



May 6, 2010

ASX RELEASE

RESOURCE UPDATE - FORTITUDE GOLD DEPOSIT

HIGHLIGHTS

- **New Mineral Resource estimated by the geostatistical method of uniform conditioning (UC) for Fortitude results in a total of 4.8Mt at a grade of 2.3g/t for 356,000oz contained gold at a 1.0g/t cut-off grade – grade is unchanged from the Company’s estimate released in June 2007 while tonnage is down 8% due to greater selectivity in the new geological model.**
- **Assessment of the Fortitude gold project is underway based on the new Mineral Resource estimate and a Pit Optimisation study.**
- **A bulk resource was first estimated by the Ordinary Kriging (OK) method using a new geological wire frame model and this Resource was then used for the more selective UC estimate.**
- **The Company believes that the new Mineral Resource estimated by the OK and UC methods provide a valid base for ongoing mining and feasibility studies.**
- **The Company will carry out a Pit Optimisation study using the latest UC resource estimate to help determine if proceeding to feasibility studies is justified.**

Midas Resources Limited (ASX:MDS) (“Midas” or “the Company”) is pleased to report that the Company has received the results of the latest Mineral Resource estimate for the Fortitude gold deposit. The resource work was carried out by Runge Limited, a major mining consultancy group, and it is reported in accordance with the JORC Code.

Specialist advice and input on geostatistics was provided by Jacqui Coombes, a recognised specialist in this field.

The resource estimate has utilized the assays from all drilling in the area and it is based on a newly interpreted geological wireframe model.

The bulk resource has been estimated by the Ordinary Kriging method (OK) and it has been reported at various cut-off grades. Only the results at a 1.0g/t cut-off are reported here. The geologic model used for the bulk resource estimate is an improvement on the previous estimate in that the critical inputs, especially the geological interpretation, are significantly more advanced and constrained in this study. The new bulk resource estimate is reported in Table 1, below at a 1.0g/t cut-off:

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Table 1. Bulk OK Mineral Resource Estimate 2010

	Runge April 2010		
	Bulk OK Mineral Resource Estimate at a 1g/t Au cut-off		
	Tonnes (t)	Grade (g/t)	Ounces (oz)
Indicated	2,758,000	1.9	172,000
Inferred	3,530,000	1.9	213,300
Total	6,289,000	1.9	385,300

Note: rounding discrepancies may occur

The bulk OK Mineral Resource estimate was then further processed by the more selective method of Uniform Conditioning (UC) so the estimation method and the result would be consistent and comparable with the Company's previously reported June 2007 resource estimate. The June 2007 Mineral Resource estimate (Table 3) is a selective estimate based on Multiple Indicator Kriging (MIK) which demonstrated the potential for the average grade of the deposit to be as high as 2.3g/t Au. The latest UC estimate of grade is consistent with the 2007 estimate.

Table 2. Selective UC Resource Estimate 2010

	Runge April 2010		
	Selective (UC) Resource Estimate at a 1g/t Au cut-off		
	Tonnes (t)	Grade (g/t)	Ounces (oz)
Indicated	2,113,000	2.3	157,000
Inferred	2,755,000	2.2	198,300
Total	4,868,000	2.3	356,000

Note: rounding discrepancies may occur

A comparison between the selective MIK estimate reported in 2007 (Table 3 below) and the new selective UC estimate (Table 2) indicates an 8% overall decrease in tonnes and a corresponding 8% decrease in contained ounces, which is the result of increased controls on geological modelling.

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Table 3. Selective MIK Mineral Resource Estimate 2007

	RSG June 2007		
	Selective MIK Resource Estimate at a 1g/t Au cut-off		
	Tonnes (t)	Grade (g/t)	Ounces (oz)
Indicated	1,882,000	2.3	137,000
Inferred	3,445,000	2.3	250,000
Total	5,327,000	2.3	388,000

Note: rounding discrepancies may occur

The company believes that the selective UC estimate is an appropriate method of resource estimation for the Fortitude gold deposit and that the result is consistent with the previously reported (2007) selective MIK estimate.

PLANS

CEO Geoff Balfe commented that the revised Resource estimate was reassuring when compared to the 2007 estimate. The agreement between the two estimates was very good, considering that different geostatistical methods were involved and that the geological wire frame interpretation had been significantly revised. A Pit Optimisation will be undertaken using the selective UC Resource estimate and the result will help determine if a feasibility study into the development of an open pit mine is justified.

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

G D Balfe
Managing Director/CEO

The information within this report as it relates to Mineral Resources was managed by Mr. Robert Williams in association with Jacqui Coombes. Mr Williams is a member of the Australasian Institute of Mining and Metallurgy and Mrs Coombes is a member of both the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Williams is employed by Runge Limited and Mrs Coombes is employed by Coombes Capability. Mr. Williams and Mrs Coombes have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they were undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Williams and Mrs Coombes both consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information within this report as it relates to exploration results and geology was compiled by Mr. Paul Dunbar who is a member of both the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Dunbar is a full time employee of the Company. Mr. Dunbar 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 Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Dunbar consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.



Investor Information

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Capital Structure

Ordinary Shares (MDS):	283.5 million
Listed Options 10c (MDSOB):	50.2 million
Listed Options 3c (MDSOC):	51.6 million
Unlisted Options:	4.5 million

About Midas Resources

Midas Resources Limited (ASX: MDS) is a Western Australian based resource exploration and development company with a suite of projects including gold, iron ore and base metals. The Company is evaluating the development of the Fortitude gold deposit at Lake Carey, south of Laverton, and is currently undertaking a scoping level study into a potential open pit development.

In 2009, Midas acquired Mulga Minerals Pty Ltd, and its Iron Ore tenements in the Pilbara region of WA. Midas has commenced exploration activities on the projects, which are located within close proximity to operating mines of BHP Billiton and Rio Tinto.

In the Paterson Province, East Pilbara District, the Company has formed a joint venture known as the Paterson Joint Venture to explore 1,000km² of highly prospective ground in the Nifty area where the JV has a number of tenement applications.