

BY-LAW NO. 2

A By-law to Amend By-law No. 1
Of
Midlands Minerals Inc.
(the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

1. The following section is added as a new section to Article 47 of By-law No. 1:

Section 47A(i) Directors Election and Removal

(a) Subject only to the Act, and for so long as the Corporation is an offering corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, as follows:

(i) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting;

(ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act; or

(iii) by any person (a "**Nominating Shareholder**")

(A) who, at the close of business of the date of the giving by a Nominating Shareholder of the notice provided for below in the Section 4.7 and at the close of business on the record date for notice of such meeting of shareholders, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provided evidence of such ownership that is reasonably satisfactory to the Corporation; and

(B) who complies with the notice procedures set forth in the section 4.7.

(b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form to the Secretary of the Corporation at the registered office of the Corporation in accordance with section 4.7.

(c) To be timely, a Nominating Shareholders notice to the Secretary of the Corporation; must be made and be received:

(i) in the case of an annual meeting of shareholders (which includes an annual and special meeting), not less than thirty (30) days nor more sixty-five (65) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than fifty (50) days after the date (the "**Notice Date**") on which the first public announcement (as defined below)

of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) date following the Notice Date; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the tenth (10th) day following the date on which the first public announcement of the date of the special meeting of shareholders was made.

Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirements in this subsection 4.7 (i).

The time periods for the giving of the Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders, or the reconvening of any adjourned or postponed meeting of shareholders, or the announcement thereof, commence a new time period for the giving of a Nominating Shareholder's notice as described above.

(d) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:

- (A) the name, age, business address and residence address of the person,
- (B) the present principal occupation of employment of the person and the principal occupation or employment within the five (5) years preceding the notice,
- (C) the citizenship of such person,
- (D) the class or series and number of shares in the capital of the Corporation which are directly or indirectly controlled or directed or which are owned beneficially or of record by the person as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of receipt by the Corporation of such notice, and
- (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that would reasonably be expected to be material to a reasonable shareholder's understanding of the independence and/or qualifications, or lack thereof, of such proposed nominee.

(ii) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Corporation and any other information relating to such Nominating Shareholder

that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

(e) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this section 4.7(i) and applicable laws; provided however, that nothing in this section 4.7(i) shall preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions of this section 4.7 and, if any nomination is not in compliance with such foregoing provisions, to declare that such nomination to be defective and that it shall be disregarded.

(f) For the purposes of this section 4.7(i):

(i) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and

(ii) “**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory in Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada, and all applicable securities laws of the United States.

(g) Notwithstanding any other provisions of By-Law No. 1, notice given to the Secretary of the Corporation pursuant to this section 4.7(i) may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the registered office of the Corporation, sent by email (at the address as aforesaid and provided that receipt of confirmation of such email has been received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or facsimile or electronic communication is made on a day which is not a business day or later than 5:00 pm (Toronto time) on a day which is a business day, then such delivery or facsimile transmission or electronic communication shall be deemed to have been made on the subsequent day that is a business day.