Midas Resources Limited

Advancing the Fortitude Gold Project in W.A. to Feasibility and Exploring for World Class Gold and Nickel Sulphide Deposits

Competent Person Statement

The information within this report as it relates to exploration results, geology and mineral resources was compiled by Mr Geoff Balfe who is a member of the Australian Institute of Mining and Metallurgy. Mr Balfe is a full time employee of the Company. Mr Balfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Balfe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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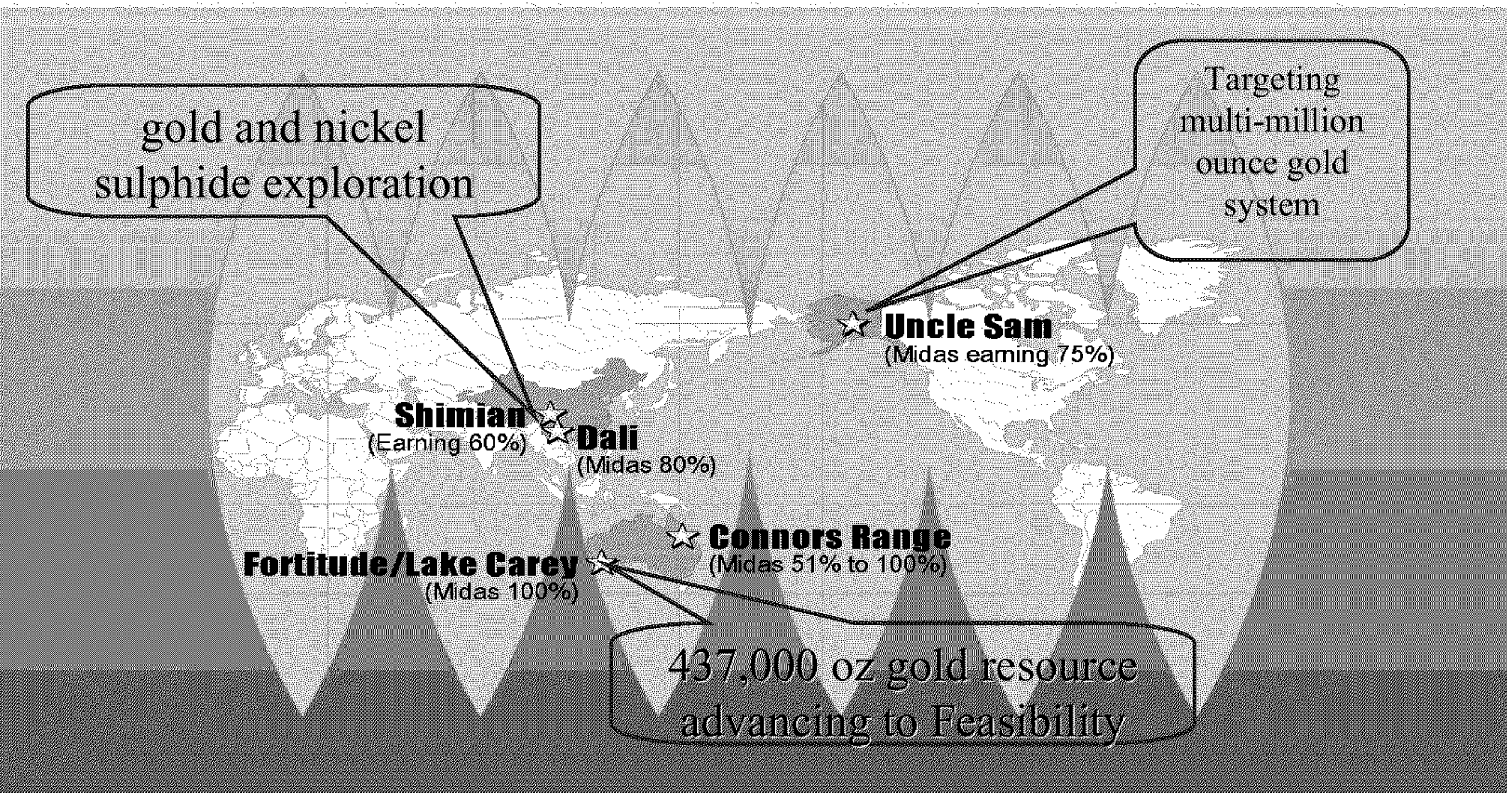
MIDAS PROJECT LOCATIONS



Midas Resources – Key Projects & Objectives

1. Fortitude Gold Project – complete technical inputs for a Feasibility Study in 2007 followed by a decision on mining.
2. Queensland Gold Projects – evaluate multiple gold & silver targets and work up for drilling.
3. Alaskan Gold Project – follow-up drilling at Uncle Sam to test for a Fort Knox type target.
4. China: Gold and Nickel Sulphide JV's – Early stage - working up drill targets

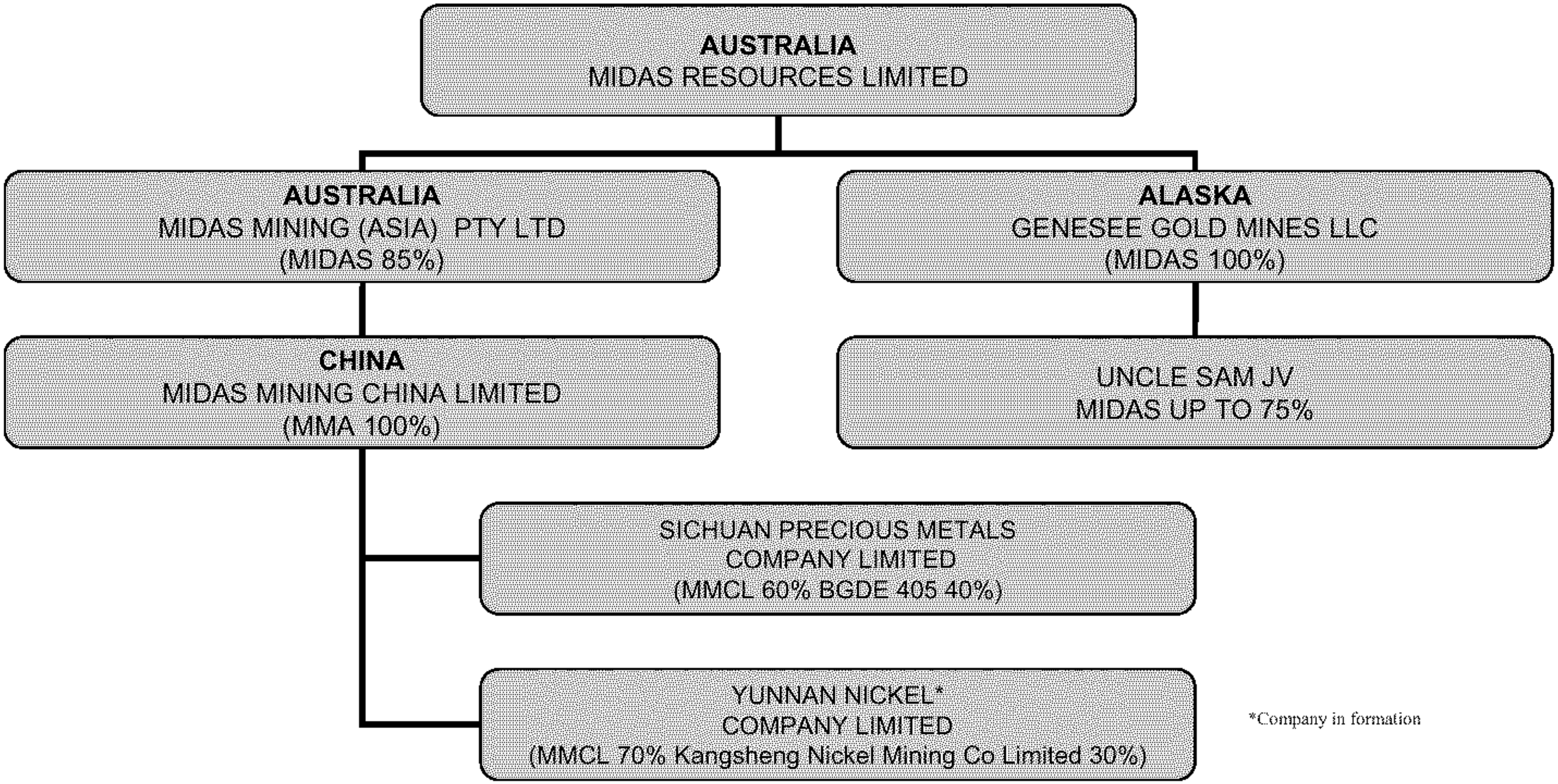
Company Snapshot

Chairman:	Don Boyer
Managing Director:	Geoff Balfe
Director:	Terry Streeter

Market Cap	$8.0M
Issued Capital	97M shares
	24M options
ASX Symbol	MDS/MDSO
Cash	$0.9M
Loan & Convertible loans*	$0.8M

* Convertible at 8 cents/share up to max of $700,000

CORPORATE STRUCTURE



*Company in formation

Lake Carey – Fortitude Gold Deposit

- Global Resource 6.6Mt @ 2gpt for 437,000ozs (1.0gpt cog)
- In-pit Resource 1.34Mt @ 2.56gpt for 103,000ozs at $800/oz
- Significant cash flow projections are indicated by latest Pit Optimisation study at gold prices from $500 to $900/oz.
- Preferred development option:
  - Minimal CAPEX - Contract mining at 1.0Mtpa followed by trucking 35km for toll treatment at Sunrise Dam, or 65km for toll treatment at Granny Smith Operations.
- Strategic alliances & acquisition of additional resources.
- Exploration upside - potential for higher grade zones within existing resource which could expand open pit and increase the in-pit resources.
- Hedging - ability to lock-in future value and minimise downside risk by placing put options at relatively high AUD$ gold price
- Targeting completion of technical inputs to a BFS by mid 2007.

