

MagIndustries Corp. : Amendment to the Potash Investment Agreement Signed by Congolese Cabinet Ministers

April 2, 2014 (Source: Marketwired) – MagIndustries Corp. (“MagIndustries” or the “Company”) (TSX:MAA) is pleased to report that an amendment (the “Amendment”) to the Potash Investment Agreement of December 2008 (the “PIA”) has been signed by two cabinet ministers of the Republic of Congo (the “ROC”) on behalf of the ROC, Mr. Pierre Oba, Minister of Mines and Geology and Mr. Gilbert Ondongo, Minister of State, the Economy, Finance, Public Works and Integration and by the Company. The Amendment has been approved by the Company’s board of directors and will be introduced to the Parliament of the ROC by the two ministers for eventual passage into law. MagIndustries and its local Congolese operating company, MagMinerals Potasses Congo S.A. (MagMinerals), are both signatories to the Amendment.

The PIA is an umbrella agreement that covers a series of understandings and agreements between the parties in respect of a number of operational aspects of the Company’s proposed 1.2 million tonne per year Mengo Potash Project (the “Project”) under construction near Pointe Noire, ROC. The PIA addresses the following needs of the Project: *access to water; transportation infrastructure access; port infrastructure and shipping; gas supply; rights of way for construction of the Project; and fiscal conditions.*

The PIA also includes the environmental and social impact studies completed by MagMinerals and ratified by the State.

The studies set out the on-going obligations of MagMinerals with respect to environmental and social monitoring and actions during the construction, operation and eventual closure of the Project. Given the change in plans to complete the Project in one phase, the Company has completed and obtained approvals for supplemental environmental and social impact studies associated with the full Project.

The PIA includes the necessary licenses and permits for the construction of the Project, the exploitation of the mine and operation of the process plant. The PIA provides the rights to establish operating companies in-country, and allow MagMinerals to take any action it deems necessary to design, build and establish operations in-country, as well as addressing procedures, processes, documentation, permitting systems and administration requirements in-country. The PIA further outlines the terms in respect of export of final product, commercialization of the production on the open markets and allows MagMinerals to execute any agreement with third parties it deems necessary for the good execution and operations of the Project including labour agreements and freedom to hire internationally, subject to implementation of training programs for and priority placement of qualified and competent Congolese nationals or residents. The PIA also provides MagMinerals the freedom to establish all communications, security and other modalities deemed necessary for a safe and economic operation in the ROC.

The Amendment, which will now proceed to the ROC parliament, is necessary to reflect the revised design and timing of execution of the Project as described in the **Update of the NI 43-101 Technical Report for MagMineral's Mengo Permit Area, Kouilou Region, Republic of Congo** of November 2013 (see the Company's press release of November 14, 2013 or the full text of the Technical Report which is posted on SEDAR). The principal revisions to the Project are an initial capacity of 1.2 mtpy rather than 600,000 tpy, transportation of bulk

material by slurry pipeline rather than rail and the location of drying and compaction operations proximate to a new dedicated bulk commodity terminal, now in the advanced engineering stage for construction at Pointe Indienne, ROC.

About MagIndustries Corp.

MagIndustries is a Canadian company whose common shares are listed on the TSX and trade in Canadian currency under the symbol "MAA". The Company has 755,942,674 common shares outstanding. MagIndustries is focused on the development of its potash assets in the ROC. More information on the Company is available on its website, www.magindustries.com.

Except for historical information, this press release contains forward-looking statements, which reflects the Company's current expectation regarding future events. These forward-looking statements involve risks and uncertainties, which may cause actual results to differ materially from those statements. Those risks and uncertainties include, but are not limited to, country policy and political risks, currency exchange risk, changing market conditions, force majeure events, and other risks detailed from time-to-time in the Company's ongoing filings. A project finance loan is necessary for the Project to proceed and there is a risk the Company and its prospective lender may not agree on final terms and conditions in the definitive loan documentation. Additionally, approval for a project finance facility, when or if finalized, may not be in a timeframe that allows the Project to proceed on the expected schedule. Specifically with respect to this press release, the PIA and Amendment are crucial to the Company's ability to construct and operate the Project and failure of the legislative bodies of the ROC to pass the Amendment into law could materially impact the ability of the Company to proceed with the Project. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under the Company's

continuous disclosure obligations. In light of these risks, uncertainties and assumptions, the forward-looking events in this press release might not occur.