

Magna Mining Inc.

Management Discussion and Analysis
For the three and nine months ended September 30, 2024

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

INTRODUCTION

This management's discussion and analysis ("MD&A") of financial condition and results of operations focuses upon the activities, results of operations, liquidity and capital resources of Magna Mining Inc. (the "Company" or "Magna") for the three and nine months ended September 30, 2024. In order to better understand this MD&A, it should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2023 and 2022, as well as the condensed interim consolidated financial statements for the three and nine months ended September 30, 2024, and the related notes thereon (the "financial statements"). The Company's financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS Accounting Standards"), including International Accounting Standard 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). This MD&A is current to November 21, 2024, and was reviewed and approved by the Board of Directors. All amounts are expressed in Canadian dollars, unless otherwise stated.

FORWARD LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein, such as statements about the size and timing of future exploration on, and the development of, the Company's properties, are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration, development, and production; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of the Company's common share price and volume and other reports and filings with the TSX Venture Exchange ("TSXV") and applicable Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date such statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Investors are cautioned against attributing undue certainty to forward-looking statements.

This MD&A has been prepared in accordance with the requirements of National Instrument 51-102 "Continuous Disclosure Obligations."

The technical information in this document has been reviewed and approved by David King, MSc, P.Geo., the Company's Senior Vice President, Exploration and Geoscience. Mr. King is a qualified person under Canadian National Instrument 43-101. Mr. King is not independent by virtue of his position as an officer of the Company.

OVERVIEW

Description of Business

Magna Mining Inc. is a mineral exploration and development company and is engaged in the exploration of mineral properties. Its assets consist of the Shakespeare Nickel Project and the Crean Hill Ni-Cu-PGE Project, both located near Sudbury, Ontario, Canada. In addition, the Company has announced that it has entered into an agreement to acquire the producing McCreedy West copper mine, the past-producing Levack, Podolsky, and Kirkwood mines and other exploration properties from KGHM International Ltd., all of which are also located near Sudbury, Ontario, Canada.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

HIGHLIGHTS DURING AND SUBSEQUENT TO THE NINE MONTHS ENDED SEPTEMBER 30, 2024

Corporate

- On September 11, 2024, the Company entered into a definitive share purchase agreement with a subsidiary of KGHM International Ltd. to acquire a portfolio of base metal assets located in the Sudbury basin. The Company will acquire the producing McCreedy West copper mine, the past-producing Levack, Podolsky, and Kirkwood mines, and other exploration properties. The purchase price includes a cash payment of \$5.3 million on closing, a cash payment of \$2 million on December 31, 2026, \$2 million in common shares of the Company, plus future contingent payments of up to \$24 million. Additionally, the Company will assume reclamation liabilities of \$9.9 million. The purchase of the assets is expected to close during the first quarter of 2025. Additional details on the agreement are provided below under the section entitled "Acquisition of KGHM Sudbury Basin Operations and Exploration Assets."
- On October 7, 2024, the Company announced the appointment of Scott Gilbert as the Company's Chief Financial Officer, replacing Ann-Marie Finney.
- On October 9, 2024, the Company announced that its Crean Hill and Shakespeare mines had received conditional approval from Natural Resources Canada for funding of up to \$1.6 million from the Critical Mineral Infrastructure Fund. The funding will support pre-construction activities to help advance clean energy and transportation infrastructure at both projects. Specifically, the fund will contribute towards advancing a six-kilometre ("km") transmission line and 30km forest access road for the Shakespeare Mine and for studies, engagement activities, regulatory approvals and permit applications for the connection of the Crean Hill project to the power grid.
- On November 4, 2024, the Company closed the previously announced private placement, issuing 20,809,480 common shares for gross proceeds of \$21,849,954. Additional details are provided below under the section entitled "Subsequent Events."

Exploration

Crean Hill Project

- On February 20, 2024, the Company announced initial drilling results from the 2024 exploration program at Crean Hill, targeting the near-surface advanced exploration area of the 109 FW Zone. Highlights from the assay results include 0.3% Ni, 2.0% Cu, 8.6 g/t Pt + Pd + Au over 14.0 metres ("m") in drillhole MCR-24-060 and 0.6% Ni, 1.0% Cu, 9.5 g/t Pt + Pd + Au over 14.7 m in drillhole MCR-234-061, both in the 109 FW Zone.
- On March 4, 2024, the Company announced the filing of the amended Crean Hill Closure Plan. This allows the Company to move forward with an advanced exploration plan, which includes a surface bulk sample and the development of a ramp from surface to perform test mining in the 101 Footwall, 109 Footwall, and Intermediate mineralized zones.
- On March 27, 2024, the Company announced the signing of a Definitive Off-Take Agreement with Vale Base Metals' wholly-owned subsidiary, Vale Canada, for the advanced exploration portion of the Crean Hill Project.
- On April 3, 2024, the Company announced additional drilling results from the 2024 exploration program at Crean Hill. Highlights from the assay results included 3.2% Ni, 11.3% Cu, 10.6 g/t Pt + Pd + Au over 4.4 m in drillhole MCR-24-068, and 2.5% Ni, 9.6% Cu, 17.4 g/t Pt + Pd + Au over 6.8 m in drillhole MCR-24-070, both in the 109 FW Zone.
- On April 23, 2024, the Company announced that the Permit to Take Water for the Crean Hill Project had been approved by the Ministry of Environment, Conservation and Parks. This is the final permit required to enable dewatering of the existing mine workings and allow Magna to move forward with their advanced exploration plan, including a surface bulk sample and development of a ramp from surface to perform test mining in the 101 Footwall, 109 Footwall and Intermediate Zones.
- On May 8, 2024, the Company announced additional drilling results from the 2024 exploration program at Crean Hill. Highlights from the assay results include 0.9% Ni, 2.9% Cu, 9.5 g/t Pt + Pd + Au over 6.3 m in drillhole MCR-24-029 and 0.7% Ni, 0.8% Cu, 6.8 g/t Pt + Pd + Au over 7.0 m in drillhole MCR-24-031, both in the 109 FW Zone.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

- On June 4, 2024, the Company announced the signing of the toll milling agreement for the surface bulk sample program of the 109 FW Zone at the Crean Hill Project. The bulk sampling work is expected to be completed during the second half of 2024.
- On June 11, 2024, the Company announced that it had awarded the advanced exploration contract at the Crean Hill Project to a local partnership. The initial phase of the advanced exploration is expected to consist of the previously announced bulk sampling of 20,000 tonnes from the 109 FW Zone.
- On June 25, 2024, the Company announced additional drilling results from the 2024 exploration program at Crean Hill. Highlights from the assay results included 0.2% Ni, 0.2% Cu, 18.2 g/t Pt + Pd + Au over 15.0 m in drillhole MCR-24-077 from the 109 FW Zone, and 0.4% Ni, 0.5% Cu, 34.3 g/t Pt + Pd + Au over 4.1 m in drillhole MCB-24-037 from the 109 FW Zone surface sample.
- On July 8, 2024, the Company announced additional drilling results from the 2024 exploration program at Crean Hill. Highlights from the assay results included 0.7% Ni, 5.0% Cu, 12.8 g/t Pt + Pd + Au over 15.2 m in drillhole MCR-24-087 from the 109 FW Zone. Additionally, the Company announced that the bulk sample work has commenced with most of the site preparation completed.
- On September 5, 2024, the Company announced it had completed the bulk sampling program on the 109 FW Zone at the Crean Hill Project. Three 8-metre-high benches were extracted from the 109 Footwall Zone, with routine grab samples taken from each truckload that was hauled to the stockpile. A total of 20,524 dry tonnes of feed was processed over a 5-day period at Glencore Sudbury Integrated Nickel Operations' Strathcona Mill and contained the following grade: 0.33% Ni, 0.52% Cu, 0.01% Co, 2.03 g/t Pt, 1.46 g/t Pd and 0.97 g/t Au.
- On September 17, 2024, the Company announced the results of its updated Preliminary Economic Assessment ("PEA") on its Crean Hill Project. The PEA resulted in a pre-tax NPV (8%) of \$265.3 million and internal rate of return of 142% over a 13-year mine life. Additional details are provided below in the section entitled "Crean Hill Project Updated Preliminary Economic Assessment."

Shakespeare Project

- On November 4, 2024, the Company announced that the initial drillhole on the Southwest (SW) Copper zone had intersected 1.4% Cu over 32.4 metres, including 2.3% Cu over 13.9 metres, beginning at 64.6 metres downhole. The SW Copper zone along with the Stumpy Bay zone, are located within a portion of the Shakespeare property held under a joint venture with Glencore on a structural trend approximately one to two km southwest of the Shakespeare Mine.

ACQUISITION OF KGHM'S SUDBURY BASIN OPERATIONS AND EXPLORATION ASSETS

On September 11, 2024, the Company entered into a definitive share purchase agreement (the "Agreement") with a subsidiary of KGHM International Ltd. ("KGHM") to acquire a portfolio of base metal assets located in the Sudbury Basin (the "Transaction"). Magna will acquire the producing McCreedy West copper mine, the past-producing Levack mine, Podolsky mine, and Kirkwood mine, as well as the Falconbridge Footwall (81.41%), Northwest Foy (81.41%), North Range, and Rand exploration assets (together, the "Sale Assets").