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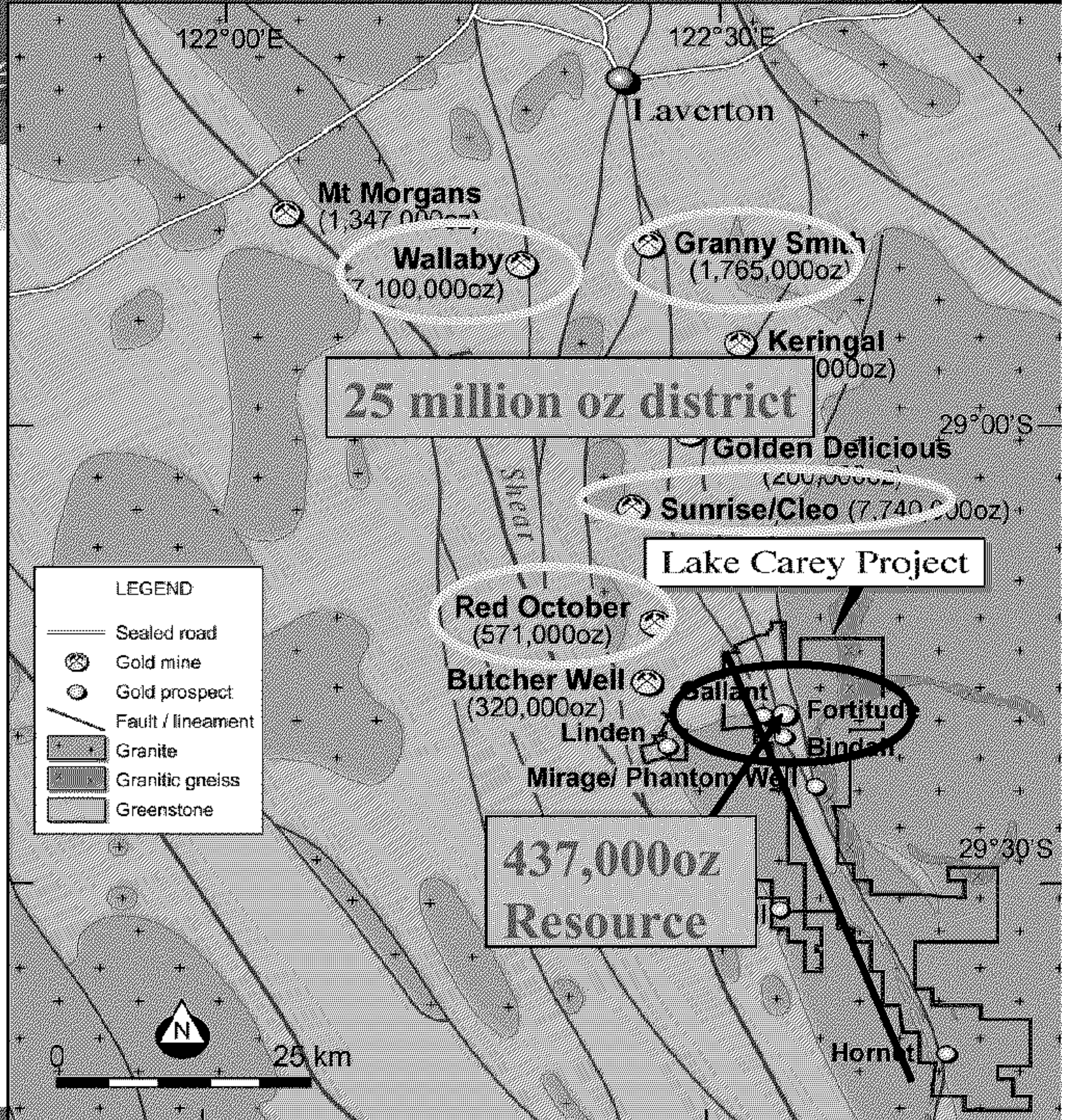
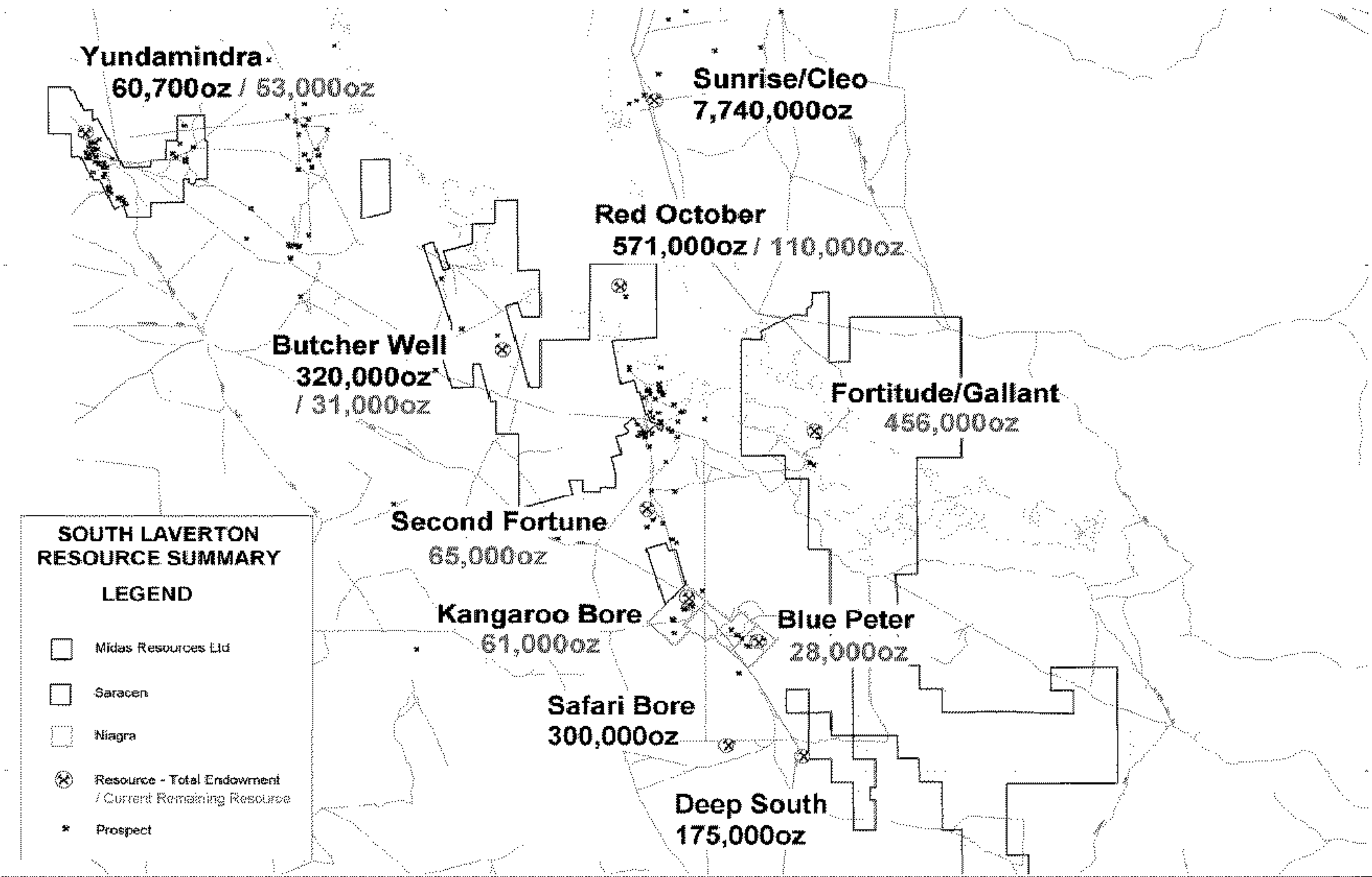
FORTITUDE

1. 35km south of Sunrise Dam 3.6M tpa mill; 65 km south of Granny Smith 3.4M tpa mill
2. 20km east of Saracen's Red October-Butcher Well Resources
3. A mill at Fortitude would be strategically placed to acquire the other un-mined resources within 30km.
4. Significant regional exploration potential and Midas is pro-active on acquisitions.



STRATEGIC LOCATION



Fortitude Global Resource After 11 Midas drill Programmes

Measured	1,001,000 t at 2.0 g/t Au for 64,366 oz
Indicated	3,189,000 t at 2.0 g/t Au for 208,543 oz
Inferred	2,453,000 t at 2.0 g/t Au for 164,199 oz
Total	6,643,000 t at 2.0 g/t Au for 437,193 oz

Measured & Indicated Resource increased 36% from 200,000 oz to 273,000 oz

Global & In-Pit Resources (1.0gpt cut off grade)

	Tonnes	Grade gpt	Ounces
Global Resource	6,643,000	2.0	437,193
Core Area Resource	5,930,000	2.0	387,027
In Pit @ $800/oz	1,340,000	2.56	103,000

10% Mining Dilution at 0.3gpt Au, 100% Mining Recovery and 94% Metallurgical Recovery; 44dg pit slope, 1.0Mtpa

PIT	RESOURCE		OUNCES	OPERATING	OPERATING	OPERATING	OPERATING
SHELL	TONNAGE	GRADE	RECOVERED	PROFIT	PROFIT @ $700/oz	PROFIT @ $750/oz	PROFIT @ $800/oz
($/oz)	(t)	(g/t)	(oz)	($)	($)	($)	($)
500	369,896	3.08	34,484	4,847,216	11,571,666	13,252,778	14,933,890
525	432,802	2.94	38,445	5,741,453	12,301,191	14,175,402	16,049,613
550	571,121	2.76	47,578	6,851,007	13,809,287	16,128,714	18,448,141
575	698,577	2.67	56,397	8,140,451	15,013,895	17,763,272	20,512,650
600	811,100	2.62	64,335	9,652,420	15,925,113	19,061,460	22,197,806
625	903,275	2.62	71,508	11,299,912	16,528,917	20,014,920	23,500,923
650	993,326	2.62	78,751	13,121,536	16,960,656	20,799,776	24,638,896
675	1,018,460	2.60	79,875	15,045,541	16,992,502	20,886,422	24,780,342
700	1,072,211	2.57	83,289	17,022,203	17,022,203	21,082,545	25,142,887
725	1,165,666	2.56	90,136	19,104,357	16,907,282	21,301,431	25,695,581
750	1,222,254	2.56	94,583	21,368,009	16,757,102	21,368,009	25,978,916
775	1,294,167	2.56	100,219	23,745,172	16,416,660	21,302,335	26,188,010
800	1,340,459	2.56	103,869	26,229,203	16,101,955	21,165,579	26,229,203

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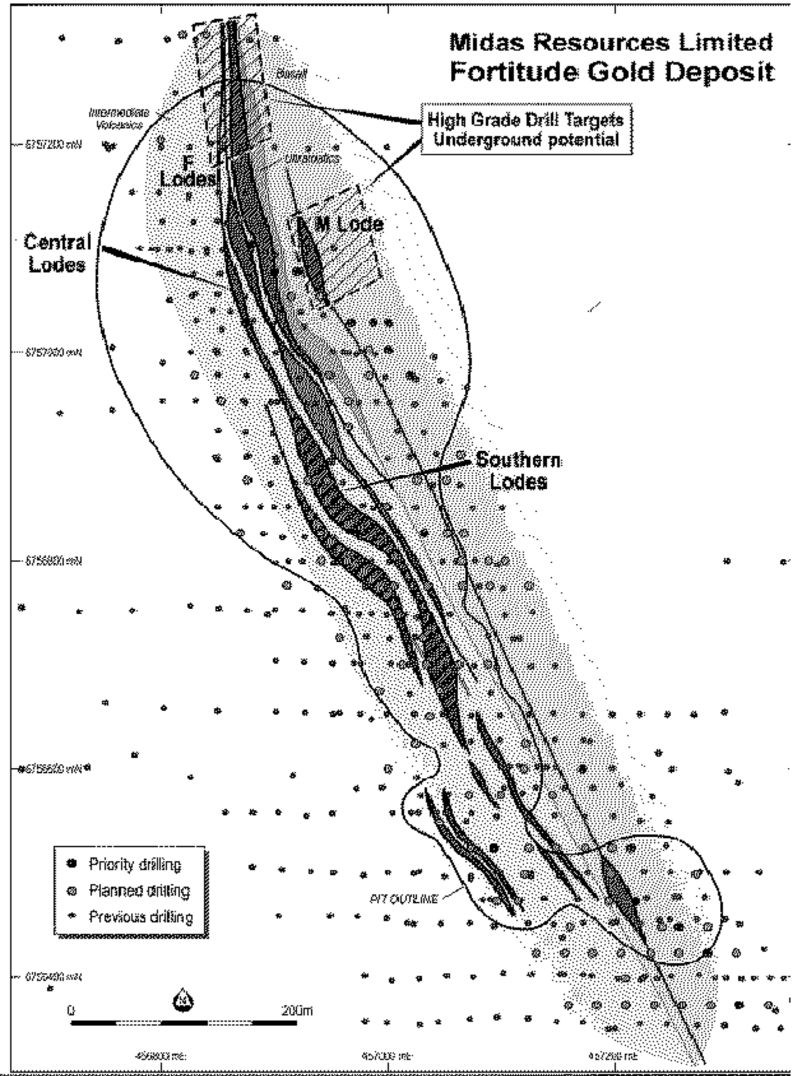
Fortitude $800/oz Pit Shell

- $26M +ve cash flow before CAPEX
- In pit resource 1.3Mt @ 2.56gpt Au for 103,000 oz (1.0gpt cog)
- In-pit and near-pit exploration drilling has potential to expand resource, particularly at north end.
- 2006 geotechnical programme aimed at commencement of feasibility study in mid 2007.



