MAGNA GOLD CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTERLY HIGHLIGHTS

THREE MONTHS ENDED JUNE 30, 2019

(EXPRESSED IN CANADIAN DOLLARS)

Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A") of Magna Gold Corp. ("Magna" or the "Company") for the three months ended June 30, 2019 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended March 31, 2019.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the year ended March 31, 2019 and from January 9, 2018 (date of incorporation) to March 31, 2018, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three months ended June 30, 2019, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of August 22, 2019, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained on **www.sedar.com**.

Cautionary Note Regarding Forward-Looking Information

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.
The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the twelve months ending June 30, 2020, will be consistent with the Company's current expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel; government regulations will change in a negative manner towards exploration activities for junior mining companies.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Magna was incorporated on January 9, 2018, under the *Business Corporations Act* (Ontario) under the name Magna Gold Corp. The authorized share capital of the Company consists of an unlimited number of common shares, without nominal or par value. Its shares have been listed on the TSX Venture Exchange (the "Exchange") under the symbol MGR since June 10, 2019. The Company's registered head office address is the Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

On June 6, 2019 the Company completed its Qualifying Transaction, as defined in Exchange Policy 2.4 - Capital Pool Companies, consisting of the property option agreement dated September 25, 2018 pursuant to which the Company acquired a 100% interest in the Mercedes Property in Yécora, Mexico.

As of the date of this Interim MD&A, the Company had 37,855,289 common shares outstanding, with 5,625,000 common shares and 180,000 options to purchase common shares ("Options") held in escrow. Prior to completion of the Qualifying Transaction, Colin Sutherland entered into a value escrow agreement with the Exchange, pursuant to which all of his 312,500 common shares were placed into escrow. On June

6, 2019, being the date of the final exchange bulletin regarding completion of the Company's Qualifying Transaction, 656,250 common shares and 20,000 Options were released from escrow.

Qualified Person

Dale Brittliffe, P. Geo., independent geological consultant and author of the report "NI 43-101 Technical Report Mercedes Property, Yecora Area, Municipality of Yecora, Sonora, Mexico" prepared for Magna with an effective date of April 30, 2019, is a ´Qualified Person´ under National Instrument 43-101, and has approved the scientific and technical information contained in this Interim MD&A.

Trends

During property acquisition, exploration, and financial planning, management monitors gold demand and supply balances as well as price trends. In addition to monitoring gold prices, management also monitors financing activities in the Junior Mining Sector as this represents the sector in which Inventus operates.

During the first quarter of 2019, the spot gold price fluctuated between a low of US$1,271 per ounce and a high of US$1,423 per ounce. The average spot gold price for the first quarter was US$1,309 per ounce, an increase of US$3 per ounce from the first quarter of 2018 average (US$1,306 per ounce).

Apart from these factors and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Operational Highlights

Corporate

As at June 30, 2019, the Company had assets of $3,555,199 and a net equity position of $3,505,045. This compares with assets of $4,278,840 and a net equity position of $4,180,159 at March 31, 2019. The Company has $50,154 of current liabilities (March 31, 2019 – $96,861 of current liabilities) at June 30, 2019. The Company recorded exploration and evaluation expenditures of $826,663 during the three months ended June 30, 2019 compared to $nil in the comparative period.

The Company raises financing for its exploration and acquisition activities. At June 30, 2019, the Company had a working capital of $3,505,045 compared to a working capital of $4,180,159 at March 31, 2019, a decrease of $675,114. The Company had cash of $3,456,676 at June 30, 2019, compared to $4,273,729 (includes funds in escrow of $2,652,799 with legal counsel) at March 31, 2019, a decrease of $817,053. The decrease in cash and working capital resulted from exploration and evaluation expenditures and ongoing operating costs. The Company has sufficient current assets to pay its existing current liabilities of $50,154 at June 30, 2019.

