
Wits Basin completes acquisition of China Global Mining Resources

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Wits Basin Precious Minerals Inc has announced that it has completed its acquisition of China Global Mining Resources a British Virgin Islands corporation. China Global Mining Resources owns rights in certain acquisition agreements relating to gold, nickel and iron ore mining properties in the People's Republic of China.

Wits Basin has loaned a total of approximately USD 8 million to CGMR, which has been used to invest in the above mentioned PRC projects. Currently contemplated project financing consists of a USD 15 million remaining balance on the Company's discretionary line of credit from China Gold, LLC based in Kansas City. While the Company has received proposals from other sources for additional project financing, nothing has been formally agreed upon and any such financing remains subject to negotiation and execution of definitive documentation and other customary closing conditions.

The producing gold property, known as the Tongguan County Taizhou Gold Mining Company Limited is located in the Shaanxi province. The nickel property is the Xing Wang Nickel Mine located in the Qinghai province. The Lao Wan Iron Deposit is located in the Hubei province. The operating Xiaonanshan iron ore mine is located in Maanshan in the Anhui province. And has been approved by the Anhui government to operate a wholly owned foreign enterprise commonly known as a "WOFE" which is necessary in order to operate in the PRC.

These potential funding sources include several domestic and international hedge funds and banks. The required due diligence is in an advanced stage and the Company believes it will be completed in the near term. The Company continues to pursue several additional avenues of obtaining capital including JV equity financing, direct investment and other partnerships. The Company is optimistic that it will secure adequate funding to complete each of these projects.

Wits Basin Precious Minerals Inc is a minerals exploration and development company holding interests in three exploration projects and currently do not claim to have any mineral reserves on any project. Our common stock trades on the Over the Counter Bulletin Board under the symbol.

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