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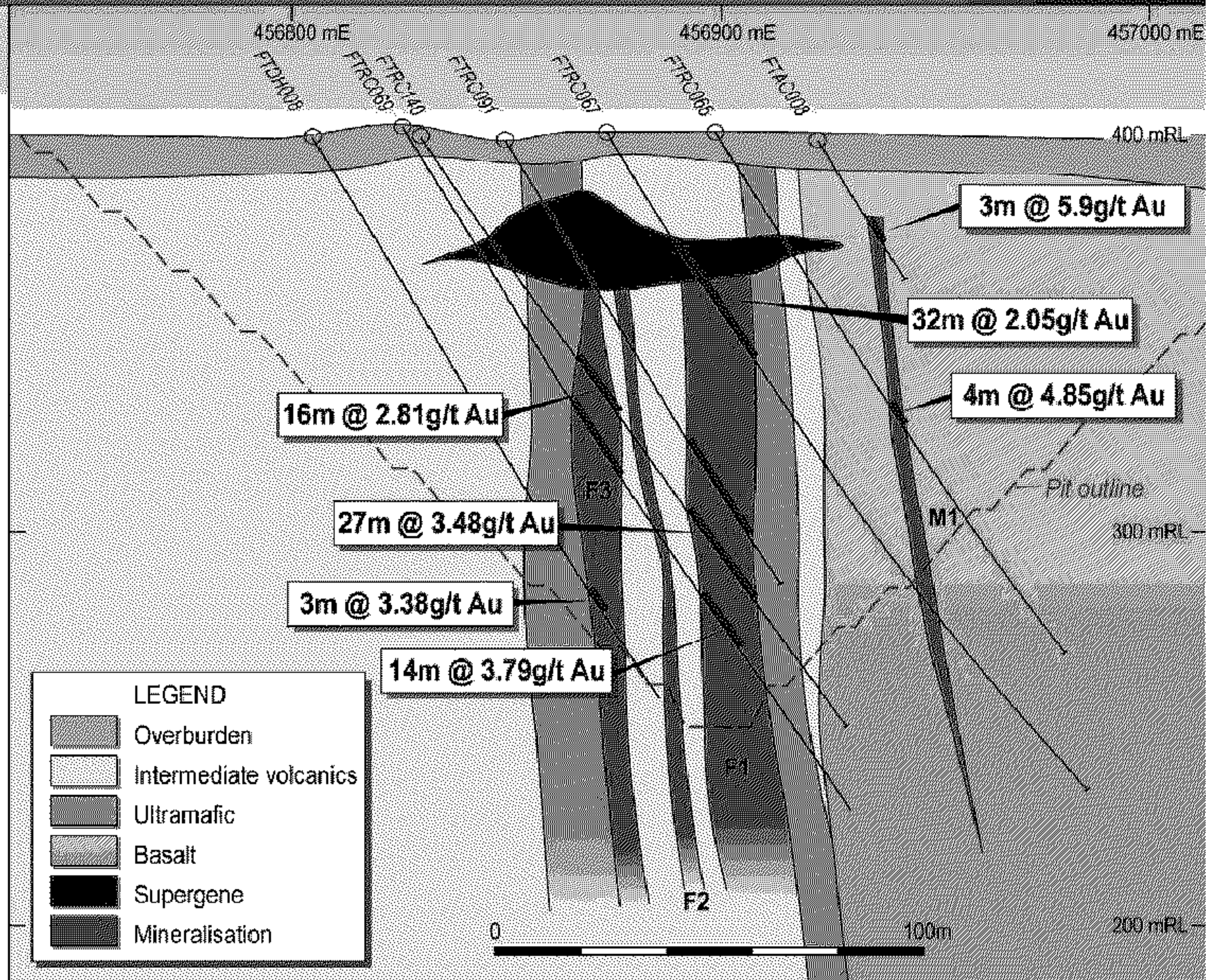

Fortitude Project FY2007 Budget Cost Estimate

Target	Type	Holes	Metres	Est Cost $
Nth Pit Resource Drilling	RC	45	4000	360,000
Sth Pit Resource Drilling	Small RC	50	2500	210,000
High-grade in-pit Targets	DDH	4	1200	150,000
Metallurgical	DDH	4	600	100,000
Geotechnical	DDH	4	600	100,000
Hydrological Test Work	RC/DDH	4	600	80,000
Sub Total				1,000,000
Consultants and Mining Studies				100,000
TOTAL (including overhead)				1,100,000

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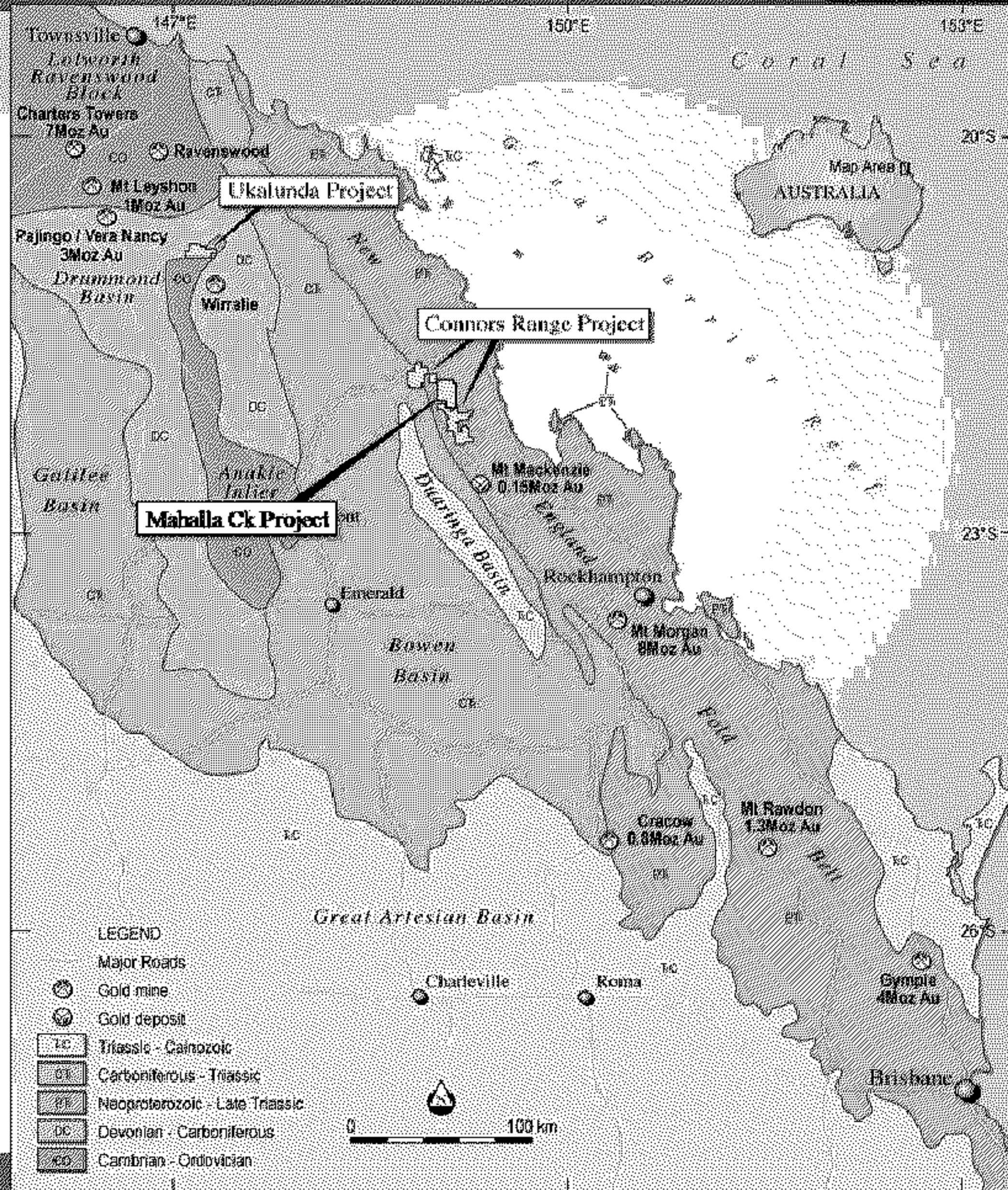
PROJECTS:

Ukalunda 100% Midas

Connors Range JV 51% Midas

Mahalla Creek 100% Midas



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UKALUNDA

- 100% Midas owned tenements
- Historical silver producing district with 600,000 ozs silver produced from Sunbeam Mine alone.
- Typically high-grade massive sulphide mineralisation in veins and shears adjacent to granodiorite intrusive complex.
- Midas resampled old mine dumps with spectacular results from the Daisy to Walhalla Mine areas.
- Targeting a key 1.5km x 1.5km area for geophysics.

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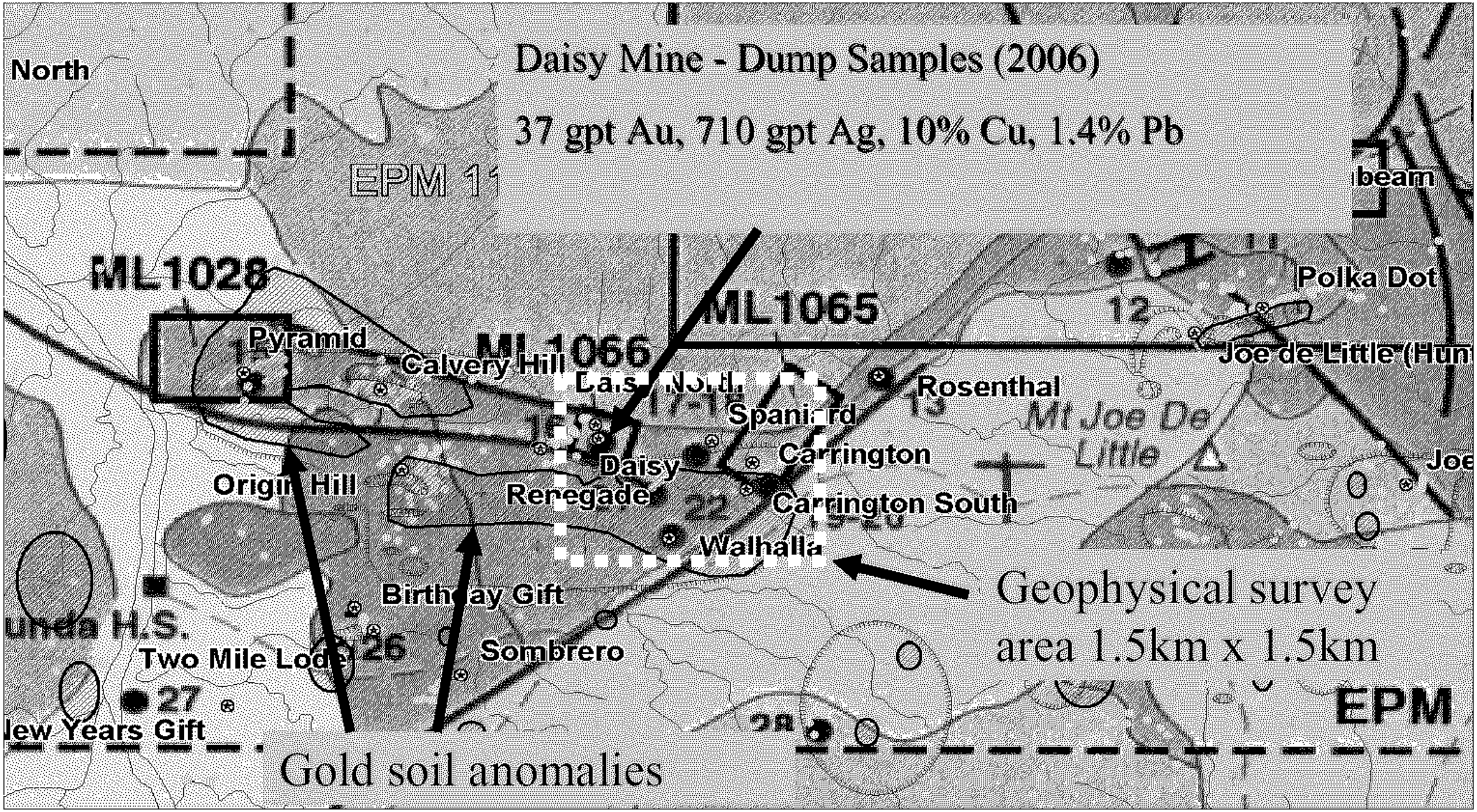
UKALUNDA (Au-Ag-Cu-Zn-Pb) TARGET AREA



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Recent Dump Sampling, Daisy - Carrington Area, Ukalunda									
Prospect	***Sample No.***	***Au ppm***	***Ag ppm***	***As ppm***	***Bi ppm***	***Cu %***	***Pb ppm***	***Sb ppm***	***Zn ppm***
Walhalla	Q022	4.53	2	126	128	0.11	116	13	152
Walhalla	Q023	2.03	37	19	551	0.12	1035	14	174
Daisy	Q024	7.97	91	310	1005	1.60	3060	189	561
Daisy	Q025	18.80	1365	1730	10250	13.00	6690	1810	751
Daisy East	Q026	9.81	451	1430	1945	3.70	1.10%	5370	1825
Daisy	E042367	2.87	568	2330	NA	3.03	6.46%	NA	2150
Daisy	E042368	7.00	845	2610	NA	6.17	1.90%	NA	3070
Daisy	E042369	1.45	630	3910	NA	6.35	2.15%	NA	3050
Daisy	E042370	37.20	710	1965	NA	10.25	1.42%	NA	1490
Carrington	E042371	0.77	119	773	NA	1.21	2860	NA	690