The Transaction is structured as a share purchase transaction whereby the Company will acquire all of the outstanding shares of Project Nikolas Company Inc. ("PNCI") from KGHM. The purchase price is comprised of:

- \$5.3 million in cash, payable at closing;
- \$2.0 million of Magna common shares, issuable at closing;
- A deferred payment of \$2.0 million in cash, payable on December 31, 2026; and
- Contingent payments on the satisfaction of certain future milestones totalling up to \$24 million, with differing amounts payable upon the commencement of commercial production at the Levack, Podolsky, Kirkwood, Falconbridge Footwall, Northwest Foy, Northrange and Rand properties.

The Company will also assume certain liabilities of PNCI, including \$9.9 million of reclamation liabilities.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

In addition, KGHM will retain a 4.0% net smelter returns (“NSR”) royalty on new discoveries on certain exploration properties that are part of the Sale Assets. Magna has the right to buy back 3% of these royalties (for a remaining 1% NSR residual) at any time for various cash considerations.

The Transaction is subject to the satisfaction of customary closing conditions, including the receipt of all required third-party consents and regulatory approvals, including the approval of the TSXV. The Transaction is expected to close by the end of the first quarter of 2025.

In connection with the Transaction, Magna is negotiating a commitment letter received from Fédération des caisses Desjardins du Québec (“FCDQ”), a subsidiary of the Desjardins Group, for a credit facility in the aggregate amount of up to \$20 million, which comprises a term loan facility of up to \$10 million and a \$10 million letter of credit facility (together the “Debt Financing”). Disbursement of funds under the Debt Financing will be subject to confirmatory due diligence, final documentation and other customary closing conditions, including entering into definitive documentation, FCDQ being satisfied with its due diligence review in its sole discretion and the receipt of all required third-party consents and regulatory approvals. The terms of the credit facility are subject to the signing of a definitive agreement in respect of the Debt Financing.

The Sale Assets include (see Figure 1):

- **McCreedy West Mine:** currently an operating mine which had 2023 production of 317,660 tonnes at grades of 1.59% copper, 0.23% nickel, 0.01% cobalt, 1.03 g/t platinum, 1.34 g/t palladium, 0.41 g/t gold and 14.05 g/t silver.
- **Levack Mine:** on care and maintenance since 2019 with current activities underground to maintain the ramp, shaft and pumping infrastructure. Shaft access extends to the 2650 Level, and ramp access to the 5400 Level. Near-surface high-grade nickel and copper zones are to be evaluated for mine restart.
- **Podolsky Mine:** on care and maintenance since 2013 with both ramp access from surface and shaft access to the 2450 Level. Near-surface mining potential in the copper rich North Zone as well as potential to develop the Nickel Ramp deposit.
- **An extensive exploration property portfolio in the Sudbury Basin:** includes the past-producing Kirkwood Mine and the Falconbridge Footwall, Northwest Foy, North Range and Rand exploration properties.

Additional details on the Transaction and the Sale Assets are provided in the Company news release dated September 12, 2024, which is available on the Company's website at www.magnamining.com or under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

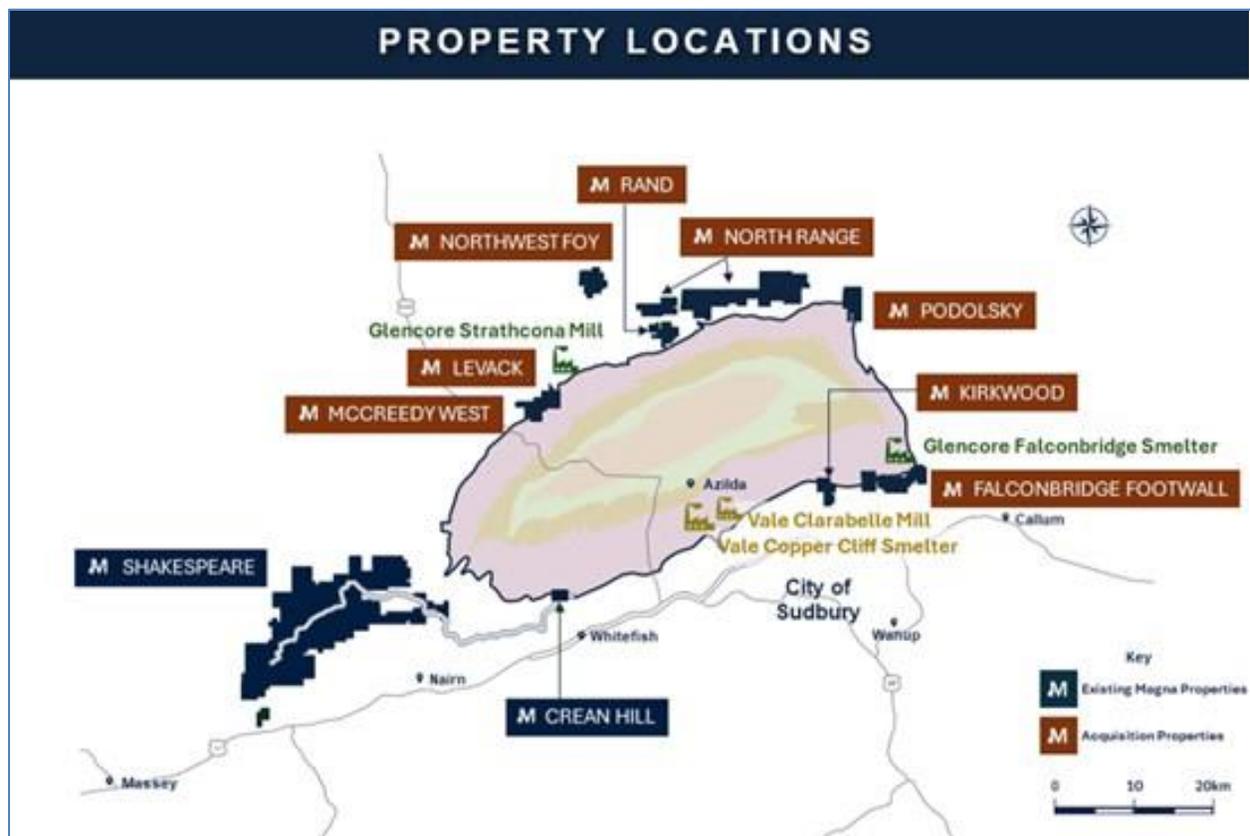


Figure 1: Location of Sales Assets, Magna Mining Existing Properties, and Key Sudbury Infrastructure

CREAN HILL PROJECT UPDATED PRELIMINARY ECONOMIC ASSESSMENT (“PEA”)

On September 17, 2024, the Company announced the completion of an Updated Preliminary Economic Assessment by SGS Geological Services on its 100% owned Crean Hill Nickel Project located in Sudbury, Ontario, Canada.

The updated PEA includes an underground mining-only operation (versus open pit and underground mining in the July 2023 PEA), with the mineable resource being sold to an existing third-party mill in Sudbury. Underground mining would be initiated with a 15-month Advanced Exploration (“AdEx”) program followed by a 12-month pre-production ramp-up period and 13 years of commercial production. Initial mining would be done with ramp access via a new surface portal with the eventual rehabilitation and re-establishment of the historic #2 shaft for personnel access and hoisting as mining progresses deeper.

Financial Analysis

The Crean Hill PEA uses metal prices of US\$8.50/lb nickel, US\$4.00/lb copper, US\$13.00/lb cobalt, US\$900/oz platinum, US\$1,000/oz Palladium, US\$2,150/oz gold, and a 1.35 C\$/US\$ exchange rate. The Base Case generates a pre-tax NPV (8%) of \$265.3 million and an Internal Rate of Return (“IRR”) of 142%. The after-tax NPV (8%) is \$194.1 million, with an IRR of 129%.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

A summary of the PEA results is as follows:

	Units	Total
Total resource mined	tonnes	10,688,606
Mine life	years	13
Average production rate	tpd	2,193
Operating cost	\$/tonne	\$158
Advanced exploration bulk sample *	\$M	\$32.1
Pre-production capital	\$M	\$27.7
Sustaining capital	\$M	\$212.8
Ni in resource sold	M lbs	195.5
Cu in resource sold	M lbs	169.5
Co in resource sold	M lbs	6.8
Pt in resource sold	k oz	313
Pd in resource sold	k oz	359
Au in resource sold	k oz	117
Average NSR	\$/tonne	\$240
Average annual pre-tax cash flow	\$M	40.5
Payback period (overall)	years	1.5
Pre-tax NPV (8%)	\$M	\$265.3
Pre-tax IRR	%	142%
After-tax NPV (8%)	\$M	\$194.1
After-tax IRR	%	129%

* Note: Advance exploration bulk sample revenue and expense are not included in PEA economics.

Qualified Persons

The following Qualified Persons ("QPs") oversaw the completion of the work in preparation of the PEA, are responsible for the contents, and are Independent Qualified Persons in accordance with the guidelines of the Canadian Securities Administrators' NI 43-101:

- Geology and Mineral Resource Estimates - Mr. Allan Armitage, Ph.D., P.Geo., of SGS Geological Services.
- Underground Mining and Financial Analysis - Mr. Henri Gouin, P.Eng., of SGS Geological Services.
- Underground Mining, Financial Analysis, Permitting and Environmental - Mr. William van Breugel, P.Eng, B.A.Sc. Geological Engineering, Associate Engineer of SGS Geological Services.
- Processing and Recovery - Mr. Dominic Fragomeni, P.Eng., of Frago-Met Solution Ltd.

