



For immediate release.

Mag One Files Restated Financial Statements and Management's Discussion and Analysis for the nine months ended June 30, 2017

MONTREAL QUEBEC, CANADA/27 December 2017. Would like to announce that as a result of a review by the British Columbia Securities Commission, we are issuing the following press release to clarify our disclosure.

The condensed consolidated interim financial statements of the Company as at June 30, 2017, and for the nine month period then ended, have been amended and restated to correct material errors and omissions in its prior filing due to incomplete accounting information. The Company discovered the deficiencies in the accounting information subsequent to filing and the issuance of the financial statements, and has restated the financial statements for the nine months ended June 30, 2017 using the updated and complete information. The following are the material revisions:

Financial Statements

- The financial statements have been restated to increase the Company's net loss by \$663,410 to \$1,311,638, and comprehensive loss by \$665,146 to \$1,314,919. The increase in the net and comprehensive loss is primarily due to:
 - The derecognition of \$148,500 government grant revenues as the terms of the associated grant had not been achieved as at June 30, 2017, with a corresponding increase in the advance from Investissement Quebec;
 - Accruals related to research and development, professional fees, and office expenditures incurred, but not paid as at June 30, 2017 of \$557,646; and
 - Derecognition of share-based compensation for options not granted.
- The Company's working capital deficit increased to \$1,063,458 from \$370,274 previously reported, due to cutoff issues and incomplete information. Balances and transactions were updated which are also reflected in their applicable updated notes to the Financial Statements
- Subscriptions received in advance of \$293,875 previously not recorded were incorporated
- The following disclosures were added or enhanced in the amended and restated financial statements:
 - Discussion on the Loan Receivable from MagBoard LLC ("MagBoard") in the amount of \$201,448 and its related terms of agreement was incorporated in Note 7 of the Financial Statements;
 - Discussion on the Advance from Investissement Quebec in the amount of \$148,500 in connection with \$495,000 in approved government funding was incorporated in Note 10 of the Financial Statements;

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- A statement of comprehensive loss for the three months ended June 30, 2017 and 2016 were previously omitted, and are now incorporated;
- A statement of cash flows was previously omitted, and is now included;
- Various subsequent events were disclosed including a related party debt settlement, the closing of a private placement of 7,775,000 units for gross proceeds of \$1,555,000, the acquisition of MagPower Systems Inc., the granting of four million stock options, the exercise of stock options and warrants by the CEO and a Company controlled by the CEO, and the entering of a corporate finance and corporate development contract; and
- Note 19, Restatement of the Consolidated Financial Statements was added which shows the changes on a line by line basis

Management's Discussion and Analysis

- Elaborated discussion on the results of operations and related research, consulting and operating expenses were incorporated;
- Additional discussion with respect to transactions with related parties was incorporated; and
- Where there were updates to the financial statements as noted above, corresponding updates to the Management's Discussion and Analysis were also made

Please refer to the amended Financial Statements and Management Discussion and Analysis for the nine months ended June 30, 2017, as filed on SEDAR for further details.

Signed: "Nelson M. Skalbania"
CEO and Chairman

Mag One Products Inc. is a company that aims to be a global leader in the magnesium (Mg) market by concentrating on four projects at its manufacturing plant sites in southern Quebec, Canada.

- I. Production of high -purity MgO, Silica and other saleable co-products, byproducts and compounds.*
 - II. Production of 99.9% pure Mg ingots.*
 - III. Magboard Products Inc., assembly and sale of MgO-based, structural insulated sheathing panels and wallboards.*
 - IV. MagPower's Mg-Air Fuel Cell for scalable emergency power on sea and land*
- Key advantages that these four projects share are Mag One's advanced technologies, a modular processing plant expansion concept, and the Company's easy access to tonnes of already-mined, serpentinite tailings.*

www.MagOneProducts.com

For further information or questions kindly contact the Company via email:

info@MagOneProducts.com and IR@MagOneProducts.com

Mag One listed on the CSE with the symbol, "MDD", the Börse Frankfurt stock exchange ("Frankfurt") with the ticker symbol "304" and the OTC with ticker symbol "MGPRF". The listings on the Frankfurt and OTC exchanges provide the company exposure to the European and U.S. markets and potential investors. Certain statements contained in this release may constitute "forward-looking statements" or "forward-looking information" (collectively "forward-looking information") as those terms are used in the Private

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