shares issued pursuant to private placements	1,242,425	371,999	-	(82,000)	(5,000)	-	284,999
Issue costs	-	(57,368)	-	-	-	-	(57,368)
Finder's warrants	-	(27,997)	27,997	-	-	-	-
Flow-through premium	-	(15,672)	-	-	-	-	(15,672)
Shares issued pursuant to acquisition of mineral properties	1,041,318	459,222	-	-	-	-	459,222
Shares issued for debt settlement	157,910	42,977	-	-	-	-	42,977
Transfer value on option exercise	-	13,532	(13,532)	-	-	-	-
Subscriptions received	-	-	-	24,100	-	-	24,100
Share-based compensation	-	-	301,485	-	-	-	301,485
Loss and comprehensive loss for the period	-	-	-	-	-	(854,748)	(854,748)
Balance, July 31, 2015	**29,641,476**	**1,812,465**	**407,007**	**24,100**	**-**	**(1,532,617)**	**710,955**
Shares issued pursuant to private placements	947,463	378,575	-	(24,100)	-	-	354,475
Issue costs	-	(10,594)	-	-	-	-	(10,594)
Warrant valuation	-	(146,578)	146,578	-	-	-	-
Flow-through premium	-	(5,639)	-	-	-	-	(5,639)
Shares issued for debt settlement	950,746	209,250	-	-	-	-	209,250
Shares issued pursuant to acquisition of mineral properties	550,000	71,000	-	-	-	-	71,000
Subscriptions received	-	-	-	510,000	-	-	510,000
Share-based compensation	-	-	208,621	-	-	-	208,621
Loss and comprehensive loss for the period	-	-	-	-	-	(1,155,516)	(1,155,516)
Balance, April 30, 2016	**32,089,685**	**2,308,479**	**762,206**	**510,000**	**-**	**(2,688,133)**	**892,552**

*****Reserve consists of fair values of stock options and a finder's warrants

The accompanying notes are an integral part of these condensed interim consolidated financial statements

MGX Minerals Inc.
Condensed Interim Consolidated Statements of Cash Flows
For the Nine Months Ended April 30, 2016 and 2015
(Unaudited - Expressed in Canadian dollars)

	2016	2015
	$	$
Cash provided by (used in):		
Operating activities		
Loss for the period	(1,155,516)	(300,392)
Items not affecting cash:		
Depreciation	857	-
Loss (gain) on debt settlement	39,750	(25,075)
Accrued interest on loan	1,800	1,800
Flow-through premium reversal	(21,311)	-
Share-based compensation	208,621	-
Changes in non-cash working capital items:		
Prepaid expense	(37,260)	(156,672)
GST receivable	(17,268)	(8,257)
Accounts payable and accrued liabilities	402,817	160,023
Due to related parties	122,007	-
Net cash used in operating activities	(455,503)	(332,597)
Investing Activities		
Advance royalty payment	(10,000)	-
Reclamation bonds	(3,000)	-
Property acquisition costs	(20,000)	(1,010)
Purchase of equipment	-	(11,427)
Net cash used in investing activities	(33,000)	(12,437)
Financing activities		
Proceeds from private placements, net of issue costs	343,881	162,333
Proceeds from exercise of share purchase options	-	20,000
Subscriptions received	510,000	82,000
Share to be issued	-	5,000
Loan payable	-	48,491
Net cash provided by financing activities	853,881	317,824
Change in cash for the period	365,378	(27,210)
Cash, beginning of period	142,934	91,939
Cash, end of period	508,312	64,729
Supplemental information		
Interest paid	-	-
Taxes paid	-	-
Significant non-cash financing and investing activities		
Shares issued for debts	**950,746**	-

The accompanying notes are an integral part of these condensed interim consolidated financial statements

1. NATURE OF OPERATION AND CONTINUANCE OF BUSINESS

MGX Minerals Inc. ("MGX" or the "Company") was incorporated on April 27, 2012 in Canada under the legislation of the Province of British Columbia. MGX's head office is located at Suite 303 – 1080 Howe Street, Vancouver, BC, V6Z 2T1, Canada. On July 4, 2014, the Company completed a reverse takeover transaction and the Company's common shares are currently listed on the Canadian Stock Exchange ("CSE") under the symbol XMG.

MGX is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed interim consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at April 30, 2016, the Company has not generated any revenues from operations and has an accumulated deficit of $2,688,133 (July 31, 2015 - $1,532,617). The Company expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These condensed interim consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended July 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended July 31, 2015.

3. ACCOUNTING STANDARDS

The following standard has been issued but is not yet effective. The following is a brief summary of the principal new standard. The Company is in the process of determining the impact of the new standard.

