

MAG ONE PRODUCTS INC.

CSE:MDD Frankfurt:304 OTCQB: MGPRF

For immediate release.

Mag One Products Receives Contribution for Phase I from Investissement Québec

VANCOUVER, BRITISH COLUMBIA, CANADA/14 December 2016. **MAG ONE PRODUCTS INC.** (“Mag One” or the “Company”) was invited to a press conference on December 5th, in Québec, by the Member of Parliament for Richmond and the Parliamentary Assistant to the Prime Minister (Youth Component), Karine Vallières and, on behalf of the Deputy Prime Minister, Minister Responsible for Small and Medium Enterprises, Regulatory Relief and Regional Economic Development, Minister responsible for the Status of Women and Minister responsible for the Lanaudière region, Mrs. Lise Thériault.

It was announced at the press conference that Investissement Québec has been authorized to grant Mag One Operations Inc., (“Mag One Ops”) (the Company’s wholly-owned operating subsidiary) financial assistance, in the form of a non-refundable contribution of up to four hundred ninety-five thousand dollars (\$495,000.) under the Economic Diversification Fund – MRC des Sources Program. It was Mag One Ops’ President, Gillian Holcroft, who was instrumental in drafting and preparing the application for funding that was presented to the Ministry of the Economy, Science and Innovation, Attention M. Paul Berthold, Portfolio Manager, Regional Office, Southwest Quebec.

This significant contribution towards the first Phase of Mag One’s HydroMetallurgical Pilot Plant to produce high-purity magnesium oxide (“MgO”) and SiO₂ will go towards the purchase of essential pilot equipment, onsite Project Manager, labour and engineering costs. This pilot plant is essential to verify to potential customers and companies interested in offtake agreements, the grain size and quality of the products produced prior to pricing and quantities. The production of excellent quality and high-purity MgO is the precursor to the Company’s ultimate goal of producing Mg metal.



At the Press Conference in Québec: (l to r) 1. Dr. Jagmohan Singh, Consulting Geochemist 2. Dr. James Blencoe, Chief Technology Officer 3. Lucky Janda, CEO 4. Nelson Skalbania, Chairman 5. Mme Karine Vallières, Member of Parliament for Richmond and the Parliamentary Assistant to the Prime Minister 6. Ms. Gillian Holcroft, President of Mag One Operations Inc. 7. M. Jean Roy, Councilor and representative of the city of Asbestos on the council of Mayors of the MRC des Sources 8. M. Denys Pinard of Biobois Analytique, lab-scale testing 9. M. Gervais Soucy, Advisor and Professor at the University of Sherbrooke.

#145 - 925 Georgia Street West, Vancouver, BC V6C3L2 CANADA

T:+1.604.669.4771 F: +1.604.669.4731 E: info@MagOneProducts.com www.MagOneProducts.com



Page 2 of 2.
Mag One Products Inc.
14 December 2016.

The pilot plant is to be located adjacent to Mag One's 50-million tonne stockpile of 23% Mg (and Fe, Si, Ni) tailings and close to the Company's joint-venture project, **Magboard Products Inc.**, which will assemble value-added Mg-based construction panels which are better and easier to install than current wallboards. Owners and Directors of the 50% JV partner, MagBoard LLC, were also invited to Quebec to finalize assembly plant details, etc.

Both the Magboard and the MgO projects will bring a renewed vitality to the area and provide much needed jobs to the area and eventually create a Canadian supplier of Mg-products and alloys as over 85% of the world's current supply of Mg metal and all wallboard is produced in China. Mg use in autos and die-casting will increase as a way of reducing vehicle weights and by association, reductions in GHG emissions.

While in Quebec, the Company's Directors took the opportunity to hold a strategic meeting with various members of Mag One's Advisory, Scientific, Marketing, Investment and Development teams and partners to meet face-to-face for an in depth, critical review of the Company's MgO pilot plant schedule, latest testing and status of Magboard Products Inc.'s facility construction and investor meetings in New York City and Germany last week.

Mag One Products Inc. is a technology, processing and production company, that aims to be the diamond standard in the Magnesium (Mg) market by concentrating on three initial projects: I. Magnesium-based structural insulated sheathing panels; II. production of MgO, Mg(OH)₂ and other saleable co-products, byproducts and compounds; and III. production of 99.9% pure magnesium metal at the Company's ore and manufacturing plant site in southern Quebec, Canada. Mag One's advantages are its proprietary patent(s) pending technology, modular processing plant expansion concept and the fact that it has secured 50 Million tonnes of already mined, ongrade tailings which on average, contain 22% Mg (or 11 Million tonnes of Mg Metal) and pays only \$1.00/tonne, as it is used. This is sufficient ore for over 100 years of production at the targeted production levels of the Mg products.

Signed: Nelson M. Skalbania,
Chairman.

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") and the Xetra with the ticker symbol "304" and the OTCQB with ticker symbol "MGPRF". The listings on the Frankfurt and OTCQB 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 Securities Litigation Reform Act of 1995 and similar Canadian laws. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated", "anticipates" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the business of the Company, the Property, financing and certain corporate changes. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein. This news release does not constitute an offer of securities for sale in the United States. CSE has not reviewed this news release and does not accept responsibility for the adequacy or accuracy of the content of this news release. Issuers of news releases and not OTC Markets Group Inc. are solely responsible for the accuracy of such news releases.