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11 July, 2011

ASX Announcement

MIDAS RESOURCES (ASX: MDS) JUNE QUARTER ACTIVITIES REPORT

HIGHLIGHTS

Lake Carey - Gold

- New Inferred Mineral Resource estimated for the Gallant deposit of 280,000t at a grade of 2.2g/t for 20,100oz of contained gold at a 1.0g/t cut-off grade.
- Gallant is potentially amenable to open pit development in conjunction with the nearby Fortitude deposit.
- Range of new drill targets generated for testing in Q3/Q4 CY2011.

Sunset Well – Gold

- New Inferred Mineral Resource estimate for the Prospero deposit of 1,096,000 tonnes at a grade of 1.40g/t for 50,100oz of contained gold at a 1.0g/t cut-off grade.
- Prospero is potentially amenable to open pit development and it is well situated in relation to mining and treatment facilities in the Leonora district.
- The Company is exploring a range of gold prospects in the Leonora area as part of its strategy to build a gold business in the district.

Pilbara - Iron Ore

- The Company is reviewing metallurgical testwork to ascertain the beneficiation properties of West Pilbara CID.

Paterson Province - Base Metals

- The Company has commenced engagement with the traditional owners in the Paterson Province, in order to ensure good working relationships and to facilitate the negotiation of the necessary access and heritage agreements.

Leonora Project - Gold

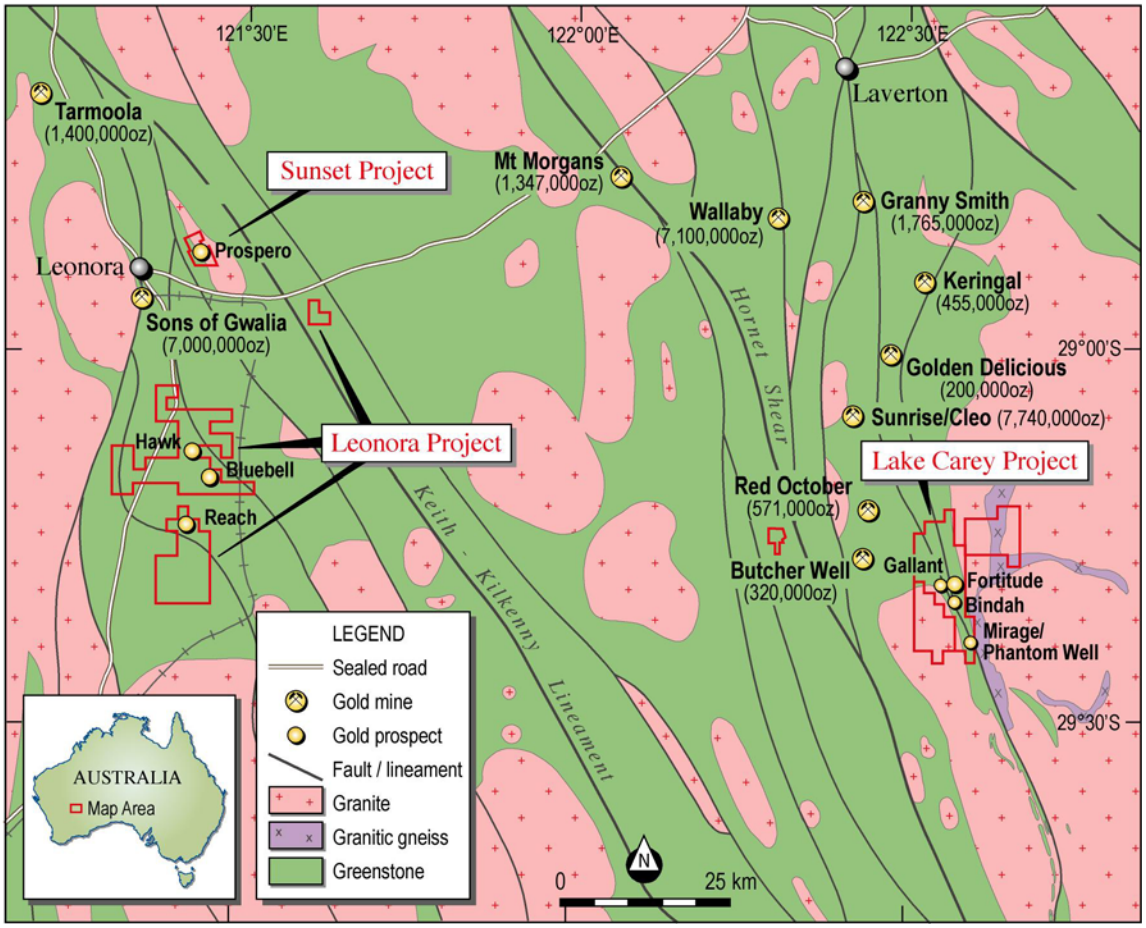
- Exploration Licence E40/294 south of Leonora recently granted and RC drilling is planned for a gold target at the Reach Prospect
- Auger and RAB drilling is planned for a gold target at the George Bore prospect.
- The remaining tenement applications continue to move through the approvals system with no current third party objections.

OPERATIONS SUMMARY

WESTERN AUSTRALIA

GOLD PROJECTS

During the June quarter, the Company advanced exploration on its Lake Carey, Butcher Well and Leonora gold projects. Field reconnaissance and geophysical data acquisition and interpretation led to the advancement of plans for surface exploration, drilling and geophysical survey programs spanning all the project areas. New gold resources were defined at the Gallant prospect at the Lake Carey project, and at the Prospero prospect at Sunset Wel. The projects are discussed below.