IFRS 9, Financial instruments
In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 will be annual periods beginning on or after January 1, 2018, with early adoption permitted.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the following:

Valuation of share-based payments
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

(Unaudited - Expressed in Canadian dollars)

5. MINERAL PROPERTIES

The following table summarizes the Company's mineral property assets as at July 31, 2015 and April 30, 2016 and the changes for the periods then ended and exploration expenditures for the nine months ended April 30, 2016.

	Driftwood	Fran	Lithium Projects	Silica Projects	Prospects, Needles & Others	Total
	$	$	$	$	$	$
Deferred costs						
Balance, July 31, 2014	**30,000**	**414,429**	**-**	**-**	**-**	**444,429**
Paid in cash	20,231	-	-	-	2,733	22,964
Paid by issue of shares	96,000	-	-	364,000	13,222	473,222
Write-off of mineral property	-	-	-	-	(14,486)	(14,486)
Balance, July 31, 2015	**146,321**	**414,429**	**-**	**364,000**	**1,379**	**926,129**
Paid in cash	-	-	20,000	-	-	20,000
Paid by issue of shares	-	-	60,000	-	11,000	71,000
Advance royalty payment	-	10,000	-	-	-	10,000
Balance April 30, 2016	**146,321**	**424,429**	**80,000**	**364,000**	**12,379**	**1,027,129**
Exploration expenditures						
Consulting	10,410	-	16,058	-	-	26,468
Drilling	99,900	-	-	-	-	99,900
Excavation	119,404	-	-	-	-	119,404
Geological	48,856	-	11,000	3,245	647	63,748
License and fees	525	-	-	-	-	525
Miscellaneous	12,737	-	-	894	-	13,631
Scoping study	-	-	24,029	-	-	24,029
Travel & accommodation	3,152	-	-	-	-	3,152
Total at April 30, 2016	**294,984**	**-**	**51,087**	**4,139**	**647**	**350,857**

Fran Claims & Adjacent Claims

The Company entered into an option agreement (the "Option Agreement") on May 24, 2013 and amended on June 30, 2013, to acquire a 100% undivided interest in the Fran Claims (the "Fran Property") located within the Omineca Mining District 60 kilometres north of Fort St. James, British Columbia.

In order to acquire its 100% undivided interest in the Fran Property, the Company must pay Manto Resources Inc. (the "Optionor") a total of $40,000 in cash, issue 24,877,310 shares of the Company to the Optionor and incur up to $100,000 of exploration expenditures on the property.

(Unaudited - Expressed in Canadian dollars)

	Advance Against NSR $	Cumulative Exploration Expenditures $	Common Shares #	Cash Payments $
Upon closing of the plan of arrangement	-	-	24,823,310 (issued)	-
On or before June 30, 2013	30,000 (paid)	-	-	-
On or before March 31, 2014	-	-	54,000 (issued)	-
On or before September 30, 2014	-	25,000 (incurred)	-	-
On or before September 30, 2016	-	50,000	-	15,000
On or before September 30, 2017	-	75,000	-	10,000
On or before September 30, 2018	-	100,000	-	10,000
On or before September 30, 2019	-	-	-	5,000

On March 31, 2014, Wayne Tyner gave up 4,155,861 shares in the Company in exchange for a Development agreement effective March 31, 2014. The agreement granted Wayne Tyner and his company 0997650 B.C Ltd the right to mine and mill on a portion of the Fran property.

On November 26, 2015, the Company and the Optionor extended the terms of the Option Agreement by one year. The above schedule reflects this extension. During the nine months ended April 30, 2016 the Company made advance royalty payments of $10,000; these amounts were capitalized.

Driftwood Claims

The Company entered into an option agreement (the “Option Agreement”) on July 7, 2014 to acquire a 90% interest in the Driftwood Claims (the “Driftwood Property”). Pursuant to the terms of the agreement and in order to complete the acquisition, MGX must complete the following:

- Perform $300,000 in exploration and development work by July 1, 2017;
- Pay $50,000 in cash to the vendors by July 1, 2016; and
- Issue 900,000 common shares of MGX to the vendors by July 1, 2016, (300,000 issued at fair value of $30,000 in July, 2014 and 300,000 at a fair value of $96,000 on June 24, 2015).

Longworth Silica Property

On July 21, 2015 the Company completed its acquisition of the Longworth Silica Property (“Longworth”) pursuant to which the Company has acquired a 100% undivided interest in Longworth. As per the terms of the acquisition the Company issued 700,000 common shares to Zimtu Capital Corp (“Zimtu"), the shares were fair valued at $350,000.

Koot Silica Property

On March 2, 2015, the Company entered into an Acquisition Agreement with American Manganese Inc. (“AMY”) to acquire 100% interest in 166 contiguous hectares located in the Golden mining district of southeastern British Columbia (the “Koot Claims”). Pursuant to the terms of the Acquisition Agreement, the Company issued 100,000 shares to AMY at the fair value of $14,000 and granted a 0.5% Net Smelter Royalty (“NSR”) on any future production to AMY. The Koot

Claims are also subject to a 0.5% NSR attributable to Andris Kikauka, a director of the Company.

