

**Magna Mining (Canada) Corp.
(formerly Magna Mining Corp.)**

**Unaudited Condensed Consolidated Interim
Financial Statements for the three months
ended March 31, 2021 and March 31, 2020**

(Expressed in Canadian dollars)

NOTICE OF NON-REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements, they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The attached condensed interim financial statements for the three months ended March 31, 2021 and March 31, 2020 have not been reviewed by the Company's auditors.

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Condensed Consolidated Interim Statements of Financial Position
As at March 31, 2021 and December 31, 2020
(Unaudited - Expressed in Canadian dollars)

	Notes	March 31, 2021	December 31, 2020
ASSETS			
Current			
Cash		\$ 636,578	\$ 1,520,933
Accounts receivable		124,378	64,856
Other assets	9, 12	705,930	391,192
Prepaid expenses		48,464	68,718
Total current assets		1,515,350	2,045,699
Non-current			
Restricted cash	3	657,334	657,262
Equipment	4	41,458	40,776
Total non-current assets		698,792	698,038
Total assets		\$ 2,214,142	\$ 2,743,737
LIABILITIES			
Current			
Accounts payable and accrued liabilities	6	\$ 627,558	\$ 858,392
Flow-through premium payable		-	10,853
Total current liabilities		627,558	869,245
Non-current			
Asset retirement obligation	7	685,241	680,985
Term loan	8	27,781	27,471
Total non-current liabilities		713,022	708,456
Total liabilities		1,340,580	1,577,701
Shareholders' Equity (Deficiency)			
Share capital	9	4,620,794	4,614,474
Contributed surplus		569,292	559,269
Warrants reserve		406,329	263,018
Deficit		(4,722,853)	(4,270,725)
Total shareholders' equity (deficiency)		873,562	1,166,036
Total shareholders's equity and liabilities		\$ 2,214,142	\$ 2,743,737

Going concern (note 1)
Subsequent events (note 17)

"Jason Jessup" Director

"Derrick Weyrauch" Director

See accompanying notes to the condensed consolidated interim financial statements

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
For the three months ended March 31, 2021 and March 31, 2020
(Unaudited - Expressed in Canadian dollars)

		For the three months ended	
	Notes	March 31, 2021	March 31, 2020
Operating expenses			
General and administrative	11	163,998	53,820
Exploration and evaluation		291,826	71,303
Shakespeare maintenance		16,337	31,794
Environmental		17,567	27,170
Accretion of asset retirement obligation		4,256	4,151
Depreciation of equipment		750	901
Total operating expenses		494,734	189,139
Other income			
Foreign exchange gain (loss)		5,436	(41,548)
Flow-through premium	9	10,853	-
Consultancy		26,240	-
Miscellaneous		-	5,000
Interest		77	3,607
Total other income (loss)		42,606	(32,941)
Net and comprehensive loss		\$ 452,128	\$ 222,080
Basic loss per common share	10	\$ 0.02	\$ 0.01
Diluted loss per common share		\$ 0.02	\$ 0.01
Weighted average number of outstanding shares			
Basic		27,119,418	22,881,768
Diluted		27,119,418	22,881,768

See accompanying notes to the condensed consolidated interim financial statements

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)
For the three months ended March 31, 2021 and March 31, 2020
(Unaudited - Expressed in Canadian dollars)