MINERAL RESOURCE ESTIMATES ("MRE")

Crean Hill Project Underground Mineral Resource Estimate, April 15, 2024

Classification	Cut-off Grade	Tonnes	Cu (%)	Ni (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	NiEq (%)
Indicated	1.1% NiEq	18,444,000	0.87	1.01	0.035	0.98	1.12	0.37	1.96
Inferred	1.1% NiEq	989,000	0.53	0.70	0.026	0.98	1.66	0.29	1.56

Crean Hill Property Mineral Resource Estimate Notes:

1. The effective date of the Crean Hill Property Mineral Resource Estimate (MRE) is April 15, 2024. This is the close out date for the final mineral resource models and mine out models (as-builts).
2. Allan Armitage, Ph.D., P. Geo. of SGS Geological Services is an independent Qualified Person as defined by NI 43-101 and is responsible for the current Crean Hill MRE. Mr. Armitage conducted multiple site visits to the Crean Hill Property including on May 25-26, 2022, July 25, 2023, July 2, 2024 and July 25, 2024.
3. The classification of the current MRE into Indicated and Inferred mineral resources is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.
4. All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

5. The mineral resource is presented undiluted and in situ, constrained by 3D grade control resource models, and are considered to have reasonable prospects for eventual economic extraction. The mineral resource is exclusive of mined out material.
6. Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
7. The Crean Hill mineral resource estimate is based on a validated drill hole database which includes data from 4,646 surface and underground diamond drill holes completed between 1951 and March 2024. The drilling totals 739,448 m. The resource database totals 103,952 assay intervals representing 290,253 m of data.
8. The mineral resource estimate is based on a three-dimensional ("3D") resource model of the main mineralization and a broader dilution envelope. 3D models of mined out areas were used to exclude mined out material from the current MRE.
9. Grades for Ni, Cu, Co, Pt, Pd, Ag and Au are estimated for each mineralization domain using ~2.0 m capped composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID2) interpolation method was used for all domains.
10. Specific gravity values were assigned to each block based on a regression formula defined by a database of 32,592 samples. $SG=(0.2057 \times Ni\%+2.88)$.
11. Based on the size, shape, and orientation of the Crean Hill Deposit, it is envisioned that the deposits may be mined using both bulk and selective mining methods including Longhole Stopping.
12. The MRE is reported at a base case cut-off grade of 1.10% NiEq. The mineral resource grade blocks are quantified above the base case cut-off grade and within the constraining mineralized wireframes (considered mineable shapes).
13. The underground cut-off grade of 1.10% NiEq considers metal prices of \$8.50/lb Ni, \$3.75/lb Cu, \$17.00/lb Co, \$950/oz Pt, \$1,100/oz Pd and \$1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), a mining cost of US\$80.00/t rock and processing, treatment and refining, transportation and G&A cost of US\$42.50/t mineralized material.
14. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Shakespeare Project Mineral Resource Estimate, June 1, 2021

Qualified Person

The Shakespeare Project's 2021 Mineral Resource Estimate was prepared by Allan Armitage, Ph.D., P.Geo., of SGS Geological Services, an independent Qualified Person, in accordance with the guidelines of the Canadian Securities Administrators' NI 43-101, with an effective date of June 1, 2021.

Classification	Mining Method	Cut-off Grade	Tonnes	Cu	Ni	Co	Pt	Pd	Au
				(%)	(%)	(%)	(g/t)	(g/t)	(g/t)
Indicated	Open Pit	0.2% NiEq	16,508,000	0.36	0.34	0.02	0.33	0.36	0.19
Indicated	Underground	0.4% NiEq	3,832,000	0.36	0.31	0.02	0.30	0.32	0.19
Inferred	Underground	0.4% NiEq	2,355,000	0.40	0.33	0.02	0.34	0.37	0.20

Shakespeare Property Mineral Resource Estimate Notes:

1. Mineral Resources are exclusive of material mined.
2. Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate.
3. Open pit Mineral Resources are reported at a base case cut-off grade of 0.2% NiEq within a conceptual pit shell.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

4. Underground (below-pit) Mineral Resources are estimated from the bottom of the pit and are reported at a base case cut-off grade of 0.4% NiEq. The underground Mineral Resource grade blocks were quantified above the base case cut-off grade, below the constraining pit shell and within the constraining mineralized wireframes. At this base case cut-off grade the deposit shows excellent deposit continuity.
5. Based on the size, shape, and orientation of the deposit, it is envisioned that the underground mineralization may be mined using the longitudinal longhole retreat mining method (a branch of the generic mining method known as sublevel stoping).
6. A fixed specific gravity value of 3.00 was used to estimate the resource tonnage from block model volumes; an SG of 2.85 for waste.
7. NiEq Cut-off grades are based on metal prices of \$7.50/lb Ni, \$3.25/lb Cu, \$21.00/lb Co, \$1,000/oz Pt, \$2,000/oz Pd and \$1,600/oz Au, and metal recoveries of 75% for Ni, 96% for Cu, 56% for Co, 73% for Pt, 39% for Pd and 36% for Au.
8. The results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade.
9. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that all or any part of the Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.

Combined MRE

The total combined MRE for the Company when combining the Crean Hill and Shakespeare deposits is:

Indicated resources									
Location	Mining	Cut-off Grade	Tonnes	Cu %	Ni %	Co %	Pt g/t	Pd g/t	Au g/t
Shakespeare	Open pit	0.2% NiEq	16,508,000	0.36	0.34	0.02	0.33	0.36	0.19
		Sub-Total	16,508,000	0.36	0.34	0.02	0.33	0.36	0.19
Shakespeare	Underground	0.4% NiEq	3,832,000	0.36	0.31	0.02	0.30	0.32	0.19
Crean Hill	Underground	1.1% NiEq	18,444,000	0.87	1.01	0.035	0.98	1.12	0.37
		Sub-Total	22,276,000	0.78	0.89	0.03	0.86	0.98	0.34
		Total	38,784,000	0.60	0.66	0.03	0.64	0.72	0.28

Inferred resources									
Location	Mining	Cut-off Grade	Tonnes	Cu %	Ni %	Co%	Pt g/t	Pd g/t	Au g/t
Shakespeare	Underground	0.4% NiEq	2,355,000	0.40	0.33	0.02	0.34	0.37	0.20
Crean Hill	Underground	1.1% NiEq	989,000	0.53	0.70	0.03	0.98	1.66	0.29
		Total	3,344,000	0.44	0.44	0.02	0.53	0.75	0.23

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

EXPLORATION AND EVALUATION ASSETS

The Company's primary exploration and evaluation assets are comprised of the past producing Crean Hill and Shakespeare projects. The Company also holds interests in other exploration and evaluation assets.

The Company's properties are located near Sudbury, Ontario, Canada.

The Company has also entered into an agreement with KGHM to acquire a portfolio of base metal assets located in the Sudbury basin, including the producing McCreeley West copper mine, the past-producing Levack, Podolsky, and Kirkwood mines, and other exploration properties. The acquisition of the KGHM operations is expected to close by the end of the first quarter of 2025.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee their titles. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

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 license and property tax expenditures each year to maintain its properties in good standing.

Crean Hill Project

The Crean Hill Project is located in Denison Township within Greater Sudbury, Ontario, Canada, approximately 30km southwest of downtown Sudbury. The Crean Hill property is an area of Patented Surface and Mining Rights, consisting of approximately 255.9 hectares ("ha"), located within the southern half of Lots 3, 4, and 5 and parts of the northern half of Lots 3, 4, and 5 of Concession 5, Denison Township, District of Sudbury. The area is more particularly described as parts 1 to 16, inclusive, on registered plan 53R – 21031, filed with the Land Titles Division of Sudbury. The Patents do not have an expiry date but are subject to an annual rent of \$4/ha plus municipal taxes. The Crean Hill Project was acquired as part of the Company's November 2022 acquisition of Lonmin Canada Inc.

Shakespeare Project

The Shakespeare Project is currently comprised of 29 patented claims, three leased claims, and 787 mining claims within Dunlop, Porter, Shakespeare, Hyman, and Baldwin Townships and covers an area of 18,074.94 ha. Magna currently has a 100% interest in most of the Shakespeare Project, with 83.9% ownership of a joint venture on certain claims, leases, and patents surrounding the Shakespeare Mine.

In 2010, the Company's subsidiary, Ursa Major Mining Inc., declared commercial production at the Shakespeare Mine. Subsequently, it suspended production, and the mine remains on care and maintenance.

In April of 2024, the Company acquired the remaining 50% ownership of certain claims that had previously been 50% owned, resulting in a 100% interest in those claims.

Spanish River

Following the November 2023 payment of \$30,000 in cash and the issuance of 40,625 common shares of Magna with a fair value of \$17,469, Magna acquired a 100% interest in seven claim units located in Baldwin Township, Ontario. Between November 2020 and November 2023, the Company paid an aggregate of \$75,000 in cash, issued 162,500 common shares of the Company, and completed exploration expenditures totalling \$100,000 to complete the option earn-in on the property. The optionor retained a 1.5% net smelter return royalty of which Magna can repurchase 50% (0.75%) for \$1,000,000 at any time.

Shining Tree Nickel Project

Magna has a 100% interest in a nickel-copper deposit located near Shining Tree, Ontario. The Shining Tree Nickel Project is located in Fawcett Township, 110km north of Sudbury, Ontario, and consists of certain claims covering an area of approximately 647.5 ha.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

In late fall of 2023, Magna mining geologists conducted a site visit at the Shining Tree Nickel Project to prepare for downhole geophysical surveying that was completed on two historical drillholes in the first quarter of 2024.

