

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

CT Developers Ltd.
(the “CT” or “Company”)
1764 Rathburn Road East, Unit 1
Mississauga, ON L4W 2N8

Item 2. Date of Material Change

October 26, 2020

Item 3. News Release

A news release was disseminated on November 4, 2020 through Stockwatch and Baystreet and subsequently filed on SEDAR.

Item 4. Summary of Material Changes

The Company entered into a non-binding letter of intent (“LOI”) dated October 26, 2020 to acquire Magna Mining Corp. (“Magna”), a junior mining company focused on the acquisition, exploration and development of advanced and highly prospective polymetallic (Ni-Cu-PGM) deposits in Sudbury, Ontario in exchange for common shares of Magna (“Acquisition”).

The final structure of the Acquisition will be determined by the parties following receipt of tax, corporate and securities advice.

Item 5. Full Description of Material Change

Please see attached news release dated November 4, 2020.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For further information, please contact:
Norman Eyolfson
Chief Executive Officer
Telephone: 416-884-8601

Item 9. Date of Report

November 18, 2020

CT DEVELOPERS LTD.

Unit 1 – 1764 Rathburn Road East
Mississauga, Ontario L4W 2N8

CT DEVELOPERS LTD. ANNOUNCES PRIVATE PLACEMENT AND PROPOSED QUALIFYING TRANSACTION

November 4, 2020 – Vancouver, British Columbia (TSX-V: DEV.P). CT Developers Ltd. ("**CT**" or the "**Company**"), a capital pool company, is pleased to announce that it has entered into a letter of intent (the "**LOI**") dated October 26, 2020 with Magna Mining Corp. ("**Magna**"), which outlines the general terms and conditions of a proposed transaction (the "**Proposed Transaction**") that will result in CT acquiring all of the issued and outstanding shares of Magna (the "**Magna Shares**"), in exchange for shares of CT (each a "**CT Share**"). In addition, each convertible, exchangeable, or exercisable security of Magna shall be exchanged for a convertible exchangeable, or exercisable security, as applicable, of CT on substantially the same economic terms and conditions as the original convertible, exchangeable or exercisable security of Magna. The Proposed Transaction is currently expected to be completed by way of a three-cornered amalgamation or share exchange between CT and Magna or other similar transaction which will result in Magna becoming a wholly-owned subsidiary of CT.

The LOI will be superseded by a definitive agreement (the "**Definitive Agreement**") between CT and Magna with such agreement to include representations, warranties, conditions and covenants typical for a transaction of this nature. The Proposed Transaction is subject to, among other things, receipt of the requisite shareholder approval of Magna, final approval of the TSX Venture Exchange (the "**Exchange**") and standard closing conditions, including the conditions described below. The parties have agreed that during the period from signing the LOI through to execution of the Definitive Agreement, Magna will continue its operations in the ordinary course and that CT will not solicit or accept alternative offers (subject to fiduciary duties).

CT is a capital pool company (a "**CPC**") currently listed on the NEX because it did not complete a qualifying transaction ("**Qualifying Transaction**") pursuant to Policy 2.4 – *Capital Pool Companies* (the "**Policy**") of the Exchange Corporate Finance Manual. The Proposed Transaction will constitute the Company's Qualifying Transaction.

The Proposed Transaction is not a Non Arm's Length Qualifying Transaction pursuant to Section 2.1 of the Policy and, as such, the Company is not required to obtain shareholder approval for the Proposed Transaction. However, the Company intends to hold its annual and special meeting of shareholders to approve certain matters ancillary to the Proposed Transaction, including a name change, a consolidation of the CT Shares and change in the board of directors, upon closing of the Proposed Transaction ("**Closing**"), as well as standard annual meeting business.

Upon completion of the Proposed Transaction, CT will continue with the business of Magna and Magna will be its wholly-owned, subsidiary (the Company after the Proposed Transaction being referred to herein as the "**Resulting Issuer**").

Private Placement of CT Shares

Prior to and independent of the Proposed Transaction, CT intends to complete a non-brokered private placement of CT Shares for gross proceeds of \$200,000 by the issuance of 2,000,000 CT Shares at a price of \$0.10 per CT Share (the "**CT Placement**"). The CT Placement will be completed independently of the Proposed Transaction. The proceeds from the CT Placement will be used for general and administrative purposes.