Wonah Mineral Claims

On December 15, 2015 the Company entered into a Share Purchase Agreement to acquire a 100% undivided interest in the Wonah Mineral Claims ("Wonah"). In consideration the Company will issue 150,000 shares over a three-year period to the Company's non-independent Qualified Person Andris Kikauka and a third party. There are no underlying royalties. During the nine months ended April 30, 2016 the Company issued 50,000 shares as per the Share Purchase Agreement, the shares were fair valued at $11,000.

Lithium Property

During the nine months ended April 30, 2016 the Company entered into an agreement (the "Lithium Agreement") to acquire a 100% undivided interest in 12 metallic and industrial mineral permits and permit applications, encompassing 96,000 hectares in Alberta. As per the Lithium Agreement the Company must complete the following:

- Make cash payments of $20,000 on execution of the Lithium Agreement (paid);
- Issue 500,000 common shares of the Company within 10 days of execution of the Lithium Agreement (issued and fair valued at $60,000);
- Issue 500,000 common shares of the Company 12 months after execution of the Lithium Agreement and;
- Issue 500,000 common shares 24 months after the execution of the Lithium Agreement.

The Company has the right to accelerate the issuance of shares at any time after execution of the Lithium Agreement and prior to the 24 month anniversary by providing the vendor written notification.

Prospects and others

The Company currently holds the rights to several prospects, the acquisition costs associated to the prospects have been capitalized.

6. CRANBROOK MILL SITE

On September 29, 2015 the Company announced it has entered into a Definitive Agreement (the "Agreement") with Tembec ("Tembec") to acquire the Cranbrook mill site in Cranbrook, British Columbia, for $3.7 million. The side spans 38-hectares and the Company would use the location for the processing of industrial minerals.

(Unaudited - Expressed in Canadian dollars)

7. EQUIPMENT

	$
Cost:	
Balance, July 31, 2015 and April 30, 2016	**11,426**
Accumulated Depreciation:	
Balance, July 31, 2015	**452**
Depreciation	857
Balance April 30, 2016	**1,309**
Net Book Value:	
July 31, 2015	**10,974**
April 30, 2016	**10,117**

8. LOAN PAYABLE

As at April 30, 2016, the Company has a loan and accrued interest payable of $32,000 (July 31, 2015 - $30,200). During the year ended July 31, 2013 the Company entered into a loan agreement whereby the Company received a $25,000 loan bearing an interest rate of 9.6% with a maturity date of August 1, 2016. The loan of $25,000 plus any unpaid accrued interest are guaranteed by two directors of the Company. During the nine months ended April 30, 2016 $1,800 (2014 - $nil) interest expense was accrued.

9. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value

b) Financings

Financings during the nine months ended April 30, 2016 are as follows:

- On August 13, 2015 the Company closed a non-brokered private placement and issued 375,249 common shares at $0.30 per share, for gross proceeds of $112,575 and 49,850 flow-through shares at $0.335 per share, for gross proceeds of $16,700. The Company recorded a flow-through premium of $3,521. An additional 50,746 shares were issued to settle debt of $17,000, the shares were fair valued at $33,400 and the Company recorded a loss on debt settlement of $17,000.
- On October 1, 2015 the Company closed a non-brokered private placement and issued 430,000 units at $0.50 per unit, for gross proceeds of 215,000 and 42,364 flow-through units at $0.55 per unit, for gross proceeds of $23,300. The Company recorded a flow-through premium of $2,118. All of the units consisted of 1 common or flow-through share and 1 common share purchase warrant. The warrants have a useful life of 1 year and an exercise price of $0.65. The Company fair valued the warrants at $146,578.
- The Company incurred $10,594 of cash issue costs related to the above private placements.
- On January 7, 2016 the Company issued 550,000 common shares to settle debt of $82,500, the fair value of the shares at the date of issuance was $121,000 and the Company recorded a loss on debt settlement of $38,500.

(Unaudited - Expressed in Canadian dollars)

- On January 29, 2016 the Company issued 350,000 common shares to settle debt of $70,000, the shares were fair valued at $54,250 resulting in a gain on debt settlement of $15,750.
- On March 28, 2016 the Company issued 500,000 common shares as part of the Lithium Agreement; the shares were fair valued at $60,000.

c) Share purchase options

The balance of share purchase options outstanding and exercisable as at April 30, 2016 and July 31, 2015 and the changes for the periods then ended is as follows:

	Number of Options #	**Weighted Average Exercise Price $**	**Weighted Average Life Remaining (years)**
Balance, July 31, 2014	1,500,000	0.10	3.98
Issued	1,025,000	0.35	-
Exercised	(200,000)	0.10	-
Balance, July 31, 2015	2,325,000	0.21	2.90
Granted	700,000	0.46	
Balance, April 30, 2016	3,025,000	0.27	1.94

On October 1, 2015 the Company granted 300,000 options, vesting immediately, with an exercise price of $0.60, expiring on October 1, 2017. The options were fair valued using the Black-Scholes model with the following assumptions: risk-free rate 0.54%; expected life 2 years; forfeiture rate nil; volatility 146% and a dividend rate of nil. The Company recorded $125,952 as share-based expense related to the grant.

