



MAGNAGOLD

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FOR IMMEDIATE RELEASE

Magna Gold Achieves Full-Scale Commercial Production at San Francisco on Schedule

Toronto, Ontario – June 29, 2021 – Magna Gold Corp. (TSXV: MGR, OTCQB: MGLQF) (“Magna” or the “Company”) is pleased to announce it has achieved full-scale and steady state commercial production at its 100% owned flagship San Francisco Mine, located in Sonora, Mexico. Commercial production was achieved on schedule on June 1, 2021, as outlined in the Company’s press release dated April 13, 2021. Furthermore, the Company is on track to achieve and reiterates its earlier stated 2021 guidance of 55,000 – 65,000 oz of gold (“Au”) production.

In the first half of the year, the Company completed the necessary pre-stripping and substantially lowered the mine strip ratio from ~8:1 to ~3:1, which is continuing to trend downwards towards the life of mine (“LOM”) average of 2.5:1. Moving forward, the Company anticipates further decreases to the strip ratio and increased recovery rates which will lead to cost improvements.

At San Francisco, the Company anticipates a production run rate of ~6,000 Au oz/month in Q3 and looks to exit the year at a run rate of ~7,500 Au oz/month.

Highlights

- **Completed all necessary pre-stripping to achieve 2.9:1 strip ratio at full-scale commercial operations, which is expected to trend downwards through LOM.**
- **Completed construction of new leach pads and began stacking fresh ore at a steady-state rate of 900 metric tons per hour.**
- **Optimized grind size and leach kinetics improving recovery rates to ~70% with further improvements anticipated over the LOM.**
- **Continues commitment to health and safety, achieving over 3.5 million man-hours without a lost-time incident.**

Arturo Bonillas, President and CEO of Magna stated: “We are all extremely proud of the Magna team for achieving this tremendous milestone on schedule. Achieving full-scale commercial production in such a short period of time is a testament to the hard work and quality of our Mexico-based operations team and as a company, we have demonstrated

our ability to execute on all our target deliverables. Production numbers are trending upwards month-to-month, and we anticipate exiting the year producing ~7,500 Au oz/month. We are continuing our systematic exploration efforts as we look to grow the Company into a mid-tier producer.”

About Magna Gold Corp

Magna is a Mexico focused gold/silver production company focused on acquiring, exploring, developing and operating quality precious metals properties in Mexico. It is committed to advancing its 100% owned flagship San Francisco Mine and other highly prospective mineral properties located in Sonora and in Chihuahua. The primary strength of the Company is the team of highly experienced mining professionals with a proven track record of developing properties in Mexico from discovery to production. Magna employs community members and services in its operations.

As of August 8, 2020 (NI 43-101 F1 Technical Report Pre-feasibility study for the San Francisco Gold Project), San Francisco operations are estimated to have measured and indicated resources of 99,700,000 tonnes @ 0.446g/t Au containing 1,430,000 ounces of gold, and inferred resources of 11,374,000 tonnes @ 0.446 g/t containing 171,000 ounces of gold. The total proven and probable reserves is 47,629,000 tonnes @ 0.495 g/t Au containing 758,000 ounces of gold. Mineral resources are inclusive of mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

ON BEHALF OF THE BOARD OF DIRECTORS

Arturo Bonillas

President and CEO

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

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Qualified Person

James Baughman (P. Geo.), Consulting Geologist and a Qualified Person as defined by NI 43-101, has approved the scientific and technical information in this news release.

Cautionary Statements

This News Release includes certain “forward-looking statements” which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company’s future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the Company’s objectives, goals or future plans, statements, exploration results, potential mineralization, exploration and mine development plans, production guidance and production estimates, strip ratio trends, anticipated recovery and production rates and processing and mining expectations. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital, operating and reclamation costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, risks related to the effects of COVID-19 on the Company; and those risks set out in the Company’s public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.