Terms of the Proposed Transaction

It is currently anticipated that the Proposed Transaction will be effected by way of a share exchange or amalgamation whereby CT will acquire all of the issued and outstanding Magna Shares in consideration for the issuance to each shareholder of Magna (a "**Magna Shareholder**") of 1.625 CT Shares (the "**Exchange Ratio**") for each Magna Share held by such holder. Subject to shareholder approval, in connection with the Proposed Transaction, CT will complete a consolidation of the issued and outstanding CT Shares on the basis of 4 pre-consolidation CT Shares for 1 post-consolidation CT Share (the "**Consolidation**").

All CT Shares issued pursuant to the Proposed Transaction, except those certain CT Shares issued to U.S. persons who are affiliates (as defined in Rule 144(a)(1) under the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**")) of Magna at the time the Proposed Transaction is submitted for vote or consent by the shareholders of Magna, will be freely tradable under applicable securities legislation but may be subject to restrictions on resale imposed by the Exchange.

Certain of the CT Shares to be issued to Magna Shareholders pursuant to the Proposed Transaction, including up to 100% of the securities to be issued to "Principals" (as defined under applicable laws), may also be subject to escrow provisions imposed pursuant to the policies of the Exchange.

None of the securities to be issued pursuant to the CT Placement, Proposed Transaction or Financing have been or will be registered under the U.S. Securities Act, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

It is currently anticipated that all of the current officers and directors of CT will resign from their respective positions with CT and that the insiders of the Resulting Issuer will include: Jason Jessup, as a director and Chief Executive Officer, Derrick Weyrauch, as a director and Chief Financial Officer, Paul Fowler, as a Senior Vice President, and the following directors: Vern Baker, Carl DeLuca and John Seaman.

Concurrent Financing of Subscription Receipts

In connection with the Proposed Transaction, the parties intend to complete a brokered private placement financing (the "**Financing**") of subscription receipts for gross proceeds of approximately \$5,000,000 at an estimated price of \$0.65 per subscription receipt. Each subscription receipt will be converted into securities of CT on the basis of the Exchange Ratio. As a result, CT Shares issued on the conversion of the subscription receipts will be issued at an effective price of \$0.40 per CT Share after giving effect to the Consolidation and the Exchange Ratio. Once finalized, the specific terms of the Financing will be disclosed in a subsequent news release.

The proceeds of the Financing are intended to provide sufficient funds for: (1) the recommended work program provided for in Magna's most recent National Instrument 43-101 technical report; (2) general and administrative expenses for 12 months following the Closing; and (3) a minimum of \$100,000 in unallocated working capital.

Conditions to Proposed Transaction

The Proposed Transaction is expressly subject to: (i) a satisfactory due diligence review by each of CT and Magna; (ii) the negotiation, execution and delivery of a definitive agreement between the parties (the

"**Definitive Agreement**"); (iii) receipt of all necessary approvals, including without limitation from the Exchange, the board of directors of CT, the board of directors of Magna, the Magna Shareholders and the shareholders of CT, as required; and (iv) the satisfaction of the conditions to Closing to be set out in the Definitive Agreement.

The LOI may be terminated by either party if: (a) the Definitive Agreement is not executed on or before December 31, 2020; (b) the conditions become, in the commercial opinion of either party acting reasonably, impossible to fulfil; (c) either party is not satisfied with the results of their due diligence investigations of the other party; or (d) the parties mutually agree to terminate the LOI.

It is expected that upon Closing, the Resulting Issuer will be listed on the Exchange as a Tier 2 Mining Issuer. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

About Magna

Magna was incorporated under the *Business Corporations Act* (Ontario) on December 2, 2016. Magna is a junior mining company primarily focused on the acquisition, exploration and development of advanced and highly prospective polymetallic (Ni-Cu-PGM) deposits in the Sudbury region of Ontario, Canada. Magna's flagship asset is the past producing Shakespeare Mine (currently on care & maintenance) with year-round exploration access on their highly prospective 123 km² property position. Major permits and approvals are in place for the construction of a 4,500-tpd open pit mine, processing plant and tailings storage facility.

Jason Jessup exercises control or direction over 26.9% of the Magna Shares. No other Magna Shareholders currently hold more than 20% of the Magna Shares currently issued and outstanding.

