FORM 2A

LISTING STATEMENT

MAGNA RESOURCES LTD.

OCTOBER 16, 2008

Note to Reader:

This Listing Statement contains the Initial Public Offering Prospectus of Magna Resources Ltd. dated July 18, 2008, (the “Prospectus”). Certain sectors of the CNQ form of listing Statement have been included following the Prospectus to provide additional disclosure on the Company, as required by the CNQ, as well as updating certain information contained in the Prospectus.

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MAGNA RESOURCES LTD.
FORM 2A

1. TABLE OF CONCORDANCE

Schedule A

Magna Resources Ltd.

Initial Offering Prospectus dated July 18, 2008

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and, subject to certain exceptions, may not be offered, sold or delivered directly or indirectly in the United States of America, its territories or possession. See "Plan of Distribution".

PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING Dated: July 18, 2008

MAGNA RESOURCES LTD.

2,000,000 COMMON SHARES
PRICE: $0.16 PER COMMON SHARE

MAGNA RESOURCES LTD. (the "Company", "Magna", "we", "us" or "our") hereby offers for sale, through its agent, PI Financial Corp. (the "Agent") on a commercially reasonable efforts basis (the "Offering"), for sale to the public in the Provinces of Alberta, British Columbia and Ontario (the "Selling Jurisdictions") 2,000,000 common shares of the Company (the "Offered Shares"), at a price of $0.16 per Offered Share (the "Offering Price"). Completion of the Offering is subject to the sale of all 2,000,000 Offered Shares no later than the earlier of 90 days from the final Prospectus receipt date unless consent is obtained from the Alberta, British Columbia and Ontario securities commissions and those persons who have subscribed for the Offered Shares, to extend the Closing.

	Number of Shares	Price to Public (1)(2)	Agent's fees or commissions	Net Proceeds to the Company (3)
Per Share	1	$0.16	$0.016	$0.144
Offering	2,000,000	$320,000	$32,000	$288,000

(1) The Offering Price was fixed by negotiations between the Agent and the Company.
(2) The Agent will receive a cash commission of 10% of the gross proceeds of the Offering payable in cash or, at the election of the Agent, in Shares (the "Commission Shares"). The Agent will also be granted on Closing, non-transferable options (the "Agent's Compensation Options"), to purchase that number of Shares (the "Agent's Compensation Shares") equal to 10% of the aggregate number of Shares sold under the Offering at a price of $0.16 per Agent's Compensation Share for a period of two years from Closing of the Offering. See "*Plan of Distribution*". The Agent has also been paid a non-refundable corporate finance fee of $25,000 plus GST and will be reimbursed for the Agent's reasonable out of pocket expenses and fees and disbursements of the Agent's legal counsel, of which $20,000 has been paid as a retainer. This Prospectus qualifies for distribution those Commission Shares and Agent's Compensation Options which are Qualified Compensation Securities (as defined herein).
(3) Before the balance of the costs of the Offering of approximately $35,000. See "*Use of Proceeds*".

There is no market through which the Shares may be sold and purchasers may not be able to resell the Shares purchased under the prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation.

This Offering is not underwritten and is subject to receipt by the Company of subscriptions for $320,000. Provided that the Offering has been subscribed for, it is expected that Closing will take place on such date as the Company and the Agent may agree. The closing in respect of the Offering can be no later than the earlier of 90 days after the final Prospectus receipt date unless the Company receives a receipt for an amendment to the Prospectus.

Subscriptions for the Offered Shares will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice. Until such time as the Closing has occurred, all subscription funds received by the Agent will be held by the Agent. If the Offering has not been fully subscribed for prior to the Closing (or such longer period as may have been consented to by the Alberta, British Columbia and Ontario securities commissions and each of the persons or companies who have subscribed for the Offered Shares), the Agent shall promptly return the proceeds of subscription without interest or deduction unless such subscribers have otherwise instructed the Agent.

The Agent conditionally offers the Offered Shares on a commercially reasonable efforts basis, and subject to prior sales, if, as, and when issued by the Company and delivered and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under "*Plan of Distribution*". The Company is not a related issuer or connected issuer (as such terms are defined in National Instrument 33-105 *Underwriting Conflicts*) to the Agent. See "*Relationship Between the Company and the Agent*". Certain legal matters in relation to the Offering have been reviewed on the Company's behalf by McClusky & Dalling, Barristers and Solicitors and on the Agent's behalf by Miller Thomson LLP.

These securities are considered to be highly speculative due to the nature of the Company's business and its formative stage of exploration. There is no market through which these Offered Shares may be sold and subscribers may not be able to resell Shares purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. Purchasers of Offered Shares under the Prospectus will suffer an immediate dilution of $0.1030 per Share (64.375%). The Company was incorporated to find, explore and develop resource properties in Canada. The Company has no present intention to pay any dividends on its Shares. The Company has no history of earnings. Subscribers must rely upon the ability, expertise, judgment, integrity and good faith of the management of the Company. An investment in the Offered Shares involves a high degree of risk and should only be considered by those investors who can afford to lose their entire investment. See "*Risk Factors*".

As of the date of this prospectus, Magna Resources Ltd. does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, U. S. marketplace or a marketplace outside of Canada and the United States of America other than the Alternative Market of the London Stock Exchange and or the PLUS markets operated by PLUS Markets Group plc.

National Instrument 41-101 ("NI 41-101") imposes a restriction on the maximum number of securities which may be distributed under a prospectus to an Agent as compensation ("Qualified Compensation Securities"). Pursuant to NI 41-101, the aggregate Qualified Compensation Securities must not exceed 10% of the Offered Securities, which in the case of the Offering is 200,000 common shares. For the purposes of this Offering, any of the following are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) in the event that the Agent elects to receive Commission Shares, up to a maximum of 200,000 Commission Shares; or (b) 200,000 Agent's Compensation Options; or (c) any combination of Commission Shares and Agent's Compensation Options totalling a maximum of 200,000. To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities, such securities will not be Qualified Compensation Securities, will not qualified for distribution under this Prospectus, and will be subject to a hold period in accordance with applicable securities laws.

Agent's Position	**Maximum size or number of securities available**	**Exercise period or Acquisition date**	**Exercise price or average acquisition price**
Over-allotment option	None	N/A	N/A

Compensation option (See "*Plan of Distribution*")	200,000	Two years from the Closing Date	$0.16
Any other option granted by issuer or insider of issuer to Agent	None	N/A	N/A
Total securities under option issuable to Agent	200,000	Two years from the Closing Date	$0.16
Other compensation securities issuable to Agent Commission Shares	200,000 assuming the Agent elects to receive all or part of the cash commission in Commission Shares.	Closing Date	$0.16

Concurrently with the filing of this Prospectus, the Company has made an application to the Canadian Trading and Quotation System Inc. ("CNQ") for listing on that exchange. Listing is subject to the Company fulfilling all of the listing requirements of the CNQ which include completion of the distribution of the Offered Shares to a minimum number of public shareholders. No person is authorized to provide any information or to make any representation in connection with this Offering except as contained in this Prospectus.

AGENT
PI FINANCIAL CORP.
1900 – 666 Burrard Street
Vancouver, BC V6C 3N1
Tel: (604) 664 – 2900

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CURRENCY RATES, METRIC EQUIVALENTS AND ABBREVIATIONS

All currency amounts in the prospectus are stated in Canadian dollars unless otherwise indicated. All financial information with respect to the Company has been presented in Canadian dollars in accordance with generally accepted accounting principles in Canada.

Conversion into imperial or metric equivalents is as follows:

The following table sets forth certain standard conversions from Standard Imperial Units to the International System of Units (or metric units).

To Convert from Metric	To Imperial	Multiply by
Grams (g)	Ounces (troy) (oz)	0.032
Grams per tonne (g/t)	Ounces (troy) per ton (oz/ton)	0.029
Kilometres (km)	Miles (mi)	0.621
Square Kilometres (km2)	Square Mile (mi2)	0.386
Metres	Feet	3.281
Millimetres (mm)	Inches (in)	0.039
Tonnes (t)	Short tons (2000 pds)	1.102
Acres	Hectares	0.405
Hectares	Acres	2.471

GLOSSARY OF GEOLOGICAL AND MINING TERMS

Unless otherwise indicated or inconsistent in the context, the terms and abbreviations defined hereunder shall have in the prospectus the relative meanings set out below:

"**Ag**": chemical symbol for silver

"**As**": chemical symbol for arsenic

"**Assay**": an analysis of minerals and mine products to determine the concentration of their components.

"**Au**": chemical symbol for gold

"**Base Metals**": a metal more chemically active than gold, silver and the platinum group metals (e.g. copper, zinc, nickel)

"**Breccia**": a rock made up of angular or sub-angular fragments >2mm embedded in a fine-grained matrix.

"**Basin**": a depression, usually of considerable size, which may be erosional or structural in origin.

"**Deposit**": a mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metals or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable ore body or as containing mineral reserves until final legal, technical and economic factors have been resolved.

"**Dip**": an angle of inclination of a geological feature/rock from the horizontal.

"**Fault**": a fracture in a geological shear accompanied with relative movement between its two blocks. Faults are the result of the rock's mechanical response when submitted to sufficient stress as to induce permanent deformation.

“**Fe**”: chemical symbol for iron

“**Fracture**”: a break in material, but commonly applied to more or less clean breaks in rocks or minerals that are not due to cleavage or foliation.

“**Galena**”: a sulphite of lead containing traces of AG (up to 1%) or Fe, Zn.

“**Igneou**s”: a primary crystalline rock formed by the solidification of magma.

“**Intrusion**”: a body of igneous rock formed by the consolidation of magma intruded into other rocks, in contract to lavas, which are extruded upon the surface.

“**Lithological**”: geological description pertaining to different rock types.

“**Mafic**”: a magmatic rock composed of dark, iron and magnesium rich minerals.

“**Mg**”: chemical symbol for magnesium

“**Meta**”: as a prefix means occurring later than or in succession to. Used with the name of a rock to indicate that it has undergone metamorphosis.

“**Mineralization**”: a concentration of specific minerals within a body of rock.

“**Ore**”: a metal or mineral or a combination of these of sufficient value as to quality and quantity to enable it to be mined at a profit.

“**Outcrop**”: the part of a rock formation that is exposed at the Earth’s surface.

“**ppb**”: parts per billion.

“**ppm**”: parts per million.

“**Sampling**”: a technique for collecting representative sub-volumes from a larger volume of geological material. The particular sampling method employed depends on the nature of the material being sampled and the kind of information required.

“**Sedimentary**”: pertaining to rocks formed by the accumulation of sediments, formed by the erosion of other rocks.

“**Shale**”: fine-grained laminated sedimentary rock made up of silt or clay-sized particles.

“**Shear**”: a plane of fracture and a sliding along that plane, in a rock bed.

“**Stratigraphy**”: the study of stratified rocks in terms of time and space; branch of geology specifically concerned with the arrangement of layered rocks.

“**Strike**”: a direction of line formed by the intersection of strata surfaces with the horizontal plane, always perpendicular to the dip direction.

“**Sulphide**”: a sulphur-bearing mineral.

DEFINED TERMS

In this Prospectus, including the summary hereto, unless the subject matter context is inconsistent therewith, the following terms shall have the meanings set forth below:

"**Agency Agreement**" means the agency agreement dated July 18, 2008 with respect to the Offering between the Company and the Agent as more particularly described under the heading "*Plan of Distribution*";

"**Agent**" means PI Financial Corp.;

"**Agent's Commission**" means the fee of 10% of the gross proceeds of the Offering and payable in cash to the Agent pursuant to the Agency Agreement or, at the election of the Agent, payable in Commission Shares;

"**Agent's Compensation Options**" means the non-transferable options to be granted at Closing by the Company to the Agent to purchase the Agent's Compensation Shares, in an amount equal to 10% of the number of Offered Shares sold under the Offering at an exercise price of $0.16 per Agent's Compensation Share for 24 months from the Closing Date;

"**Agent's Compensation Shares**" means the Shares issuable to the Agent upon exercise of the Agent's Compensation Options;

"BCA-BC" means the *Business Corporations Act* – British Columbia;

"**Closing**" means the closing of the issue and sale of the Offered Shares pursuant to this Offering on the Closing Date;

"**Closing Date**" means such date as may be mutually agreed between the Company and the Agent;

"**CNQ**" means the Canadian Trading and Quotation System Inc.;

"**Company**" or "**Magna**" means Magna Resources Ltd. a company incorporated pursuant to the *BCA-BC*;

"**Commission Shares**" means such number of common shares of the Company issuable to the Agent in satisfaction of up to 100% of the Agent's Commission under the Agency Agreement;

"**Cullen Report**" means the "Technical Report on the Shanty Bay Property" prepared by Des Cullen, P. Geo. and J. Garry Clark, P. Geo. and Andrew Tims, P. Geo. dated May 27, 2008;

"**Escrow Agreement**" means the escrow agreement dated June 30, 2007 between the Company, Pacific Corporate Trust Company and escrow holders dated respecting those Shares to be escrowed in connection with the Offering;

"**GAAP**" means Canadian Generally Accepted Accounting Principles;

"**Net Tangible Book Value per Share**" is determined by dividing the number of Shares outstanding by the net tangible book value of the Company;

"**Offered Shares**" means the 2,000,000 Shares offered for sale pursuant to this Prospectus;

"**Offering**" means the public offering of the Offered Shares described herein or in any amendment hereto;

"**Prospectu**s" means this Prospectus dated July 18, 2008;

"**Property**" means the Shanty Bay Claims;

"**Selling Jurisdictions**" means the Provinces of Alberta, British Columbia and Ontario, being the jurisdictions in which the Offered Shares may be sold pursuant to the Offering;

"**Shanty Bay Assignment Agreement**" means the agreement dated October 27, 2006 between the Company, Rubicon Minerals Inc. and Triple Dragon Resources Inc., pursuant to which the Company has been assigned an option to acquire a 100% interest in the Property;

"**Shanty Bay Claims**" means three mining claims located in Dent Township, claim map M-2155 in the Red Lake Mining Division of the Province of Ontario;

"**Share**" or "**Shares**" means, respectively, one or more common shares in the capital of the Company;

"**Transfer Agent**" means Pacific Corporate Trust Company of Vancouver, BC.

SUMMARY OF THE PROSPECTUS

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Reference is made to the Glossary for the definitions of certain terms with initial capital letters used in this Prospectus and in this summary.

The Offering	The Offering is for an aggregate of 2,000,000 Offered Shares for sale to the public by the Agent at a price of $0.16 per Offered Share (the "Offering Price"). Completion of the Offering is subject to the sale of all 2,000,000 Offered Shares no later than the earlier of 90 days from the final Prospectus receipt date unless the Company receives an amendment to the Prospectus. The Company will pay the Agent a cash commission equal to 10% of the gross proceeds of the Offering, payable in cash or Commission Shares and the Company has paid the Agent a non-refundable corporate finance fee of $25,000 of $1,500. The Company will reimburse the Agent's fees and expenses and its legal fees and disbursements, of which $20,000 has been paid as a retainer. In addition, the Agent will be granted Agent's Compensation Options to purchase Agent's Compensation Shares which are equal to 10% of the aggregate number of Offered Shares sold at a price of $0.16 per Share for a period of two years from Closing of the Offering. This Prospectus qualifies for distribution the Offered Shares and those Commission Shares and Agent's Compensation Options which are Qualified Compensation Securities.. See "*Plan of Distribution*".	
Price	$0.16 per Offered Share	
Closing	Provided the Offering has been fully subscribed for, the Closing will take place on such date as may be agreed to between the Company and the Agent.	
The Company	The Company was incorporated on June 5, 2006 under the name 0759719 B.C. Ltd. pursuant to the *BCA-BC.* On July 26, 2006 the Company changed its name to Magna Resources Ltd. Magna was formed to acquire, explore and develop mining claims in Canada. On October 27, 2006 Magna entered into the Shanty Bay Assignment Agreement for an option to acquire a 100% interest in the Shanty Bay Claims. The assignment closed on November 3, 2006. The Shanty Bay Claims are located in Dent Township, claim map M-2155 in the Red Lake Mining Division of the Province of Ontario. See "*The Company's Property*" and "*Material Contracts*".	
Directors, Officers and Senior Management	Name	Position Held
	Rudy de Jonge	Director, Chief Executive Officer and President
	Darryl Yea	Director and Corporate Secretary
	C. Michael O'Brian	Director
	Raymond A. McLean	Director
	John A. Greig	Director
	Alexander ("Alec") S. Peck	Chief Financial Officer
	See "*Directors and Officers*".	
Description of Share Capital	There is one class of Shares which vote on the basis of one vote per Share. Prior to completion of the Offering, the Company has 8,010,000 Shares issued and outstanding. There are no fixed dividends payable. See "*Description of Share Capital*".	
Offering Jurisdictions	The Offering will be made in the Provinces of Alberta, British Columbia and Ontario.	