Exploration update

The Company has not yet determined whether the Company's properties contain an economic mineral reserve. There are no known reserves of minerals on any of the Company's mineral exploration properties and any activities of the Company thereon will constitute exploratory searches for minerals. See "Risk Factors" below.

Budgeted Expenditures

The Technical Report Author considers the Mercedes Property prospective for further exploration and La Lamosa is the most deserving of immediate follow up work. Mineralization is indicated by previous drilling and supported by recent rock chip and soil sampling. Field investigations suggest that previous drilling may not have been oriented to intersect the target zone at an optimal angle. Diamond drilling is recommended to test down-dip extensions, establish the width and length of mineralization at La Lamosa. Surface geochemistry including rock chip/grab sampling, soil sampling and reconnaissance geological mapping is recommended for outlying areas in order to better evaluate the surrounding property.

Drilling is recommended in thirteen holes on five sections for a total of 2030m (Figure No. 13, Table 8 from the Technical Report). The program is presented into two sequential phases and they could be run contemporaneously if budgets allow. The proposed exploration target is to identify mineralization within a zone 20-30m wide over a strike length of 220m and a down dip length in excess of 240m.

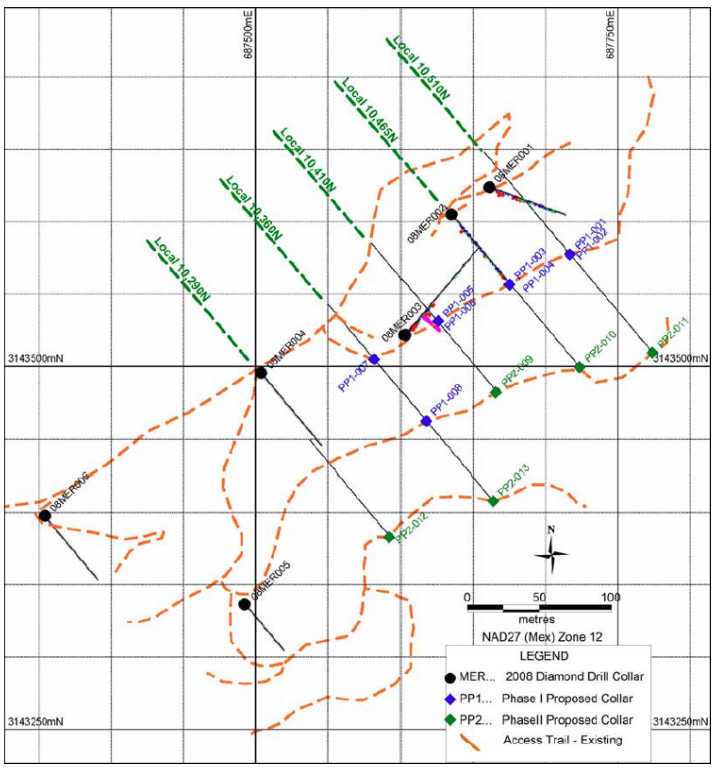

Figure No. 13 from the Technical Report – Proposed Drilling at La Lamosa – Historical hole locations approximate

Table 8 from the Technical Report – Proposed Drill holes Phases I

Phase I								
Hole ID	**WGS84 mE**	**WGS84 mN**	**NAD27 mE**	**NAD27 mE**	**Elevation approx**	**Azimuth**	**Dip**	**Depth m**
PP1-001	687659	3143776	687717	3143578	1300	320	-45	130
PP1-002	687659	3143776	687717	3143578	1300	320	-65	160
PP1-003	687617	3143755	687675	3143557	1300	320	-45	110
PP1-004	687617	3143755	687675	3143557	1300	320	-65	130
PP1-005	687567	3143729	687625	3143531	1300	320	-45	100
PP1-006	687567	3143729	687625	3143531	1300	320	-70	100
PP1-007	687524	3143703	687582	3143505	1300	320	-60	110
PP1-008	687559	3143661	687617	3143463	1264	320	-55	160
PP1-009	687608	3143681	687666	3143483	1265	320	-60	200
PP1-010	687665	3143698	687723	3143500	1265	320	-45	200
PP1-011	687716	3143708	687774	3143510	1263	320	-55	240
PP1-012	687534	3143581	687592	3143383	1240	320	-55	150
PP1-013	687605	3143606	687663	3143408	1240	320	-55	240
							Drill Total	**2030m**

