MAGNA RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
JANUARY 31, 2009

INTRODUCTION

Magna Resources Ltd. (the "Company") was incorporated on June 5, 2006 pursuant to the *Business Corporations Act*, British Columbia. The Company's principal business activity is the acquisition and exploration of mineral properties.

The following management discussion and analysis (MD&A) of the financial information of Magna Resources Ltd. and results of operations should be read in conjunction with the interim financial statements for the second quarter ended January 31, 2009 as well as the MD&A and audited financial statements and accompanying notes for the year ended July 31, 2008. The unaudited interim financial statements together with the following MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to future performance. The financial statements are prepared in accordance with Canadian generally accepted accounting principles.

The Company's critical accounting estimates, significant accounting policies and risk factors have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. All amounts are expressed in Canadian Dollars unless noted otherwise.

This MD&A includes discussion and analysis for the period ended January 31, 2009 and contains disclosure of material changes occurring up to and including March 25, 2009.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These forward-looking statements can generally be identified as such because of the context of the statements, including such words as "believes", "anticipates", "expects", "plans", "may", "estimates", or words of a similar nature. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from anticipated future results and/or achievements expressed or implied by such forward-looking statements, which speak only as of the date the statements were made. Readers are therefore advised to consider the risks associated with any such forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth herein.

RESOURCE PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Shanty Bay Mining claims – Dent Township, Ontario

During the fiscal year 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. The exercise terms of the Shanty Bay Option Agreement were $96,000 and 100,000 common 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	$12,000 (paid)	30,000 (issued at $0.125 per share)
Second anniversary of signing	$16,000 (paid)	40,000 (issued at $0.125 per share)
Third anniversary of signing	$20,000	-
Fourth anniversary of signing	$40,000	-
	$96,000	100,000

During the six months ended January 31, 2009 the Company undertook a trenching program on the Shanty Bay showing at a total cost of $65,176. A 125 m and 35 m area (3,800 sq m) was stripped of overburden via an excavator and high-pressure water pump. Assays were taken. Based on the assay results, the Company has decided to drop the option for the property and as a result, during the three months ended January 31, 2009, the Company wrote off $48,500 in property acquisition costs and $65,176 in related deferred exploration expenses.

During the fiscal year 2008, the Company paid $16,000 and issued 40,000 common shares pursuant to the option agreement in deferred exploration expenses and incurred exploration expenditures of $18,972 on the property.

Management in reviewing other properties for acquisition and to date has not identified a suitable property.

PERFORMANCE SUMMARY DURING THE PERIOD

The balance sheet as of January 31, 2009 indicates a cash position of $302,003 (2008 - $199,297). During the six months. ended January 31, 2009 the Company completed an initial public offering of 2,000,000 common shares at a price of $0.16 per share that included cash costs of $90,797 and 200,000 agent options. The Company had other current assets of $9,795 at January 31, 2009 (2008 - $2,637) for total current assets of $311,798 (2008 - $201,934). The increase in current assets is mainly due to completion of the initial public offering net of general and administrative expenses.

Deferred charges at January 31, 2009 total $Nil (2008 - $48,500). The decrease in deferred charges is due to reallocating the deferred costs of the initial public offering to share issuance costs.

Other assets consist of mineral properties $Nil (2008 - $27,500) and deferred exploration expenditures of $Nil (2008 - $16,949), with the year over year decrease due to the write off of the mineral property and related deferred exploration expenses based on the Company's decision to drop its option on the property.

Current liabilities at January 31, 2009 total $3,277 (2008 - $20,089). Shareholders' equity is comprised of share capital of $1,218,594 (2008 - $996,250), contributed surplus of $17,159 (2008 - $Nil) and a deficit of $927,132 (2008- $721,456) for a net of $424,435 (2008 - $274,794). The increase in capital stock is due to the issuance of 40,000 common shares to Rubicon Minerals Inc. pursuant to the option agreement and the issuance of 2,000,000 common shares under the initial public offering, net of share issuance costs of $102,656. The contributed surplus resulted from the granting of agent options. The agent options were granted to the agent with an exercise price of $0.16 and expire on October 16, 2010. In accordance with CICA Handbook Section 3860, the agent options were valued at fair market value of $17,159 determined using the Black-Scholes option pricing model assuming a risk-free return of 3.66%, volatility of 99.623% and a life of 2 years. These costs have been recorded as share issuance costs.

