



Magna Mining Inc.

2025 Annual

MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with Magna Mining Inc.'s ("Magna" or the "Company") audited consolidated financial statements for the years ended December 31, 2025 and 2024, and their related notes ("financial statements") which have been prepared in accordance with IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

All dollar amounts stated in this MD&A are denominated in thousands of Canadian dollars, except per share data and unless otherwise indicated. The discussion and analysis within this MD&A are effective as of April 20, 2026.

This document contains forward-looking statements and forward-looking information. Refer to the cautionary language under the section entitled "**Cautionary Statement on Forward-looking Statements**" in this MD&A.

The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	Period	Abbreviation	Period
Q4 2025	<i>October 1, 2025 – December 31, 2025</i>	Q4 2024	<i>October 1, 2024 – December 31, 2024</i>
Q3 2025	<i>July 1, 2025 – September 30, 2025</i>	Q3 2024	<i>July 1, 2024 – September 30, 2024</i>
Q2 2025	<i>April 1, 2025 – June 30, 2025</i>	Q2 2024	<i>April 1, 2024 – June 30, 2024</i>
Q1 2025	<i>January 1, 2025 – March 31, 2025</i>	Q1 2024	<i>January 1, 2024 – March 31, 2024</i>
FY 2025	<i>January 1, 2025 – December 31, 2025</i>	FY 2024	<i>January 1, 2024 – December 31, 2024</i>

NON-IFRS PERFORMANCE MEASURES

Magna uses non-IFRS performance measures throughout this MD&A as it believes that these generally accepted industry performance measures provide a useful indication of the Company's operational performance. These non-IFRS performance measures do not have standardized meanings defined by IFRS Accounting Standards and may not be comparable to information in other issuers' reports and filings. 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 Accounting Standards.

The non-IFRS performance measures include - average realized price per copper equivalent payable pound; cash costs per copper equivalent payable pound; production costs per ton processed; cash margin; all-in sustaining costs ("**AISC**"); free cash flow and operating and free cash flow per share; and adjusted net loss and adjusted net loss per share.

For further information and detailed reconciliations, refer to the section entitled "**Non-IFRS Performance Measures**" in this MD&A.

BUSINESS OVERVIEW

Magna is a public company existing under the laws of Canada. The common shares of the Company are listed on the TSX Venture Exchange ("**TSXV**") under the symbol "**NICU**". The principal office of the Company is located at 1300 Kelly Lake Road, Sudbury, Ontario, P3E 5P4.

Magna is a Canadian focused copper producer operating the McCreedy West underground mine. The Company plans to continue growing its production profile by investing in the development of its near-mine and brownfield exploration areas. Additional financial information relating to Magna, can be found on the Company's website: www.magnamining.com or on the SEDAR+ website: www.sedarplus.ca

ACQUISITION OF KGHM MINING OPERATIONS AND EXPLORATION ASSETS

On February 28, 2025, the Company completed the acquisition of a portfolio of base metal assets located in the Sudbury basin from a subsidiary of KGHM International Ltd. (“**KGHM**”) (the “**Transaction**”). The Company acquired the producing McCreedy West copper mine, the past-producing Levack, Podolsky, and Kirkwood mines, as well as the Falconbridge Footwall (81.41%), Northwest Foy (81.41%), North Range, and Rand exploration assets (together, the “**KGHM Sale Assets**”).

The Transaction was structured as a share purchase transaction whereby the Company acquired all of the outstanding shares of Project Nikolas Company Inc. (“**PNCI**”) from KGHM. The purchase price was comprised of:

- \$5.3 million in cash, which was paid on closing;
- 1,180,705 common shares with a value of \$2.0 million, which were issued on February 28, 2025;
- a deferred payment of \$2.0 million in cash payable on December 31, 2026; and
- contingent payments on the satisfaction of certain future milestones totalling up to \$24.0 million, which includes the following payments if the respective properties commence commercial production:

Property	Contingent consideration
Levack	\$ 6,000
Podolsky	4,000
Kirkwood	4,000
Falconbridge Footwall	4,000
NW Foy	2,000
Rand	2,000
Northrange	2,000
Total	\$ 24,000

The Company also assumed certain liabilities of PNCI, including reclamation liabilities with an estimated fair value of \$13,905 and a metal streaming obligation with an estimated fair value of \$32.0 million.

In addition, KGHM will retain a 4% NSR royalty on new discoveries on certain exploration properties that are part of the KGHM Sale Assets. The Company has the right to buy back 3% of these royalties (for a remaining 1% NSR royalty) at any time for various cash considerations.

The Company has determined that the KGHM Transaction represents a business combination under IFRS 3. The Company has consolidated the operating results, cash flows and net assets of the KGHM Sale Assets from February 28, 2025. For the period from February 28, 2025 to December 31, 2025, the KGHM Sale Assets contributed revenue of \$58.8 million and incurred a loss before income taxes of \$20.5 million. If the acquisition of the KGHM Sale Assets had taken place on January 1, 2025, pro-forma consolidated revenue and loss before taxes for the Company would have been \$66.2 million and \$24.7 million, respectively, for the year ended December 31, 2025. Transaction costs related to the KGHM Sale Assets of \$2.5 million have been expensed.

The acquisition-date fair value of the consideration transferred consisted of the following:

Share consideration ¹	\$	2,000
Cash paid		5,300
Present value of deferred cash payment ²		1,900
Contingent consideration ³		6,700
Total consideration	\$	15,900

¹ The fair value of the 1,180,705 common shares issued was determined using the Company’s share price of \$1.69.

² The acquisition-date fair value of the \$2,000,000 deferred cash payment due on December 31, 2026 has been determined using a discount rate of 3%.

³ The fair value of the contingent consideration was determined based on an estimated probability of the various properties triggering the payment milestone, which is commencing commercial production.

In accordance with the acquisition method of accounting, the acquisition cost was allocated to the underlying assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The table below summarizes the fair values of the assets acquired and liabilities assumed on the date of acquisition.

Net assets (liabilities) acquired:	Measurement period		
	Preliminary	adjustments	Final
Cash	\$ 300	\$ -	\$ 300
Receivables	1,100	-	1,100
Inventories	7,974	(2,814)	5,160
Mineral properties, property, plant and equipment	86,761	679	87,440
Exploration and evaluation assets	5,695	(2,995)	2,700
Accounts payable and accrued liabilities	(1,100)	-	(1,100)
Deferred revenue	(18,603)	(13,373)	(31,976)
Asset retirement obligations	(9,000)	(4,905)	(13,905)
Deferred tax liabilities	(20,652)	6,346	(14,306)
Fair value of net assets acquired	\$ 52,475	\$ (17,062)	\$ 35,413
Total consideration			15,900
Gain on bargain purchase			\$ 19,513

The fair values of mineral properties, exploration and evaluation assets, and reclamation provisions were estimated using discounted cash flow models. Inventory was valued at net realizable value. The fair values of plant and equipment were estimated using market or cost approaches. The fair value of receivables, less any expected credit losses and payables, is equal to their gross contractual amounts at the transaction date. Expected future cash flows, used to estimate the fair value of mineral properties, are based on estimates of future metal prices, projected future production, estimated quantities of ore reserves, metallurgical recovery estimates, expected future production costs, expected capital expenditures, and discount rates based on the life of mine plan at the transaction date.

The liability related to a streaming agreement with a third party assumed as part of the KGHM Transaction, which requires the delivery of 50% of the gold, platinum and palladium from the entire property at McCreedy West, and portions of Levack, and Podolsky until the earlier of the remaining life of these deposits or 2048. The fair value of the acquired deferred revenue was valued using the income valuation method. Key assumptions in the income valuation method include forward metal price curves, the level of metal production over the life of the mine and discount rates.

The Company recognized a bargain purchase gain of \$19,513 ("Purchase Gain"), equal to the excess of the fair value of the net assets acquired over the total consideration on the consolidated statements of operations and comprehensive loss during the year ended December 31, 2025. The Purchase Gain was largely the result of the assets and operations acquired in the KGHM Transaction being non-core to KGHM.

ACQUISITION OF NORTHX NICKEL CORP. EXPLORATION PROPERTIES

On July 18, 2025, the Company completed the acquisition of a portfolio of exploration properties located in the Sudbury mining district from NorthX Nickel Corp. (“NorthX”) (the “NorthX Transactions”). The portfolio of exploration properties includes past-producing properties, as well as several exploration properties mainly in the footwall of the Sudbury Igneous Complex contact (the “NorthX Assets”). The acquisition of the NorthX Assets increases the Company’s holdings in the Sudbury mining district, adding exploration potential.

The NorthX Transaction was structured as an asset purchase whereby the Company acquired all of NorthX’s interest in the acquired properties. The terms of the NorthX Transaction consisted of the following:

- assuming all liabilities of NorthX with respect to the Broken Hammer mine closure plan, including providing financing assurance to the Ministry of Mines in an amount of approximately \$515;
- assuming certain liabilities with respect to the properties acquired, including acting as the operator of joint ventures, advanced net smelter return (NSR) royalty payments, and annual work commitments; and
- NorthX paid the Company \$666 to cover the Broken Hammer mine closure plan financial assurance.

The acquisition of the NorthX Assets constitutes an asset acquisition and has been accounted for under the acquisition method in accordance with the guidance provided in IFRS 3. The assets acquired did not qualify as a business according to the definition in IFRS 3, and therefore, the acquisition did not constitute a business combination. The assets acquired and the liabilities assumed as part of the NorthX Transaction were as follows:

	July 18, 2025
Net assets (liabilities) acquired:	
Cash	\$ 666
Accounts payable and accrued liabilities	(151)
Asset retirement obligations	(515)
Fair value of net assets acquired	\$ -

FY 2025 PERFORMANCE

Operations and Financial Results	Comparison to FY 2024
<p>Copper equivalent payable production of 11.5 million pounds.</p>	<p>McCreedy West produced 11.5 million pounds of copper equivalent payable subsequent to the acquisition on February 28, 2025, which includes 10.9 million pounds from the 700 Copper Zone and 0.6 million pounds from the Intermain Nickel Zone, by processing 250,602 tons of ore at an average grade of 3.10% copper equivalent.</p>
<p>Cash costs of \$5.17 (US\$3.72) per pound of copper equivalent payable¹.</p>	<p>Cash costs¹ in Canadian dollars were \$5.17 (US\$3.72) per pound for 2025.</p>
<p>AISC of \$6.21 (US\$4.47) per pound of copper equivalent payable¹.</p>	<p>In 2025, the AISC¹ in Canadian dollars were \$6.21 (US\$4.47) per pound.</p>
<p>Cash margin of \$0.4 million¹.</p>	<p>Cash margin¹ was \$0.4 million for 2025.</p>
<p>Operating cash outflow of \$35.1 million or (\$0.16) per share¹.</p>	<p>Increased by \$17.3 million (2024 - \$17.8 million or (\$0.10) per share¹) due to the decrease in non-cash working capital of \$9.7 million, and site maintenance spending of \$6.3 million at Levack and Podolsky.</p>
<p>Free cash outflow of \$47.0 million or (\$0.22) per share¹.</p>	<p>The free cash outflow¹ increased by \$29.0 million (2024 - \$18.0 million or (\$0.11) per share¹) due to the increased operating cash outflow of \$17.3 million, the \$5.0 million payment to acquire the KGHM assets and the \$7.1 million spent on capital development and mobile equipment to support the optimization of the McCreedy West mine; partially offset by the proceeds received from the NorthX Nickel Corp. asset acquisition of \$0.7 million.</p>
<p>Net loss attributable to shareholders of \$17.0 million or (\$0.08) per share.</p> <p>Adjusted net loss¹ attributable to shareholders of \$33.1 million or (\$0.15) per share.</p>	<p>Net loss increased by \$0.7 million (2024 - \$16.3 million net loss or (\$0.09 per share) due to the loss from mining operations, the site maintenance costs at Levack and Podolsky, the interest costs from the convertible debenture and the one-time integration costs; partially offset by the gain on bargain purchase of KGHM assets and the deferred income tax and mining tax recovery. After removing the one-time gain on bargain purchase of the KGHM assets, the transaction and integration costs, the adjusted net loss¹ increased by \$14.7 million (2024 - \$18.4 million net loss of (\$0.11 per share).</p>

¹ Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the Financial Statements.

Exploration Updates	Performance
McCreedy West	<ul style="list-style-type: none"> • Probable Mineral Reserves at December 31, 2025 of 987,000 tonnes at 1.59% Cu, 0.32% Ni, 0.01% Co, 1.15 g/t Pt, 1.23 g/t Pd, 0.32 g/t Au, 6.65 g/t Ag. • Indicated Mineral Resources at December 31, 2025 of 5,632,000 tonnes at 1.10% Cu, 0.98% Ni, 0.03% Co, 0.82 g/t Pt, 0.92 g/t Pd, 0.23 g/t Au, 5.15 g/t Ag. • Inferred Mineral Resources at December 31, 2025 of 874,000 tonnes at 1.37% Cu, 1.00% Ni, 0.02% Co, 1.26 g/t Pt, 1.24 g/t Pd, 0.26 g/t Au, 4.12 g/t Ag. • Currently there are three underground diamond drills active at McCreedy West mine, with two drills supporting mid-term production planning and the third testing longer term expansion and exploration targets as platforms become available.
Levack	<ul style="list-style-type: none"> • Completed Magna's first mineral resource estimate for the Levack Mine, which included 6.1 million tonnes at an average grade of 3.54% copper equivalent¹ in the Indicated category and 5.2 million tonnes at an average grade of 3.59% copper equivalent¹ in the Inferred category. The Levack Mine was operated by KGHM until 2019 and is currently under care and maintenance. As of March 2026, Magna has two surface diamond drills and one underground drill operating at Levack Mine. Drilling at Levack is designed to support both the Magna Mining PEA and continued exploration of the R2 Zone as well as exploration for new footwall mineralization.
Crean Hill	<ul style="list-style-type: none"> • There is no current exploration activity at Crean Hill.
Podolsky	<ul style="list-style-type: none"> • No current surface exploration activity at Podolsky Mine. In 2025, a review of a bulk sample study on the permitted North Zone via the existing ramp was initiated. Results of the study are pending.

¹ Copper Equivalent is calculated using metal prices of \$4.50/lb Cu, \$7.31/lb Ni, \$15.00/lb Co, \$1,291/oz Pt, \$1,031/oz Pd, \$3,324/oz Au, and \$37.40/oz Ag. Metal recoveries considered are 91% for Cu, 85% for Ni, 68% for Co, 64% for Pt, 69.5% for Pd, 70.5% for Au, and 70% for Ag.