	Number of shares	Share capital	Contributed surplus	Warrants reserve		Total equity Deficit (deficiency)
Balance at December 31, 2019	22,770,783	\$ 2,586,845	\$ 112,750	-	\$ (3,179,651)	\$ (480,056)
Balance at January 1, 2020	22,770,783	\$ 2,586,845	\$ 112,750	-	\$ (3,179,651)	\$ (480,056)
Comprehensive loss for the period	-	-	-	-	(189,139)	(189,139)
Shares issued for cash	278,000	152,900	-	-	-	152,900
Shares issued to settle debt	363,636	200,000	-	-	-	200,000
Flow-through shares issued	200,000	110,000	-	-	-	110,000
Share-based compensation	-	-	12,370	-	-	12,370
Balance at March 31, 2020	23,612,419	3,049,745	125,120	-	(3,368,790)	(193,925)
Balance at December 31, 2020	27,119,418	4,614,474	559,269	263,018	\$ (4,270,725)	\$ 1,166,036
Balance at January 1, 2021	27,119,418	4,614,474	559,269	263,018	\$ (4,270,725)	\$ 1,166,036
Comprehensive loss for the period	-	-	-	-	(452,128)	(452,128)
Share issuance costs adjustment	-	6,320	-	-	-	6,320
Share-based compensation	-	-	10,023	-	-	10,023
Warrants reserve	-	-	-	143,311	-	143,311
Balance at March 31, 2021	27,119,418	\$ 4,620,794	\$ 569,292	406,329	\$ (4,722,853)	\$ 873,562

See accompanying notes to the condensed consolidated interim financial statements

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Condensed Consolidated Interim Statement of Cash Flows
For the three months ended March 31, 2021 and March 31, 2020
(Unaudited - Expressed in Canadian dollars)

	March 31, 2021	March 31, 2020
Operating activities		
Net and comprehensive loss for the period	\$ (452,128)	\$ (222,080)
Items not requiring an outlay of cash:		
Depreciation of equipment	750	901
Flow through premium	(10,853)	-
Unrealized foreign exchange loss (gain)	(5,436)	41,548
Share-based compensation	10,023	12,369
Accretion of asset retirement obligation	4,256	4,151
Interest income	(77)	(3,607)
Forgiveness of term loan and other	310	-
	(453,155)	(166,718)
Net change in non-cash working capital balances		
Accounts receivable	(59,517)	15,222
Prepaid expenses	20,254	818
Accounts payable and accrued liabilities	(225,398)	(10,509)
	(264,661)	5,531
Net cash used in operating activities	(717,816)	(161,187)
Financing activities		
Deferred financing costs	(171,427)	-
Loan from related party	-	-
Issuance of common shares, net of costs	6,320	268,462
Cash provided by financing activities	(165,107)	268,462
Investing activities		
Purchase of equipment	(1,432)	-
Cash used in investing activities	(1,432)	-
Increase (decrease) in cash during the year	(884,355)	107,275
Cash at the beginning of the period	1,520,933	163,671
Cash at the end of the period	\$ 636,578	\$ 270,946
Supplemental cash flow information		
Flow-through premium	\$ 28,000	\$ -
Share issued to settle debt	\$ -	\$ 200,000
Warrants issued	\$ 143,311	\$ -

See accompanying notes to the condensed consolidated interim financial statements

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

1. Reporting entity

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.) (“Magna” or the “Company”) was incorporated on December 2, 2016 under the Ontario Business Corporations Act. Its principal business activity is the acquisition, exploration and development of mineral properties, with a primary focus on base-metal properties in Canada.

The Company's registered office is located at 45 Oak Street, PO Box 130, Dowling, ON P0M 1R0.

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition and exploration of mineral properties. The eventual generation of revenue is dependent upon a number of factors including the existence of recoverable reserves, the ability of the Company to obtain financing to maintain the properties in good standing and to continue exploration and development and the discovery of economically recoverable reserves. To date, the Company has not generated any revenue from mining or other operations, and it is considered to be in the exploration stage.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, which assumes the Company will be able to realize its assets and settle its liabilities in the normal course of business. For the period ended March 31, 2021, the Company reported a net loss of \$452,128 (2020 - \$1,091,074), and as at that date had net working capital of \$887,792 (2020 - \$1,176,454) and an accumulated deficit of \$4,722,853 (December 31, 2020 - \$4,270,725)

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from loans or equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will be successful in this regard. These events and conditions indicate a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Company's environment and markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Company's operations and the ability to finance its operations. The extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at this time. Additionally, it is possible that estimates in the Company's consolidated financial statements will change in the near term as a result of COVID-19. The Company is closely monitoring the impact of the pandemic on all aspects of its business.

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

2. Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements were prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Reporting and should be read in conjunction with the Company's audited consolidated financial statements as at and for the fiscal year ended December 31, 2020 ("last annual financial statements"), which were prepared in accordance with International Financial Reporting Standards ("IFRS").