On October 7, 2015 the Company granted 200,000 options, vesting immediately, with an exercise price of $0.58, expiring on October 7, 2016. The options were fair valued using the Black-Scholes model with the following assumptions: risk-free rate 0.54%; expected life 1 year; forfeiture rate nil; volatility 146% and a dividend rate of nil. The Company recorded $62,160 as share-based expense related to the grant.

On February 18, 2016 the Company granted 200,000 options, vesting immediately, with an exercise price of $0.13, expiring on February 18, 2018. The options were fair valued using the Black-Scholes model with the following assumptions: risk-free rate 0.43%; expected life 2 years; forfeiture rate nil; volatility 178% and a dividend rate of nil. The Company recorded $20,509 as share-based expense related to the grant.

(Unaudited - Expressed in Canadian dollars)

As at April 30, 2016, the following share purchase options were outstanding and exercisable:

Outstanding	Exercise Price	Expiry Date
200,000	$0.58	October 7, 2016
300,000	$0.60	October 1, 2017
200,000	$0.13	February 18, 2018
900,000	$0.10	July 18, 2018
400,000	$0.10	July 22, 2018
1,025,000	$0.35	June 29, 2018
3,025,000	$0.27	

Subsequent to April 30, 2016, 100,000 share purchase options were exercised for proceeds of $13,000. Additionally, the Company granted 1,000,000 share purchase options with a useful life of 2 years and exercise price of $0.40.

d) Warrants

The balance of warrants outstanding and exercisable as at April 30, 2016 and July 31, 2015 and the changes for the periods then ended are as follows:

	Number of Warrants	**Weighted average exercise price $**
Balance, July 31, 2014	-	-
Issued	70,298	0.30
Balance, July 31, 2015	70,298	0.30
Issued	472,364	0.65
Balance April 30, 2016	542,662	0.60

The following table summarizes the warrants outstanding as at April 30, 2016:

Warrants	**Exercise Price**	**Expiry Date**
#	$	
472,364	0.65	October 1, 2016
70,298	0.30	July 21, 2017
542,662	0.60	

e) Flow-through obligation

Flow-through share arrangements entitle the holder of the flow-through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined under the *Income Act, Canada* ("Qualifying CEE"). During the calendar year ending December 31, 2015 the Company has received $192,500 of flow-through share proceeds and expects to renounce the full amounts at December 31, 2015. The Company will be required to incur $192,500 of Qualifying CEE by December 31, 2016 with respect to the flow-through shares previously issued. As at April 30, 2016 the Company had fulfilled its obligation to incur $192,500 of flow-through eligible expenses.

(Unaudited - Expressed in Canadian dollars)

The Company has recorded a flow-through premium liability of $21,310 related to the issuance of flow-through shares. This balance does not represent a cash liability to the Company but rather this balance will be amortized to the statement of comprehensive income or loss pro-rata with the amount of qualifying CEE that are incurred by the Company. As the Company has fulfilled its flow-through expenditure obligations the Company reversed the flow-through premium liability of $21,311.

10. RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the three and nine months ended April 30, 2016 and 2015:

	Three Months Ended April 30,		Nine months Ended April 30,	
	2016	2015	2016	2015
	$	$	$	$
Management fees	33,000	1,100	99,000	3,300
Geological fees	400	11,917	18,850	18,918
	33,400	13,017	117,850	22,218

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

As at April 30, 2016, the Company had $236,137 (2015 - $114,130) owing to related parties. A total payable of $232,813 (2015 - $110,106) was owed to directors and officers of the Company and companies owned by them. A payable of $960 (2015 - $960) was owed to a company with common directors and a payable of $3,064 (2015 - $3,064) was owed to a former parent company. All of the amounts are unsecured, non-interest bearing and due on demand.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts.

12. SUBSEQUENT EVENTS

- Subsequent to April 30, 2016 the Company closed a non-brokered private placement, issuing 6,150,000 units at $0.10 per unit for gross proceeds of $615,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share of the Company at an exercise price of $0.15. The warrants expire on May 5, 2018. As at April 30, 2016 the Company had received $510,000 in subscriptions.
- Subsequent to April 30, 2016 the Company also announced it had issued 2,680,000 common shares at $0.10 per share to settle outstanding debt of $268,000.
- The Company announced it had acquired additional lithium properties in Alberta, in consideration the Company must complete the following:
  - Cash payments of $20,000 at:

    - Closing of the agreement;
    - 12 months after closing;
    - 24 months after closing
- Issue 330,000 common shares of the Company at:
    - Closing of the agreement
    - 12 months after closing;
    - 24 months after closing

Additionally, the Company granted a 2% net smelter royalty, of which 1% may be repurchased by the Company for a one-time cash payment of $1,000,000.