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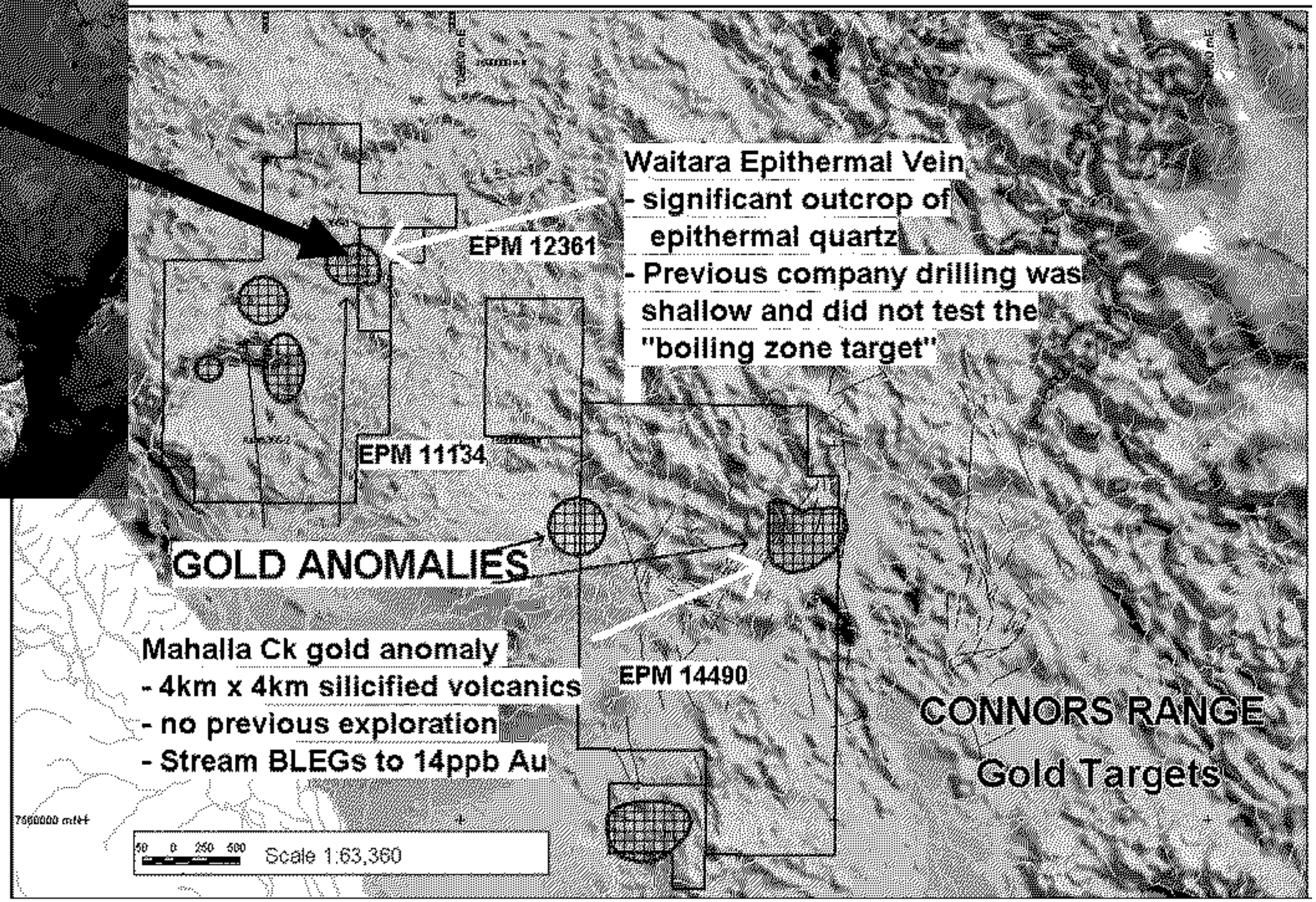
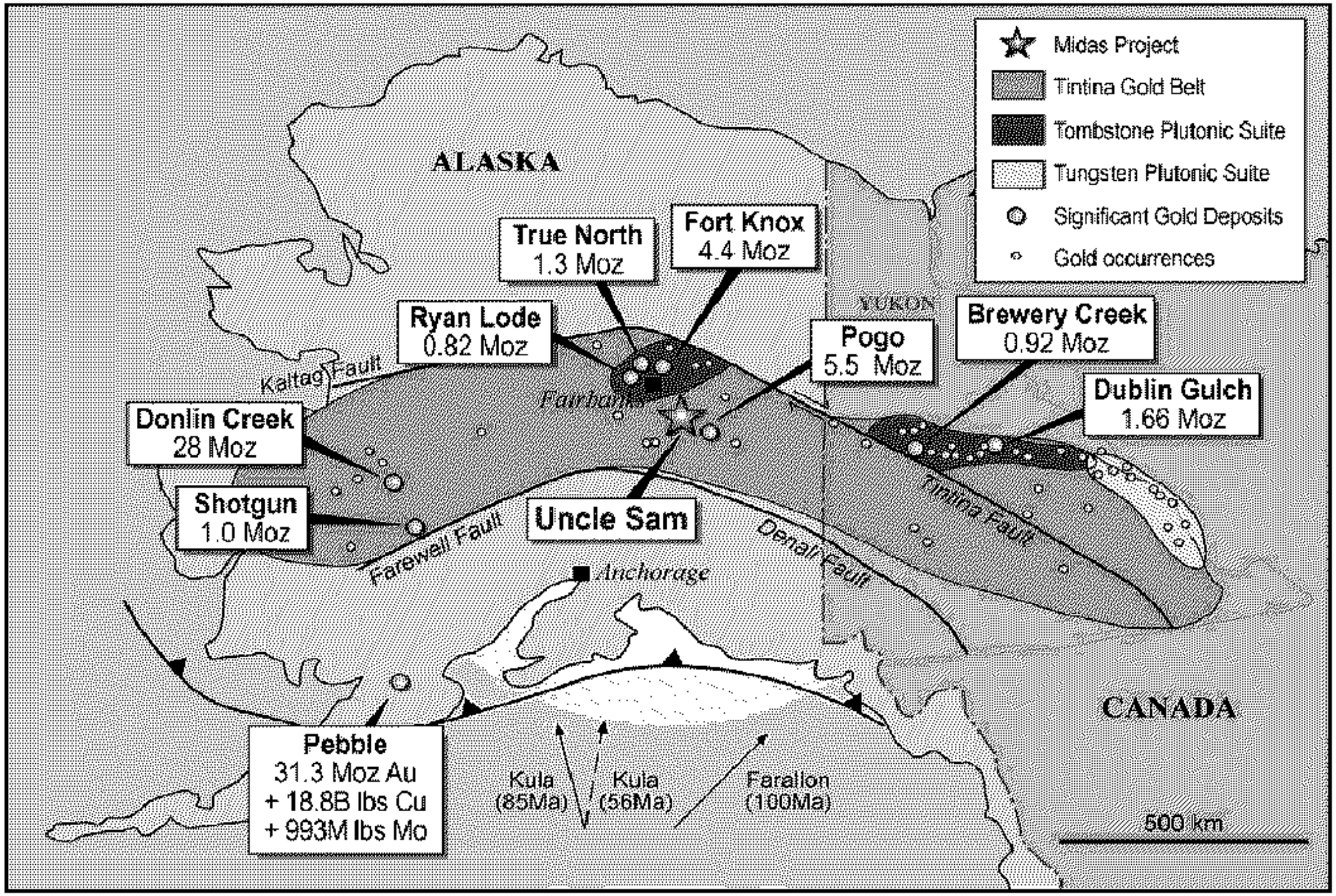
EPITHERMAL GOLD TARGETS AT CONNORS RANGE



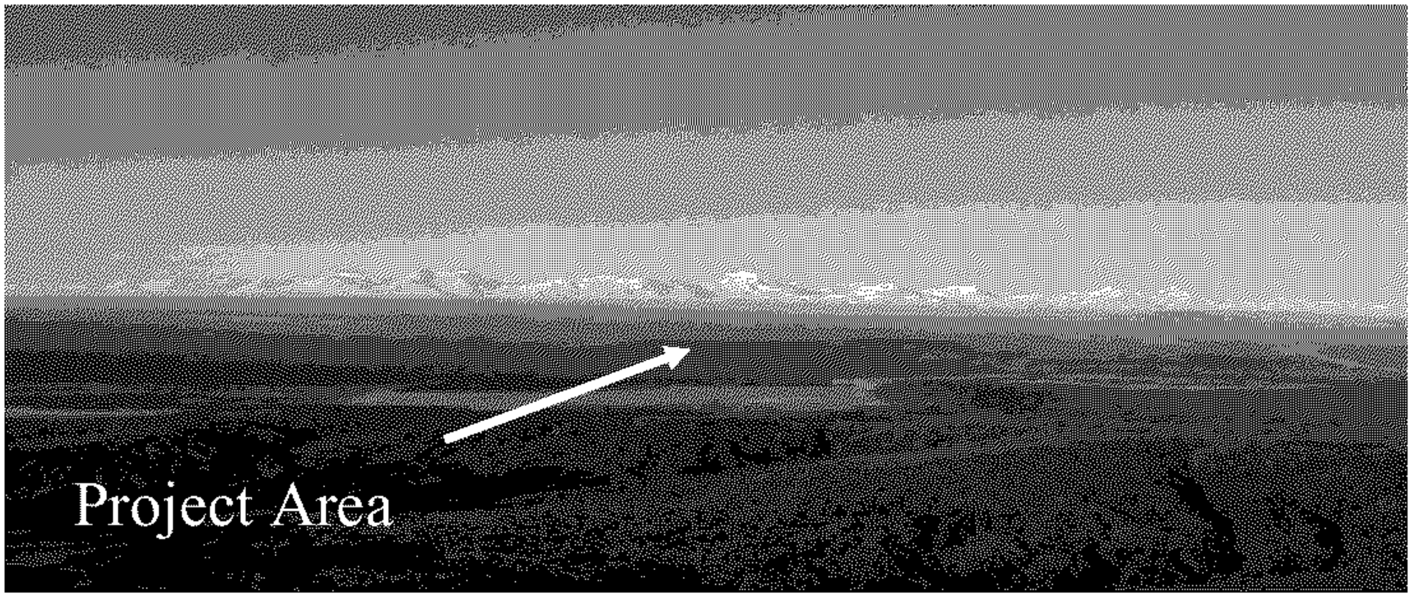
- Working up drill targets
- Following up gold anomalies

Alaska – World Class Tintina Gold Belt



Uncle Sam located in 200 Million Ounce Gold Belt

Uncle Sam Project Alaska



Midas has right to earn up to 75% by spending $3.0M over three years; GEX can contribute to hold 49%; Kennecott retains a buy-back right and 2%NSR

Exploring For Multi-million Ounce Gold Deposits Like Fort Knox and Pogo

Uncle Sam Joint Venture

- Targeting a multi-million ounce gold system in the World Class Alaskan Tintina Gold Belt.
- Located on State of Alaska claims – a pro mining state with significant economic exposure to mining.
- Kennecott drill hits of up to 6.1M @ 10.6gpt Au are being followed-up by Midas.
- Six high priority drill targets selected based on geochemistry and previous drill results.
- Intrusive granite target drilled in March 2006 and 5 out of 7 Midas RC holes hit gold mineralisation.
- Drill intersections include 12.2m @ 1.47 g/t and 6.1m @ 1.15 g/t
- Mineralised structure is interpreted to intersect the granite intrusion down-dip with good potential for a high-grade Fort Knox type gold system where the structure passes though the granite.