STOCK OPTIONS

On September 19, 2024, the Company granted 1,031,900 stock options to certain officers, directors, employees, and consultants, of which 731,900 stock options vested immediately. The vesting schedule for the remaining 300,000 Options consists of one-third that vested immediately and one-third vesting annually thereafter. The stock options have a term of five years and an exercise price of \$1.15 per common share.

During 2023, the Company granted an aggregate of 3,621,800 stock options to certain officers, directors, employees, and consultants. The stock options have a term of five years and an average exercise price of \$0.50 per common share. The vesting schedule for 2,706,000 stock options consists of one-third that vested immediately and one-third vesting annually thereafter. The remaining 915,800 stock options vested immediately.

During the nine months ended September 30, 2024, a total of 300,000 common shares were issued upon the exercise of options for proceeds of \$139,000. A total of \$114,006 was reallocated from reserves to share capital in connection with the exercise of the options.

During the year ended December 31, 2023, a total of 2,572,187 shares were issued upon the exercise of options for proceeds of \$618,862. A total of \$456,199 was reallocated from reserves to share capital in connection with options exercised.

RESTRICTED SHARE UNITS

The Company has established a restricted share unit ("RSU") plan, which grants RSUs to directors, senior officers, employees, and consultants of the Company and its subsidiaries. The RSU plan is intended to provide an incentive to eligible persons to acquire a proprietary interest in the Company, to continue their participation in the affairs and to increase their efforts on its behalf. The RSU plan is administered by the Board of the Company. The RSU plan is a "fixed" RSU plan, whereby the maximum number of common shares that may be reserved for issue and which can be issued upon the settlement of all RSUs granted is approved by the Company's shareholders. Currently, the maximum number of common shares the Company can issue under the RSU plan, as ratified at its annual and special meeting of shareholders held in June 2024, is 3,000,000.

The Company did not issue any RSUs during the nine months ended September 30, 2024.

On May 1, 2023, the Company granted an officer 25,000 RSUs with a fair value of \$21,000. The RSUs will fully vest at the end of three years from the grant date.

On November 2, 2023, the Company granted 961,000 RSUs to certain directors, officers, and employees. The RSUs will fully vest on the date three years from the grant date.

The aggregate number of common shares reserved for issuance under the stock option plan and RSU plan may not exceed 10% of the issued and outstanding common shares on the grant date, and the aggregate number of common shares currently reserved for issuance under the RSU plan may not exceed 3,000,000.

OUTLOOK

The Company expects to finalize the acquisition of the KGHM Sale Assets together with the Debt Financing during the first quarter of 2025 as described above under the section entitled "Acquisition of KGHM's Sudbury Basin Operations and Exploration Assets." The Company also expects to continue to advance its Crean Hill project, as outlined in the September 17, 2024 PEA, and its Shakespeare project. To advance the Crean Hill and Shakespeare projects, the Company will require additional financing through the sale of equity instruments, government grants, and/or a by-product metal stream or royalty. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually forfeit or sell its interest in some or all of its assets.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

SUBSEQUENT EVENTS

Private Placement

On October 10, 2024, the Company announced that it had entered into an agreement with a syndicate of agents in connection with a "best efforts" private placement of up to 14,285,700 common shares of the Company at a price of \$1.05 per common share for aggregate gross proceeds of approximately \$15,000,000. The agents were granted the option to sell up to an additional 2,142,855 common shares for additional gross proceeds of \$2,250,000. The private placement was subsequently upsized from \$15,000,000 to \$19,000,000 and the agents' option was increased to an additional \$2,850,000. On November 4, 2024, the Company closed the private placement financing, issuing 20,809,480 common shares for gross proceeds of \$21,849,954.

Option Issuance

On October 17, 2024, the Company granted 250,000 stock options to certain officers and consultants. The stock options have a term of 5 years, vest one-third immediately and one-third annually thereafter, and have an exercise price of \$1.17 per common share.

Options Exercised

Subsequent to September 30, 2024, a total of 543,300 common shares were issued upon the exercise of options for proceeds of \$291,052.

RSUs Exercised

Subsequent to September 30, 2024, the Company issued 229,400 common shares and paid cash of \$261,706 (for the settlement of the recipients' payroll withholding tax obligations) on the exercise of 457,000 RSUs.

Warrants Exercised

Subsequent to September 30, 2024, the Company issued 50,000 common shares upon the exercise of warrants for proceeds of \$20,025.

SELECTED ANNUAL FINANCIAL INFORMATION

The following table summarizes selected financial data reported by the Company for the years ended December 31, 2023, 2022, and 2021. The information set forth should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS Accounting Standards, and the related notes thereon.

Expenditures in 2023 and 2022, and during the nine months ended September 30, 2024, have increased over prior years based on management's plans and successful financings to support those plans.

	September 30, (Note 1) 2024		2023	Years ended December 31, 2022 2021				
Exploration and evaluation	\$	7,903,687	\$	7,646,763	\$	3,261,717	\$	3,741,715
Property maintenance	\$	143,373	\$	504,178	\$	228,486	\$	199,717
General and administrative	\$	2,909,834	\$	2,110,059	\$	1,133,742	\$	642,689
Share-based compensation	\$	1,262,175	\$	1,458,031	\$	741,790	\$	643,252
Depreciation	\$	71,317	\$	62,081	\$	32,443	\$	15,821
Net loss and comprehensive loss	\$	11,550,549	\$	9,721,879	\$	5,416,336	\$	6,732,716
Loss per share - basic and fully diluted	\$	0.07	\$	0.06	\$	0.06	\$	0.11
Total assets	\$	25,202,189	\$	30,281,215	\$	25,072,706	\$	7,812,501
Total liabilities	\$	6,671,106	\$	5,432,465	\$	5,073,623	\$	2,242,609
Shareholders' equity	\$	18,531,083	\$	24,848,750	\$	19,999,083	\$	5,569,892

Note:

(1) During the nine months ended September 30, 2024, the Company changed its accounting policy to capitalize rather than expense the acquisition costs of exploration and evaluation assets, resulting in changes to prior period results, which are discussed below under the section entitled "Change in Accounting Policy" and in Note 3 of the condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 and 2023.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

SUMMARY OF QUARTERLY RESULTS

The following summary information is taken from the Company's quarterly and annual financial reports covering the last eight reporting quarters. Exploration and evaluation expenses have had a gradual trend upwards over the period, based on increased exploration activity as a result of increased funding. General and administrative expenses have gradually increased, mainly due to additional hiring that occurred in 2022 and 2023, and has continued into 2024. Share-based compensation has gradually trended upwards due to increased options and restricted share units issued.

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
	(Note 1)			
Exploration and evaluation	\$ 2,469,211	\$ 2,752,147	\$ 2,682,329	\$ 1,142,530
Property maintenance	\$ 2,357	\$ 69,539	\$ 71,477	\$ 179,977
General and administrative	\$ 1,076,026	\$ 958,568	\$ 875,240	\$ 604,132
Share-based compensation	\$ 816,236	\$ 219,435	\$ 226,504	\$ 690,220
Depreciation	\$ 25,276	\$ 25,153	\$ 20,888	\$ 19,428
Net loss and comprehensive loss	\$ 4,498,153	\$ 3,947,420	\$ 3,104,976	\$ 2,476,929
Basic and diluted loss per share	\$ 0.03	\$ 0.02	\$ 0.02	\$ 0.02
Total assets	\$ 25,202,189	\$ 24,509,454	\$ 9,826,026	\$ 30,281,215
Total liabilities	\$ 6,671,106	\$ 5,464,713	\$ 5,369,705	\$ 5,432,465
Total Shareholders' equity	\$ 18,531,083	\$ 19,044,741	\$ 4,456,321	\$ 24,848,750
Weighted average shares outstanding	169,378,856	163,533,837	163,379,860	163,201,426

	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
	(Note 1)			
Exploration and evaluation	\$ 2,835,058	\$ 1,932,943	\$ 1,736,232	\$ 1,078,887
Property maintenance	\$ 141,830	\$ 98,437	\$ 83,934	\$ 85,567
General and administrative	\$ 640,142	\$ 440,299	\$ 425,486	\$ 457,743
Share-based compensation	\$ 358,967	\$ 225,998	\$ 182,846	\$ 646,112
Depreciation	\$ 15,800	\$ 14,025	\$ 12,828	\$ 10,244
Net loss and comprehensive loss	\$ 3,060,688	\$ 2,067,751	\$ 2,116,511	\$ 1,843,471
Basic and diluted loss per share	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.02
Total assets	\$ 34,953,554	\$ 37,648,487	\$ 40,928,330	\$ 25,072,706
Total liabilities	\$ 8,591,930	\$ 9,031,641	\$ 10,588,564	\$ 5,073,623
Total Shareholders' equity	\$ 26,361,624	\$ 28,616,846	\$ 30,339,766	\$ 19,999,083
Weighted average shares outstanding	161,705,989	161,519,774	157,392,394	119,015,664

Note:

(1) During the nine months ended September 30, 2024, the Company changed its accounting policy to capitalize rather than expense the acquisition costs of exploration and evaluation assets, resulting in changes to prior period results, which are discussed below under the section entitled "Change in Accounting Policy" and in Note 3 of the condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 and 2023.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Three months ended September 30, 2024 and 2023

During the three months ended September 30, 2024, the Company reported a net loss and comprehensive loss of \$4,498,153 (three months ended September 30, 2023 – \$3,060,689), an increased loss of \$1,437,464 compared to the same period in 2023. The primary contributors were the following:

- General and administrative expenses in the three months ended September 30, 2024 increased by \$435,884 compared to the same period in the previous year, mainly due to additional hiring that occurred through 2023 and 2024 and increased general office and administrative expenses primarily related to increases to insurance and rent expenses.
- Professional fees during the quarter increased by \$506,632 versus the comparable quarter due to increased legal expenses, largely related to the KGHM transaction, and increased accounting, audit, and tax preparation expenses.
- Share-based compensation expense in the three months ended September 30, 2024, increased by \$457,269 when compared to the same period in the previous year due to increased expenses related to stock options issued in November of 2023 and September 2024, as well as RSUs issued in November of 2023.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

- Flow-through premium income decreased by \$385,525 in the three months ended September 30, 2024, compared to the same period in the previous year due to lower flow-through eligible exploration expenditures.
- Interest income decreased during the quarter by \$174,109 versus the comparable quarter in 2023 due to lower average cash balances in the third quarter of 2024.
- Marketing and promotion expenses increased by \$64,508 over the comparable quarter in 2023 due to increased marketing activity at the corporate level.

