Sept 1st, 2011

ASX RELEASE

DRILLING COMPLETED AT REACH

HIGHLIGHTS

- **A seven hole RC drilling program was completed at Reach as an initial test of the vein system.**
- **All drill holes intersected the vein structure, with quartz veining occurring over intervals of between 0.1m and 3.0m.**
- **Assay results indicate generally low tenor gold mineralisation up to a maximum of 2.97 g/t Au.**

Resources developer, Midas Resources Limited ("Midas" or "the Company") (ASX:MDS), has completed an initial program of RC drilling at the **Reach Prospect** at the Company's **Leonora Project** in Western Australia:

The **Leonora Project** comprises mining lease M 37/1297 over gold mineralisation at the **Sunset Well** group of tenements and Exploration Licences E 40/294, E 40/295 and E 37/1104 (M37/1297 and E40/295 and E37/1104 are applications).

Reach Prospect (E40/294)

Midas has completed an initial RC drilling program down-dip of a mineralized quartz vein that outcrops in old workings at the Reach Prospect located 40kms south of Leonora. The Company has previously reported strongly anomalous gold values from sampling of these old workings. Seven RC holes were drilled on three north-south traverses about 50m apart. On each traverse, two or three drillholles were collared in 30m to 40m step-outs. Drillhole collar details are shown in table A below.

Table A: Drillhole Collar Coordinates

HOLEID	MAX DEPTH	EAST	NORTH	RL	GRIDID	DATE DRILLED	DIP°	AZIM°
RERC001	102.0	0344243	6764328	435	MGA94_Z51	09-Aug-11	-62.4	165.3
RERC002	88.0	0344236	6764358	435	MGA94_Z51	10- Aug-11	-62.5	166.5
RERC003	60.0	0344182	6764332	435	MGA94_Z51	10-Aug-11	-60.9	168.0
RERC004	80.0	0344287	6764334	435	MGA94_Z51	11-Aug-11	-62.7	169.7
RERC005	102.0	0344221	6764391	435	MGA94_Z51	11-Aug-11	-62.9	164.7
RERC006	102.0	0344175	6764394	435	MGA94_Z51	12-Aug-11	-62.7	171.3
RERC007	100.0	0344277	6764377	435	MGA94_Z51	13-Aug-11	-62.9	168.4

The target structure was encountered in all drillholes, with quartz veining occurring over intervals of between 0.1m and 3.0m. Anomalous gold assay results were returned from four holes, including two significant intercepts as follows:

- 1m @ 2.97 g/t gold from 25m in RERC001.
- 4m @ 0.49 g/t gold from 32m (including 1m at 0.99 g/t gold from 33m) in RERC003.

The drilled intervals are considered to be true widths.

Comment

CEO Geoff Balfe commented that although the results were disappointing for a first test of the Reach prospect, the Company has a range of gold targets in the Leonora Project area which it would be aggressively testing over the remainder of 2011 and beyond.

For and on behalf of the Board of Midas Resources Limited,

G D Balfe
Managing Director/CEO

The information in this report that relates to exploration results is based on information 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.

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Capital Structure

Ordinary Shares (MDS):	328.9 million
Listed Options 3c (MDSOC):	48.1 million
Unlisted Options:	4.3 million