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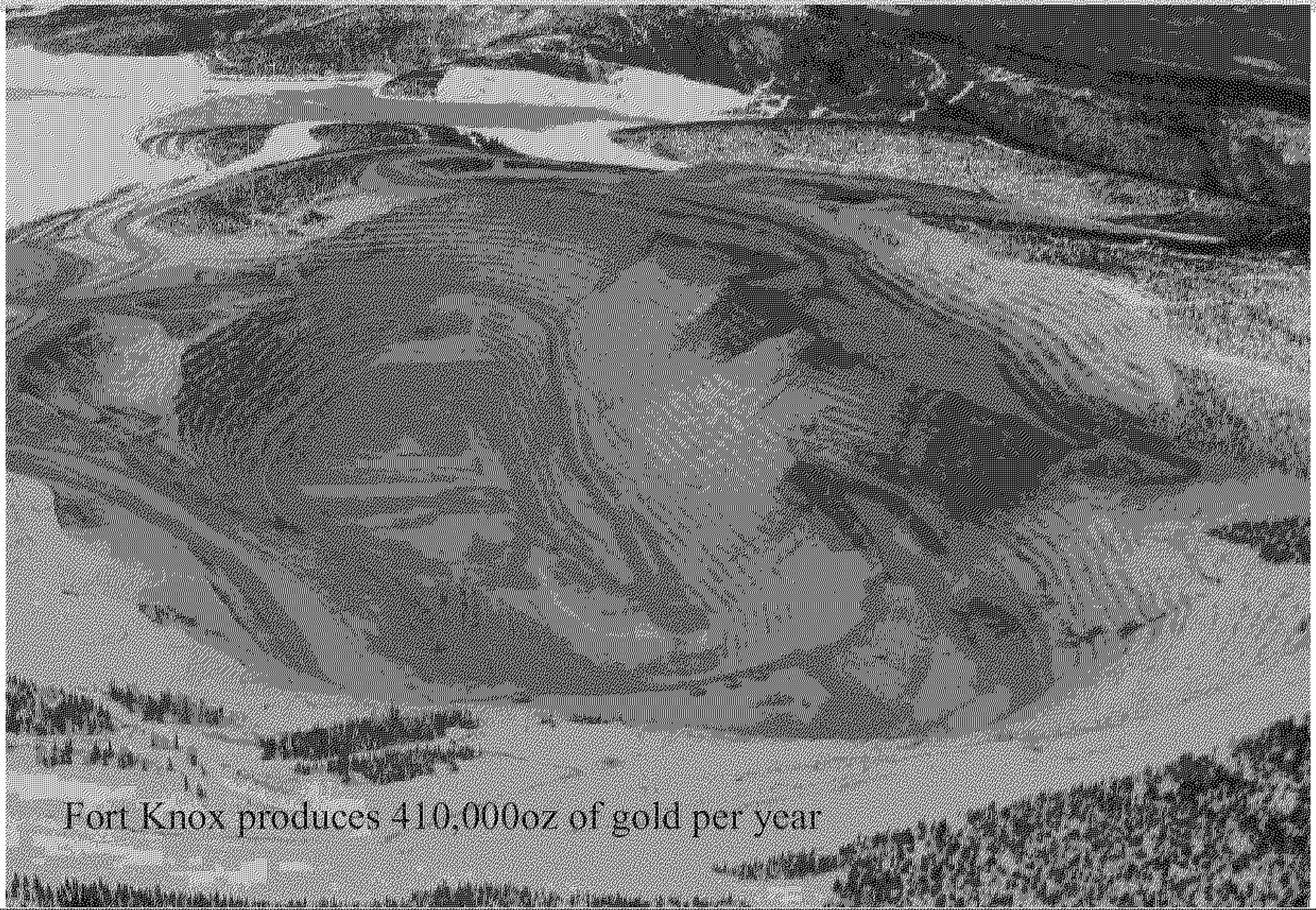
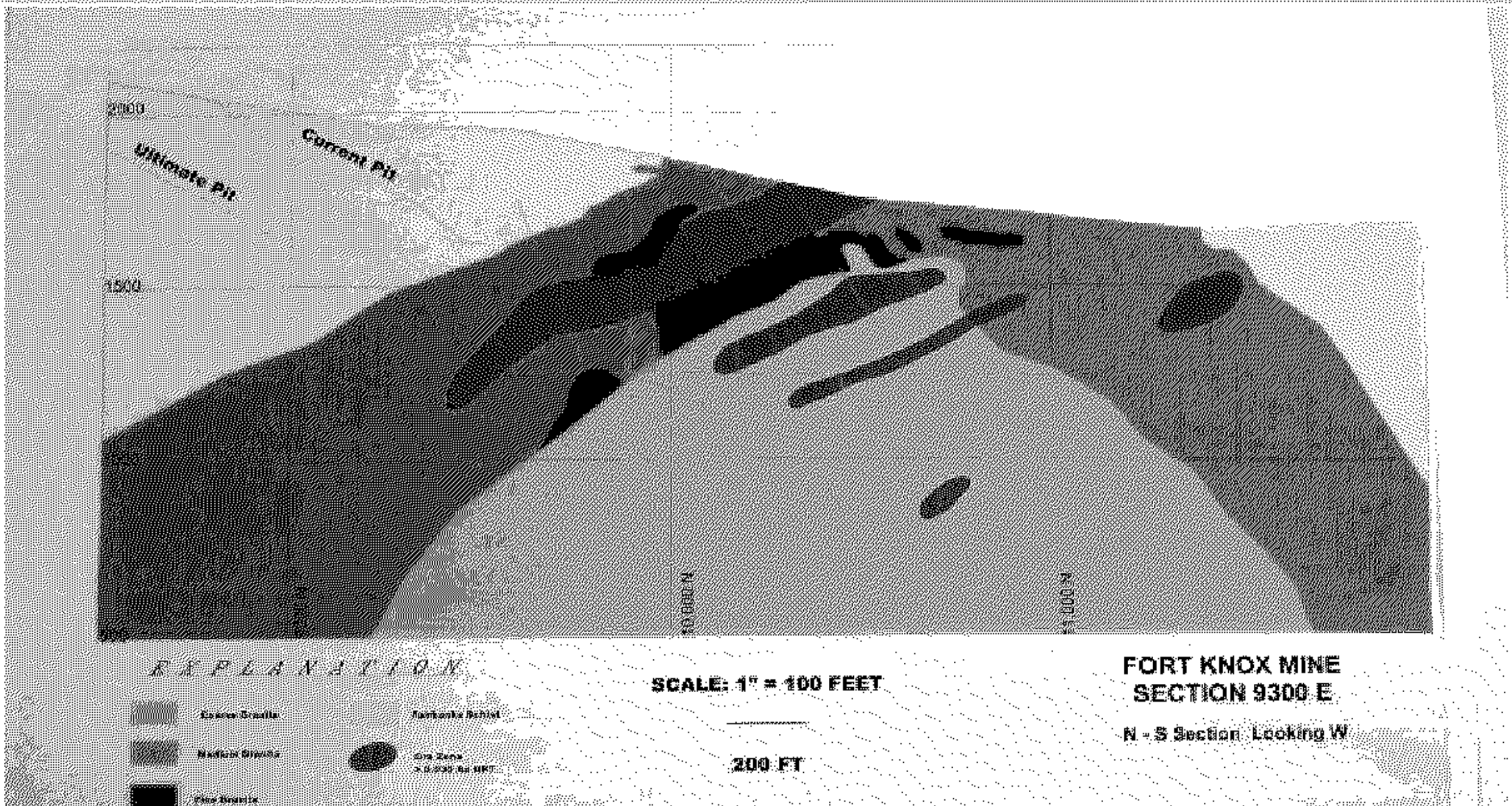
Fort Knox Mine – a Large Tonnage Bulk Mineable Gold Deposit



Fort Knox Gold Deposit 4.4M oz Reserve

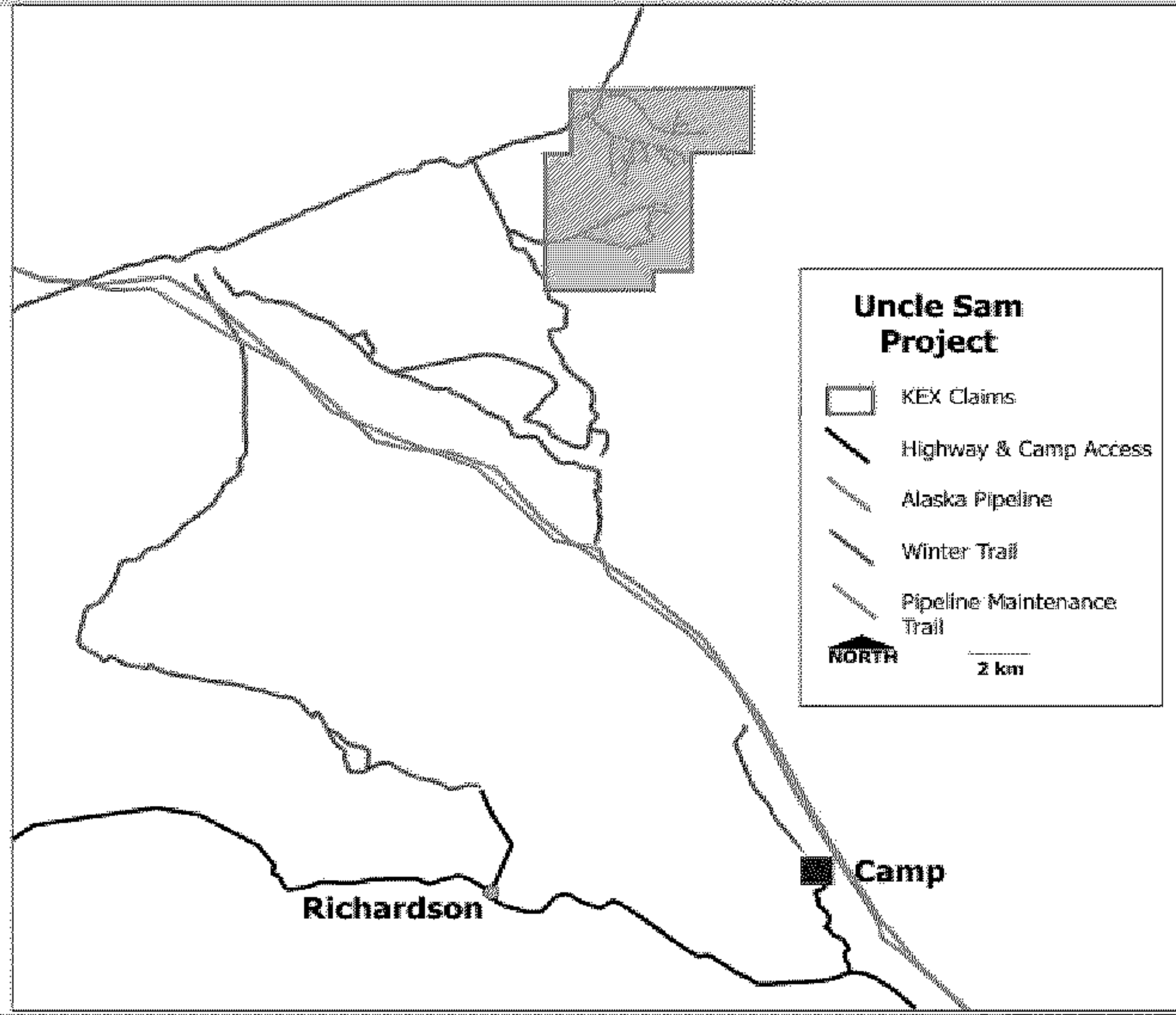


•Gold mineralisation is in the carapace of a granite intrusion

•Fort Knox was discovered in an area that had been heavily prospected for 80 years!