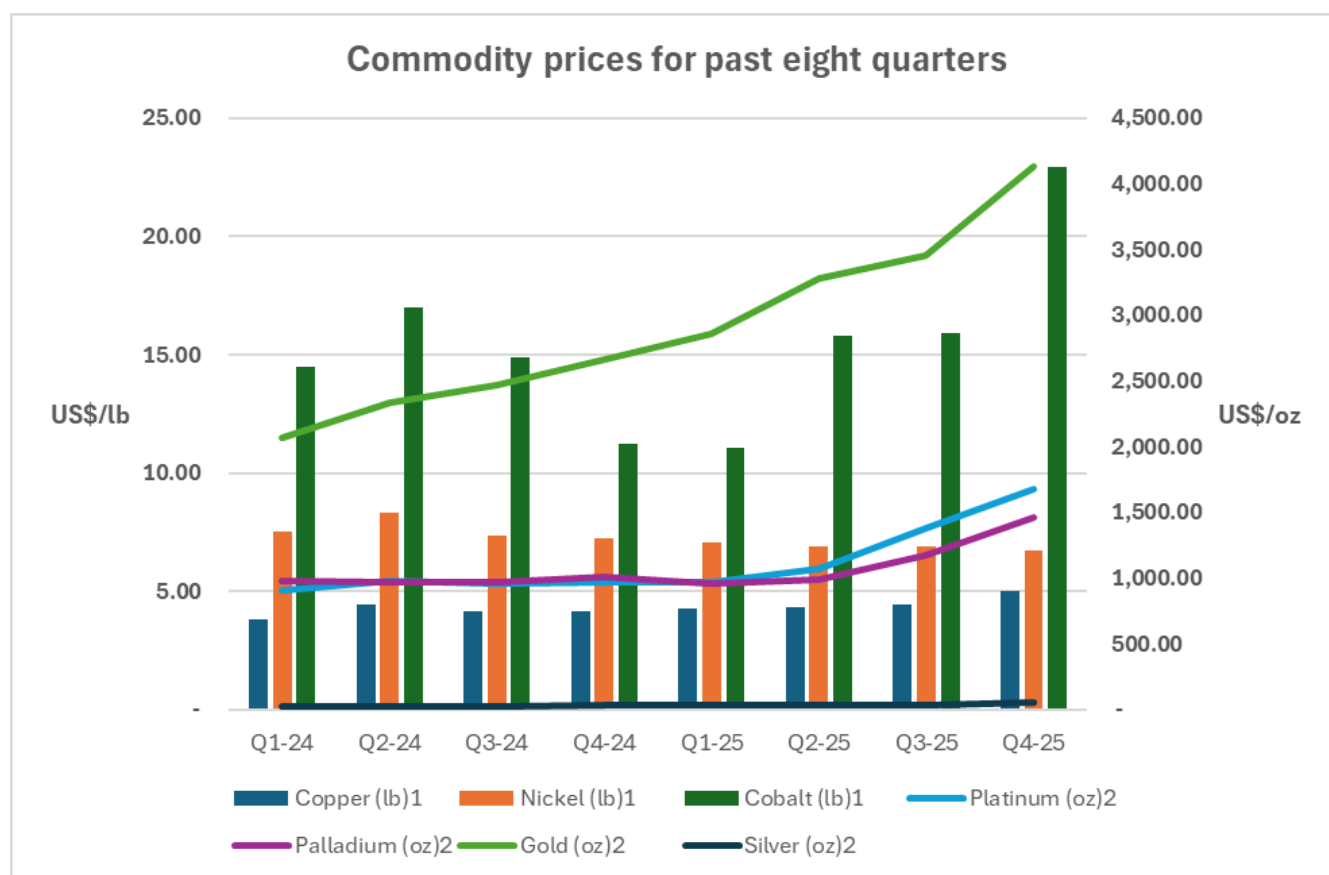
MARKET OVERVIEW AND FOREIGN CURRENCY EXCHANGE RATE OVERVIEW

The following table provides the London Metal Exchange (“LME”) average prices for each of the last eight quarters:

Average Prices (in US Dollars)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25
Copper (lb) ¹	3.83	4.42	4.18	4.16	4.25	4.32	4.44	5.03
Nickel (lb) ¹	7.53	8.34	7.37	7.26	7.06	6.88	6.90	6.75
Cobalt (lb) ¹	14.51	17.00	14.90	11.26	11.09	15.80	15.90	22.94
Platinum (oz) ²	909.90	981.14	963.85	968.37	968.71	1,076.59	1,385.14	1,679.42
Palladium (oz) ²	977.38	972.61	969.97	1,015.26	960.98	991.60	1,170.65	1,467.83
Gold (oz) ²	2,069.80	2,338.18	2,474.29	2,663.38	2,859.62	3,280.35	3,456.54	4,135.24
Silver (oz) ²	23.34	28.84	29.43	31.38	31.88	33.68	39.40	54.73

1 London Metal Exchange pricing

2 London Bullion Market Association am pricing



In 2025, the copper price ranged from US\$3.87 per pound to a high of US\$5.67 per pound on December 31, 2025. The volatility in copper prices during 2025 was primarily driven by tariffs and the uncertainty stemming from an ever-shifting US trade policy, combined with a supply deficit and concerns about the health of the global economy. Nickel prices in 2025 ranged from US\$6.26 per pound to a high of US\$7.56 per pound. The volatility in nickel prices was primarily driven by potential supply cuts from Indonesia, rising global recession fears from Middle East tensions, US inflation and significant demand from Chinese stainless steel and battery manufacturers. Gold and silver prices increased due to the potential for tariffs from the US, geopolitical and financial uncertainty, and broader global political tension. Palladium prices saw a significant surge in 2025, driven

by a combination of a weaker US dollar, geopolitical factors, central bank buying, and record ETF inflows. Platinum prices surged in 2025 and closed at US\$2,027 per ounce due to the persistent market deficit and supply limitations.

The Company's reporting and functional currency is the Canadian dollar ("**CAD**") as all of its assets and operations are based in Canada. However, the Company's revenues, profitability and cash flows are exposed to the changes in the United States dollar ("**USD**") to Canadian dollar exchange rates as the Company's products, are predominately traded in the US dollar. Magna had no forward foreign exchange rate contracts in place during 2025 and as at December 31, 2025. This position will be reviewed from time to time as market conditions warrant. Please see note 31 of the Company's audited consolidated financial statements for an analysis of Magna's exposure to the Canadian and US dollar exchange rate.

OUTLOOK

In Q3 2025, the Company provided quarterly ore sales guidance for Q4 2025 of between 80,000 and 92,000 tons from the 700 Copper Zone at the McCreedy West Mine. The Company sold 84,954 tons at a copper equivalent contained grade of 3.41%, which produced 5.0 million copper equivalent payable pounds.

	Q1 2025 Actual	Q2 2025 Actual	Q3 2025 Actual	Q4 2025 Actual	Q4 2025 Guidance
Ore Tons Sold					
700 Copper Zone	73,011	59,100	75,215	84,954	80,000 – 92,000
Intermain Nickel Zone	17,422	10,945	-	-	-
Total	90,433	70,045	75,215	84,954	80,000 – 92,000
Copper Equivalent Payable Pounds (000s)					
700 Copper Zone ²	630	2,580	2,735	4,968	4,700 – 5,600
Intermain Nickel Zone ²	160	473	-	-	-
Total	790	3,053	2,735	4,968	4,700 – 5,600
Copper Equivalent Grade Contained					
700 Copper Zone ²	3.04	3.35	2.64	3.41	3.80 – 4.40
Intermain Nickel Zone ²	2.96	2.77	-	-	-
Total	3.01	3.26	2.64	3.41	3.80 – 4.40
Cash cost per copper equivalent pound ^{1,2,3,4}	\$5.69 (US\$3.97)	\$5.56 (US\$4.02)	\$6.17 (US\$4.48)	\$4.29 (US\$3.08)	\$3.80 - \$4.55 (US\$2.77 - US\$3.28)
AISC per copper equivalent pound ^{1,2,3,4}	6.37 (US\$4.43)	6.64 (US\$4.80)	8.15 (US\$5.92)	\$4.86 (US\$3.49)	\$4.80 - \$5.65 (US\$3.50 – US\$4.12)

¹ Refer to the section 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:

Q4 2025: \$5.03/lb Cu, \$6.75/lb Ni, \$23.01/lb Co, \$1,679.68/oz Pt, \$1,468.65/oz Pd, \$4,141.90/oz Au, \$54.83 Ag.

Q3 2025: \$4.44/lb Cu, \$6.81/lb Ni, \$15.90/lb Co, \$1,383.49/oz Pt, \$1,169.18/oz Pd, \$3,455.50/oz Au, \$39.38 Ag.

Q2 2025: \$4.29/lb Cu, \$6.88/lb Ni, \$15.81/lb Co, \$1,072.35/oz Pt, \$990.29/oz Pd, \$3,301.29/oz Au, \$33.64 Ag.

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.

Q4 2025 Guidance: \$4.17/lb Cu, \$6.90/lb Ni, \$15.85/lb Co, \$959.65/oz Pt, \$944.65/oz Pd, \$3,207.48/oz Au, \$32.26 Ag.

³ The streaming expense has been reclassified from cost of sales to revenue, which has resulted in a reduction in revenue, cost of sales, average realized price per copper equivalent payable pound, cash cost per copper equivalent pound and all-in sustaining costs per copper equivalent payable pound. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the change in classification. The Q1 2025 cash cost and all-in sustaining cost decreased by \$0.29 (US\$0.19) per copper equivalent payable pound. The Q2 2025 cash cost and all-in sustaining cost decreased by \$0.91 (US\$0.65) per copper equivalent payable pound. The Q3 2025 cash cost and all-in sustaining cost decreased by \$0.86 (US\$0.62) per copper equivalent payable pound.

⁴ The Q4 2025 cash cost and all-in sustaining cost per copper equivalent pound guidance have been reduced by \$0.45 (US\$0.33) to reflect the reclassification of the streaming expense from cost of sales to revenue.

QUARTERLY FINANCIAL AND OPERATIONAL RESULTS

In 000s, except per units and per share amounts	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Financial results								
Net revenue from mining operations	24,810	14,026	15,701	4,297	-	-	-	-
Cash margin ¹	3,313	(2,041)	(1,191)	269	-	-	-	-
Net income (loss) ³	(7,108)	(11,597)	(9,317)	11,039	(4,717)	(4,498)	(3,948)	(3,105)
Adjusted net loss ^{1,3}	(6,863)	(11,365)	(8,746)	(6,163)	(5,400)	(4,907)	(4,442)	(3,684)
Operating cash flow	(10,173)	(10,781)	(11,560)	(2,584)	(7,106)	(3,635)	(3,747)	(3,322)
Free cash flow ¹	(11,307)	(14,350)	(10,718)	(10,584)	(7,110)	(3,635)	(3,921)	(3,330)
Per share information:								
Net earnings (loss) ³	(0.03)	(0.05)	(0.05)	0.06	(0.03)	(0.03)	(0.02)	(0.02)
Adjusted net loss ^{1,3}	(0.03)	(0.05)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)	(0.02)
Operating cash flow ¹	(0.04)	(0.05)	(0.06)	(0.01)	(0.04)	(0.02)	(0.02)	(0.02)
Free cash flow ¹	(0.05)	(0.07)	(0.05)	(0.05)	(0.04)	(0.02)	(0.02)	(0.02)
Selected Financial Statement data:								
Cash and cash equivalents	55,899	63,121	27,018	38,250	17,535	3,941	4,419	7,549
Working capital ³	60,499	61,917	24,404	31,890	17,332	871	1,371	4,449
Total assets ³	193,924	201,349	154,836	162,207	39,571	25,202	24,509	9,826
Total non-current liabilities ³	67,084	71,480	73,916	76,101	885	869	871	866
Operational results								
Ore Processed (Dry tons)								
700 Copper Zone	84,954	75,215	59,100	13,911	-	-	-	-
Intermain Nickel Zone	-	-	10,945	6,477	-	-	-	-
Throughput	84,954	75,215	70,045	20,388	-	-	-	-
Copper equivalent grade (%)								
700 Copper Zone ²	3.41	2.64	3.35	3.04	-	-	-	-
Intermain Nickel Zone ²	-	-	2.77	2.96	-	-	-	-
	3.41	2.64	3.26	3.01	-	-	-	-
Metals Payable								
Copper (000s lbs)	1,909	1,949	1,629	552	-	-	-	-
Nickel (000s lbs)	244	193	327	132	-	-	-	-
Cobalt (000s lbs)	1	2	4	2	-	-	-	-
Platinum (ozs)	1,626	479	1,156	-	-	-	-	-
Palladium (ozs)	1,814	641	1,218	13	-	-	-	-
Gold (ozs)	601	55	284	-	-	-	-	-
Silver (ozs)	23,440	13,105	9,499	1,638	-	-	-	-
Cu equivalent payable pounds (000s) ²	4,968	2,735	3,053	790	-	-	-	-
In 000s, except per units and per share amounts								
Per pound of copper equivalent payable ¹								
Average realized price ^{1,4}	4.96	5.42	5.17	6.03	-	-	-	-
Cash costs ^{1,2,4}	4.29	6.17	5.56	5.69	-	-	-	-
Cash margin ¹	0.67	(0.75)	(0.39)	0.34	-	-	-	-
AISC ^{1,2,4}	4.86	8.15	6.64	6.37	-	-	-	-
Production costs/ton processed ¹	226	200	219	194	-	-	-	-
Average 1 USD → CAD exchange rates								
	1.3947	1.3773	1.3841	1.4359	1.3982	1.3641	1.3683	1.3488
Cost Metrics (in USD)								
Cash costs ^{1,2,4}	3.08	4.48	4.02	3.97	-	-	-	-
AISC ^{1,2,4}	3.49	5.92	4.80	4.43	-	-	-	-

- ¹ Refer to the section 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:
Q4 2025: \$5.03/lb Cu, \$6.75/lb Ni, \$23.01/lb Co, \$1,679.68/oz Pt, \$1,468.65/oz Pd, \$4,141.90/oz Au, \$54.83 Ag.
Q3 2025: \$4.44/lb Cu, \$6.81/lb Ni, \$15.90/lb Co, \$1,383.49/oz Pt, \$1,169.18/oz Pd, \$3,455.50/oz Au, \$39.38 Ag.
Q2 2025: \$4.29/lb Cu, \$6.88/lb Ni, \$15.81/lb Co, \$1,072.35/oz Pt, \$990.29/oz Pd, \$3,301.29/oz Au, \$33.64 Ag.
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.
- ³ On February 28, 2025, the Company completed the acquisition of the KGHM mining operations and exploration assets. During Q4 2025, the Company finalized the purchase price allocation. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the final valuation and to recognize a decrease in the gain on bargain purchase of \$17.1 million compared to the initial preliminary estimate, resulting from changes in inventories, mineral property, plant and equipment, deferred revenue, asset retirement obligation and deferred tax liabilities. The Q1 2025 working capital and total assets decreased by \$7.4 million and \$5.9 million, while the total non-current liabilities increased by \$7.5 million. The Q1 2025 net income has decreased by \$18.1 million and the earnings per share has decreased from \$0.15 to \$0.06 per share. The Q2 2025 working capital and total assets have decreased by \$7.5 million and \$8.7 million, while the total non-current liabilities increased by \$8.6 million. The Q2 2025 net loss decreased by \$0.2 million with the loss per share remaining at (\$0.05) per share. The Q3 2025 working capital and total assets decreased by \$8.5 million and \$11.3 million, while the total non-current liabilities increased by \$8.4 million. The Q3 2025 net loss increased by \$1.0 million with the net loss per share remaining at (\$0.05).
- ⁴ The streaming expense has been reclassified from cost of sales to revenue, which has resulted in a reduction in revenue, cost of sales, average realized price per copper equivalent payable pound, cash cost per copper equivalent pound and all-in sustaining costs per copper equivalent payable pound. The Q1 2025 revenue and cost of sales decreased by \$0.2 million, while the average realized price, cash cost and all-in sustaining cost decreased by \$0.29 (**US\$0.20**) per copper equivalent payable pound. The Q2 2025 revenue and cost of sales decreased by \$2.8 million, while the average realized price, cash cost and all-in sustaining cost decreased by \$0.91 (**US\$0.65**) per copper equivalent payable pound. The Q3 2025 revenue and cost of sales decreased by \$2.4 million, while the average realized price, cash cost and all-in sustaining cost decreased by \$0.86 (**US\$0.62**) per copper equivalent payable pound.