The above factors were partially offset by:

- Exploration and evaluation expenses in the three months ended September 30, 2024 decreased by \$365,847 compared to the same period in the previous year. During the current quarter, the Company recorded provisional revenue of \$1,278,221 on the sale of metals mined during the Crean Hill bulk sample program completed in September 2024. The revenue has been recorded as an offset against exploration and evaluation expenses.
- Property maintenance expenses during the quarter decreased by \$139,473 versus the comparative quarter in 2023 due to reduced expenditures on road maintenance and property maintenance-related wages.
- Interest expense decreased during the current quarter by \$76,405 when compared to the comparable period in the previous year, with interest expense recorded on the deferred acquisition cost of Lonmin Canada Inc. recorded in 2023 exceeding the interest expense accrued in 2024 related to Part XII.6 tax on unspent flow-through proceeds renounced under the Lookback Rule in 2023 in accordance with flow-through regulations as outlined in the Income Tax Act (Canada).
- A foreign exchange gain of \$6,567 was recognized in the three months ended September 30, 2024, compared to a loss of \$9,960 in the same period in the previous year due to fluctuations in exchange rates that impact accrued liabilities in foreign currencies.

Nine months ended September 30, 2024 and 2023

During the nine months ended September 30, 2024, the Company reported a net loss and comprehensive loss of \$11,550,549 (nine months ended September 30, 2023 – \$7,244,951), an increased loss of \$4,305,598 compared to the same period in 2023. The primary contributors were the following:

- Exploration and evaluation expenses in the nine months ended September 30, 2024 increased by \$1,501,235 compared to the same period in the previous year due to increased exploration activity in relation to regional exploration and the Crean Hill Project, partially offset by lower expenditures at the Shakespeare Mine.
- General and administrative expenses in the nine months ended September 30, 2024 increased by \$1,403,907 compared to the same period in the previous year, mainly due to additional hiring that occurred through 2023 and 2024 and increased general office and administrative expenses, primarily related to increases to insurance and rent expenses.
- Professional fees during the quarter increased by \$802,192 versus the comparable quarter due to increased legal expenses, largely related to the KGHM transaction, and accounting, audit, and tax preparation expenses.
- Interest income decreased during the nine-month period in 2024 by \$352,627 versus the comparable period in 2023 due to lower average cash balances in 2024.
- A foreign exchange loss of \$12,076 was recognized in the nine months ended September 30, 2024, compared to a loss of \$5,282 in the same period in the previous year due to fluctuations in exchange rates that impact accrued liabilities in foreign currencies.
- Share-based compensation expenses in the nine months ended September 30, 2024 increased by \$494,364 compared to the same period in the previous year due to increased expenses related to stock options issued in November of 2023 and September 2024, as well as RSUs issued in November of 2023.
- Marketing and promotion expenses increased by \$45,205 over the comparable quarter in 2023 due to increased marketing activity at the corporate level.

The above factors were partially offset by:

- Year-to-date, interest expense decreased by \$143,094 when compared to the same period in 2023, with interest expense recorded on the deferred acquisition cost of Lonmin Canada Inc. in 2023 exceeding the interest expense accrued in 2024 related to the Part XII.6 tax on unspent flow-through proceeds.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

- Property maintenance expenses during the first nine months of 2024 decreased by \$180,828 versus the comparative period in 2023 due to reduced expenditures on road maintenance and property maintenance-related wages.

General and administrative expenses

A breakdown of the material components of the Company's general and administrative expenses for the nine months ended September 30, 2024 and 2023 is as follows:

	September 30, 2024	Nine months ended September 30, 2023
General office and administrative	\$ 462,211	\$ 168,784
Management compensation	2,127,794	1,083,616
Investor relations	319,829	253,527
	\$ 2,909,834	\$ 1,505,927

Increases to management compensation are mainly related to additional hiring and increases to salaries during the nine months ended September 30, 2024, while increases to general office and administrative expenses are mainly related to insurance and rent expenses.

Exploration and evaluation expenditures

Magna engages principally in the exploration of resource properties. The Company expenses all direct and indirect costs pertaining to the exploration and evaluation of mineral properties in the period they are incurred. These direct exploration and evaluation expenditures include such costs as materials used, surveying costs, drilling costs, and payments made to contractors.

Exploration expenditures at the Shakespeare Mine in the three and nine months ended September 30, 2024 were primarily related to geology. Regional exploration and exploration expenditures at the Crean Hill Project during the three and nine months ended September 30, 2024 were primarily related to diamond drilling, geophysics and technical studies, and the completion of a bulk sampling program at the Crean Hill Project completed in September 2024. Partially offsetting exploration and evaluation expenditures was the recognition of expected proceeds on the sale of metals mined during the Crean Hill bulk sampling program. The mined ore was delivered to Vale Canada's mill for processing, with the proceeds expected in 2025.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

The Company performed the following work on its properties during the three and nine months ended September 30, 2024 and 2023:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Shakespeare Mine				
Assays	\$ -	\$ 37,833	\$ 3,974	\$ 64,024
Drilling	-	848,308	3,934	979,402
Claim maintenance	22,031	(2,965)	49,631	4,036
Exploration support	14,342	(8,201)	88,406	14,255
Geology	113,447	100,931	404,565	404,332
Geology software	9,993	-	37,993	-
Geophysics	9,653	-	10,253	-
Technical studies	-	(19,785)	-	89,011
Environmental studies	11,588	-	18,003	-
Government grants	-	-	-	(101,781)
	\$ 181,053	\$ 956,121	\$ 616,758	\$ 1,453,279
Crean Hill Project				
Assays	\$ 99,547	\$ 218,226	\$ 287,827	\$ 625,051
Drilling	1,591,568	780,464	4,000,998	2,632,384
Engineering	(16,219)	-	127,636	-
Exploration support	1,432,455	42,272	1,533,603	151,718
Geology	144,429	130,242	382,584	195,076
Geology software	20,363	-	61,638	-
Geophysics	25,888	98,226	300,644	181,741
Technical studies	427	308,209	228,574	815,470
Claim maintenance	-	-	13,817	-
Environmental studies	27,404	-	147,046	-
Bulk sample revenue	(1,278,221)	-	(1,278,221)	-
	\$ 2,047,639	\$ 1,577,639	\$ 5,806,146	\$ 4,601,440
Regional exploration				
Advanced royalty	\$ -	\$ -	\$ 24,000	\$ 24,000
Exploration support	6,106	28,538	26,889	37,562
Drilling	800	-	771,131	-
Claim maintenance	-	5,298	9,837	8,640
Geology	-	112,382	48,317	117,471
Assays	20,880	-	119,220	-
Geophysics	212,734	155,080	453,996	159,280
	\$ 240,519	\$ 301,298	\$ 1,453,390	\$ 346,953
Spanish River				
Claim maintenance	\$ -	\$ -	\$ 792	\$ 780
	\$ -	\$ -	\$ 792	\$ 780
Shining Tree				
Geophysics	\$ -	\$ -	\$ 26,600	\$ -
	\$ -	\$ -	\$ 26,600	\$ -
Exploration and evaluation expenses	\$ 2,469,211	\$ 2,835,058	\$ 7,903,687	\$ 6,402,452

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Nine months ended September 30, 2024

As at September 30, 2024, the Company reported net working capital of \$871,055 (December 31, 2023 – \$7,345,851). The decrease in working capital was mainly the result of cash used on exploration and evaluation expenses, and general and administrative expenses during the first nine months of 2024, partially offset by cash received on the exercise of warrants and stock options.

Cash used in operating activities during the nine months ended September 30, 2024 was \$10,704,181 (nine months ended September 30, 2023 - \$8,782,303). The main use of cash in the nine months ended September 30, 2024 and 2023 was for exploration and evaluation activities and general and administrative costs, and the increase in cash used in operating activities between the periods was mainly due to increased expenditures in these two areas. This was partially offset by net changes in non-cash working capital balances.

