

For Immediate Release

## **Mahdia Gold Announces Operational Team Appointments And Proposed Debt Conversion**

**Toronto, Ontario, January 15, 2014** – Mahdia Gold Corporation (“Mahdia” or the “Company”) (CSE:MGD) is pleased to announce the appointment of Ray Irwin, P.Geo, as Vice President of Exploration and Development, and Fred Mason as Vice President of Operations and Chief Operating Officer, for the Company’s Omai Project in Guyana, South America. Mr. Irwin and Mr. Mason bring a wealth of experience and operational acumen to the Omai Project. With extensive experience in mining, both individuals have worked throughout the Americas over the past 35 years successfully discovering gold and copper ore bodies; permitting, engineering and building mining operations; and, managing profitable operations from Chile to Canada.

Mahdia’s joint venture partner began moving mining equipment from Georgetown, Guyana to Omai shortly after the beginning of 2014. The equipment is currently being assembled and is scheduled to be operational this month. There is expected to be a short period wherein the machinery goes through its initial break-in period and operators familiarize themselves with the operating methods and new equipment.

“Mahdia is finally beginning its journey to becoming a major mining operation and I couldn’t be more pleased than to have Ray and Fred on the team,” said Andre Douchane, President and Chief Executive Officer. “Given the recent market attitude toward small start-up resource companies, I am proud of the advancements we have made. Management and insiders have continued to believe in the merit of the Omai Project and have been the major source of the recent financings that have kept the company advancing operations in Guyana.”

Mahdia is pleased to announce that it has raised \$253,000 of 15% convertible unsecured subordinated debentures pursuant to the offering that it launched in December 2013. These debentures mature on December 31, 2015 (the “maturity date”), unless earlier redeemed (such early redemption available after December 31, 2014), and bear interest, accruing, calculated and payable semi-annually in arrears on June 30 and December 31 of each year. The debentures are convertible at the holder’s option into common shares of the Company, at any time prior to the close of business on the earlier of the business day immediately preceding the maturity date and the business day immediately preceding the date fixed for redemption of the debentures, at a conversion price of C\$0.06 per common share, being a ratio of approximately 16,666 common shares per C\$1,000 principal amount of debentures.

Mahdia also announces that it plans to enter into shares-for-debt agreements and issue common shares at the current market price to settle approximately \$1.8 million of debt issued in 2013 (including accrued interest) consisting of (i) approximately \$1.5 million aggregate principal amount of convertible debentures having a conversion price of \$0.20, and (ii) \$115,000 aggregate principal amount of promissory notes. Mahdia is also seeking to raise up to \$1 million in a new

## ***Mahdia Gold Announces Operational Team Appointments And Proposed Debt Conversion***

private placement equity financing, of which insiders and management intend to subscribe for \$300,000, to ensure that the Company is well financed during the start-up phase of the Joint Venture placer operation. Both the debt conversions and the new equity financing will be based on the closing price on January 14, 2014 of \$0.065 per share.

### **About Mahdia Gold Corp.**

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

### **Forward-Looking Statements**

*Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such. Neither the Canadian Securities Exchange (CSE) nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.*

### **Contact Information**

Mahdia Gold Corporation  
Andre J. Douchane  
President & CEO  
(416) 671-8089  
info@mahdiagold.com