ANNUAL FINANCIAL AND OPERATIONAL RESULTS

In thousands of Canadian dollars, except per share amounts and otherwise indicated

	FY 2025	FY 2024	FY 2023
Financial Results			
Revenues	58,834	-	-
Cash margin ¹	351	-	-
Net loss	(16,983)	(16,268)	(9,722)
Net loss adjusted ¹	(33,137)	(18,433)	(9,722)
Operating cash outflow	(35,098)	(17,810)	(10,536)
Free cash outflow ¹	(46,959)	(17,996)	(10,658)
Per share information:			
Net loss	(0.08)	(0.10)	(0.06)
Adjusted net loss ¹	(0.15)	(0.11)	(0.06)
Operating cash flow ¹	(0.16)	(0.10)	(0.07)
Free cash flow ¹	(0.22)	(0.11)	(0.07)
Selected Financial Statement data:			
Cash and cash equivalents	55,899	17,535	10,890
Working capital (deficiency)	60,499	17,332	7,346
Total assets	193,924	39,571	30,281
Total non-current liabilities	67,084	885	845
Operating Results and Cost Metrics			
Copper equivalent payable pounds (000s) ²	11,546	-	-
Cash cost per pound of copper equivalent payable ^{1,2}			
Canadian dollar	5.17	-	-
US dollar	3.72	-	-
All-in sustaining cost per pound of copper equivalent payable ^{1,2}			
Canadian dollar	6.21	-	-
US dollar	4.47	-	-

¹ Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.

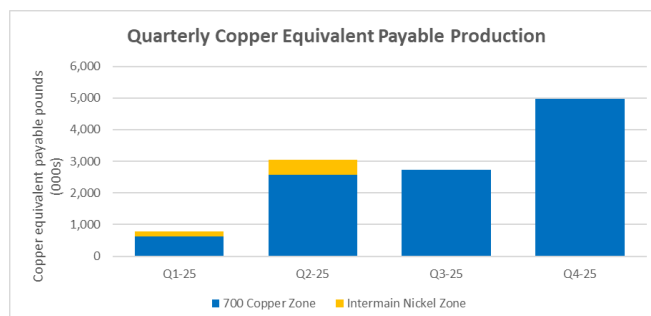
² Copper equivalent payable pounds and grade were calculated using the following US dollar prices:
FY 2025: \$4.57/lb Cu, \$6.85/lb Ni, \$17.95/lb Co, \$1,335.09/oz Pt, \$1,189.00/oz Pd, \$3,583.17/oz Au, \$41.82 Ag.

Annual 2025 Operational Results

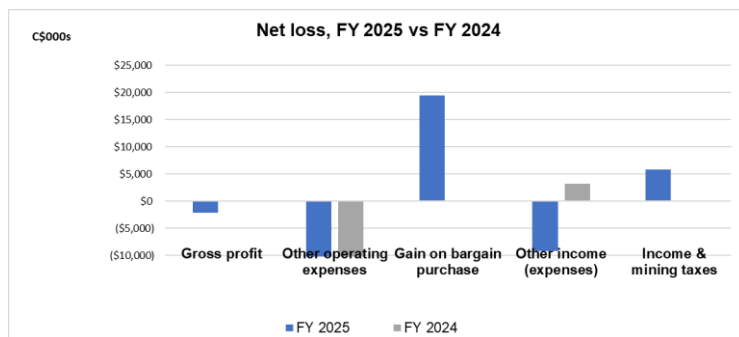
	FY 2025	FY 2024	Change
Operating Results			
700 Copper Zone			
Tons processed	233,180	-	233,180
Copper equivalent grade (%) ¹	3.12	-	3.12
Copper equivalent payable (thousands of pounds) ¹	10,913	-	10,913
Intermain Nickel Zone			
Tons processed	17,422	-	17,422
Copper equivalent grade (%) ¹	2.84	-	2.84
Copper equivalent payable (thousands of pounds) ¹	633	-	633
McCreedy West			
Tons processed	250,602	-	250,602
Copper equivalent grade (%) ¹	3.10	-	3.10
Copper equivalent payable (thousands of pounds) ¹	11,546	-	11,546

¹ Copper equivalent payable pounds and grade were calculated using the following US dollar prices:
 FY 2025: \$4.57/lb Cu, \$6.85/lb Ni, \$17.95/lb Co, \$1,335.09/oz Pt, \$1,189.00/oz Pd, \$3,583.17/oz Au, \$41.82 Ag.

McCreedy West produced 11.5 million pounds of copper equivalent payable in 2025, which included 10.9 million pounds from the 700 Copper Zone grading at 3.12% and 0.6 million pounds from the Intermain Nickel Zone grading at 2.84%.



Annual 2025 Financial Review



Net loss attributable to shareholders for 2025 was \$17.0 million or (\$0.08) per share as compared to a net loss of \$16.3 million or (\$0.10) per share for 2024. After-giving effect to the non-recurring recognition in income of the gain on bargain purchase of KGHM assets of \$19.5 million (net of tax \$14.3 million); partially offset by transaction and integration costs of \$3.4 million (net of tax of \$1.3 million), adjusted net loss¹ for 2025 was \$33.1 million or (\$0.15) per share as compared to \$18.4 million or (\$0.11) per share for 2024.

For a reconciliation of adjusted net loss¹ to net income as presented in the financial statements in accordance with IFRS, see *Non-IFRS Financial Performance Measures* in this MD&A.

In \$000s	FY 2025	FY 2024	Change	
Revenue	58,834	-	58,834	-
Costs and expenses				
Cost of sales	60,915	-	60,915	-
Corporate and general	8,360	7,258	1,102	15%
Share-based compensation	4,065	1,840	2,225	121%
Exploration and evaluation	8,226	10,117	(1,891)	(19)%
Site maintenance	10,488	246	10,242	4163%
	92,054	19,461	72,593	
Operating loss	(33,220)	(19,461)	(13,759)	71%
Transaction costs	(2,491)	-	(2,491)	
Flow-through premium income	-	2,945	(2,945)	
Gain on bargain purchase of KGHM assets	19,513	-	19,513	
Interest and other income (expenses)	(6,673)	248	(6,921)	
Income (loss) before taxes	(22,871)	(16,268)	(6,603)	
Mining and income tax expense (recovery)	(5,888)	-	(5,888)	
Net income (loss)	(16,983)	(16,268)	(715)	4%
Total comprehensive income (loss)	(16,983)	(16,268)	(715)	
Operating cash flow	(35,098)	(17,810)	(17,288)	97%
Free cash flow ¹	(46,959)	(17,996)	(28,963)	

¹ Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.

Revenues

In \$000s	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
Revenue from mining operations	24,636	-	24,636	60,016	-	60,016
Recognition of deferred streaming revenue	2,299	-	2,299	4,954	-	4,954
Less: smelting, refining and treatment charges	(2,125)	-	(2,125)	(6,136)	-	(6,136)
	24,810	-	24,810	58,834	-	58,834

In 2025, Magna generated \$60.0 million in revenue from the sale of 11.5 million copper equivalent payable pounds at \$5.20 (US\$3.74) per pound from the McCreedy West Mine, which was purchased on February 28, 2025.

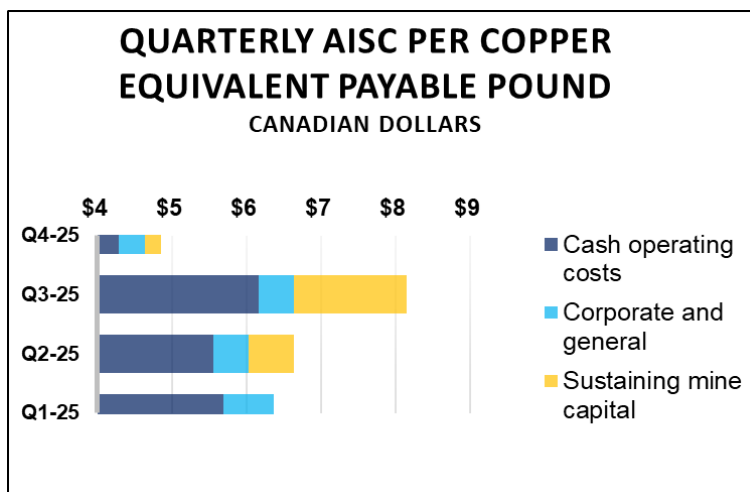
Cost of Sales

In \$000s	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
Cost of Sales						
Mining and processing costs						
Mining	9,598	-	9,598	24,612	-	24,612
Processing and surface operations	5,518	-	5,518	15,823	-	15,823
Site administration	4,140	-	4,140	13,332	-	13,332
Change in ore stockpile	(58)	-	(58)	(237)	-	(237)
	19,198	-	19,198	53,530	-	53,530
Depletion and depreciation	2,549	-	2,549	7,385	-	7,385
	21,747	-	21,747	60,915	-	60,915

Cost of sales in 2025 from the McCreedy West Mine, purchased on February 28, 2025, was \$60.9 million, which includes \$7.4 million for depletion and depreciation.

Cash cost and AISC per copper equivalent payable pound in 2025 were \$5.17 (US\$3.72) and \$6.21 (US\$4.47) per pound, respectively.

(Refer to the section entitled “non-IFRS Performance Measures” for the reconciliation of these non-IFRS measurements to the financial statements).



Corporate and General

Corporate and general expenditures in 2025 increased by \$1.1 million or 15% to \$8.4 million primarily due to incurring \$2.1 million in PNCI integration costs; partially offset by allocating technical service costs directly to McCreedy.

Exploration and evaluation

All expenditures relating to exploration and evaluation activities are expensed until management determines that probable future economic benefits will be generated as a result of the expenditures, as evidenced by a positive economic analysis of the project. In 2025, Magna spent \$8.2 million on its exploration program, which includes \$4.6 million at Levack to support the Magna Mining internal Levack Mine restart study and exploration for new footwall and contact style deposits, and \$1.6 million at Crean Hill to advance the project with power, engineering, commercial discussions and water pre-treatment design/installation activities. The overall spending decreased by \$1.9 million compared to 2024 due to management allocating resources to optimize McCreedy West mine and support the integration of PNCI.

Site maintenance

Site maintenance costs in 2025 increased by \$10.2 million, which includes \$5.0 million at Levack, \$1.3 million at Podolsky, and \$4.2 million of depreciation.

Share-based compensation

During 2025, the Company granted 1,653,363 stock options and 40,000 Restricted Share Units (“RSUs”) to its employees and officers under the Omnibus Equity Incentive Plan. Options issued are subject to vesting terms as determined by the Board of Directors. The RSUs will fully vest at the end of three years from the grant date.

On September 4, 2025, the Company’s non-executive directors were granted an aggregate of 44,073 Deferred Share Units (“DSUs”) with a fair value of \$0.1 million. Each DSU vested on the grant date and may be redeemed upon a director’s retirement from the Board of Directors. For the year ended December 31, 2025, the share-based compensation expense recognized under the plans was \$4.1 million.

Interest and other expenses

Interest and other expenses increased in 2025 by \$6.9 million due to the interest expense on the convertible debenture of \$3.2 million, the accretion of streaming liability of \$2.2 million and the amortization of the deferred financing costs associated with the letter of credit and factoring facilities of \$1.0 million.

Tax expense

In \$000s						
	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
Mining and income tax expense (recovery)						
Current	2	-	2	10	-	10
Deferred	(1,291)	-	(1,291)	(5,898)	-	(5,898)
	(1,289)	-	(1,289)	(5,888)	-	(5,888)

Magna is currently exposed to federal income tax, and mining tax for any resource profits earned in Ontario.

Q4 2025 FINANCIAL AND OPERATIONAL RESULTS

Operational Results

	Q4 2025	Q4 2024	Change	
Operating Results				
700 Copper Zone				
Tons processed	84,954	-	84,954	-
Copper equivalent grade (%) ¹	3.41	-	3.41	-
Copper equivalent payable (thousands of pounds) ¹	4,968	-	4,968	-
Intermain Nickel Zone				
Tons processed	-	-	-	-
Copper equivalent grade (%) ¹	-	-	-	-
Copper equivalent payable (thousands of pounds) ¹	-	-	-	-
McCreedy West				
Tons processed	84,954	-	84,954	-
Copper equivalent grade (%) ¹	3.41	-	3.41	-
Copper equivalent payable (thousands of pounds) ¹	4,968	-	4,968	-

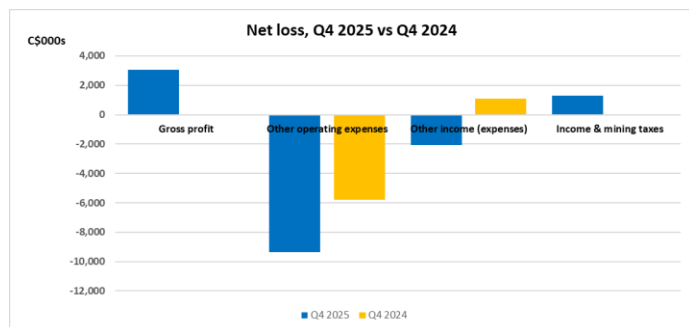
¹ Copper equivalent payable pounds for the purpose of copper equivalent payable grade, cash cost and AISC were calculated using the following US dollar prices:
Q4 2025: \$5.03/lb Cu, \$6.75/lb Ni, \$23.01/lb Co, \$1,679.68/oz Pt, \$1,468.65/oz Pd, \$4,141.90/oz Au, \$54.83 Ag.

Production Review

Q4 2025 as compared to Q4 2024

McCreedy West produced 5.0 million pounds of copper equivalent payable in Q4 2025 entirely from the 700 Copper Zone grading at 3.41%. In Q4 2025, 1,688 equivalent feet of total development, which included 398 equivalent feet of capital development, were achieved, and 60,239 feet of longhole drilling was completed.

Financial Review, Q4 2025 as compared to Q4 2024



Net loss attributable to shareholders for the three months ended December 31, 2025 was \$7.1 million or (\$0.03) per share as compared to a net loss of \$4.7 million or (\$0.03) for the same period in 2024. After-giving effect to the non-recurring recognition in income of the integration costs of \$0.2 million (net of tax of \$0.1 million), adjusted net loss¹ for the three months ended December 31, 2025 was \$6.9 million or (\$0.03) per share as compared to \$5.4 million or (\$0.03) per share for the same period in 2024.