The Board of Directors authorized these consolidated interim financial statements for issuance on May 26, 2021.

(b) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of Magna Mining (Canada) Corp. (formerly Magna Mining Corp.) and its 100% owned subsidiary Ursa Major Minerals Inc.

All intercompany transactions and balances have been eliminated upon consolidation.

A subsidiary is an entity which Magna controls. The Company has control over an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

A subsidiary is fully consolidated from the date on which control is obtained by the Company and is deconsolidated from the date that control ceases.

(c) Basis of presentation

These condensed interim consolidated financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2020 annual financial statements, other than as noted below. The notes presented in these interim condensed financial statements include in general only significant changes and transactions occurring since the Company's last year end, and are not fully inclusive of all disclosures required by IFRS for annual financial statements. These financial statements should be read in conjunction with the Company's last annual financial statements as at December 31, 2020 and for the year then ended.

(d) Functional and presentation currency

In concluding the functional currencies of the parent and its subsidiary Company, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. The Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional currency of Magna Mining (Canada) Corp. (formerly Magna Mining Corp.) and Ursa Major Minerals Inc.

(e) Recently adopted and applicable accounting standards and policies

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

New standards and interpretations

IAS 1: Presentation of Financial Statements & IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

In October 2018, the IASB issued “Definition of Material”, an amendment to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, to clarify the definition of material and to align the definition used in the Conceptual Framework and the standards themselves. Materiality is defined as “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” This amendment is effective for the annual period beginning January 1, 2020. The Company has adopted IAS 1 and IAS 8 as of January 1, 2020, with no impact on its consolidated financial statements.

New standards not yet adopted

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (“Amendments to IAS 1”). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted.

Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract

In May 2020, the IASB issued Onerous Contracts – Cost of Fulfilling a Contract (“Amendments to IAS 37”) amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment is effective for annual reporting periods beginning on or after January 1, 2022.

The Company does not expect these new standards not yet adopted to have a material impact on the consolidated financial statements in the period of initial application.

3. Restricted cash

Restricted cash represents a cash security deposit with the Ontario Ministry of Energy Northern Development and Mines (“MNDM”) in connection with the Stage One Mining Closure Plan on the Shakespeare Mine.

4. Equipment

The carrying value of equipment and the changes in the carrying value are as follows:

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

	Computer equipment	Fencing	Equipment	Motor vehicles	Total
a) Cost					
At December 31, 2020	\$ 1,379	\$ 44,688	\$ 5,400	\$ 4,600	\$ 56,067
Additions	1,434	-	-	-	1,434
At March 31, 2021	\$ 2,813	\$ 44,688	\$ 5,400	\$ 4,600	\$ 57,501
b) Accumulated depreciation					
At December 31, 2020	\$ 41	\$ 5,251	\$ 5,400	\$ 4,600	\$ 15,292
Depreciation	192	558	-	-	750
At March 31, 2021	\$ 233	\$ 5,809	\$ 5,400	\$ 4,600	\$ 16,042
c) Carrying amounts (a-b)					
At December 31, 2020	\$ 1,338	\$ 39,438	\$ -	\$ -	\$ 40,776
At March 31, 2021	\$ 2,580	\$ 38,879	\$ -	\$ -	\$ 41,459

Depreciation expense of \$ 750 and \$901 were recorded for the three months ended March 31, 2021 and 2020, respectively.

5. Mineral properties

The Company's primary mineral property is the Shakespeare Mine.

All of the Company's properties are located near Sudbury, Ontario, Canada.

The Company is required to make a \$24,000 per year advance royalty payment in order to maintain certain property agreements in good standing, as outlined below. The Company is also required to make statutory licence and property tax expenditures each year to maintain its properties in good standing.

a) Shakespeare Property

The Company has a 100% interest in the Shakespeare Mine consisting of six claims and three leases. The Shakespeare Mine contains a nickel, copper, platinum group metal resource.

