

Magna Gold Reports Q1 2021 Operating Results; San Francisco Ramp-Up Nearing Completion and on Track to Return to Full Scale Commercial Production by June 2021

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TORONTO, April 13, 2021 - [Magna Gold Corp.](#) (TSXV: MGR) (OTCQB: MGLQF) ("Magna" or the "Company") is pleased to announce its preliminary operating results for the three months ended March 31, 2021.

The operational ramp-up at the San Francisco mine has been progressing well. Production levels have benefited from the accelerated stripping program, which has increased productivity and efficiency at the mine. As a result, Q1 2021 has shown progressive month-to-month growth in gold production with 3,085 ounces in January, 2,670 ounces in February and 4,000 ounces in March. Magna continues to see growth in production post Q1 2021 and anticipates the mine will return to full scale commercial production by June 2021, starting H2 at a production run rate of over 6,000 ounces per month and exiting the year with over 60,000 ounces per month, resulting in meaningful growth to sustained free cash flow generation. Magna reiterates that it remains committed to achieving its 2021 production guidance of 55,000 to 65,000 ounces of gold.

Key operating highlights:

- Gold and silver production during the three months ended March 31, 2021 was 9,785 ounces and 8,093 ounces, respectively. Compared to the three months ended December 31, 2020, this represents a material increase of 31% and 76% for gold and silver production, respectively.
- Average gold grade of fresh ore processed from open pit over the three months ended March 31, 2021 was 0.32 g/t compared to an average gold grade of 0.25 g/t over the three months ended December 31, 2020, representing an increase of 28% largely driven by the accelerated stripping of waste.
- Gold placed on the leach pads, including ore from the open pits and from the underground mine development, during the three months ended March 31, 2021 was 12,177 ounces, representing an increase of 29% compared to 9,411 ounces placed on the pads during the three months ended December 31, 2020.
- Strip ratio over the three months ended March 31, 2021 was 8.4:1, representing a modest increase from a strip ratio of 7.5:1 over the three months ended December 31, 2020 due to the accelerated waste stripping program implemented by the Company. The strip ratio is expected to decline to 3.5 during H2 2021 once operational steady state is achieved with a strip ratio of 2.5 over the life-of mine.
- Ongoing operational improvements were realized from addressing the deficiencies of the past, including leach solution imbalances that affected costs and gold recoveries, as well as extensive repair and refurbishment of the plant and equipment which had not received proper maintenance by the prior operator for an extended period of time.

Summary of Q1 2021 Operating Results

	Three Months Ended 31-Mar-21	Three Months Ended 31-Dec-20	Change	Change (%)
MINING				
Ore mined (dry kt)	619	427	192	45%
Ore mined grade (g/t Au)	0.34	0.30	0.04	13%
Waste mined (kt)	5,195	2,954	2,241	76%
Total mined (kt)	5,814	3,381	2,433	72%
Strip ratio	8.40	6.92	1.48	21%
Avg. total mined (t/d)	64,597	36,746	27,851	76%
CRUSHING AND PROCESSING				
Ore processed (kt) - From open pit	611	416	195	47%
Ore processed grade (g/t Au) - From open pit	0.32	0.25	0.07	28%
Ore processed (kt) - All sources	744	746	(2)	(0%)
Ore processed grade (g/t Au) - All sources	0.51	0.39	0.12	31%
Gold placed on pad (ozs) - All sources	12,177	9,411	2,766	29%
PRODUCTION				
Gold ounces produced (ozs)	9,785	7,485	2,300	31%
Silver ounces produced (ozs)	8,093	4,609	3,484	76%
Gold ounces sold (ozs)	8,430	7,827	603	8%
Silver ounces sold (ozs)	6,961	3,756	3,205	85%

Mr. Arturo Bonillas, President & CEO of Magna commented, "We are extremely proud of our progress at San Francisco - our team has made considerable progress during ramp-up and we are well on our way to establishing San Francisco as a stable free cash flow generator. The evident turnaround of the San Francisco Mine, considered by many as an impossible task one year ago, shows our team's resourcefulness and commitment to executing our mission to become a profitable precious metal producer. In addition to achieving commercial production at San Francisco in the coming months, we will remain focused on realizing further operational efficiencies, expanding mineral reserves and resources and seeking growth opportunities externally and within our significant pipeline of projects."

The Company intends to provide an update to its ongoing drill program in Q3, which is already showing a positive potential impact to current internal 2021 and 2022 gold production expectations.

Qualified Person

James Baughman (P. Geo.), Consulting Geologist and a Qualified Person as defined by National Instrument 43-101 - Standard of Disclosure for Mineral Projects, has approved scientific and technical information in this news release.

About Magna Gold Corp.

Magna is a mineral exploration company focused on acquiring, exploring, developing and operating quality precious metals properties in Mexico. The primary strength of the Company is the team of highly experienced mining professionals with a proven track record of developing properties in Mexico from discovery to production on budget and on time.

Magna is a Mexico focused gold/silver exploration company that is committed to advancing its 100% owned highly prospective mineral properties located in Sonora and in Chihuahua. The Company's shares trade on the TSXV under the trading symbol "MGR" and OTCQB under the trading symbol "MGLQF". Magna employs community members and services in its operations.

ON BEHALF OF THE BOARD OF DIRECTORS

Arturo Bonillas

President and CEO

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