The proposed drilling above is based upon historical diamond drilling data which may contain actual lateral variation of up to 12m. Historical data are probably not sufficiently robust for inclusion in a future resource estimate calculation. They do, however, provide the explorer with invaluable information as to expected mineralization distribution and general footprint of mineralization. It is highly recommended that the existing drill locations be verified by way of DGPS or similar survey and the historical database updated. Such a survey could aid the explorer by indicating areas on the hill where minor adjustments to proposed drilling may be warranted.

In addition to drilling, surface sampling and geological mapping is included in the recommendations as the Technical Report Author considers the project of sufficient merit to potentially host additional mineralized zones. With this in mind, systematic reconnaissance and detailed geological mapping is suggested over the claim area. Any altered or mineralized rocks should be sampled during this work.

Phase I drilling and support activities are estimated to cost US$498,700, and entire recommended budget totals approximately US$600,000 as detailed in Table 9 below.

Table 9 from the Technical Report – Recommended Exploration Programme with Estimate Costs (US $)

PHASE I DRILLING		
Drilling Contractor (incl mob/demob)	2030m @ ~150/m (all in including surveys)	$304,500
Senior Geologist	30 days @ $500/day	$25,000
Project Geologist	60 days @ $300/day	$18,000
Helpers	4 helpers 60 days @ $50/day incl IMMSS	$12,000
Vehicles - Rental Trucks/Fuel	60 days @ $100/day	$6,000
Geologist/Core Tech Crew/Accommodation	6 workers, 60 days$70/man day	$25,200
Water Haulage - 2 shifts/day	water cart, 2 helpers @ $300/shift	$36,000
Earthmoving, access trail upgrade and pad building	D-6 $75/hr 60 hours	$4,500
Consumables, saw blades, sample bags, tags etc	say $3000	$6,000
Geochemical standards/blanks	150 @ $10/sample	$1,500
Sample shipping and analysis	1500 samples @ $40/sample	$60,000
	PHASE I – DIAMOND DRILLING	**$498,700**
ONGOING EXPLORATION AND MAINTENANCE OF PROPERTY - INDEPENDENT OF DRILLING		
Senior Geologist	15 days @ $500/day	$7,500
Project Geologist	30days @ $300/shift	$9,000
Helpers	2 helpers 30 days @ $50/day incl IMMSS	$3,000
Truck Rental, fuel	30 days @ $120/day	$3,600
Consumables, Sample bags etc	say $1000	$1,000
Sample shipping and analysis	200 sample @ $40/sample	$8,000
		$32,100
OFFICE COSTS		
Office Compilation, Database	Database compilation, QA/QC etc 15 days $ 500/day	$7,500
Drafting	Maps, GIS 5 days $ 500/day	$2,500
Report Compilation, Writing	43-101 style activity report 10 days@ 500/day	$5,000
		$15,000
Subtotal		$545,800
10% Contingency		$54,580
Total		**$600,380**

Current activities

The following table summarizes the Company's current plans at Mercedes Property, the total estimated costs, and total expenditures incurred to date.