During the financial year ended January 31, 2011, Ursa declared commercial production at the Shakespeare Mine. Subsequently, Ursa suspended production and the mine remains on care and maintenance.

Various exploration mineral claims that surround the Shakespeare Mine are subject to an 84/16 joint venture between the Company and Glencore International PLC.

b) Stumpy Bay Property

The Company owns a 100% interest in three claims known as the Stumpy Bay Property, located in the Shakespeare and Baldwin Townships, Ontario. Nickel Creek Platinum Corp. has a 0.5% Net Smelter Return Royalty of which 100% can be repurchased by the Company for \$250,000.

Prior vendors have retained a 2% Net Returns Royalty. Aggregate advance royalty payments of \$200,000 were paid by the former operator and no further advance royalty obligation exist. The Company has the right to purchase one half of the royalty for \$750,000.

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

Glencore International PLC has elected to include this property as part of the Shakespeare agreement and accordingly it holds a 16% interest in the Stumpy Bay Property.

c) Porter Baldwin Property

The Company has staked 62 mining claims in the Agnew Lake area that are contiguous with the Shakespeare Mine noted above and are 100% owned by the Company.

The Company has granted a 0.5% Net Returns Royalty, 100% of which can be repurchased for \$250,000.

d) Porter Option

The Company has a 100% interest in certain mineral claims known as the Porter Option, located in the Shakespeare, Dunlop and Porter Townships, Ontario. The optionor has retained a 2% Net Returns Royalty. Advance royalty payments of \$24,000 per year commenced January 15, 2007.

The Company has the right to purchase one-half of the royalty for \$1,000,000.

e) Shining Tree Property

The Company has a 100% interest in 39 mineral claims known as the Shining Tree Property, located in Fawcett Township, Ontario. The optionor has retained a 1% Net Returns Royalty. The Company has the right to purchase one-half of the royalty for \$500,000. Nickel Creek Platinum Corp. has a 0.5% Net Smelter Return Royalty of which 100% can be repurchased by the Company for \$250,000.

f) Spanish River Option Property

The Company has a 100% interest in 7 claim units located in Baldwin Township, Ontario collectively known as the Spanish River Option. Magna will be required to complete cumulative exploration expenditures totaling \$100,000 prior to the third anniversary date of signing. The Optionor will retain a 1.5% NSR royalty which Magna can repurchase 50% (0.75%) for \$1,000,000 at anytime.

g) Fox Mountain

The Company has staked 14 mining claims in the Thunder Bay Mining Division of Ontario. The Company has granted a 0.5% Net Returns Royalty, 100% of which can be repurchased for \$250,000.

The Fox Mountain property was disposed of in February 2020 for gross proceeds of \$5,000

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

6. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of:

	March 31, December 31,	
	2021	2020
Trade accounts payable	\$ 45,449	\$ 190,807
Accrued liabilities and other payables	582,109	667,585
	\$ 627,558	\$ 858,392

7. Asset retirement obligation

The Company's provision for closure and reclamation costs is based on management's estimates of the discounted costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred.

The Company has estimated its total provision for closure and reclamation to be \$685,241 at March 31, 2021 (December 31, 2020 - \$680,985), using an inflation rate of 2.50% (2020 - 2.50%) and a discount rate of 2.70% (2020 - 2.70%) over the period of 7 years.

The following is an analysis of the provision for closure and reclamation:

Balance, December 31, 2019	\$ 664,223
Accretion	16,762
Balance, December 31, 2020	\$ 680,985
Accretion	4,256
Balance, March 31, 2021	\$ 685,241

8. Government loan

On April 17, 2020, the Company received a \$40,000 loan under the Canada Emergency Business Account ("CEBA") program. The loan is guaranteed by the Canadian government, unsecured, and interest-free through December 31, 2022. \$10,000 is eligible for forgiveness, contingent on the Company repaying \$30,000 on or before December 31, 2022. During the period ended September 30, 2020, the Company recognized \$10,000 as other income for the forgivable portion of the loan. If \$30,000 isn't repaid on or before December 31, 2022, \$40,000 (including the forgivable amount) will be converted to a three-year term loan maturing on December 31, 2025 and bearing interest at 5% per annum with monthly interest-only payments. As at March 31, 2021, the principal balance owing on the loan was \$40,000 (December 31, 2020 - \$40,000).

