Magna Mining Reports First Quarter 2025 Operating and Financial Results

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Sudbury, May 29, 2025 - Magna Mining Inc. (TSXV: NICU) (OTCQX: MGMNF) (FSE: 8YD) (the "Company" or "Magna") is pleased to report first quarter 2025 operating and financial results. Management will host a conference call tomorrow, May 30, 2025, at 08:00 a.m. EDT to discuss the results. All amounts are expressed in Canadian dollars unless otherwise indicated.

Highlights

- The acquisition of a portfolio of base metal assets in the Sudbury basin from KGHM International closed on February 28, 2025.
- The Company announced the closing of a $33.5 million private placement financing on March 5th, 2025.
- The quarter included 1 month of production from the newly acquired McCreedy West Copper mine.
- McCreedy West produced 790,000 lbs of copper equivalent payable in March. The total ore processed was 20,388 tonnes at an average grade of 3.01% copper equivalent.
- End of period cash balance of $38.3 million.

Jason Jessup, CEO, commented:

"Q1 was a transformational quarter for our company, and we continue to execute on our strategy which is based on three pillars of growth; Production, Exploration and Acquisitions of non-core assets. Since the acquisition, we have been focused on optimizing the current operations at McCreedy West and during the rest of this year we will prioritise underground mine development for long term sustainability. We are pleased with the progress of our optimization initiatives at McCreedy West, and we believe that we now have the leadership, mining and maintenance talent and technical expertise to unlock the potential in this mine."

Q1 2025 Operating and Financial Highlights

In 000s, except per units and per share amounts	Q1 2025	Q4 2024	Q1 2024
Financial Results			
Net revenue from mining operations	4,453	-	-
Cash margin[1]	269	-	-
Net income (loss)	29,098	(4,717)	(3,105)
Adjusted net loss[1]	(5,442)	(5,293)	(3,893)
Earnings before interest, taxes, depreciation and amortization[1]	(4,918)	(5,643)	(3,871)
Operating cash flow	(2,630)	(7,105)	(3,322)
Free cash flow[1]	(10,930)	(7,115)	(3,330)
Per share information:			
Net earnings (loss)	0.15	(0.03)	(0.02)
Adjusted net loss[1]	(0.03)	(0.03)	(0.02)
Operating cash flow[1]	(0.01)	(0.04)	(0.02)
Free cash flow[1]	(0.06)	(0.04)	(0.02)
Selected Financial Statement Data:			
Cash and cash equivalents	38,250	17,535	7,549
Working capital	39,330	17,373	4,449
Total assets	168,132	39,571	9,826
Total non-current liabilities	68,601	885	866

Operational Results			
Ore processed (dry tons)			
700 Copper Zone	13,911	-	-
Intermain Nickel Zone	6,477	-	-
Throughput	20,388	-	-
Copper equivalent grade (%)			
700 Copper Zone[2]	3.04	-	-
Intermain Nickel Zone[2]	2.96	-	-
	3.01	-	-
Cu equivalent payable pounds (000s)[2]	790	-	-
Average realized price (per lb Cu Eq payable)[1]	6.32	-	-
Cash costs (per lb of Cu Eq payable)[1,2]	5.98	-	-
Cash margin (per lb of Cu Eq payable)[1]	0.34	-	-
AISC (per lb of Cu Eq payable)[1,2]	6.65	-	-
Production costs/ton processed[1]	194	-	-
Exchange Rates			
Average 1 USD → CAD exchange rates	1.4359	1.3990	1.3488
Cash costs (USD)[1,2]	4.16	-	-
AISC (USD)[1,2]	4.63	-	-

[1] Refer to the section in the Q1 2025 MD&A entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.

[2] Copper equivalent payable pounds for the purpose of copper equivalent payable grade, cash cost and AISC were calculated using the following US dollar prices: Q1 2025: $4.40/lb Cu, $7.18/lb Ni, $15.38/lb Co, $944.31/oz Pt, $1,005.61/oz Pd, $3,135.60/oz Au, $34.61 Ag.

Q1 2025 Financial Highlights

- Cash costs during the one month of production during the quarter were C$5.98 per pound or US$4.16.
- All in sustaining costs for the same month were C$6.65 per pound or US$4.63.
- Operating cash outflow of $2.6 million.
- Free cash outflow of $10.9 million.
- Net income attributable to shareholders of $29.1 million, which was primarily affected by the after-tax gain on the purchase of the KGHM assets.
- Adjusted net loss of $5.4 million.
- End of period cash balance of $38.3 million.

Further details regarding the calculation of production costs, cash margins and all in sustaining costs can be found in the quarterly MD&A.