Cash used in investing activities during the nine months ended September 30, 2024 was \$182,325 (nine months ended September 30, 2023 – \$71,011). During the nine months ended September 30, 2024, the Company posted an additional \$168,248 in cash as collateral for a letter of credit provided as financial assurance related to reclamation liabilities. Additionally, cash was used for investing activities during the nine months ended September 30, 2024 and 2023 on equipment purchases.

Cash provided by financing activities during the nine months ended September 30, 2024, was \$3,937,224 (nine months ended September 30, 2023 - \$18,263,465). During 2024, cash was provided by the exercise of 9,202,178 warrants and 300,000 stock options, partially offset by the payment of leases. In 2023, cash was provided through the issuance of common shares on the completion of a private placement and the exercise of both warrants and options, partially offset by lease payments.

Financing activities

On January 25, 2023, the Company completed a private placement of (i) 8,236,914 flow-through common shares at a price of \$1.815 per share for gross proceeds of \$14,949,999, and (ii) 2,681,872 common shares at a price of \$1.10 per common share for gross proceeds of \$2,950,059. In addition, the Company also sold an additional 45,400 common shares at a price of \$1.10 per common share for gross proceeds of \$49,940 on a non-brokered private placement basis.

The Company paid \$284,096 in legal fees, exchange fees, agents' expenses, and other items related to the financing. The Company also incurred agents' fees of \$1,017,000 and issued 603,306 agents' warrants with a fair value of \$306,629. Each agents' warrant entitles the holder thereof to one common share of the Company at a price of \$1.10 per common share until the close of business on the date, which is 24 months from the issue date.

During the year ended December 31, 2023, 2,572,187 common shares were issued upon the exercise of options for proceeds of \$618,862. A total of \$456,199 was reallocated from share-based payment reserve to share capital in connection with the options exercised.

During the year ended December 31, 2023, a total of 2,890,532 common shares were issued upon the exercise of warrants for proceeds of \$1,165,704. A total of \$75,170 was reallocated from warrants reserve to share capital in connection with the warrants exercised.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Going concern

The financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

At present, the Company's operations do not generate cash inflows, and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. See "Risks and Uncertainties".

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company may raise money through the sale of equity instruments, government grants and/or a by-product metal stream. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise funding as required in the long term but recognizes there will be risks involved that may be beyond its control.

Dividends

The Company has neither declared nor paid any dividends on its common shares to date. The Company does not anticipate paying any dividends on its common shares in the foreseeable future.

Contractual commitments

The Company is required to make certain option payments totalling \$24,000 per annum in order to maintain its property agreements in good standing. These payments are not considered to be commitments as the applicable agreements may be terminated by the Company at short notice without penalty.

Exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its materially in compliance with all applicable laws and regulations. Management believes that the Company has made appropriate expenditures to comply with such laws and regulations.

As described above under the section entitled "Acquisition of KGHM Sudbury Basin Operations and Exploration Assets," the Company has entered into a definitive share purchase agreement with KGHM to acquire a portfolio of base metal assets located in the Sudbury basin. The purchase price includes a cash payment of \$5.3 million on closing, a cash payment of \$2 million on December 31, 2026, \$2 million in common shares of the Company, plus future contingent payments of up to \$24 million. Additionally, the Company will assume reclamation liabilities of \$9.9 million. The purchase of the operations is expected to close during the first quarter of 2025. To finance the purchase and continued operation of the asset being acquired from KGHM, the Company must finalize the proposed Debt Facility with FCDQ, which includes a term loan facility of up to \$10 million and a \$10 million letter of credit facility.

In connection with financings completed by the issuance of flow-through shares, the Company provides subscribers with an indemnification for any tax liability that may arise if the Company is found to have not incurred the qualifying exploration expenditures in accordance with the flow-through subscription agreements. The Company's remaining flow-through spending obligation is \$2,600,249 at September 30, 2024 (December 31, 2023 - \$8,248,368), of which 100% is required to be spent before December 31, 2024. The Company is also subject to a Part XII.6 tax on flow-through proceeds renounced under the Lookback Rule, in accordance with flow-through regulations as outlined in the Income Tax Act (Canada). As of September 30, 2024, the Company had accrued \$166,665 as a financial expense related to Part XII.6 tax.

On November 7, 2022, the Company completed the acquisition of Lonmin Canada Inc. ("Loncan"), which included the Denison Project and the past producing Crean Hill Ni-Cu-PGE mine, pursuant to a share purchase agreement dated August 15, 2022 (the "Share Purchase Agreement"). Under the terms of the Share Purchase Agreement, Magna acquired 100% of the issued and outstanding shares of Loncan in exchange for an aggregate purchase price of \$16,000,000, comprised of a closing payment of \$13,000,000 in cash, which was paid on closing, and a deferred

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

payment of \$3,000,000 (the "Deferred Acquisition Cost"). The Deferred Acquisition Cost was payable on or before the twelve-month anniversary of the closing of the acquisition. As ongoing security pending the settlement of the Deferred Acquisition Cost, the Company granted a pledge of the shares of Loncan in favour of the vendors.

The Deferred Acquisition Cost was discounted over the twelve-month deferral period, and a liability was recorded on the statement of financial position of \$2,584,483 as of the acquisition date. During the nine months ended September 30, 2023, the Company recorded interest expense of \$202,971 related to the accretion of the Deferred Acquisition Cost which was included in the statement of operations and comprehensive loss.

The Company settled the Deferred Acquisition Cost by making a cash payment of \$3,000,000 in November 2023, and the pledge against the shares of Loncan was released. As at September 30, 2024 and December 31, 2023, the carrying value of the Deferred Acquisition Cost was \$Nil.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

TRANSACTIONS WITH RELATED PARTIES

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.

During the nine months ended September 30, 2024 and 2023, the Company entered into various transactions with related parties. The transactions are measured at the exchange amounts, which are the amounts of consideration established between the related parties.

Key management consists of the Company's directors, CEO, CFO, COO, and Senior Vice Presidents. The Company considers any member of key management to be a related party.

Compensation to related parties during the nine months ended September 30, 2024 and 2023 is summarized as follows:

	September 30, 2024	September 30, 2023
Salaries, consulting and management fees ⁽¹⁾	\$ 1,559,489	\$ 806,722
Share-based compensation ⁽²⁾	1,081,224	355,028
Total remuneration	\$ 2,640,713	\$ 1,161,750

(1) Salaries, consulting and management fees represent CEO, CFO, COO, Senior Vice Presidents and Directors.

- a. Derrick Weyrauch was a related party to the Company and is related to Weyrauch and Associates Inc. In the nine months ended September 30, 2023, the Company paid or accrued \$42,500 to Weyrauch and Associates Inc. while Derrick Weyrauch was a related party to the Company, and there was \$Nil outstanding at September 30, 2024 and December 31, 2023.
- b. David King, Senior Vice President, Technical Services, is a related party to the Company and is related to King Geoscience. In the nine months ended September 30, 2024, \$16,000 (nine months ended September 30, 2023 - \$166,000) was paid or accrued to King Geoscience while David King was a related party to the Company, and there was \$Nil outstanding at September 30, 2024 and December 31, 2023.
- c. Shastri Ramnath, Director, is a related party to the Company and is related to Exiro Mineral Corps. During the nine months ended September 30, 2024, the Company paid or accrued \$53,400 (nine months ended September 30, 2023 - \$Nil) to Exiro Mineral Corps., while Shastri Ramnath was a related party to the Company.

(2) Share-based compensation represents stock option and RSU issuances to key management.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

OUTSTANDING SHARE DATA

The Company has authorized capital of an unlimited number of common shares with no par value. The Company's capital structure as of the date hereof is:

Equity instrument	Number of shares
Common shares issued	194,514,218
Share purchase warrants	26,517,387
Stock options	9,208,700
Restricted share units	1,357,000
Fully diluted common shares	231,597,305

FINANCIAL INSTRUMENTS

Carrying value and fair value

The Company's financial instruments are comprised of cash, restricted cash, accounts receivable, investments, and accounts payable and accrued liabilities.

Financial instruments recognized at fair value on the consolidated statements 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); and
- Level 3: Valuation techniques with unobservable market inputs (involves assumptions and estimates by management).

Cash, restricted cash, accounts receivable, and investments are recorded in the financial statements at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are recorded in the financial statements at amortized cost.

Fair value

The carrying values of cash, restricted cash, accounts receivable, investments, and accounts payable and accrued liabilities do not materially differ from their fair values.

Financial risk factors

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

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. 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 financial statements represents the Company's maximum exposure to credit risk. The Company manages credit risk by placing cash with major Canadian financial institutions. The Company's receivables mainly consist of sales tax receivable due from the Government of Canada. Management believes the credit risk is low.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. 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.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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 royalties payable 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.

As at September 30, 2024 and December 31, 2023, the Company held the following foreign currency-denominated balances:

	September 30,	December 31,
	2024	2023
Cash (US \$)	\$ 1,514	\$ 2,068
Accrued liabilities (US \$)	(346,628)	(346,628)
	(345,114)	(344,560)
Foreign exchange rate	1.35	1.32
Equivalent in Canadian dollars (\$)	\$ (465,904)	\$ (454,819)

Based on the balances held as at September 30, 2024, a 10% change in the Canadian dollar per US dollar exchange rates would have resulted in an increase or decrease in the net loss for the period then ended of approximately \$46,600 (December 31, 2023: \$45,500).

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 realized on such assets.

As at September 30, 2024 and December 31, 2023, the Company did not have any interest-bearing liabilities outstanding.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company has limited exposure to other price risks.