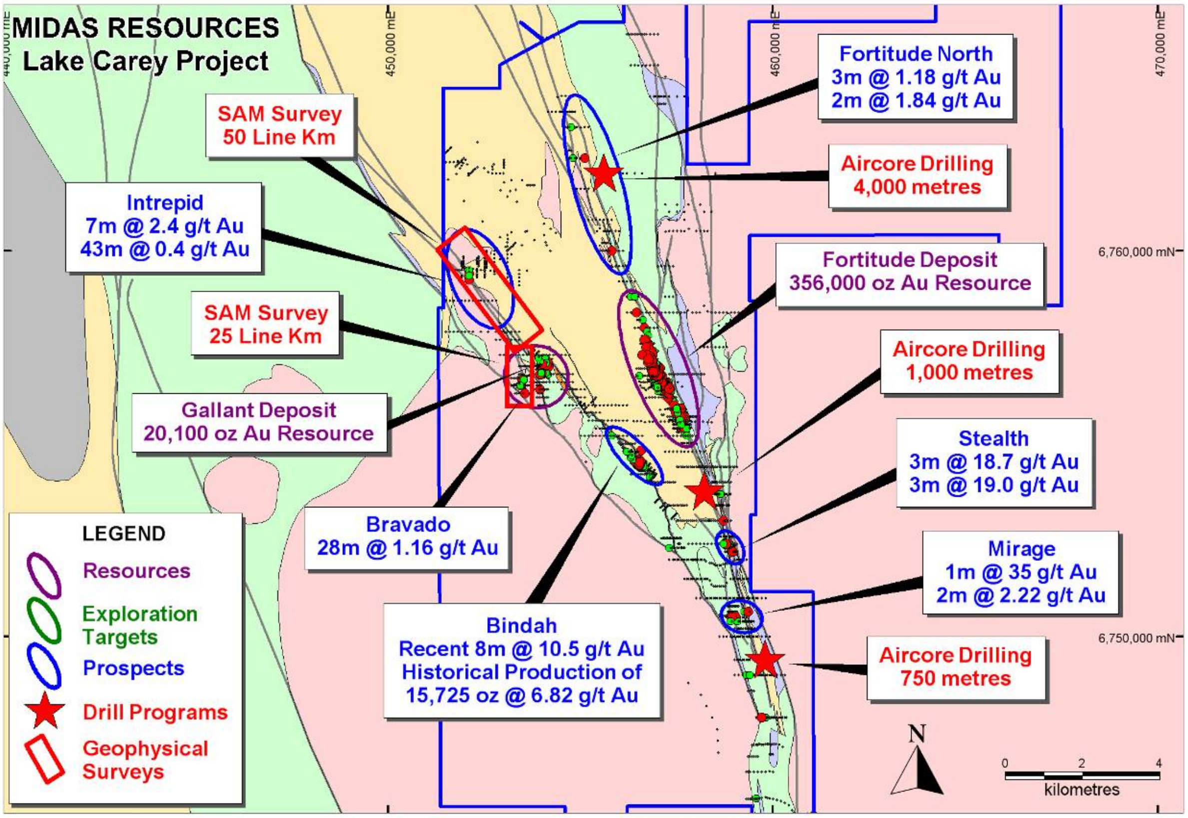
Gold Project Locations

Lake Carey - Fortitude (M39/709, M39/710, M39/1065) (100% Midas)

Scoping-level studies on the Fortitude Deposit have demonstrated that an expanded resource base is necessary for a stand alone mining operation. The Board has decided to focus work on a number of exploration targets and to continue to pursue growth through exploration and the acquisition of additional resources within trucking distance of Fortitude. This can also be achieved by consolidation with other projects within trucking distance of Fortitude. Discussions on this concept have commenced with several companies that have neighbouring operations and where synergies exist.

Lake Carey Exploration (E39/348, E39/1286, E39/1287, P39/4471, P39/4644, P39/4645)

Target generation work during the previous Quarter has led to the identification of a number of drill targets and the selection of other areas where geophysical SAM and gravity surveys are needed in order to refine targets prior to drill testing. These targets are shown in the figure below. Drilling can commence once seasonal rain abates and the drill areas have dried out.



Lake Carey Project – Exploration Prospects

Lake Carey – Gallant (M39/198)

The Gallant prospect is situated on the Bindah Shear 3km west of the Fortitude deposit.

Runge Limited, a major mining consultancy group, completed a Resource estimation for the Gallant Exploration Target which is based on the historical drill database. The study has resulted in the reporting of a new Mineral Resource estimate for the Gallant gold deposit. This estimate meets the criteria for an Inferred Mineral Resource in accordance with recommendations in the Australasian Code for Reporting of Mineral Resources and Ore Reserves (2004) by the Joint Ore Reserves Committee (JORC) and it was released to the ASX on 10 May 2011.

The Mineral Resource was estimated using Inverse Distance Squared (ID^2) grade interpolation, constrained by resource outlines based on geologically-directed mineralisation envelopes prepared using a nominal 0.5g/t Au cut-off grade and a minimum downhole intercept length of 2m.