Plans for the project in 2019	Spent in Fiscal 2019 (approx.)	Planned Expenditures for Fiscal 2019 (approx.)
To confirm the existence of an oxide zone (as suggested by historical drilling), of potential disseminated, quartz stockwork and vein hosted gold +/- silver mineralization within an envelope measuring up to 60m wide over a strike length of 220m and a down dip length in excess of 240m. A total of thirteen reverse circulation (RC) drill holes to a depth varying 150 - 200 meters each, totaling approximately 2,300 meters will be carried out; and an extensive program of surface geochemistry including rock chip/grab sampling, systematic soil sampling and reconnaissance geological mapping on an area totaling approximately 500 hectares to identify new drilling objectives on the five identified additional targets.	$25,000	US$450,000

This first phase of exploration started on June 17, 2019 and some activities have already been completed, including camp set up, aerial topography and access roads to the drill sites. Surface mapping is already underway, and drilling started the week of July 21, 2019. Compilation of data, including assay results and geological Interpretation are expected to be released in September 2019.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements; and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed consolidated interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Financial Highlights

Financial Performance

Three months ended June 30, 2019, compared with three months ended June 30, 2018

The Company's net loss totaled $1,387,878 for the three months ended June 30, 2019, with basic and diluted loss per share of $0.04. This compares with a net loss of $141,725 with basic and diluted loss per share of $0.01 for the three months ended June 30, 2018. The increase in net loss of $1,246,153 was principally because:

- Exploration and evaluation expenditures increased to $826,663 for the three months ended June 30, 2019 (three months ended June 30, 2018 - $nil). See "Exploration update" above under the heading "Operational Highlights".

- During the three months ended June 30, 2019, administrative expenses increased to $67,915 compared to $288 in the comparative period. In general, administrative expenses increased due to support costs to assist Magna complete its Qualifying Transaction.

- Professional fees increased to $273,775 for the three months ended June 30, 2019 (three months ended June 30, 2018 - $41,988). The increase was due to the Company's Qualifying Transaction that was completed during the three months ended June 30, 2019.

- Investigation costs decreased to $55,838 for the three months ended June 30, 2019 (three months ended June 30, 2018 - $80,507). The decrease was due to reduced costs to identify a transaction that would qualify for Magna's Qualifying Transaction.

Cash Flow

At June 30, 2019, the Company had cash of $3,456,676, compared to $1,620,930 at March 31, 2019. The increase in cash of $1,835,746 from the March 31, 2019 cash balance of $1,620,930 was as a result of cash inflows in operating activities of $1,855,726 and financing activities of $8,040. Operating activities were affected by exploration costs of $732,632, which included shares of 2,442,105 shares issued at $0.30 per share and a net change in non-cash working capital balances of 2,510,972 because of a decrease in funds in escrow of $2,652,799, an increase in prepaid expenses of $93,412 and a decrease in accounts payable and other liabilities of $48,415. Financing activities had share issue costs in the amount of $8,040. The effect of exchange rate changes on cash held in foreign currency amounted to $11,940.

Liquidity and Financial Position

The Company derives no income from operations, as all of its projects since inception have been exploration projects. Accordingly, the activities of the Company have been financed by cash raised through private placements of securities and its initial public offering. As the Company does not expect to generate cash flows from operations in the near future, it will continue to rely primarily upon the sale of securities to raise capital. As a result, the availability of financing, as and when needed, to fund the Company's activities cannot be assured. See "Risk Factors" below.

During fiscal 2019, the Company's corporate head office costs are estimated to average less than $50,000 per month. Head office costs include professional fees, reporting issuer costs, business development costs and administrative costs. Head office costs exclude project generation and evaluation costs. The cost of acquisition and work commitments on new acquisitions cannot be accurately estimated. The Company believes it has adequate working capital for the twelve months ending June 30, 2020 to fund its corporate head office costs and its exploration activities.

In addition, the Company's estimated exploration budget is US$450,000, which will be spent or deferred as required.

It is anticipated that further financings will be required from related party loans or an equity issue to continue corporate and exploration activities. There can be no assurance that additional financing from related parties or others will be available at all, or on terms acceptable to the Company. For these reasons, management considers it to be in the best interests of the Company and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed, or for other purposes, as needs arise.