Use of Proceeds	The gross proceeds of the Offering are $320,000. The estimated net proceeds of the Offering, after deduction of the anticipated Agent's Commission of $32,000 are $288,000. The total funds available to the Company at the close of the Offering including the estimated working capital of $128,864 as at June 30, 2008 and the net proceeds of the Offering of $288,000 are estimated to be $416,864. The Company intends to spend its allocated available funds as stated in this Prospectus. There may be circumstances however, where for sound business reasons, a reallocation of the funds available may be necessary. The principal purposes for which the funds available are intended to be used are:

Description	Amount
To pay the balance of the costs of the Offering	$35,000
To pay CNQ monthly fees for 12 months	3,600
To pay the balance of the CNQ listing fee	8,400
To carry out Phase 1 Recommendations from the Cullen Report	149,125
To pay a Property Payment in March, 2009	$20,000
To pay estimated general and administrative expenses for 12 months	99,920
To provide general working capital to fund ongoing operations and expansion	100,819
Total Available Funds (net proceeds plus working capital)	**$416,864**

(1) Expenses include transfer agent fees of $7,920, accounting and filing of quarterly reports of $5,000, audit fees of $15,000, general administrative expenses $24,000 and legal and regulatory filing fees of $48,000 related to possible further acquisitions, financings, annual general meeting costs. There are no acquisitions or financings contemplated at this time.

See "*Use of Proceeds*" and "*Plan of Distribution*".

Developments	The Company currently has an interest in one mining property, the Shanty Bay Claims. See "*The Company's Business*", "*The Company's Property*" and "*Material Contracts*".
Risk Factors	An investment in the Company's Offered Shares is highly speculative due to the nature of the Company's business and its formative stage of development and suitable only for investors willing to risk the loss of their investment and who can afford to lose their entire investment. The Company was incorporated to explore for minerals prospects the success of which cannot be assured. The Company currently has a limited interest in a mining property. The Company has no business history or earnings record. The Company has no present intention to pay any dividends on its Shares. There are additional risks associated with the investment relating to the Company's prospects for success, availability of subsequent financing, no market for the securities, competition in the industry, potential liability for damages arising during operations, governmental regulation, availability of commodities markets, fluctuation in prices and changes in income tax laws. In assessing the risks of an investment in the Offered Shares, potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management of the Company. Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of an

investment in Offered Securities.

The Company has issued and outstanding 2,430,000 Shares at a price of $0.02 per Share, 4,070,000 Shares at a price of $0.025 per Share, 760,000 Shares at a price of $0.10 per Share and 750,000 Shares at a price of $0.125 per Share for an aggregate total of 8,010,000

Shares issued and outstanding, representing 80.02% of the issued and outstanding Shares upon completion of the Offering assuming the Agent does not elect to receive the Commission Shares. Pursuant to the Escrow Agreement, 2,430,000 Shares issued at a price of $0.02, 4,070,000 Shares issued at a price of $0.025 and 760,000 Shares issued at a price of $0.10 have been escrowed. 726,000 Shares will be released from escrow on the first day of trading of the Company's Shares on a stock exchange or quotation system. Thereafter 1,089,000 Shares will be released six, twelve, eighteen, twenty four, thirty and thirty six months after the first release date. The possible sale of the released Shares on each release date could negatively affect the market price of the Company's Shares and also result in an excess of sellers of Shares to buyers of Shares and seriously affect the liquidity of the Shares.
Purchasers of the Offered Shares under this Prospectus will suffer an immediate dilution of $0.1018 per Share (63.625%).

See "*Risk Factors*" for details of these and other risks relating to the Company's business.

Summary Financial Information

The following sets forth summary financial information with respect to the financial operations of the Company, which information has been derived from the audited financial statements of the Company and the interim financial statements of the Company for the six months ended April 30, 2008 and should only be read in conjunction with "*Selected Financial Results and Management's Discussion and Analysis*" and the financial statements of the Company and related notes that are included elsewhere in this Prospectus.

	Nine Months Ended April30, 2008	**Period from October 4, 2006 (date of inception) to July 31, 2007**
OPERATIONS		
Revenues	Nil	Nil
Net loss	$57,808	$692,728
Basic and diluted loss per share	($0.007)	($0.34)
BALANCE SHEET		
Working capital	$136,290	$276,022
Total assets	$258,157	$304,945
Total deferred exploration expenses	$17,424	Nil

See "*Selected Financial Information and Management Discussion and Analysis".*

CORPORATE STRUCTURE

Name and Incorporation

The Company was incorporated on June 5, 2006, under the name 0759719 B.C. Ltd., pursuant to the *BCA-BC* with incorporation number BC0750719. On July 26, 2006 the Company changed its name to Magna Resources Ltd.

The head office and registered and records office is located at #810 – 675 W. Hastings Street, Vancouver, British, Columbia V6B 1N2.

The Company has no subsidiary companies.

The Company is not a reporting issuer in any jurisdiction and the Shares are not listed or posted for trading on any stock exchange.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The Company was formed on June 5, 2006 to acquire, explore and develop mining properties in Canada. The Company commenced its operation on October 4, 2006. As at January 31, 2008, the Company had raised $306,250 privately through the sale of its Shares. On February 29, 2008, 4,070,000 Shares previously issued at a price of $0.02 per Share and 760,000 Shares previously issued at a price of $0.125 per Share were returned to treasury and the Company issued 4,070,000 Shares at a price of $0.025 per Share and 760,000 Shares at a price of $0.10 per Share. As a result of these transactions the Company raised an additional $1,350. On March 17, 2008, 40,000 Shares were issued at a fair value of $0.125 per Share in connection with the Shanty Bay Agreement. As at the date of this Prospectus, the Company has raised $307,600 privately through the sale of its Shares.

The Company intends to raise additional funding under this Offering to carry out exploration on its Property. See "*Prior Sales*" and "*Use of Proceeds"*.

Significant Acquisitions and Dispositions

The Company has not completed any significant acquisitions or dispositions since its date of incorporation other than as disclosed herein and is not currently in negotiations with respect to any potential material acquisitions or dispositions. It has one mining property under option, the Shanty Bay Claims. See "*The Company's Property*".

Trends

The Company does not know of any trends, commitment, events or uncertainty that are expected to have a material effect on its business, financial condition or results of operations other than as disclosed herein under "*Risk Factors*".

NARRATIVE DESCRIPTION OF THE BUSINESS

THE COMPANY'S PROPERTY

The Company's stated business objective using the net proceeds of the Offering is to carry out the recommendations of the Cullen Report on the Shanty Bay Claims which is to examine more closely the previously worked gold occurrence. The Company plans to have the exploration work done during the summer exploration season of 2008.

General
The Company will initially focus its mining exploration activities in the Province of Ontario. However the Company will be largely opportunity driven and the Company may employ a significant portion of the proceeds in other areas as opportunities arise. The Company currently has interests in one mining property, the Shanty Bay Claims.

Pursuant to the Shanty Bay Assignment Agreement, the Company acquired an option on the three Shanty Bay Claims comprising 27 units and 1,080 acres. The owner of the Shanty Bay Claims, Rubicon Resources Inc. (“Rubicon”) granted an option (the “Option”) to Triple Dragon Resources Inc. (“Triple”) to acquire the Shanty Bay Claims on March 14, 2006 by the payment of $96,000 and the issue of 100,000 Triple shares to Rubicon.

Triple paid Rubicon $8,000. No shares were issued. In consideration of the payment of $8,000 paid by Magna to Triple, Triple assigned the Option to the Company. To the date of this Prospectus, the Company has issued 100,000 Shares to Rubicon. Exercise of the Option requires the payment of $96,000 and the issue of 100,000 Shares to Rubicon as follows:

	Date	**Cash**	**Shares**
(i)	Upon signing	$8,000 (paid)	30,000 (issued)
(ii)	March 14, 2007	$12,000 (paid)	30,000 (issued)
(iii)	March 17, 2008	$16,000 (paid)	40,000 (issued)
(iv)	March 14, 2009	$20,000	
(vi)	March 14, 2010	$40,000	

Upon commencement of commercial production, the Company will pay Rubicon a royalty of 2% of net smelter returns (NSR”) on minerals from the Property. The Company may purchase ½ of the NSR (1%) from Rubicon at any time for $1,000,000.

Using the funds to be raised in this Offering, the Company’s business objective is to carry out the recommendations of the Cullen Report.

The following information about the Property is taken from the Cullen Report dated May 27 , 2008. Each of the authors of the Cullen Report are independent qualified persons, as those terms are defined in National Instrument 43-101, Standards of Disclosure for Mineral Properties. The complete Cullen Report can be viewed at www.sedar.com.

PROPERTY DESCRIPTION AND LOCATION

The Property is located in Dent Township, approximately 80 km east-northeast of Red Lake, Ontario in the Red Lake Mining Division. The approximate UTM co-ordinates for the centre of the property are 515500 E, 5667000 N (Datum NAD 83 Zone 15); NTS 52 N / 02. The property consists of three unpatented mineral claims (4200361, 4200362, and 4200363) totalling 27 units, or 432 hectares; the claim dispositions are listed in Table 1.

The Company is not aware of any environmental liabilities or public hazards associated with the property. Work permits are not required in Ontario to perform the work proposed in the Cullen Report.

Table 1
Property Claims

Claim No.	***Township***	***Date Recorded***	***Due Date***	***Work Required In Ontario***	***Unit Size***
4200361	*Dent*	*Jan 24, 2006*	*Jan 24, 2009*	*$3200*	*8*
4200362	*Dent*	*Jan 24, 2006*	*Jan 24, 2009*	*$6400*	*16*
4200363	*Dent*	*Jan 24, 2006*	*Jan 24, 2009*	*$1200*	*3*
Total				***$10800***	***27***

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The Property lies approximately 80 kilometres east-northeast of the town of Red Lake, Ontario. During the spring to fall season, the area can accessed via floatplane from Red Lake. Green Airways of Red Lake provide transport and expediting services. There are presently no roads or winter trails to the project area by established infrastructure.

Access to the Property can be gained by way of secondary roads leading northeast off highway 105 at Ear Falls to a staging point allowing boat access on Woman Lake. During his property visit on April 26, 2006, J.G. Clark observed that a logging road to the west of the Property has recently been extended onto the Property. Forestry operations have since clear cut, providing road access to within 30 m of the Shanty Showing and uncovered several other historical overburden and bedrock trenches.
The east quarter of the Property is on Shanty Bay of Woman Lake. Topography is generally gentle with elevations ranging from 390 to 420 meters above sea level. A mixed forest of mostly spruce, balsam, poplar and birch covers the claims, with swampy vegetation in low-lying areas and local areas of forest blow-down.

Temperatures range from highs of 35 C in summer to lows of -30 C in winter, with snow cover between November and May. The best season for exploration is between June and October, although in lake covered or swampy areas exploration activities such as geophysical surveys and diamond drilling might best be conducted after winter freeze up.

The Red Lake district, population 4,700, is located at the end of Highway #105 which is 175 km north of Kenora on the Trans-Canada Highway. The town is serviced by regular air flights from Thunder Bay and Winnipeg, 7 days a week. The local population includes skilled tradesmen and experienced underground miners. All necessary supplies are available locally or in Winnipeg and Thunder Bay.

PROPERTY HISTORY
(taken from the Cullen Report)

1928: Woman Lake Goldfields Development Ltd. conducted stripping and trenching on an iron formation hosted gold showing located approximately one kilometre west of Shanty Bay (the Shanty Showing, Fig. 4) (Parker and Atkinson 1992).

1948: Dougron Gold Mines Ltd. conducted a magnetic survey and drilled two holes totalling 851 feet on the iron formation (the Shanty) showing (Parker and Atkinson 1992). The location of these holes is uncertain. No assay data is available.

1970: Canex Aerial Exploration Ltd. conducted airborne and ground magnetic and electromagnetic geophysical surveys and drilled one 502 foot hole (Canex 1970). The location of the hole is unknown, and assay results were not significant.

1981: *Sherritt Gordon Mines Ltd. conducted a program of stripping, trenching, geological mapping and magnetic and electromagnetic surveys over the iron formation (the Shanty) showing and surrounding area (Venn 1982). Trench sampling results included 0.33 oz/ton gold over 4 feet and 0.20 oz/ton gold over 6 feet.*

1983: *Sherritt drilled 4 holes totalling 445 feet, targeting the iron formation (the Shanty) showing (Allen 1983). A three-foot interval within pyritic chert in hole WOM-1 averaged 0.01 oz/ton gold.*

1984: *Sherritt conducted a lithogeochemical survey (Parker and Atkinson 1992).*

1989: *Noranda Exploration Company Ltd. conducted a program of geological mapping and rock and soil sampling (Reid 1989). Resampling of Sherritt's old trenches yielded results as high as 8.06 g/t gold over 1.1 metres. A grab sample from the Quartz Dome Showing, an area of silicification and veining on the shore of Shanty Bay, assayed 7.2 g/t gold.*

1992: *Several grab samples taken by Ontario Geological Survey Geologist Brian Atkinson assayed between 24 and 9920 ppb gold (Parker and Atkinson 1992).*

2001-2002: Fronteer Development Group Inc. conducted an exploration program consisting of airborne magnetic and electromagnetic surveys followed by mapping, prospecting and sampling. Fronteer's property at this time was much larger than the current Shanty Bay Claims (5760 ha versus the current 432 ha.). Falls (2002) reports only a single grab sample from the Quartz Dome which ran 6.29 g/t Au. A series of grab and chip samples were reported from the Shanty Showing, with the best assay being 11.43 g/t Au in a 1.2 metre chip sample.

2007 *In November 13, 2007, Andrew Tims visited the property locating the historical Shanty Showing and laid out a trench 30 m north crossing the interpreted strike of the Shanty Showing.*

Table 2. of the Cullen Report
Assay Results from Fronteer Sampling of the Shanty Showing

Sample No.	***Sample Type***	***Assay (g/t Au)***
347736	*1.0 m chip*	*0.70*
347737	*0.5 m chip*	*7.34*
347738	*0.5 m chip*	*0.88*
347739	*Select grab*	*4.79*
347740	*Select grab*	*9.95*
347741	*Grab*	*0.14*
347742	*1.75 m chip*	*3.44*
347743	*1.2 m chip*	*11.43*
347744	*1.0 m chip*	*0.21*
347745	*2.0 m chip*	*0.62*
347746	*Grab*	*0.03*
347806	*Select grab*	*0.71*
347807	*Grab*	*0.02*

The airborne magnetic survey identified the rock units, while the EM turned up one weak to moderate anomaly about 250 metres in diameter near the centre of the property, near the contact between the banded chert and the mafic volcanics. Fronteer conducted a surface examination in this area and found either glacial cover or mafic volcanic with no explanation for the anomaly. The actual chert-volcanic contact apparently does not outcrop in this area.

2007: Magna Resources Ltd. conducted a limited trenching program under the supervision of Andrew Tims, P. Geo. The work consisted of one trench to satisfy the property's January 24th, 2008 expenditure requirements to keep the claims in good standing for one additional year.

GEOLOGICAL SETTING

Regional Geology

The following geological summary is provided by Montgomery (2001) and Mark O'Dea of Fronteer Development Group Inc, and is based on his personal knowledge of the geology of the area as well as on reports by Stott & Corfu 1992 and Thurston 1985. Recent additional information on the regional geological setting is given in Devaney, 2001.