The funds from the CEBA program must only be used to pay non-deferrable operating expenses such as payroll, rent, utilities, insurance, property tax and regularly scheduled debt service, and may not be used to fund any costs such as prepayment or refinancing of existing indebtedness, payments of dividends and distributions, and/or increases in management compensation.

The loan was fair valued and the difference of \$3,712 between the proceeds and fair value was recognised in the profit or loss.

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

9. Share capital

Authorized Share Capital:

The authorized share capital of the Company is comprised of an unlimited number of Common Shares without par value.

On March 19, 2020 the Company closed a private placement financing pursuant to which a total of 265,999 shares were issued at a price of \$0.55 per share, for gross proceeds of \$146,301.

On March 19, 2020 the Company closed a private placement financing pursuant to which a total of 200,000 flow-through common shares were issued at a price of \$0.69 per share, for gross proceeds of \$138,000, of which \$110,000 was allocated to share capital and \$28,000 was allocated to flow-through premium. \$10,853 of the flow-through premium was recognised in other income during the three months ended March 31, 2021. At March 31, 2021, the Company completed outstanding commitment to recognise the remaining flow-through premium. Finder's fees of 12,000 common shares were paid in connection with this financing at a price of \$0.55 per share, for gross aggregate total of \$6,600. Legal fees of \$10,008 was incurred with respect to the flow-through financing.

On March 19, 2020 the Company settled a related party loan of \$194,439 through the issuance of common shares. The Company issued a total of 363,636 common shares at an issue price of \$0.55 per share.

On November 2, 2020, the Company issued 25,000 shares of Magna at their fair value of \$13,750 in connection with the purchase of the Spanish River Option. See note 5(f).

On November 13, 2020, Magna completed a private placement at a price of \$0.50 per common share for gross proceeds of \$1,692,500 and issued 3,385,000 common shares. Share issue costs in respect of the issuance amounted to \$125,011 including \$91,950 of cash finder's fees.

During the three-months ended March 31, 2021, the Company incurred transaction costs of \$171,427 (2020 - \$128,174) in connection with the Go-Public transaction completed on May 4, 2021. These costs are included in other assets.

10. Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2021 was based on the loss attributed to common shareholders of \$452,128 (2020 - \$222,080) and the weighted average number of common shares outstanding of 27,119,418 (2020 – 22,881,768).

11. Stock options

The directors of the Company have approved the a Stock Option Plan, which contemplates the granting of Options to directors, senior officers, employees and consultants of the Company and its subsidiary, Ursa. The Stock Option Plan is intended to provide an incentive to eligible persons to acquire a proprietary interest in the Company, to continue their participation in its affairs and to increase their efforts on its behalf. The Stock Option Plan is administered by the Magna Board.

The aggregate number of Shares reserved for issuance under the Stock Option Plan may not exceed 10% of the issued and outstanding common shares on the date of grant.

Details of the stock options issued during the period are as follows:

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

	March 31, 2021		March 31, 2020	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding beginning of period	2,675,000	\$ 0.38	1,272,000	\$ 0.33
Issue during the period	-	-	-	-
Exercised during the period	-	-	-	-
Outstanding end of period	2,675,000	\$ 0.38	1,272,000	\$ 0.33
Vested and exercisable	2,534,589	\$ 0.37	1,072,959	\$ 0.29

Grant Date	Expiry Date	Numbers of options outstanding	Weighted average remaining life in years	Exercise Price	Number of options exercisable
1/8/2018	1/8/2023	425,000	1.78	\$ 0.10	425,000
10/1/2018	10/1/2023	200,000	2.50	\$ 0.35	200,000
11/29/2019	11/28/2022	550,000	1.66	\$ 0.55	550,000
11/6/2020	12/7/2023	1,000,000	2.69	\$ 0.35	1,000,000
11/6/2020	11/6/2023	500,000	2.60	\$ 0.48	359,589
		2,675,000	2.30	\$ 0.38	2,534,589

On November 6, 2020, the Company granted 1,500,000 stock options to employees and directors. 1,000,000 of these stock options have a term of 3-years, vest immediately and have an exercise price of \$0.35 per common share, 200,000 stock options have a term of 3-years, vest immediately and have an exercise price of \$0.45 per common share and 300,000 stock options have a term of 3-years, vest one-third immediately and one-third annually thereafter and have an exercise price of \$0.50 per common share.

