

MAGNITUDE MINING ANNOUNCES INCREASED FINANCING SIZE IN QUALIFYING TRANSACTION WITH PUCARA RESOURCES

Vancouver, British Columbia—(Newsfile Corp. – July 15, 2020) – Magnitude Mining Ltd. (TSXV: MML.P) (“**Magnitude**” or the “**Company**”) is pleased to announce that Pucara Resources Corp. (“**Pucara**”) has increased the size of its private placement to raise gross proceeds of \$8.5 million in connection with the Company's Qualifying Transaction.

The Pucara private placement will be comprised of subscription receipts offered at \$0.40 per subscription receipt. Each subscription receipt will be automatically exercised, for no additional consideration, for one common share of Pucara immediately prior to closing of the Qualifying Transaction, which shares of Pucara will in turn be exchanged for common shares of the Resulting Issuer upon closing of the transaction. The gross proceeds of the private placement will be held in escrow and released upon all conditions precedent to the completion of the Qualifying Transaction having been satisfied or waived in accordance with the terms of the Arrangement Agreement between Magnitude and Pucara. If those conditions are not satisfied or waived prior to September 30, 2020 (or such later date as may be agreed upon by Magnitude and Pucara), then the subscription receipts will be cancelled and the escrowed proceeds will be repaid to subscribers.

For further information regarding the Qualifying Transaction, refer to the Company's news releases dated March 11, 2020 and June 10, 2020. The transaction remains subject to approval of the TSX Venture Exchange and is intended to constitute Magnitude's "Qualifying Transaction" in accordance with TSXV Policy 2.4 – *Capital Pool Companies*. The transaction will result in Magnitude, as the listed issuer resulting from the transaction, owning 100% of the securities of Pucara.

The TSXV has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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Cautionary Statements

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "belief", "anticipate", "intend", "expect", "plan", "predict", "will", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to Pucara's private placement and the ultimate closing of the Qualifying Transaction. Such statements and information reflect the current views of Magnitude and/or Pucara, respectively. Risks and uncertainties may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results,

performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: (i) there is no assurance that Magnitude and Pucara will obtain all requisite approvals for the Transaction, including the approval of the shareholders of Pucara, approval of the Supreme Court of British Columbia or the approval of the TSXV for the Transaction (which may be conditional upon amendments to the terms of the Transaction); (ii) there is no assurance that Pucara will complete a financing as contemplated or at all; (iii) following completion of the Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations and financing may not be available when needed or on terms and conditions acceptable to the Resulting Issuer; (iv) new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; (v) the stock markets have experienced volatility that often has been unrelated to the performance of companies; and (vi) risks associated with the COVID-19 pandemic. These fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance. There are a number of important factors that could cause Magnitude's and Pucara's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: currency fluctuations; limited business history of Magnitude and/or Pucara; disruptions or changes in the credit or security markets; results of operation activities and development of projects; project cost overruns or unanticipated costs and expenses, and general market and industry conditions. The definitive terms and conditions of the Transaction may be based on the Company's due diligence and the receipt of tax, corporate and securities law advice for both the Company and Pucara. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, Pucara, their securities, or their respective financial or operating results (as applicable).

Magnitude cautions that the foregoing list of material factors is not exhaustive. When relying on Magnitude's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Magnitude has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release represents the expectations of Magnitude as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Magnitude does not undertake to update this information at any particular time except as required in accordance with applicable laws.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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