



Magna Terra Minerals Inc.
Management's Discussion and Analysis
of the
Financial Condition and Results of Operations

For the year ended August 31, 2018

MAGNA TERRA MINERALS INC. MANAGEMENT'S DISCUSSION AND ANALYSIS

This management discussion and analysis ("MD&A") has been prepared based on information available to Magna Terra Minerals Inc. ("Magna Terra" or the "Company") as at December 31, 2018. The MD&A of the operating results and financial condition of the Company for year ended August 31, 2018, should be read in conjunction with the Company's audited financial statements and the related notes for the year ended August 31, 2018. The Financial Statements have been prepared by management and are in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements. Additional information relating to the Company can be found on the Company's website www.magnaterraminerals.com and on SEDAR at www.sedar.com.

Nature of activities and corporate strategy

Magna Terra is incorporated under the *Canada Business Corporations Act*. The Company is a Canada based, gold/silver focused precious metals exploration company, with a strategic interest in the horn of South America. In May 2017, Magna Terra completed the acquisition of a significant exploration portfolio (103,000 hectares, sub-divided into 8 projects) on the prolific yet underexplored Deseado Massif in the Province of Santa Cruz, Argentina. With six district scale drill ready projects, the Company is positioned to deliver significant shareholder value through the potential for precious metals discovery(s) on its extensive portfolio.

The Company also has interests in three early stage exploration properties in the province of Quebec, Canada.

The Company's strategy is to rely on a highly skilled, creative and focused exploration and management team to discover and acquire early stage projects where it can add value quickly. It believes in focusing on geographies with workable logistics and mining infrastructure where prospective land is accessible both physically and politically. By leveraging superior prospecting, technology and interpretational skills, the Company is looking for high value low cost ounces neighboring established mines and projects, which give high potential for joint venture and offtake partners. The Company currently has 6 drill ready projects and has recently commenced first phase drill programs to advance two of these (Piedra Negra and Luna Roja). Santa Cruz Province hosts a good variation of deposit types in low altitude areas with good road networks and a rapidly developing mining culture and infrastructure.

Recent activities

The Company currently has 6 projects with defined drill targets, a fully planned and costed drill program for each, and is currently executing first phase drilling on two, Piedra Negra and Luna Roja. At Piedra Negra, 860 m of drilling was completed recently with assays pending and drilling on Luna Roja will commence in early January 2019. The Company also undertook an initial ground exploration program on the 60,000 hectare Boleadora group of properties. Further target generation work is planned for Boleadora in 2019.

On December 28, 2018, the Company closed the first tranche of a private placement for gross proceeds of \$400,000 by the issuance of 8,000,000 units. Each Unit was priced at \$0.05 and consists of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.10 per warrant share until December 28, 2020.

On May 5, 2017, the Company completed a share purchase agreement (the "Agreement"), dated March 1, 2017 with Atala Resource Corp. ("Atala"), and the shareholders of Atala (the "Atala Shareholders") along with a private placement financing of 13,720,928 units of the Company for gross proceeds of \$686,046 (see below).

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On June 19, 2017, the Company completed the second tranche of its private placement for gross proceeds of \$108,500 bringing the total amount raised to \$794,546.

Exploration activities

Santa Cruz Projects

Magna Terra controls 103,000 hectares of exploration rights in the mining friendly Santa Cruz Province of Argentina. The concessions lie entirely within the highly prospective Deseado Massif which constitutes a world class "Large Igneous Province" (LIP) with outstanding epithermal precious metal mineralization associated with Jurassic volcanism and crustal extension. The Massif is located in the northern part of Santa Cruz Province and is in an early-stage of exploration and development. Mining infrastructure is developing rapidly and most of the Company's projects occur in close proximity to producing gold and silver mines such as Cerro Vanguardia, Cerro Negro, San Jose, Mina Martha, Manantial Espejo, Cerro Moro and the newly developed Don Nicolas.

