

CORPORATE UPDATE – New Agreement Signed

October 2014

Mahdia Gold Corp. (the “Company”) (CSE:MGD) provides the following update of its activities on the Omai property in Guyana.

SECOND PRODUCTION AGREEMENT

In October Mahdia Gold entered into an agreement with a second local partner to further develop its mineral bearing properties in Guyana. This new arrangement has already resulted in Mahdia Gold getting access to trucks, excavators and additional mining equipment. In this agreement the new partner will soon provide Mahdia Gold with access to a 200 ton per hour plant and a centrifuge.

Having access to a centrifuge will enable the company to process readily available and suitable material for the extraction of gold. This could have an impact on overall production from both local partners. More details and photos to come on the plant and centrifuge soon.

This new local partner has commenced operations at Omai during the last week with an eight inch suction dredge and a first wash-down is expected early in the coming week of November 3rd. The new partner has contributed field staff, including mechanics. Mahdia Gold expects to gain from this new relationship and will provide timely updates.



Photo of one of the operations of the new partner.

K.B. MINING

K.B. Mining field operations continue to improve at Omai. At current the K.B. joint venture has 2 washplants and three dredges operating at Omai, with a fourth dredge set to commence in the deeper pits the JV prepared. K.B. Mining will be making a crusher available to Mahdia Gold.

WHITE CREEK PROPERTY

The company located four dredge operations that were running by third party operators at White Creek. The company move to regularise them and has now arranged a monthly payment schedule from them.

Mahdia Gold intends to send a team into White Creek in November 2014 with a view to place a Mahdia Gold’s washplant and dredges into operation at the White Creek property.

One of Mahdia Gold's wholly owned dredges started operating recently at Omai after an overhaul. Mahdia Gold's priority at the Omai property is in developing the hard rock potential of the Omai property.

Mahdia Gold is following up on other opportunities to increase plants and equipment at Omai, White Creek and Tiger River.

ABOUT MAHDIA GOLD CORP.

Mahdia is a Canadian-based gold exploration company with active gold prospects in Guyana, South America.
www.mahdiagold.com

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