Working capital, which is current assets less current liabilities, is $308,621 (2008 - $181,845).

During the three months ended January 31, 2009 the Company reported a net loss of $147,499 ($0.015 basic and diluted loss per share) compared to a net loss of $9,836 ($0.001 basic and diluted loss per share) reported for same period in fiscal 2008. The loss in fiscal 2009 represents operating expenses of $34,006 and the write off of the mineral property and deferred exploration expenditures totalling $113,676, net of interest income of $183. The loss in 2008 represents operating expenses of $11,198 net of interest income of $1,362.

The weighted average number of common shares outstanding for the three months ended January 31, 2009 was 10,010,000 (2008 – 7,970,000. The weighted average number of common shares outstanding changed in the current period as a result of the closing of the initial public offering of 2,000,000 common shares on October 16, 2008.

The deficit as at January 31, 2009 was $927,132 compared to a deficit of $721,456 at January 31, 2008.

RESULTS OF OPERATIONS

During the three months ended January 31, 2009 the Company reported a net loss of $147,499 ($0.015 basic and diluted loss per share) compared to a net loss of $9,836 ($0.001 basic and diluted loss per share) reported for the same period in fiscal 2008. Expenses for the current period include accounting and legal of $15,074 (2008 - $10,982), transfer agent and filing fees of $9,537 (2008 - $165), office and general expenses of $595 (2008 - $51) and consulting fees of $8,800 (2008 - $Nil) and write off of the mineral property and related deferred exploration expenses of $113,676, offset by interest income of $183 (2008 - $1,362).

During the six months ended January 31, 2009 the Company completed an initial public offering for 2,000,000 common shares at a price of $0.16 per share that included cash costs of $90,797 and 200,000 agent options. The agent options were granted to the agent with an exercise price of $0.16 and expire on October 16, 2010. In accordance with CICA Handbook Section 3860, the agent options were valued at fair value of $17,159 determined by using the Black-Scholes option pricing model assuming a risk-free return of 3.66%, volatility of 99.623% and a life of 2 years. These costs have been recorded as share issuance costs.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected quarterly financial information of the Company for the eight most recently completed quarter of operation. This information is derived from unaudited quarterly financial statements prepared by management. The Company's interim financial statements are prepared in accordance with Canadian GAAP and expressed in Canadian dollars.

	2009		**2008**				**2007**	
	Qtr 2	**Qtr 1**	**Qtr 4**	**Qtr 3**	**Qtr 2**	**Qtr 1**	**Qtr 4**	**Qtr 3**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	-	-	-	-	-	-	-	-
Net Loss	(147,499)	(13,341)	(15,757)	(29,079)	(9,836)	(18,892)	(685,790)	(6,911)
Basic and diluted Loss per share	(0.015)	(0.002)	(0.002)	(0.004)	(0.001)	(0.002)	(0.57)	(0.00)

Losses for the current period ended January 31, 2009 are mainly due to write off of the mineral property ($48,500) and related deferred exploration expenditures ($65,176).

Losses for Quarter 4 of fiscal 2007 were mainly due to stock based compensation expense totally $682,500 due to the re-valuation of common share issuances. (Refer to Note 4b - Share Capital of the audited financial statements dated July 31, 2008)

The Company's financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The Company's significant accounting policies are set out in Note 2 of the audited annual financial statements for the year ended July 31, 2008 and Note 2 to the interim financial statements for the period ending January 31, 2009. All financial amounts are in Canadian dollars.

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.

LIQUIDITY AND CAPITAL RESOURCES

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

	January 31, 2009	January 31, 2008
Working capital	$ 308,621	$ 181,845
Deficit	927,132	721,456

The Company will continue to require funds for future property acquisitions and exploration work 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 always 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 or operating expenditures.

The Company has no off-balance sheet arrangements that would potentially affect current or future operations, or the financial condition of the Company.

RELATED PARTY TRANSACTIONS

During the six months ended January 31, 2009 the Company paid consulting fees of $5,300 to Westpoint Merchant Ventures Inc. a company in which Darryl Yea, a director of the Company, owns a 50% interest.

During the six months ended January 31, 2009 the Company paid consulting fees of $3,500 to St. Cloud Mining Services Inc., a company wholly owned by Rudy deJonge, a director of the Company.

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the interim financial statements for the six months ended January 31, 2009.

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.

SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies are fully disclosed in Note 2 of the audited financial statements for the year ended July 31, 2008.

Recent Accounting Pronouncements

The Company adopted the following new accounting policies on a prospective basis as of August 1, 2008:

CICA Handbook Section 1400 General Standards of Financial Statement Presentation: The CICA amended section 1400 to include requirements for management to assess and disclose an entity’s ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after April 1, 2008. The adoption of this amendment hasn’t had a significant impact on the Company’s financial result or position.

CICA Handbook Section 3064, Goodwill and Intangible Assets, establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. The changes are effective for interim and annual financial statements beginning January 1, 2008. The new standards have had no effect on the disclosure in the Company's financial statements.

CICA Handbook Section 3862 Financial Instruments – Disclosures and 3863 Financial Instruments – Presentation: This new standard replaces accounting standard 3861 Financial Instruments – Disclosure and Presentation and is effective for annual and interim periods beginning on or after October 1, 2007. Presentation requirements have not changed. Enhanced disclosure is required to assist users of financial statements in evaluating the significance of financial instruments on the Company's financial position and performance, including qualitative and quantitative information about the Company's exposure to risks arising from financial instruments. The new accounting standards cover disclosure only and will have no effect on the financial results or position of the Company.

CICA Handbook Section 1535 Capital Disclosures, is effective for annual and interim periods beginning on or after October 1, 2007 and requires disclosure of the Company's objectives, policies, and processes for managing capital; quantitative data about what the Company regards as capital; whether the Company has complied with any capital requirements; and, if the Company has not complied, the consequences of such non-compliance. The new accounting standard covers disclosure only and has not had an effect on the financial results or position of the Company.

In 2006, Canada's Accounting Standards Board (AcSB) ratified a strategic plan that will result in the convergence of Canadian GAAP, as used by public companies, with International Financial Reporting Standards ("IFRS") over a transition period. The AcSB has developed and published a detailed implementation plan, with a changeover date for fiscal years beginning on or after January 1, 2011. The Company continues to monitor and assess the impact of Canadian GAAP and IFRS.

RISKS AND UNCERTAINTIES

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of properties will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of the property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time.

- Limited business history of the Company, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties to property title
- Environmental issues
- Federal and provincial political risk
- Commodity price risk
- Financial markets

The Company is diligent in minimizing exposure to business risk, but by the nature of its activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The Company has classified its cash and cash equivalents as held for trading, which is measured at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. As at January 31, 2009, the carrying and fair value amounts of the Company's financial instruments related to cash and cash equivalents and accounts payable and accrued liabilities are the same due to their short terms to maturity. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

EVENTS SUBSEQUENT TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED JANUARY 31, 2009

On March 16, 2009 the Company terminated its Option Agreement to acquire the Shanty Bay claims located in Dent Township, 80 kilometres east-northeast of Red Lake, Ontario. The Company is actively looking for another property to acquire. The Company's news release dated March 19, 2009 is attached as a schedule to this MD&A and is also available for review at www.sedar.com.

OTHER MD&A DISCLOSURE REQUIREMENTS

Information available on SEDAR

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website – www.sedar.com.

Disclosure by venture issuer

An analysis of the material components of the Company's general and administrative expenses is disclosed in the financial statements to which this MD&A relates. An analysis of the material components of the acquisition/disposition and deferred exploration costs of the Company's mineral properties is disclosed in Schedule A to the financial statements dated January 31, 2009.

Outstanding share data

Common shares issued and outstanding as at January 31, 2009 are described in detail in Note 4 of the to the financial statements dated January 31, 2009.

As at the date of this document, March 25, 2009, the Company had the following number of securities outstanding:

	Number of shares	$	Number of options	Exercise price	Expiry date
Issued and outstanding	10,010,000	1,218,524	200,000	$0.16	October 16, 2010

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NEWS RELEASE.

March 19, 2009 - Vancouver, British Columbia.

CNSX: Symbol: MNA

Magna Resources Ltd. (the "Corporation") has terminated its Option Agreement to acquire the Shanty Bay claims located in Dent Township, 80 kilometers east-northeast of Red Lake, Ontario. The Corporation is actively looking for another property to acquire.

On behalf of
MAGNA RESOURCES LTD.

Per: *"Rudy de Jonge "* Rudy de Jonge
President and Chief Executive Officer

THE CNSX HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.