Schedule “B”

Supplementary Information

[inserted in Schedule “A”]

Schedule "C"

Management's Discussion & Analysis

[inserted as following pages]

MGX MINERALS INC.
303 – 1080 Howe Street
Vancouver, BC V6Z 2T1
Tel.: (604) 681-7735

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2016

The following Management's Discussion and Analysis ("MD&A"), prepared as of June 29, 2016, should be read in conjunction with the unaudited condensed interim consolidated financial statements of MGX Minerals Inc. ("MGX" or "the Company") for the three and nine months ended April 30, 2016, together with the audited consolidated financial statements of the Company for the year ended July 31, 2015 and the accompanying MD&A for that fiscal year. The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. All financial amounts are stated in Canadian dollars unless stated otherwise.

Additional information relating to the Company and its operations is available under the Company's profile on SEDAR at www.sedar.com

FORWARD-LOOKING STATEMENTS

The Company's condensed interim consolidated financial statements for the three and nine months ended April 30, 2016, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

It is important to note that, unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of June 29, 2016.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions.

Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

The Company is an exploration stage company located at Suite 303, 1080 Howe Street, Vancouver, British Columbia, Canada, V6Z 2T1, engaged in the acquisition, exploration and development of mineral resource properties located in Canada.

On July 4, 2014, the Company completed a reverse takeover transaction (the "RTO" or the "Transaction") by Manto Gold Corp. ("Manto" or the "Subsidiary"). In connection with closing of the Transaction, "Defiant Minerals Corp." ("Defiant") changed its name to "MGX Minerals Inc." and Manto became the wholly-owned subsidiary of the Company.

OVERALL PERFORMANCE

Highlights:

- The main activity of the Company for the nine months ended April 30, 2016 was to continue conducting exploration and development activities on the Driftwood property and to acquire magnesite and lithium projects.
- The Company completed a drilling program on the Driftwood property during the nine months ended April 30, 2016.
- The Company entered into an agreement with Tembec ("Tembec") to acquire a mill site in Cranbrook, British Columbia, the Company is currently evaluating the site, see note 6 of the condensed interim consolidated financial statements for more information.

SUMMARY OF SELECTED ANNUAL INFORMATION

The following is a summary of certain selected audited consolidated financial information of the Company for the years ended July 31, 2015, 2014 and 2013.

	2015 $	2014 $	2013 $
Total revenues	-	-	-
Net loss	(1,155,140)	(309,613)	(309,613)
Net loss per share (basic and diluted) [1]	(0.04)	(0.00)	(0.00)
Mineral properties	926,129	444,429	496,466
Total assets	1,185,064	555,865	593,691
Long term liabilities	30,200	25,000	25,000
Working Capital	(208,948)	70,085	86,579

RESULTS OF OPERATIONS

The Company recorded a loss of $1,155,516 ($0.04 per share) for the nine months ended April 30, 2016 as compared to a loss of $300,392 ($0.01 per share) for the nine months ended April 30, 2015.

The increase in loss for the nine months ended April 30, 2016 is due to the following:

- Exploration expense of $350,857 (2015 - $139,291) increased as the Company increased exploration work on Driftwood, including excavation and bulk sampling.
- The Company incurred $160,236 (2015 - $20,049) of advertising and promotion expenses during the nine months ended April 30, 2016 as the Company increased its market presence.
- The Company incurred consulting fees of $159,137 (2015 - $14,455) as the Company focuses on developing its assets and continues to pursue new opportunities.
- The Company incurred management fees of $99,000 (2015 - $3,300) which consists of fees for the CEO and CFO.
- The Company recorded share-based compensation expense of $208,621 (2015 - $nil) during the nine months ended April 30, 2016.

Results of Operations – For the three months ended April 30, 2016

The Company recorded a loss of $206,143 ($0.01 per share) for the three months ended April 30, 2016 as compared to a loss of $52,402 ($0.01 per share) for the three months ended April 30, 2015.

The increase in loss for the three months ended April 30, 2016 is due to the following:

- Exploration expense of $54,649 (2015 - $23,432) increased as the Company increased exploration work on Driftwood, including excavation and bulk sampling.
- The Company incurred $58,809 (2015 - $1,549) of advertising and promotion expenses during the nine months ended April 30, 2016 as the Company increased its market presence.

