



May 1, 2015

## **MAWSON WEST COMPLETES US\$15 MILLION LOAN WITH GALENA PRIVATE EQUITY RESOURCES FUND**

Perth, Australia – May 1, 2015 – Mawson West Limited (TSX: MWE) (“Mawson West” or the “Company”) has completed and obtained a US\$15,000,000 unsecured loan (the “Loan”) from Galena Private Equity Resources Fund LP (the “Lender”).

The Loan will bear an interest rate of 12.0% per annum, payable in arrears on a quarterly basis, commencing on April 30, 2015, and maturing on May 1, 2016.

In consideration for the Loan, the Company has issued the Lender 367,500,000 warrants, each of which is exercisable to acquire one ordinary share of the Company at an exercise price of C\$0.05 per share until December 31, 2017 (the “Warrants”). The exercise of the Warrants is subject to the receipt of disinterested shareholder approval and final approval of the TSX. Upon receiving shareholder approval for the exercise of the Warrants, which must be obtained prior to October 28, 2015, the Warrants will be required to be exercised by the Lender within 10 business days.

In the event that shareholder approval is not obtained, the Lender may declare the loan due and payable. In this event the interest rate payable by Mawson West on the Loan will increase by a further 3.0% per annum from the date shareholder approval is not obtained.

The proceeds of the Loan will be used by Mawson West for general working capital purposes as the Company continues the ramp up of production from the Kapulo copper mine in the Democratic Republic of Congo.

The Loan and issuance of the Warrants and underlying shares constitute related party transactions for purposes of Canadian Multilateral Instrument 61-101 as the Lender is an insider of Mawson West, currently owning 230,030,761 ordinary shares of Mawson West, representing approximately 57% of the issued and outstanding shares of the Company. Upon exercise of the Warrants, the Lender will own 597,530,761 shares of Mawson West, representing approximately 78% of the issued and outstanding shares of the Company. The Loan and issuance of the Warrants and underlying shares are not subject to or are exempt from the valuation requirements of MI 61-101, but the Company will be obtaining an independent expert’s report in relation to the issuance of the Warrants in connection with seeking disinterested shareholder approval authorizing the exercise of the Warrants. The Loan is not subject to minority shareholder approval. Disinterested shareholder approval will be sought authorizing the exercise of the Warrants.

### **Galena Early Warning Reporting**

The Lender (whose address is Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands) now owns and controls a total

of 230,030,761 ordinary shares of Mawson West, representing approximately 57% of the issued and outstanding shares of Mawson West. Assuming receipt of the requisite approvals and the exercise of the Warrants, the Lender would own 597,530,761 ordinary shares of Mawson West, representing approximately 78% of the outstanding ordinary shares of Mawson West post-warrant exercise. The Lender also holds previously issued warrants of Mawson West exercisable to acquire 83,333,334 ordinary shares of Mawson West (the “2014 Warrants”). In the event that Galena exercises the 2014 Warrants and, assuming receipt of the requisite approvals, exercises the Warrants, it would have ownership and control over 680,864,095 ordinary shares of Mawson West, representing approximately 80% of the ordinary shares of Mawson West post-warrant exercise. The Company is advised that the Lender acquired these securities for investment purposes and has no present intention to acquire further securities of the Company, although it may in the future acquire or dispose of securities of the Company, through the market, privately or otherwise, as circumstances or market conditions warrant. A copy of the early warning report required to be filed by the Lender with applicable securities commissions in connection with this acquisition will be available for viewing under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and a copy of the early warning report may be obtained by contacting media relations for the Lender, at +41 (0) 22 592 4528 or [media@galena-invest.com](mailto:media@galena-invest.com).

### **About Mawson West**

Mawson West is a copper and silver-focused resource company listed on the Toronto Stock Exchange(TSX) and based in Perth, Australia.

The Company’s two key projects are the Dikulushi copper-silver mine, which is currently on care and maintenance, and the Kapulo copper mine located in the South Eastern province of the Democratic Republic of Congo (DRC). Mawson West also has a significant land holding of approximately 7,300km<sup>2</sup> in the DRC’s rich copper belt.

### **About Galena Asset Management**

Galena Asset Management S.A. is a Switzerland based fund manager operated by independent specialist management as part of the Trafigura Group. Galena seeks to draw on the commodity, metals and mining and technical expertise of the Trafigura Group in managing a number of fund products. The final fundraise for Galena closed in September 2014 and it is a US\$400 million closed end Cayman Islands limited partnership designed to invest in the natural resources sector. Galena invests in late stage and producing assets in a variety of jurisdictions and commodities around the globe.

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## **Forward-looking statements**

This news release contains certain “forward looking statements”. These statements reflect management’s current beliefs with respect to future events and are based on information currently available to management of the Company. Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including (without limitation) the risks identified in the “Risk Factors” section of the Company's Annual Information Form and other public filings (copies of which may be obtained at [www.sedar.com](http://www.sedar.com)). The results or events depicted in these forward-looking statements may differ materially from actual results or events. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

*The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this press release.*