The aggregate of the estimated fair values of options granted in the three months ended March 31, 2021 is \$NIL (2020 – 448,824) The weighted average inputs to the Black-Scholes Option Pricing model are as follows:

	2021	2020
Dividend	-	NIL
Expected volatility	-	85%
Risk-free interest rate	-	0.27%
Expected life (months)	-	36
Exercise price	-	\$0.35 - \$0.50
Spot price	-	\$0.50

Expected volatility was determined by calculating the historical volatility of similar public companies over the same period as the expected life of the options.

The Company recognized total stock-based compensation expense of \$10,024 for the three months ended March 31, 2021 (2020 - \$446,519) within general and administrative expenses.

The Company recognized total expenses of \$3,341 for the three-month period ended March 31, 2021 (2020 - \$2,114) which relates to key management personnel.

Magna Mining (Canada) Corp. (formerly Magna Mining Corp.)
Notes to the Condensed Consolidated Interim Financial Statements
Period Ended March 31, 2021
(Unaudited – Expressed in Canadian dollars)

12. Warrants

On October 26, 2020, the Company issued 3,000,000 common share purchase Warrants (the "Magna Warrants"), to consultants as consideration for services, on terms which include: (i) a vesting provision such that the Magna Warrants shall not vest unless a Go-Public Transaction and prior to or concurrent with the closing of the Go-Public Transaction, an offering of Units of Magna, with each Unit comprised of one common share and one-half of one common share purchase warrant, for minimum aggregate gross proceeds of \$5,000,000 are closed at least two business days before the expiry of the Magna Warrants and (ii) exercise of the Magna Warrants will be conditional upon, among other things, the Warrant holders entering into lock-up agreements.

Each Magna Warrant is exercisable to acquire, subject to adjustment as provided for in the warrant certificate evidencing such Magna Warrants, one Magna Share at a price of \$0.10 per share at any time prior to October 26, 2022. On completion of the Transaction, each Magna Warrant issued to the Consultants will be exchanged for CT Exchange Warrants on the basis of the Exchange Ratio (such warrants to be referred to as Resulting Issuer Warrants following the Closing). Based on the existing terms of the Magna Warrants, after giving effect to the Exchange Ratio, the Consultants would receive an aggregate of 4,875,000 Resulting Issuer Warrants in connection with the transaction, each Resulting Issuer Warrant entitling the holder thereof to acquire one Resulting Issuer Share at an effective exercise price of \$0.06 per share.

The Company recognised deferred transaction costs of \$143,311 as at March 31, 2021 (December 31, 2020 - \$263,018) within other assets, relating to the vested portion of the warrants granted in anticipation of the Go-Public and \$7,000,500 financing transactions.

The outstanding warrants and the respective changes during the year are summarised as follows

	March 31, 2021		December 31, 2020	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding beginning of period	3,000,000	\$ 0.10	3,000,000	\$ 0.10
Issue during the period	-	-	-	-
Exercised during the period	-	-	-	-
Outstanding end of period	3,000,000	\$ 0.10	3,000,000	\$ 0.10
Vested and exercisable	-	\$ -	-	\$ -

The warrants outstanding at March 31, 2020 and December 31, 2020 had a weighted average exercise price of \$0.10, and a weighted average remaining contractual life of 1.57 years (2020 – 1.82 years). The estimated vesting date of the warrants as at March 31, 2021 is May 4, 2021 and August 2021 as at December 31, 2020. The aggregate of the estimated fair values of the warrants granted in 2020 is, as at March 31, 2021 \$494,888 (2020 - \$1,231,401). The weighted average inputs to the Black-Scholes Option Pricing model are as follows:

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	2021	2020
Expected volatility	-	85%
Risk-free interest rate	-	0.23%
Expected life (months)	-	24
Exercise price	-	\$0.65
Spot price	-	\$0.50

Expected volatility was determined by calculating the historical volatility of similar public companies over the same period as the expected life of the warrants.