- The Company incurred management fees of $33,000 (2015 - $1,100) which consists of fees for the CEO and CFO.

SUMMARY OF QUARTERLY RESULTS

The following table sets out financial information for the past eight quarters:

	Three Months Ended ($)			
	April 30, 2016	**January 31, 2016**	**October 31, 2015**	**July 31, 2015**
Loss and comprehensive loss	(206,143)	(439,151)	(510,222)	(854,748)
Basic and diluted loss per share*	(0.01)	(0.01)	(0.02)	(0.03)
Total assets	1,708,113	1,169,143	1,181,357	1,185,064
Working capital (deficit)	(128,694)	(430,507)	(159,492)	(208,948)

	Three Months Ended ($)			
	April 30, 2015	**January 31, 2015**	**October 31, 2014**	**July 31, 2014**
Loss and comprehensive loss	(52,402)	(131,387)	(116,603)	(245,330)
Basic and diluted loss per share*	(0.01)	(0.01)	(0.00)	(0.00)
Total assets	653,634	534,034	505,262	555,865
Working capital	117,385	(69,415)	6,482	70,085

* No exercise or conversion is assumed during the periods in which a loss is incurred, as the effect is anti-dilutive.

MINERAL PROPERTIES

The following table summarizes the Company's mineral property assets as at July 31, 2015 and April 30, 2016 and the changes for the periods then ended and exploration expenditures for the nine months ended April 30, 2016.

	Driftwood	**Fran**	**Lithium Projects**	**Silica Projects**	**Prospects, Needles & Others**	**Total**
	$	$	$	$	$	$
Deferred costs						
Balance, July 31, 2014	**30,000**	**414,429**	**-**	**-**	**-**	**444,429**
Paid in cash	20,231	-	-	-	2,733	22,964
Paid by issue of shares	96,000	-	-	364,000	13,222	473,222
Write-off of mineral property	-	-	-	-	(14,486)	(14,486)
Balance, July 31, 2015	**146,321**	**414,429**	**-**	**364,000**	**1,379**	**926,129**
Paid in cash	-	-	20,000	-	-	20,000
Paid by issue of shares	-	-	60,000	-	11,000	71,000
Advance royalty payment	-	10,000	-	-	-	10,000
Balance April 30, 2016	**146,321**	**424,429**	**80,000**	**364,000**	**12,379**	**1,027,129**
Exploration expenditures						
Consulting	10,410	-	16,058	-	-	26,468
Drilling	99,900	-	-	-	-	99,900
Excavation	119,404	-	-	-	-	119,404
Geological	48,856	-	11,000	3,245	647	63,748
License and fees	525	-	-	-	-	525
Miscellaneous	12,737	-	-	894	-	13,631
Scoping study	-	-	24,029	-	-	24,029
Travel & accommodation	3,152	-	-	-	-	3,152
Total at April 30, 2016	**294,984**	**-**	**51,087**	**4,139**	**647**	**350,857**

Fran Property *(British Columbia)*

The Company entered into an option agreement (the "Option Agreement") on May 24, 2013 and amended on June 30, 2013, to acquire a 100% undivided interest in the Fran Claims (the "Fran Property"). The Fran Property consists of 15 contiguous mineral tenures that are located within the Omineca Mining District 60 kilometres north of Fort St. James, British Columbia.

In order to acquire its 100% undivided interest in the Fran Property, the Company must pay Manto Resources Inc. (the “Optionor”) a total of $40,000 in cash, issue 24,877,310 shares of the Company to the Optionor and incur up to $100,000 of exploration expenditures on the property. The Optionor was a company controlled by a director of the Company.

On March 31, 2014, Wayne Tyner gave up 4,155,861 shares in the Company in exchange for a Development agreement effective March 31, 2014. The agreement grants Wayne Tyner and his company 0997650 B.C Ltd the right to mine and mill on a portion of the Fran property. The annual advance against net smelter return payments previously required of the Company is now the responsibility of 0997650 B.C Ltd starting March 31, 2015.

On November 26, 2015, the Company and the Optionor extended the terms of the Option Agreement by one year. During the nine months ended April 30, 2016 the Company made advance royalty payments of $10,000; these amounts were capitalized.

***Driftwood Claims** (British Columbia)*

The Company entered into an option agreement (the “Option Agreement”) on July 7, 2014 to acquire a 90% interest in the Driftwood Claims (the “Driftwood Property”). Pursuant to the terms of the agreement and in order to complete the acquisition, MGX must complete the following:

- Perform $300,000 in exploration and development work by July 1, 2017
- Pay $50,000 in cash to the vendors by July 1, 2016
- Issue 900,000 common shares of MGX to the vendors by July 1, 2016, (300,000 issued at fair value of $30,000 in July, 2014 and 300,000 at a fair value of $96,000 on June 24, 2015).