We categorize our land packages as two main types:

- 1) Projects, where we can offer a joint venture with a proposed work program of drilling. These include Luna Roja (El Monte property), Signos (El Monte Property), Piedra Negra, Covadonga, Gertrudis, El Meridiano and La Rosita.
- 2) Prospects, where generative exploration is planned or underway, which include Katrina and Boleadora Group.

The Company has completed ground magnetic, Induced Polarization (IP) and CSAMT programs on five projects enabling detailed planning and budgeting for each of them and thus permitting us to offer them for first phase drilling as turnkey projects under our management. The Company has conducted 860 m drill program on Piedra Negra designed to test structurally outcropping N-S striking veins, E-W striking dilatational zones and rhyolite hosted stockworks. It also plans to commence a 1,000 m drill program on Luna Roja in January 2019 to test resistive and chargeable IP anomalies associated with a N-NW striking structural corridor comprising a 3 km extension of semi continuous low sulphidation Au and Ag veinlets and breccias.

Of the "Project" category properties, the Luna Roja, Piedra Negra, Covadonga, El Meridiano, Gertrudis and La Rosita projects have clearly defined and planned drill programs.

Piedra Negra, which was discovered in January 2017, constitutes a zone of low sulphidation veins and stockworks in outcrop and float over a 2 km strike length and 700 m width. Prospecting around the initial discovery vein has resulted in 460 rock chip samples which define a mineralized footprint of 2.3 km by 700 m with gold values up to 16.02 ppm Au and an average of 0.47 ppm Au including 189 samples over 0.1 ppm. Microscopy studies on the vein material have shown that the Au mineralization occurs as free gold and electrum in silica. First phase drilling has completed 860 m with assays pending.

Luna Roja hosts structurally and stratigraphically controlled Au and Ag mineralization and has significant investment in mapping, rock chip sampling, soil sampling and trenching in addition to an Induced Polarization program. The target area is centered on a manto shaped IP anomaly which is greater than 15 mV/V and has areas above 20 mV/V. The anomalies are accompanied by resistivity anomalies which are variable and range from slightly resistive to over 5,000 ohms and form a target of approximately 2 km long by 500 m wide. An approximate 1,000 m first phase drill program is planned to commence in January 2019.

The **Covadonga** project exhibits a significant mineralized footprint from rock chips and soils with anomalous Au, Lead (Pb), Arsenic (As) and Mercury (Hg) over a 3 km strike length in veins and hydrothermal breccias. Trenching has revealed low level Au with a very high correlation coefficient to Pb in silica. A soil sampling program constituting over 696 samples plus QAQC has been completed as have

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IP and ground magnetics programs. The Company has recently completed microscopy and spectral analysis on a selection of vein and clay altered samples which reveal the project to be the upper part of a low sulphidation system. The combination of these data form the basis for further exploration including a potential 2,500 m drill program.

The **Gertrudis** project is comprised of two mineralized structures which we refer to as the Gertrudis and David veins. These veins are some 300 m apart, sub parallel and steeply dipping and are comprised of silicified tectonic and volcanic breccias with argillic alteration halos. Low grade Au anomalies occur in both veins which are also associated with As, Antimony (Sb) and Hg anomalies. The Gertrudis vein is the more prominent of the two and extends for 800 m. This is a N-NW striking structure which is steeply dipping to the W-SW and is well exposed along most of its length. The David vein is exposed for 350 m and does not exhibit a measurable dip. Ground magnetic and IP surveys are now complete and have revealed a W-NW striking target at depth which cuts across the Au bearing portions of the Gertrudis and David Veins. The Company has identified drill targets for this project which constitute a potential 2,000 m drill program.