To support working capital requirements, the Company also completed a $33.5 million private placement on March 5th, 2025. The private placement included the issuance of $23.97 million in unsecured convertible debentures and the issuance of 6,451,620 common shares of the corporation for aggregate pross proceeds of $10 million. In addition, the Company entered into a Letter of Credit Facility with a maximum face amount of $12 million, and a factoring agreement allowing the Company to sell eligible metal sale receivables. For further details regarding the convertible debentures, letter of credit and factoring agreement please refer to the quarterly MD&A.

Q1 2025 Operational Highlights
Subsequent to the close of the transaction on Feb 28, 2025, McCreedy West produced 790,000 lbs of copper equivalent payable, which included 631,000 lbs from the 700 Copper Zone and 159,000 lbs from the Intermain Nickel zone. The total ore processed was 20,388 tonnes at an average grade of 3.01% copper equivalent.

Q1 2025 Quarterly Results Conference Call and Webcast

The company will be holding its first quarterly results conference call and webcast on Friday May 30, 2025 at 8:00 am EDT. The conference call details are as follows:

Webcast Link: https://www.gowebcasting.com/14081

Participant Dial In: (N. America Toll Free): 1-844-763-8274
Participant International Dial In: 1-647-484-8814

Conference call participants should ask to join the Magna Mining Inc. quarterly results conference call.

Qualified Person

The scientific or technical information in this press release has been reviewed and approved by David King, M.Sc., P.Geo. Mr. King is the Senior Vice President, Exploration and Geoscience for Magna Mining Inc. and is a qualified person under Canadian National Instrument 43-101.

Cautionary Note Regarding Forward-Looking Statements

All statements, other than statements of historical fact, contained or incorporated by reference in this press release constitute "forward-looking statements" and "forward-looking information" (collectively, "forward-looking statements") within the meaning of applicable securities laws. Generally, these forward-looking statements can be identified by the use of forward-looking terminology, such as "may", "might", "potential", "expect", "anticipate", "estimate", "believe", "could", "should", "would", "will", "intend", "plan", "forecast" or other similar words or phrases or variations thereof. Forward-looking statements are necessarily based upon a number of assumptions that, while considered reasonable by management, are inherently subject to business, market and economic risks, uncertainties and contingencies that may cause actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements, including risks relating to the failure to realize on talent and technical expertise to unlock the long-term, sustainable potential of the McCreedy West mine and other risks disclosed in the Company's most recent annual management discussion and analysis. Although the Company has attempted to identify important risks, uncertainties, contingencies and factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, there can be no certainty or assurance that the Company has accurately or adequately captured, accounted for or disclosed all such risks, uncertainties, contingencies or factors. Readers should place no reliance on forward-looking statements as actual results, performance or achievements may be materially different from those expressed or implied by such statements. Resource exploration and development, and mining operations, are highly speculative, characterized by several significant risks, which even a combination of careful evaluation, experience and knowledge will not eliminate. Forward-looking statements speak only as of the date they are made. The Company does not undertake to update any forward-looking statements, whether as a result of new information or future events or otherwise, except in accordance with applicable securities laws.

About Magna Mining Inc.
Magna Mining is a producing mining company with a portfolio of copper, nickel and PGM projects in the Sudbury Region of Ontario, Canada. The Company's primary assets are the producing McCreedy West copper mine and the past producing Levack, Podolsky, Shakespeare and Crean Hill mines. Additional information about the Company is available on SEDAR (www.sedarplus.ca) and on the Company's website (www.magnamining.com).

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NON-IFRS PERFORMANCE MEASURES

Please refer to the Company's Q1 2025 Management Discussion and Analysis section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the consolidated financial statements.

Average realized price per copper equivalent payable pound

Average realized price per copper equivalent payable pound is a non-IFRS Accounting Standards measure and does not constitute a measure recognized by IFRS Accounting Standards and does not have a standardized meaning defined by IFRS Accounting Standards. Average realized price per copper equivalent payable pound is calculated by dividing total metal proceeds received by the Company for the relevant period by the copper equivalent payable pounds. It may not be comparable to information in other issuers' reports and filings.