During the nine months ended April 30, 2016 the Company completed its phase II drilling program, with 12 diamond drill holes totalling 1,100 metres. The results of the program confirmed significant continuity of magnesite mineralization in the western zone of the property. The Company has mobilized a 100 tonne bulk sample which would represent the first bulk tonnage material removed from Driftwood Creek since 1978. Representative multi-tonne processed magnesium oxide will be tested and based on the outcome further shipments will be made.

Longworth Silica Property (*British Columbia)*

On July 21, 2015 the Company completed its acquisition of the Longworth Silica Property (“Longworth”) pursuant to which the Company has acquired a 100% undivided interest in Longworth. As per the terms of the acquisition the Company issued 700,000 common shares to Zimtu Capital Corp (“Zimtu"), the shares were fair valued at $350,000.

***Koot Silica Property** (British Colombia)*

On March 2, 2015, the Company entered into an Acquisition Agreement with American Manganese Inc. (“AMY”) to acquire 100% interest in 166 contiguous hectares located in the Golden mining district of southeastern British Columbia (the “Koot Claims”). Pursuant to the terms of the Acquisition Agreement, the Company issued 100,000 shares to AMY at the fair value of $14,000 and granted a 0.5% Net Smelter Royalty (“NSR”) on any future production to AMY. The Koot Claims are also subject to a 0.5% NSR attributable to Andris Kikauka, a director of the Company.

Wonah Mineral Claims

On December 15, 2015 the Company entered into a Share Purchase Agreement to acquire a 100% undivided interest in the Wonah Mineral Claims (“Wonah”). In consideration the Company will issue 150,000 shares over a three-year period to the Company’s non-independent Qualified Person Andris Kikauka and a third party. There are no underlying royalties. During the nine months ended April 30, 2016 the Company issued 50,000 shares as per the Share Purchase Agreement, the shares were fair valued at $11,000.

Lithium Property

During the nine months ended April 30, 2016 the Company entered into an agreement (the "Lithium Agreement") to acquire a 100% undivided interest in 12 metallic and industrial mineral permits and permit applications, encompassing 96,000 hectares in Alberta. As per the Lithium Agreement the Company must complete the following:

- Make cash payments of $20,000 on execution of the Lithium Agreement (paid);
- Issue 500,000 common shares of the Company within 10 days of execution of the Lithium Agreement (issued and fair valued at $60,000);
- Issue 500,000 common shares of the Company 12 months after execution of the Lithium Agreement and;
- Issue 500,000 common shares 24 months after the execution of the Lithium Agreement.

The Company has the right to accelerate the issuance of shares at any time after execution of the Lithium Agreement and prior to the 24 month anniversary by providing the vendor written notification.

Subsequent to April 30, 2016 the Company announced it had acquired additional lithium properties in Alberta, in consideration the Company must complete the following:

- Cash payments of $20,000 at:
    - Closing of the agreement;
    - 12 months after closing;
    - 24 months after closing
- Issue 330,000 common shares of the Company at:
    - Closing of the agreement
    - 12 months after closing;
    - 24 months after closing

Additionally, the Company granted a 2% net smelter royalty, of which 1% may be repurchased by the Company for a one-time cash payment of $1,000,000.

Prospects

The Company currently holds the rights to several prospects, the acquisition costs associated to the prospects have been capitalized.

OUTSTANDING SHARE DATA

Authorize: Unlimited common shares without par value

All share information is reported as of June 29, 2016 in the following table:

Type of Security	Number	Exercise Price ($)	Expiry Date
Issued and outstanding common shares	41,453,017	N/A	N/A
Stock options	900,000	0.10	July 18, 2018
Stock options	400,000	0.10	July 22, 2018
Stock options	1,025,000	0.25	June 29, 2018
Stock options	1,050,000	0.40	May 5, 2018
Stock options	100,000	0.13	February 18, 2018
Stock options	300,000	0.60	October 1, 2017
Stock options	200,000	0.58	October 7, 2016
Warrants	6,150,000	0.15	May 4, 2018
Warrants	70,298	0.30	July 21, 2017
Warrants	472,364	0.65	October 1, 2016
Total	52,120,679		

RELATED PARTY TRANSACTION

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the three and nine months ended April 30, 2016 and 2015:

	Three Months Ended April 30,		Nine months Ended April 30,	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Management fees	33,000	1,100	99,000	3,300
Geological fees	400	11,917	18,450	18,918
	33,400	13,017	117,850	22,218

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

As at April 30, 2016, the Company had $236,137 (2015 - $114,130) owing to related parties. A total payable of $232,813 (2015 - $110,106) was owed to directors and officers of the Company and companies owned by them. A payable of $960 (2015 - $960) was owed to a company with common directors and a payable of $3,064 (2015 - $3,064) was owed to a former parent company. All of the amounts are unsecured, non-interest bearing and due on demand.

