

June 27, 2016

**MAGINDUSTRIES PROVIDES UPDATE ON MAGFORESTRY OPERATIONS AND
RESIGNATION OF DIRECTOR**

MagIndustries Corp. (Toronto, Ontario) ("MagIndustries" or the "Company") announced today that Eucalyptus Fibre Congo ("EFC"), the operating subsidiary of the MagForestry division of MagIndustries, received a notice from Ministry Forestry and Sustainable Development of Republic of Congo (the "Ministry") (le Ministère de l'Économie Forestière et du Développement Durable de la République du Congo), which requested an early termination of the long term leasing agreement dated October 1, 2004 under which EFC operates. Discussions between the Company and Congolese authorities continue on this matter and the Company will report further developments as they occur which developments may include a definitive termination of the forestry lease and any liabilities remaining with the Company or compensation due to the Company.

The Company also announced today the resignation of Mr. Jiang Qiang as a director of the Company.

About MagIndustries Corp.

MagIndustries is a Canadian company focused on the development of its potash assets in the Republic of Congo. More information on the Company is available on its website, www.magindustries.com

Forward Looking Information

Except for historical information, this press release contains forward-looking statements, which reflect the Company's current expectation regarding future events. These forward-looking statements involve risks and uncertainties, which may cause actual results to differ materially from those statements. Those risks and uncertainties include, but are not limited to, country policy and political risks, currency exchange risk, changing market conditions, force majeure events, and other risks detailed from time-to-time in the Company's ongoing filings. Specifically with respect to this press release, the Company does not know at this time how the discussions with the Congolese authorities will impact the Company. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under the Company's continuous disclosure obligations.

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