In 000s, except per unit amounts	Q1 2025	Q4 2024	Q1 2024
Revenue per financial statements (a)	4,992	-	-
Copper equivalent pounds sold (000s) (b)	790	-	-
Average realized price copper equivalent sold CAD (c) = (a) ÷ (b)	6.32	-	-
Average 1 USD → CAD exchange rate (d)	1.4359	1.3990	1.3488
Average realized price copper equivalent sold USD (c) ÷ (d)	4.40	-	-

Cash costs per copper equivalent payable pound

Cash cost per copper equivalent payable pound is a non-IFRS Accounting Standards performance measure and does not constitute a measure recognized by IFRS Accounting Standards and does not have a standardized meaning defined by IFRS Accounting Standards, as well it may not be comparable to information in other issuers' reports and filings. The Company has included this non-IFRS Accounting Standards performance measure throughout this document as Magna believes that this generally accepted industry performance measure provides a useful indication of the Company's operational performance. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following table provides a reconciliation of total cash costs per copper equivalent payable pound to cost of sales per the financial statements for each of the last eight quarters:

In 000s, except per unit amounts	Q1 2025	Q4 2024	Q1 2024
Cost of sales per financial statements	4,422	-	-
Smelting, treatment and refining charges	539	-	-
Depletion and depreciation	(238)	-	-
Cash costs (a)	4,723	-	-
Copper equivalent payable pounds (000s) (b)	790	-	-
Cash costs per copper equivalent payable pound (c) = (a) ÷ (b)	5.98	-	-
Average 1 USD → CAD exchange rate (d)	1.4359	1.3990	1.3488
Cash costs per copper equivalent payable pound USD (c) ÷ (d)	4.16	-	-

Production costs per ton processed

Mine-site cost per ton processed is a non-IFRS Accounting Standards performance measure and does not constitute a measure recognized by IFRS Accounting Standards and does not have a standardized meaning defined by IFRS Accounting Standards, as well it may not be comparable to information in other issuers' reports and filings. As illustrated in the table below, this measure is calculated by adjusting cost of sales, as shown in the statements of income for non-cash depletion and depreciation, royalties and inventory level changes and then dividing by tons processed through the smelter. Management believes that mine-site cost per ton processed provides additional information regarding the performance of mining operations and allows Management to monitor operating costs on a more consistent basis as the per ton processed measure reduces the cost variability associated with varying production levels. Management also uses this measure to determine the economic viability of mining blocks. As each mining block is evaluated based on the net realizable value of each ton mined, the estimated revenue on a per ton basis must be in excess of the production cost per ton processed in order to be economically viable. Management is aware that this per ton processed measure is impacted by fluctuations in throughput and thus uses this evaluation tool in conjunction with production costs prepared in accordance with IFRS Accounting Standards. This measure supplements production cost information prepared in accordance with IFRS Accounting Standards and allows investors to distinguish between changes in production costs resulting from changes in production versus changes in operating performance.

In 000s, except per unit amounts	Q1 2025	Q4 2024	Q1 2024
Cost of sales per financial statements	4,422	-	-
Depletion and depreciation	(238)	-	-
Royalties and streaming payments	(223)	-	-
Mining and processing costs (a)	3,961	-	-
Ore processed (tons) (b)	20,388	-	-
Production costs per ton processed (a) ÷ (b)	194	-	-

Cash Margin

Cash margin is a non-IFRS Accounting Standards measure and does not constitute a measure recognized by IFRS Accounting Standards and does not have a standardized meaning defined by IFRS Accounting Standards, as well it may not be comparable to information in other issuers' reports and filings. It is calculated as the difference between total sales revenue, net of smelting, refining and treatment costs from mining operations and cash mine site operating costs (see Cash cost per ounce of gold sold under this Section above) per the Company's Financial Statements. The Company believes it illustrates the performance of the Company's operating mines and enables investors to better understand the Company's performance in comparison to other metal producers who present results on a similar basis.

In 000s, except per unit amounts	Q1 2025	Q4 2024	Q1 2024
Copper equivalent revenue from mining operations (per above)	4,992	-	-
Cash costs (per above)	4,723	-	-
Cash margin	269	-	-
Per pound of copper equivalent payable (Canadian dollars):			
Average realized price (a)	6.32	-	-
Cash costs (b)	5.98	-	-
Cash margin (a) - (b)	0.34	-	-

All-in Sustaining Costs

All-in sustaining costs ("AISC") include mine site operating costs incurred at Magna mining operations, sustaining mine capital and development expenditures, mine site exploration expenditures and equipment lease payments related to the mine operations and corporate administration expenses. The Company believes that this measure represents the total costs of producing copper equivalent payable pounds from current operations and provides Magna and other stakeholders with additional information that illustrates the Company's operational performance and ability to generate cash flow. This cost measure seeks to reflect the full cost of copper production from current operations on a per-pound basis of copper equivalent payable. New project and growth capital are not included.