The Property area lies within the Archean Birch-Uchi Greenstone Belt of the western Uchi Subprovince of NW Ontario. This belt records a stratigraphic history that spans approximately 290 Ma, involving repeated episodes of rifting, and associated sedimentary and volcanic depositional and magmatic phases. Unconformity-bounded sequences of mafic to felsic volcanic strata and primarily clastic sedimentary strata accumulated between ca. 2992 Ma and 2700 Ma upon a complex extensional architecture, which largely formed the template upon which later compressional structures were superimposed.

Supracrustal strata in the belt have been subdivided into 3 volcano-sedimentary mega-cycles (Stott & Corfu 1992, Thurston 1985) each comprising variably mafic to felsic volcanic strata and subordinate clastic sedimentary strata. From oldest to youngest these mega-cycles are comprised of the following assemblages:

- The Balmer Assemblage (2987 Ma) is primarily an Fe-tholeiitic sequence of mafic volcanic strata, with minor interbeds of banded iron formation. The distribution of this assemblage is restricted to the extreme western edge of the Birch-Uchi Belt immediately adjacent to the Trout Lake Batholith.

- The Woman Assemblage (2858 Ma) is also primarily an Fe-tholeiitic sequence of mafic volcanic strata, with minor interbeds of banded chemical sediments and pyritic siltstones and shales. This assemblage is unconformable or paraconformable on the Balmer assemblage and occurs along the western edge of the Birch-Uchi Belt stratigraphically above the Balmer Assemblage.

- The Confederation Lake Assemblage (2750-2700Ma) is by far the most aerially extensive assemblage in the belt. It comprises an assemblage of intermediate to felsic flows and pyroclastic strata, which are unconformably overlain by conglomeratic to argillaceous rift-related sediments. The Confederation Lake Assemblage also has minor interbeds or banded iron formation.

At least 3 phases of regional deformation affected the area resulting in the widespread development of folds, axial planar fabrics, and ductile shear zones. D1 deformation involved NW-SE shortening, the development of NE to N-striking folds and faults. Evidence for this D1 event is best preserved in the southern part of the belt in the Confederation Lakes area. D2 deformation involved NE-SW to N-S shortening and the development of ~E-W to WNWESE striking regional folds, faults and fabrics. This event is manifested to varying degrees throughout the belt from the Casummit Lake area in the north to the Slate Lake area in the south. D3 deformation appears to have involved renewed E-W shortening and is restricted to the northern part of the belt in the Mink Lake/Casummit Lake area. This shortening event resulted in the buckling of the regional S2 foliation into N-S folds. This event was accompanied by N-S striking S3 crenulation cleavage and ENE plunging F3 fold development.

***Table 3* from the Cullen Report**
Table of Lithologies
From Johns (1979)

Phanerozoic
  Cenozoic
    Quaternary
      Recent
        Swamp, stream, and lacustrine deposits
      Pleistocene
        Till, clay, sand, and gravel

Unconformity

Precambrian
  Early Precambrian
    Felsic to Intermediate Intrusive Rocks
        Hornblende and biotite diorite, syenodiorite, hornblende and biotite trondhjemite, quartz diorite, hornblende and biotite quartz monzonite to granodiorite, and pink pegmatite

Intrusive Contact

    Metamorphosed Felsic to Intermediate Intrusive Rocks
        Quartz-feldspar porphyry, feldspar porphyry, mafic feldspar porphyry, and felsite

Intrusive Contact

    Metamorphosed Mafic and Ultramafic Rocks
        Gabbro, diorite, quartz diorite, quartz gabbro, porphyritic gabbro, serpentinized peridotite, serpentinized dunite, and pyroxenite

Intrusive Contact

    Metasediments
      Chemical Metasediments
        Oxide- and sulphide-facies iron formation
      Clastic Metasediments
        Wacke, slate, argillite, arenites, arkose, conglomerate, reworked tuff, siltstone, quartz-wacke, quartz arenites
    Metavolcanics
      Felsic Metavolcanics
        Flow tuff, lapillistone, lapilli tuff, tuff-breccia, thin bedded flow
      Intermediate Metavolcanics
        Flow tuff, pyroclastic breccia, lapilli-tuff, tuff-breccia, spherulitic flow, amygdaloidal and porphyritic flow, autoclastic breccia, flow layered flow
      Mafic Metavolcanics
        Porphyritic, glomeroporphyritic, amygdaloidal, massive, and pillowed flows with pillow breccia and coarse-grained centres; pyroclastic rock, autoclastic breccia, variolitic flow, hyaloclastic breccia, hyaloclastite, carbonatized flow, lapilli tuff.

Property Geology

The Property is underlain by a north-trending sequence of metavolcanic and metasedimentary rocks of the Archean Woman and Balmer assemblages.

The volcanic rocks consist of fine-grained, dark green, mafic flows and tuffs. Pillow structures were observed locally. The volcanic rocks are locally foliated and generally show weak to moderate chlorite alteration.

Several narrow, north-trending bands of sediments occur within the volcanics. These rocks include marble, calc-silicate, chert, quartzite and banded iron formation. The most continuous zone is a 50 metre wide unit of chert and magnetite iron formation which outcrops intermittently from Little Woman Lake to Shanty Bay. The iron formation unit consists of interlayered magnetite and chert bands. Local sulphide replacement occurs within this unit.

Medium-grained, equigranular granite of the Trout Lake Batholith outcrops to the south-southeast of the property. Minor biotite-hornfelsing has occurred in the rocks immediately surrounding the intrusion. Elsewhere on the property, small outcrops of fine-grained diorite have been observed locally.

Based on stratigraphic and aeromagnetic data, several east-west fault structures are interpreted to transect the Property. It is thought that these may control quartz veining and potential gold mineralization (Falls, 2002).

DEPOSIT TYPES

A variety of mineral occurrences are known to occur within the Birch-Uchi greenstone belt (Stott and Corfu, 1992; Devaney, 2001). Work on the current Shanty Bay Claims has to date focussed on exploration for mesothermal lode gold deposits. The characteristics of these deposits are described below. The information provided below has been summarized by Falls (2002) of Fronteer, based on ore deposit models described by Wilton 1998 and on information in Parker and Atkinson, 1992.

Mesothermal Gold Deposits

According to data in Parker and Atkinson, (1992), there are over 150 gold “deposits” in the Birch-Confederation lakes area, the majority of which are structurally controlled, gold-bearing quartz veins hosted by shear zones. Structural controls form linear belts and aureoles associated with emplacement of adjacent intrusive complexes. It is noted that these veins are influenced by stratigraphy and that the majority of veins are hosted within what are referred to as Cycle II metavolcanic-metasedimentary belts. Veining in the belt can be associated with broad zones of alteration and disseminated sulphides and gold.

According to Wilton, (1998) quartz-carbonate vein gold deposits are often associated with major regional fault and fracture systems. They are believed to form when hydrothermal fluids, containing gold derived from a large volume of rock within deeply rooted fault systems, migrate to higher levels where they react with country rocks and precipitate to form auriferous quartz- carbonate veins. Gold in these veins typically occurs as free gold, electrum or as intergrowths within arsenopyrite or pyrite.

MINERALIZATION

The Shanty Bay property hosts two historic gold showings, known as the “Main Showing” (Reid 1989) or “Shanty Showing” (Falls 2002), and the “Quartz Dome Showing”.

The Quartz Dome Showing is hosted by a north-trending quartz vein up to 15 metres wide, which is exposed intermittently over a strike length of approximately 100 metres (Falls 2002). A grab sample taken by Fronteer (2002; sample 347900) from the eastern margin of the vein assayed 6.29 g/t gold and consisted of quartz vein material with inclusions of chlorite and iron-carbonate-altered mafic volcanics.

At the Shanty Showing mineralization occurs as a zone of pyritization and silicification along the contact between a north-trending felsic dyke and ferruginous chert. The zone is approximately 2 metres wide, with an exposed strike length of 12 metres. In 2001 Fronteer took a series of grab and chip samples, with assays ranging from 0.02 g/t Au to 11.43 g/t Au, with the 11.43 g/t assay coming from a 1.2 metre chip across highly pyritic, silicified chert. Fronteer’s sampling at the Shanty Showing is summarized in Table 2. Previously, Sherritt Gordon reported intersecting 0.01 oz/t over 3 feet (Allen 1983) and Noranda reported an 8.06 g/t Au over 1.1 metre from a channel sample in a well mineralized banded chert (Reid 1989).

EXPLORATION

In November, 2007 the Company conducted a limited trenching and sampling program, along the northern margin of the Shanty showing using a 320 Caterpillar excavator. A 36 m long trench 30 m north of the Shanty Showing was completed to test for the northern strike extension of the pyritic silicified chert horizon. The entire trench was channel sampled using one metre sample lengths. Similar lithologies to those of the Shanty Showing are present within the stripped area. One sample assayed 1.57 g/t gold over 1.0 metres associated to millimetre-scale quartz carbonate veinlets within a mafic volcanic. The actual zone of pyritic silicified chert horizon was not exposed. The review of the ICP data does not indicate any anomalous trends. The 35 samples were delivered to Accurassay Laboratories of Thunder Bay for gold and a 36 element ICP scan.

Assay results for the 35 samples of the Property, are as follow:

No. of Samples	Sample Type	Assay (ppb Au)
13	1.0 m channels	<5
17	1.0 m channels	5 to 10
4	1.0 m channels	11 to 15
1	1.0 m channel	1572

No work on the Property has been done by Perry English, Triple Dragon Resources Inc. or Rubicon Minerals Inc.

DRILLING

As of the writing of this report, Magna has not performed any drilling of its own. See "Property History" for previous drilling on the property.

SAMPLING METHOD AND APPROACH

Work performed by the Company in November, 2007 on the Property consisted of channel sampling using a gas powered saw with a diamond saw blade. Two parallel saw cuts one to two inches deep averaging one and a half inches wide were made down the entire length of exposed bedrock. Cross cuts were made every one metre interval or where geological contacts dictated. The cut sections were then "popped out" using a chisel and hammer and placed into clear plastic sample bags labelled with sample number and containing a sample tag displaying the same sample number. The samples were then tied shut by flagging tape. The sample locations and bedrock geology were then recorded on a 1:200 scale trench map with the ends of the trench located with a GPS. The samples were then transported by the geologist to the Accurassay Labs.

SAMPLE PREPARATION, ANALYSIS AND SECURITY

The rock samples are first entered into Accurassay Laboratories Local Information System (LIMS). The samples are dried, if necessary and then jaw crushed to –8mesh, riffle split, a 250 to 400 gram cut is taken and pulverized to 90%-150 mesh, and then matted to ensure homogeneity. Silica sand is used to clean out the pulverizing dishes between each sample to prevent cross contamination. For soils the sample is dried and screened through –80 mesh. The –80 portion is fired in the assay lab. For humus, it is dried and the entire sample is blended until larger parts are broken down and then sent to fire assay. The homogeneous sample is then fired in the fire assay lab. The sample is mixed with a lead based flux and fused for an appropriate length of time. The fusing process results is a lead button, which is then placed in a cupelling furnace where all of the lead is absorbed by the cupel and a silver bead, which contains any gold, platinum and palladium, is left in the cupel. The cupel is removed from the furnace and allowed to cool. Once the cupel has cooled sufficiently, the silver bead is placed in an appropriately labelled small test tube and digested using a 1:3 ration of nitric acid to hydrochloric acid. The samples are bulked up with 1.0 mls of distilled deionized water and 1.0 mls of 1% digested lanthanum solution. The total volume is 3.0 mls. The samples cool and are vortexed. The contents are allowed to settle. Once the samples have settled they are analyzed for gold, platinum and palladium using atomic absorption spectroscopy. The atomic absorption spectroscopy unit is calibrated for each element using the appropriate ISO 9002 certified standards in an air-acetylene flame. The results for the atomic absorption are checked by the technician and then forwarded to data entry by means of electronic transfer and a certificate is produced. The Laboratory Manager checks the data and validates it if it is error free. The results are then forwarded to the client by fax, email, floppy or zip disk, or by hardcopy in the mail.

A 10 gram cut is taken from the homogenized sample for base metals and ICP samples. Silica sand is used to clean out the pulverizing dishes between each sample to prevent cross contamination. The homogeneous sample is then weighed up in the wet lab for ICP analysis. The sample is then digested using a 1:3 ration of nitric acid to hydrochloric acid. Each sample is allowed to cool, and 2.0 mls of hydrochloric acid and bulked to a final volume of 12.0 mls with distilled deionized water and vortexed. The contents are allowed to settle. Once the samples have settled they are analyzed for a variety of metals using ICP-AES (Inductively Coupled Plasma – Atomic Emission Spectroscopy). The ICP-AES unit is calibrated for each element using the appropriate ISO 9002 certified standards in an argon plasma flame. The results for the ICP-AES are checked by the technician and then forwarded to data entry by means of electronic transfer and a certificate is produced. The Laboratory Manager checks the data and validates it if it is error free.

Quality Control

Accurassay Laboratories employs an internal quality control system that tracks certified reference materials and in-house quality assurance standards. Accurassay Laboratories uses a combination of reference materials, including reference materials purchased from CANMET, standards created in-house by the laboratory, and certified calibration standards. Should any of the standards not fall within an acceptable range, reassays will be performed with a new certified reference material. The number of reassays depends on how far the certified reference material falls outside it's acceptable range.

Additionally, Accurassay Laboratories verifies the accuracy of any measuring or dispensing device (i.e scales, dispensers, pipettes, etc.) on a daily basis and are corrected as required.

DATA VERIFICATION

The data presented has come primarily from the assessment files at the Red Lake District Geologist's Office.

On November 18th, 2007, Andrew Tims visited the Property for one day to verify the location of the Shanty Showing, determine access to the site and to layout a sample trench. He observed that the logging road had been extended to within 30 metres from the Shanty Showing. The Shanty Showing is an overgrown striped area with evidence of limited blasting of the outcrop and sample sites identified by faded sample numbers on flagging tape. The immediate area of the showing hosts numerous well vegetated shallow overburden trenches where previous operators had tested for bedrock. The sampling of the 36 metre trench 30 metres north of the Shanty Showing returned an assay of 1572 ppb gold over 1.0 metres. A breakdown of the 35 samples taken is presented in Table 4 of the Cullen Report.

On May 21st, 2008, A. Tims visited the property completing 6 chip samples across the Shanty showing. All samples returned elevated gold values with a maximum of 3.618 g/t Au from a 2.6 m wide interval of Chert Iron Formation hosting 15-20% Py. The results of the A. Tims sampling of the Shanty Showing are summarized in Table 4 below.

Table 4. Assay Results from A. Tims' Sampling of the Shanty Showing

Sample No.	Sample Type	Assay (g/t Au)
SB1	2.5 m chip	0.136
SB2	2.4 m chip	0.156
SB3	3.0 m chip	0.112
SB4	2.6 m chip	3.618
SB5	4.0 m chip	0.032
SB6	5.2 m chip	0.274

MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical testing has been reported by previous workers on mineralization from the Shanty Bay Property. The Company has not performed any metallurgical testing or processing on mineralization from the Shanty Bay Property.

MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

No mineral resource or mineral reserve estimates have been reported by previous workers on mineralization from the Property. Neither the Company or the authors of the Cullen Report have performed any mineral resource or mineral reserve estimates on the Property.

OTHER RELEVANT DATA AND INFORMATION

The Company is advised by the authors of the Cullen Report that they are unaware of any further data or relevant information that could be considered of any practical use in the Cullen Report and that they are not aware of any material fact or material change with respect to the subject matter of the Cullen Report that is not reflected in the Cullen Report, the omission to disclose which makes the Cullen Report misleading.

INTERPRETATION AND CONCLUSIONS

The Property hosts two known gold showings, referred to as the Shanty Showing and the Quartz Dome Showing.

The Quartz Dome Showing is hosted by a north-trending quartz vein up to 15 metres wide, which is exposed intermittently over a strike length of approximately 100 metres (Falls 2002). A grab sample taken by Fronteer (2002; sample 347900) from the eastern margin of the vein consisted of quartz vein material with inclusions of chlorite and iron-carbonate-altered mafic volcanics, and assayed 6.29 g/t gold.