Uncle Sam Project is Accessible all year

- 75km SE of Fairbanks and 20km off a main highway
- Accessible for drilling all year
- Maintenance trail along pipeline
- Fairbanks – Anchorage Highway maintained all year



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Results of Previous Company Drill holes

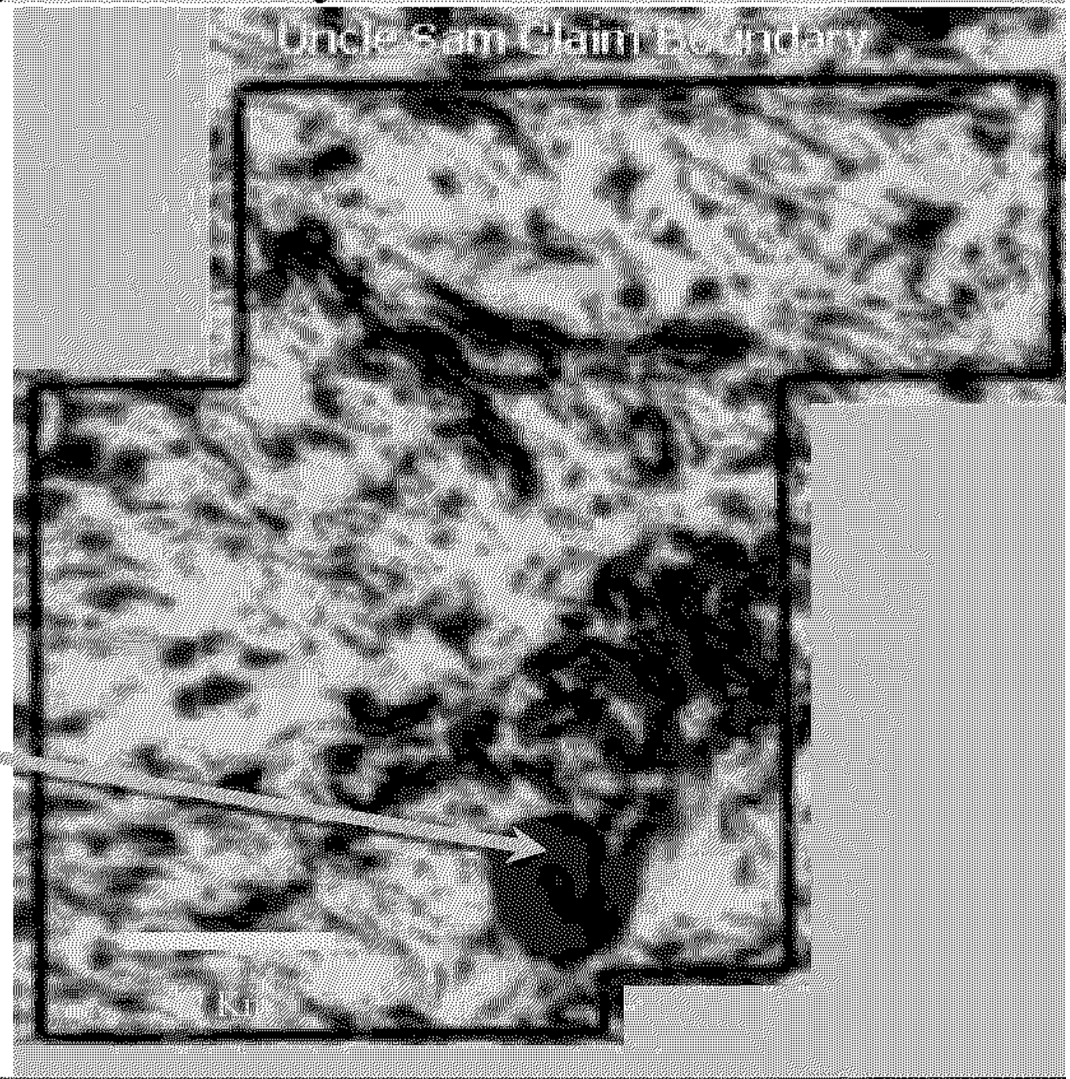
Midas following up some significant drill intersections

Hole ID	From	Intercept*	Hole Type
USRC_22	24.38	6.1m@10.61 g/t Au	RC
USRC_07	24.50	5.5m@4.94 g/t Au	RC
USC001	194	3.3m@4.38 g/t Au	DD
USC011	103	4.0m@3.03 g/t Au	DD
USC011	87.78	11.2m@2.38 g/t Au	DD
USC013	79.35	8.6m@2.08 g/t Au	DD
USC021	18.9	11.9m@1.61 g/t Au	DD
USC007	70	3m@1.59 g/t Au	DD
USC013	32	6m@1.55 g/t Au	DD
USC005	86.25	3.4m@1.45 g/t Au	DD
USC002	86	6.8m@1.29g/t Au	DD
USC002	1.2	5.8m@1.25g/t Au	DD
USC021	35.05	5.5m@1.19g/t Au	DD
USRC_06	28.96	9.1m@1.09g/t Au	RC
USRC_40	48.77	3.1m@1.05 g/t Au	RC
USC018	106.8	12.8m@1.00 g/t Au	DD
USRC_40	6.11	3m@0.95 g/t Au	RC
USC002	17	6.8m@0.88 g/t Au	DD
USC013	125	3.5m@0.86 g/t Au	RC
USRC_04	10.67	3.1m@0.85 g/t Au	RC
USRC_39	57.91	3.1m@0.76 g/t Au	RC
USC001	28	6m@0.64 g/t Au	DD
USRC_03	28.96	3m@0.6 g/t Au	RC
USRC_38	9.14	3.1m@0.6 g/t Au	DD

*Minimum intercept of 3m@0.5 g/t with 2m internal waste

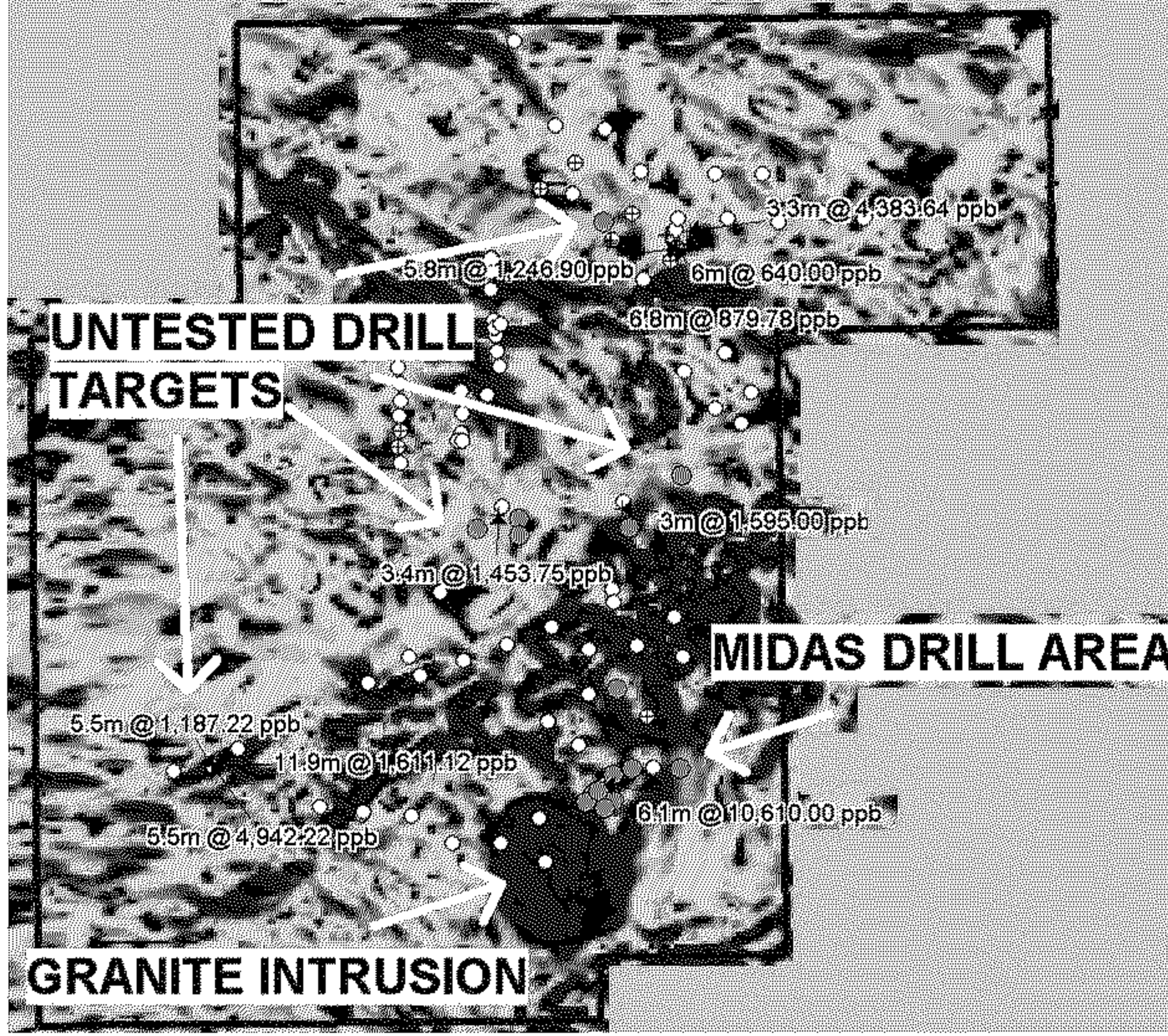
Proprietary Magnetic Survey Data

Specially Processed data highlights the igneous intrusion of interest



Magnetic survey data reveals a magnetic granite intrusion at shallow depth with similarities to the setting of Fort Knox

- Midas March 06 drilling has identified low grade gold mineralisation marginal to a concealed granite intrusion
- 5 out of 7 Midas RC drill holes hit a mineralised structure
- A high-grade target exists where the structure intersects the granite down-dip.



