Magna Gold Announces Completion of Debt Settlement with PEAL de Mexico S.A. de C.V.

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TORONTO, April 19, 2022 - Magna Gold Corp. (TSXV: MGR) (OTCQB: MGLQF) ("Magna" or the "Company") announces that, further to its news release dated March 18, 2022, the Company has issued an aggregate of 1,660,132 common shares in the capital of the Company ("Common Shares") at a deemed price of $0.76 per Common Share to PEAL de Mexico S.A. de C.V. ("PEAL") in settlement of outstanding debt in the aggregate amount of US$1,000,000 (the "Debt Settlement"). The Debt Settlement was completed pursuant to an amending agreement dated February 22, 2022 between Molimentales del Noroeste S.A. de C.V. ("Molimentales"), a subsidiary of the Company, and PEAL which amended the terms of a settlement agreement dated June 30, 2020 between Molimentales and PEAL (the "Settlement Agreement") to settle US$1,000,000 of the outstanding amount owing by the Company under the Settlement Agreement in exchange for the issuance of Common Shares, thereby reducing the amount owing from US$4,054,351 to US$3,054,351.

The issuance of the Common Shares to PEAL pursuant to the Debt Settlement constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the Debt Settlement in reliance on sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101, as no securities of the Company are listed or quoted on the specified markets and, at the time the transaction was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction exceeded 25% of the Company's market capitalization as calculated in accordance with MI 61-101.

The Common Shares issued pursuant to the Debt Settlement are subject to a four month hold period under Canadian securities laws which will expire on August 20, 2022.

ON BEHALF OF THE BOARD OF DIRECTORS

Arturo Bonillas
President and CEO

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Please visit the Company's SEDAR profile at www.sedar.com or the Company's corporate website at www.magnagoldcorp.com or contact us at telephone +52 (662) 310 0326, email info@magnagoldcorp.com.