At the Shanty Showing mineralization occurs as a zone of pyritization and silicification along the contact between a north-trending felsic dyke and ferruginous chert. The zone is approximately 2 metres wide, with an exposed strike length of 12 metres. In 2001 Fronteer took a series of grab and chip samples, with assays ranging from 0.02 g/t Au to 11.43 g/t Au, with the 11.43 g/t assay coming from a 1.1 metre chip across highly pyritic, silicified chert. Previously, Sherritt Gordon reported intersecting 0.01 oz/t over 3 feet (Allen 1983) and Noranda reported an 8.06 g/t Au over 1.1 metre from a channel sample in a well mi*neralized banded chert (Reid 1989).* Assaying of the channel samples taken by the Company produced a 1 metre section of 1572 ppb gold in a trench 30 metres north from the margin of the Shanty Showing.

While Fronteer's (2002) geological interpretation of the property shows the chert formation extending the full length of the property in a north-south direction (based on their airborne magnetics survey, see Fig. 4), mapping of the property by Sherritt Gordon (Allen 1984) did not locate the chert/chemical metasediments south of the Shanty Showing. This may have been due to the sediment horizon being narrower than interpreted, combined with an irregular contact as indicated in Fig. 4.

The recent extension of a local logging road to within approximately 400 metres of the Shanty Showing indicates that the area south of, and possibly around the Shanty Showing may be logged and scarified in the near future; operations that often have a tendency to expose more rock outcrop.

RECOMMENDATIONS

Future work on the Property should focus on trying to extend the known mineralization at both the Shanty Showing and the Quartz Dome Showing.

Given that the claims appear to have been well-prospected and mapped in the past, and Magna has until January of 2009 to file work for assessment to keep the claims in good standing (see Table 1. "Shanty Bay Property Claims"); it is recommended that Magna contact Weyerhauser to see if they plan to clear-cut the area in the near future. The cutting and possible subsequent scarifying may result in new rock exposures on the property, which could then be prospected, stripped and sampled.

The presence of the new road to within 30 metres of the Shanty showing may allow Magna to bring in an excavator to do intensive mechanical stripping/trenching around the Shanty Showing and possibly at the Quartz Dome Showing. Any mechanical stripping at the Quartz Dome will have to be done carefully as the showing is right on the shore of Woman Lake, and the stripping will have to be kept away from the lake.
This work should be followed up with a short (~500 metre) diamond drilling program to test both the Shanty and Quartz Dome Showings. Exact locations of the drill holes should be determined after the trenching and sampling is finished, as that work should aid in refining potential targets.

A budget of **$149,125** is proposed to carry out the recommended program. It is the opinion of the authors that the property is of sufficient merit to justify the proposed exploration program.

Proposed Budget

Mechanical stripping / trenching	
Mobilization (from Ear Falls)	3,000.00
Excavator (120 hours @$125/hour)	15,000.00
Mapping, Prospecting and Sampling	
1 geologist for 15 days @ $500/day	7,500.00
1 assistant for 15 days @ $375/day	5,625.00
Room and Board	
2 people 15 days @ $150/day	4,500.00
Pump, Hoses, Rock saw and Blades	
15 days @ $300/day	4,500.00
Transportation	
Quad, truck	
15 days @ $200/day	3,000.00
Assays 100 @ $15/sample	1,500.00
Reports and Maps	3,000.00
Contingencies	4,000.00
SUB-TOTAL	**$51,625.00**

Diamond Drilling	
500 metres - $175/metre (all inclusive)	87,500.00
Report and Maps	5,000.00
Contingencies	5,000.00
TOTAL	**$149,125.00”**

The Company will retain qualified contractors to carry out the planned exploration program under the supervision of a Qualified Person who will be responsible for obtaining all necessary permits as required, to conduct the planned exploration program.

USE OF PROCEEDS

Funds Available

The gross proceeds of the Offering are $320,000. The estimated net proceeds of the Offering after deduction of the anticipated Agent’s Commission of $32,000 are $288,000.

The total funds available to the Company at the close of the Offering including the estimated working capital of $128,864 as at June 30, 2008 and the net proceeds of the Offering of $288,000 are estimated to be $416,864.

Due to the nature of the resource industry, budgets are regularly reviewed in light of the success of the expenditures and other opportunities which may become available to the Company. The Company intends to spend its allocated available funds as stated in this Prospectus. There may be circumstances however, where for sound business reasons, a reallocation of the funds available may be necessary. The principal purposes for which the funds available are intended to be used are:

Description	**Amount**
To pay the balance of the cost of the Offering	$35,000
To pay CNQ monthly fees for 12 months	3,600
To pay the balance of the CNQ listing fee	8,400
To carry out Phase 1 Recommendations from the Cullen Report	149,125
To pay a Property payment in March, 2009	$20,000
To pay estimated general and administrative expenses for 12 months (1)	99,920
To provide general working capital to fund ongoing operations and expansion	100,819
Total Available Funds (Net Proceeds plus working capital)	$416,864

(1) Expenses include transfer agent fees of $7,920, accounting and filing of quarterly reports of $5,000, audit fees of $15,000, general administrative expenses $24,000 and legal and regulatory filing fees of $48,000 related to possible further acquisitions, financings, annual general meeting costs. There are no acquisitions or financings contemplated at this time.

See “*Use of Proceeds*” and “*Plan of Distribution*”.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

SELECTED FINANCIAL DATA

The following table sets out selected financial information for the periods indicated:

	Nine Months Ended April 30, 2008	**Period from October 4, 2006 (date of inception) to July 31, 2007**
Operations		
Revenues	Nil	Nil
Net Loss	$57,808	$692,728
Basic and diluted loss per Share	($0.007)	($0.57)
Balance Sheet		
Working capital	$136.290	$276,022
Total Assets	$258,157	$304,945

The Company is not a reporting issuer and as a result has not prepared quarterly financial statements for the period ended July 31, 2007.

Management Discussion and Analysis of Operating Results and Financial Condition for the Fiscal Period Ended July 31, 2007 and the Nine Months Ended April 30, 2008.

The Company was incorporated on June 5, 2006 and commenced operations on August 1, 2006. For the period from June 5, 2006 to July 31, 2007 and for the nine months ended April 30, 2008 and to the date of this Prospectus the Company's only source of revenue has been interest income of $5,149, offset by stock based compensation expense of $681,150, legal fees of $49,623, accounting fees of $12,088, transfer agent and filing fees of $12,395 and bank charges of $429. At April 30, 2008, the Company had a deficit of $750,536. The Company's only source of financing has been the prior issue of 7,910,000 Shares for gross cash proceeds of $307,600 as at the date of this Prospectus. *See "General Development of the Business"*, "*The Company's Business*", "*Description of Share Capital*" and "*Prior Sales*".

BACKGROUND

The following discussion and analysis, prepared as of May 31, 2008, should be read together with the audited financial statements for the period ended July 31, 2007 and related notes attached thereto and the interim financial statements for the nine months ended April 30, 2008, included elsewhere in this Prospectus, which are prepared in accordance with GAAP, as well as the disclosures contained throughout this Prospectus. All amounts are stated in Canadian dollars unless otherwise indicated.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

The Company was incorporated as 0759719 B.C. Ltd. on June 5, 2006 under the laws of British Columbia. On July 26, 2006 the Company changed its name to Magna Resources Ltd. The Company commenced operations on August 1, 2006.

The Company is a junior resource company engaged in the business of acquiring, exploring and evaluating natural resource properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is complete. The Company currently has an option to acquire the Shanty Bay Claims located in the Province of Ontario. See "*The Company's Property*" and "*Material Contracts*".

PERFORMANCE SUMMARY DURING THE PERIOD

During the period under review, the Company entered into the Shanty Bay Assignment Agreement and has an option to acquire the Shanty Bay Claims. See *"The Company's Business"*, *"The Company's Property"* and *"Material Contracts"*.

INITIAL FINANCING

Since incorporation, the Company has raised $307,600 privately through the sale of its Shares. See *"General Development of the Business"* and "*Prior Sales"*.

RESULTS OF OPERATIONS

The Company incurred a net loss of $692,728 for the year ended July 31, 2007. No comparison is available since the Company was incorporated on June 5, 2006 and commenced operations on August 1, 2006. The net loss of $692,728 was due to stock based compensation of $682,500, legal fees of $10,683, bank charges of $80, and filing fees of $540, which where offset by interest income of $1,075.

The Company incurred a net loss of $57,808 for the nine months ended April 30, 2008 comprised of legal fees of $38,940, accounting fees of $12,088, transfer agent and filing fees of $11,855 and bank charges of $349, which were offset by a decrease of $1,350 in stock based compensation and interest income of $4,074. During the same period ended April 30, 2007, the Company incurred a net loss of $6,939.

Due to start up operations, management foresees some changes to its expenses during the coming year resulting from its exploration activities.

These expenses are contingent upon the Company's ability to fund its projects through the Offering, private placements and other forms of financing. In the event that the Company does not receive the required funding, management will review all on-going expenditures and take the appropriate action.

As at April 30, 2008, the Company had cash and cash equivalents of $139,763, GST receivable of $3,970 and accounts payable and accrued liabilities of $7,443, for total working capital of $136,290.

LIQUIDITY

The Company has financed its operations to date through the issuance of Shares. The Company will continue to seek capital through the issuance of Shares and/or debt.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

	April 30, 2008	July 31, 2007
Working capital	$136,290	$ 276,022
Total Deficit	$(750,536)	$(692,728)

Net cash used in operating activities for the year ended July 31, 2007 was $9,406 consisting of the net loss for the year and increases in GST receivables and accounts payable.

Net cash used in operating activities for the nine months ended April 30, 2008 was $73,931 consisting of the net loss for the period, a decrease in stock based compensation expense and increases in receivables, deferred exploration expenses and accounts payable.

Net cash used in investing activities for the period ended July 31, 2007 was $20,000, consisting of property acquisition costs. Net cash used in investing activities for the nine months ended April 30, 2008 was $16,000 consisting of property acquisition costs. See "*The Company's Property*".

Financing activities provided net cash of $306,250 during the period ended July 31, 2007 due to the issue of 6,500,000 Shares at a price of $0.02 per Share and 1,410,000 Shares at $0.125 per Share.

Net cash used in financing activities during the nine months ended April 30, 2008 was $47,150, comprised of $48,000 of deferred charges less $1,350 raised through share issuances.

The Company will continue to require funds for exploration work on the Property as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity will be available to the Company in the amount required at any particular period or if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term or none are presently contemplated other than as disclosed above and /or over normal operating requirements.

Upon receiving the final receipt for this Prospectus by the Alberta, British Columbia and Ontario securities commissions and upon completion of the Offering the Company will have a total of 10,0100,000 Shares assuming the Agent does not elect to receive the Commission Shares. Please see "*Description of Share Capital*" and "*Plan of Distribution*".

SUBSEQUENT EVENTS

There are no subsequent events.

RELATED PARTY TRANSACTIONS

On October 27, 2006, the Company entered into the Shanty Bay Assignment Agreement with Triple Dragon Resources Inc. and Rubicon Minerals Inc. Rudy de Jonge, a director and President and CEO of the Company, was a promoter and shareholder of Triple Dragon Resources Inc. at the time. See *"The Company's Property"* and *"Material Contracts"*.

CRITICAL ACCOUNTING PRINCIPLES

Management has prepared the financial statements of the Company in accordance with GAAP. Figures are stated in Canadian dollars. The financial statements are audited and have been reviewed by the Company's Audit Committee. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates

Stock Based Compensation

The Company follows the recommendations of the Canadian Institute of Chartered Accounts ("CICA") with respect to CICA Handbook Section 3870 "Stock-Based Compensation and Other Stock- Based Payments". The recommendations require the recognition of all stock-based compensation awards based on the fair value method of accounting. Any consideration paid by directors and employees on exercise of stock options is credited to share capital.

During the period ended July 31, 2007, the Company issued 6,500,000 at $0.02 per Share. These Shares were re-valued at $0.125 per Share and the Company recognized a stock based compensation of $682,500. On February 29, 2008 4,070,000 Shares issued at $0.02 per Share and 760,000 Shares issued at $0.125 per Share were returned to treasury and the Company issued 4,070,000 Shares at $0.025 per Share and 760,000 Shares at $0.10 per Share. As a result, the Company recognized a net reduction in stock based compensation expense of $1,350.

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding Shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's Shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. As at April 30, 2008 and as at the date of this Prospectus, the Company has not granted any stock options.

Mining Properties and Deferred Exploration Expenditures

The cost of mining properties and related exploration and development costs are capitalized and deferred until the properties are placed into production, sold, abandoned or determined by management to be impaired. These costs will be amortized over the useful life of the properties following the commencement of commercial production or written off if the properties are sold, allowed to lapse, abandoned, or impaired. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. It is reasonably possible that commercial quantities of ore may not be discovered and accordingly a material portion of the carrying value of mining properties and related deferred exploration expenditures could be written off.

Costs associated with the evaluation of mining opportunities are expensed as incurred. Should the Company successfully discovered economically recoverable reserves on these mining opportunities, all future costs associated with developing or exploring ore will then be capitalized.

Although the Company has taken steps to verify title to mining property in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company’s title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected title defects. See “*Risk Factors*”.

Dividends

The Company has not paid any dividends on its Shares. The Company has no present intention of paying dividends on its Shares, as it anticipates that all available funds will be invested to finance the growth of its business.

Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. This would include obligations related to future removal of property and equipment, and site restoration costs. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. The Company currently does not have any significant asset retirement obligations.

INVESTOR RELATIONS

The Company has not entered into any investor relations contracts and all investor relation activity is carried out by directors and officers of the Company.

FINANCIAL INSTRUMENTS

Section 3855 Financial Instruments – Recognition and Measurement

This section describes the standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Under the new standard, all financial instruments will be classified as one of the following: Held-to-maturity; Loans and receivables, Held-for-trading; or Available-for-sale. Financial assets and liabilities held-for-trading will be measured at fair value with gains and losses recognized in net income. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading, will be measured at amortized cost. Available-for-sale financial instruments will be measured at fair value with unrealized gains and losses recognized in other comprehensive income. The standard also permits designation of any financial instrument as held-for-trading on initial recognition.

Section 3861 Financial Instruments – Disclosure and Presentation

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. Upon adoption of these new standards, the Company designated its cash and cash equivalents as held-for-trading and its account payable and accrued liabilities as other financial liabilities. The fair values of these financial instruments approximate their carrying values because of their short term nature. The unrealized gains and losses on financial assets classified as available-for-sale are recorded in the statement of comprehensive income on a net of tax basis. In management's opinion the Company is not exposed to significant interest rate, currency exchange rate or credit risk arising from these financial instruments. The Company is not exposed to derivative financial instruments.

The Company will continue to require funds for ongoing exploration work on its Property as well as to meet its ongoing day-to-day operating expenses and will have to continue to rely on equity and debt financing during such period. There can be no assurance that any such financing, whether debt or equity, will always be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over the near or the long term and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

Upon completion of the Offering the Company will have a total of 10,010,000 Shares issued and outstanding assuming the Agent does not elect to receive the Commission Shares. See "*Description of Share Capital*" and "*Plan of Distribution*".

