MAGNA MINING INC.

WHISTLEBLOWER POLICY

Purpose

1. The Audit Committee of the board of directors (the "**Board**") of Magna Mining Inc. (the "**Corporation**") has approved the following procedures for the receipt of complaints and concerns of employees of the regarding accounting and auditing matters, or other matters that may cause harm to the Corporation, relating to the Corporation.

Responsibilities of Audit Committee with Respect to Specified Complaints

2. The Audit Committee shall receive, investigate and act on complaints and concerns ("**Reports**") of employees of the Corporation regarding:

   (a) accounting, internal accounting controls and auditing matters, including those regarding the circumvention or attempted circumvention of internal accounting controls or that would otherwise constitute a violation of the accounting policies (an "**Accounting Allegation**") of the Corporation;

   (b) compliance with legal and regulatory requirements (a "**Legal Allegation**");

   (c) risks to the Corporation that may cause harm to the Corporation, infrastructure, employees or local communities, and any matters pertaining to alleged fraud or theft; and

   (d) retaliation against employees of the Corporation who make Accounting Allegations or Legal Allegations (a "**Retaliatory Act**").

3. In the discretion of the Audit Committee, responsibilities of the Audit Committee created by these procedures may be delegated to the chair of the Audit Committee. Where the chair of the Audit Committee is delegated the obligation to receive and investigate complaints and concerns pursuant to this policy, he or she shall provide a report to the full Audit Committee at each next scheduled Audit Committee meeting. Such report shall consist of a summary of complaints and concerns received and investigated since the last Audit Committee meeting, including the disposition of any complaints and concerns investigated.

Procedures for Making and Receiving Reports

4. Any person acting in good faith and with reasonable grounds for believing an allegation of suspected improper activities may make a Report of such allegations. Knowledge or suspicion of improper activities may originate from employees in day-to-day work, or in dealings with external auditors, law enforcement officials, regulatory agencies, customers or other third parties. Employees should express any questions, concerns, suggestions or complaints they have with someone who can address them properly. Often, an individual's manager is in the best position to address a particular concern. However, an employee may also report matters according to the procedures set out in this policy.

5. Reports are encouraged to be made in writing so as to assure a clear understanding of the issues raised, but may also be made orally. Reports should be factual in nature and contain as much specific information as possible to allow for proper assessment and investigation of the allegations reported, and may be made openly, confidentially or anonymously to the chairman of the Audit Committee as follows:

   Name: John Seaman

Email: john.seaman@magnamining.com

Any Report that is made directly to any member of the Corporation's management, whether openly, confidentially or anonymously, shall be recorded and promptly referred to the Audit Committee.

6. For the purpose of determining whether a Report warrants further investigation or review, each Report referred to the Audit Committee and each Report made directly to the Audit Committee, whether openly, confidentially or anonymously, shall be reviewed by the Audit Committee, who may, in its discretion, consult with any director, officer or employee of the Corporation who is not the subject of the allegation and who may have appropriate knowledge to assist the Audit Committee in its review.

7. If the Audit Committee determines that further review or investigation is warranted in respect of a Report, the Audit Committee shall decide whether it will be the responsibility of the Audit Committee or management to investigate the Report, taking into account the considerations set forth in paragraph 8 below.

   (a) If the Audit Committee determines that management will investigate the Report, the Audit Committee will notify the Chief Executive Officer of the Corporation in writing of that determination. Management shall thereafter promptly investigate the Report and shall report the results of its investigation, in writing, to the Audit Committee. Management shall be free, in its discretion, to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

   (b) If the Audit Committee determines that it will investigate the Report, the Audit Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Audit Committee shall be free in its discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

Considerations Relative to Whether the Audit Committee or Management Should Investigate a Report

8. In determining whether it will be the responsibility of the Audit Committee or management to investigate the Report, the Audit Committee shall consider, among any other factors that are appropriate under the circumstances, the following:

   (a) <u>Who is the alleged wrongdoer?</u>

   If an executive officer of the Corporation is alleged to have engaged in wrongdoing, that factor alone may support a decision by the Audit Committee to conduct an investigation.

   (b) <u>How serious is the alleged wrongdoing?</u>

   The more serious the alleged wrongdoing, the more appropriate that the Audit Committee should undertake the investigation. If the alleged wrongdoing might compromise the integrity of the financial statements of the Corporation, that factor alone may support a decision by the Audit Committee to conduct an investigation.

   (c) <u>How credible is the allegation of wrongdoing?</u>

   The more credible the allegation, the more appropriate that the Audit Committee should undertake the investigation. In assessing credibility, the Audit Committee should consider all

facts surrounding the allegation, including, but not limited to, whether similar allegations have been made in the press or by analysts.

Protection of Whistleblowers

9. The Audit Committee shall not retaliate, and shall not tolerate any retaliation by management or any other person, directly or indirectly, against anyone who in good faith makes an Accounting Allegation or Legal Allegation, reports a Retaliatory Act, or provides assistance to the Audit Committee, management or any other person, including any governmental, regulatory or law enforcement body, investigating a Report. The Audit Committee shall not, unless compelled by judicial or other legal process, reveal the identity of any person who makes an Accounting Allegation or Legal Allegation or reports a Retaliatory Act, and who asks that his or her identity as the person who made such Report remain confidential. The Audit Committee shall not make any effort, or tolerate any effort made by management or any other person or group, to ascertain the identity of any person who makes a Report anonymously.

Records

10. The Audit Committee shall retain for a period of seven years all records relating to any Accounting Allegation or Legal Allegation or report of a Retaliatory Act, and relating to the investigation of any such Report. The types of records to be retained by the Audit Committee shall include records of all steps taken in connection with the investigation and the results of any such investigation.

Notification of Others

11. At any time during a review and/or an investigation of a Report, the chair of the Audit Committee may notify the Corporation's counsel or external auditors of the receipt of a Report, and/or the progress or results of any review and/or investigation of the Report, and will provide such level of detail as may be necessary to allow for appropriate consideration by such persons of the Corporation's ongoing disclosure obligations, including with regard to any required officer certifications.