



ABN 29 126 129 413

ASX ANNOUNCEMENT

31 August 2011

EXPANDING IRON ORE INTERESTS IN SOUTH AFRICA

HIGHLIGHTS

- **Exploration models confirmed by drilling**
- **Application of model defines widespread targets in the Limpopo Iron Province**
- **Prospecting right applications accepted over 2600km²**
- **Strike extent comparable to the Hamersley Basin**
- **MWN to develop regional iron production plan**

Midwinter Resources NL ("Midwinter" or "the Company") (ASX code: MWN) is pleased to announce that the results of previous exploration focused on the Northern Lights magnetite deposits, has lead to the development of regional exploration targets over a strike length of approximately 270km. The targets have been identified on the basis of regional magnetic surveys, stratigraphic information, structural analysis and satellite image interpretation. The prospectivity of key zones has been filtered in accordance with likely metallurgical parameters, scale of the occurrence, geology and infrastructure.

Midwinter's drilling campaign in the second half of 2010 indicated buried mineralization was capable of being located using aerial magnetic survey – an important consideration within the region, where thin, wind-blown sand obscures much of the geology. See ASX announcement dated 22 December 2010.

Within the region examined, the Company has selected target areas it considers to have the greatest prospectivity, some of which include known iron ore occurrences recorded by the South African Council of Geosciences. Applications for Prospecting Rights have been made over the most prospective areas, and the extent to which such applications have been accepted by the Department of Mineral Resources is shown in Figure 1.

The structure of the target zones, and in particular geometry that will result in low stripping ratios and reduced mining cost has been of prime importance in the selection of target areas. Similarly areas of high metamorphic grade, resulting in likely coarse-grained mineralization, with the advantage of low-energy, low-cost concentration options, were considered critical selection criteria.

The regional importance of Limpopo as a potential source of iron ore is demonstrated by way of comparison with the size of the prospective areas, compared with the main producing areas of the Hamersley Basin (Figure 2). The grant of applications will mark the emergence of Midwinter as one of the major participants in the iron exploration business in South Africa.



Midwinter will commence exploration on the target areas as they are granted. The data accumulated during the course of exploration will be integrated with infrastructure, social, environmental and market research to produce a scoping study based on production and supply of magnetite concentrates, and value added iron products into domestic and export markets.

Work undertaken to date suggests magnetite deposits typical of the area are capable of producing superior concentrates at relatively coarse grain-size. Typically recoveries are in the order of 90% into a concentrate with:

- Fe 69.9%
- SiO₂ <2.5%
- Al₂O₃ <1.5%
- P <0.01%

See ASX announcement on 1 April 2011.

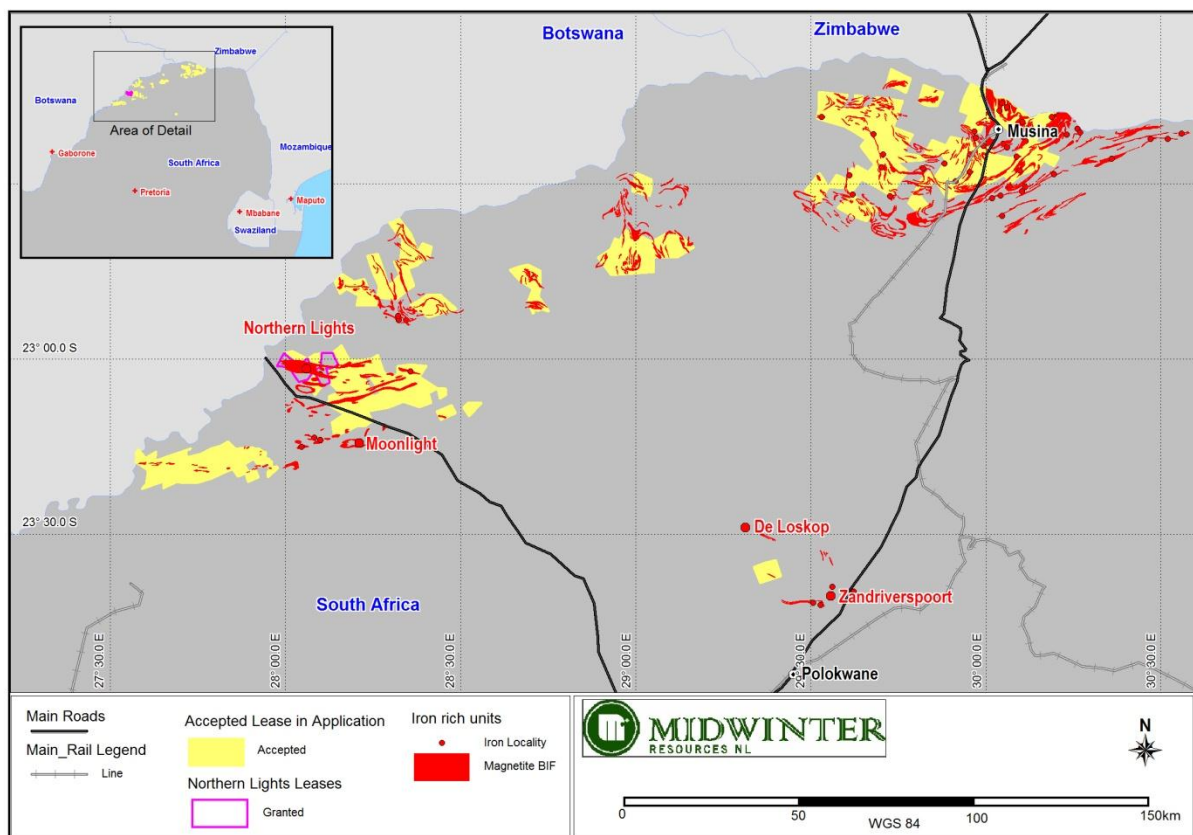
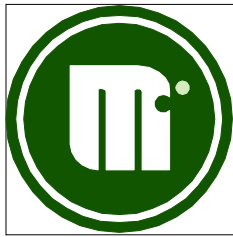


Figure 1. Midwinter Prospecting Right applications within the Limpopo Province showing major associated iron formations.