13. Segmented information

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties. The Company's assets are located in Canada. The Company earned all its other income in Canada.

14. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, and related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The Company's related parties are its directors, Chief Executive Officer and Chief Financial Officer.

During the year, the Company entered into various transactions with related parties. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel-related companies on an arm's length basis.

During the year ended 2019, a related party advanced a loan of \$194,439 to the Company. The loan was received in USD, was unsecured, interest free and convertible into shares of the Company with no set terms of repayment.

In March 2020, this loan was settled by the issuance of shares (note 9).

During the three-months ended March 31, 2021, the Company had Consultancy income of \$Nil (2020 - \$68,550) from Mine Management partners Ltd., a company controlled by the Chief Executive Officer. Trade receivables in relation to the above was \$12,204 as of March 31, 2021 (2020 - \$12,204).

Stock based compensation to related parties during the three-months ended March 31, 2021, was \$3,341 (2020 - \$2,111).

15. Capital management

The Company's objectives in managing its capital are as follows:

- To safeguard its ability to continue as a going concern; and

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- To have sufficient capital to be able to meet its strategic objectives including the continued exploration and development of its existing mineral projects and the identification of additional projects

Given the current exploration stage of its projects, the Company's primary source of capital is derived from equity issuances. Capital consists of equity attributable to common shareholders.

The Company has no externally imposed capital requirements and manages its capital structure in accordance with its strategic objectives and changes in economic conditions. In order to maintain or adjust its capital structure, the Company may issue new shares in the form of private placements and/or secondary public offerings.

There has been no change in the Company's approach to capital management in the period ended March 31, 2021.

16. Financial instruments

Carrying value and fair value

The Company's financial instruments comprise cash, restricted cash, accounts receivable, due to/from related parties, accounts payable and accrued liabilities and term loan.

Financial instruments recognised at fair value on the consolidated statement of financial position are classified in fair value hierarchy levels as follows:

- Level 1: Valuation based on unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques based on inputs other than Level 1 quoted prices that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices)
- Level 3: Valuation techniques with unobservable market inputs (involves assumptions and estimates by management).

Cash and restricted cash are recorded in the condensed consolidated interim financial statements at amortized cost.

Accounts payable and accrued liabilities and term loan are classified as financial liabilities measured at amortized cost.

Fair value

The carrying values of cash, accounts payable and accrued liabilities and due to/from related parties do not materially differ from their fair values given their short-term period to maturity.

Non-current financial instruments include restricted cash and term loan which are interest bearing and carrying amount approximates fair value.

Financial risk factors

The Company's activities expose it to a variety of financial risks, including foreign exchange risk, credit risk and interest rate risk.

Liquidity risk

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Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities. The Company manages liquidity risk through the management of its capital structure. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due.

Credit risk

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. Financial instruments that potentially subject the Company to credit risk consist of cash, accounts receivable and restricted cash. The carrying value of the Company's financial assets recorded in the consolidated financial statements represents the Company's maximum exposure to credit risk. The Company manages credit risk by placing cash with major Canadian financial institutions. Accounts receivable includes receivables from customers and related parties who have no history of default and management believes the credit risk is low.

The following are the remaining contractual maturities of financial liabilities for the three months ended March 31, 2021 and the year ended December 31, 2020:

March 31, 2021	Carrying amount	Total	< 6 Months	6-12 months	1-5 years
Accounts payable and accrued liabilities	\$ 627,558	\$ 627,558	\$ 627,558	\$ -	\$ -
Term loan	27,781	30,000	-	-	30,000
Total	\$ 655,339	\$ 657,558	\$ 627,558	\$ -	\$ 30,000

