

Mahdia Gold Corp (CSE:MGD) Announces Appointment of new Chief Executive Officer and Directors

TORONTO, April 18, 2016 /CNW/ - Mahdia Gold Corp (CSE:MGD), announced today changes in senior leadership as the Company moves towards a period of intensive project development. With the election of three new directors to the Board, a reorganized management team will focus on a business renewal strategy designed to ensure stakeholder expectations are met. All levels of management are committed to rapidly developing the potential of the Company's Omai property, growing the net asset value, and maximizing return on past capital invested.

APPOINTMENT OF MR. MICHAEL SMITH AS DIRECTOR AND CEO

Following the resignation of past interim CEO, Mr. Don Gordon, the company is very pleased to announce the appointment of Mr. Michael Smith as the new CEO and Director. Mr. Smith will immediately take over all day to day operations of the company, both in Canada and in Guyana.

Mr. Smith is an experienced entrepreneur who has founded two investment funds, and technology and excavation companies, amongst others. Most recently he was the CFO for a technology company he cofounded in 2012. He has lived in and managed companies within Caricom for more than fifteen years. He has a Bachelor's degree in Economics, Finance and Investment.

Mr. Smith has been an investor in Mahdia since the company was founded and has participated in subsequent investment rounds.

THE BOARD OF DIRECTORS

The Company is pleased to announce the following elections to the Board. This newly constituted Board, working as a team, is an essential first step towards addressing the Company's financial, listing and operational future.

Mr. Adam Szweras

Mr. Adam Szweras is a partner with the law firm Folger, Rubinoff LLP in Toronto, and is Chairman of the Merchant Bank, Foundation Markets Inc. Mr. Szweras has practiced securities law for 20 years focusing on public and private financing transactions, listings and corporate development and growth. He represents public companies seeking listings on the Toronto Stock Exchange, the Toronto Venture Exchange and the Canadian Stock Exchange, and has a particular expertise in structuring cross border transactions. He has represented and assisted in the financing of numerous mineral exploration and development companies, and has previously sat on the board of directors of exploration companies active in South America. Mr. Szweras will work with the rest of the board to assist the Company restructure, finance and develop a strong corporate governance regime.

Mr. Frederick Mraz

Mr. Frederick Mraz is the president of FPM Investments, LLC an investment fund that focuses on the mining of rare earth and precious metals in South America and emerging technologies. He is currently director of an emerging firm that mines and process tantalum for sale in Europe and Asia. He holds patents for processing of food based additives and oil refining for difficult to process feed streams. In addition to FPM Investments, Mr. Mraz represents a large international investment fund. Mr. Mraz's addition to the board of directors will provide the company access to funding sources with a proven track record.

Mr. David Bending and Mr. Robert Buckland

The Company is also pleased to announce that Mr. David Bending, MSc P.Geol., and Mr. Robert Buckland will remain as directors. Mr. Bending is a geologist with extensive knowledge of Guyana mining and the Omai property. Mr. Buckland acts for a British banking group specializing in project financing.

CORPORATE UPDATE

Michael Smith, CEO stated, "The challenges facing Mahdia are manageable. We know what work lies ahead, and we now have a very capable and motivated team prepared and able to do what is needed to regain our trading status. With a world class asset, our goal is to secure and manage our cash flow from on-site partnering operations, while rebuilding the confidence once invested in the Company by the government and people of Guyana – as well as our valued shareholders.

"Historical debts are manageable; negotiations are already beginning and management will rebuild a strong and professional presence in Guyana in the coming days.

"The Company will work closely with the Guyana Geology and Mines Commission to insure that obligations are met for the future.

"I pledge to all of our stakeholders that Mahdia's new management will work to move the company forward, but also attend to stakeholder concerns of the past. We are working with Regulators and Government Authorities in Canada and Guyana to uncover actions that caused the Company, and the Omai, to fall into its current position. We continue to feel very encouraged by the prospects of bringing the Omai mine back to life again and are committed to ensuring the strongest team is working to represent our shareholders."

ABOUT MAHDIA

Mahdia is a Canadian based gold exploration and development company with active gold prospects at the Omai Mine 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.

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