RISK AND UNCERTAINTIES

The Company competes with other junior mineral exploration companies, some of which have greater financial resources and technical facilities. The business of mineral exploration and extraction involves a high degree of risks and few properties that are explored are ultimately developed into production. In addition to specific risks disclosed throughout this discussion, other risks facing the Company include competition, reliance on third parties, environmental and insurance risks, statutory and regulatory requirements, metal prices and foreign currency fluctuations, Share price volatility and title risks.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation as of the end of the period covered by the annual filings, that the Company's disclosure controls and procedures as of the end of such period are effective to provide reasonable assurance that material information related to the Company, is made known to them by others within those entities. It should be noted that while the Company's Chief Executive Officer and Chief Financial Officer believe that the Company's disclosure and controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and the Chief Financial Officer of the Company are responsible for designing a system of internal controls over financial reporting, or causing them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with Canadian generally accepted accounting principles. Management of the Company has designed and implemented a system of internal controls over financial reporting which we believe is effective for the Company's size. During the review of the design of the Company's control system over financial reporting it was noted that due to the limited number of staff, there is an inherent weakness in the system of internal controls due to the Company's inability to achieve appropriate segregation of duties. The limited number of staff may also result in identifying weaknesses with respect to accounting for complex and non-routine transactions due to a lack of technical resources, and a lack of controls governing the Company's computer systems and applications within the Company. While management of the Company has put in place certain procedures to mitigate the risk of a material misstatement in the Company's financial reporting, it is not possible to provide absolute assurance that this risk can be eliminated.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement dated July 18, 2008 between the Company and the Agent, the Company has appointed the Agent to act as its exclusive agent to offer for distribution in the Selling Jurisdictions, on a commercially reasonable efforts basis, in accordance with the terms of the Agency Agreement subject to prior sale, if, as and when issued by the Company, 2,000,000 Offered Shares at a price of $0.16 per Offered Share to raise gross proceeds of $320,000. The Agent may enter into selling arrangements with other investment dealers at no additional cost to the Company.

The Agent will receive a commission of $0.016 per Share (10% of the gross proceeds) payable in cash or Commission Shares, at the election of the Agent. The Company has paid the Agent a non-refundable corporate finance fee of $25,000 plus $1,500 GST and a $20,000 deposit toward the Agent's reasonable fees and disbursements including legal fees. The Agent will receive a non-transferable option to acquire that number of Shares equal to 10% of the aggregate number of Shares sold under the Offering. The Agent's Compensation Options are exercisable at any time, in whole or in part, at a price of $0.16 per Agent's Compensation Share within two years of the date of Closing of the Offering. The Agent will also have the right of first refusal to act as the Company's agent in respect of any further brokered equity financings that the Company proposes to undertake within 12 months of the Closing of the Offering.

NI 41-101 imposes a restriction on the maximum number of securities which may be distributed under a prospectus to an Agent as compensation ("Qualified Compensation Securities"). Pursuant to NI 41-101, the aggregate Qualified Compensation Securities must not exceed 10% of the Offered Securities, which in the case of the Offering is 200,000 common shares. For the purposes of this Offering, any of the following are Qualified Compensation Securities and are qualified for distribution by this Prospectus: (a) in the event that the Agent elects to receive Commission Shares, up to a maximum of 200,000 Commission Shares; or (b) 200,000 Agent's Compensation Options; or (c) any combination of Commission Shares and Agent's Compensation Options totalling a maximum of 200,000. To the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Securities, such securities will not be Qualified Compensation Securities, will not qualified for distribution under this Prospectus, and will be subject to a hold period in accordance with applicable securities laws.

The obligation of the Agent under the Agency Agreement may be terminated at its discretion on the basis of its assessment of the state of financial markets or upon the occurrence of certain stated events. The Agent has reserved the right to offer selling group participation in the Offering to other registered representatives. Any fee paid to such selling group will be paid by the Agent out of it's fee. The Offering price of the Offered Securities was determined by negotiations between the Company and the Agent.

The Agent hereby conditionally offers, as Agent on behalf of the Company, 2,000,000 Offered Shares on a commercially reasonable efforts basis, subject to prior sale if, as, and when issued. Until such time as

Closing has occurred, all subscription funds received by the Agent will be held by the Agent. The Closing Date can be no later than 90 days after the final Prospectus receipt date unless the Company receives a receipt for an amendment to the Prospectus. If the Offering has not been fully subscribed for prior to the Closing Date (or such longer period as may have been consented to by the Alberta, British Columbia and Ontario securities commissions and each of the persons or companies who have subscribed for Offered Shares), the Agent shall promptly return the proceeds of subscriptions without interest or deduction unless such subscribers have otherwise instructed the Agent. Subscriptions will be received subject to rejection in whole or in part and the right is reserved to close the subscription books at any time without notice.

The Shares offered hereby have not been and will not be registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold within the United States or to U.S. persons except in certain transactions exempt from the registration requirements of the United States *Securities Act of 1933*.

LISTING APPLICATION

The CNQ has conditionally accepted the listing of the Company's common shares on the CNQ. Listing is subject to the Company fulfilling all the requirements of the CNQ which includes completion of the distribution of the Offered Shares to a minimum number of public shareholders.

DESCRIPTION OF SHARE CAPITAL

As of the date of this prospectus, Magna Resources Ltd. does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, U. S. marketplace or a marketplace outside of Canada and the United States of America other than the Alternative Market of the London Stock Exchange and or the PLUS markets operated by PLUS Markets Group plc.

General

The Company is authorized to issue an unlimited number of Shares without par value, of which as of the date hereof 8,010,000 Shares are issued and outstanding as fully paid and non-assessable.

The holders of the Shares are entitled to dividends if, as and when declared by the directors, to one vote per Share at meetings of the holders of Shares and upon distribution or winding up of the Company, to receive such assets of the Company as are distributable to the holders of the Shares. The Shares to be outstanding upon completion of this Offering will be fully paid and non-assessable.

Subscriptions for the Offered Shares will be payable in cash against delivery of the Share certificates representing the Shares. Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

PRIOR SALES

The Company initially issued 1 Share at a price of $0.01.

On October 27, 2006 the Company issued 30,000 Shares to Rubicon Minerals Inc. pursuant to the Shanty Bay Assignment Agreement. See "*Selected Financial Information and Management Discussion and Analysis*", "*The Company's Property"* and "*Material Contracts*". On March 14, 2007, the Company issued 30,000 Shares to Rubicon Minerals Inc. pursuant to the Shanty Bay Assignment Agreement.

On May 31, 2007 the Share issued at a price of $0.01 was returned to treasury.

On February 29, 2008. 4,070,000 Shares previously issued at a price of $0.02 per Share and 760,000 Shares previously issued at a price of $0.125 per Share were returned to Treasury. The Company issued 4,070,000 Shares at a price of $0.025 per Share and 760,000 Shares at a price of $0.10 per Share. The

4,070,000 Shares and the 760,000 Shares are subject to a hold period of four months expiring on June 30, 2008 in addition to being held in escrow. See "*Escrowed Securities*".

On March 17, 2008, 40,000 Shares were issued at a fair value of $0.125 per Share as the second anniversary payment pursuant to the Shanty Bay Assignment Agreement. The 40,000 shares are subject to a hold period of 4 months expiring on July 18, 2008.

As at the date of this Prospectus, the Company has issued and outstanding 2,430,000 Shares at a price of $0.02 per Share, 4,070,000 Shares at a price of $0.025 per Share, 760,000 Shares at a price of $0.10 per Share and 750,000 Shares at a price of $0.125 per Share for an aggregate total of 8,010,000 Shares issued and outstanding, representing 80.02% of the issued and outstanding Shares upon completion of the Offering. During the period ended July 31, 2007, the Company re-valued the 6,500,000 Shares issued at $0.02 per Share to $0.125 per Share and recognized a stock based compensation of $682,500.

Pursuant to the Escrow Agreement, 2,430,000 Shares issued at a price of $0.02, 4,070,000 Shares issued at a price of $0.025 and 760,000 Shares issued at a price of $0.10 have been escrowed. 726,000 Shares will be released from escrow on the first day of trading of the Company's Shares on a stock exchange or quotation system. Thereafter 1,089,000 Shares will be released six, twelve, eighteen, twenty four, thirty and thirty six months after the first release date.

The possible sale of the released Shares on each release date could negatively affect the market price of the Company's Shares and also result in an excess of sellers of Shares to buyers of Shares and seriously affect the liquidity of the Shares. See "*Escrowed Securities*" and "*Risk Factors*".

Number of Shares	**Price Per Share ($)**	**Total Consideration ($)**	**Date Issued**	**Date Returned to Treasury**
1	0.01	0.01	June 5, 2006	
30,000 (1)	0.125	-	October 27, 2006	
-1	-0.01	-0.01		May 31, 2007
6,500,000	0.02	130,000	May 31, 2007	
30,000 (1)	0.125	-	May 31, 2007	
1,410,000	0.125	176,250	June 30, 2007	
-4,070,000	-0.02	-81,400		February 29, 2008
-760,000	-0.125	-95,000		February 29, 2008
4,070,000	0.025	101,750	February 29, 2008	
760,000	0.10	76,000	February 29, 2008	
40,000 (1)	0.125	-	March 17, 2008	
Total 8,010,000		307,600		

(1) 100,000 Shares have been issued to Rubicon Minerals Inc. pursuant to the Shanty Bay Assignment Agreement. The Shares were recorded at the fair value of $0.125 per Share.

CAPITALIZATION

The following table sets for the capitalization of the Company as at the date of this Prospectus. The table should be read in conjunction with the financial statements of the Company appearing elsewhere in this Prospectus.

	Authorized	**Outstanding as at the date of this Prospectus**	**Outstanding after giving effect to the Offering**
Shares	(unlimited)	8,010,000	10,210,000 (1)

(1) Assumes the Agent elects to receive 200,000 Commission Shares in lieu of cash commission.

DILUTION FACTORS

Offering	Per Share	
Net tangible book value per Share before the Offering as at February 29, 2008, (8,010,000 Shares issued)	$262,960	$0.0328
Increase in Net Tangible Book Value per Share attributable to the Offering (2,000,000 Shares issued)	$320,000	$0.16
Net Tangible Book Value per Share after the Maximum Offering (10,010,000 Shares issued) assuming the Agent does not elect to receive the Commission Shares.	$570,714	$0.0570
Dilution to subscribers		$0.1030
Percentage of dilution in relation to the subscription price		64.375%

Non-Eligibility for Registered Plans
The Offered Shares do not currently qualify as “qualified investments” for trusts governed by registered retirement savings plans, registered retirement income funds and registered education savings plans (“Deferred Plans”) under the *Income Tax Act* (Canada) (the “Tax Act”) as the Company is neither a “public corporation” or a “small business corporation” as those terms are defined in the Tax Act. A public corporation is defined in the Tax Act as a corporation that, among other things, must have no fewer than 150 persons, other than insiders of the corporation, with each person holding not less than a block of shares, with a block of shares meaning 100 shares. In addition each person’s shareholdings must be worth a minimum of $500.

OPTION TO PURCHASE SECURITIES

Options
The Company has not granted any options to purchase securities, however the Company does have a stock option plan in place.

Under the stock option plan the Company can issue up to 10% of the issued and outstanding Shares as incentive stock options to directors, officers, insiders, employees and other service providers to the Company. The stock option plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total issued Shares of the Company in any 12 month period. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued Shares of the Company. As well, stock options granted under the plan may be subject to vesting provisions as determined by the Board of Directors.

PRINCIPAL SHAREHOLDERS

The following table sets out the number of Shares owned by the Company's principal shareholders who own more than 10% of the issued Shares of the Company, as at the date of this Prospectus and the percentage of Shares known to the Company to be owned by its principal shareholders before and after the completion of this Offering.

Name of Principal Shareholder	Ownership	Number of Shares owned before the Offering	Percentage of Shares before the Offering	Number of Shares owned after completion of the Offering (1)	Percentage of Shares after completion of the Offering (2)
Rudy de Jonge	direct	1,250,000	15.61%	1,250,000	12.49%
John A. Greig	direct	1,540,000	19.23%	1,540,000	15.38%
C. Michael O'Brian	direct	1,340,000	16.73%	1,340,000	13.39%
Raymond A. McLean	direct	1,440,000	17.98%	1,440,000	14.39%
Darryl Yea	direct	1,390,000	17.35%	1,390,000	13.89%

(1) These Shares will be held in escrow pursuant to the Escrow Agreement.
(2) Assuming the principal shareholder do not participate in the Offering and that the Agent does not elect to receive the Commission Shares.
(3) The shareholdings on a fully diluted basis are as follows:

Rudy de Jonge	12.24%
John A. Greig	15.08%
C. Michael O'Brian	13.12%
Raymond A. McLean	14.10%
Darryl Yea	13.61%

DIRECTORS AND OFFICERS

Name, Address, Occupation and Security Holding

The following table sets information regarding each of the Company's directors and officers, including the municipality of residence, the position and office held and the period of time served in this position, their principal occupation for the previous 5 years and the number and percentage of securities beneficially owned, directly or indirectly, or over which control or direction is exercised.

Name Municipality of Residence and Position Held	**Date Appointed**	**Principal Occupation in the previous 5 years**	**Number and Percentage of Shares Held After Offering** (2)
Rudy de Jonge Vancouver, BC, Canada Director, Chief Executive Officer and President	June 5, 2006	1995 – present: Self-employed, St. Cloud Mining Services Inc.	1,250,000 12.49%
John A. Greig Delta, BC, Canada Director	Nov. 21 2006	Retired	1,540,000 15.38%
C. Michael O'Brian (1) Vancouver, BC, Canada Director	Nov. 21 2006	Retired	1,340,000 13.39%
Raymond A. McLean (1) Vancouver, BC, Canada Director	Nov. 21 2006	2007 – present: Chairman of Gateway Casinos Income Fund 1992 – 2006: CEO of Gateway Casinos Income Fund 1982 – present: CEO, President of Trian Equities Ltd.	1,440,000 14.39%
Darryl Yea (1) West Vancouver, BC, Canada Director and Corporate Secretary	Nov. 21 2006	1987 – present: President of Investco Capital Management Inc. 2000 – 2004: Chairman, President and CEO of Datawest Solutions Inc.	1,390,000 13.89%
Alec Peck Surrey, BC, Canada Chief Financial Officer	December 21, 2006	2007 – present: CFO, ReMac Zinc Corp. 2007 – present: CFO, Redhawk Resources Inc. 2005 – present: CFO, director, Forest and Marine Group 2004 – 2006: CFO, Global Minerals Ltd. 2005 – 2006: CFO, director, Global Uranium Corp. 2005 – 2006: director, ELE Capital Corp. (now Lero Gold Corp.) 1998 – 2004: VP Corporate Finance, Canaccord Capital Corporation	300,000 3.00%

(1) Member of the Company's audit committee

(2) Calculated based on the total number of Shares that will be issued and outstanding after completion of the Offering and assuming the Agent does not elect to receive the Commission Shares.

The term of all of the Company's directors will expire on the date of the next annual general meeting of the Company's shareholders.

As at the date of this Prospectus the directors and senior officers of the Company owned or held control and direction over, as a group, directly or indirectly 7,260,000 Shares, equal to 90.64% of the issued and outstanding Shares prior to completion of the Offering.

Corporate Cease Trade Orders or Bankruptcies

None of the Company's directors, officers or principal shareholders are or have been within the past 10 years, directors or officers of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 thirty consecutive days or became bankrupt, make a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that issuer.

Penalties or Sanctions

None of the Company's directors, officers or principal shareholders are or have been within the past 10 years, the subject of any penalties or sanctions imposed by a court relating to Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

None of the Company's directors, officers or principal shareholders, or personal holdings company of such persons, has within the past 10 years, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Conflicts Of Interest

There are no material transactions with the directors, senior officers, promoters or principal holders of the Company's securities that have occurred since incorporation.

Certain of the Company's directors and officers also serve as directors and/or officers of companies which may enter into contracts with the Company in the future. In the event this occurs, a conflict of interest will exist. Directors in a conflict of interest position are required to disclose such conflicts to the Company.

Management of Junior Companies

The experience of the directors and officers of the Company is described briefly below.

Rudy de Jonge: Age: 53, director, CEO and President. Mr. de Jonge has been involved in the resource sector and public markets for the past 15 years in capacities including investor relations, directorships and as an officer of publicly traded companies. Mr. de Jonge anticipates devoting approximately 30% of his efforts on behalf of the Company with the time increasing as required. For example if the Company acquires more properties and exploration programs expand, requiring more financing, Mr. de Jonge will spend the time required on the management of the Company,

John A. Greig: Age: 66, director. Mr. Greig graduated from McGill University with a BSc (Hon) in 1964 and in 1971 he earned an MSc from the University of Alberta. From 1964 and until his retirement in 2000, Mr. Greig worked as an exploration geologist in the mineral resource exploration industry in North America and Europe. Mr. Greig anticipates devoting approximately 10% of his efforts on behalf of the Company with the time increasing as required.

