



**Condensed Consolidated Interim Financial Statements of
Magna Terra Minerals Inc.**

**For the three months ended
November 30, 2018 and November 30, 2017
(Expressed in Canadian Dollars)**

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements for Magna Terra Minerals Inc. (formerly Brionor Resources Inc.) (the "Company") have been prepared by management in accordance with International Financial Reporting Standards consistently applied ("IFRS"). These financial statements have been prepared on a historical cost basis with the exception of financial instruments classified as fair value through profit and loss. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

NOTICE OF NO AUDITOR REVIEW OF REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the unaudited condensed interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Magna Terra Minerals Inc.

Condensed Consolidated Interim Statements of Financial Position

(In Canadian dollars)

As at	November 30 2018 \$	August 31 2018 \$
ASSETS		
Current		
Cash	1,110	1,000
Other receivables	14,033	15,045
Prepaid expenses	-	3,000
	15,143	19,045
Non-current		
Foreign VAT receivable	36,846	36,116
Exploration and evaluation assets (note 4)	2,728,639	2,696,209
	2,780,628	2,751,370
LIABILITIES		
Current		
Trade and other payables (note 9)	297,529	313,005
Loan from related party (note 6)	-	60,500
Common shares to be issued (note 12)	203,746	-
	601,275	373,505
SHAREHOLDERS' EQUITY		
Share capital, warrants, share based compensation (note 5)	6,238,853	6,239,602
Deficit	(4,059,499)	(3,861,737)
	2,179,353	2,377,865
	2,780,628	2,751,370

The accompanying notes are an integral part of these condensed consolidated interim financial statements.
Nature of operations and going concern (notes 1 and 2)

Approved on behalf of the board:

(signed) "Lew Lawrick"

Director

(signed) "Dennis Logan"

Director

Magna Terra Minerals Inc.

Condensed Consolidated Interim Statements of Income and Comprehensive Income

(In Canadian dollars)

	For the three months ended	
	November 30	November 30
	2018	2017
	\$	\$
Expenses		
Professional fees	22,552	40,038
General and administrative (note 10)	48,247	61,603
Management fees (note 6)	61,500	73,628
Share based compensation	-	19,680
Foreign exchange loss	35,257	22,555
(Gain) loss on short term investments (note 3)	-	75,403
Comprehensive loss for the period	(197,762)	(292,907)
Loss per share basic and diluted	(0.00)	(0.00)
Weighted average number of shares outstanding basic and diluted	70,453,393	70,300,615

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Magna Terra Minerals Inc.

Condensed Consolidated Interim Statements of Cash Flows

(In Canadian dollars)

	For the three months ended	
	November 30 2018	November 30 2017
	\$	\$
Operating activities		
Comprehensive loss for the year	(642,841)	(292,907)
Adjustment for non-cash items:		
Gain on short-term investments	-	(176,347)
Share based compensation (note 5)	-	19,680
Unrealized gain on short-term investments	-	251,750
Net change in non-cash working capital balances related to operating activities:		
Other receivables	1,012	(4,158)
Prepaid expenses	3,000	(23,250)
Trade and other payables	70,829	54,664
Net cash used in operating activities	(122,921)	(162,252)
Investing activities		
Foreign VAT taxes receivable	730	(4,311)
Proceeds from sale of short-term investment (note 3)	-	452,147
Additions to mineral properties	(18,735)	(345,878)
Net cash provided from (used in) investing activities	(19,465)	(101,958)
Financing activities		
Loan from related party	(60,500)	-
Common shares to be issued	203,746	-
Share issue expense	(750)	-
Net cash provided from (used in) investing activities	142,496	-
Net increase (decrease) in cash	(110)	60,294
Cash, beginning of the period	1,000	140,047
Cash, end of the period	1,110	79,753

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Magna Terra Minerals Inc.