For a reconciliation of adjusted net loss¹ to net income as presented in the financial statements in accordance with IFRS, see *Non-IFRS Financial Performance Measures* in this MD&A.

In \$000s	Q4 2025	Q4 2024	Change		FY 2025	FY 2024	Change	
Revenue	24,810	-	24,810	-	58,834	-	58,834	-
Costs and expenses								
Cost of sales	21,747	-	21,747	-	60,915	-	60,915	-
Corporate and general	2,055	2,971	(916)	(31)%	8,360	7,258	1,102	15%
Share-based compensation	1,790	578	1,212	210%	4,065	1,840	2,225	121%
Exploration and evaluation	2,506	2,213	293	13%	8,226	10,117	(1,891)	(19)%
Site maintenance	3,029	31	2,998	9671%	10,488	246	10,242	4163%
	31,127	5,793	25,334		92,054	19,461	72,593	
Operating loss	(6,317)	(5,793)	(524)	9%	(33,220)	(19,461)	(13,759)	71%
Transaction costs	-	-	-	-	(2,491)	-	(2,491)	
Flow-through premium income	-	929	(929)	(100)%	-	2,945	(2,945)	
Gain on bargain purchase of KGHM assets	-	-	-	-	19,513	-	19,513	
Interest and other income (expenses)	(2,080)	147	(2,227)	(1515)%	(6,673)	248	(6,921)	
Income (loss) before taxes	(8,397)	(4,717)	(3,680)		(22,871)	(16,268)	(6,603)	
Mining and income tax expense (recovery)	(1,289)	-	(1,289)		(5,888)	-	(5,888)	
Net income (loss)	(7,108)	(4,717)	(2,391)	51%	(16,983)	(16,268)	(715)	4%
Total comprehensive income (loss)	(7,108)	(4,717)	-		(16,983)	(16,268)	(715)	
Operating cash flow	(10,173)	(7,106)	(3,067)	43%	(35,098)	(17,810)	(17,288)	97%
Free cash flow ¹	(11,307)	(7,110)	(4,197)	59%	(46,959)	(17,996)	(28,963)	

¹ Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the financial statements.

Revenues

In \$000s	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
Revenue from mining operations	24,636	-	24,636	60,016	-	60,016
Recognition of deferred streaming revenue	2,299	-	2,299	4,954	-	4,954
Less: smelting, refining and treatment charges	(2,125)	-	(2,125)	(6,136)	-	(6,136)
	24,810	-	24,810	58,834	-	58,834

In Q4 2025, Magna generated \$24.6 million in revenue from the sale of 5.0 million copper equivalent payable pounds at \$4.96 (US\$3.56) per pound from the McCreedy West Mine.

Cost of Sales

In \$000s	Q4 2025	Q4 2024	Change	FY 2025	FY 2024	Change
Cost of Sales						
Mining and processing costs						
Mining	9,598	-	9,598	24,612	-	24,612
Processing and surface operations	5,518	-	5,518	15,823	-	15,823
Site administration	4,140	-	4,140	13,332	-	13,332
Change in ore stockpile	(58)	-	(58)	(237)	-	(237)
	19,198	-	19,198	53,530	-	53,530
Depletion and depreciation	2,549	-	2,549	7,385	-	7,385
	21,747	-	21,747	60,915	-	60,915

Cost of sales of \$21.7 million in Q4 2025 for the McCreedy Mine, which included \$2.5 million in depreciation and depletion.

Corporate and General

Corporate and general expenditures decreased by \$0.9 million or 31% primarily due to the allocation of the technical services team to McCreedy West.

Site Maintenance

In Q4 2025, the site maintenance costs increased by \$3.0 million, which includes \$1.3 million at Levack, \$0.5 million at Podolsky and \$1.2 million in depreciation.

Interest and other expenses

Interest and other expenses increased in Q4 2025 by \$2.2 million due to the interest expense on the convertible debenture of \$1.0 million, and the accretion of streaming liability of \$0.6 million.

OPERATING SEGMENTS PERFORMANCE

McCreedy West

The McCreedy West Mine is located on the north range of the Sudbury Igneous Complex ("SIC"). The deposit hosts contact nickel-copper mineralization, as well as high grade copper-PGE footwall deposits. The McCreedy West Mine is currently in operation and operates via ramp access from surface. There are three interconnected zones within the McCreedy West deposit; the 700 Copper zone (a Cu-PGE Footwall deposit), the PM Zone (a PGE-Cu Footwall deposit) and the Intermain nickel zone (a Ni-Cu Contact deposit). McCreedy West is located adjacent to the Levack Mine and the two mines are connected underground on the 1600 Level haulage drift.

During 2025, the McCreedy West Mine produced 11.5 million pounds of copper equivalent payable at an equivalent grade of 3.10%, which included 10.9 million pounds from the 700 Copper Zone and 0.6 million pounds

from the Intermain Nickel Zone.

Exploration

McCreedy West

The underground diamond drilling program at the McCreedy West mine is currently supported by three diamond drills active within the 700 Cu-PGE Zone. Definition drilling with two drills continues to support near to mid-term production, with infill drilling to facilitate detailed stope design and optimize production grade. A third drill is active drilling longer term expansion and exploration targets in the footwall.

Mineral Reserve and Resource Estimates

The 2025 year end resource was prepared in accordance with industry best practices and standards. The following table summarizes the mineral reserve and mineral resource estimates as of December 31, 2025.

Mineral Reserves - McCreedy West

Deposit Type	Category	Zone	Short Tons	Metric Tonnes	Cu %	Ni %	Co %	Pt g/tonne	Pd g/tonne	Au g/tonne	Ag g/tonne
Footwall	Probable	Broken Inventory	43,000	39,000	1.67	0.23	0.01	0.59	0.62	0.29	9.38
	Probable	700/PM	1,045,000	948,000	1.59	0.33	0.01	1.17	1.25	0.32	6.54
Total	P&P		1,088,000	987,000	1.59	0.32	0.01	1.15	1.23	0.32	6.65

McCreedy West Mineral Reserve Estimate Notes:

1. The effective date of the McCreedy West Mineral Reserve Estimate is December 31, 2025.
2. Mineral Reserves are in addition to Mineral Resources.
3. The Mineral Reserve estimate was prepared under the supervision of Mr. William van Breugel, P.Eng., B.A.Sc. Geological Engineering, Associate Engineer of SGS Geological Services and Mr. Henri Gouin, P.Eng., of SGS Geological Services, both are considered a "Qualified Person" as defined by NI 43-101.
4. Mineral Reserves are based on metal prices of \$7.72/lb Ni, \$4.88/lb Cu, \$18.12/lb Co, \$1,410/oz Pt, \$1,156/oz Pd, \$3,815/oz Au, and \$50/oz Ag. Metal recoveries considered are 85% for Ni, 91% for Cu, 68% for Co, 64% for Pt, 69.5% for Pd, 70.5% for Au, and 70% for Ag and a Cdn/Fx of \$1.37.
5. A cut-off grade was applied to each stope based on NSR exceeding sustaining development, equipment and fixed plant capital costs and operating costs of \$180.00 per ton.
6. Stope tons and grades include 3 feet of mining dilution for stopes and 85% stope recoveries.
7. Figures may not sum exactly due to rounding.

Mineral Resources – McCreedy West

Deposit Type	Category	Cut-off Grade	Short Tons	Metric Tonnes	Cu %	Ni %	Co %	Pt g/tonne	Pd g/tonne	Au g/tonne	Ag g/tonne
Contact	Indicated	1.1% NiEq	2,886,000	2,618,000	0.27	1.60	0.06	0.01	0.02	0.00	0.12
Footwall	Indicated	2.0% CuEq	3,322,000	3,014,000	1.83	0.44	0.01	1.52	1.70	0.42	9.51
Total	Indicated		6,208,000	5,632,000	1.10	0.98	0.03	0.82	0.92	0.23	5.15

Deposit Type	Category	Cut-off Grade	Short Tons	Metric Tonnes	Cu %	Ni %	Co %	Pt g/tonne	Pd g/tonne	Au g/tonne	Ag g/tonne
Contact	Inferred	1.1% NiEq	67,000	61,000	0.24	1.58	0.05	0.01	0.02	0.01	0.27
Footwall	Inferred	2.0% CuEq	897,000	813,000	1.46	0.95	0.02	1.35	1.33	0.28	4.40
Total	Inferred		964,000	874,000	1.37	1.00	0.02	1.26	1.24	0.26	4.12

McCreedy West Mineral Resource Estimate Notes:

1. The effective date of the McCreedy West Mineral Resource Estimate ("MRE") is December 31, 2025. The MRE is based on drillhole assay data received up to September 10, 2025, which represents the cut-off date for assay data used in the estimate. The estimate has been depleted to account for all production through December 31, 2025.
2. The Contact Zone Mineral Resource was previously disclosed in 2024 and was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services and is an independent Qualified Person as defined by NI 43-101. Dr. Armitage conducted two site visits

to the McCreedy Property Mine, on August 22-23, 2023 (surface tour) and July 24, 2024. Mined material from 2024 was depleted from the previous MRE.

3. The Footwall Zone Mineral Resource was estimated by Jonathan Cirelli, P. Geo. of Orix Geoscience Inc. and is an independent Qualified Person as defined by NI 43-101. Mr. Cirelli was previously employed at McCreedy West Mine during 2010-2011. A site visit was last conducted on November 20, 2025. The Footwall Zone Mineral Resource has been reviewed by Mr. Armitage.
4. The Contact Zone Mineral Resource was previously disclosed in 2024 and was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services and is an independent Qualified Person as defined by NI 43-101. Dr. Armitage conducted two site visits to the McCreedy Property Mine, on August 22-23, 2023 (surface tour) and July 24, 2024. Mined material from 2024 was depleted from the previous MRE.
5. The Mineral Resource is presented undiluted and in situ, constrained by diamond drillhole information and underground geological mapping, and is considered to have reasonable prospects for eventual economic extraction. Mineral Resources are exclusive of Mineral Reserves and mined-out material.
6. Mineral Resources are classified in accordance with the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves.
7. Mineral Resources, which are not Mineral Reserves have not demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. There is no certainty that Inferred Mineral Resources will be converted to Indicated Mineral Resources through continued exploration.
8. All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.
9. The Footwall Zone cut-off grade of 2.0% CuEq considers metal prices of \$7.72/lb Ni, \$4.88/lb Cu, \$18.12/lb Co, \$1,410/oz Pt, \$1,156/oz Pd, \$3,815/oz Au, and \$50/oz Ag. Metal recoveries considered are 85% for Ni, 91% for Cu, 68% for Co, 64% for Pt, 69.5% for Pd, 70.5% for Au, and 70% for Ag.
10. The Contact Zone cut-off grade of 1.1% NiEq considers metal prices of \$8.50/lb Ni, \$3.75/lb Cu, \$17.00/lb Co, \$950/oz Pt, \$1,100/oz Pd and \$1,950/oz Au. Metal recoveries considered are 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au. Silver was not considered in the Contact Zone cut-off grade.
11. Footwall Zone grades for Ni, Cu, Co, Pt, Pd, Au, and Ag are estimated using ~5.0 ft (1.52 m) composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID2) interpolation method was used. Samples were capped before compositing when required. A density regression was calculated and used to populate density values in the model.
12. Contact Zone grades for Ni, Cu, Co, Pt, Pd, Au, and Ag are estimated using ~5.0 ft (1.52 m) capped composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID2) interpolation method was used for all domains. Average density values were assigned based on a database of 45,525 samples.
13. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Levack

The Levack Mine was operated by KGHM until 2019 and is currently under care and maintenance. As of March 2026, Magna has two surface diamond drills and one underground drill operating at Levack Mine. Drilling at Levack is designed to support both the Magna Mining Preliminary Economic Assessment (“PEA”) and continued exploration of the R2 Zone as well as exploration for new footwall mineralization.

Mineral Resource Estimates (“MRE”)

The following table summarizes the mineral resource estimates at Levack as of August 31, 2025.

Deposit Type	Category	Cut-off Grade	Short Tons	Metric Tonnes	Cu %	Ni %	Co %	Pt (g/tonne)	Pd (g/tonne)	Au (g/tonne)	Ag (g/tonne)	CuEq %
Contact	Indicated	2.00% CuEq	6,535,000	5,928,000	0.89	1.41	0.05	0.46	0.56	0.07	0.99	3.18
Footwall	Indicated	2.50% CuEq	197,000	178,000	9.06	2.37	0.02	3.60	6.58	1.56	34.15	15.52
Total	Indicated		6,732,000	6,106,000	1.13	1.44	0.04	0.56	0.74	0.11	1.95	3.54

Deposit Type	Category	Cut-off Grade	Short Tons	Metric Tonnes	Cu %	Ni %	Co %	Pt (g/tonne)	Pd (g/tonne)	Au (g/tonne)	Ag (g/tonne)	CuEq %
Contact	Inferred	2.00% CuEq	5,288,000	4,797,000	0.87	1.46	0.04	0.39	0.40	0.05	0.68	3.15
Footwall	Inferred	2.50% CuEq	406,000	368,000	5.42	0.75	0.01	2.91	5.40	1.53	21.00	9.35
Total	Inferred		5,694,000	5,165,000	1.19	1.41	0.04	0.57	0.76	0.16	2.13	3.59

Levack Mineral Resource Estimate Notes:

1. The effective date of the Levack Mine Mineral Resource Estimate (MRE) is August 31, 2025. This is the close out date for the final mineral resource models and mine out models (as-builts).
2. The mineral resources are reported at a cut-off grade of 2.00% CuEq for Contact deposits and 2.50% CuEq for Footwall deposits. Values in this table reported above and below the cut-off grades should not be misconstrued with a Mineral Resource Statement. The values are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade.
3. CuEq is calculated using metal prices of \$4.50/lb Cu, \$7.31/lb Ni, \$15.00/lb Co, \$1,291/oz Pt, \$1,031/oz Pd, \$3,324/oz Au, and \$37.40/oz Ag. Metal recoveries considered are 91% for Cu, 85% for Ni, 68% for Co, 64% for Pt, 69.5% for Pd, 70.5% for Au, and 70% for Ag.

4. The mineral resource was estimated by Jonathan Cirelli, P. Geo. of Orix Geoscience Inc. and is an independent Qualified Person as defined by NI 43-101. A site visit was conducted on July 9th, 2025.
5. The classification of the current Mineral Resource Estimate (MRE) into Indicated and Inferred mineral resources is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.
6. All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.
7. The mineral resources are presented undiluted and in situ, constrained by diamond drillhole information and previous underground geological mapping, and are considered to have reasonable prospects for eventual economic extraction. The mineral resource is exclusive of mined out material. The drillhole database includes data from 10,525 surface and underground diamond drill holes completed between 1911 and 2025. The drilling totals 4,382,756 ft (1,335,864 m) including 341,394 assay intervals representing 1,393,512 ft (424,742 m) of data.
8. Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
9. Grades for Ni, Cu, Co, Pt, Pd, Au, and Ag are estimated for each mineralization domain using ~2.0 ft (0.61 m), 2.5 ft (0.76 m), or 5.0 ft (1.52 m) composites assigned to that domain, depending on the style of mineralization. To generate grade within the blocks, the inverse distance squared (ID2) interpolation method was used for all domains. Samples were capped before compositing when required.
10. Reliable density measurements were available for 21% of the samples in the drillhole database (71,712 measured samples) allowing for zone-specific Ni and Cu-based regression formulas to be created and applied to estimate missing densities.

