

ASX Announcement
ASX Code: MDS
ABN 87 095 092 158

28 September, 2012



Diversified mining and metals company Midas Resources (ASX: **MDS**) is a gold and copper focussed company with an advanced gold project at Lake Carey south of Laverton where the Company is carrying out a scoping study on the Fortitude gold deposit. Midas also has an active gold exploration program at Lake Carey testing various targets. In the multi-metal Paterson Province Midas is preparing to diamond drill-test a number of geophysical targets for IOCG and Nifty style copper deposits.

Key Projects:

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

Corporate Structure

Shares on issue	493.4m
Listed Options	48.0m
Performance Options	4.05m
52 week high	A\$0.023
52 week low	A\$0.006

Company Directors

John Hopkins

Chairman

Geoff Balfe

Managing Director

Terry Streeter

Non-Executive Director

Company Secretary

Mark Pitts

LOAN FUNDS RAISED FROM THE DIRECTORS

Midas Resources Limited (ASX: MDS) (**Midas** or the **Company**) announces that it has executed loan agreements with entities related to two of its Directors (Terry Streeter and Geoff Balfe) to raise \$300,000. The funds will be immediately employed as working capital to fund drilling in the Paterson Province which will commence on Tuesday 2nd October. Key terms of the unsecured loan are as follows:

- the loan is available for drawdown until 31 December 2012;
- the loan accrues interest at the NAB Base Lending Rate and the interest will be capitalised monthly until repaid; and
- the loan can be repaid at any time by the Company or, subject to obtaining shareholder approval from Midas shareholders and subject to compliance with the Corporations Act, the loan can be converted into ordinary shares of the Company at a price of \$0.01 per share (which was slightly more than the 30 day VWAP at 12 September being the date at which the Directors proposed such loans) at the election of the Company or the lender; or
 - if the shareholders do not approve the loan conversion, the loans will become repayable within 3 months of the relevant shareholder meeting.

Further announcements will be made when drilling is underway.

- Ends -

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

G D Balfe
Managing Director/CEO

For more information:

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