Consolidated Statements of Changes in Equity

(In Canadian dollars)

	Share capital		Share based compensation	Sub-total	Deficit	Total
	#	\$	\$	\$	\$	\$
Balance, August 31, 2017	70,203,393	5,858,182	347,990	6,206,172	(3,223,332)	2,982,840
Common shares issued for exploration evaluation and assets	250,000	13,750	-	13,750	-	13,750
Share based compensation	-	-	19,680	19,680	-	19,680
Net loss for the period	-	-	-	-	(292,907)	(292,907)
Balance, November 30, 2017	70,453,393	5,871,932	367,670	6,239,602	(3,516,239)	2,723,363
Sale of subsidiary	-	-	-	-	4,436	4,436
Net loss for the period	-	-	-	-	(349,934)	(349,934)
Balance, August 31, 2018	70,453,393	5,871,932	367,670	6,239,602	(3,861,737)	2,377,867
Share issue expenses	-	(750)	-	(750)	-	(750)
Net loss for the period	-	-	-	-	(197,762)	(197,762)
Balance, November 30, 2018	70,453,393	5,871,182	367,670	6,238,852	(4,059,499)	2,179,353

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Magna Terra Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended November 30, 2018 and November 30, 2017

(In Canadian dollars)

1. Nature of operations

Magna Terra Minerals Inc. ("Magna Terra" or the "Company") is incorporated under the *Canada Business Corporations Act* and is involved in the acquisition and exploration of mining properties in Argentina and Canada (see note 5). Substantially all of the Company's efforts are devoted to financing and developing these properties.

Its stock is listed on the TSX Venture Exchange under the symbol MTT and the Bolsa de Comercio de Santiago (the Chilean Stock Exchange) under the symbol MTTCL. The address of the Company and its registered office is located at 150 York Street, Suite 410, Toronto, Ontario, M5H 3S5.

2. Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements.

For the three months ended November 30, 2018, the Company had a net loss of \$197,762 (for the three months ended November 30, 2017 incurred net loss of \$292,907), had a cash deficiency from operations of \$122,921 (for the three months ended November 30, 2017 - used \$162,252), and as at November 30, 2018, had an accumulated deficit of \$4,059,499 (August 31, 2018 - \$3,861,737) and a working capital deficit of \$586,132 (August 31, 2018 - a deficit of \$354,460).

To date there has been no determination whether the Company's interests in mineral exploration properties contain mineral reserves, which are economically recoverable. The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the achievement of profitable operations; and the ability of the Company to raise alternative financing; or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

Statement of compliance

The Company's condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting. The condensed interim financial statements do not include all financial risk management information and disclosures as required in the audited annual financial statements. The condensed interim financial statements should be read in conjunction with the audited annual financial statements for the year ended August 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies and methods of computation remain the same as presented in the audited financial statements for the year ended August 31, 2018.

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Notes to the Condensed Consolidated Interim Financial Statements

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(In Canadian dollars)

There are no new IFRS and/or International Financial Reporting Interpretations Committee ("IFRIC") pronouncements that are effective for the first time for this interim period that would be expected to have a material effect on the Company.

These financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as explained in the accounting policies set out in note 3.

3. Short term investments

During the year ended August 31, 2017, the Company held 15,000,000 common shares of Northern Superior Resources Inc. ("Northern"). The Company sold 5,000,000 common shares of Northern for gross proceeds of \$313,252 and purchased 5,000,000 units of Northern at a cost of \$250,000. Each unit consists of one common share and one common share purchase warrant (the "Warrant"). The Warrant entitles the Company to acquire Northern common shares at a price of \$0.075 until March 6, 2019. During the year ended August 31, 2018, the Company sold 15,000,000 Northern shares for proceeds of \$595,472. As at November 30, 2018, the Company holds nil Northern shares and 5,000,000 Warrants with a market value of nil. On January 3, 2019, Northern completed a roll back of its common shares resulting in the Company now holding 500,000 Warrants exercisable at a price of \$0.75 until March 6, 2019.

4. Exploration and evaluation assets

The Company holds interests in the following exploration properties.

	Santa Cruz projects	Quebec projects	Total
Balance, August 31, 2017	1,631,845	54,919	1,686,764
Acquisition costs	82,301	-	82,301
Expenditures	942,121	-	942,121
Government grants	-	(18,977)	(18,977)
Balance, August 31, 2018	2,660,267	35,942	2,696,209
Expenditures	32,430	-	32,430
Balance, November 30, 2018	2,692,697	35,942	2,728,639

Santa Cruz Projects

The Santa Cruz projects consist of an exploration property portfolio that spans approximately 103,000 hectares in 8 independent areas in the highly prospective Province of Santa Cruz, Argentina.