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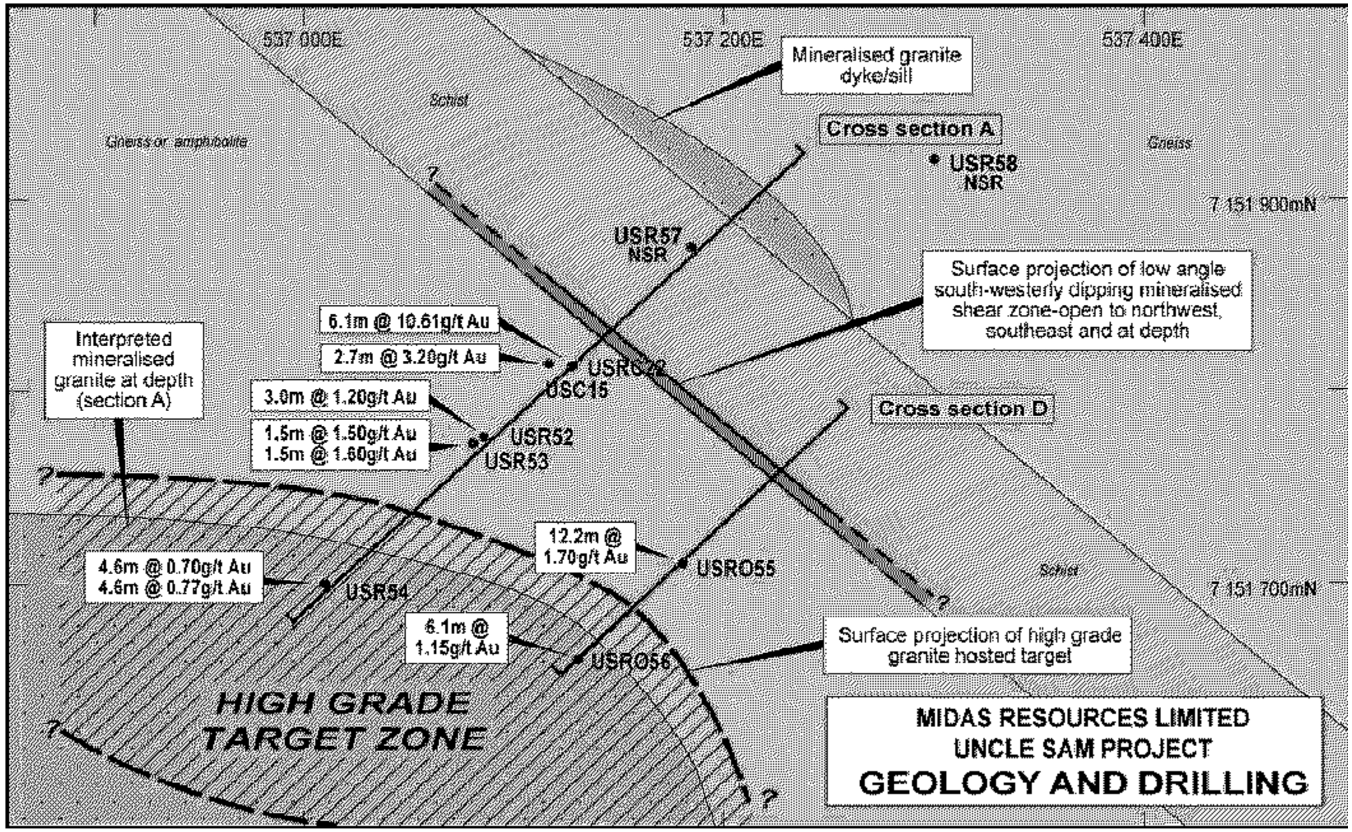
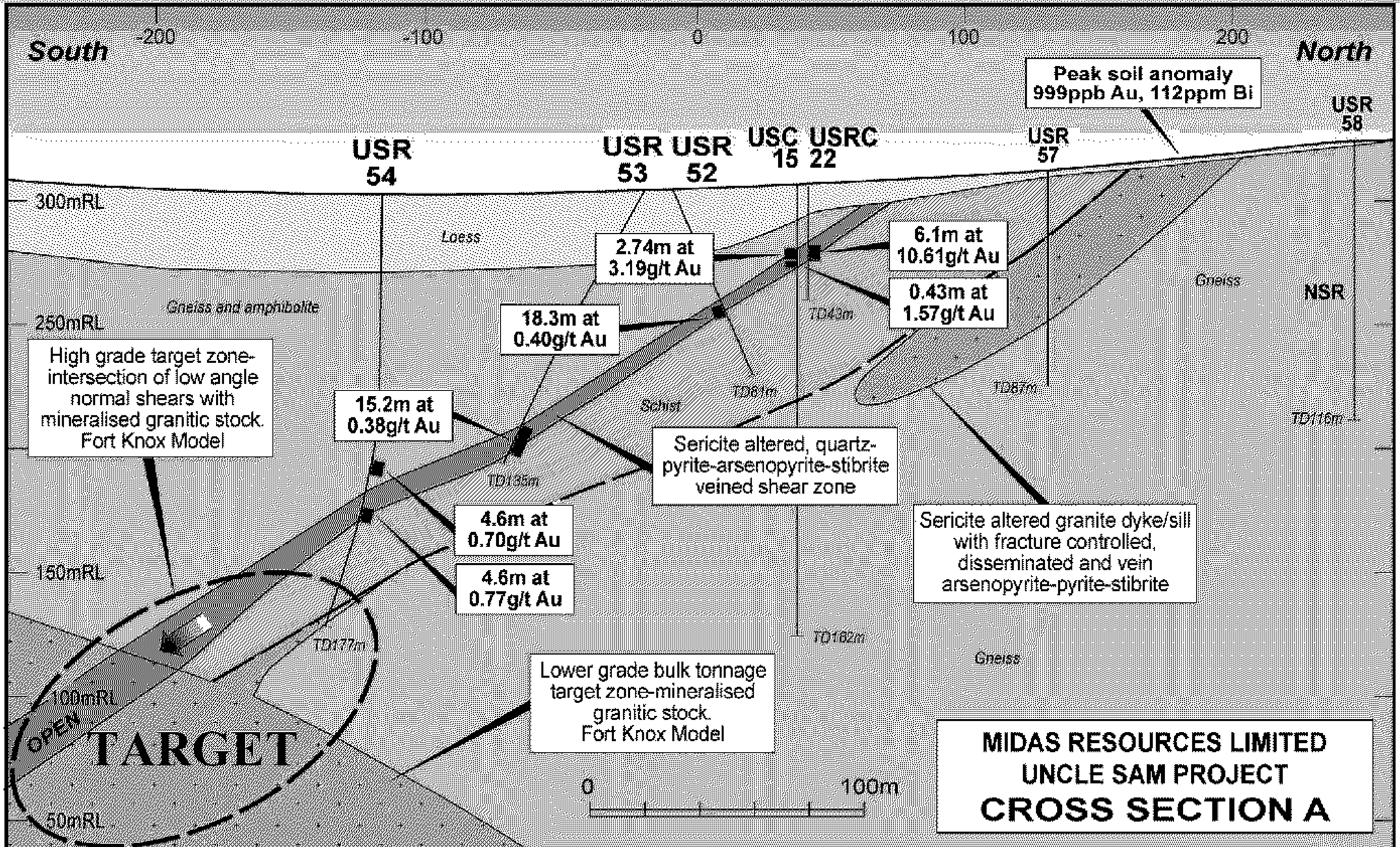
MIDAS DRILLING 2006 PLAN VIEW

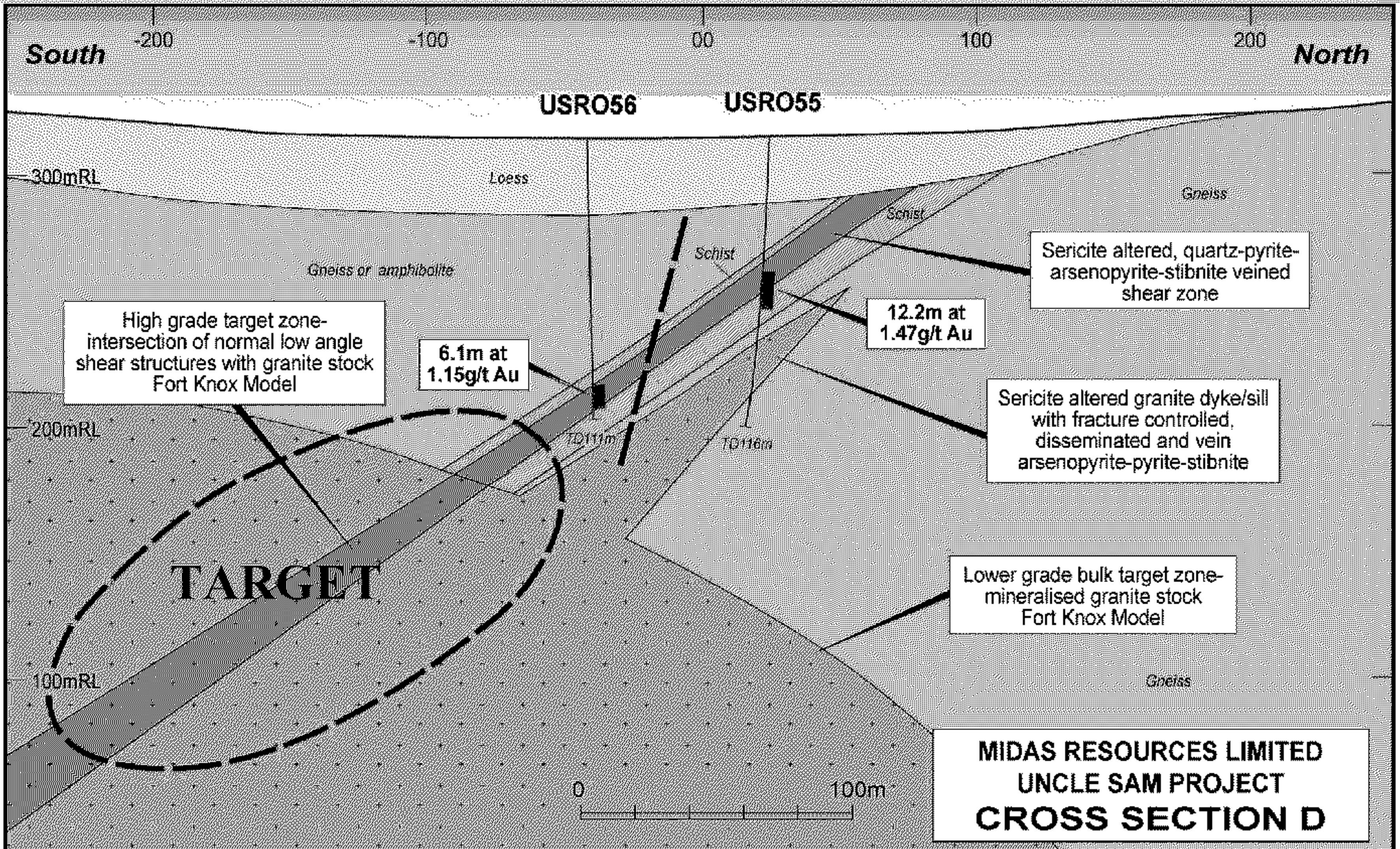
- ❑ RC drill holes close to the granite intrusion are all mineralised
- ❑ Three RC holes (54,56 & 57) intersected altered granite dykes and sills indicating proximity to the intrusive body



CROSS SECTION A



CROSS SECTION D



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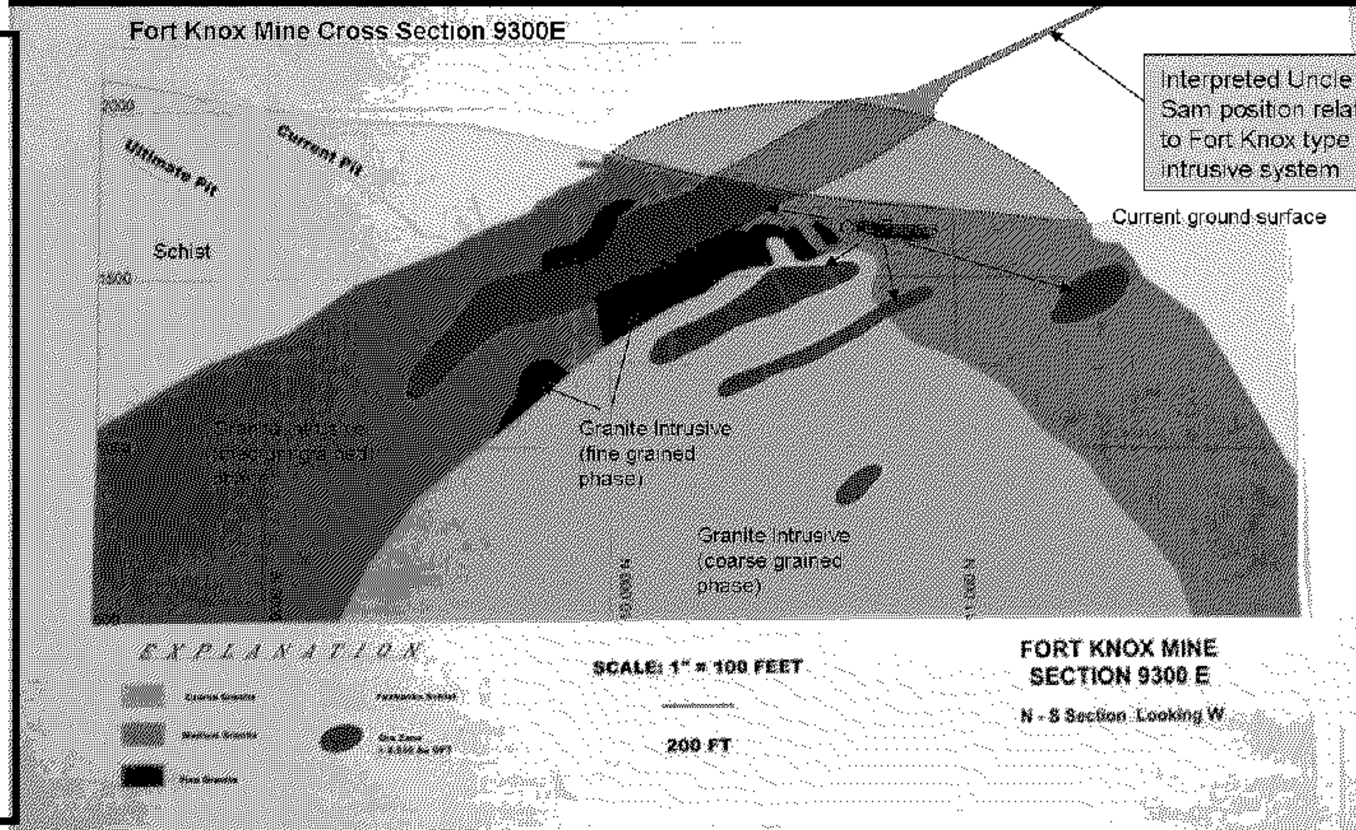
COMPOSITE OF UNCLE SAM RELATIVE TO FORT KNOX (4.4M OZ)

Superimposing Uncle Sam geological cross section on Fort Knox cross section reveals that the drilling at Uncle Sam is most likely not deep enough to hit the main intrusion hosted gold mineralisation.



Above surface geological reconstruction of Fort Knox mineralised system showing interpreted relative position of Uncle Sam

Midas Alaska Program 2006/2007

- Additional one or two diamond drill holes to test the granite intrusion where intersected by mineralised structure
- Additional RC drill program to follow-up five other surface drill targets resulting from earlier drilling
- Pro-active in the Tintina Belt and opportunities exist to JV or acquire other quality advanced gold projects.