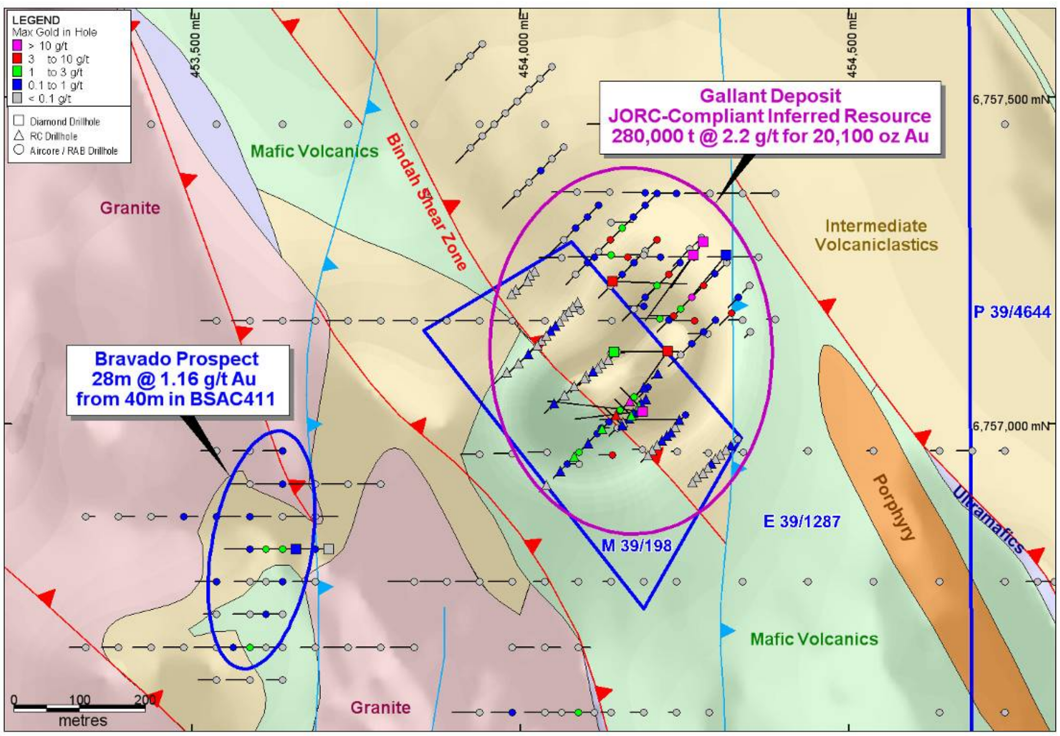
The Mineral Resource, reported at a 1 g/t Au cut-off grade, is reported below:

Gallant May 2011 Inferred Mineral Resource Estimate (1.0g/t Cut-off)

Zone Type	Tonnes t	Au g/t	Au Ounces
Oxide	119,000	2.3	8,900
Transitional	82,000	2.4	6,200
Fresh	79,000	2.0	5,100
Total	**280,000**	**2.2**	**20,100**

The block dimensions used in the model were 25m NS by 10m EW by 5m vertical with sub-cells of 3.125m by 1.25m by 0.625m. The 30 interpreted lodes were grouped into two domains based on their location within the Gallant deposit area. Statistical analysis of the resource composites within these domains determined that high grade cuts of 10g/t were appropriate for both domains.

The figure below shows the Gallant Mineral Resource area.



Plan of Gallant and Bravado Prospects

The Gallant deposit is hosted by sulphidic interflow chemical sediments along a sheared mafic-intermediate volcanic lithological contact within the Bindah Shear Zone. It is covered by up to 10m of lacustrine clays and aeolian sands that surround Lake Carey. In the primary (fresh rock) zone gold with minor copper mineralization occurs in semi-massive sulphides and a prominent magnetite horizon in what is considered to be a VMS type setting.

Additional drilling and test-work would be necessary to raise the classification of the Mineral Resource to Measured or Indicated status under the JORC Code, which is a requirement for

Reserve estimation and Feasibility studies.

Phantom Well E 39/1288 (100% Midas) - Barranco Pty Ltd has the right to earn back to a 15% interest

Additional geophysical data has been acquired and various exploration targets have been reviewed including targets at Stealth and Mirage. High-grade gold mineralisation has previously been drilled at both prospects but no Resources have been established. Geophysical surveys are being considered for Stealth and Mirage prospects to better define the geology and key structures so that drill targets can be refined and tested in Q4/2011.

Butcher Well E 39/1499 (100% Midas)

Butcher Well tenement E 39/1499 was granted to Midas Resources last year. The area shares NNW oriented shears with the Thin Lizzy gold prospect to the north. In addition, common geology and parallel structures host mineralisation at the Butcher Well gold mine 1.5km to the east. Recent interpretation and field investigations have determined that ENE-striking cross faults influence the location of gold mineralisation in the area. These faults are common within the tenement. The area is amenable to surface mapping and surface geochemical surveys.

