

West Vancouver, British Columbia--(Newsfile Corp. - May 11, 2016) - [Magnum Goldcorp Inc.](#) (TSXV: MGI) (the "Company" or "Magnum") announces that, subject to regulatory approval, the Company intends to proceed with a flow through and a non-flow through non-brokered private placement. Under the flow through private placement (the "FT Private Placement"), the Company intends to raise up to \$400,000 by the issuance of 5,000,000 flow through shares (the "FT Shares") at \$0.08 per FT Share. Under the non-flow through private placement (the "NFT Private Placement"), the Company intends to raise up to \$325,000 by the issuance of 5,000,000 non-flow through units (the "NFT Units") at \$0.065 per NFT Unit. Each NFT Unit will consist of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share for a period of 2 years at an exercise price of \$0.10. With respect to these private placements, the Company may pay finders' fees in the amount of 10% (payable in non-flow through shares or cash), based on the sale of the FT Shares and NFT Units purchased by subscribers introduced to the Company by such finders.

The proceeds from this Private Placement will be used for Magnum's 2016 exploration drill program on its "LH Property" and for general working capital. The LH Property is a gold exploration property consisting of 19 contiguous crown granted claims and 7 mineral claims, located approximately 7 km south of Silverton, British Columbia, on the east side of Slocan Lake. As announced April 27, 2016, Magnum now owns 100% of the LH Property.

Magnum's 2016 exploration drill program is expected to commence early this summer. The planned program proposes additional testing of high grade gold mineralization previously identified and associated with the underground workings of the LH Mine and/or along the Ridge Zone. The proposed drill program will be comprised of a series of fanned holes drilled along multiple azimuths from two locations approximately 25 - 30 m north of the surface projection of the underground workings. The proposed series of relatively shallow holes is expected to provide:

- further evaluation of an interpreted series of high grade, gold-bearing zones,
- extension of the mineralized zone(s), east and west along strike and to depth, and
- provide sufficient high grade, gold-bearing intercepts sufficiently spaced in three dimensions to calculate an initial NI 43-101 compliant Resource Estimate.

By way of background, Magnum's August 2015 program produced impressive analytical results from its very successful helicopter-supported drill program on its LH Property, which results included 16.9 m of 13.58 g/t, including 10.9 m of 20.61 g/t, and as well, 11 m of 20.66 g/t. As part of Magnum's 2015 exploration efforts, the drill program targeted high grade gold mineralization previously identified in the LH underground workings.

The objective of the 2015 program was to confirm high grade gold mineralization reported from both previous drilling and underground chip sampling by previous operators. Previous work was interpreted to suggest gold-bearing mineralized zones are associated with intervals having elevated sulphide content. For more information, refer to the Company's NI 43-101 report dated March 9, 2016, as filed on SEDAR and available on the Company's website. As the mineralized zone has been complicated by subsequent small offsets, drill step-outs were kept relatively small to provide successive mineralized intercepts. Despite proximity to the underground workings, the 2015 drill program was very successful in providing numerous, high grade, gold-bearing mineralized intercepts. Highlights reported from the 2015 drill holes (see the Company's August 18, 2015 News Release for a full list of intercepts reported) include the following high grade, gold-bearing intercepts >10 grams / tonne (g/t):

Drill Hole	Interval*		Length (metres)	Gold (Au)	
	From (metres)	To (metres)		ICP (g/t)	Gravimetric (g/t)
LH15-31	21.00	37.90	16.90	13.58	14.31
Including	27.00	37.90	10.90	20.61	21.75
Including	34.00	35.00	1.00	175.00	187.00
LH15-32	15.63	73.00	57.37	3.81	3.73
Including	19.00	20.00	1.00	14.70	20.00
Including	20.00	21.00	1.00	27.50	29.70
Including	26.00	27.00	1.00	30.20	6.85
Including	42.00	43.00	1.00	15.60	11.50
Including	50.00	51.00	1.00	11.90	14.70
Including	51.00	52.00	1.00	11.60	13.20
Including	52.00	53.00	1.00	52.90	56.00
LH15-34	15.95	20.23	4.28	5.64	6.16
Including	20.00	20.23	0.23	14.30	8.93
LH15-36	18.00	23.47	5.47	10.20	12.59
Including	20.00	23.47	3.47	15.89	19.59
Including	21.00	22.00	1.00	49.70	63.60
LH15-37	6.00	15.34	9.34	7.08	6.45
Including	6.30	11.00	5.00	12.86	11.66
Including	6.00	7.00	1.00	14.30	11.30
Including	9.00	10.00	1.00	31.40	30.10

Drill Hole	Interval*		Length (metres)	ICP (g/t)	Gold (Au) Gravimetric (g/t)
	From (metres)	To (metres)			
LH15-38	28.00	39.00	11.00	20.66	20.76
Including	28.00	29.00	1.00	14.30	17.50
Including	30.00	31.00	1.00	10.90	9.57
Including	31.00	32.00	1.00	53.00	69.50
Including	32.00	33.00	1.00	132.00	114.00
	66.00	81.00	15.00	3.00	2.78
Including	78.00	79.00	1.00	35.60	32.10
LH15-39	8.00	9.00	1.00	22.60	22.10
LH15-40	10.10	10.36	0.26	10.00	11.00
	11.00	14.00	3.00	13.53	14.28
Including	11.00	12.00	1.00	25.00	33.60
Including	12.00	13.00	1.00	14.20	7.76
	26.00	62.00	36.00	5.92	5.97
Including	26.00	27.00	1.00	13.40	12.90
Including	30.00	31.00	1.00	16.40	18.40
Including	32.00	33.00	1.00	48.50	46.10
Including	33.00	34.00	1.00	63.90	47.60

\* True Width not known at this time

The LH Property is subject to certain net smelter return royalties.

This news release has been reviewed and approved by Rick Walker, P. Geo., who is acting as the Company's Qualified Person for the LH Property project, in accordance with regulations under NI 43-101.

For further information, contact Mr. Clive Shallow, Shareholder Communications, at 604-922 2030 or visit the company's website at [www.magnumgoldcorp.com](http://www.magnumgoldcorp.com).

Magnum Goldcorp Inc.

"Douglas L. Mason"

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Douglas L. Mason, CEO

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