The **El Meridiano** project lies in the western part of an 8-10 km wide caldera, and the westernmost part of this feature is thought to be the site of 2.5 km wide circular diatreme complex. Andesitic to felsic tuffs in a 4 sq. km area are cut by gold-bearing hydrothermal breccias filling north to N-W trending fractures and faults. Virtually all samples of these breccias contain small to significant amounts of gold, As and Sb, but very little silver or base metals, suggesting that the mineralization is preserved at a high level of erosion. Drilling was carried out on the project in 2009 and 2010. Most holes hit one to several discrete intervals of at least 100 ppb Au and about one-third intersected wider intervals of weak mineralization interspersed with narrower higher-grade zones. Ten holes intersected "significant mineralization", here considered to be the equivalent of 1.5 meters (true thickness) of at least 340 ppb. A recently completed CSAMT survey shows that the area of mineralization sits above a large zone of resistivity in a half graben and that promising targets exist below the level of current drilling. A drill program of relatively deep, over 200 m length, drill holes is planned for this project.

La Rosita project occupies a basin measuring around 4 by 4 km which is formed in andesitic and dacitic volcanics and is the site of sedimentary deposition including limestones and siltstones with sinters, the latter of which are locally mineralized. The formation of this basin is the result of extension and wrenching related to major regional and district scale structures which strike N-NE, N-S, N-NW, N-W and W-NW. The formation of the basin provided a site of high potential for geothermal and hydrothermal fluid flow as well as the topography for sedimentation which would ultimately cover the favourable stratigraphy and much of the evidence of hydrothermal activity. The presence of mineralization in sinters accompanied by associated soft sediment deformation, implies an environment in which sedimentation was accompanied by geothermal activity in the Jurassic period. Hydrothermal fluids, associated with structures in the underlying volcanics, had to pass through this column of unfavourable stratigraphy before brecciating and mineralizing sinters at the surface. Drilling on the project, during 2010, produced multiple low grade Au intercepts. Of the 12 holes drilled, 5 hit one to several discrete intervals of at least 50 ppb Au and 2 holes intersected "significant mineralization", here considered to be the equivalent of 2 to 3 meters (not true thickness) of at least 700 ppb. We have recently completed an IP survey on selected target areas of the property and along with structural and stratigraphic analysis, these data were used for drill planning.

The **Signos project** (El Monte property), is at an early stage with prospecting and geological mapping revealing areas of veining and brecciation in Andesite and Rhyolite. A short east-west trench across a mineralized structure, in the Lambda Zone, revealed a fault-vein contact between felsic volcanic rock and andesite. Channel sampling of the fault-vein yielded 9 meters of 153 ppb Au equivalent, including 3 meters of 233 ppb Au. Another zone, known as the Alpha Zone, includes 30 samples from a 250 m long ridge where float and sub-crop are brecciated and silicified. Gold concentrations in the hundreds of ppb are common with one outlier reporting 26 ppm Au.

In addition to the defined projects we also have the **Boleadora** group to the south of Cerro Negro and the **Katrina** Cateo between Cerro Vanguardia and Cerro Moro. These properties constitute 60,000 hectares

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of prospective ground. During first pass prospecting, the Katrina Cateo revealed Au anomalies ranging from 20 ppb up to 1.5 ppm. The Company is currently working on a first pass exploration program on the Boleadora group properties which includes using proprietary remote sensing and data analysis techniques.

Quebec Properties

Verneuil

The Company holds a 50% interest (SOQUEM 50%) in 34 claims located approximately 15 km to the east of the Lebel-sur-Quevillon, district of Abitibi. A 2% net smelter return royalty on future production is attached to the property. During the 2018 exploration season SOQUEM completed a detailed sampling and mapping program which was followed up by an Induced Polarization geophysical survey. This was followed up by a drill program consisting of 2,695 m in 12 holes. A total of 1,096 core samples were sent for assay. Final results and a full report are pending. Magna Terra did not participate in the funding of this program and hence its project interest will be diluted as a result.

Noyell – gold project

The Company holds a 100% interest in 49 claims located approximately 25 km south of Matagami, along the Douay-Cameron Corridor adjacent to the Vezza deposit, district of Abitibi.

Matchi-Manitou – copper, zinc, gold and silver project

The Company holds a 29% interest in 29 claims located in Tavernier and Pershing townships, district of Abitibi. The joint venture partner is the exploration manager for the property and is currently inactive on the property.

