

Public company listed on the CSE, Frankfurt/Xetra, and OTCQB stock exchanges.

Shares Issued and Outstanding: 34,335,281
 Warrants/Options: 6,328,611 (average \$1.00/share if exercised)
 Fully Diluted: 40,663,892



No debt in the Company

Mag One Products Inc., (“Mag One”) went public (via an RTO 2 years ago) and is best described as a production/technology company, not a mining company.

Tailings Site:

Mag One’s business is the processing of Magnesium (“Mg”) rich ore, already-mined to produce not only Mg metal, but various Mg-related compounds and byproducts.



WHY Mg NOW?

It was determined that the worldwide use of Mg and Mg products and alloys will steadily increase for several reasons and one country, China, has a virtual monopoly as it produces over 85% of the world’s Mg metal. Mg is 75% lighter than steel and 38% lighter than Aluminum (“Al”) and if we can produce it at the same price or less than the price of Al, its use in the 90 Million annual vehicles produced globally could increase from the current 4 lb. of Mg per car to over 300 lb.

Magnesium-based wallboard is currently made 100% in China. Mg-based panels are burn proof, water/mold proof, insect/termite proof and are erected faster and cheaper than current products such as drywall/gyproc, plywood, etc. The North American wallboard market is about 30 billion sq.ft/year.

WHERE: Benefits of Plant Operations in Quebec, CANADA. Mag One has secured a 50-million tonne stockpile of serpentinite tailings (22% Mg content) where they pay \$1.00/tonne, as they use it. The proposed plant operations’ site adjoins the tailings and is fully-serviced. Quebec has the cheapest electricity in North America and the site has a large skilled labour force available in the vicinity. The site is located on rail, road and only 30 miles from the world’s largest market for Mg, the USA. With NAFTA, there should be no countervailing duties to the U.S. whereas China has an almost 50% countervailing duty to export Mg to the U.S. Both the Quebec and local governments are strong supporters of Mag One making use of the tailings is a perfect example of reuse, reduce, recycle in turning a barren industrial landscape into a “Magnesium Valley” while creating jobs.

But the two most significant reasons why Mag One can achieve its target is a game-changing technology along with the novel modular plant expansion system where (unlike the typical Mg plant’s cost of One Billion dollars-plus before start of operations) we can commence several commercial operations for \$100Million within a one-year timeframe.

WHAT ARE MAG ONE’S PROJECTS AND PRODUCTS IN QUEBEC?

1. **Mg-based structural insulated sheathing panels**
 An assembly plant, operated by our subsidiary, Magboard Products Inc. Initial capacity to produce 30 million sq.ft of panels per year (1,000,000 panels.) At 25% capacity, the \$3Million capital cost is amortized in two years. Potential offtake agreements with large construction companies or developers/builders is contemplated.





Projects cont'd...

2. MgO Magnesium Oxide

A production plant to produce various grades of MgO, particularly high purity (99.9%). Several hundred uses of MgO in a wide range of industries and products and is the essential first step to producing Mg metal. Initial plant to produce 18,000 tonnes/year of MgO of which some 50% will be used to produce Mg metal, balance sold commercially.

3. Mg Metal Production

A Mg processing and production plant with an initial capacity of 5,000 tonnes/year (using 9000 tonnes/year of MgO) with a unique modular expansion design; as demand and financing is arranged, simply add more modules. Target is to net \$1000/tonne of Mg with an OPEX target of \$1400/tonne ultimately and a \$25 Million per module budget.



4. Mg-Air Battery

Agreement to acquire 100% of MagPower LLC. Some \$10 Million and ten years has been spent in developing a commercial Mg-Air battery. There are significant patents and Mag One's concept is to commercialize some of its products and science. Initial budget of \$1M.

SIX-MONTH BUDGET:

I. First Use of Funds:

Mag One's recent peer review by SNC-Lavalin noted that our tailings not only have 22% Mg, but also 18% Silica, 5% Fe and some Nickel. This result coupled with encouragement from both local and provincial Governments in Quebec as well as certain offtake customers lead to the decision to first construct a pilot plant to maximize our 50 million-tonne stockpile of serpentinite tailings. In this way, potential offtake customers would be able to see the quality (grain sizes, purity, etc.) of the products prior to entering an offtake agreement.

With a contribution of only \$1M from Mag One and support of the Quebec government suppliers and tech teams, this pilot plant should be ready in 5 months.

II. Second Use of Funds:

\$2Million to complete the Magboard P.I. assembly plant by March 2017.

III. Third Use of Funds:

Ongoing design, equipment sourcing, etc. of the final MgO and Mg production plants largely based on information gained and test results from the pilot plant. \$1.5Million required over six months.



Concluding Comments: It must be emphasized that Mag One's two main assets are not properly reflected on the balance sheet because of the methods they were secured. The 50M tonnes of 22% Mg tailings (value equivalent would be 23M oz. of Au (gold)). Yet on the balance sheet at \$100,000 as the Company only pays \$1.00/tonne of ore as it is used. Secondly, Mag One owns the technology (not optioned, no royalty) and the inventors/designers are only rewarded from net profits the technology generates.

Mag One's current financing priorities are to raise up to \$5M via a private placement plus \$10M via a convertible debenture.

a) 7M units @ \$0.70 with full warrants at \$0.80; one-year term. b) \$10M convertible debenture: interest at 8%, interest accrued, 5-year term and convertible to shares at \$1.00/share the first year and \$1.50/share thereafter.