Proposed Management of the Resulting Issuer

Subject to Exchange approval, on completion of the Proposed Transaction, it is currently anticipated that the board of directors of the Resulting Issuer will consist of five directors including: Jason Jessup, Derrick Weyrauch, Vern Baker, Carl DeLuca and John Seaman. Biographies of the proposed directors and officers of the Resulting Issuer are set out below.

Jason Jessup, MBA

Proposed CEO and Director of the Resulting Issuer

Mr. Jessup has 24 years of experience in the mining industry comprising operations management, corporate development and project evaluation. Mr. Jessup is the co-founder and President of Mine Management Partners Ltd., a consulting firm that provides management and technical services to the mining industry. Prior to co-founding and serving as CEO of Magna Mining Corp., Mr. Jessup held various positions at FNX Mining, Sandstorm Gold, Premier Royalty and INCO. Mr. Jessup is also an advisor to the board of directors of Ely Gold Royalties Inc. (TSXV: ELY).

Derrick Weyrauch, CPA CA

Proposed CFO and Director of the Resulting Issuer

Mr. Weyrauch is an experienced mining executive with over 30 years of international experience. Mr. Weyrauch is currently the CEO of Palladium One Mining Inc. (TSXV: PDM) and a non-executive director

at Cabral Gold Inc. Mr. Weyrauch has previously served as the CFO and non-executive director for a number of gold mining companies.

Paul Fowler, CFA

Proposed Senior Vice President of the Resulting Issuer

Mr. Fowler is an experienced capital markets professional who has worked with publicly listed Canadian companies in the mining sector for over 15 years. Mr. Fowler currently works as Head of Corporate Development and capital markets advisor for a TSX-listed gold exploration company. Mr. Fowler has previously held investment banking, corporate finance and equity sales positions for several prominent Canadian banks and brokerages, including National Bank Financial and Paradigm Capital.

Vern Baker, P. Eng., MBA

Proposed Director of the Resulting Issuer

Mr. Baker has over 30 years of experience in the mining sector. He is currently the CEO of Jaguar Mining (TSX: JAG) and previously served as General Manager of Goldcorp's Cerro Negro Mine, VP Operations at FNX Mining and President of Duluth Metals.

Carl DeLuca

Proposed Director of the Resulting Issuer

Mr. DeLuca was the Chief Legal Counsel for Detour Gold until the acquisition by Kirkland Lake Gold in January 2020. He has more than 13 years of experience with Vale (Inco) in various roles including Head of Legal, Corporae & Assistant Secretary. He is experienced in significant business transactions including complex M&A, JV and financing of projects.

John Seaman, ICD.D

Proposed Director of the Resulting Issuer

Mr. Seaman ICD.D is an accomplished executive with more than 22 years of experience in the mining industry from exploration through development and production. Mr. Seaman is currently the Lead Director of Premier Gold Mines (TSX: PG). Mr. Seaman served as the CFO of Premier Gold Mines from 2006-2012.

Sponsorship

Sponsorship of a qualifying transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies. The parties will be seeking a waiver of any requirement for a sponsor and expects to obtain an exemption. In the event a waiver is not available, CT will seek a sponsorship relationship for the Proposed Transaction with an Exchange member firm, and will update the markets accordingly.

Trading Halt

Upon the execution of the LOI, the CT Shares were halted. It is expected that the CT Shares will remain halted until completion of the Proposed Transaction.

Other Information and Updates

CT and Magna will continue to provide further details in respect of the Proposed Transaction, in due course, by way of news releases.

For further information, please contact:

CT Developers Inc.

Norman Eyolfson, President & CEO
(416) 604-7620

Magna Mining Corp.

Jason Jessup, CEO
jason.jessup@magnamining.com

All information contained in this news release with respect to CT and Magna was supplied by the parties, respectively, for inclusion herein, and CT and its directors and officers have relied on Magna for any information concerning such party.

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

This news release contains forward-looking statements relating to the timing and completion of the Proposed Transaction, the future operations of the Company, Magna, and the Resulting Issuer and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Proposed Transaction and the future plans and objectives of the Company, Magna, and the Resulting Issuer are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the expectations of the Company, Magna, and the Resulting Issuer, include the failure to satisfy the conditions to completion of the Proposed Transaction set forth above and other risks detailed from time to time in the filings made by the Company, Magna, and the Resulting Issuer with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, Magna, and the Resulting Issuer. As a result, the Company, Magna, and the Resulting Issuer cannot guarantee that the Proposed Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company, Magna, and the Resulting Issuer will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.