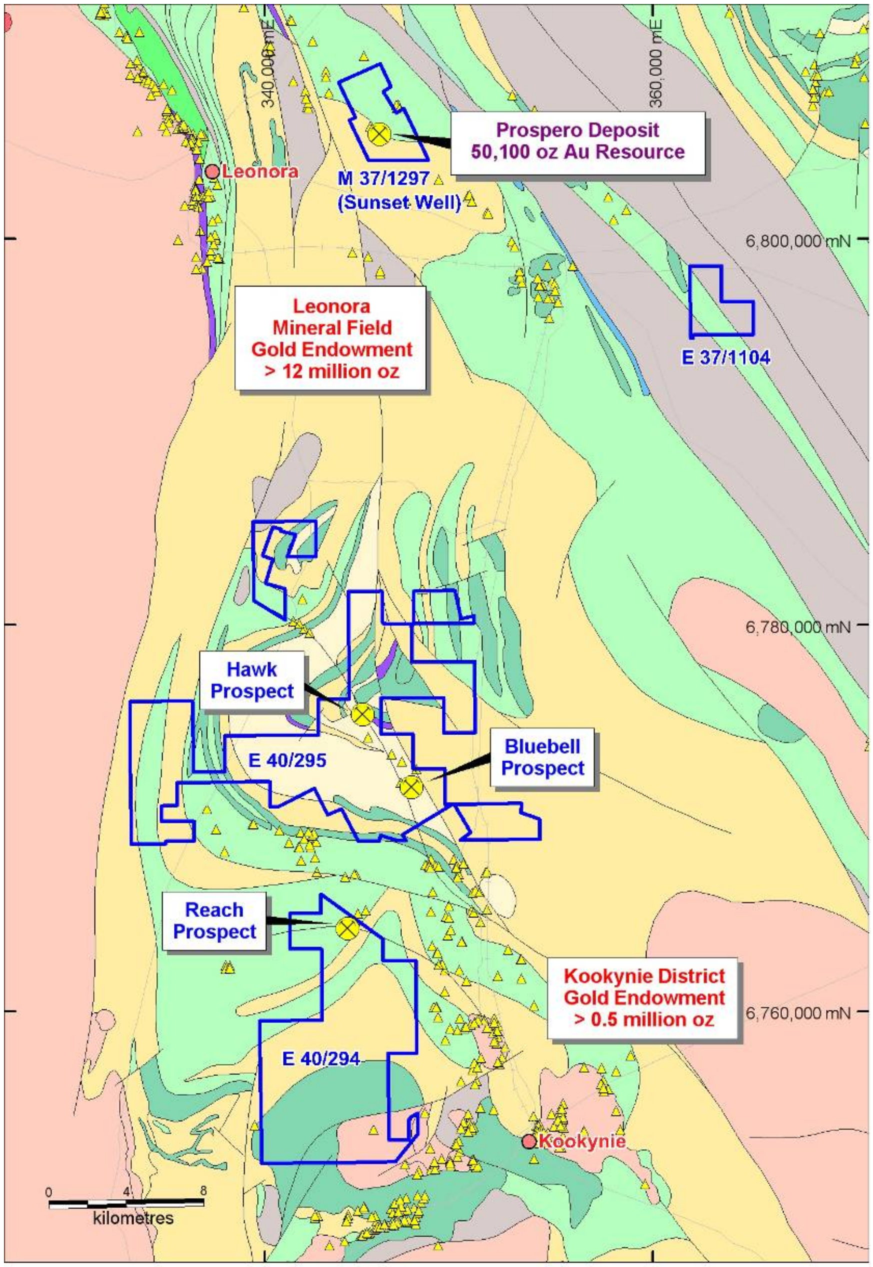
A program of geological mapping and surface geochemical analysis is planned for the second half of 2011. This program is designed to identify controls on gold mineralisation and to define mineralised targets suitable for reverse circulation drilling.

LEONORA PROJECT P37/6901-P37/6907, P37/7193, P37/7576, E40/294, E40/295, E37/1104 and M37/1297 (Midas 100%)

Midas has a range of new exploration targets within the Leonora Project tenements. These include a newly reported gold resource at Prospero and a drill-ready gold target at the Reach Prospect in recently granted tenement E 40/294.

The Leonora Project comprises the existing Sunset Well tenements, and new Exploration Licenses E 40/294, E 40/295 and E 37/1104. The project area totals more than 200km^2, extending from Sunset Well immediately east of Leonora down to E 40/294 which is about 50kms south of Leonora, and to the historic Kookynie gold mining district.

The Sunset Well tenements comprise granted tenements P37/6901 to P37/6907, P37/7193 and P37/7576; and mining lease application M 37/1297. South of Leonora, exploration licenses E 40/295 and E 37/1104 are currently under application, while E 40/294 was recently granted.



Leonora Project Tenements

Sunset Well Tenements

The Company has applied for mining lease ML37/1297 over existing Midas tenements P37/6901 to P37/6907 covering the Prospero Mineral Resource and its extensions along strike. The new mining lease application is situated eight kilometres east of the township of Leonora in the Eastern Goldfields of Western Australia. The Leonora district has extensive gold endowment with historical production of 13.5 million ounces from the five largest mines. The Sons of Gwalia mine at Leonora has a long operating history and in terms of gold production it is the largest Archaean lode-gold deposit in Western Australia after Kalgoorlie's Golden Mile. Current reported Proved and Probable Ore Reserve (June 2010) in the Gwalia Deeps is 6,326kt @ 9.0 g/t Au for 1,838,000oz.

ML37/1297 will replace prospecting licenses P37/6901 to P37/6907 inclusive, and it totals 12.4 square kilometres in area. Gold prospects Prospero, Talbot and Oberon fall within the application. Midas is progressing exploration and evaluation of all three prospects, with particular attention paid to Prospero.

Prospero Mineral Resource Estimate

Runge Limited, a major mining consultancy group, has recently completed a Resource estimation for the Prospero prospect at Sunset Well based on the historical drill data. The study resulted in the reporting of a maiden Mineral Resource estimate for Prospero on 4 July 2011. The estimate meets the criteria for an Inferred Mineral Resource in accordance with the requirements of the JORC code (2004).

The Prospero deposit is located within a sequence of strongly deformed felsic to mafic volcanics. The felsics comprise rhyolitic and minor dacitic volcanics with abundant epiclastic and pyroclastic rocks.

Drilling in the resource extends to a vertical depth of approximately 140m and the mineralisation has been modelled from surface to a depth of approximately 160m below surface. The estimate is based on rotary air blast (RAB), reverse circulation (RC) and diamond (DD) drilling data. Drill holes occur at 50m spacing on 50 to 200m spaced northeast-southwest orientated drill sections.