In 000s, except per unit amounts	Q1 2025	Q4 2024	Q1 2024
Cost of sales, per financial statements	4,422	-	-
Smelting, treatment and refining charges	539	-	-
Depletion and depreciation	(238)	-	-
Cash costs	4,723	-	-
Corporate and general	997	-	-
Less: KGHM Integration costs	(465)	-	-
All-in Sustaining costs (AISC) (a)	5,255	-	-
Pounds of copper equivalent payable (b)	790	-	-
AISC (c) = (a) ÷ (b)	6.65	-	-
Average 1 USD → CAD exchange rate (d)	1.4359	1.3990	1.3488
AISC USD (c) ÷ (d)	4.63	-	-

Free cash flow and operating and free cash flow per share

Free cash flow is calculated by taking net cash provided by operating activities less cash used in capital expenditures and lease payments as reported in the Company's financial statements. Free cash flow per share is calculated by dividing free cash flow by the weighted average number of shares outstanding for the period.

Operating cash flow per share is a non-IFRS Accounting Standards measure and does not constitute a measure recognized by IFRS Accounting Standards and does not have a standardized meaning defined by IFRS Accounting Standards. Operating cash flow per share is calculated by dividing cash flow from operating activities in the Company's Financial Statements by the weighted average number of shares outstanding for each year. It may not be comparable to information in other issuers' reports and filings.

In 000s, except per share amounts	Q1 2025	Q4 2024	Q1 2024
Net cash provided by operating activities per financial statements (c)	(2,630)	(7,105)	(3,322)
Sustaining mine exploration and development	-	-	-

Sustaining mine capital equipment	-	-	-
Purchase of Project Nikolas Company Inc.	(5,300)	-	-
Exploration equipment		(10)	(8)
Exploration and evaluation	-	-	-
Funds held against standby letters of credit	(3,000)	-	-
Payment of lease liabilities	-	-	-
Free cash flows (a)	(10,930)	(7,115)	(3,330)
Weighted number of shares (000s) (b)	197,739	186,593	163,380
Per Share data			
Operating cash flow (c) ÷ (b)	(0.01)	(0.04)	(0.02)
Free cash flow (a) ÷ (b)	(0.06)	(0.04)	(0.02)

Adjusted net loss and Adjusted net loss per share

Adjusted net loss and adjusted net loss per share are non-IFRS Accounting Standards performance measures and do not constitute a measure recognized by IFRS Accounting Standards and do not have standardized meanings defined by IFRS Accounting Standards, as well both measures may not be comparable to information in other issuers' reports and filings. Adjusted net loss is calculated by removing the one-time gains and losses resulting from the disposition of non-core assets, non-recurring expenses and significant tax adjustments (mining tax recognition and exploration credit refunds) not related to current period's income, as detailed in the table below. Magna discloses this measure, which is based on its financial statements, to assist in the understanding of the Company's operating results and financial position.

In 000s, except per share amounts	Q1 2025	Q4 2024	Q1 2024
Net income (loss) per financial statements	29,098	(4,717)	(3,105)
Adjustments for:			
Gain on bargain purchase of KGHM assets	(57,227)		
Project Nikolas Company Inc. Integration costs	779	-	-
Transaction Costs	2,426	-	-
Flow-through premium income	-	(929)	(788)
Other	-	-	-
Total adjustments	(54,022)	(929)	(788)
Related income tax effect	10,236	246	209
Recognition of mining taxes	9,246	-	-
	(34,540)	(683)	(579)
Adjusted net loss (a)	(5,442)	(5,400)	(3,684)
Weighted number of shares (000s) (b)	197,739	186,593	163,380
Per Share data			
Adjusted net loss (a) ÷ (b)	(0.03)	(0.03)	(0.02)

EBITDA

Earnings before interest, taxes and depreciation and amortization ("EBITDA") is a non-IFRS Accounting Standards financial measure which excludes the following items from net income (loss): interest expense; mining and income taxes, depletion and depreciation expenses, the one-time gains and losses resulting from the disposition of non-core assets, non-recurring expenses and significant tax adjustments (mining tax recognition and exploration credit refunds) not related to the current period's income. The Company believes that, in addition to conventional measures prepared in accordance with IFRS Accounting Standards, the Company and certain investors use EBITDA as an indicator of Magna's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations and fund capital expenditures. EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances and therefore are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS Accounting Standards. Other producers may calculate EBITDA differently. The following table provides a reconciliation of net income in the Company's financial statements to EBITDA:

In 000s	Q1 2025	Q4 2024	Q1 2024
Net income (loss) per financial statements	29,098	(4,717)	(3,105)
Adjustments for:			
Depletion and depreciation	238	-	21
Non-recurring income	(34,540)	(929)	(788)
Interest expense	286	172	1
EBITDA	(4,918)	(5,474)	(3,871)

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