December 31, 2020	Carrying amount	Total	< 6 Months	6-12 months	1-5 years
Accounts payable and accrued liabilities	\$ 858,392	\$ 858,392	\$ 858,392	\$ -	\$ -
Term loan	27,471	30,000	-	-	30,000
Total	\$ 885,863	\$ 888,392	\$ 858,392	\$ -	\$ 30,000

Foreign exchange risk

The Company operates in Canada and therefore, currently, has limited exposure to foreign exchange risk arising from transactions denominated in foreign currencies. Other than Canadian dollar balances, the Company holds balances in cash and accrued liability that are denominated in US\$ as outlined below. Accordingly, the Company is subject to foreign exchange risk relating to such balances in connection with fluctuations against the Canadian dollar. The Company has no program in place for hedging foreign currency risk.

The Company held the following foreign currency denominated balances as at March 31, 2021 and December 31, 2020:

	March 31, 2021	December 31, 2020
Cash (US \$)	82	100
Due to related parties (US \$)	-	-
Accrued liabilities (US \$)	(346,628)	(346,628)
	(346,546)	(346,528)
Foreign exchange rate	1.26	1.27
Equivalent in Canadian dollars (\$)	(436,648)	(440,091)

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Based on the balances held as at March 31, 2021, a 10% decrease in the Canadian dollar to US dollar exchange rates would have resulted in a decrease in the net loss for the period then ended of approximately \$43,700 (2020: \$44,000).

Interest rate risk

Interest rate risk is the risk that cash flows will fluctuate due to changes in market interest rates. While the Company's financial assets are generally not exposed to significant interest rate risk because of their short-term nature, changes in interest rates will have a corresponding impact on interest income realised on such assets.

The Company's did not have any interest-bearing liabilities outstanding as at March 31, 2021.

17. Subsequent events

On May 4, 2021 the Company and CT Developers Ltd ("CT") completed the Qualifying Transaction. Trading on the TSX Venture Exchange commenced May 11, 2021 under the symbol NICU and the name Magna Mining Inc.

On February 10, 2021, Magna and CT finalized a definitive agreement for the transaction. CT acquired all of the issued and outstanding shares of Magna in consideration for CT issuing to each shareholder of Magna (a "Magna Shareholder") 1.625 shares of CT ("CT Shares") post consolidation for each common share of Magna (such exchange ratio, the "Exchange Ratio") held by such Magna Shareholder and each convertible, exchangeable or exercisable security of Magna was exchanged for a convertible, exchangeable or exercisable security of CT at the Exchange Ratio on substantially the same economic terms and conditions as the original convertible, exchangeable or exercisable security of Magna. This transaction resulted in the shareholders of Magna controlling the entity.

Immediately prior to the Magna Acquisition:

- CT completed a private placement of 2,000,000 CT Shares to eligible investors at a price of \$0.10 per CT Share, for aggregate gross proceeds of \$200,000
- CT completed a share consolidation on the basis of 4 pre-consolidation CT Shares for 1 post-consolidation CT Share.

On February 12, 2021, Magna completed a private placement of 10,770,000 subscription receipts ("Subscription Receipts") at a price of \$0.65 per Subscription Receipt for gross proceeds of \$7,000,500. Each Subscription Receipt was exchanged, without payment of any consideration in addition to the purchase price, for one common share and one-half of one warrant of Magna ("Magna Unit").

Subscription Receipt issue costs include Agent's Fee of 6% of specific gross proceeds, payable in either cash or Subscription Receipts at the option of the Agent, of \$408,488, legal fees of \$125,000, a Corporate Finance fee of 1.5% payable in Subscription Receipts and Agents Warrants of 6% to acquire Subscription Receipts, having a term of 24-months.

Upon completion of the private placement, 50% of the cash commission and 100% of estimated expenses were released to the Agents. The remaining portion of the aggregate gross proceeds were held in escrow and were released to the Magna upon completion of the proposed transaction.

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As a result of Go-Public transaction, the Resulting Issuer has amended the warrant certificates issued to the Consultants such that an aggregate of no more than 4,209,405 Resulting Issuer Warrants will be issued to the Consultants upon the Closing, with an effective exercise price of \$0.40 per Resulting Issuer Share.