Mega Precious Metals Reports Transformational Metallurgical Results for Monument Bay

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THUNDER BAY, ONTARIO--(Marketwired - May 29, 2014) - **Mega Precious Metals Inc. (TSX VENTURE:MGP) ("Mega" or the "Company")** is pleased to announce a metallurgical processing strategy and excellent results from the ongoing metallurgical work being completed by Thibault & Associates Inc. on drill core samples from the conceptual open pit within the Twin Lakes Deposit at Monument Bay. These results are based on bench scale metallurgical testing and the assessment of alternative processing technologies for optimum grade and recovery. A metallurgical process has been identified for the production of gold and the co-production of tungsten from two discrete and identifiable zones within the deposit, defined as the "Gold Zone" and the "Gold-Tungsten Zone", both of which demonstrate relatively high recoveries using standard conventional processes.

Highlights of the Initial Metallurgical Results Include:

- A combined gold recovery of 91.4% from Gold Zone run-of-mine ore to gold cyanide leach solution.
  - 95% gold recovery to a bulk sulfide - gold concentrate containing 40 g/t gold.
  - 96.2% recovery of gold in the bulk sulfide - gold concentrate using acidic pressure oxidation and subsequent cyanide leaching of the acid pressure leach residue (about 75% to 80% of the gold is recovered with cyanide leaching without acid pressure oxidation).
  - The sulphide concentrate has a mass pull of only 5.4% of the process ore which will allow much smaller hydrometallurgical circuit than if the whole ore needed to be processed.
- A combined tungsten recovery of 84.9% by bench scale bulk sulfide flotation followed by tungsten rougher stage flotation demonstrates the significant economic potential of the Gold - Tungsten Zone.
  - 89.4% Tungsten recovery with a rougher grade of 5.56% WO_3) was achieved in the tungsten rougher stages. This is a result of selective flotation reagents and the optimum liberation characteristics of tungsten (which occurs predominately as scheelite) using a nominal grinding specification to achieve an optimum tungsten recovery with limited slime loss.
  - The relatively high quality of tungsten at Monument Bay relative to other scheelite deposits is based on a low concentration of impurities (such as fluoride), improving the commercial viability of the tungsten concentrate production for end use tungsten carbide production.
  - Based on the relative grade of gold and tungsten in the Gold - Tungsten metallurgical sample, co-production of tungsten concentrate with gold has the potential to increase revenue relative to the base case production of gold from this zone.

The overall process flow to achieve the maximum recovery for both gold and tungsten is outlined in this release. Mega's management is pleased that the metallurgical process is straight-forward and highly conventional. It should be noted that although the Company is continuing ongoing technical studies on zones discovered to date, the deposit remains open in all directions and ongoing exploration work will be directed to potentially expand the resources by extending the current pit boundaries and also by potentially discovering new zones along the deposit's strike length and possible parallel zones and to depth.

The Gold Zone and the Gold-Tungsten Zone are distinct from each other (both contain free gold, gold associated with non-sulfide and gold associated with sulfide mineralization) and can be processed using commercially proven, widely implemented process technologies for the production of gold dore (Figure 1).

Within the Gold-Tungsten Zone, the tungsten occurs as scheelite that can be separated from the gold and upgraded to co-produce a tungsten concentrate using process flowsheet that is widely-implemented for the production of tungsten from various scheelite-type deposits in Canada, Europe and China.

Glen Kuntz, P. Geo, President and CEO of Mega stated "*We are very pleased to have completed the preliminary bench scale metallurgical tests to define a processing strategy for the development of the Gold*

Zone and Gold-Tungsten Zone of the Twin Lakes Deposit. These results have exceeded our expectations and compare favorably to similar projects. The pit material shows very good recovery results for gold and tungsten and bodes well for our ongoing economic, diagnostic and optimization work. With the positive metallurgical results for tungsten the Company will be undertaking a resource update expected in the third quarter of 2014 to include tungsten where assays have indicated a weighted average increase of 30% to gold equivalent grades when compared to the gold only assays with the potential to significantly transform the Monument Bay Project."

The bench scale test program for the development of a fully integrated process technology (using both metallurgical and hydrometallurgical processing methods) was based on samples of drill core containing 2.27 g/t gold with a minor amount of tungsten (containing 0.021% WO_3) in the Gold Zone and 1.32 g/t gold with 0.42% WO_3 in the Gold-Tungsten Zone.

The Gold Zone consisted of a total of 1,486 samples for a total of 1,422 kg from a total of 140 drill core samples, reflecting the spatial, lithological, mineralogical and grade variations of the conceptual open pit portion of the deposit. A single 500.10 kg composite was generated based on appropriate ratios of each of the types of mineralization and closely following the geological model of the pit. Overall the sample is representative of the two styles of mineralization (porphyry vs shear), approximately 73% of the sample is weighted from the eastern end of the conceptual open pit (Figure 2).

Gold deportment studies are ongoing; however preliminary results from the composite indicate the presence of free gold, gold associated with non-sulphides and gold associated with pyrite/arsenopyrite. Recent 2014 drilling has indicated an increased abundance of visible gold. This indicates there may further benefits to be gained from gravity concentration testing.