Crean Hill

There were no exploration activities at Crean Hill in 2025. Magna is proceeding with power, engineering, commercial discussions and water pre-treatment design/installation activities as we continue to advance the project. A Pre-Feasibility Study (“PFS”) was initiated in Q1 2026 and is expected to be completed in late Q3 2026.

Mineral Resource Estimates (“MRE”)

The following table summarizes the mineral resource estimates at Crean Hill as of April 15, 2024.

Category	Cut-off Grade	Metric Tonnes	Cu %	Ni %	Co %	Pt g/tonne	Pd g/tonne	Au g/tonne	NiEq %
Indicated	1.1% NiEq	18,444,000	0.87	1.01	0.035	0.98	1.12	0.37	1.96
Inferred	1.1% NiEq	989,000	0.53	0.7	0.026	0.98	1.66	0.29	1.56

Crean Hill Property Mineral Resource Estimate Notes:

1. The effective date of the Crean Hill Property Mineral Resource Estimate (“MRE”) is April 15, 2024. This is the close out date for the final mineral resource models and mine out models (as-builts).
2. Allan Armitage, Ph.D., P. Geo. of SGS Geological Services is an independent Qualified Person as defined by NI 43-101 and is responsible for the current Crean Hill MRE. Mr. Armitage conducted multiple site visits to the Crean Hill Property including on May 25-26, 2022, July 25, 2023, July 2, 2024 and July 25, 2024.
3. The classification of the current MRE into Indicated and Inferred mineral resources is consistent with the current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.
4. All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.
5. The mineral resource is presented undiluted and in situ, constrained by 3D grade control resource models, and are considered to have reasonable prospects for eventual economic extraction. The mineral resource is exclusive of mined out material.
6. Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
7. The Crean Hill mineral resource estimate is based on a validated drill hole database, which includes data from 4,646 surface and underground diamond drill holes completed between 1951 and March 2024. The drilling totals 739,448 m. The resource database totals 103,952 assay intervals, representing 290,253 m of data.
8. The mineral resource estimate is based on a three-dimensional (“3D”) resource model of the main mineralization and a broader dilution envelope. 3D models of mined out areas were used to exclude mined out material from the current MRE.
9. Grades for Ni, Cu, Co, Pt, Pd, Ag and Au are estimated for each mineralization domain using ~2.0 m capped composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (“ID2”) interpolation method was used for all domains.
10. Specific gravity values were assigned to each block based on a regression formula defined by a database of 32,592 samples. $SG=(0.2057 \times Ni\% + 2.88)$.

11. Based on the size, shape, and orientation of the Crean Hill Deposit, it is envisioned that the deposits may be mined using both bulk and selective mining methods, including Longhole Stopping.
12. The MRE is reported at a base case cut-off grade of 1.10% NiEq. The mineral resource grade blocks are quantified above the base case cut-off grade and within the constraining mineralized wireframes (considered mineable shapes).
13. The underground cut-off grade of 1.10% NiEq considers metal prices of \$8.50/lb Ni, \$3.75/lb Cu, \$17.00/lb Co, \$950/oz Pt, \$1,100/oz Pd and \$1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), a mining cost of US\$80.00/t rock and processing, treatment and refining, transportation and G&A cost of US\$42.50/t mineralized material.
14. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Shakespeare

The Shakespeare Project is currently comprised of 29 patented claims, 3 leased claims and 787 mining claims within Dunlop, Porter, Shakespeare, Hyman and Baldwin Townships, and covers an area of 18,074.94 ha. Magna currently has a 100% interest in most of the Shakespeare Project, with 83.9% ownership of a joint venture on certain claims, leases, and patents surrounding the Shakespeare Mine. The 8 Baldwin patents are 50% owned by Ursa Major Minerals.

In 2025, no exploration activity at Shakespeare occurred.

Mineral Resource Estimates (“MRE”)

The following table summarizes the mineral resource estimates at Shakespeare as of June 1, 2021.

Category	Mining Method	Cut-off Grade	Metric Tonnes	Cu %	Ni %	Co %	Pt g/tonne	Pd g/tonne	Au g/tonne
Indicated	Open Pit	0.2% NiEq	16,508,000	0.36	0.34	0.02	0.33	0.36	0.19
Indicated	Underground	0.4% NiEq	3,832,000	0.36	0.31	0.02	0.3	0.32	0.19
Inferred	Underground	0.4% NiEq	2,355,000	0.40	0.33	0.02	0.34	0.37	0.20

Shakespeare Property Mineral Resource Estimate Notes:

1. The Shakespeare Project's 2021 Mineral Resource Estimate was prepared by Allan Armitage, Ph.D., P.Geo., of SGS Geological Services, an independent Qualified Person, in accordance with the guidelines of the Canadian Securities Administrators' NI 43-101, with an effective date of June 1, 2021.
2. Mineral Resources are exclusive of material mined.
3. Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate.
4. Open pit Mineral Resources are reported at a base case cut-off grade of 0.2% NiEq within a conceptual pit shell.
5. Underground (below-pit) Mineral Resources are estimated from the bottom of the pit and are reported at a base case cut-off grade of 0.4% NiEq. The underground Mineral Resource grade blocks were quantified above the base case cut-off grade, below the constraining pit shell and within the constraining mineralized wireframes. At this base case cut-off grade the deposit shows excellent deposit continuity.
6. Based on the size, shape, and orientation of the deposit, it is envisioned that the underground mineralization may be mined using the longitudinal longhole retreat mining method (a branch of the generic mining method known as sublevel stopping).
7. A fixed specific gravity value of 3.00 was used to estimate the resource tonnage from block model volumes; an SG of 2.85 for waste.
8. NiEq Cut-off grades are based on metal prices of \$7.50/lb Ni, \$3.25/lb Cu, \$21.00/lb Co, \$1,000/oz Pt, \$2,000/oz Pd and \$1,600/oz Au, and metal recoveries of 75% for Ni, 96% for Cu, 56% for Co, 73% for Pt, 39% for Pd and 36% for Au.
9. The results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade.
10. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that all or any part of the Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.

Podolsky

No current exploration activity at Podolsky Mine. In 2025, a review of a bulk sample study on the permitted North Zone via the existing ramp was initiated. Results of the study are pending.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2025, Magna had working capital of \$60.5 million compared to \$17.3 million at December 31, 2024. Cash and cash equivalents at December 31, 2025 was \$55.9 million as compared to \$17.5 million at the beginning of the year. The following table provides an abbreviated cash flow statement as follows:

In Millions (Canadian dollar)	FY 2025	FY 2024	Change
McCreedy West			
Cash Margin ¹	\$0.4	\$0.0	0.4
Sustaining capital and mine exploration	(7.1)	0.0	(7.1)
	<u>(6.7)</u>	<u>0.0</u>	<u>(6.7)</u>
Corporate	(8.4)	(7.3)	(1.1)
Exploration	(8.2)	(10.1)	1.9
Site maintenance	(6.3)	(0.2)	(6.0)
Stock options and warrants exercised	11.0	4.6	6.4
Mining and income tax paid	0.0	0.0	0.0
Acquisition of KGHM assets, net of cash received	(5.0)	0.0	(5.0)
Transaction costs	(2.5)	0.0	(2.5)
Proceeds from acquisition of NorthX Nickel Corp.	0.7	0.0	0.7
Proceeds from equity issuance	56.8	20.3	36.5
Proceeds from convertible debenture issuance	22.3	0.0	22.3
Cash collateralized for letter of credit facilities	(0.1)	0.0	(0.1)
Payment of deferred financing cost	(1.1)	0.0	(1.1)
Net change in working capital and other	(14.2)	(0.7)	(13.5)
Net decrease in cash	<u>\$38.4</u>	<u>\$6.6</u>	<u>\$31.8</u>
Cash, beginning of period	\$17.5	\$10.9	
Cash, end of period	<u>\$55.9</u>	<u>\$17.5</u>	

¹ Refer to the section entitled "Non-IFRS Performance Measures" for the reconciliation of these non-IFRS measurements to the Financial Statements.

Total cash margin¹ for 2025 was \$0.4 million resulting from operating McCreedy West. The Company invested a total of \$7.1 million in sustaining capital spending at McCreedy West. The Company raised \$79.1 million in net proceeds, which included \$56.8 million from the issue of 27,284,920 common shares and \$22.3 million from the issue of convertible debentures. The net change in working capital and other for 2025 decreased by \$13.5 million when compared to 2024 primarily due to the increase in accounts receivable related to metal sales; partially offset, by an increase in accounts payable and accruals.

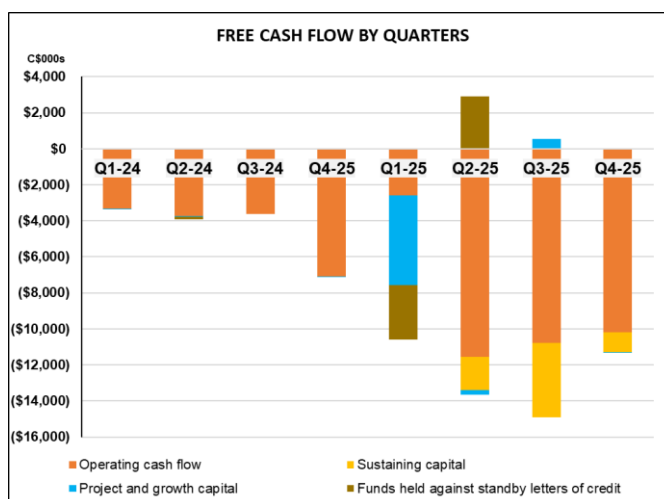
The following table identifies the significant movements in operating cash flow for the three months and the years ended December 31, 2025 and 2024 as follows:

In \$000s	Q4 2025	Q4 2024	Change		FY 2025	FY 2024	Change	
Operating cash flow, previous period	(10,781)	(3,635)	(7,146)	197%	(5,642)	(1,753)	(3,889)	222%
Increase (decrease) in cash margin from mine operations	5,514	-	5,514		350	-	350	
Decrease (increase) in other operating expenditures	(75)	(961)	886		(19,184)	(15,312)	(3,872)	
Decrease (increase) in transaction costs	30	-	30		(2,491)	-	(2,491)	
Net change in working capital balances	(4,313)	(2,160)	(2,153)		(8,321)	(585)	(7,736)	
Other	(548)	(350)	(198)		190	(160)	350	
Net increase (decrease) in operating cash flows	608	(3,471)	4,079		(29,456)	(16,057)	(13,399)	83%
Operating cash flow, current period	(10,173)	(7,106)	(3,067)	43%	(35,098)	(17,810)	(17,288)	97%

Capital expenditures incurred in FY 2025 totaled \$7.5 million. A breakdown of the capital expenditures for the three months and years ended December 31, 2025 and 2024 are as follows:

In \$000s	Q4 2025	Q4 2024	Change		FY 2025	FY 2024	Change	
Mining properties and plant and equipment								
McCreeedy West								
Sustaining mine development costs	805	-	805		4,053	-	4,053	
Mining equipment and infrastructure upgrades	309	-	309		3,032	-	3,032	
	1,114	-	1,114		7,085	-	7,085	
Levack								
Mining equipment and infrastructure upgrades	21	-	21		365	-	365	
Additions to Mining properties	1,135	-	1,135		7,450	-	7,450	-
Exploration and evaluation expenditures								
Crean Hill	-	-	0		-	-	0	
Shakespeare	-	-	-		-	14	(14)	
Additions to Exploration properties	-	-	-		-	14	(14)	(100)%
Total capital investments	1,135	-	1,135		7,450	14	7,436	53114%

Free cash outflow¹ was \$47.0 million in FY 2025 compared to free cash outflow¹ of \$18.0 million in 2024. The increase in free cash outflow¹ of \$29.0 million was due to increased capital spending at McCreeedy West and Levack, the site maintenance costs at Podolsky and Levack and the decrease in the net change working capital and other primarily due to the increase in accounts receivable related to metal sales; partially offset, by an increase in accounts payable and accruals.



¹ Free cash flow is a non-IFRS performance measure. Please refer to the disclosures of non-IFRS measures in this MD&A

Debt Facilities

Convertible Debentures

On March 5, 2025, the Company completed a \$23,967 private placement of unsecured convertible debentures (“**Debentures**”) for net proceeds of \$22,339. The Debentures were issued at a 2% discount to the face value for aggregate gross proceeds of \$23,488, and transaction costs of \$1,149 were incurred. The principal amount of the Debentures bear interest at a fixed rate of 10% per annum, payable in cash quarterly in arrears and will mature on March 5, 2029.

The Debentures are convertible into common shares of the Company at any time prior to maturity at a conversion rate of 500 common shares per \$1,000 principal amount, representing a conversion price of \$2.00 per common share, subject to certain anti-dilution adjustments.

The Company may not redeem the Debentures before March 5, 2027. At any time on or after March 5, 2027, and until maturity, the Company may redeem all or part of the Debentures for cash if the daily volume weighted average trading price of the common shares on the TSXV equals or exceeds 150% of the conversion price, or \$3.00 per share, for 20 consecutive trading days. The redemption price would be equal to the sum of 100% of the principal amount of the Debentures to be redeemed and any accrued and unpaid interest.

The component parts of the Debentures comprise a financial liability, equity and an embedded derivative. At initial recognition, the net proceeds of \$22,339 from the issuance of the Debentures was allocated into the debt, equity and embedded derivative components as follows:

Debt: the fair value of the debt was determined to be \$14,471 using a discounted cashflow model with an expected life of four years and a discount rate of 26%. The debt component is subsequently measured at amortized cost, net any directly attributable transaction cost and amortized over the four-year term using the effective interest method.

Equity: the conversion option held by the Debenture holders is classified as equity and initially recognized at fair value of \$7,977 net of directly attributable transaction costs. If the conversion option is exercised, the balance recognized in equity is transferred to share capital, otherwise it remains in equity reserve.

Embedded derivative: the conversion right held by the Company is recognized as a separate embedded derivative at a fair value of \$109. The derivative is subsequently measured at fair value with changes in fair value recognized in profit or loss.

The transaction costs of \$1,149 related to the issuance of the Debenture were allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the life of the Debentures using the effective interest method. The Company elected to allocate the liability component of the transaction costs entirely to the host liability. Transaction costs related to the equity component are recognized directly in equity.

	Convertible debentures
Balance, December 2024 and 2023	\$ -
Gross proceeds from convertible debenture financing	23,488
Transaction costs	(1,149)
Portion of convertible debenture financing allocated to equity reserves	(7,977)
Portion allocated to forced conversion embedded derivative	109
Interest paid	(1,971)
Accretion expense	3,182
Balance, December 31, 2025	\$ 15,682

The Debentures are subject to certain financial covenants including maintaining a minimum consolidated working capital balance of \$5,000, which the Company is in compliance with as of December 31, 2025.

