

30 April, 2012

Midas Sells Iron Ore Assets



Company Facts

Diversified mining and metals company
Midas Resources (ASX: **MDS**) is a gold and copper focussed company with significant gold projects at Lake Carey, south of Laverton, and in the Leonora-Kookynie area. The Company is also exploring for copper-gold deposits in the multi-metal Paterson Province.

Key Projects:

- Lake Carey (100%)
- Leonora Gold Project (100%)
- Paterson Province (100%)

Corporate Structure

Shares on issue	493.4m
Listed Options	48.0m
Performance Options	4.05m
52 week high	A\$0.07
52 week low	A\$0.01

Cash at bank A\$1.5m

Company Directors

John Hopkins
Chairman

Geoff Balfe
Managing Director

Terry Streeter
Non-Executive Director

Company Secretary
Mark Pitts

Highlights:

- **Midas has accepted a binding conditional Offer from unlisted company Pilbara Commodities Limited to sell all of its shares in Mulga Minerals Pty Ltd**
- **The Offer is for a total of \$600,000 in cash, 4 million fully paid 20 cent shares and 4 million 20 cent options**
- **The Offer is subject to Pilbara completing Due Diligence by 31 May.**
- **Mulga Minerals Pty Ltd is a wholly owned subsidiary of Midas and it holds Midas' iron ore tenements**

Resources developer, Midas Resources Limited ("Midas" or "the Company") (ASX:MDS), is pleased to announce that it has accepted a binding conditional purchase offer ("Offer") for all the issued shares in Mulga Minerals Pty Ltd ("Mulga") from Pilbara Commodities Limited ("Pilbara"):

The Offer involves:

- \$200,000 in cash upon completion of Due Diligence by Pilbara.
- \$400,000 in cash upon admittance to the Official List of the ASX.
- 4.0 million fully paid 20 cent shares and 4.0 million 20 cent options expiring 30/6/2017 upon admittance to the Official List of the ASX.
- Pilbara to be responsible for maintenance of the tenements as of the date of the initial payment of \$200,000.

Commenting on the Offer CEO Geoff Balfe said that the sale of Mulga has a number of positive outcomes for Midas including:

1. Initial cash to Midas of \$200k with further payment of \$400k on IPO of Pilbara.
2. Monetises the iron ore assets at \$1.2 million

3. Exposure to share price upside through issue of shares to Midas
4. Leverage to Pilbara share price through issue of long dated options to Midas
5. Allows Midas to increase the focus on its gold projects in the Leonora and Lake Carey areas and copper-gold tenements in the Paterson Province.

About Midas

Midas is a West Australian based exploration and development company with an advanced gold project at Lake Carey, south of Laverton, where the Company is evaluating a number of potential development options for its Fortitude Gold Resource including heap leach and toll treatment. In the Leonora area the Company has a significant tenement holding which includes a number of gold prospects and former mines. The Company is exploring the key structures that are believed to control gold mineralisation in the area and it has an aggressive program of augur drilling and RC drilling on various prospects in the current Quarter.

In the Paterson Province Midas has recently had two key tenements granted and the Company has already completed an initial helicopter VTEM geophysical survey over a key target. Drilling programs are being planned to test this and other targets throughout 2012. The grant of other tenements is expected in the June Quarter.

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

G D Balfe
Managing Director/CEO