The Company holds interests and has capitalized cost in the following exploration properties.

	Santa Cruz projects	Quebec projects	Total
Balance, August 31, 2016	-	5,722	5,722
Acquisition of mineral properties	1,289,277	-	1,289,277
Expenditures	342,568	49,197	391,765
Balance, August 31, 2017	1,631,845	54,919	1,686,764
Acquisition costs	82,301	-	82,301
Expenditures	942,121	-	942,121
Government grants	-	(18,977)	(18,977)
Balance, August 31, 2018	2,660,267	35,942	2,696,209

The above technical information was confirmed and/or reviewed by Paul Robinson, Geologist, Vice-President of Exploration, qualified person under NI 43-101.

Selected annual information

Year ended August 31	2018 \$	2017 \$	2016 \$
Total assets	2,751,310	3,175,483	2,323,329
Current liabilities	373,505	192,644	151,059
Shareholders' equity	2,377,865	2,982,840	2,171,270
Net income (loss) for the year	(642,841)	(601,466)	1,740,105
Net income (loss) per share – basic and diluted	(0.01)	(0.01)	0.04

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Summary of quarterly results

	August 31 2018 \$	May 31 2018 \$	February 28 2018 \$	November 30 2017 \$
Total assets	2,751,310	2,748,698	3,072,321	2,970,670
Shareholders' equity	2,377,865	2,521,552	2,628,412	2,723,363
Total revenues	-	-	-	-
Net income (loss)	(148,123)	(272,401)	70,590	(292,907)
Net income (loss) per share ²	(0.01)	(0.00)	(0.00)	(0.00)

	August 31 2017 \$	May 31 2017 \$	February 28 2017 \$	November 30 2016 \$
Total assets	3,175,483	3,485,765	2,699,538	2,270,329
Shareholders' equity	2,982,840	3,303,691	2,624,050	2,169,637
Total revenues	-	-	-	-
Net income (loss)	(551,549)	(501,699)	454,413	(2,631)
Net loss per share ²	(0.01)	(0.01)	0.01	0.00

¹ The net income is derived from the sale of the Pitt Gold Property as well as the increase in the fair value of First Mining shares acquired as partial consideration from the sale of the Pitt Gold property.

² In periods of loss, net loss per share basic and fully-diluted are the same, as inclusion of options and/or warrants would be anti-dilutive.

Financial highlights

For the year ended August 31, 2018

Net loss for the year ended August 31, 2018 was \$642,841, which included a gain on short term investments of \$6,889. Loss on sale of subsidiary relates to the disposition of an inactive Argentine subsidiary. General and administrative expenses are detailed below.

	For the year ended August 31	
	2018 \$	2017 \$
Consulting fees	66,000	44,000
Geologic consulting	26,694	11,297
Shareholder services	13,983	61,529
Insurance	13,266	8,319
Listing fees	9,449	25,417
Office	19,767	2,593
Rent	28,576	-
Conferences and promotion	40,607	21,608
	218,342	174,863

For the three months ended August 31, 2018

Net loss for the three months ended August 31, 2018 was \$148,123, and included costs related to the Company's administrative activities in Canada and Argentina.

Liquidity, working capital and capital resources

As at August 31, 2018, the Company had cash and cash equivalents of \$1,000 (August 31, 2017 - \$140,047) and a working capital deficit of \$354,460 (August 31, 2017 - a surplus of \$1,209,920), an accumulated deficit of \$3,861,737 (August 31, 2017 - \$3,223,332) and cash flow used in operations for the year ended August 31, 2018 was \$472,728 (year ended August 31, 2017 - negative \$346,986).

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The Company's primary sources of cash include the sale and option of its mineral properties, the sale of short-term investments and the issuance of common shares for cash. The Company's primary uses of cash include exploration and transaction financing costs and corporate administration. The Company has experienced historic losses and negative cash flows from operations both of which have raised concerns regarding its ability to continue as a going concern.