Letter of Credit Facility

In connection with the acquisition of the KGHM Sale Assets, the Company entered into a letter of credit facility (the “**LC Facility**”) with Fédération des caisses Desjardins du Québec (“**Desjardins**”), pursuant to which the Company can obtain letters of credit having an aggregate maximum face amount of \$12,000. A fee of 2.25% per annum is charged on amounts drawn under the LC Facility. The Company’s obligations under the LC Facility are secured against all present and future personal property of the Company in accordance with the terms of an omnibus general security agreement between the Company and Desjardins.

At December 31, 2025, the Company had drawn down \$10,825 under the LC Facility.

Factoring Agreement

On March 31, 2025, PNCl, a subsidiary of the Company, entered into an agreement with Desjardins whereby the Company can sell eligible metal sale receivables to Desjardins for cash proceeds (the “**Factoring Facility**”), improving the Company’s working capital and liquidity. The aggregate amount factored under this agreement at any one time is limited to \$24,000, and the factored receivables must have an expected due date within 150 days. The Company can receive up to 85% of the value of an eligible receivable under the agreement. The Factoring Facility is non-recourse but has been guaranteed by PNCl’s parent company, Magna. The agreement imposes no obligation on the Company to offer Desjardins eligible receivables to purchase or on Desjardins to purchase receivables offered by the Company.

The term of the Factor Facility is twelve months and is renewable at the option of Desjardins and the Company. A per annum factoring commission is payable on factored receivables at a rate of prime plus 2.3% for Canadian dollar receivables and prime plus 0.9% for US dollar receivables. Additionally, at the end of the twelve-month term, the total value of the eligible receivables offered by the Company for factoring under the agreement is less than \$30,000, a fee of 1% of the shortfall is payable by the Company.

The agreement requires that the Company secure and maintain a credit insurance policy for a value equal to the factored amount. As at December 31, 2025, \$2,203 was outstanding under the Factoring Facility.

SUMMARY OF SHARES ISSUED

As of April 20, 2026, the Company had securities outstanding as follows:

Shares outstanding	000s
Common shares issued	250,286
Common share purchase options	12,961
Restricted share units	1,690
Deferred share units	44
Convertible debentures	23,967

CONTRACTUAL OBLIGATIONS

The following table shows the timing of cash outflows relating to contractual obligations as at December 31, 2025:

In \$000s					
	Total	Within 1 year	1 - 2 Years	3 – 5 Years	Beyond 5 years
Payables and accruals	17,945	17,945	-	-	-
Lease liabilities	190	129	61	-	-
Contingent consideration	8,100	-	-	7,400	700
Deferred acquisition costs	2,000	2,000	-	-	-
Convertible debentures	31,584	2,397	2,397	26,790	-
Purchase commitments	11,599	11,494	105	-	-
Asset retirement obligations	16,937	-	-	-	16,937
	\$88,355	\$33,965	\$2,563	\$34,190	\$17,637

NON-IFRS PERFORMANCE MEASURES

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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Revenue per financial statements ^{1,2} (a)	24,810	14,026	15,701	4,297	-	-	-	-	58,834	-
Treatment and refining charges	2,125	1,838	1,634	539	-	-	-	-	6,136	-
Recognition of deferred streaming revenue ¹	(2,299)	(1,031)	(1,557)	(67)	-	-	-	-	(4,954)	-
Copper equivalent revenue from mining operations (a)	24,636	14,833	15,778	4,769	-	-	-	-	60,016	-
Copper equivalent pounds payable (000s) (b)	4,968	2,735	3,053	790	-	-	-	-	11,546	-
Average realized price copper equivalent payable pound CAD ² (c) = (a) ÷ (b)	4.96	5.42	5.17	6.03	-	-	-	-	5.20	-
Average 1 USD → CAD exchange rate (d)	1.3947	1.3773	1.3841	1.4359	1.3982	1.3641	1.3683	1.3488	1.3904	1.3698
Average realized price copper equivalent payable pound USD ² (c) ÷ (d)	3.56	3.94	3.74	4.20	-	-	-	-	3.74	-

¹ On February 28, 2025, the Company completed the acquisition of the KGHM mining operations and exploration assets. During Q4 2025, the Company finalized the purchase price allocation. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the final valuation and to recognize a decrease in the gain on bargain purchase of \$17.1 million compared to the initial preliminary estimate, resulting from changes in inventories, mineral property, plant and equipment, deferred revenue, asset retirement obligation and deferred tax liabilities. The Q1 2025 revenue and net income increased by \$0.1 million resulting from the recognition of deferred stream revenue. The Q2 2025 revenue and net income remained consistent. The Q3 2025 revenue and net income increased by \$0.1 million resulting from the recognition of deferred stream revenue.

² The streaming expense has been reclassified from cost of sales to revenue, which has resulted in a reduction in revenue, cost of sales, average realized price per copper equivalent payable pound, cash cost per copper equivalent pound and all-in sustaining costs per copper equivalent payable pound. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the change in classification. The Q1 2025 revenue per the financial statements decreased by \$0.2 million, resulting in a decrease of \$0.29 (US\$0.19) in the average realized price per copper equivalent payable pound. The Q2 2025 revenue per the financial statements decreased by \$2.8 million, resulting in a decrease of \$0.91 (US\$0.65) in the average realized price per copper equivalent payable pound. The Q3 2025 revenue per the financial statements decreased by \$2.3 million, resulting in a decrease of \$0.86 (US\$0.62) in the average realized price per copper equivalent payable pound.

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 Accounting Standards, 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 Accounting Standards. 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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Cost of sales per financial statements ^{1,2}	21,747	17,253	17,334	4,581	-	-	-	-	60,915	-
Smelting, treatment and refining charges	2,125	1,838	1,634	539	-	-	-	-	6,136	-
Depletion and depreciation ¹	(2,549)	(2,217)	(1,999)	(620)	-	-	-	-	(7,385)	-
Cash costs (a)	21,323	16,874	16,969	4,500	-	-	-	-	59,666	-
Copper equivalent payable pounds (000s) (b)	4,968	2,735	3,053	790	-	-	-	-	11,546	-
Cash costs per copper equivalent payable pound ² (c) = (a) ÷ (b)	4.29	6.17	5.56	5.69	-	-	-	-	5.17	-
Average 1 USD → CAD exchange rate (d)	1.3947	1.3773	1.3841	1.4359	1.3982	1.3641	1.3683	1.3488	1.3904	1.3698
Cash costs per copper equivalent payable pound USD ² (c) ÷ (d)	3.08	4.48	4.02	3.97	-	-	-	-	3.72	-

¹ On February 28, 2025, the Company completed the acquisition of the KGHM mining operations and exploration assets. During Q4 2025, the Company finalized the purchase price allocation. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the final valuation and to recognize a decrease in the gain on bargain purchase of \$17.1 million compared to the initial preliminary estimate, resulting from changes in inventories, mineral property, plant and equipment, deferred revenue, asset retirement obligation and deferred tax liabilities. The Q1 2025 depletion and depreciation increased by \$0.4 million resulting in an increase in cost of sales and a decrease in net income. The Q2 2025 depletion and depreciation decreased by \$0.2 million resulting in a decrease in cost of sales and an increase in net income. The Q3 2025, depletion and depreciation increased by \$0.2 million resulting in an increase in cost of sales and a decrease in net income.

² The streaming expense has been reclassified from cost of sales to revenue, which has resulted in a reduction in revenue, cost of sales, average realized price per copper equivalent payable pound, cash cost per copper equivalent pound and all-in sustaining costs per copper equivalent payable pound. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the change in classification. The Q1 2025 cost of sales per the financial statements decreased by \$0.2 million, resulting in a decrease of \$0.29 (US\$0.19) in cash costs per copper equivalent payable pound. The Q2 2025 cost of sales per the financial statements decreased by \$2.8 million, resulting in a decrease of \$0.91 (US\$0.65) in cash costs per copper equivalent payable pound. The Q3 2025 revenue per the financial statements decreased by \$2.3 million, resulting in a decrease of \$0.86 (US\$0.62) in cash costs per copper equivalent payable pound.

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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Cost of sales per financial statements ¹	21,747	17,253	17,334	4,581	-	-	-	-	60,915	-
Depletion and depreciation ¹	(2,549)	(2,217)	(1,999)	(620)	-	-	-	-	(7,385)	-
Mining and processing costs (a)	19,198	15,036	15,335	3,961	-	-	-	-	53,530	-
Ore processed (tons) (b)	84,955	75,214	70,045	20,388	-	-	-	-	250,602	-
Production costs per ton processed (a) ÷ (b)	226	200	219	194	-	-	-	-	214	-

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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 costs per copper equivalent payable pound 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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Copper equivalent revenue from mining operations (per above)	24,636	14,833	15,778	4,769	-	-	-	-	60,016	-
Cash costs (per above)	21,323	16,874	16,969	4,500	-	-	-	-	59,666	-
Cash margin	3,313	(2,041)	(1,191)	269	-	-	-	-	350	-
Per pound of copper equivalent payable (Canadian dollar):										
Average realized price (a)	4.96	5.42	5.17	6.03	-	-	-	-	5.20	-
Cash costs (b)	4.29	6.17	5.56	5.69	-	-	-	-	5.17	-
Cash margin (a) – (b)	0.67	(0.75)	(0.39)	0.34	-	-	-	-	0.03	-

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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Cost of sales, per financial statements ^{1,2}	21,747	17,253	17,334	4,581	-	-	-	-	60,915	-
Smelting, treatment and refining charges	2,125	1,838	1,634	539	-	-	-	-	6,136	-
Depletion and depreciation ¹	(2,549)	(2,217)	(1,999)	(620)	-	-	-	-	(7,385)	-
Cash costs	21,323	16,874	16,969	4,500	-	-	-	-	59,666	-
Sustaining mine exploration and development	805	2,780	468	-	-	-	-	-	4,053	-
Sustaining mine capital equipment	309	1,342	1,381	-	-	-	-	-	3,032	-
Corporate and general	2,055	1,576	2,191	997	-	-	-	-	6,819	-
Less: KGHM Integration costs	(334)	(285)	(742)	(465)	-	-	-	-	(1,826)	-
All-in Sustaining costs (AISC) (a)	24,158	22,287	20,267	5,032	-	-	-	-	71,744	-
Pounds of copper equivalent payable (b)	4,968	2,735	3,053	790	-	-	-	-	11,546	-
AISC² (c) = (a) ÷ (b)	4.86	8.15	6.64	6.37	-	-	-	-	6.21	-
Average 1 USD → CAD exchange rate (d)	1.3947	1.3773	1.3841	1.4359	1.3982	1.3641	1.3683	1.3488	1.3904	1.3698
AISC USD² (c) ÷ (d)	3.49	5.92	4.80	4.43	-	-	-	-	4.47	-

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² The streaming expense has been reclassified from cost of sales to revenue, which has resulted in a reduction in revenue, cost of sales, average realized price per copper equivalent payable pound, cash cost per copper equivalent pound and all-in sustaining costs per copper equivalent payable pound. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the change in classification. The Q1 2025 cost of sales per the financial statements decreased by \$0.2 million, resulting in a decrease of \$0.29 (US\$0.19) in AISC per copper equivalent payable pound. The Q2 2025 cost of sales per the financial statements decreased by \$2.8 million, resulting in a decrease of \$0.91 (US\$0.65) in AISC per copper equivalent payable pound. The Q3 2025 revenue per the financial statements decreased by \$2.3 million, resulting in a decrease of \$0.86 (US\$0.62) in AISC per copper equivalent payable pound.

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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Net cash provided by operating activities per financial statements (c)	(10,173)	(10,781)	(11,560)	(2,584)	(7,106)	(3,635)	(3,747)	(3,322)	(35,098)	(17,810)
Sustaining mine exploration and development	(805)	(2,780)	(468)	-	-	-	-	-	(4,053)	-
Sustaining mine capital equipment	(309)	(1,342)	(1,381)	-	-	-	-	-	(3,032)	-
Purchase of Project Nikolas Company Inc.	-	-	-	(5,000)	-	-	-	-	(5,000)	-
Proceeds from purchase of NorthX	-	666	-	-	-	-	-	-	666	-
Site maintenance capital equipment	(21)	(113)	(231)	-	-	-	-	-	(365)	-
Exploration equipment	-	-	-	-	(4)	-	(6)	(8)	-	(18)
Exploration and evaluation	-	-	-	-	-	-	-	-	-	-
Funds held against standby letters of credit	-	-	2,926	(3,000)	-	-	(168)	-	(74)	(168)
Interest on restricted funds	1	-	(4)	-	-	-	-	-	(3)	-
Payment of lease liabilities	-	-	-	-	-	-	-	-	-	-
Free cash flows (a)	(11,307)	(14,350)	(10,718)	(10,584)	(7,110)	(3,635)	(3,921)	(3,330)	(46,959)	(17,996)
Weighted number of shares (000s) (b)	246,229	211,308	203,647	197,739	186,593	169,379	163,534	163,380	215,042	170,766
Per Share data										
Operating cash flow (c) ÷ (b)	(0.04)	(0.05)	(0.06)	(0.01)	(0.04)	(0.02)	(0.02)	(0.02)	(0.16)	(0.10)
Free cash flow (a) ÷ (b)	(0.05)	(0.07)	(0.05)	(0.05)	(0.04)	(0.02)	(0.02)	(0.02)	(0.22)	(0.11)

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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	FY 2025	FY 2024
Net income (loss) per financial statements ¹	(7,108)	(11,597)	(9,317)	11,039	(4,717)	(4,498)	(3,948)	(3,105)	(16,983)	(16,268)
Adjustments for:										
Gain on bargain purchase of KGHM assets ¹	-	-	-	(33,819)	-	-	-	-	(33,819)	-
Project Nikolas Company Inc. Integration costs	334	285	742	779	-	-	-	-	2,140	-
Transaction Costs	-	30	35	2,426	-	-	-	-	2,491	-
Flow-through premium income	-	-	-	-	(929)	(557)	(672)	(788)	-	(2,946)
Total adjustments	334	315	777	(30,614)	(929)	(557)	(672)	(788)	(29,188)	(2,946)
Related income tax effect ¹	(89)	(83)	(206)	6,090	246	148	178	209	5,712	781
Recognition of mining taxes	-	-	-	7,322	-	-	-	-	7,322	-
Adjusted net loss (a)	(6,863)	(11,365)	(8,746)	(6,163)	(5,400)	(4,907)	(4,442)	(3,684)	(33,137)	(18,433)
Weighted number of shares (000s) (b)	246,229	211,308	203,647	197,739	186,593	169,379	163,534	163,380	215,042	170,766
Per Share data										
Adjusted net loss (a) ÷ (b)	(0.03)	(0.05)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)	(0.02)	(0.15)	(0.11)

¹ On February 28, 2025, the Company completed the acquisition of the KGHM mining operations and exploration assets. During Q4 2025, the Company finalized the purchase price allocation. As a result, the financial statements of the prior interim periods of 2025 have been restated to reflect the final valuation and to recognize a decrease in the gain on bargain purchase of \$17.1 million compared to the initial preliminary estimate, resulting from changes in inventories, mineral property, plant and equipment, deferred revenue, asset retirement obligation and deferred tax liabilities. The Q1 2025 net income has decreased by \$18.1 million and the earnings per share has decreased from \$0.15 to \$0.06 per share. The Q2 2025 net loss decreased by \$0.2 million with the loss per share remaining at (\$0.05) per share. The Q3 2025 net loss increased by \$1.0 million with the net loss per share remaining at (\$0.05).