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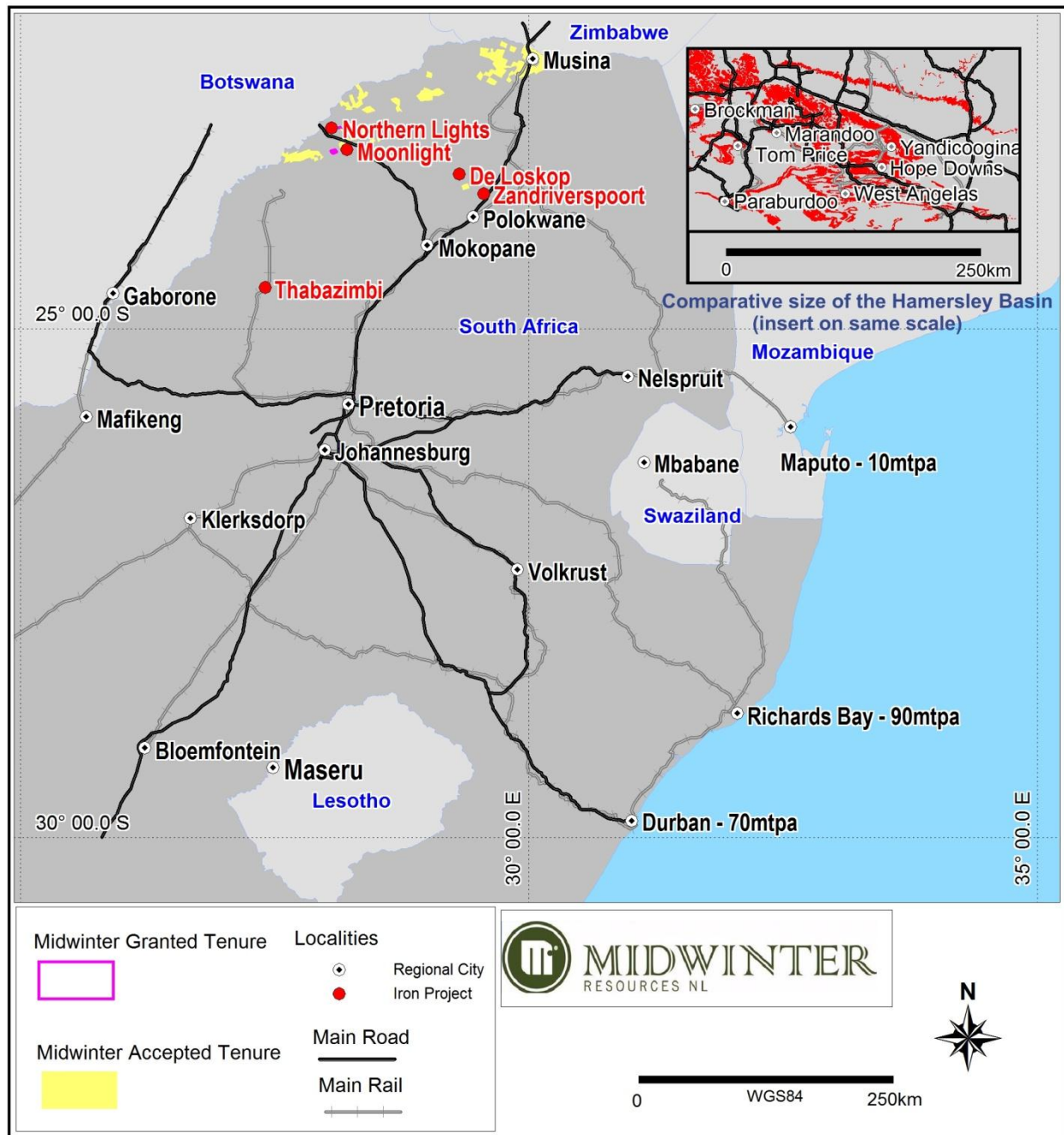


Figure 2. Prospecting Right applications of Midwinter extend over 270km. The magnitude of this area is considered significant when compared with the major producing areas of the Hamersley Basin (insert) which is one of the world's largest iron ore producing areas.



For further details, please contact:

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About Midwinter

Midwinter is focused on advancing the Northern Lights Iron Ore Project in the Republic of South Africa. Target areas contain over 28 km strike of magnetic anomalies which drilling has confirmed as being mainly a result of magnetite mineralization. The largest target, with a length exceeding 10km, is yet to be drilled.

Competent Persons Statement:

The information contained in the report that relates to Exploration Results of projects owned by Midwinter Resources NL is based on information compiled or reviewed by Mr Adrian Griffin, who is an employee of the Company. Mr Griffin is a Member of the Australasian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken 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. Griffin has given consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.