The Company owns the mining rights to the Boleadora group as well as El Monte, Gertrudis, Katrina Piedra Negra, El Meridano, Covadonga, and La Rosita projects which were acquired from Renaissance Gold Inc. ("RenGold") by Atala in 2014. In the original acquisition agreement (the "Agreement"), for a period of 10 years from 2014, the Company was obligated to pay to RenGold an amount of \$30,000 should it complete an equity financing of minimum proceeds \$1 million and an additional amount of \$50,000 should it complete an additional financing for additional minimum proceeds of \$1 million. On October 26, 2017, the Company closed an amending agreement (the "Amending Agreement") which modifies the Agreement. The Amending Agreement terminates certain rights RenGold retained for future cash payments above, in return for providing RenGold with:

- (i) 250,000 common shares of the Company (issued); and
- (ii) \$25,000 cash (paid).

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RenGold is also entitled to a 4% NSR royalty on certain properties, less any royalties payable to the Province of Santa Cruz and any underlying vendor. The royalty can be purchased back in an amount in excess of 1% at a price of US\$1 million per 1%. In no case will the RenGold NSR be less than 1%.

The Piedra Negra, El Meridano, Covadonga, and La Rosita projects are subject to an underlying option agreement with a private Argentine vendor pursuant to which Atala shall make options payments to the vendor commencing on January 1st of every year for the next 3 years (US\$50,000 in 2019, US\$125,000 in 2020 and US\$300,000 in 2021 for a total of US\$475,000. The Vendor is also entitled to receive a 2% NSR royalty. The royalty can be purchased back for US\$800,000.

Quebec Projects

Verneuil

The Company currently holds a 37.7% interest (SOQUEM Inc. 63.2%) in 34 claims located approximately 15 km to the east of the Lebel-sur-Quevillon, district of Abitibi. During the 2018 exploration season the Company did not participate in exploration program expenditures funded by SOQUEM, resulting in the dilution of the Company's the original 50% interest. A 2% net smelter return royalty on future production is attached to the property.

Noyell

The Company holds a 100% interest in 49 claims located approximately 25 km south of Matagami, along the Douay-Cameron Corridor adjacent to the Vezza deposit, district of Abitibi.

Matchi-Manitou

The Company holds a 29% interest in 29 claims located in Tavernier and Pershing townships, district of Abitibi. A 1% net smelter return royalty on future production is attached to the property. In accordance with this joint venture agreement on a 29/71% basis, each partner has to contribute its share, failing which; its interest would be diluted.

5. Shareholders' equity

Authorized share capital

The Company is authorized to issue an unlimited number of common shares.

On October 26, 2017 the Company issued 250,000 common shares as described in note 5 above.

Warrants

The composition of the outstanding warrants as at November 30, 2018 consists of the following:

	Expiry date	Number	Exercise Price
Warrants	May 5, 2019	13,720,928	\$0.08
Warrants	June 19, 2019	2,170,000	\$0.08
		15,890,928	

Share based compensation

The Company adopted a fixed stock option plan (the "Plan") whereby the Board of Directors may grant to employees, officers, directors, management consultants and external consultants of the Company or of its subsidiary thereof, options to acquire common shares in such numbers, for such terms and at such exercise prices as may be determined by the Board. The exercise price of each option may not be lower than the market price of the common shares at the time of the grant of the options. The options vest at the date of the grant unless additional restrictions on the vesting of the options are imposed by the Board of

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Directors except for the consultants working in investor relations, whose options are vested in quarterly installments over a twelve-month period from grant. The option period is a period of time fixed by the Board of Directors but cannot exceed 5 years.

	Options #	Weighted average exercise price \$
Balance, August 31, 2017	5,300,000	0.07
Issued	400,000	0.05
Balance, August 31, 2018 and November 30, 2018	5,700,000	0.07
Exercisable at November 30, 2018	5,700,000	0.07

A summary of the outstanding stock options is presented below:

Date of grant	Remaining life	Number of options #	Exercise price \$
May 18, 2017	3.48 years	3,400,000	0.065
August 9, 2017	3.70 years	1,900,000	0.070
September 7, 2017	3.78 years	400,000	0.050
		5,700,000	

On September 7, 2017, the Company granted 400,000 stock options with an exercise price of \$0.050 and expiring on September 7, 2022. The options were valued using the Black-Scholes method with a risk-free interest rate of 1.61%, expected volatility of 213%, dividend yield of nil and an expected life of 5 years, resulting in share-based compensation of \$19,680. The options vest in four equal amounts on a quarterly basis over the first year of the option.