ACCOUNTING MATTERS

BASIS OF PRESENTATION

The preparation of the Company's consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of judgments and estimates that affect the amounts reported and disclosed in the consolidated financial statements and related notes. These judgments and estimates are based on management's knowledge of the relevant facts and circumstances having regard to previous experience, but actual results may differ materially from the amounts included in the consolidated financial statements. Information about such judgments and estimations is contained in the accounting policies and notes to the consolidated financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the review affects both current and future periods. Significant estimates as at December 31, 2025 relate to the use of estimates related to the valuation of acquired businesses and assets, the determination of mineral reserves and resources, depletion of mineral properties, provision for decommissioning obligations, stock based compensation, income taxes and deferred taxes, recoverability of mining properties, inventory - ore stockpile, deferred revenue, contingent consideration, convertible debentures, and provisions and contingent liabilities.

CRITICAL JUDGMENT IN APPLYING ACCOUNTING POLICIES

Exploration and evaluation expenditures

Judgment is required in determining whether the respective costs are eligible for capitalization where applicable, and whether they are likely to be recoverable by future exploration, which may be based on assumptions about future events and circumstances. Estimates and assumptions made may change if new information becomes available.

KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Reserves and resources

Proven and probable reserves are the economically mineable parts of the Company's measured and indicated mineral resources that have been incorporated into the mine plan. The Company estimates its proven and probable reserves and measured, indicated and inferred mineral resources based on information compiled by appropriately qualified persons. The information relating to the geological data on the size, depth and shape of the ore body requires complex geological judgments to interpret the data. The estimation of future cash flows related to proven and probable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body.

Changes in the proven and probable reserves or measured, indicated and inferred mineral resource estimates may impact the carrying value of mining properties and equipment, depletion, impairment assessments and the timing of decommissioning and remediation obligations.

(ii) *Depletion*

Mining properties are depleted using the units of production (“UOP”) method over a period not to exceed the estimated life of the ore body based on recoverable ounces to be mined from proven and probable reserves.

The calculation of the UOP rate, and therefore the annual depletion expense, could be materially affected by changes in the underlying estimates. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves through exploration activities, differences between estimated and actual costs of mining and differences in the commodity prices used in the estimation of mineral reserves.

Significant judgment is involved in the determination of useful life and residual values for the computation of depletion and no assurance can be given that actual useful lives and residual values will not differ significantly from current assumptions.

(iii) *Provision for decommissioning obligations*

The Company assesses its provision for decommissioning on an annual basis or when new material information becomes available. Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for decommissioning obligations requires management to make estimates of the future costs the Company will incur to complete the decommissioning work required to comply with existing laws and regulations applicable to each mining operation. Also, future changes to environmental laws and regulations could increase the extent of decommissioning work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for decommissioning. The provision represents management’s best estimate of the present value of the future decommissioning obligation. Actual future expenditures may differ from the amounts currently provided.

(iv) *Share-based compensation*

The determination of the fair value of share-based compensation is not based on historical cost, but is derived based on subjective assumptions input into an option pricing model. The model requires that management make forecasts as to future events, including estimates of the average future hold period of issued stock options before exercise, expiry or cancellation; future volatility of the Company’s share price in the expected hold period (using historical volatility as a reference); and the appropriate risk-free rate of interest. Share-based compensation incorporates an expected forfeiture rate and is estimated based on historical forfeitures and expectations of future forfeitures, and is adjusted if the actual forfeiture rate differs from the expected rate.

The resulting value calculated is not necessarily the value that the holder of the option could receive in an arm’s length transaction, given that there is no market for the options and they are not transferable. It is management’s view that the value derived is highly subjective and dependent entirely upon the input assumptions made.

(v) *Income taxes and deferred taxes*

The Company is subject to income tax laws in various jurisdictions. Tax laws are complex and potentially subject to different interpretations by the taxpayer and the relevant tax authority. The provision for income taxes and deferred tax represents management’s interpretation of the relevant tax laws and its estimate of current and future income tax implications of the transactions and events during the period. The Company may be required to change its provision for income taxes or deferred tax balances when the ultimate deductibility of certain items is successfully challenged by taxing authorities or if estimates used in determining the amount of deferred tax asset to be recognized changes significantly, or when receipt of new information indicates the need for adjustment in the amount of deferred tax to be recognized. Additionally, future events, such as changes in tax laws, tax regulations, or interpretations of such laws or regulations, could have an impact on the provision for income tax, deferred tax balances and the effective tax rate. Any

such changes could materially affect the amounts reported in the consolidated financial statements in the year these changes occur.

Judgment is required to continually assess changing tax interpretations, regulations and legislation, to ensure liabilities are complete and to ensure assets are realizable. The impact of different interpretations and applications could be material.

(vi) *Recoverability of mining properties*

The Company's management reviews the carrying values of its mining properties on a regular basis to determine whether any write-downs are necessary. The recovery of amounts recorded for mining properties depends on confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. Management relies on life-of-mine ("**LOM**") plans in its assessments of economic recoverability and probability of future economic benefit. LOM plans provide an economic model to support the economic extraction of reserves and resources. A long-term LOM plan and supporting geological model identifies the drilling and related development work required to expand or further define the existing ore body.

(vii) *Inventory – ore stockpile*

Expenditures incurred and depletion of assets used in mining and processing activities are deferred and accumulated as the cost of ore maintained in stockpiles. These deferred amounts are carried at the lower of cost or net realizable value ("**NRV**"). Impairments of ore in stockpiles resulting from NRV impairments are reported as a component of current period costs.

The allocation of costs to ore in stockpiles and the determination of NRV involve the use of estimates. There is a significant degree of uncertainty in estimating future milling costs, future milling levels, prevailing and long-term metal prices, and the ultimate estimated recovery for ore.

(viii) *Deferred revenue - streaming agreement*

A metals streaming agreement is an agreement where a company received an upfront payment in exchange for agreeing to deliver a portion of the future metal production from a specific mining operation at a price that is usually at a discount to market prices. Streaming agreements are classified as financial liabilities or deferred revenue, depending on the contractual terms and substance of the arrangement. The classification and measurement are assessed under IFRS 9, Financial Instruments, while the determination of fair value is performed in accordance with IFRS 13, Fair Value Measurement.

The fair value of streaming agreements are determined using discounted cash flow models that consider the expected production profile, forecasted commodity prices, contractual delivery terms, counterparty credit risk, and market participant assumptions.

(ix) *Contingent consideration*

As part of the business acquisition of the base metal assets from KGHM, additional consideration is payable to KGHM contingent on the achievement of specific future milestones. Under IFRS 3, Business Acquisitions, contingent consideration is recognized at fair value on the acquisition date and can be classified as either a financial liability or an equity instrument. If the contingent consideration is classified as an equity instrument, there is no subsequent remeasurement. The contingent consideration given as part of the acquisition of the KGHM Sale Assets has been classified as a financial liability, and, as a result, the liability is remeasured at each reporting period with changes in fair value recognized through profit and loss. The remeasured liability reflects updated estimate of probabilities, expected cash flows, time value of money, and other assumptions.

(x) *Business combination*

Business combinations are accounted for using the acquisition method of accounting. The allocation of the purchase price requires estimates as to the fair value of acquired assets and liabilities. The Company engages independent appraisers to assist with the determination of the fair value of assets acquired, liabilities

assumed, and goodwill/bargain purchase, if any, based on recognized business valuation methodologies. The information necessary to measure the fair values as at the acquisition date of assets acquired and liabilities assumed requires management to make certain judgements and estimates, including but not limited to the most appropriate valuation methodology, estimates of mineral reserves and mineral resources of the assets acquired, value of resources outside life of mine plans including assumptions for market values per ounce, future production levels, future operating costs, capital expenditures, discount rates, future metal prices and long-term foreign exchange rates. Changes to the preliminary measurements of assets and liabilities acquired may be retrospectively adjusted when new information is obtained until the final measurements are determined within one year of the acquisition date. The Company determined that the acquisition of the portfolio of base metal assets from a subsidiary of KGHM International Ltd. met the requirements to be accounted for as a business combination.

(xi) Provisions and contingent liabilities

Judgments are made as to whether a past event has led to a liability that should be recognized in the consolidated financial statements or disclosed as a contingent liability. Quantifying any such liability often involves judgments and estimations. These judgments are based on a number of factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received, past experience and the probability of a loss being realized. Several of these factors are sources of estimation uncertainty.

ACCOUNTING PRONOUNCEMENTS

Standards and amendments issued but not yet effective

Following are the new standards and amendments issued by the IASB which are applicable to the Company's financial statements. The Company is in the process of assessing the impact of the adoption of these standards and amendments on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which is intended to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. IFRS 18 introduces new sets of requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies through:

- Improved comparability in the statement of profit or loss or income statement;
- Enhanced transparency of management-defined performance measures; and
- More useful grouping of information in the financial statements.

IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but companies can apply it earlier. IFRS 18 replaces IAS 1. It carries forward many requirements from IAS 1 unchanged.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

In May 2024, the IASB issued amendments to the classification and measurement requirements in IFRS 9. The amendments will address diversity in accounting practice by making the requirements more understandable and consistent. These include:

- Clarifying the classification and assessment of contractual cash flows of financial assets with environmental, social and corporate governance ("ESG").
- Settlement of liabilities through electronic payment systems - the amendments clarify the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option to allow a company to derecognize a financial liability before it delivers cash on the

settlement date if specified criteria are met.

With these amendments, the IASB has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example, features tied to ESG-linked targets. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Company does not expect a material impact to the consolidated financial statements as a result of the adoption effective January 1, 2026.

Annual Improvements to IFRS Accounting Standards

In July 2024, the IASB issued narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. The amended Standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments disclosures require the Company to provide information about: a) the significance of financial instruments for the Company's financial position and performance and, b) the nature and extent of risks arising from financial instruments to which the Company is exposed during the period and at the statement of financial position date, and how the Company manages those risks. Please refer to note 31 of the Company's audited consolidated financial statements for a discussion of the factors that affect Magna.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, and related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

During the years ended December 31, 2025 and 2024, the Company entered into various transactions with related parties. The transactions are measured at the exchange amounts, which are the amounts of consideration established between the related parties.

Key management consists of the Company's directors, CEO, CFO, COO and Senior Vice Presidents. The Company considers any member of key management to be a related party.

Compensation to related parties during the years ended December 31, 2025 and 2024 is summarized as follows:

	Year ended December 31, 2025	Year ended December 31, 2024
Salaries, consulting and management fees ⁽¹⁾	\$ 3,118	\$ 2,799
Share-based compensation ⁽²⁾	3,411	1,386
Total remuneration	\$ 6,529	\$ 4,185

(1) Salaries, consulting, and management fees represent CEO, CFO, COO, Senior Vice Presidents, and director compensation.

a. David King, Senior Vice President, Technical Services, is a related party to the Company and is related to King Geoscience. During the year ended December 31, 2025, \$nil (year ended December 31, 2023 - \$16,000) was paid

or accrued to King Geoscience while David King was a related party to the Company. There was \$nil outstanding at December 31, 2025 and 2024.

b. Shastri Ramnath, director, is a related party to the Company and is related to Exiro Mineral Corp. During the year ended December 31, 2025, the Company paid or accrued \$33,476 (year ended December 31, 2024 - \$98,615) to Exiro Mineral Corp., while Shastri Ramnath was a related party to the Company. There was \$nil outstanding at December 31, 2025 and 2024.

(2) Share-based compensation represents stock option and RSU issuances to key management.

RISKS AND UNCERTAINTIES

Production, Operating and Mineral Exploration Risks

Upon closing the KGHM Transaction, the newly acquired McCreedy West mine will account for all of Magna's commercial production and is expected to continue to account for all of its commercial production in the near term. Any adverse conditions affecting mining, processing conditions, labour relations or supply chains could have a material adverse effect on its financial performance and results of operations.

Magna has developed estimates of future production for the McCreedy West mine, but Magna cannot give any assurance that it will achieve production estimates. The failure of Magna to achieve its production estimates could have a material and adverse effect on future cash flows, profitability, share price, results of operations, and financial condition. Production estimates are dependent on, among other things, the accuracy of Mineral Reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions, physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics and the accuracy of estimated rates and costs of mining and processing.

Magna's actual production may vary from its estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors such as the need for sequential development of orebodies and the processing of new or different ore grades from those planned; mine or equipment failures; industrial accidents; potential adverse impacts of any new widespread illness or disease which may develop; changes in power costs and potential power shortages or permitting challenges related to power; natural phenomena (including consequences of climate change) such as inclement weather conditions, floods, droughts, wildfires, rock slides and earthquakes; encountering unusual or unexpected geological conditions; shortages of principal supplies needed for operation, including fuels, explosives, water and equipment parts; labour shortages, strikes, civil disobedience and protests; and restrictions or regulations imposed by government agencies or regulatory bodies. Such occurrences could result in damage to mineral properties, interruptions or delays in production, injury or death to persons, damage to property of Magna or others, monetary losses, and legal liabilities, forcing Magna to cease production.

Operations in which Magna has a direct or indirect interest are subject to all of the risks normally incidental to the exploration for, and the development and operation of, mineral properties, any of which could result in damage to properties or production facilities, delays, work stoppages, monetary losses, environmental damage, damage to or destruction of equipment, personal injury or death and possible legal liability. Magna has implemented comprehensive safety and environmental measures designed to comply with or exceed government regulations and to ensure safe, reliable and efficient operations in all phases of its operations.

Magna maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. While Magna believes its insurance coverage adequately addresses material risks to which it is exposed and is at a level customary for its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which Magna is exposed. In addition, no assurance can be given that such insurance will be adequate to cover Magna's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If Magna were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if such liability was incurred at a time when they are unable to obtain liability insurance, the business, results of operations and financial condition of Magna could be materially adversely affected. Magna may become subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons.

Some of Magna's properties are in the exploration stage. Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities.

Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that commercial quantities of ore will be discovered. There is also no assurance that even if commercial quantities of ore are discovered, that the properties will be brought into commercial production or that the funds required to exploit mineral reserves and resources discovered by Magna will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of Magna. There can be no assurance that Magna's mineral exploration activities will be successful. In the event that such commercial viability is never attained, Magna may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern."

Estimation of Mineralization, Resources and Reserves

There is a degree of uncertainty attributable to the calculation of mineralization, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralization are actually mined and processed, the quantity of mineralization and reserve grades must be considered estimates only. These estimates depend upon geological interpretation and statistical inference drawn from drilling and sampling analysis, which may prove unreliable. There can be no assurance such estimates will be accurate. In addition, the quantity of reserves and mineralization may vary depending on commodity prices. Any material changes in the quantity of reserves, mineralization, grade or stripping ratio may affect the economic viability of a mine. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production. The inclusion of mineral resource estimates should not be regarded as a representation that these amounts can be economically exploited, and no assurances can be given that such resource estimates will be converted into reserves. Different experts may provide different interpretations of resource estimates.