CAPITAL MANAGEMENT

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

- to safeguard its ability to continue as a going concern; and
- 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. As at September 30, 2024, capital consists of equity attributable to common shareholders of \$49,950,655 (December 31, 2023 - \$45,784,084).

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.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

ADOPTION OF NEW AND AMENDED IFRS PRONOUNCEMENTS

New standards and interpretations

The following new amendments to IAS 1 Presentation of Financial Statements have been adopted since the release of the Company's financial statements for the year ended December 31, 2023.

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

In October 2022, the IASB made 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, 2024, and have been evaluated to have no impact on the Company for the nine months ended September 30, 2024.

Standards and amendments issued but not yet effective

Following are the new standards and amendments issued by the IASB which are applicable to the Company's financial statements. The Company will assess the impact of the adoption of these standards and amendments on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. It will affect all companies using IFRS Accounting Standards. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through:

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

In May 2024, the IASB issued amendments to the classification and measurement requirements in IFRS 9. The amendments will address diversity in accounting practice by making the requirements more understandable and consistent. These include:

- Clarifying the classification and assessment of contractual cash flows of financial assets with environmental, social and corporate governance ("ESG").
- Settlement of liabilities through electronic payment systems - the amendments clarify the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option to allow a company to derecognize a financial liability before it delivers cash on the settlement date if specified criteria are met.

With these amendments, the IASB has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example, features tied to ESG-linked targets. The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. The amended Standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendments are effective for annual periods beginning on or after January 1, 2026, with earlier application permitted. Annual improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard or correct relatively minor unintended consequences or oversights in the Accounting Standards. They also correct minor conflicts between the requirements of the Accounting Standards.

CHANGE IN ACCOUNTING POLICY

During the nine months ended September 30, 2024, the Company changed its accounting policy to capitalize rather than expense the acquisition costs of exploration and evaluation assets. The capitalization of acquisition costs is a standard approach in the mineral exploration and development industry, and the Company believes this accounting policy change provides more reliable and relevant financial information. Under the new policy, exploration and evaluation expenditures incurred on the Company's exploration and evaluation assets will continue to be expensed until it has been established that a mineral property is commercially viable and the Company has made a mine development decision. Thereafter, the Company capitalizes expenditures subsequently incurred to develop the mine prior to the start of mining operations. These interim condensed consolidated financial statements reflect the capitalization of \$17,513,957 in acquisition costs and include the following transactions:

- i. the acquisition of Ursa Major Minerals Inc. on February 7, 2017, which included mineral exploration properties with a value of \$774,046;
- ii. the Spanish River option agreement the Company entered into on November 2, 2020, which included cash and share payments between 2020 and 2023 with an aggregate value of \$135,578;
- iii. the acquisition of Lonmin Canada Inc. on November 7, 2022, which included mineral exploration properties with a value of \$16,514,635; and
- iv. a change in the asset retirement obligation estimate on the Company's Shakespeare property for \$89,698 in 2023, originally recorded as exploration and evaluation expense.

The consolidated statement of financial position as at December 31, 2023 has been restated to reflect adjustments made as a result of this change in accounting policy. The accumulated effect of the change of \$17,376,790 has been reflected in the opening deficit of the consolidated financial statements as of January 1, 2023.

This change in accounting policy had no impact on the consolidated statements of operation and comprehensive loss or the consolidated statement of cash flows for the three and nine months ended September 30, 2023.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

The following is a summary of the changes to the Company's consolidated statements of financial position as at December 31, 2023 and January 1, 2023:

	As at December 31, 2023		
	As previously reported	Adjustment	Restated
Exploration and evaluation assets	\$ -	\$ 17,513,957	\$ 17,513,957
Total assets	\$ 12,767,258	\$ 17,513,957	\$ 30,281,215
Total liabilities	\$ 5,432,465	\$ -	\$ 5,432,465
Deficit	\$ (42,862,317)	\$ 17,513,957	\$ (25,348,360)
Total shareholders' equity	\$ 7,334,793	\$ 17,513,957	\$ 24,848,750

	As at January 1, 2023		
	As previously reported	Adjustment	Restated
Exploration and evaluation assets	\$ -	\$ 17,376,790	\$ 17,376,790
Total assets	\$ 7,695,916	\$ 17,376,790	\$ 25,072,706
Total liabilities	\$ 5,073,623	\$ -	\$ 5,073,623
Deficit	\$ (33,003,271)	\$ 17,376,790	\$ (15,626,481)
Total shareholders' equity	\$ 2,622,293	\$ 17,376,790	\$ 19,999,083

CRITICAL ACCOUNTING ESTIMATES

In the preparation of the consolidated financial statements, management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. The judgments which may have an effect on the amounts recognized in the consolidated financial statements include the following:

- the assessment of the going concern assumption;
- the carrying values and impairment assessment of exploration and evaluation assets;
- the recognition of deferred tax assets;
- the valuation of stock options issued;
- the valuation of restricted share units ("RSUs") issued; and
- the valuation of warrants issued.

RISKS AND UNCERTAINTIES

Risks Related to the Industry

Mineral Exploration, Development and Operating Risks

Operations in which Magna has a direct or indirect interest are subject to all of the risks normally incidental to the exploration for, and the development and operation of, mineral properties, any of which could result in damage to properties or production facilities, delays, work stoppages, monetary losses, environmental damage, damage to or destruction of equipment, personal injury or death and possible legal liability. Magna has implemented comprehensive safety and environmental measures designed to comply with or exceed government regulations and to ensure safe, reliable and efficient operations in all phases of its operations.

Magna maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. While Magna believes its insurance coverage adequately addresses material risks to which it is exposed and is at a level customary for its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which Magna is exposed. In addition, no assurance can be given that such insurance will be adequate to cover Magna's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If Magna were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if such liability was incurred at a time when they are unable

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

to obtain liability insurance, the business, results of operations and financial condition of Magna could be materially adversely affected. Magna may become subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons.

All of Magna's properties are still in the exploration stage. Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities.

Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that commercial quantities of ore will be discovered. There is also no assurance that even if commercial quantities of ore are discovered, that the properties will be brought into commercial production or that the funds required to exploit mineral reserves and resources discovered by Magna will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of Magna. There can be no assurance that Magna's mineral exploration activities will be successful. In the event that such commercial viability is never attained, Magna may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern."

Estimation of Mineralization, Resources and Reserves

There is a degree of uncertainty attributable to the calculation of mineralization, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralization are actually mined and processed, the quantity of mineralization and reserve grades must be considered estimates only. These estimates depend upon geological interpretation and statistical inference drawn from drilling and sampling analysis, which may prove unreliable. There can be no assurance such estimates will be accurate. In addition, the quantity of reserves and mineralization may vary depending on commodity prices. Any material changes in quantity of reserves, mineralization, grade or stripping ratio may affect the economic viability of a mine. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production. The inclusion of mineral resource estimates should not be regarded as a representation that these amounts can be economically exploited and no assurances can be given that such resource estimates will be converted into reserves. Different experts may provide different interpretations of resource estimates.

Exploration Costs

Magna's exploration costs are based on certain cost estimates and assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. No assurance can be given that the cost estimates and the underlying assumptions will be realized in practice, which may materially and adversely affect Magna's viability.

Regulatory Risks

All of Magna's activities take place within Canada. Magna's exploration activities are subject to, and any future development and production operations will be subject to, regulation by governmental authorities. Achievement of its business objectives is contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and Magna's ability to obtain and retain all necessary regulatory approvals for the operation of its mining exploration activities. While Magna believes that it will be able to maintain its existing approvals and obtain regulatory approvals in a time and cost-effective manner in the future, changes to regulatory requirements could result in delays and could have a material adverse effect on the business, results of operations and financial condition of Magna.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Change in Laws, Regulations and Guidelines

Magna's operations are subject to a variety of laws, regulations and guidelines relating to exploration, management, transportation, storage and disposal of mining materials or discharge, and laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. While, to the knowledge of Magna's management, Magna is currently in compliance with all such laws, changes to such laws, regulations and guidelines may have a material adverse effect on the business, results of operations and financial condition of Magna.

Permits

Magna requires licenses and permits from various governmental authorities to carry out exploration and development at its projects. Obtaining permits can be a complex and time-consuming process. There can be no assurance that Magna will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Magna from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time and there is no assurance that Magna will have the resources or expertise to meet its obligations under such licenses and permits.

Title to Properties

Acquisition of rights to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although Magna has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, Magna cannot give an assurance that title to such properties will not be challenged or impugned. Magna can never be completely certain that it or its option partners will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. Magna does not carry title insurance on its properties. A successful claim that Magna does not have title to a property could cause Magna to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

Aboriginal Title and Rights Claims

Magna operates in some areas presently or previously inhabited or used by Indigenous peoples. Various national and international laws, codes, resolutions, conventions, guidelines and other materials relate to the rights of Indigenous peoples. Many of these materials impose obligations on the government to respect the rights of Indigenous peoples. Some mandate that the government consult with Indigenous peoples regarding government actions which may affect them, including actions to approve or grant mining rights or permits. The obligations of the government and private parties under the various national and international materials pertaining to Indigenous peoples continue to evolve and be defined. Magna's current and future operations are subject to the risk that one or more groups of Indigenous peoples may oppose the continued operation, further development or new development of those projects or operations in which Magna holds an interest. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against Magna's activities. Opposition by Indigenous peoples to Magna's activities may require modification of, or preclude operation or development of, Magna's projects or may require Magna to enter into agreements with Indigenous peoples with respect to Magna's projects. Such agreements may have a material adverse effect on Magna's business, financial condition and results of operations.