Drilling Summary

General	In Project		In Resource		
	Drill holes		Drill holes		Intersection
Type	Number	Metres	Number	Metres	Metres
RAB	213	9,649	25	1,313	214
RC	61	5,159	49	4,285	373
DD	4	463	2	308	39
Total	278	15,271	76	5,906	626

The Mineral Resource estimate complies with recommendations in the Australasian Code for Reporting of Mineral Resources and Ore Reserves (2004) by the Joint Ore Reserves Committee (JORC). Therefore it is suitable for public reporting. The Runge Inferred Mineral Resource estimate is presented below.

Prospero June 2011 Inferred Mineral Resource Estimate (1.0g/t Au cut-off grade)

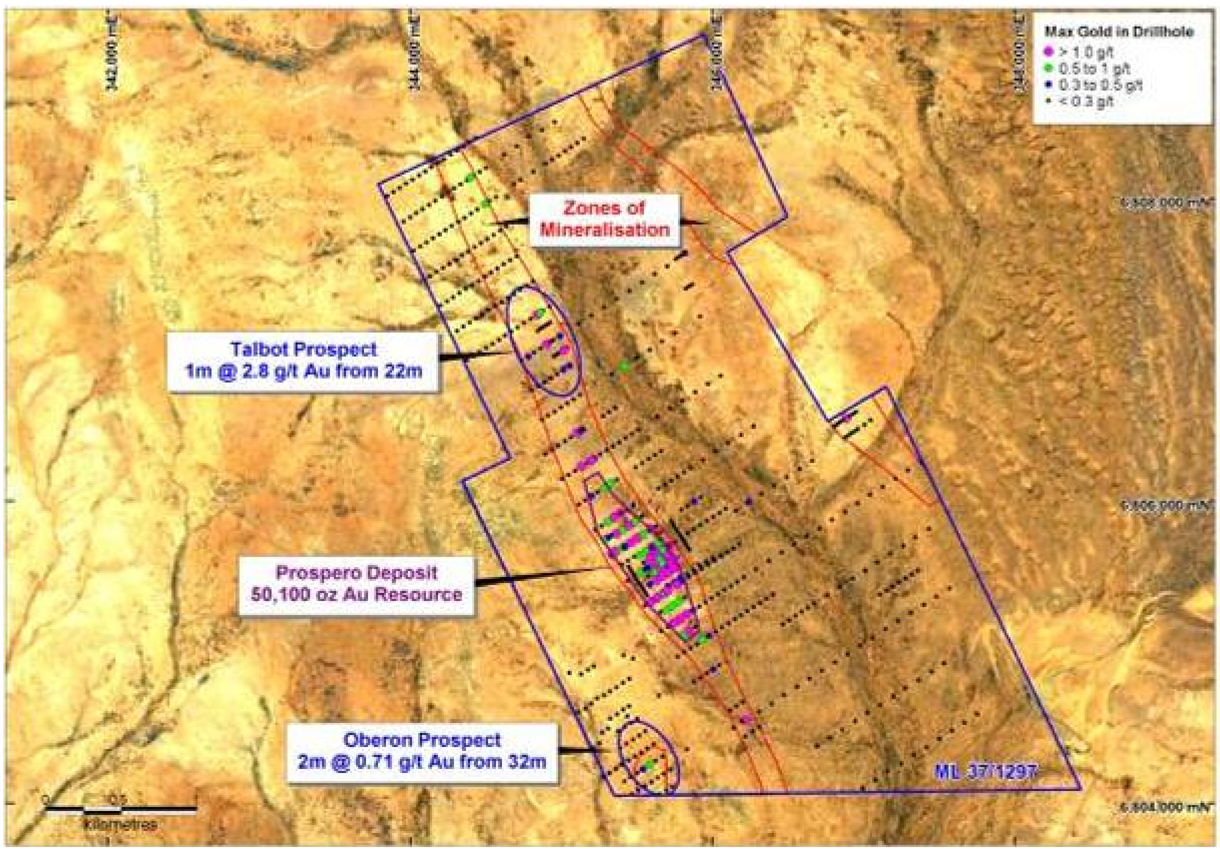
Zone Type	Tonnes t	Au Uncut g/t	Au Ounces
Oxide	609,000	1.40	27,900
Transitional	287,000	1.40	13,300
Fresh	200,000	1.40	9,000
Total	**1,096,000**	**1.40**	**50,100**

The deposit meets the criteria for an Inferred Mineral Resource.

The Prospero deposit may have potential for profitable exploitation by small scale open pit mining. However, additional drilling, including a detailed QAQC program, will be necessary to upgrade the Resource to Indicated category, which is required for any feasibility studies.

The Prospero resource is undiluted, therefore appropriate dilution needs to be incorporated in any evaluation of the deposit.

The new Resource estimate for Prospero is the first step in the Company's objective to build its gold business in a district that is well served for mining infrastructure including a major treatment plant at Gwalia. The next step is to investigate the potential for toll treatment of ore from a mine at Prospero and this would then influence a decision to upgrade the Resource Estimate by infill drilling and metallurgical testwork. There is also potential for additional mineralisation along strike to the north.



Sunset Well Project – M37/1297

Leonora South Tenements

South of Leonora, exploration licenses E 40/295 and E 37/1104 are currently under application while E 40/294 was recently granted.

E40/294

Midas has completed a detailed review of the historic exploration in this tenement. Extensive lateritic regolith across the tenement has presented challenges to previous explorers, resulting in piecemeal geochemical surveys with variable effectiveness. Reconnaissance mapping by Midas geologists has led to the design of an effective surface exploration strategy that will be field-tested in the next Quarter. Despite the variable effectiveness of previous exploration, a number of interesting geochemical anomalies have been identified in the data review and Midas will following up these anomalies with more appropriate techniques to aid in the ranking of drill targets.