6. Key management compensation and related party transactions

The Company defines its key management as the Board of Directors, Chief Executive Officer and Chief Financial Officer. For the three months ended November 30, 2018, \$61,500 was paid or accrued as management compensation (for the three months ended November 31, 2017 – \$187,875). Share based compensation awarded to key management for the three months ended November 30, 2018 was \$nil (for the three months ended November 30, 2017 - \$19,680).

	For the year ended August 31	
	2018	2017
	\$	\$
Management fees	61,500	61,500
Directors fees	-	12,127
Share based compensation	-	19,680
	61,500	93,307

On April 27, 2018, the Company completed the sale of 10,000,000 common shares of Northern at \$0.04 per share for gross proceeds of \$400,000 to Thorsen Fordyce Merchant Capital Inc. ("Thorsen"), a company controlled by Lewis Lawrick, the President and CEO of the Company.

Magna Terra Minerals Inc.

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As at August 31, 2018, the Company had a loan outstanding from Thorsen in the amount of \$60,500, which was non-interest bearing and due on demand. During the quarter this loan was repaid in full.

On December 28, 2018 the Company closed a private placement of units, of the \$400,000 proceeds \$315,000 was subscribed for by officers of the Company.

7. Financial instrument risk management

a) Fair value of financial instruments

The carrying value of cash, trade and other payables and due to related party approximates fair value due to the short-term nature of these financial instruments.

The Company's financial instruments consist of the following:

Financial assets:

Cash
Short term investment
Other receivables

Classification:

FVTPL
FVTPL
Loans and receivables

Financial liabilities:

Trade and other payables
Due to related party

Classification:

Other financial liabilities
Other financial liabilities

As of November 30, 2018, except for cash, none of the Company's financial instruments are recorded at fair value in the statements of financial position. Cash is classified as level 1 fair value.

b) Risk management

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company is exposed to credit risk with respect to its cash. To minimize this risk, cash has been placed with major Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash and short-term investments. As at November 30, 2018, the Company has \$1,110 in cash and current liabilities of \$601,275. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing to meet its capital requirements.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its short-term investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. In addition, most of the Company's investments are in the resource sector.

Magna Terra Minerals Inc.**Notes to the Condensed Consolidated Interim Financial Statements**

For the three months ended November 30, 2018 and November 30, 2017

(In Canadian dollars)

8. Capital risk management

The Company's objective when managing capital is to raise sufficient funds to execute its exploration plan and to meet its ongoing administrative costs. As at November 30, 2018, the Company's capital consists of equity, which is comprised of share capital, share based compensation, and deficit, in the amount of \$2,179,353 (August 31, 2018 - \$2,377,867).

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company does not have any externally imposed capital requirements or covenants

9. Trade and other payables

As at	November 30 2018 \$	August 31 2018 \$
Trade payables	324,329	265,762
Accruals	73,199	73,241
	397,528	339,003

The standard maturity terms of the Company's trade and other payables are 30 – 60 days.

10. General and administrative

	For the three months ended November 30 2018 \$	2017 \$
Consulting fees	16,500	16,500
Geologic consulting	30,206	10,245
Shareholder services	5,637	5,758
Insurance	2,183	6,351
Listing fees	-	395
Office	5,607	7,859
Rent	6,075	7,500
Conferences and promotion	12,244	6,995
	78,452	61,603

Magna Terra Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements
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(In Canadian dollars)

11. Segmented information

The Company operates in a single reportable operating segment, being the acquisition, exploration and retention of mineral property assets. Geographic segment information of the Company's non-current assets as at November 30, 2018 and August 31, 2018 are as follows:

	November 30 2018 \$	August 31 2018 \$
Canada	35,942	35,942
Argentina	2,729,543	2,722,383
	2,765,485	2,758,325

12. Subsequent events

On December 28, 2018, the Company closed the a private placement for gross proceeds of \$400,000 (of which \$203,746 was received and recorded as common shares to be issued as at November 30, 2018) by the issuance of 8,000,000 units. Each unit was priced at \$0.05 and consists of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.10 per warrant share until December 28, 2020.

The Company paid finders fees of \$2,800 in cash and 56,000 broker warrants (the "Broker Warrants"), with each Broker Warrant entitling the holder to acquire one common share at a price of \$0.10 until December 28, 2020. All securities will be subject to a four month hold period ending on April 29, 2019.

On December 28, 2018, the Company granted 2,120,000 stock options to employees, officers and directors of the Company, with an exercise price of \$0.05 per share, exercisable until December 28, 2023.