

TSX.V Symbol: AME

KGHM exercises option to increase interest in Ajax project to 80%

Vancouver, British Columbia – April 2, 2012. Abacus Mining & Exploration Corporation (TSXV: AME “Abacus” or the “Company”) is pleased to announce that pursuant to the Joint Venture Shareholders’ Agreement with respect to the Ajax copper-gold project located near Kamloops, B.C., KGHM Polska Miedz S.A. (“KGHM”) has informed Abacus of its intention to exercise its option (the “Option Exercise”) to acquire a further 29% interest in the Joint Venture Company, KGHM Ajax Mining Inc. (“KGHM Ajax”), increasing its ownership to 80%.

At closing of the Option Exercise, KGHM will pay approximately US\$30 million to Abacus, to be used to fund a portion of Abacus’ 20% share of the Ajax project’s US\$795 million of initial capital, as estimated in the Ajax project bankable feasibility study (“BFS”) dated January 6, 2012.

KGHM will arrange to fund its 80% of the development and construction expenditures for the Ajax project through to production, and at Abacus’ request, is obligated to arrange financing for the balance of Abacus’ share of initial project capital on commercially reasonable terms.

Jim Excell, Abacus’ President & CEO commented, “With the exercise of its option, KGHM has confirmed the project’s robust economics and its intention to advance the Ajax project through construction to production. This essentially derisks the Ajax project from future funding uncertainty and ensures funding for Abacus’ 20% portion of the initial project capital. Abacus intends to maximize the project’s full potential and value for its shareholders.”

The BFS confirms the economic viability of the Ajax project at long term copper and gold prices, and demonstrates the leverage to increases in metal prices. The base case pre-tax net present value (NPV - 8%) of US\$416 million using long term average prices of US\$2.75/lb Cu and US\$1,085/oz Au, almost quadruples to US\$1.6 billion with a 2.2 year payback of initial capital of US\$795 million assuming the scenario of US\$3.50/lb Cu and US\$1,700/oz Au, which is more reflective of current prices.

The technical information in this news release has been reviewed and approved by Dave Laudrum, P.Geol., Abacus's Chief Geologist and qualified person for the Ajax project within the meaning of National Instrument 43-101 (“NI 43-101”). The NI 43-101 Technical Report is available on the Company's website (www.amemining.com) and on SEDAR (www.sedar.com).

On Behalf of the Board,
ABACUS MINING AND EXPLORATION CORPORATION

James D. Excell
President & CEO
jexcell@amemining.com

Donna Yoshimatsu
Director, Investor Relations
dyoshimatsu@amemining.com
(647) 345-0826

About Abacus

Abacus is a mineral exploration and mine development company with a 49% interest in the feasibility stage Ajax copper-gold project located near Kamloops, B.C. The Ajax project is a joint venture between Abacus Mining & Exploration Corp. and KGHM Polska Miedz S.A. ("KGHM") through KGHM Ajax Mining Inc. ("KGHM Ajax").

The Ajax project feasibility study supports production of a total of 2.5 billion lbs of copper and 2.28 million ozs of gold in concentrate, or an average of approximately 109 million lbs of copper and 99,000 ozs of gold annually, over a 23 year mine life. Total proven and probable mineral reserves are estimated at 3 billion lbs Cu and 2.7 million ozs Au at 0.27% Cu and 0.17 g/t Au based on \$2.50 Cu and \$1,085 Au. The proposed mine plan envisages a conventional open pit operation processing 60,000 tonnes per day or 21.9 million tonnes per year of ore. *[see Report titled "Ajax Copper/Gold Project – Kamloops, British Columbia Feasibility Study Technical Report" by Wardrop (a Tetra Tech Company) dated January 6, 2012 ("FS")]*

Forward-Looking Information

This release includes certain statements that are deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that Abacus expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include changes to commodity prices, mine and metallurgical recovery, operating and capital costs, foreign exchange rates, ability to obtain required permits on a timely basis, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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