Detailed aeromagnetic data has been acquired and it is currently being processed prior to interpretation and target generation.

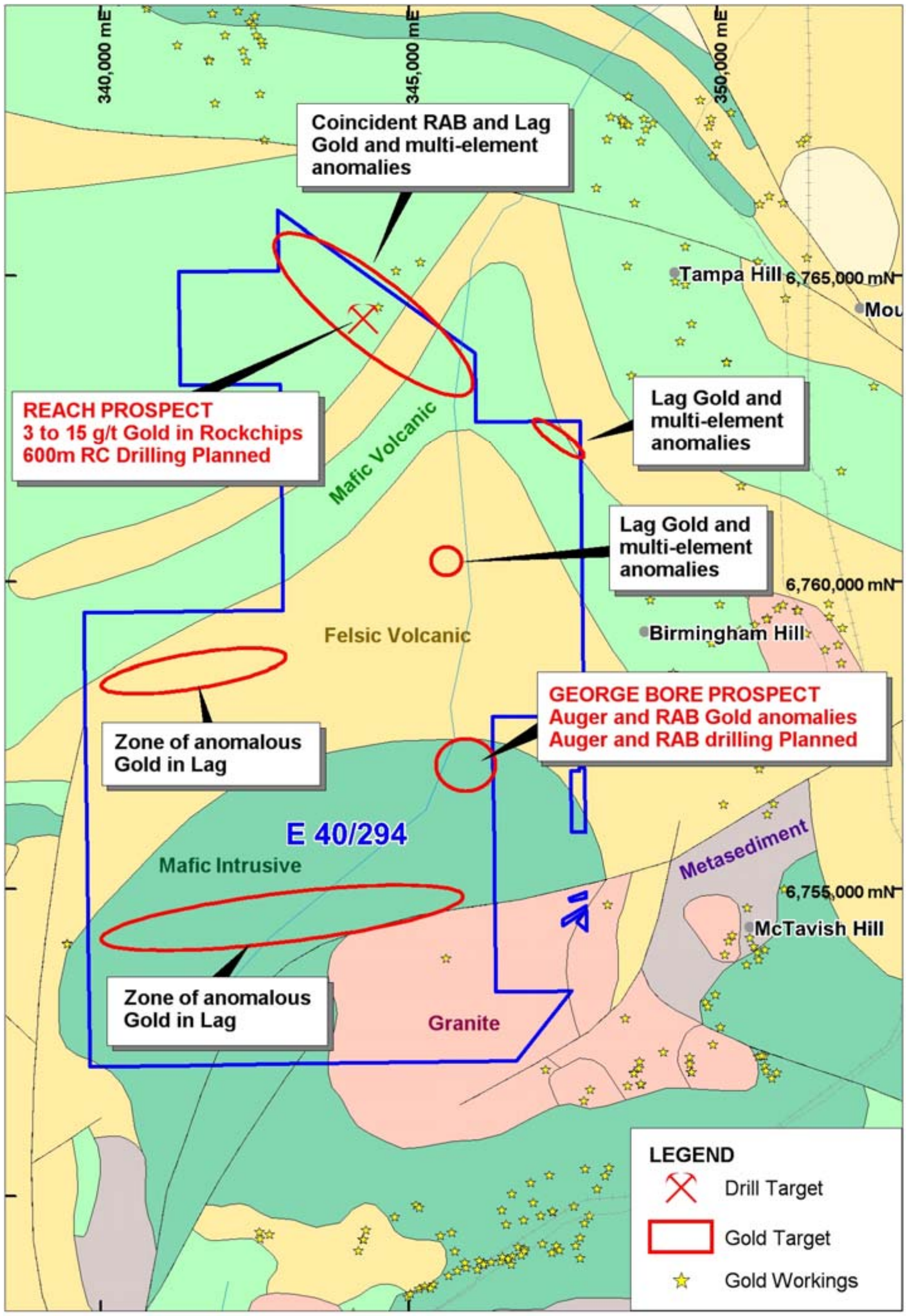
Targets at Reach and George Bore have already been selected for priority follow-up based on a combination of initial sampling by Midas, their favourable structural setting, and the historical sample results.

Reach Prospect

The Reach prospect was discovered by early prospectors because a creek bed exposed a mineralised quartz vein in the bedrock. Midas has sampled the old workings and Reach returned rock chip results of between 3 and 15 g/t Au from old shafts. There is no evidence that this prospect has ever been drilled. A gold-mineralised quartz vein at the Reach prospect will be tested with 600m of RC drilling over a strike of 100 to 200m in the next Quarter. Step-out drilling will be contingent on the initial results.