C. Michael O'Brian: Age: 66, director. Mr. O'Brian is a director of several publicly trading companies and is active as an advisor to several investment funds. Mr. O'Brian anticipates devoting approximately 10% of his efforts on behalf of the Company with the time increasing as required.

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Raymond A. McLean: Age: 84, director. Mr. McLean has been involved in the resource sector and public markets in capacities which include Investor Relations, directorships and as President and CEO. Mr. McLean anticipates devoting approximately 10% of his efforts on behalf of the Company.

Darryl Yea: Age: 49, director and Corporate Secretary. Mr. Yea earned a Bachelor of Commerce degree from Sauder School of Business, University of British Columbia in 1981. Mr. Yea is also a director of Redhawk Resources, Inc., which has a copper-moly exploration and development project in Arizona, a director and Chairman of ReMac Zinc Corp., which has a zinc exploration project in British Columbia. Mr. Yea anticipates devoting approximately 10% of his efforts on behalf of the Company with the time increasing as required.

Alec Peck: Age 60, Chief Financial Officer. Mr. Peck earned his Chartered Accountant designation from the Institute of B.C. Chartered Accountants in 1973. Mr. Peck has experience in corporate finance as a Vice-President of Canaccord Capital Corporation. He currently provides special financial and advisory services to Canadian private and public corporations, including resource companies, usually in the capacity as an officer or director for a specific term. Since 2004, Mr. Peck has acted as a director and as Chief Financial Officer for several resource companies. Mr. Peck anticipates devoting approximately 5% of his efforts on behalf of the Company with the time increasing as required.

As at the date of this Prospectus, none of the above-named persons have entered into non-competition or non-disclosure agreements with the Company.

EXECUTIVE COMPENSATION

Compensation of Directors

Set out below are particulars of the compensation paid to the Named Executive Officers of the Company. Named executive officers are:

(a) The Company's Chief Executive Officer and Chief Financial Officer, despite the amount of compensation paid to those individuals;

(b) Each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds $150,000; and

(c) Any additional individuals for whom disclosure would have been provided under (b) but for the fact that that individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

As at the date of this Prospectus, the Company had two Named Executive Officers, Rudy de Jonge, and Alec Peck. Their positions within the Company are set out in the summary of compensation table below.

Summary of Compensation

The following table is a summary of compensation paid to the Named Executive Officers for the Company's only completed fiscal year.

Summary Compensation Table

	Annual Compensation			Long Term Compensation			
				Awards		Payouts	
	Salary ($) per annum)	Bonus (CDN$)	Other Annual Compensation ($)	Securities Under Options/ SARs Granted (#)	Restricted Shares or Restricted Share Units ($)	LTIP Payouts ($)	All Other Compensation ($)
Rudy de Jonge Director, CEO and President	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alec Peck Director, CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The Company does not provide retirement or other benefits to any of its directors or officers and the Company does not have any plans pursuant to which cash or non-cash compensation will be paid or distributed to the Named Executive Officers.

Stock Option Plan
The Company has adopted a stock option plan. Since incorporation, no stock options have been granted under the stock option plan and no options are presently outstanding. See "*Option to Purchase Securities*".

Long-Term Incentive Plans, Options and SARs
Awards in Most Recently Completed Fiscal year
Other than the stock option plan, the Company does not have any plans which provide compensation intended to serve as incentive of the Named Executive Officers for performance to occur over a period longer than one year.

Employment and Consulting Agreements
The Company has not entered into any employment or consulting agreements on a long term basis. Any consulting contracts for geophysical, geological or engineering contracts will be entered into on a project by project by basis.

Compensation of Directors
Since incorporation, no compensation has been paid to directors for acting in their capacity as a director.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There has been no indebtedness outstanding by directors and senior officers of the Company at any time since the date of incorporation.

PROMOTERS

The Company does not have a promoter.

AUDIT COMMITTEE

As of the date of this prospectus, the members of the audit committee of the Company (the "Audit Committee") are composed of three directors: C. Michael O'Brian, Raymond A. McLean and Darryl Yea. As defined in NI52-110, they are not "independent'. As defined in NI52-110, all of the members of the audit committee are "financially literate".

Audit Committee Charter
Pursuant to NI51-110, the Company's Audit Committee is required to have a charter. The full text of the Company's Audit Committee charter is attached as Schedule "A" to this Prospectus.

Relevant Education and Experience
All of the members of the Audit Committee have gained their education and experience by participating in the management of publicly traded companies and they are all financially literate. They all have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Audit Committee Oversight
At no time since the beginning of the Company's most recent completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company's board of directors (the "Board").

Reliance on Certain Exemptions
At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in section 2.4 of NI52-110 Audit Committee (De Minimis Non-Audit Services) or an exemption from 52-110, in whole or in part, granted under Part 8 (Exemptions) of that instrument.

Pre-Approval Policies and Procedures
The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees
Audit Fees and Audit-Related Fees
"Audit Fees" are billed by the Company's external auditor for services provided in auditing the Company's financial statements for the financial year. "Audit-Related Fees' are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to performing the audit or reviewing the Company's financial statements.

The Audit and Audit-Related Fees billed by the Company's external auditor during the fiscal period ended July 31, 2007 were nil.

Tax Fees
Tax fees billed by the external auditor during the year ended July 31, 2007 were nil.

All Other Fees
"All Other Fees" are fees billed by the auditor for products and services not included in the previous categories. None were billed by the Company's external auditor for the financial year ended July 31, 2007 for review of unaudited financial statements.

Exemption
The Company is relying upon the exemption in section 3.2(2) of NI51-110, which exempts issuers form the requirements of Part 3 (*Composition of the Audit Committee*).

CORPORATE GOVERNANCE

Board of Directors

The independent members of the Board are John A. Greig, C. Michael O'Brian, Raymond A. McLean and Darryl Yea. Rudy de Jonge is not independent as he is the President and Chief Executive Officer of the Company.

Directors of the Company holding Directorships in reporting issuers.
The following table lists the directorships of reporting issuers that are held by the directors of the Company:

Directors of the Company	Other Directorships
Rudy de Jonge	
John A. Greig,	Blackstone Ventures Inc. Diamond Resources Ltd.
C. Michael O'Brian	Allon Therapeutics Inc. Comwest Enterprise Corp.
Raymond A. McLean	Gateway Casinos Inc. Fund
Darryl Yea	ReMac Zinc Corp. Redhawk Resources Inc. Chinook Capital Corp.

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The full Board will be involved in nomination of new candidates for Board positions. Board members would be asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board.

Compensation

The Company does not have a compensation committee as the Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the senior officers and directors of the Company. The independent Board members review the compensation of the senior officers to ensure that it is competitive and to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its senior officers, the Board considers: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

Other Board Committees
The Board has no other committees other than the Audit Committee.

Assessments
Any committee of the Board and individual directors are assessed on an ongoing basis by the Board. The Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Board, its Audit Committee or individual directors.

ESCROWED SECURITIES

Securities held by principals of the Company are held in escrow pursuant to National Policy 46-201 *Escrow for Initial Public Offerings* (the "Escrow Policy") for a period of time following the Company's Offering as an incentive for the principals to devote their time and attention to the Company's business while they are security holders. Principals include all persons or companies that, on the completion of the Offering, fall into one of the following categories:

a) Directors and senior officers or the directors and officers of a material operating subsidiary;

b) Promoters during the two years preceding the Offering;

c) Those who own and/or control more than 10% of the Company's voting securities immediately after completion of the Offering if they also have appointed or have the right to appoint one or more of the Company's directors or senior officers or one or more of the directors or senior officers of a material operating subsidiary;

d) Those who own and/or control more than 10% of the Company's voting securities immediately after completion of the Offering; and

e) Associates and affiliates of any of the above.

The following is a list of the holders of the escrowed Shares:

Name of shareholder	Number of Shares to be held in escrow	Percentage of Shares as at the date of this Prospectus	Percentage of Shares after giving effect to the Offering (1)
Rudy de Jonge	1,250,000	15.61%	12.49%
John A. Greig	1,540,000	19.23%	15.38%
C. Michael O'Brian	1,340,000	16.73%	13.39%
Raymond A. McLean	1,440,000	17.98%	14.39%
Darryl Yea	1,390,000	17.35%	13.89%
Alec Peck	300,000	3.75%	3.00%
Total	7,260,000	90.64%	72.53%

(i) Assuming the Agent does not elect to receive the Commission Shares.

The Shares will be held in escrow pursuant to the Escrow Agreement.

All of the escrowed Shares well be released according to the following schedule:

On the date the Company's securities are listed on a Canadian Exchange (the "listing date")	1/10 of the escrowed securities
6 months after the listing date	1/6 of the remaining escrowed securities
12 months after the listing date	1/5 of the remaining escrowed securities
18 months after the listing date	1/4 of the remaining escrowed securities
24 months after the listing date	1/3 of the remaining escrowed securities
30 months after the listing date	1/2 of the remaining escrowed securities
36 months after the listing date	The remaining escrowed securities

In the simplest case, where there are no changes to the escrow securities initially deposited and no additional escrow securities, the release schedule outlined about results in the escrow securities being released in equal tranches of 15% after completion of the release on the listing date.

Shares Subject To Resale Restrictions

On February 29, 2008 the Company issued 4,070,000 Shares at a price of $0.025 per Share and 760,000 Shares at a price of $0.10 per Share all of which are subject to a hold period of four months expiring on June 30, 2008 in addition to being held in escrow.

On March 17, 2008, 40,000 Shares were issued at a fair value of $0.125 per Share as the second anniversary payment pursuant to the Shanty Bay Assignment Agreement. The 40,000 shares are subject to a hold period of 4 months expiring on July 18, 2008.

CONFLICTS OF INTEREST

There may develop potential conflicts of interest to which the directors and officers of the Company may be subject in connection with the operations of the Company. Conflicts, if any, will be subject to the procedures and remedies under the *BCA-BC* and the articles of the Company.

DIVIDEND POLICY

There is no restriction that would prevent the Company from paying dividends on its Shares, however the Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain its earnings to finance future growth and, when appropriate, retire debt.

RISK FACTORS

This section describes the material risks affecting the Company's business, financial condition, operating results and Property.

The securities offered hereby should be considered a highly speculative due to the nature of the Company's business and its present stage of development. A prospective investor should carefully consider the risk factors set out below and all of the information disclosed in this Prospectus before making an investment decision. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the company's Shares could decline substantially, and investors may lose all or part of the value of the Shares held by them. Purchasers of the Offered Shares under this Prospectus will suffer an immediate dilution of $0.1030 per Share (63.375%).

An investment in securities of the Company should only be made by persons who can afford a significant or total loss of their investment. There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus.

The possible sale of Shares released from escrow on each release date could negatively affect the market price of the Company's Shares and also result in an excess of sellers of Shares to buyers of Shares and seriously affect the liquidity of the Shares. See "*Escrowed Securities*".

Risks Related to the Company's Business

Exploration and Development Resource exploration is a speculative business and involves a high degree of risk. There is no known body of commercial ore on the Property and there is no certainty that the expenditures made by the Company in the exploration of the Property or otherwise will result in discoveries of commercial quantities of minerals. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Although the discovery of an ore body may result in substantial rewards, few properties explored are ultimately developed into producing mines. Significant expenditures may be required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Significant capital investment is required to achieve commercial production from successful exploration efforts. The commercial viability of a mineral deposit is dependent upon a number of factors. These include: (i) deposit attributes such as size, grade and proximity to infrastructure, (ii) current and future metal prices (which can be cyclical), and (iii) government regulations, including those relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and necessary supplies and environmental protection. The complete effect of these factors, either alone or in combination, cannot be entirely predicted, and their impact may result in the Company not receiving an adequate return on invested capital.

Short-term operating factors relating to mineral deposits, such as the need for orderly development of the deposits or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

There is no assurance that the Company's Property possesses commercially mineable bodies of ore**.** The Property is in the exploration stage as opposed to the development stage and has no known body of economic mineralization. The known mineralization of the Property has not been determined to be economic ore and there can be no assurance that a commercially mineable ore body exists on the Property. There is no certainty that any expenditure made in the exploration of the property will result in discoveries of commercially recoverable quantities of ore. Such assurance will require completion of final comprehensive feasibility studies and, possibly, further associated exploration and other work that concludes a potential mine is likely to be economic. In order to carry out exploration and development programs of any economic ore body and place it into commercial production, the Company may be required to raise substantial additional funding.

Unknown Environmental Risks for Past Activities Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Acquisition of Additional Mineral Properties If the Company loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the CNQ. There is also no guarantee that the CNQ will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

First Nations Land Claims The Property may now, or in the future, be the subject of first nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with first nations communities in order to facilitate exploration and development work on the Property.

Limited Business History The Company has only recently commenced operations and has no history of operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Lack of Revenue As the Company does not have revenues, it will be dependent upon future financings to continue its plan of operation. The Company has not generated any revenues since incorporation. The plan of operations involves the implementation and execution of exploration programs on the Property. There is no assurance that these exploration activities will result in the establishment of commercially exploitable mineral deposits on the Company's Property. Even if commercially exploitable mineral deposits are discovered, the Company may require substantial additional financing in order to carry out the full exploration and development of the Property before the Company is able to achieve revenues from sales of mineral resources that the Company is able to extract.

No Assurance of Profitability Since incorporation, the Company has incurred losses and there is no assurance that it will ever be profitable. Since incorporation, the Company has incurred losses and will continue to experience losses unless and until it can derive sufficient revenues from its Property. The Company has no history of earnings or of a return on investment, and there is no assurance that the property that the Company has or will acquire will generate earnings, operate profitably or provide a return on investment in the future.

Dependence on Key Personnel The Company's success is highly dependent upon the performance of key personnel working in management, supervisory and administrative capacities or as consultants. The loss of the services of its senior management or key personnel could have a material and adverse effect on the Company and its business and results of operations.

Reliance on Independent Contractors The Company's success depends to a significant extent on the performance and continued service of independent contractors. The Company will contract the services of professional drillers and others for exploration, environmental, construction and engineering services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company and its business and results of operations and could result in failure to meet its business objectives.

Title There is no assurance that the Company's title to the Property will not be challenged. The acquisition of title to mineral exploration properties is a very detailed and time-consuming process. Title to and the area of mineral properties may be disputed. While the Company has diligently investigated title to the property, it may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects. The Company has not surveyed the boundaries of the Property and consequently the boundaries of the Property may be disputed.

Permits and Licenses There is no assurance that the Company will obtain required permits and licenses. The Company's operations may sometimes require licenses and permits from various governmental authorities. The Company believes that it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct, and intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake the proposed exploration and development or to place the Property into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of a particular property.

Competitive Nature of the Mining Industry There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will be competing with other mining companies, many of which have greater financial resources than the Company does, for the acquisition of mineral claims, leases and other mineral interests, as well as for the recruitment and retention of qualified employees and other personnel. There can be no assurance that the necessary funds can be raised or that any projected work will be completed.

Environmental, Health and Safety Regulation of Resource Industry All phases of the Company's operations are subject to environmental regulations in various jurisdictions. If the Property is proven to host economic reserves of metals, mining operations will be subject to federal, provincial and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment. Mining operations will be subject to federal, provincial and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of mining methods and equipment. Various permits from government bodies are required for mining operations to be conducted; no assurance can be given that such permits will be received. No assurance can be given that environmental standards imposed by federal, provincial or local authorities will not be changed or that any such changes would not have material adverse effects on the Company's activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damage, which it may not be able to insure against.

Insurance The Company may not always be able or may choose not to obtain insurance for many of the risks that it faces. In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in the value of our securities. The Company is currently not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company will periodically evaluate the cost and coverage of the insurance that is available against certain environmental risks to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate the Company's available funds or could exceed the funds it has to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem, the Company might be required to enter into interim compliance measures pending completion of the required remedy.

