
MAGNA GOLD CORP.
(A CAPITAL POOL COMPANY)
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED
JUNE 30, 2018
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Magna Gold Corp.**Condensed Interim Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

	As at June 30, 2018	As at March 31, 2018
ASSETS		
Current assets		
Cash (note 3)	\$ 2,172,790	\$ -
Funds in trust (note 3)	-	2,349,747
Prepaid expenses	23,604	-
Total assets	\$ 2,196,394	\$ 2,349,747
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and other liabilities	\$ 25,800	\$ 37,428
Equity		
Share capital (note 4)	2,338,824	2,338,824
Deficit	(168,230)	(26,505)
Total equity	2,170,594	2,312,319
Total equity and liabilities	\$ 2,196,394	\$ 2,349,747

Nature of operations (note 1)

Subsequent event (note 7)

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these financial statements.

Approved on behalf of the Board of Directors:

*/s/ "Arturo Bonillas"*Arturo Bonillas
Director*/s/ "Alex Tsakumis"*Alex Tsakumis
Director

Magna Gold Corp.**Condensed Interim Statements of Net Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)****Three Months Ended June 30, 2018**

Expenses

Investigation costs	\$ 80,507
Professional fees	41,998
Reporting issuer costs	18,932
Bank charges	288

Net loss and comprehensive loss for the period	\$ 141,725
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Basic and diluted net loss per share (note 5)	\$ 0.01
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Weighted average number of common shares outstanding	23,725,000
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The accompanying notes to the unaudited condensed interim financial statements are an integral part of these financial statements.

Magna Gold Corp.**Condensed Interim Statements of Changes in Equity****(Expressed in Canadian Dollars)****(Unaudited)**

	Number of common shares	Share capital	Deficit	Total
Balance, January 9, 2018 (date of incorporation)	-	\$ -	\$ -	\$ -
Private placements (note 4)	25,075,000	2,372,500	-	2,372,500
Share issue costs	-	(33,676)	-	(33,676)
Net loss and comprehensive loss for the period	-	-	(26,505)	(26,505)
Balance, March 31, 2018	25,075,000	2,338,824	(26,505)	2,312,319
Net loss and comprehensive loss for the period	-	-	(141,725)	(141,725)
Balance, June 30, 2018	25,075,000	\$ 2,338,824	\$ (168,230)	\$ 2,170,594

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these financial statements.

Magna Gold Corp.**Condensed Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)****Three Months Ended June 30, 2018**

Operating activities

Net loss for the period \$ (141,725)

Non-cash working capital items:

Prepaid expenses (8,604)

Accounts payable and other liabilities (11,628)

Net cash used in operating activities (161,957)

Financing activities

Prepaid expenses (15,000)

Net cash used in financing activities (15,000)

Net change in cash (176,957)**Cash, beginning of the period** 2,349,747

Cash, end of the period \$ 2,172,790

Supplemental cash flow information

Income taxes paid \$ -

Interest paid -

Supplemental cash flow information \$ -

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these financial statements.

Magna Gold Corp.

Notes to Condensed Interim Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations

Magna Gold Corp. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act of Ontario on January 9, 2018. The Company will carry on business as a "Capital Pool Corporation" ("CPC"), as such term is defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4 - Capital Pool Companies ("Policy 2.4"). As at June 30, 2018, the Company has no business operations and has not entered into any agreements to acquire an interest in businesses or assets. The Company's principal purpose is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company's registered head office address is 390 Bay Street, Suite 806, Toronto, Ontario, M5H 2Y2.

Where a Qualifying Transaction is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. Under Exchange Policy 2.4, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or delist the Company's shares from trading should it not meet these requirements.

These unaudited condensed interim financial statements were authorized for issue by the Board of Directors on August 20, 2018.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These unaudited condensed interim financial statements, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, these unaudited condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year end reporting purposes.

Basis of presentation

The accounting policies and methods applied by the Company in these unaudited condensed interim financial statements are the same as those applied by the Company in its most recent financial statements as at March 31, 2018 and for the period from January 9, 2018 (date of incorporation) to March 31, 2018.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. In the current circumstances, it does not expect any of these to have a material impact on the unaudited condensed interim financial statements.

3. Cash restrictions

Pursuant to the policies of the Exchange, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the Exchange. The Company has not exceeded this limit at June 30, 2018.

Magna Gold Corp.

Notes to Condensed Interim Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

4. Share capital

a) Authorized share capital

At June 30, 2018, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

⁽¹⁾ On February 23, 2018, the Company issued an aggregate of 2,700,000 seed common shares at a price of \$0.05 per share for gross cash proceeds of \$135,000.

⁽²⁾ On February 26, 27, 28, 2018, the Company issued an aggregate of 2,825,000, 1,000,000 and 8,350,000 common shares at a price of \$0.10 per share for gross cash proceeds of \$1,217,500.

⁽³⁾ On March 26, 2018, the Company issued an aggregate of 10,200,000 common shares at a price of \$0.10 per share for gross cash proceeds of \$1,020,000.

5. Net loss per share

The calculation of basic and diluted loss per share for the three months ended June 30, 2018 was based on the loss attributable to common shareholders of \$141,725 and the weighted average number of common shares outstanding of 23,725,000.

6. Related party transactions

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.

The remuneration of directors and other members of key management personnel, not disclosed elsewhere, were as follows:

(a) During the three months ended June 30, 2018, travel expenses of \$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 condensed interim statements of net loss and comprehensive loss.

(b) As at June 30, 2018, \$6,127 (March 31, 2018 - \$nil) was advanced to Arturo Bonillas, a corporate officer of the Company. These advances were included in prepaid expenses and will be used to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction.

Magna Gold Corp.

Notes to Condensed Interim Financial Statements

June 30, 2018

(Expressed in Canadian Dollars)

(Unaudited)

7. Subsequent event

On August 15, 2018, the Company completed its initial public offering (the "Offering") of 2,000,000 common shares at a purchase price of \$0.10 per common shares for aggregate gross proceeds of \$200,000. M Partners Inc. (the "Agent") acted as agent for the initial public offering. In connection with the Offering, the Agent received a cash commission equal to 10% of the aggregate gross proceeds from the sale of the common shares and was paid for legal expense, a corporate finance fee and other disbursements totalling \$59,521.

On August 15, 2018, the Company granted 200,000 stock options to the directors and officers of the Company. Each option is exercisable to acquire one common share at a price of \$0.10 for a period of 5 years following the date of issuance.

The Company's common shares commenced trading on the Exchange under the trading symbol MGR.P on August 17, 2018. As of August 17, 2018, the Company had 27,075,000 common shares outstanding, with 6,250,000 common shares held in escrow.