Investing activities

During the year ended August 31, 2018, the Company incurred \$912,317 in cash exploration expenditures related to its Santa Cruz properties and received \$1,221,439 from the sale of its short-term investments.

Financing activities

There were no financing activities during the year.

The capital structure of the Company consists of all the components of shareholders' equity. To adjust or maintain its capital structure the Company may issue new common shares.

Shareholders' equity

Share capital

The Company is authorized to issue an unlimited number of common shares.

Balance, August 31, 2017	70,203,393
Common shares issued for mineral properties	250,000
Balance, August 31, 2018	70,453,393

Warrants

The composition of the outstanding warrants as at August 31, 2018 consists of the following:

	Expiry date	Number	Exercise Price
Warrants	May 5, 2019	13,720,928	\$0.08
Warrants	June 19, 2019	2,170,000	\$0.08
		15,890,928	

Share based payments

The Company has a 10% rolling stock option plan (the "Plan") whereby the Board of Directors may grant to employees, officers, directors, management, company employees and consultants of the Company or of its subsidiary thereof options to acquire common shares in such numbers, for such terms and at such exercise prices as may be determined by the Board. The exercise price of each option may not be lower than the market price of the common shares at the time of the grant of the options.

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At August 31, 2018, the Company had 7,045,339 options available for issuance under the Plan.

	Options #	Weighted average exercise price \$
Balance, August 31, 2016	2,550,000	0.06
Issued	3,400,000	0.065
Issued	1,900,000	0.07
Expired	(650,000)	0.10
Cancelled	(1,900,000)	0.05
Balance, August 31, 2017	5,300,000	0.07
Issued	400,000	0.05
Balance, August 31, 2018	5,700,000	0.07
Exercisable at August 31, 2018	5,600,000	0.07

A summary of the outstanding stock options is presented below:

Date of grant	Remaining life	Number of options #	Exercise price \$
May 18, 2017	3.73 years	3,400,000	0.065
August 9, 2017	3.95 years	1,900,000	0.070
September 7, 2017	4.03 years	400,000	0.050
		5,700,000	

On May 18, 2017, the Company granted 3,400,000 stock options with an exercise price of \$0.065 and expiring on May 18, 2022. The options have been valued using the Black-Scholes method with a risk free interest rate of 1.14%, expected volatility of 214%, dividend yield of nil and an expected life of 5 years, resulting in share based compensation of \$217,260.

On August 9, 2017, the Company granted 1,900,000 stock options with an exercise price of \$0.065 and expiring on August 9, 2022. The options were valued using the Black-Scholes method with a risk-free interest rate of 1.77%, expected volatility of 213%, dividend yield of nil and an expected life of 5 years resulting in share based compensation of \$130,730.

On April 18, 2017, 650,000 stock options expired unexercised.

On September 7, 2017, the Company issued 400,000 stock options to a director with an exercise price of \$0.05 for a period of 5 years.

Subsequent events

On December 28, 2018, the Company closed the first tranche of a private placement for gross proceeds of \$400,000 by the issuance of 8,000,000 units of a private placement. Each Unit was priced at \$0.05 and consists of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.10 per warrant share until December 28, 2020.

The Company paid finders fees of \$2,800 in cash and 56,000 broker warrants (the "Broker Warrants"), with each Broker Warrant entitling the holder to acquire one common share at a price of \$0.10 until December 28, 2020. All securities will be subject to a four month hold period ending on April 29, 2019.

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On December 28, 2018, the Company granted 2,120,000 stock options to employees, officers and directors of the Company, with an exercise price of \$0.05 per share, exercisable until December 28, 2023.

Outstanding share data

The following describes the outstanding share data of the Company as at December 31, 2018:

	Number outstanding
Common shares	78,453,393
Options to purchase common shares	7,820,000
Warrants to purchase common shares	19,890,928
	106,164,321

Transactions with related parties

The Company defines its key management as the Board of Directors, Chief Executive Officer and Chief Financial Officer. For the year ended August 31, 2018, \$278,500 was paid as management compensation (for the year ended August 31, 2017 – \$187,875). Share based compensation awarded to key management for the year ended August 31, 2018 was \$19,680 (for the year ended August 31, 2017 - \$239,973).