LIQUIDITY AND SOLVENCY

The following table summarizes the Company's cash on hand, working capital and cash flow:

As at	**April 30, 2016**	**July 31, 2015**
	$	**$**
Cash	508,312	142,934
Working capital (deficiency)	(128,694)	(208,948)

For the nine months ended	**April 30, 2016**	January 31, 2015
	$	$
Cash provided by (used in) operating activities	(455,503)	(195,571)
Cash provided by investing activities	(33,000)	(1,010)
Cash provided by financing activities	853,881	109,500
Change in cash	365,378	(87,081)

FINANCING ACTIVITIES AND CAPITAL EXPENDITURES

Financings during the nine months ended April 30, 2016 are as follows:

- On August 13, 2015 the Company closed a non-brokered private placement and issued 375,249 common shares at $0.30 per share, for gross proceeds of $112,575 and 49,850 flow-through shares at $0.335 per share, for gross proceeds of $16,700. The Company recorded a flow-through premium of $3,521. An additional 50,746 shares were issued to settle debt of $17,000, the shares were fair valued at $33,400 and the Company recorded a loss on debt settlement of $17,000.
- On October 1, 2015 the Company closed a non-brokered private placement and issued 430,000 units at $0.50 per unit, for gross proceeds of 215,000 and 42,364 flow-through units at $0.55 per unit, for gross proceeds of $23,300. The Company recorded a flow-through premium of $2,118. All of the units consisted of 1 common or flow-through share and 1 common share purchase warrant. The warrants have a useful life of 1 year and an exercise price of $0.65. The Company fair valued the warrants at $146,578.
- The Company incurred $10,594 of cash issue costs related to share issuances
- On January 6, 2016 the Company issued 550,000 common shares to settle debt of $82,500, the fair value of the shares at the date of issuance was $121,000 and the Company recorded a loss on debt settlement of $38,500.
- On January 29, 2016, the Company issued 350,000 common shares to settle debt of $70,000; the shares were fair valued at $54,250 resulting in a gain on debt settlement of $15,750.
- On March 28, 2016 the Company issued 500,000 common shares as part of the Lithium Agreement, the shares were fair valued at $60,000. The Company also paid
- Subsequent to April 30, 2016 the Company closed a non-brokered private placement, issuing 6,150,000 units at $0.10 per unit for gross proceeds of $615,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share of the Company at an exercise price of $0.15. The warrants expire on May 5, 2018.
- Subsequent to April 30, 2016 the Company also announced it had issued 2,680,000 common shares at $0.10 per share to settle outstanding debt of $268,000.

The Company is dependent on the sale of treasury shares to finance its exploration activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

CAPITAL RESOURCES

The Company has no operations that generate cash flow and its long term financial success is dependent on discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital asset is a resource property. Exploration expenditures are expensed as incurred.

The Company's resource property agreement is an option agreement and the exercise thereof is at the discretion of the Company. To earn its interest in the properties, the Company must incur certain expenditures in accordance with the agreements (see "Mineral Properties" in this MD&A for more information).

The Company depends on equity sales to finance its exploration programs and to cover administrative expenses.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

PROPOSED TRANSACTIONS

The Company has no proposed transactions that will materially affect the performance of the Company.

ACCOUNTING POLICIES

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended July 31, 2015.

The following standard has been issued but is not yet effective:

Financial instruments
IFRS 9 – Financial instruments was issued by the IASB in October 2010 and will replace *IAS 39 – Financial instruments: recognition and measurement*. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

FINANCIAL INSTRUMENTS

The Company has classified its financial instruments as follows:

	April 30, 2016	July 31, 2015
	$	$
Loans and receivables:		
Cash	508,312	142,934
Financial liabilities, measured at amortized cost		
Accounts payable and accrued liabilities	547,424	329,779
Due to related parties	236,137	114,130
Loan payable	32,000	30,200
	815,561	474,109

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at April 30, 2016, the Company has a working capital deficit of $128,694 (July 31, 2015 - $208,948).

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company's receivables consist of GST receivable due from the Federal Government of Canada. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The loan payable of $25,000 bears an interest rate of 9.6% per annum with a maturity date of August 1, 2016. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Foreign currency exchange rate risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish mineral reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits, and may fail to meet its exploration commitments.

Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim financial statements for the three and nine months ended April 30, 2016 and this accompanying MD&A (together the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

OTHER

Additional information relating to the Company's operations and activities can be found by visiting www.sedar.com.

TRENDS

Trends in the industry can materially affect how well any junior exploration company is performing and by the capital markets which have made the raising of finance difficult. Company management believes that the trend remains positive and that prices will be higher over time.

OUTLOOK

The outlook for precious metals is good. The capital markets needed to access financing are challenging but management believes the Company will continue as a viable entity. The properties will require significant investment as they transition into development stage projects.