The Gold-Tungsten Zone consisted of a total of 115 samples for a total of 208 kg from a total of 24 drill core samples, reflecting the spatial, lithological, mineralogical and grade variations of the western end of the conceptual open pit. Tungsten assays are pending from the 2014 drill and ongoing OCAP program from throughout the deposit which have the potential to impact future gold-tungsten resources.

An update to the bench scale metallurgical test program by Thibault & Associates Inc. of Fredericton, New Brunswick includes the following:

- Bench scale tests have identified a flotation reagent scheme and grind specifications to achieve a 95% recovery of gold to the bulk sulfide flotation concentrate. A bulk sulfide flotation also provides a good separation of the gold and tungsten with 95% of the tungsten reporting to the bulk sulfide flotation tails. The concentrate containing approximately 40 g/t gold provides a significant reduction in the capital cost for a gold hydrometallurgical process facility - relative to direct hydrometallurgical processing of the ore. Based on the gold content in the bulk sulfide concentrate, the throughput tonnage of gold concentrate processed by the gold hydrometallurgical circuit is equivalent to about 5.4% of the run-of-mine ore for processing.
- Bench scale tests to assess an optimum reagent scheme for scheelite flotation as in progress for rougher flotation (primary stage of upgrading by flotation). The development of the reagent scheme for selective scheelite flotation is based on optimization of the tungsten grade by minimizing the flotation of silicates and carbonate minerals. Relative to the scheelite flotation feed, the primary stage rougher recovery of tungsten is 89.4% (to achieve a rougher grade of 5.56% WO_3) based on the development of the reagent scheme to date. The performance of the rougher flotation is consistent with commercial scheelite flotation circuits and work on optimizing the flotation operating conditions for both rougher and cleaning stages of scheelite flotation is in progress.
- Preliminary tests on direct cyanide leaching of gold in the bulk sulfide flotation concentrate (without pre-oxidation leaching of the concentrate) indicated that about 75% - 80% of the gold is cyanide leachable. With pre-oxidation leaching of the gold concentrate using "acidic pressure oxidation" to destroy pyrite and arsenopyrite, the leachability of gold with a cyanide leach is 96.2%. To optimize on the utilization of oxygen and minimize the partial pressure of carbon dioxide in the pressure leach vessel, an acid pre-leach was used to remove the carbonates prior to acidic pressure oxidation.

The definition of the process technology and the integration of ore pre-concentration by bulk sulfide flotation, tungsten upgrading by scheelite flotation and gold recovery from bulk sulfide - gold concentrates by hydrometallurgical processing is defined by Figure 3.

To view Figures 1, 2 and 3 please click on the following link:

http://media3.marketwire.com/docs/MGP0529.pdf

Current and Future Testing

Continuing metallurgical testing is focused on the process parameters for a preliminary economic assessment, with the results of the test program expected late Q3 2014.

In addition to defining a processing strategy to upgrade both gold and tungsten from each zone, the strategy employs tailings and wastewater treatment technologies to comply with environmental guidelines.

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Qualified person:

J. Dean Thibault, P.Eng., Senior Process Chemical Engineer and Principal of Thibault & Associates Inc., located in Fredericton, New Brunswick, is acting as a Qualified Person in compliance with National Instrument 43-101 with respect to the metallurgical bench scale process development test program and process flowsheet design information contained in this release and has reviewed the contents for accuracy.

Glen Kuntz, P. Geo, President and CEO, is the Qualified Person for the information contained in this press release and is a Qualified Person defined by National Instrument 43-101. Glen was Sr. Resource Geologist at the Campbell Gold Mine and Global Spatial Data Systems Coordinator for Placer Dome, Vice President Enterprise Mining Solutions for Runge Ltd., and most recently, Chief Operating Officer with Mega Precious Metals.

Mega Precious Metals Inc. is a leading Canadian-based exploration company with a high quality pipeline of projects located in the mining friendly jurisdictions of Manitoba, Northwestern Ontario and Nunavut. The Company's significant portfolio includes the flagship Monument Bay Gold Tungsten Project in NE Manitoba as well as the N. Madsen Gold Project in the prolific gold mining district of Red Lake, Ontario. Mega has established a record of delivering rapid growth through their focused and low cost approach to exploration and resource development. The Company's common shares trade on the TSX Venture Exchange under the symbol MGP.

For further information and presentation material, please review the Mega website at www.megapmi.com.

Forward-looking Statements

Certain statements in this press release relating to the Company's exploration activities, project expenditures and business plans are "forward-looking statements" within the meaning of securities legislation. The Company does not intend, and does not assume any obligation, to update these forward-looking statements. These forward-looking statements represent management's best judgment based on current facts and assumptions that management considers reasonable. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In particular, fluctuations in the price of gold or in currency markets could prevent the Company from achieving its targets. Readers should not place undue reliance on forward-looking statements. More information about risks and uncertainties affecting the Company and its business is available in Mega Precious Metal's filings which are posted on sedar at www.sedar.com.

There is no guarantee that drill results reported in this news release will lead to the identification of a deposit that can be mined economically, and further work is required to identify a reserve or resource.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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