Volatility of Share Prices Share prices are subject to changes because of numerous factors beyond the Company's control, including reports of new information, changes in the Company's financial situation, the sale of the Company's Shares in the market, the Company's failure to achieve financial results in line with the expectations of analysts, or announcements by the Company or any of its competitors concerning results. There is no guarantee that the market price of the Company's Shares will be protected from any such fluctuations in the future.

Currency Risk Currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in U.S. dollars. The Company's costs are incurred primarily in Canadian dollars.

Tax Issues Income tax consequences in relation to the Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisors prior to subscribing for the Offered Shares.

Non-Eligibility for Registered Plans The Offered Shares do not currently qualify as "qualified investments" for trusts governed by registered retirement savings plans, registered retirement income funds and registered education savings plans ("Deferred Plans") under the *Income Tax Act* (Canada) (the "Tax Act") as the Company is neither a "public corporation" or a "small business corporation" as those terms are defined in the Tax Act. A public corporation is defined in the Tax Act as a corporation that, among other things, must have no fewer than 150 persons, other than insiders of the corporation, with each person holding not less than a block of shares, with a block of shares meaning 100 shares. In addition each person's shareholdings must be worth a minimum of $500.

Absence of Prior Public Market There has been no prior public market for the Company's Shares, and an active trading market may not develop or, if it does develop, may not be sustained. The lack of an active market may impair shareholders' ability to sell their Shares at the time they wish to sell them or at a price that they consider reasonable. The lack of an active market may also reduce the fair market value and increase the volatility of the Shares. An inactive market may also impair the Company's ability to raise capital by selling Shares and to acquire other exploration properties or interests by using its Shares as consideration.

Corporate Matters To date, the Company has not paid any dividends on its outstanding Shares and does not anticipate the payment of any dividends on its Shares for the foreseeable future. Certain of the directors and officers of the Company are also directors and officers of other resource companies involved in the mining industry and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as apply under the *BCA- BC.*

Use of Funds The Company's management has significant flexibility in applying the proceeds received from this Offering. Because a portion of the proceeds are not allocated to any specific purpose, investment or transaction, you cannot determine the value or propriety of management's application of the proceeds on the Company's behalf. See "*Use of Proceeds*" for a more detailed description of how management intends to apply the proceeds of the Offering.

Issuance of Debt From time to time, the Company may enter into transactions to acquire assets or the shares of other Companies. These transactions may be financed partially or wholly with debt, which may increase the Company's debt levels above industry standards. The Company's articles do not limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Availability of Drilling Equipment and Access Restrictions Mining exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities.

LEGAL PROCEEDINGS

There are no legal proceedings or pending legal proceedings to which the Company is or is likely to be a party to or of which the Property is likely to be the subject of.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described herein, there are no material interests, direct or indirect, of officers, senior officers, any shareholders who beneficially owns, directly or indirectly, more than 10% of the outstanding Shares or any known associate or affiliates of such persons, in any translation within the last three years or in any proposed transaction which has materially affected or would materially affect the Company.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is not a Related or Connected Party to the Agent (as such terms are defined in *National Instrument 33-105 – Underwriting Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditor
The Company's auditor is Chang Lee LLP, located at #505-815 Hornby Street, Vancouver, BC V6Z 2E6

Transfer Agent
The transfer agent and registrar of the Company's Shares is Pacific Corporate Trust Company located at #300 – 510 Burrard Street, Vancouver, BC V6C 3B9.

MATERIAL CONTRACTS

The following are the material contracts entered into by the Company since incorporation.

1. Assignment Agreement dated October 27, 2006 between the Company, Rubicon Minerals Inc. and Triple Dragon Resources Inc. See *"The Company's Property"* and "Prior Sales".

2. Escrow Agreement among the Company, Pacific Corporate Trust Company and the holders of the escrowed Shares dated June 30, 2007. See "*Escrowed Securities*".

3. Agency Agreement between the Company and PI Financial Corp. dated July 18, 2008. See "*Plan of Distribution*".

INTEREST OF EXPERTS

The auditor of the Company, Chang Lee LLP Chartered Accountants audited the July 31, 2007 financial statements and conducted a review of the nine month unaudited financial statement to April 30, 2008 and are independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia, and as of the date of this Prospectus did not own or have any registered or beneficial interests, direct or indirect, in any securities or other property of the Company.
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Des Cullen, P. Geo., J. Garry Clark, P. Geo. and Andrew Tims, P. Geo. prepared the Cullen Report in accordance with NI 43-101 on behalf of the Company.. Des Cullen, P. Geo., J. Garry Clark, P. Geo. and Andrew Tims, P. Geo. are each a "qualified person" and "independent" as such terms are defined in NI 43-101.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces in Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendments. In several of the provinces, the securities legislation further provides a purchaser of the offered securities with remedies for rescission or in some jurisdictions, damages if the prospectus and any amendment contain a misrepresentation or is not delivered to the purchaser of the offered securities, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of such purchaser's province. The purchaser of the offered securities should refer to the applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

Schedule "A"
Charter of the Audit Committee of the Board of Directors
of the Company

Mandate

The primary function of the Audit Committee ("Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the following: (a) the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (b) the Company's systems of internal controls regarding finance and accounting; and (c) the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements; (ii) review and appraise the performance of the Company's external auditors; (iii) provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors; and (iv) to ensure the highest standards of business conduct and ethics.

Composition

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

<u>Documents/Reports Review</u>

Review and update this Charter annually.

Review the Company's financial statements, MD&A, any annual and interim earning statements and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

External Auditors

Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.

Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company.

Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

Take or recommend that the full Board of Directors take appropriate action to oversee the independence of the external auditors.

Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

such services were not recognized by the Company at the time of the engagement to be non-audit services; and

such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

Review certification process.

Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

<u>Other</u>

(a) Review any related party transactions.

(b) Review reports from persons regarding any questionable accounting, internal accounting controls or auditing matters ("Concerns") relating to the Company such that:

(c)

an individual may confidentially and anonymously submit their Concerns to the Chairman of the Committee in writing, by telephone, or by e-mail;

the Committee reviews as soon as possible all Concerns and addresses same as they deem necessary; and

the Committee retains all records relating to any Concern reported by an individual for a period the Committee judges to be appropriate.

All of the foregoing in a manner that the individual submitting such Concerns shall have no fear of adverse consequences.

Chang Lee LLP
Chartered Accountants

505 – 815 Hornby Street
Vancouver, B.C, V6Z 2E6
Tel: 604-687-3776
Fax: 604-688-3373
E-mail: info@changleellp.com

AUDITORS' REPORT

To the Directors of
Magna Resources Ltd.

We have audited the balance sheet of Magna Resources Ltd. (an Exploration Stage Enterprise) as at July 31, 2007 and the statements of operations and deficit and cash flows for the period from October 4, 2006 (date of inception) to July 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2007 and the results of its operations and its cash flows for the period from October 4, 2006 (date of inception) to July 31, 2007 in accordance with Canadian generally accepted accounting principles.

"Chang Lee LLP"

Chartered Accountants

Vancouver, Canada
September 6, 2007 except for note 8,
which is dated July 18, 2008

Magna Resources Ltd.
An Exploration Stage Enterprise

BALANCE SHEET
AS AT JULY 31, 2007

ASSETS		
Current		
Cash and cash equivalents	$	276,844
GST receivables		601
		277,445
Mineral Properties (Note 3)		27,500
	$	304,945
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$	1,423
Shareholders' Equity		
Share capital (Note 4)		996,250
Deficit		(692,728)
		303,522
	$	304,945

Nature of Operations (Note 1)
Subsequent Events (Note 8)

On behalf of the Board:

"Rudy de Jonge"	Director	*"Darryl Yea"*	Director
Rudy de Jonge		Darryl Yea	

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

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

STATEMENT OF OPERATIONS AND DEFICIT
FOR THE PERIOD FROM OCTOBER 4, 2006 (date of inception) TO JULY 31, 2007

EXPENSES		
Bank charge	$	80
Filing fees		540
Legal fees		10,683
Stock based compensation		682,500
Loss before other income		(693,803)
Other income		
Interest income		1,075
Net loss, being deficit end of period	$	(692,728)
Basic and diluted loss per share	$	(0.57)
Weighted average number of common shares – basic and diluted		1,216,082

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

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JULY 31, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the year	$	(692,728)
Adjustment for items not involving cash:		
Stock based compensation		682,500
Changes in non-cash operating working capital:		
(Increase) in GST receivables		(601)
Increase in accounts payable and accrued liabilities		1,423
Net cash flows used in operating activities		(9,406)
CASH FLOWS FROM INVESTMENT ACTIVITIES:		
Mineral property acquisition		(20,000)
Net cash flows used in investment activities		(20,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Shares issued for cash		306,250
Net cash flows from financing activities		306,250
Cash and cash equivalents, end of period	$	276,844
Supplemental disclosure with respect to cash flows (Note 7):		
Interest paid in cash	**$**	-
Income tax paid in cash	$	-

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

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

SCHEDULE OF MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES
FOR THE YEAR ENDED JULY 31, 2007

	Total
Acquisition Expenditures	
Balance, beginning of year	$ -
Incurred during the year	27,500
Balance, end of year	$ 27,500

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

NOTES TO THE FINANCIAL STATEMENTS
JULY 31, 2007

1. NATURE OF OPERATIONS

The Company was incorporated on June 5, 2006 under the laws of British Columbia. The Company's principal business activity was the exploration of mineral properties.

The accompanying financial statements have been prepared on the basis of Canadian generally accepted accounting principles ("GAAP") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations of the Company's intended business, and the ability of the Company to raise additional capital. The Company has not earned any revenues to date and is considered to be in the development stage.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing.

2. SIGNIFICANT ACCOUNTING POLICIES

Year End

The Company has elected a July 31st fiscal year-end. The accompanying financial statements cover the initial fiscal period from incorporation of the Company on June 5, 2006 to July 31, 2007. The Company commenced its operation effectively on August 1, 2006.

Estimates, Assumptions and Measurement Uncertainty

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Areas requiring significant management estimates relate to the determination of impairment of mineral properties and expected tax rates for future income tax recoveries.

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. Management does not believe the Company is exposed to significant credit, currency, market or interest rate risks relating to these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. There were no cash equivalents at July 31, 2007

Mineral Properties

The cost of mineral properties and related exploration and development costs are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized over the useful life of the properties following the commencement of commercial production or written off if the properties are sold, allowed to lapse, or abandoned. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. It is reasonably possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties and related deferred exploration costs could be written off. Although the Company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected title defects.

Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. This would include obligations related to future removal of property and equipment, and site restoration costs. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. The Company currently does not have any significant asset retirement obligations.

Impairment of Long-Lived Assets

The Company follows the recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3063, "Impairment of Long-Lived Assets". Section 3063 establishes standards for

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

recognizing, measuring and disclosing impairment of long-lived assets held for use. The Company conducts its impairment test on long-lived assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is recognized when the carrying amount of an asset to be held and used exceeds the undiscounted future net cash flows expected from its use and disposal. If there is an impairment, the impairment amount is measured as the amount by which the carrying amount of the asset exceeds its fair value, calculated using discounted cash flows when quoted market prices are not available.

Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. The treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share as there were no dilutive securities as at July 31, 2007.

Income Taxes

The Company accounts for income taxes using the asset and liability method, whereby future tax assets and liabilities are recognized for the future income tax consequences attributable to differences between the carrying values of the asset and liabilities and their respective income tax bases. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income taxes and liabilities of a change in rates is included in operations in the period that includes the substantive enactment date. To the extent that the Company does not consider it more likely than not that a future income tax asset will be recovered, it provides a valuation allowance against the excess.

Stock-Based Compensation

The Company accounts for stock options granted using CICA Section 3870, "Stock-Based Compensation and Other Stock-Based Payments". Under this Handbook section, the Company is required to expense, over the vesting period, the fair value of the options and awards granted. Accordingly, the fair value of the options at the date of grant is accrued and charged to operations, with a corresponding credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital. There has been no issuance of stock options during the period ended July 31, 2007.

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

NOTES TO THE FINANCIAL STATEMENTS
JULY 31, 2007

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Risk Management

The Company is engaged in mineral exploration and development and is accordingly exposed to environmental risks associated with mineral exploration activity. The Company is currently in the initial exploration stages on its property interests and has not determined whether significant site reclamation costs will be required. The Company would only record liabilities for site reclamation when reasonably determinable and when such costs can be reliably quantified.

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Mining claims – Dent Township, Ontario

During the period, the Company signed an assignment agreement with Triple Dragon Resources Inc. (Assignor) and Rubicon Minerals Inc. (Optionor) on October 27, 2006. The Optionor is the owner of three mining claims: #4200361 to #4200363 inclusive located in Dent Township, claim map M-2155, Red Lake Mining Division, Ontario. On March 14, 2006, the Optionor granted an option to the Assignor to acquire an undivided 100% interest in and to the Property. The Optionor retained a 2% Net Smelter Return. One half (1/2) of the NSR (1%) can be purchase from the Optionor at any time for $1,000,000. The exercise terms of the Shanty Bay Option Agreement are $96,000 and 100,000 shares to the Optionor as follows:

Date	Cash		Shares	
Upon signing	$8,000	(paid)	30,000	(issued at $0.125 per share)
First anniversary of signing (3/14/07)	$12,000	(paid)	30,000	(issued at $0.125 per share)
2nd anniversary of signing (3/14/08)	$16,000	(paid subsequent to the period)	40,000	(issued at $0.125 per share subsequent to the period)
3rd anniversary of signing (3/14/09)	$20,000			
4th anniversary of signing (3/14/10)	$40,000			
	$96,000		100,000	

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

NOTES TO THE FINANCIAL STATEMENTS
JULY 31, 2007

4. SHARE CAPITAL

a) Authorized: Unlimited common shares with no par value

b) Issued and Outstanding

	Number of Shares		Amount
Balance, August 1, 2006	-	$	-
Issued during the period:			
Shares issued for cash	7,910,000		306,250
Re-valued at $0.125 per share	-		682,5
Shares issued for mineral property	60,000		7,500
Balance, July 31, 2007	7,970,000	$	996,250

During the year ended July 31, 2007, the Company issued 6,500,000 at $0.02 per share, which were re-valued at $0.125 per share and the Company recognized a stock based compensation expense of $682,500. The Company also issued 1,410,000 common shares at $0.125 per share.

c) Escrow Shares

The Company has 7,260,000 common shares held in escrow by the Company's transfer agent. All of the common shares in escrow will be released as follows: 10% on the date the Company's securities are listed on a Canadian exchange and 15% every six months thereafter.

d) Stock Options

The Company adopted stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. As at July 31, 2007, the Company has not granted any stock options.

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

NOTES TO THE FINANCIAL STATEMENTS
JULY 31, 2007

5. RELATED PARTY TRANSACTIONS

One of the directors of the Company was a promoter of Triple Dragon Resources Inc. During the period, the Company signed an assignment agreement with Triple Dragon Resources Inc. See note 3 for detail.

6. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2007
Loss before income taxes	$ 692,728
Income tax recovery at statutory rates of 34.12%	236,359
Unrecognized item for income tax purpose	(232,869)
Unrecognized benefits of non-capital losses	(3,490)
Total income tax recovery	$ -

Details of future income tax assets are as follows:

	2007
Future income tax assets:	
Non-capital losses available for future periods	$ 3,490
Valuation allowance	(3,490)
Net future income tax assets	$ -

The Company has non-capital losses of approximately $10,228, which may be carried forward and applied against taxable income in future years. If not utilized, the non-capital losses would expire in 2027. The benefits of these losses have not been reflected in these financial statements and have been offset by a valuation allowance.

7. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

See note 4b.

8. SUBSEQUENT EVENTS

The Company is in the process of filing its prospectus to complete an offering of 2,000,000 common shares at a price of $0.16 per share. The gross proceeds of the offering will be $320,000. The proceeds will be used to finance exploration work on the Shanty Bay mining claims. The financing agent's fees and commissions consist of a non-refundable corporate finance fee of $25,000, a non-transferable option to purchase 10% of the aggregate number of the offered shares sold in the prospectus at a price of $0.16 per share for a period of two years from the closing of the offering, and a cash commission of 10% of the gross proceeds of the offering. The Agent will also have the right of first refusal to act as the Company's agent in respect of any further brokered equity financings that the Company proposes to undertake within 12 months of the closing of the offering.
On January 8, 2008, the Company filed an assessment report, reporting on the November 2007 exploration to extend the expiry date of the Shanty Bay mining claim for one more year.

