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FOR IMMEDIATE RELEASE

Mahdia Gold Corp. (CNSX: MGD) Announces Successful Convertible Debenture Placement

Mahdia Gold Corporation (the "Company") (CNSX:MGD) is pleased to announce that it has raised gross proceeds of C\$500,000.00 through a non-brokered private placement of units at a price of C\$1,000 per unit, each unit consisting of (i) C\$1,000 face value of 15% convertible unsecured subordinated debentures (the "Debentures"), and (ii) 600 common share purchase warrants of the Company (the "Warrants"). Each Warrant will be exercisable into one common share of the Company at an exercise price of C\$0.20 per share during the five year period following closing.

"I am pleased to personally provide C\$200,000.00 of these funds," said Andre J. Douchane, President & CEO of Madhia Gold. "The Company will use the proceeds of the offering to move its 2013 alluvial production plans for the Omai property toward its goal of producing up to 300 ounces of gold per month. Mahdia is currently getting small scale production from its test work on the alluvial deposit. The Company will continue to define the recoverable gold in the resident placer deposits and move forward with the evaluation of the low-grade stock piles left by previous producers and other areas of discovered yet unexploited placer gold deposits within the property. Mahdia's phase one alluvial test program has been completed and will be available for release in the near term. "

The Debentures mature on June 30, 2015 (the "Maturity Date"), unless earlier redeemed (such early redemption available after June 30, 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\$0.20 per common share, being a ratio of 5,000 Common Shares per C\$1,000 principal amount of Debentures.

The terms of this financing are consistent with the previous C\$1,020,000 convertible debenture placement press released on the 17th of April 2013, bringing the total to \$1,520,000 of successful non-brokered placements in less than two months.

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.

For additional information including a photo library showing the advancement of activities at the Omai mine site, please visit the Company's website at www.mahdiagold.com

About Mahdia Gold Corp.

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

For further information contact: Andre Douchane, President, by email at info@mahdiagold.com, or by telephone at (416) 214-7748.

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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 CNSX Exchange nor its Regulation Services Provider (as that term is defined in the policies of the CNSX) accepts responsibility for the adequacy or accuracy of this release.