George Bore

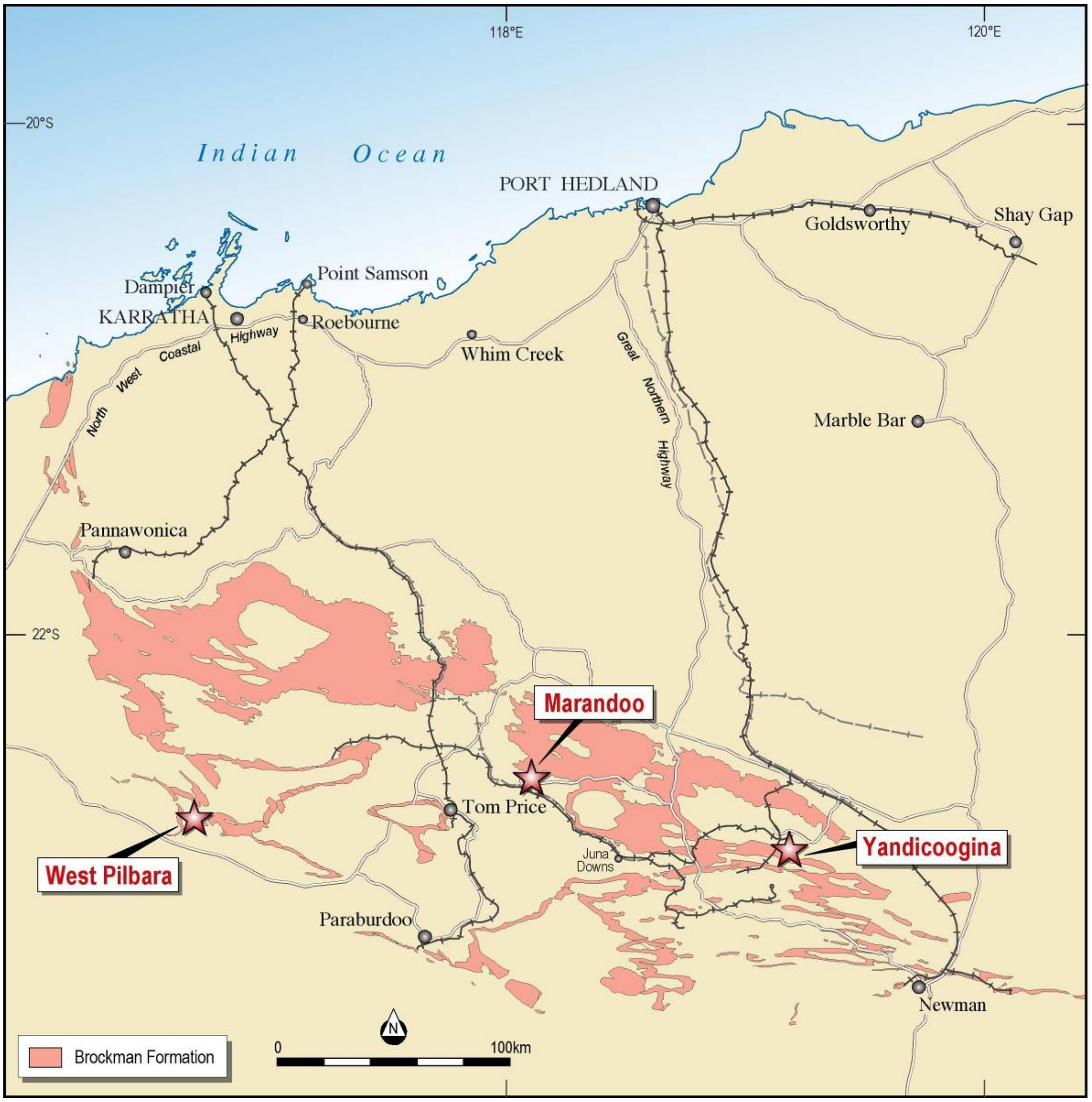
Coincident auger and RAB gold anomalies at George Bore identified in the historic database will be followed-up by Midas using in-fill auger and RAB drilling once Heritage surveys have been completed. A more regional geochemical exploration program will be designed on the back of the results obtained from the initial programs at Reach and George Bore.



E40/294 – Reach and George Bore Prospects

IRON ORE PROJECTS

The Company maintains an active iron ore exploration program and is seeking to extract value from the current tenements through continued exploration and acquisition of additional resources.



Location of Midas Iron Ore Projects in the Pilbara

West Pilbara Project - E47/1893 and EL08/1997 – 100% Midas

CID Iron Ore Resource

The Company continues to focus on expansion of its CID Resource-base through a combination of exploration or joint venture with other companies that have similar resources in proximity to Midas' West Pilbara Project.

Marandoo – E47/1885

No work was carried out on the Marandoo tenement in the June Quarter. Further mapping and sampling of iron enriched outcrops is planned for the coming months.