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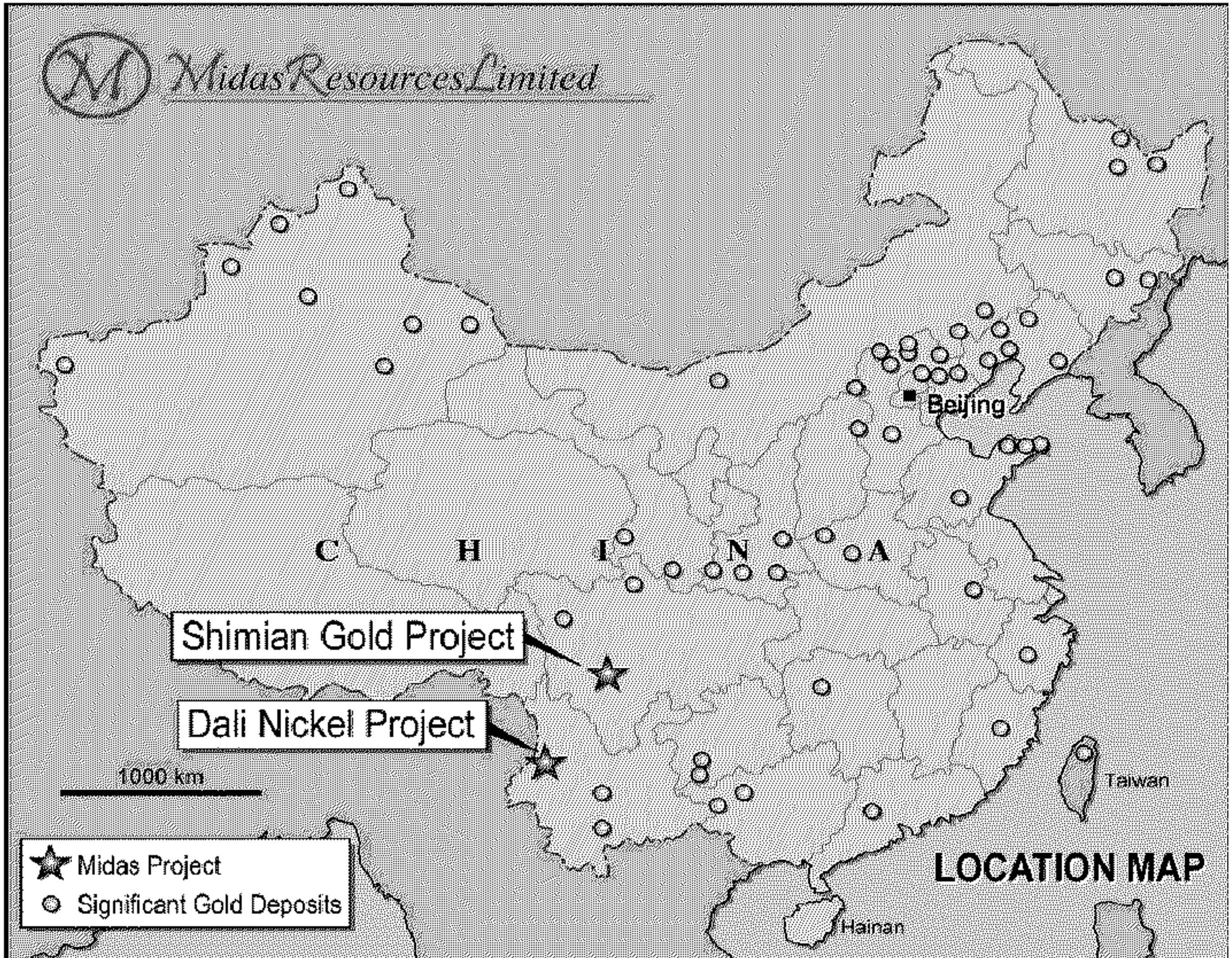
Gold and Nickel Sulphide Exploration in Sichuan and Yunnan Provinces



CHINA FACTS

- **Corporate structure is in place with an office in Shenzhen, key management personnel appointed and with a new General Manager for Midas Mining China Limited.**
- **Midas operates through its WFOE "Midas Mining China Company Limited"**
- **Exploration Focus:**
  - **Gold - Formed an incorporated JV with Geological Brigade 405 in Sichuan Province to explore for gold and copper in a highly prospective 700km2 gold province; Phase I exploration has identified six Au, Cu and PGM targets.**
  - **Nickel - Signed an MoU with Kangsheng Nickel Mining Co in Yunnan Province to explore for Norilsk type Ni, Cu & PGM's in a proven nickel belt.**
- **Advanced Projects/Acquisitions: Two major resource projects are under Due Diligence as potential acquisitions/JV's**
- **The 2006 exploration programme is fully funded.**

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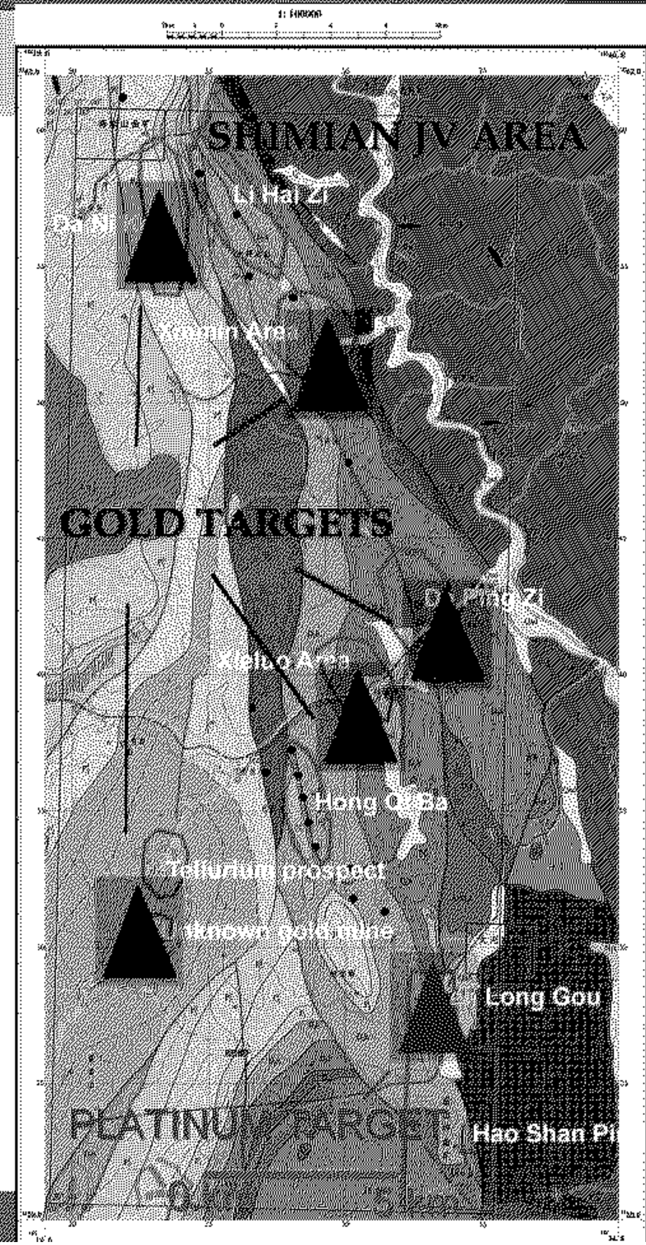
Shimian Gold JV

- Incorporated JV with Geological Brigade 405; Midas has 60% and funding first $200,000.
- Highly prospective +700km² JV area with major gold structural corridor and > 30 known gold prospects & mines.
- Midas using a proprietary sediment geochemistry technique to evaluate and work up the targets
- First Phase sampling completed and five Au-Cu and one PGM target already defined for follow up.



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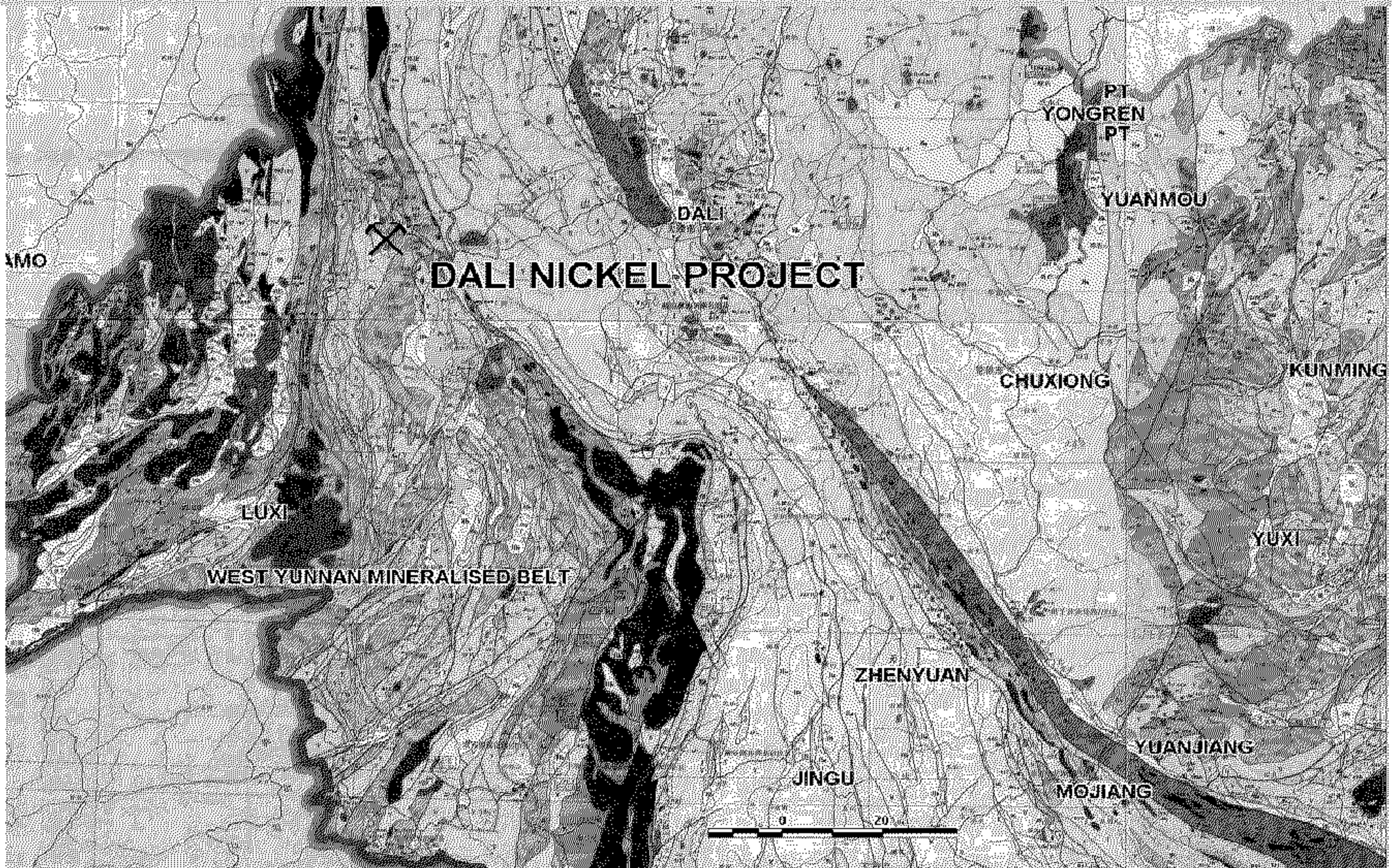
DALI NICKEL PROJECT – YUNNAN PROVINCE SW CHINA



Dali Nickel Sulphide JV

- Midas signed an MoU on 20 June with private nickel mining interests whereby Midas can earn a 70% interest in a 48km^2 EL.
- Targeting Norilsk and Voiseys Bay type Ni Cu PGM deposits
- EL contains a cluster of outcropping intrusions with several small scale open pit & U/G nickel sulphide mines with up to 3.5% Ni, 1.0% Cu and 1.0 gpt Pt+Pd in massive sulphides on southern boundary.
- At least 10 mafic/ultramafic intrusions known with potential to host Ni–Cu sulphides; good potential to acquire more ground.
- Minimum spend is US$150,000 in yr-1 and Midas acquires a 70% interest but must maintain this by spending total of US$1.2M on exploration over four years.
- Midas will provide 90% of funds to completion of BFS after which funding for development is in proportion to equity.

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Multiple Intrusions

48km² Midas JV EL
Targeting mafic Intrusions

Ni – Cu Massive Sulphide Ore 3.5% Ni 1.0%Cu 1.0gpt Pt+Pd