



Trading Symbol: TSXV: BMC
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BUCHANS ANNOUNCES CHANGES TO THE PROPOSED TRANSACTION WITH SG SPIRIT GOLD INC. AND POSTPONES SPECIAL MEETING OF SHAREHOLDERS

Buchans Minerals Corporation (BMC-TSX-V) ("Buchans Minerals" or the "Company") announced today that it has entered into an amended and restated definitive agreement (the "Amended Agreement") with SG Spirit Gold Inc. (SG-TSX-V) ("SG Spirit Gold") that amends and restates the definitive agreement dated January 24, 2012 between the Company and SG Spirit Gold (the "Original Agreement") with respect to sale by Buchans Minerals of 100% of the Buchans property, Tulks North property and Tulks Hill joint venture interest (collectively, the "Buchans Property") to SG Spirit Gold (the "Transaction"). In addition, the Company announced that the special meeting of shareholders of Buchans Minerals (the "Special Meeting") to approve the Transaction will be postponed from April 11, 2012 to a later date to be agreed upon with SG Spirit Gold.

Warren MacLeod, President & Chief Executive Officer of the Company, stated that, "I believe that the Transaction, as contemplated by the Amended Agreement, will enhance shareholder value as well as strongly position SG Spirit Gold to be a fully financed, development and exploration base metals company whose primary objective will be the consolidation and advancement of a Buchans, Newfoundland centered base metal complex."

Summary of the Amended Agreement

The Amended Agreement includes a number of modifications to the terms of the Transaction as set out in the Original Agreement and as previously disclosed in the Company's press releases dated January 26, 2012 and February 8, 2012. The changes to the Original Agreement that are reflected in the Amended Agreement include the following:

- The Company will still receive 50.0% of the issued and outstanding common shares of SG Spirit Gold on a non-diluted basis calculated immediately following the completion of the Financing but will not receive any share purchase warrants from SG Spirit Gold;
- SG Spirit Gold will be required to raise a minimum of \$10.0 million in the financing to be completed by SG Spirit Gold as a condition precedent to the closing of the Transaction (the "Financing");
- The deadline for the completion of the Financing by SG Spirit Gold is extended from March 28, 2012 to April 27, 2012;
- Buchans Minerals will receive a \$1.0 million upfront cash payment (the "Upfront Payment") and a \$1.0 million payment upon the commencement of commercial production on the Buchans Property;
- The consolidation of the common shares of SG Spirit Gold to be completed prior to the closing of the Transaction will be on a 3:1 basis;

- Buchans Minerals will have the right to participate in the first equity financing of SG Spirit Gold following closing of the Transaction so as to increase its ownership in the capital of SG Spirit Gold to a maximum of 45.0% on a fully diluted basis;
- The ownership interest that the Company must maintain in order to retain 50% representation on the board of directors of SG Spirit Gold is reduced from 40% to 35%; and
- The success fee to be paid by Buchans Minerals to NCP Northland Capital Partners Inc. (“NCP”) in connection with the Transaction is reduced from 5.0% to 3.5% of the Upfront Payment.

Special Meeting of Buchans Minerals Shareholders

In light of the changes to the terms of the Transaction as set out in the Amended Agreement, the Company is postponing the date of the Special Meeting from April 11, 2012 to a later date to be agreed upon between the Company and SG Spirit Gold. The Company will announce the new date of the postponed Special Meeting once it has been agreed upon with SG Spirit Gold. The Company will also announce the record date for voting and participation in the Special Meeting.

About Buchans Minerals

Buchans Minerals is an Atlantic Canada based resource company that has been focused on exploring and developing base metal properties in the historic Buchans mining camp in central Newfoundland, Canada. Should shareholders approve the Transaction, the Company’s focus will shift to exploration and development of its other projects, particularly its 100% owned Woodstock manganese project in New Brunswick, Canada.

About SG Spirit Gold

SG Spirit Gold is a Vancouver based resource company in the business of acquiring and advancing Canadian mineral properties prospective for precious metals and base metals. The Company's management team and Board have extensive experience and success in the resource industry. Upon completion of the transaction, SG Spirit Gold intends to change its name to Regiment Zinc Corp. to properly reflect its base metal focus.

SG Spirit Gold is led by Forbes West, in association with Forbes & Manhattan. Forbes West, formerly known as the Exploration Group, is a Vancouver-based mining services company established by Mr. Mark Morabito. Forbes West provides administrative, management, geological, regulatory, tax, corporate development and investor relations services to mining companies throughout North America. Forbes West specializes in identifying, funding, developing and managing resource-based opportunities, with a special interest on the junior mining sector. With an office that is fully Sarbanes-Oxley compliant, Forbes West is vertically integrated with in-house geology, legal and corporate finance departments. Forbes West is focused on enhancing value to its growing portfolio of noteworthy public mining companies including SG Spirit Gold, Alderon Iron Ore Corp., Crosshair Energy Corporation, Excelsior Mining Corp, Logan Resources Ltd. and Ridgemont Iron Ore Corp.

Cautionary Statement

Completion of the Transaction is subject to a number of conditions, including TSX Venture Exchange (the "Exchange") acceptance and shareholder approval. The Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the information circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. The Exchange has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

Forward Looking Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the terms of the Transaction, the Financing and the potential of the Buchans Property, are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of our common share price and volume and the additional risks identified the management discussion and analysis section of our interim and most recent annual financial statement or other reports and filings with the Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and Buchans Minerals undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release, and no securities regulatory authority has either approved or disapproved of the contents of this release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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