	For the year ended August 31	
	2018	2017
	\$	\$
Management fees	246,000	180,625
Directors fees	32,500	7,250
Share based compensation	19,680	239,973
	298,180	429,452

On April 27, 2018, the Company completed the sale of 10,000,000 common shares of Northern Superior Resources Inc. at \$0.04 per share for gross proceeds of \$400,000 to Thorsen Fordyce Merchant Capital Inc. ("Thorsen"), a company controlled by Lewis Lawrick, the President and CEO of the Company.

As at August 31, 2018, the Company has a loan outstanding from Thorsen in the amount of \$60,500, which is non-interest bearing and due on demand.

Going concern assumption

The Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements.

For the year ended August 31, 2018, the Company had a net loss of \$642,841 (for the year ended August 31, 2017 – net loss of \$601,466), had used cash in operations of \$472,728 (used \$346,986 for the year ended August 31, 2017), and as at August 31, 2018, had an accumulated deficit of \$3,861,737 (August 31, 2017 - \$3,223,332) and a working capital deficit of \$354,460 (August 31, 2017 – a surplus of

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\$1,209,920). During the year ended August 31, 2017, the Company completed the Atala Transaction and a private placement of 15,890,928 Units for gross proceeds of \$794,546.

To date there has been no determination whether the Company's interests in mineral exploration properties contain mineral reserves, which are economically recoverable. The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the achievement of profitable operations; and the ability of the Company to raise alternative financing; or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Capital management

The Company's objective in managing capital is to ensure continuity as a going-concern and to safeguard its ability to continue its acquisition and exploration programs as well as ensuring that all flow-through funds obtained are utilized in exploration activities and spent by the required deadline. The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company defines its capital as the shareholder's equity. To effectively manage the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long term debt as the Company does not currently generate operating revenues. There is no dividend policy. The Company is subject to regulatory requirements related to the use of funds obtained by flow-through share arrangements. These funds have to be incurred for eligible exploration expenses. The Company has respected these regulatory requirements.

Risk and uncertainties

Magna Terra is subject to a variety of risks, some of which are described below. If any of the following risks occur, the business, results of operations or financial condition could be adversely affected in a material manner.

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company is exposed to credit risk with respect to its cash. To minimize this risk, cash has been placed with major Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash. As at August 31, 2018, the Company has \$1,000 in cash to settle current liabilities of \$373,505. On December 28, 2018, the Company completed the first tranche of a private placement for gross proceeds of \$400,000 and on April 27, 2018, the Company completed the sale of 10,000,000 common shares of Northern Superior Resources Inc. for \$400,000 in cash. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing and/or the sale of its assets to meet its capital requirements.

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Additional risks are as disclosed in the audited financial statements of the Company for the year ended August 31, 2018.

Cautionary note regarding forward-looking information

This document contains or refers to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or assumptions in respect of future production, mine development costs, unit costs, capital costs, timing of commencement of operations and future economic, market and other conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to: the grade and recovery of ore which is mined varying from estimates; capital and operating costs varying significantly from estimates; inflation; changes in exchange rates; fluctuations in commodity prices; delays in the development of the any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; termination or revision of any debt financing; failure to raise additional funds required to finance the completion of a project; and other factors. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.

Additional information and continuous disclosure

This MD&A has been prepared as at December 31, 2018. Additional information on the Company is available through regular filings of press releases and financial statements on SEDAR (www.sedar.com).

Management's responsibility

Management is responsible for all information contained in this MD&A. The Financial Statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the Financial Statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate, and assets are safeguarded.

The Company's Board of Directors has reviewed and approved the financial statements with management.

December 31, 2018.

(signed) "Lew Lawrick"

Lew Lawrick
President and Chief Executive Officer

(signed) "Errol Farr"

Errol Farr
Chief Financial Officer