On June 26, 2014, the Supreme Court of Canada issued a decision in the case *Tsilhqot'in Nation v. British Columbia* (the "Tsilhqot'in Decision") that may affect the Shakespeare Project located in Ontario. In the Tsilhqot'in Decision, the Court issued the first declaration of Aboriginal title in Canadian history. The Court confirmed that the Tsilhqot'in Nation held Aboriginal title to an area in northern British Columbia within their traditional territory. While the Shakespeare Project is not located within the areas involved in the Tsilhqot'in Decision, the decision has legal precedent implications for all areas in Canada where Indigenous peoples claim Aboriginal title and may lead other communities or groups to pursue similar claims in the area where the Shakespeare Project is located. While an Aboriginal title claim remains unsettled either by a treaty or court ruling, there is the potential for Aboriginal title to

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

be established, along with the inherent rights associated with Aboriginal title, which includes the exclusive right to decide how the land is used and the right to benefit from those uses.

In areas where Indigenous peoples claim treaty or Aboriginal rights, including Aboriginal title, the Crown (federal and provincial governmental agencies) must act honourably in its dealings, which may affect treaty or Aboriginal rights, whether proven or asserted. When a Crown action – such as granting a permit – may adversely affect those rights, then the Crown has a duty to consult with the affected Indigenous group before deciding on the permit. The Crown must then consider the potential impacts on the interest being claimed and how any impact may be avoided, mitigated or accommodated. Magna relies on the Crown to adequately discharge its duty of consultation before issuing any permit or right to Magna, including the grant of mineral titles and associated rights. To assist in managing the risk associated with any adverse impact on treaty or Aboriginal rights, Magna works to establish good relations and relationship agreements with affected Indigenous communities to confirm their support or consent for Magna's rights and permits.

Magna cannot accurately predict whether Aboriginal rights and title claims will have a material adverse effect on its ability to carry out the intended exploration and work programs on its properties located in Canada. The legal basis for, and the strength of, an Aboriginal rights or title claim is a complex issue, and the prospect and impact of any resolution of any such claim through a court decision or settlement with the government is beyond the control of Magna and cannot be predicted with certainty.

Acquisition of Additional Mineral Properties

If Magna loses or abandons its interest in one or more of its properties, then there is no assurance that it will be able to acquire other mineral properties of merit, whether by way of option or otherwise, should Magna wish to acquire any additional properties.

Technology

Magna operates in a competitive environment where its products and services are subject to technological change and evolving industry standards. Magna's future success will depend on its ability to enhance existing operations, accurately predict and anticipate evolving technology, and respond to technological advances in its industry. If Magna is unable to respond to technological changes or fails or delays to incorporate technological enhancements in a timely and cost-effective manner, its operations may become uncompetitive and it may be unable to recover its exploration expenses, which could negatively affect its profitability and the continued viability of its business.

Reliance on Management

The success of Magna's business is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of key personnel could have a material adverse effect on the business, operating results or financial condition of Magna.

Factors which may Prevent Realization of Growth Targets

Magna is currently in the exploration stage. Magna's growth strategy contemplates focusing on certain parts of the Shakespeare and Crean Hill projects to identify mineral resources. There is a risk that proposed exploration activities may not be achieved on time, on budget, or at all, as it could be adversely affected by a variety of factors, including: delays in obtaining, or conditions imposed by, regulatory approvals; facility design errors; environmental pollution issues; non-performance by third party contractors; increases in materials or labour costs; construction performance falling below expected levels of output or efficiency; breakdown, aging or failure of equipment or processes; contractor or operator errors; labour disputes; disruptions or declines in productivity; inability to attract sufficient numbers of qualified workers; disruption in the supply of energy and utilities; and major incidents and/or catastrophic events, such as fires, explosions, earthquakes or storms.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Additional Financing Requirements

In order to execute its anticipated growth strategy, Magna may require additional equity and/or debt financing to support ongoing operations, undertake capital expenditures, or undertake business combination transactions or other initiatives. There can be no assurance that additional financing will be available to Magna when needed or on terms which are acceptable. Magna's inability to raise additional financing could limit its growth and may have a material adverse effect upon its business, operations, results, financial condition or prospects.

If additional funds are raised through further issuances of equity or securities convertible into equity, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of common shares. Any debt financing secured in the future could involve restrictive covenants relating to capital-raising activities and other financial and operational matters, which may make it more difficult for Magna to obtain additional capital and to pursue business opportunities.

Liquidity and Funding

As at the date hereof, Magna has no income-producing assets and will generate losses for the foreseeable future. Until it is able to develop a project and generate appropriate cash flow, it is dependent upon being able to obtain future equity or debt funding to support long-term exploration. Neither Magna nor any of the directors of Magna, nor any other party, can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms favourable to Magna, or at all. Any additional equity funding will dilute existing shareholders of Magna. Further, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project will be dependent on many factors, including, for example, exploration success, subsequent development, commissioning and operational performance.

Repatriation of Earnings

There is no assurance that any countries other than Canada in which Magna may carry on business in the future will not impose restrictions on the repatriation of earnings to foreign entities.

Unprofitable Operations

Magna is not yet generating revenue from its exploration activities and does not expect to earn any revenue in the near future. Magna may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, Magna expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If Magna's revenues do not increase to offset these expected increases in costs and operating expenses, Magna may not be profitable.

Competition

Magna is expected to face competition from other companies, some of which can be expected to have longer operating histories and more financial resources than Magna. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of Magna.

Reliance on Key Inputs

Magna's business is dependent on a number of key inputs, including supplies and equipment required to continue operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of Magna. Further, some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, Magna might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to Magna in the future. Any inability to secure required supplies and services, or to do so on acceptable terms, could have a material adverse impact on the business, financial condition and operating results of Magna.

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Dependence on Suppliers and Skilled Labour

The ability of Magna to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that Magna will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the exploration program contemplated by Magna may be significantly greater than anticipated by Magna's management and/or may cost more than the funds available to Magna, in which circumstance Magna may curtail, or extend the timeframes for completing, its expansion plan. This could have a material adverse effect on the financial results and operations of Magna.

Management of Growth

Magna may be subject to growth-related risks, including capacity constraints and pressure on internal systems and controls. The ability of Magna to manage growth effectively will require it to continue to implement and improve its operational and financial systems, and to expand, train and manage its employee base. The inability of Magna to deal with this growth may have a material adverse effect on the business, financial condition, results of operations and prospects of Magna.

Conflicts of Interest

Certain of the directors and officers of Magna are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of Magna and as officers and directors of such other companies.

Litigation

Magna may become party to litigation from time to time in the ordinary course which could adversely affect its business. Should any such litigation be determined against Magna, such a decision could adversely affect its ability to continue operating and the market price for its securities. Even if successful, such litigation would require Magna to expend significant time and money.

Market Conditions

Share market conditions may affect the value of Magna's securities regardless of its operating performance. Share market conditions are affected by many factors, such as: general economic outlook; introduction of tax reform or other new legislation; interest rates and inflation rates; changes in investor sentiment toward particular market sectors; the demand for, and supply of, capital; and terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Magna does not warrant the future performance of Magna or any return on an investment in Magna.

Commodity Prices

The price of the common shares and Magna's profitability, financial results and exploration activities may in the future be significantly adversely affected by declines in the price of base and precious metals. Metal prices fluctuate on a daily basis and are affected by a number of factors beyond the control of Magna, including the U.S. dollar and other foreign currency exchange rates, central bank and financial institution lending and sales, producer hedging activities, global and regional supply and demand, production costs, confidence in the global monetary system, expectations of the future rate of inflation, the availability and attractiveness of alternative investment vehicles, interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The price of nickel has fluctuated widely in recent years, and future trends cannot be predicted with any degree of certainty. In addition to adversely affecting Magna's financial condition and exploration and development activities, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project, as well as have an impact on the perceptions of investors with respect to metal equities, and therefore, the ability of Magna to raise capital. A sustained, significant decline in the price of nickel could also cause development of any properties in which Magna may hold an interest from time to time to be impracticable. Future production from

Magna Mining Inc.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2024

Magna's future properties, if any, will be dependent upon, among other things, the price of nickel, copper, cobalt and platinum group metals being adequate to make these properties economic. There can be no assurance that the market price of nickel will remain at current levels, that such price will increase or that market prices will not fall.

Dividends

Magna has no dividend record and does not anticipate paying any dividends on the common shares in the foreseeable future. Any dividends paid by Magna would be subject to tax and, potentially, withholdings.

Environmental and Employee Health and Safety Regulations

Magna's operations are subject to environmental and safety laws and regulations concerning, among other things: emissions and discharges to water, air and land; the handling and disposal of hazardous and non-hazardous materials and wastes; and employee health and safety. Magna expects to incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or restrictions on Magna's operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof, or other unanticipated events, could require extensive changes to Magna's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Magna.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve the potential risk of releases of metals, chemicals, fuels, liquids having acidic properties and other contaminants to soil, surface water and groundwater. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for all mining companies. Magna may be liable for environmental contamination and natural resource damages relating to the properties that it currently owns or operates or at which environmental contamination occurred while or before Magna owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca.