Magna Gold Amends Settlement Agreement with PEAL de Mexico S.A. de C.V.

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TORONTO, March 18, 2022 - Magna Gold Corp. (TSXV: MGR) (OTCQB: MGLQF) ("Magna" or the "Company"), announces that, further to its news release dated June 30, 2020, its subsidiary Molimentales del Noroeste S.A. de C.V. ("Molimentales") has entered into an amending agreement with PEAL de Mexico S.A. de C.V. ("PEAL"). In conjunction with the acquisition of the San Francisco mine on May 6, 2020, the Company successfully negotiated a settlement agreement with PEAL which settled amounts owing from contract mining activities owed by the predecessor owners of the San Francisco mine (the "Settlement Agreement").

On February 22, 2022, the Company amended the Settlement Agreement to settle outstanding amounts owing in exchange for the issuance of common shares of the Company with a value of US$1,000,000, which reduced the Company's amount owing by US$1,000,000 from US$4,054,351 to US$3,054,351. The issuance of the shares remains subject to the approval of the TSXV. Any shares issued will be subject to a hold period expiring four months and a day following issuance.

President and CEO Arturo Bonillas stated: "Since the Company's inception, PEAL has been a strategic stakeholder and like all of our shareholders, a valued partner. Their request to amend the terms is a testament to their ongoing commitment and validation of our strategic focus in Mexico."

ON BEHALF OF THE BOARD OF DIRECTORS

Arturo Bonillas
President and CEO

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.

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 "plans". 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, statements with respect to (i) the Company's objectives, goals or future expectations (including, with respect to the use of the proceeds of the New Loan), (ii) the approval by the Exchange of the Bonus Warrants, and the issuance thereof, (iii) completion of the transactions contemplated herein (including, the approval of the Exchange of the said transactions), and (iv) the anticipated future payment obligations of the Company and/or its subsidiaries pursuant to the terms of the Note, as amended. These forward-looking statements are based on current expectations, and are naturally subject to uncertainty and changes in circumstances that may cause actual results to differ materially. 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.

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Contact
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