



23 April 2014

Magnum Mining and Exploration Limited
(Magnum or the Company)

Execution of a Share Purchase Agreement for the purchase of 100% of shares in G.E.M Venus Holdings (Pty) Ltd, including acquisition of surface and mineral rights in respect of emerald mining and extraction at the Gravelotte Emerald Mine, South Africa (Gravelotte Project)

Further to the Company's announcement on 28 January 2014, the Company is pleased to announce that it has today signed a Share Purchase Agreement for the purchase of G.E.M. Venus Holdings.

Magnum has paid a R3 million deposit and will now proceed to settlement once certain conditions precedent are met. It is anticipated that final settlement will occur in May 2014, with the final payment of R5.5 million payable at settlement.

Highlights:

- Purchase of 100% of shares in G.E.M Venus Holdings (Pty) Ltd (**GEM Venus**) which holds 74% of the issued shares in ADIT Mining (Pty) Ltd and Venus Emeralds (Pty) Ltd which hold all surface and mineral rights in respect of emerald mining and extraction at the Gravelotte Project, one of the largest historical emerald mines in the world.
- Large emerald tailings dump for potential re-treatment.
- Acquisition includes a database of historic mining data and grades and existing mine infrastructure and buildings on the site.

Grant Button, Chief Executive Officer of Magnum, commented:

"This is a significant step in securing the mining and surface rights to the historic Gravelotte Emerald mine in South Africa and marks the beginning of a new phase for Magnum following an extensive search for a suitable, near production, low capex mining project. The mine has a long production history, established mine infrastructure, large tailings dumps with potential for retreatment and significant further exploration potential."

Grant Button
Chief Executive Officer
Magnum Mining and Exploration Limited

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