Yandicoogina – E47/1901, E47/1958

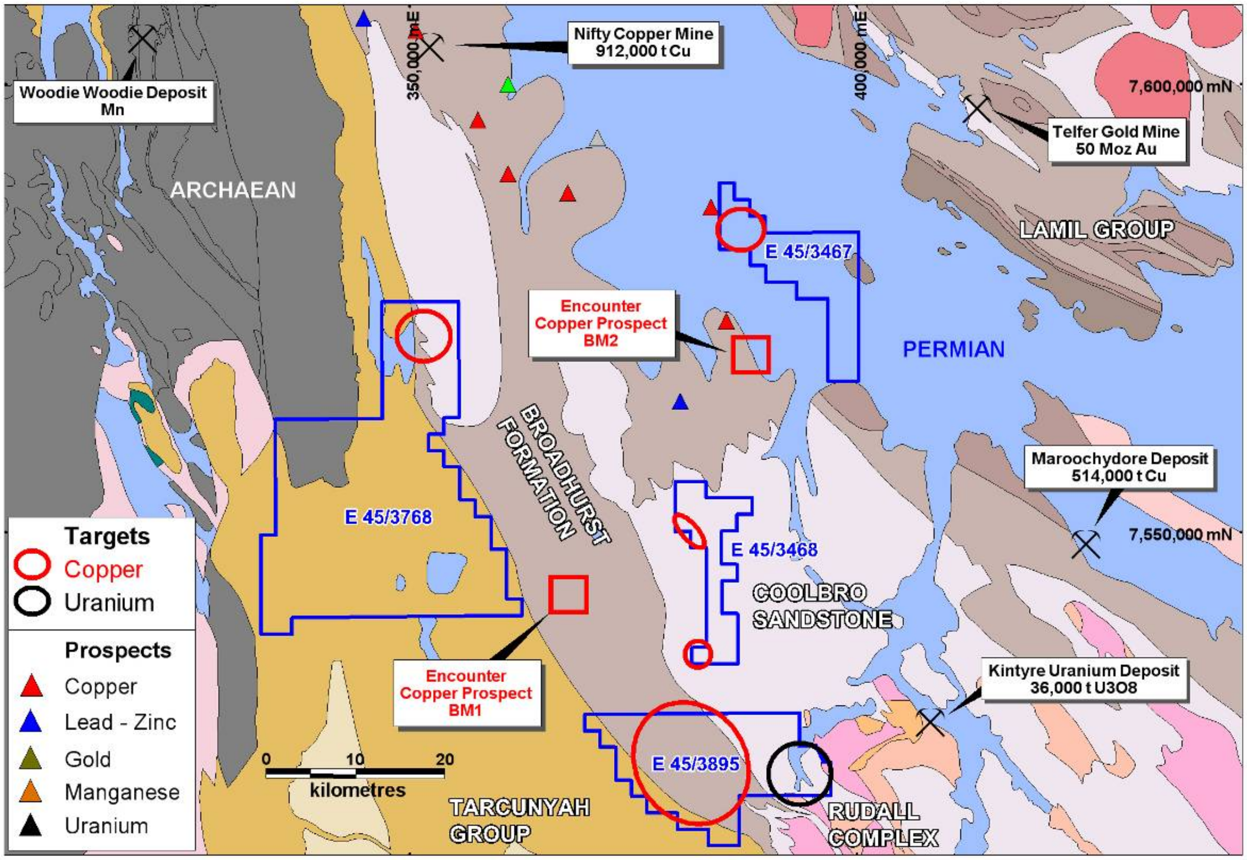
No work was carried out on the Yandicoogina tenements in the June Quarter. The Company is currently seeking a joint venture partner for this project.

BASE METALS

PATERSON PROVINCE – (Applications) E45/3467, E45/3468, E45/3768, E45/3895 - Midas 100%

Midas is the priority applicant for four Exploration Licences, totalling approximately 1,100km^2, in the Paterson Province, Western Australia. The Company has an active project generation strategy in the province with a focus on copper, uranium and gold. The tenements are in proximity to several significant mineral deposits including Nifty Copper Mine, Kintyre uranium and Maroochydore copper deposit. The tenements are also in proximity to tenements held by Encounter Resources Limited and Encounter has reported significant oxide copper mineralisation at its BM-1 and BM-2 prospects. The key stratigraphy for copper mineralisation is the Broadhurst Formation, which is present in several of the Midas applications. The presence of a magnetic anomaly in the north of E45/3768 hosted by Broadhurst Formation and in close proximity to a major fault has also been noted by the Company and this prospect will be a high priority for exploration once tenements are granted. Uranium potential is recognised in E45/3895 which includes the unconformity contact between the Coolboro Sandstone and the Rudall Metamorphic Complex. A range of other base metal and uranium targets have been identified in the tenements based on review of historical exploration data.

The tenements are not subject to any third party objections and they are currently subject to the normal approvals process. The Company has commenced engagement with the traditional owners in this region who are the Martu and Ngurrara People. Native Title (NT) exists in the entire area and access and heritage agreements are necessary requirements as part of the tenement application process. Midas has already commenced engagement with the NT stakeholders concerning the above agreements and the Company places a high degree of importance on establishing and maintaining good working relationships with the NT stakeholders.



Paterson Province Tenement Applications (Midas 100%)

OUTLOOK

In the June Quarter Midas has placed significant emphasis on generation of new gold targets in the Leonora area and on a review of gold targets at Lake Carey. This work has been rewarded with the identification of several exciting gold targets in the recently granted E40/294 and also in the Lake Carey tenements. It is clear that significant drill programs will be required to test all of the targets. These targets are currently being prioritised for drill testing and will be subject to further announcements concerning the start up of drilling programs. The Company has identified additional gold targets on E40/295, which is expected to be granted in the next three to four months.

The Company has recently announced new Mineral Resource estimates for Gallant at Lake Carey and Prospero at Sunset Well. The Resources are potentially amenable to open pit mining but will require infill drilling and appropriate QAQC work in order to raise the estimates to Indicated category. Sunset Well is less than 10km from a large treatment plant at Gwalia, south of Leonora, and the Company intends to investigate the potential for a toll treatment operation. A decision to carry out the additional drilling and testwork would follow those talks.

Advancement of the Company’s iron ore project requires an expanded Resource base and successful beneficiation testwork. The Company is continuing to evaluate opportunities to achieve this goal.

The Paterson Project represents exciting upside for the Company's exploration effort and the Board of Midas is committed to working through the relatively time consuming process of gaining tenement approvals in the district. Good working relations with NT stakeholders are the key to being able to work effectively in this area and the Board places significant emphasis on building the necessary relationships to achieve this goal.

Yours faithfully,

GEOFF BALFE

Managing Director/CEO
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Competent Person Statement:

The information in this report as it relates to exploration results and geology was compiled by Mr John Downing, who is a Member of the Australasian Institute of Geoscientists and a full time employee of the Company. Mr Downing 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 Downing consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information within this report as it relates to Mineral Resources was managed by Mr. Robert Williams, a member of the Australasian Institute of Mining and Metallurgy. Mr. Williams is employed by Runge Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he was 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. Williams has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.