Commodity Prices

The price of the common shares and Magna's profitability, financial results and exploration activities may in the future be significantly adversely affected by declines in the price of base and precious metals. Metal prices fluctuate on a daily basis and are affected by a number of factors beyond the control of Magna, including the U.S. dollar and other foreign currency exchange rates, central bank and financial institution lending and sales, producer hedging activities, global and regional supply and demand, production costs, confidence in the global monetary system, expectations of the future rate of inflation, local and foreign taxation and tariff regimes, the availability and attractiveness of alternative investment vehicles, interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The price of base and precious metals has fluctuated widely in recent years, and future trends cannot be predicted with any degree of certainty. In addition to adversely affecting Magna's financial condition and exploration and development activities, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project, as well as have an impact on the perceptions of investors with respect to metal equities, and therefore, the ability of Magna to raise capital. A sustained, significant decline in the price of base and precious metals could also cause the development and operation of any properties in which Magna may hold an interest from time to time to be impracticable. Future production from any of Magna's properties, if any, will be dependent upon, among other things, the price of nickel, copper, cobalt, gold, and

platinum group metals being adequate to make these properties economic. There can be no assurance that the market price of base and precious metals will remain at current levels, that such prices will increase or that market prices will not fall.

Exploration Costs

Magna's exploration costs are based on certain cost estimates and assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. No assurance can be given that the cost estimates and the underlying assumptions will be realized in practice, which may materially and adversely affect Magna's viability.

Regulatory Risks

All of Magna's activities take place within Canada. Magna's current exploration, development and production operations are subject to, and any future activities at any of its properties, including those on care and maintenance, will be subject to, regulation by governmental authorities. Achievement of its business objectives is contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and Magna's ability to obtain and retain all necessary regulatory approvals for the operation of its mining exploration, development and production activities. While Magna believes that it will be able to maintain its existing approvals and obtain regulatory approvals in a time and cost-effective manner in the future, changes to regulatory requirements could result in delays and could have a material adverse effect on the business, results of operations and financial condition of Magna.

Change in Laws, Regulations and Guidelines

Magna's operations are subject to a variety of laws, regulations and guidelines relating to exploration, development, production, management, maintenance, transportation, storage and disposal of mining materials or discharge, and laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. While, to the knowledge of Magna's management, Magna is currently in compliance with all such laws, changes to such laws, regulations and guidelines may have a material adverse effect on the business, results of operations and financial condition of Magna.

Permits

Magna requires licenses and permits from various governmental authorities to carry out exploration, development, production and maintenance at its properties. Obtaining permits can be a complex and time-consuming process. There can be no assurance that Magna will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Magna from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time, and there is no assurance that Magna will have the resources or expertise to meet its obligations under such licenses and permits.

Title to Properties

Acquisition of rights to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although Magna has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, Magna cannot give an assurance that title to such properties will not be challenged or impugned. Magna can never be completely certain that it, or its option partners, will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. Magna does not carry title

insurance on its properties. A successful claim that Magna does not have title to a property could cause Magna to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

Aboriginal Title and Rights Claims

Magna operates in some areas presently or previously inhabited or used by Indigenous peoples. Various national and international laws, codes, resolutions, conventions, guidelines and other materials relate to the rights of Indigenous peoples. Many of these materials impose obligations on the government to respect the rights of Indigenous peoples. Some mandate that the government consult with Indigenous peoples regarding government actions which may affect them, including actions to approve or grant mining rights or permits. The obligations of the government and private parties under the various national and international materials pertaining to Indigenous peoples continue to evolve and be defined. Magna's current and future operations are subject to the risk that one or more groups of Indigenous peoples may oppose the continued operation, further development or new development of those projects or operations in which Magna holds an interest. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against Magna's activities. Opposition by Indigenous peoples to Magna's activities may require modification of, or preclude operation or development of, Magna's projects or may require Magna to enter into agreements with Indigenous peoples with respect to Magna's projects. Such agreements may have a material adverse effect on Magna's business, financial condition, results of operations and reputation.

On June 26, 2014, the Supreme Court of Canada issued a decision in the case *Tsilhqot'in Nation v. British Columbia* (the "Tsilhqot'in Decision") that may affect Magna's mineral properties. In the *Tsilhqot'in Decision*, the Court issued the first declaration of Aboriginal title in Canadian history. The Court confirmed that the *Tsilhqot'in Nation* held Aboriginal title to an area in northern British Columbia within their traditional territory. While Magna's mineral properties are not located within the areas involved in the *Tsilhqot'in Decision*, the decision has legal precedent implications for all areas in Canada where Indigenous peoples claim Aboriginal title and may lead other communities or groups to pursue similar claims in the areas where Magna's properties are located. While an Aboriginal title claim remains unsettled either by a treaty or court ruling, there is the potential for Aboriginal title to be established, along with the inherent rights associated with Aboriginal title, which includes the exclusive right to decide how the land is used and the right to benefit from those uses.

In areas where Indigenous peoples claim treaty or Aboriginal rights, including Aboriginal title, the Crown (federal and provincial governmental agencies) must act honourably in its dealings, which may affect treaty or Aboriginal rights, whether proven or asserted. When a Crown action, such as granting a permit, may adversely affect those rights, then the Crown has a duty to consult with the affected Indigenous group before deciding on the permit. The Crown must then consider the potential impacts on the interest being claimed and how any impact may be avoided, mitigated or accommodated. Magna relies on the Crown to adequately discharge its duty of consultation before issuing any permit or right to Magna, including the grant of mineral titles and associated rights. To assist in managing the risk associated with any adverse impact on treaty or Aboriginal rights, Magna works to establish good relations and relationship agreements with affected Indigenous communities to confirm their support or consent for Magna's rights and permits.

Magna cannot accurately predict whether Aboriginal rights and title claims will have a material adverse effect on its ability to carry out the intended exploration and work programs on its properties located in Canada. The legal basis for, and the strength of, an Aboriginal rights or title claim is a complex issue, and the prospect and impact of any resolution of any such claim through a court decision or settlement with the government is beyond the control of Magna and cannot be predicted with certainty.

Joint Venture Relationships

To the extent Magna holds or acquires interests in any joint ventures or enters into any joint ventures in the future, the existence or occurrence of inconsistent interests or inability to control certain strategic decisions could have a material adverse impact on Magna's profitability or the viability of its interests held through joint ventures, which could have a material adverse impact on future cash flows, earnings, results of operations and financial condition.

Acquisition of Additional Mineral Properties

If Magna loses or abandons its interest in one or more of its current or future exploration properties, there is no assurance that it will be able to acquire other mineral exploration properties of merit, whether by way of option or otherwise, should Magna wish to acquire any additional properties.

Technology

Magna operates in a competitive environment where its products and services are subject to technological change and evolving industry standards. Magna's future success will depend on its ability to successfully transition and implement technology, information and infrastructure acquired from KGHM, enhance existing operations, accurately predict, anticipate and safeguard evolving technology, and respond to technological advances in its industry. These systems are critical to ensuring safety, future operational efficiency, cost management, and meeting environmental, social, and governance objectives. If Magna is unable to respond to technological changes, potential cyber-security threats or fails or delays to incorporate technological enhancements in a timely and cost-effective manner, its operations may become uncompetitive, which could negatively affect its profitability, reputation and the continued viability of its business.

Reliance on Management

The success of Magna's business is dependent upon the ability, expertise, judgment, discretion, reputation and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Further, Magna cannot assure that key employees will transition from KGHM as anticipated. Any loss of the services of key personnel could have a material adverse effect on the business, operating results or financial condition of Magna.

Factors which may Prevent Realization of Growth Targets

Magna's growth strategy with respect to its exploration properties and projects contemplates focusing on certain parts of the Shakespeare and Crean Hill projects, and assets acquired as part of the KGHM Transaction to identify mineral resources. There is a risk that proposed exploration activities may not be achieved on time, on budget, or at all, as it could be adversely affected by a variety of factors, including: delays in obtaining, or conditions imposed by, regulatory approvals; facility design errors; environmental pollution issues; non-performance by third party contractors; increases in materials or labour costs; construction performance falling below expected levels of output or efficiency; breakdown, aging or failure of equipment or processes; contractor or operator errors; labour disputes; disruptions or declines in productivity; inability to attract sufficient numbers of qualified workers; disruption in the supply of energy and utilities; and major incidents and/or catastrophic events, such as fires, explosions, earthquakes or storms.

Additional Financing Requirements

In order to continue to execute its anticipated growth strategy and maintain operational status upon acquiring the McCreedy West mine and other KGHM assets, Magna may require additional equity and/or debt financing to support ongoing operations, undertake capital expenditures, or undertake business combination transactions, acquisitions or other initiatives. There can be no assurance that additional financing will be available to Magna when needed or on terms which are acceptable. Magna's inability to raise additional financing could limit its growth and may have a material adverse effect upon its business, operations, results, financial condition or prospects.

If additional funds are raised through further issuances of equity or securities convertible into equity, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of common shares. Any debt financing could involve restrictive covenants relating to capital-raising activities and other financial and operational matters, which may make it more

difficult for Magna to obtain additional capital and to pursue business opportunities.

Liquidity and Funding

Upon closing the KGHM Transaction and acquiring the McCreedy West mine, Magna is expected to generate operating cash flow and as a result, become less dependent on its ability to obtain future equity or debt funding to support long-term initiatives. Neither Magna nor any of the directors of Magna, nor any other party, can provide any guarantee or assurance that if further funding is required, such funding can be raised on terms favourable to Magna, or at all. Any additional equity funding will dilute existing shareholders of Magna. Further, no guarantee or assurance can be given as to when a project can be developed to the stage where it will generate cash flow. As such, a project will be dependent on many factors, including, for example, exploration success, subsequent development, commissioning and operational performance.

Repatriation of Earnings

There is no assurance that any countries other than Canada in which Magna may carry on business in the future will not impose restrictions on the repatriation of earnings to foreign entities.

Competition

Magna is expected to face competition from other companies, some of which can be expected to have longer operating histories and more financial resources than Magna. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of Magna.

Reliance on Key Inputs

Magna's business is dependent on a number of key inputs, including supplies and equipment required to continue operations, as well as electricity, water and other local utilities, and is subject to change upon Magna acquiring operating assets. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of Magna. Further, some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, Magna might be unable to find a replacement for such a source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to Magna in the future. Any inability to secure required supplies and services, or to do so on acceptable terms, could have a material adverse impact on the business, financial condition and operating results of Magna.

Dependence on Suppliers and Skilled Labour

The ability of Magna to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that Magna will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the exploration program contemplated by Magna may be significantly greater than anticipated by Magna's management and/or may cost more than the funds available to Magna, in which circumstance Magna may curtail, or extend the timeframes for completing, its expansion plan or other growth initiatives. This could have a material adverse effect on the financial results and operations of Magna.

Management of Growth

Magna may be subject to growth-related risks, including capacity constraints and pressure on internal systems and controls. The ability of Magna to manage growth effectively will require it to continue to implement and improve its operational and financial systems, and to expand, train and manage its employee base. The inability of Magna to deal with this growth may have a material adverse effect on the business, financial condition, results of operations and prospects of Magna.

Conflicts of Interest

Certain of the directors and officers of Magna are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of Magna and as officers and directors of such other companies.

Litigation

Magna may become party to litigation from time to time in the ordinary course which could adversely affect its business. Should any such litigation be determined against Magna, such a decision could adversely affect its ability to continue operating and the market price for its securities. Even if successful, such litigation would require Magna to expend significant time and money.

Market Conditions

Share market conditions may affect the value of Magna's securities regardless of its operating performance. Share market conditions are affected by many factors, such as: general economic outlook; introduction of tax reform or other new legislation; interest rates and inflation rates; changes in investor sentiment toward particular market sectors; the demand for, and supply of, capital; social and political changes in Canada and elsewhere; and terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Magna does not warrant the future performance of Magna or any return on an investment in Magna.

Dividends

Magna has no dividend record and does not anticipate paying any dividends on the common shares in the foreseeable future. Any dividends paid by Magna would be subject to tax and, potentially, withholdings.

Environmental and Employee Health and Safety Regulations

Magna's operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land; the handling and disposal of hazardous and non-hazardous materials and wastes; and employee health and safety. Magna expects to incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or restrictions on Magna's operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof, or other unanticipated events, could require extensive changes to Magna's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Magna.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve the potential risk of releases of metals, chemicals, fuels, liquids having acidic properties and other contaminants to soil, air, surface water and groundwater. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for all mining companies. Magna may be liable for environmental contamination and natural resource damages relating to the properties that it currently owns or operates or may own or operate in the future or at which environmental contamination occurred while or before Magna owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

RESPONSIBILITY FOR TECHNICAL INFORMATION

The technical and scientific information disclosed in this document was prepared under the supervision of and verified and reviewed by Dave King, P.Geo., Vice President, Exploration of Magna, who is a **"Qualified Person"** as defined in NI 43-101 Standards of Disclosure for Mineral Projects ("**NI 43-101**").

Data verification involves data input and review by senior project geologists at site, scheduled weekly and monthly reporting to senior exploration management and the completion of project site visits by senior exploration management to review the status of ongoing project activities and data underlying reported results. All drilling results for exploration projects or supporting resource and reserve estimates referenced in this MD&A have been previously reported in news release disclosures by the Company and have been prepared in accordance with NI 43-101. The sampling and assay data from drilling programs are monitored through the implementation of a quality assurance - quality control ("**QA-QC**") program designed to follow industry best practice.

INFORMATION CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES

Any mineral reserve or resource estimates in this document were prepared in accordance with NI 43-101 as required by Canadian securities regulatory authorities. For United States reporting purposes, the United States Securities and Exchange Commission ("**SEC**") applies different standards when classifying mineralization as a resource or reserve. In particular, while the terms "measured," "indicated" and "inferred" mineral resources are required pursuant to NI 43-101, the SEC may not recognize their exact definitions. Canadian standards differ significantly from the requirements of the SEC. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories constitute or will ever be converted into reserves. In addition, "inferred" mineral resources have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, issuers must not make any disclosure of results of an economic analysis that includes inferred mineral resources, except in rare cases.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

All statements, other than statements of historical fact, constitute "forward-looking statements" and "forward-looking information" and are based on expectations, estimates and projections as of the date of this MD&A. The words – "potential", "believe", "expect", "anticipate", "plan", "forecast", "intend", "continue", "estimate", "may", "might", "could", "should", "would", "will", "schedule" and similar words, phrases, expressions or variations thereof identify forward-looking statements. The Company cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from the Company's estimated future results, performance or achievements expressed or implied by the forward-looking statements and the forward-looking statements are not guarantees of future performance. No reliance should be placed on forward-looking statements. Factors that could cause results or events to differ materially from current expectations expressed or implied are inherent to the volatile nature of the copper mining industry and include, but are not limited to, those discussed in the section entitled "Risks and Uncertainties" in the 2025 annual MD&A, which are incorporated herein by reference. The Company does not intend and does not assume any obligation to update these forward-looking statements, whether as a result of new information, future events or results or otherwise except as required by applicable laws.

ADDITIONAL INFORMATION

Additional information relating to the Company is filed on SEDAR+ at www.sedarplus.ca