See "Risk Factors" below and "Caution Note Regarding Forward-Looking Statements" above.

Additional measures have been undertaken or are under consideration to further reduce corporate overhead.

Transactions with Related Parties

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Carmelo Marrelli, Chief Financial Officer ("CFO") of the Company was appointed June 6, 2019.

The remuneration of directors and other members of key management personnel, were as follows:

(a) During the three months ended June 30, 2019, travel expenses of $4,816 (three months ended June 30, 2018 - $14,512) were incurred by Arturo Bonillas, a corporate officer of the Company, in order to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction in accordance with Policy 2.4 section 8.2(b). These expenses were included in investigation costs in the consolidated statements of net loss and comprehensive loss.

(b) Advances of $nil (March 31, 2019 - $3,473) were provided to Arturo Bonillas which were included in prepaid expenses as at June 30, 2019.

(c) From June 6, 2019 to June 30, 2019, the Company incurred professional fees of $3,821 to Marrelli Support Services Inc. ("Marrelli Support"), an organization of which Carmelo Marrelli is president. Mr. Marrelli is the CFO of the Company. These services were incurred in the normal course of operations for general accounting and financial reporting matters. Marrelli Support also provides bookkeeping services to the Company. All services were made on terms equivalent to those that prevail with arm's length transactions. As at June 30, 2019, Marrelli Support is owed $7,657 and this amount is included in amounts payable and other liabilities.

(d) From June 6, 2019 to June 30, 2019, the Company incurred professional fees of $1,350 to DSA Corporate Services Inc. ("DSA"), an organization of which Mr. Marrelli controls. Mr. Marrelli is also the corporate secretary and sole director of DSA. These services were incurred in the normal course of operations for corporate secretarial matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at June 30, 2019, DSA is owed $156 and this amount is included in amounts payable and other liabilities.

(e) From June 6, 2019 to June 30, 2019, the Company incurred professional fees of $300 to DSA Filing Services Limited ("Filing"), an organization of which Mr. Marrelli controls. These services were incurred in the normal course of operations for reporting issuer filing services. All services were made on terms equivalent to those that prevail with arm's length transactions. As at June 30, 2019, Filing is owed $571 and this amount is included in amounts payable and other liabilities.

(f) From June 6, 2019 to June 30, 2019, the Company incurred professional fees of $832 to Marrelli Press Release Services Limited ("Press Release"), an organization of which Mr. Marrelli controls. These services were incurred in the normal course of operations for press release services. All services were made on terms equivalent to those that prevail with arm's length transactions. As at June 30, 2019, Press Release is owed $940 and this amount is included in amounts payable and other liabilities.

(g) The Company defines its key management personnel as its Board of Directors, Chief Executive Officer ("CEO"), and CFO. Remuneration of Directors and key management personnel of the Company was as follows:

Stock-based compensation	Three Months Ended June 30, 2019 $	Three Months Ended June 30, 2018 $
Arturo Bonillas, CEO (*)	17,882	nil
Total	**17,882**	**nil**

(*) The Board of Directors do not have employment or service contracts with the Company. There were no director fees accrued or paid during the three months ended June 30, 2019. Salaries and benefits excludes fees paid to the CFO and companies he controls above for each period presented.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended March 31, 2019, available on SEDAR at **www.sedar.com**.

Subsequent Event

On August 16, 2019, the Company announced that it has closed the acquisition of the Las Marias property (the "Las Marias Property"), which consists of 7 mining concessions covering 646 hectares adjacent to the Mercedes Property, and the Las Cabanas mineral claims (the "Las Cabanas Property", and together with the Las Marias Property, the "Claims"), which consists of 2 claims covering 248 hectares located approximately 10 km south-west of the Mercedes Property. The total purchase price for the Claims consisted of: (i) $250,000; and (ii) 1,000,000 common shares of the Company. Completion of the acquisition is subject to final approval of the Exchange.