On February 29, 2008, 4,070,000 common shares previously issued at a price of $0.02 per share and 760,000 common shares previously issued at a price of $0.125 per share were returned to treasury and the Company issued 4,070,000 common shares at a price of $0.025 per share and 760,000 common shares at a price of $0.10 per share. This return and issuance of shares has immaterial impact on the financial statement.

On March 17, 2008, 40,000 shares were issued at a fair value of $0.125 per shares and $16,000 was paid to Rubicon Minerals Inc. as the second anniversary payment required pursuant to the assignment agreement in Note 3.

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

INTERIM FINANCIAL STATEMENTS
(Unaudited - Prepared by Management)

APRIL 30, 2008

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

INTERIM BALANCE SHEETS
(Unaudited – Prepared by Management)

	As at April 30 2008	As at July 31 2007
ASSETS		
Current		
Cash and cash equivalents	$ **139,763**	$ 276,844
GST receivable	**3,970**	601
	143,733	277,445
Deferred Charges	**48,500**	**-**
Mineral Properties (Note 3)	**48,500**	27,500
Deferred Exploration Expenditures (Note 3)	**17,424**	-
	$ **258,157**	$ 304,945
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ **7,443**	$ 1,423
Shareholders' Equity		
Share capital (Note 4)	**1,001,250**	996,250
Deficit	**(750,536)**	(692,728)
	250,714	303,522
	$ **258,157**	$ 304,945

Nature of Operations (Note 1)
Subsequent Events (Note 7)

On behalf of the Board:

"Rudy de Jonge" President "Darryl Yea" Director
Rudy de Jonge Darryl Yea

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

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

INTERIM STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited – Prepared by Management)

	Three Months Ended April 30 2008	**Nine Months Ended April 30 2008**	Three Months Ended April 30 2007	Nine Months Ended April 30 2007
EXPENSES:				
Accounting and legal fees	**$ 19,905**	**$ 51,028**	$ 6,350	$ 6,350
Office and general	**60**	**349**	21	49
Transfer agent fees	**11,305**	**11,855**	540	540
Stock based compensation	**(1,350)**	**(1,350)**		
LOSS BEFORE OTHER INCOME	**(29,920)**	**(61,882)**	(6,911)	(6,939)
Other income				
Interest income	**840**	**4,074**	-	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	**(29,080)**	**(57,808)**	(6,911)	(6,939)
DEFICIT, BEGINNING OF THE PERIOD	**(721,456)**	**(692,728)**	(28)	-
DEFICIT, END OF PERIOD	**$ (750,536)**	**$(750,536)**	$ (6,939)	$ (6,939)
Basic and diluted loss per share	**$ (0.004)**	**$ (0.007)**	$ (0.23)	$ (0.34)
Weighted average number of common shares – basic and diluted	**7,989,780**	**7,976,545**	30,001	20,366

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)

	Three Months Ended April 30 2008	**Nine Months Ended April 30 2008**	Three Months Ended April 30 2007	Nine Months Ended April 30 31 2007
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:				
Net loss for the period	**$ (29,080)**	**$ (57,808)**	$ (6,911)	$ (6,939)
Adjustment for items not involving cash:				
Stock based compensation	**(1,350)**	**(1,350)**	-	-
Changes in non-cash operating working capital:				
(Increase) decrease in GST receivables	**(1,333)**	**(3,369)**	(362)	(362)
Increase (decrease) in accounts payable and accrued liabilities	**(12,614)**	**6,020**	572	572
(Increase) decrease in deferred exploration expenses	**(507)**	**(17,424)**	-	-
Net cash flows used in operating activities	**(44,884)**	**(73,931)**	(6,701)	(6,729)
CASH FLOWS USED IN INVESTING ACTIVITIES:				
Mineral properties acquisition	**(16,000)**	**(16,000)**	(12,000)	(23,150)
Net cash flows used in investing activities	**(16,000)**	**(16,000)**	(12,000)	(23,150)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Deferred charges	**-**	**(48,500)**	-	-
Proceeds of share issuances	**1,350**	**1,350**	28,750	46,900
Net cash flows from financing activities	**1,350**	**(47,150)**	28,750	46,900
Net change in cash and cash equivalents for the period	**(59,534)**	**(137,081)**	10,049	17,021
Cash and cash equivalents, beginning of period	**199,297**	**276,844**	6,972	-
Cash and cash equivalents, end of period	**$ 139,763**	**$ 139,763**	$ 17,021	$ 17,021

Supplemental disclosure with respect to cash flows (Note 5)

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

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

SCHEDULE OF MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES
(Unaudited – Prepared by Management)

	Three Months Ended April 30 2008	**Nine Months Ended April 30 2008**	Three Months Ended April 30 2007	Nine Months Ended April 30 2007
Acquisition Expenditures				
Balance, beginning of period	$ 27,500	$ 27,500	$ 8,000	$ -
Incurred during the period	21,000	16,000	3,150	11,150
Balance, end of period	$ 48,500	$ 48,500	$ 11,500	$ 11,500
Deferred Exploration Expenditures				
Balance, beginning of period	$ 16,917	$ -	$ -	$ -
Assaying	-	997	-	-
Consulting and professional fees	507	10,232	-	-
Geological studies	-	6,195	-	-
Balance, end of period	$ 17,424	$ 17,424	$ -	$ -

1. NATURE OF OPERATIONS

The Company was incorporated on June 5, 2006 under the laws of British Columbia. The Company's principal business activity is the exploration of mineral properties.

The accompanying financial statements have been prepared on the basis of Canadian generally accepted accounting principles ("GAAP") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company's investment in resource properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has not earned any revenues to date and is considered to be in the exploration stage.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing.

2. BASIS OF PRESENTATION AND NEW ACCOUNTING POLICIES

The unaudited interim financial statements have been prepared in accordance with GAAP for interim financial information and have been reviewed by the Company's Audit Committee. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The unaudited interim financial statements have been prepared in accordance with the accounting principles and policies described in the Company's annual financial statements for the year ended July 31, 2007, and should be read in conjunction with those statements. In the opinion of management, all adjustments (consisting of normal and recurring accruals) considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included.

On August 1, 2007, the Company adopted new accounting policies related to comprehensive income and financial instruments. These accounting standards were adopted on a prospective basis with no restatement of prior periods:

(a) Section 3855 Financial Instruments – Recognition and Measurement

This section describes the standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Under the new standard, all financial instruments will be classified as one of the following: Held-to-maturity; Loans and receivables, Held-for-trading; or Available-for-sale. Financial assets and liabilities held-for-trading will be measured at fair value with gains and losses recognized in net income. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading, will be measured at amortized cost. Available-for-sale financial instruments will be measured at fair value with unrealized gains and losses recognized in other comprehensive income. The standard also permits designation of any financial instrument as held-for-trading on initial recognition.

2. BASIS OF PRESENTATION AND NEW ACCOUNTING POLICIES (cont'd)

(b) Section 1530 Comprehensive Income and Section 3251 Equity

These sections describe standards for reporting and disclosing comprehensive income, its components and related changes in equity. Comprehensive income includes net income as well as changes in equity during a period from transactions and events from non-owner sources, such as unrealized gains or losses on available-for-sale financial instruments. As a result of adopting this standard, comprehensive income will now be disclosed in the financial statements.

(c) Section 3861 Financial Instruments – Disclosure and Presentation

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. Upon adoption of these new standards, the Company designated its cash and cash equivalents as held-for-trading and its account payable and accrued liabilities as other financial liabilities. The fair values of these financial instruments approximate their carrying values because of their short term nature. The unrealized gains and losses on financial assets classified as available-for-sale are recorded in the statement of comprehensive income on a net of tax basis. In management's opinion the Company is not exposed to significant interest rate, currency exchange rate or credit risk arising from these financial instruments. The Company is not exposed to derivative financial instruments.

Comprehensive income represents the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income refers to items that are recognized in comprehensive income but excluded from net income calculated in accordance with generally accepted accounting principles until such time as it is considered appropriate to recognize them in net income. The Company had no "other comprehensive income or loss" transactions for the period ended April 30, 2008 and no opening or closing balances of accumulated other comprehensive income or loss.

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Mining claims – Dent Township, Ontario

During the fiscal 2007, the Company signed an assignment agreement with Triple Dragon Resources Inc. (Assignor) and Rubicon Minerals Inc. (Optionor) on October 27, 2006. The Optionor is the owner of three mining claims: #4200361 to #4200363 inclusive located in Dent Township, claim map M-2155, Red Lake Mining Division, Ontario. On March 14, 2006, the Optionor granted an option to the Assignor to acquire an undivided 100% interest in and to the Property. The Optionor retained a 2% Net Smelter Return. One half (1/2) of the NSR (1%) can be purchase from the Optionor at any time for $1,000,000. The exercise terms of the Shanty Bay Option Agreement are $96,000 and 100,000 shares to the Optionor as follows:

MAGNA RESOURCES LTD.
An Exploration Stage Enterprise

NOTES TO THE INTERIM FINANCIAL STATEMENTS
APRIL 30, 2008
(UNAUDITED – PREPARED BY MANAGEMENT)

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont'd)

Date	Cash		Shares	
Upon signing	$8,000	(paid)	30,000	(issued at $0.125 per share)
First anniversary of signing (3/14/07)	$12,000	(paid)	30,000	(issued at $0.125 per share)
2nd anniversary of signing (3/14/08)	$16,000	(paid)	40,000	(issued at $0.125 per share)
3rd anniversary of signing (3/14/09)	$20,000			
4th anniversary of signing (3/14/10)	$40,000			
	$96,000		100,000	

During the nine months ended April 30, 2008 the Company incurred expenditures of $17,424 for exploration expenses on the property. On March 14, 2008 the Company paid $16,000 and on March 17, 2008 the Company issued 40,000 shares pursuant to the terms of the Shanty Bay Option Agreement.

4. SHARE CAPITAL

a. Authorized: Unlimited common shares with no par value

b. Issued and Outstanding

	Number of Shares	Amount
Balance, August 1, 2006	-	-
Shares issued for cash	7,910,000	$ 306,250
Re-valued at $0.125 per share	-	682,500
Shares issued for mineral property	60,000	7,500
Balance, July 31, 2007	7,970,000	996,250
Shares returned to treasury at $0.02 per share	(4,070,000)	(81,400)
Re-valued at $0.125 per share cancelled	-	(427,35
Shares issued for cash at $0.025 per share	4,070,000	101,7
Re-valued at $0.125 per share	-	407,0
Shares returned to treasury at $0.125 per share	(760,000)	(95,0
Shares issued for cash at $0.10 per share	760,000	76,
Re-valued at $0.125 per share	-	19,
Shares issued for mineral property at $0.125 per share	40,000	5
Balance, April 30, 2008	8,010,000	$ 1,001,250

4. SHARE CAPITAL (cont'd)

During the period ended July 31, 2007 the Company issued 6,500,000 at $0.02 per share, which were re-valued at $0.125 per share and the Company recognized a stock based compensation expense of $682,500. The Company also issued 1,410,000 and 60,000 common shares at $0.125 per share for cash and mineral properties respectively. On February 29, 2008 4,070,000 shares issued at $0.02 and 760,000 shares issued at $0.125 per share were returned to treasury and the Company issued 4,070,000 shares at $0.025 per share and 760,000 shares at $0.10 per share, which were also re-valued to $0.125 per share. As a result, the Company recognized a net reduction in stock based compensation expense of $1,350. On March 17, 2008, the Company issued 40,000 shares for mineral property at a deemed value of $0.125 per share.

c. Escrow Shares

The Company has 7,260,000 common shares held in escrow by the Company's transfer agent. All of the common shares in escrow will be released as follows: 10% on the date the Company's securities are listed on a Canadian exchange and 15% every six months thereafter.

d) Stock Options

The Company adopted stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. As at April 30, 2008 the Company has not granted any stock options.

5. RELATED PARTY TRANSACTIONS

One of the directors of the Company was a promoter of Triple Dragon Resources Inc. During the period, the Company signed an assignment agreement with Triple Dragon Resources Inc. See note 3 for details.

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

See note 4b.

7. SUBSEQUENT EVENTS

The Company is in the process of filing its prospectus to complete an offering of 2,000,000 common shares at a price of $0.16 per share. The gross proceeds of the offering will be $320,000. The proceeds will be used to finance exploration work on the Shanty Bay mining claims. The financing agent's fees and commissions consist of a non-refundable corporate finance fee of $25,000, a non-transferable option to purchase 10% of the aggregate number of the offered shares sold in the prospectus at a price of $0.16 per share for a period of two years from the closing of the offering, and a cash commission of 10% of the gross proceeds of the offering. The Agent will also have the right of first refusal to act as the Company's agent in respect of any further brokered equity financings that the Company proposes to undertake within 12 months of the closing of the offering.

CERTIFICATE OF THE COMPANY

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of Alberta, British Columbia and Ontario.

DATED: July 18, 2008

"Rudy de Jonge"	*"Alec Peck"*
Rudy de Jonge Chief Executive Officer	Alec Peck Chief Financial Officer

ON BEHALF OF THE BOARD

"*Raymond A. McLean"*	*"C. Michael O'Brian"*
Raymond A. McLean Director	C. Michael O'Brian Director

CERTIFICATE OF THE AGENT

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of Alberta, British Columbia and Ontario.

DATED: July 18, 2008

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PI FINANCIAL CORP.

Per: "BERT QUATTROCIOCCHI"

BERT QUATTROCIOCCHI
Executive Vice President

4. Narrative Description of the Business

The Company is a junior venture company engaged in the acquisition and exploration of mining properties in Canada.

Stated Business Objectives and Milestones

The Company's business objective is to find, explore and develop mining claims to the point where they can be sold to major mining companies for commercial development.

The Company has an option agreement to acquire a 100% interest in mining claims in the Red Lake District of Ontario called the Shanty Bay claims. The first milestone will be to complete the phase 1 recommendations of the Cullen Report by the expenditure of $149,125. Further exploration on the Bathurst claims depends on the results of the phase 1 exploration.

14. Capitalization

The following table sets out the certain information regarding the share capitalization of the Issuer. The Issuer has one class of security: common shares.

Issued Capital

	Number of Securities (non-diluted)	**Number of Securities (fully-diluted)**	**% of Issued (non-diluted)**	**% of Issued (fully diluted)**
Public Float				
Total outstanding (A)	10,010,000	10,210,000		
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	7,320,000	7,320,000	73.13%	71.69%
Total Public Float (A-B)	2,690,000	2,890,000	26.87%	28.31%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	7,260,000	7,260,000	73.13%	71.69%
Total Tradeable Float (A-C)	2,750,000	2,950,000	27.47%	28.89%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		
	4	1,940,000

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities	37	37,000
2,000 – 2,999 securities	2	5,000
3,000 – 3,999 securities		
4,000 – 4,999 securities	1	4,000
5,000 or more securities	111	1,894,000
Unable to confirm	151	1,940,000

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	6	7,320,000
	6	7,320,000

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities:

None

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Agent's compensation option	200,000	200,000

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

None

25. Financial Statements

Audited year end financial statements to July 31, 2007
Interim unaudited financial statements to April 30, 2008

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Magna Resources Ltd. hereby applies for the listing of the above mentioned securities on CNQ. The foregoing contains full, true and plain disclosure of all material information relating to Magna Resources Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, BC

this 16th day of October, 2008.

"Rudy de Jonge"	*"Raymond A. McLean"*
Rudy de Jonge, Director, President and Chief Executive Officer	Raymond A. McLean Director
"Darryl Yea"	*"C. Michael O'Brian"*
Darryl Yea Director	C. Michael O'Brian Director
"John A. Greig"	*"Alec Peck"*
John A. Grieg Director	Alec Peck Chief Financial Officer