

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: **Mahdia Gold Corp.** (the "Issuer").

Trading Symbol: **MGD**

Number of Outstanding Listed Securities: **153,744,802 common shares**

Date: **January 8, 2014**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Mahdia intends to raise gross proceeds of C\$600,000 through a non-brokered private placement consisting of C\$1,000 face value of 15% convertible unsecured subordinated debentures (the "Debentures").

"These funds will ensure the start up of the joint venture, which is expected to commence in January 2014," said Andre J. Douchane, President & CEO.

The 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.

The Debentures rank subordinate in right of payment of principal and interest to all present and future senior obligations of the Company and rank pari-passu to all present and future unsecured indebtedness.

Mahdia also announced in November that its joint venture partner, Roraima Investment & Consulting Services (Guyana) Inc. ("Roraima"), has entered into an arrangement with a private Guyanese equipment company for placer mining equipment.

Roraima is planning to commence operations at Mahdia's Omai property during January 2014, and is targeting an initial production of 300 ounces of gold per month.

"This arrangement for placer mining equipment is a positive step for Mahdia," said Andre J Douchane, President and CEO. "Although initial production is limited, it will supply the Company with much needed cash flow as we continue to seek financing in order to further development."

2. Provide a general overview and discussion of the activities of management.

See #1 above.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None to report.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None to report.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

See #1 above.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None to report.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None to report.

8. Describe the acquisition of new customers or loss of customers.

None to report.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None to report.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None to report.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None to report.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

No changes to report.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

No changes to report.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
N/A	N/A	N/A	N/A

Current private placement of unsecured subordinated debentures of up to \$600,000 being raised (see #1 above).

(1) State aggregate proceeds and intended allocation of proceeds.

(2) An additional 33,332 shares are pending issuance from the exercise of warrants.

15. Provide details of any loans to or by Related Persons.

None to report.

16. Provide details of any changes in directors, officers or committee members.

None to report.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

A significant decrease in the price of gold may affect the Issuer.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: January 8, 2014.

Andre Douchane
Name of Director or Senior
Officer

"Andre Douchane"
Signature
Chief Executive Officer
Official Capacity

Issuer Details		For Month	Date of Report
Name of Issuer		End	2014/01/08
Mahdia Gold Corp.		December,	
		2013	
Issuer Address			
44 Victoria Street, Suite 1103			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.	
Toronto, Ontario, M5C 1Y2	()	(416) 671-8089	
Contact Name	Contact	Contact Telephone No.	
Andre Douchane	Position	(416) 671-8089	
	CEO		