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## **DRILLING FOR GOLD ON MIDLANDS' KANIAGO COMMENCES IN GHANA, WEST AFRICA**

TORONTO, CANADA: Monday, March 7<sup>th</sup>, 2011: Midlands Minerals Corporation (“Midlands” or the “Company”) is pleased to announce the commencement of a Phase One RC drilling program for gold on the Kaniago concession. With a highly prospective 7 kilometre strike length, Kaniago is on strike to the north with Keegan Resources’ Esaase gold project, which hosts 3.5 million ounces, and on strike to the south with the Obotan/Nkran deposit.

- High grade drill intersections at the Obotan/Nkran zone have returned 80.08 m @ 7.49 g/t Au, including 20.86 m @ 17.61 g/t Au, as reported by PMI Gold Corporation (“PMI”) in their news release dated March 2, 2011

Except for the northwest part of the Kaniago concession, PMI completely surrounds Kaniago, with two mineralized zones to the northeast and two to the southwest. These four zones comprise PMI’s Obotan project, which totals 3.1 million tonnes at 1.59 g/t Au (156,000 ounces Au indicated) and 15.6 million tonnes at 2.1 g/t Au (1,053,000 ounces gold inferred), as reported by Hellman and Schofield Pty Ltd. in “Technical Report Mineral Resources Estimation for the Obotan Projects, Ghana” dated December 8, 2010. PMI are planning on completing a prefeasibility study by the end of 2011.

Tom Neelands, P.Geol. and Vice President Exploration said: “The Obotan mineralized structures are interpreted to be continuous right through the Kaniago concession, and that is why a discussion on the gold potential of Kaniago has to include a discussion of the work completed by PMI on their Obotan project.”

Three priority drill targets, which are on strike with two of the PMI zones Abore and Adubiaso, have been selected for initial drilling. On the map below, the Kaniago West target and Mmooho target are on strike with PMI’s Abore prospect, which is approximately 5 kilometres northeast of Mmooho. Adubiaso is immediately southwest of the Besease target. Kampese, which is considered a second priority target, is located between the Nkran (previously Resolute’s Obotan mine), which is 7 kilometres to the southwest, and Asuadai (Edubia), which is 13 kilometres to the northeast. All three targets yielded very high gold-in-soil results.

***Please click on the link below to view the map:***

[http://www.midlandsminerals.com/press\\_releases/images/Kaniago\\_Compilation\\_Map\\_100808.pdf](http://www.midlandsminerals.com/press_releases/images/Kaniago_Compilation_Map_100808.pdf)

Each one of the Midlands priority targets is more than 500 metres long, and together they are part of an important regional gold trend that strikes 030<sup>0</sup> north-northeast. These anomalies are defined by gold-in-soil values above 50 ppb Au and up to 1320 ppb Au.

The Midlands targets and the PMI zones occur within the 15-kilometre wide and 150-kilometre long Asankrangwa Gold Belt, which is a complex northeast-southwest-trending regional scale shear zone consisting of Birimian sedimentary rocks and basin-type granitoids. The gold is hosted in 5-metre to 40-metre wide shear zones consisting of graphite, chlorite, and sericite.

“In particular, gold mineralization is developed where the northeast fault/shear zones intersect major east-northeast striking fault/shear zones, and especially where they are recognized to have influenced granitoid emplacement, alteration and Au geochemical trends.” (Hellman & Schofield, 2010)

In 2010, Midlands completed a VTEM survey carried out by Geotech Airborne Limited, and a detailed soil sampling survey at 100-metre by 50-metre spacing. Harry van den Berg of SEMS Technical Services Ltd. reviewed the data. He concluded that:

“Three anomalous gold target zones were identified and prioritized for a drilling program. Refined geophysical interpretation correlates these gold zones with a favourable NE-trending shear direction. Antithetic (conjugate pair) shear direction features interpreted from the EM data are seen to crosscut the selected gold target zones, further upgrading their favourability as drill targets. The shear zones’ proximity to the circular intrusion in the north on the permit boundary, which likely played an important role in the mineralization of the zones, further upgrades the selected target zones.”

An initial 5,000 metres of RC drilling are planned, and drilling, consisting of twenty-three holes, is expected to commence by the third week of March 2011.

“Kaniago is a very promising gold project. We have consistently seen encouraging soil sample assay results from Kaniago. With interpretation of results from the soil geochemistry, the multi-component geophysics, and the good drill results from Obotan, as recently announced by PMI, we are very confident that Kaniago RC drilling results will be positive,” said Kim Harris, President and Chief Executive Officer.

The technical information in this news release has been reviewed by Tom Neelands, P.Geo., a Qualified Person under National Instrument 43-101, and David Groves, Ph.D., Technical Advisor to Midlands Minerals Corporation.

## **ABOUT MIDLANDS MINERALS**

Midlands is a growth oriented and value based gold exploration company operating in Ghana and Tanzania, two stable countries with a history of gold mining. Midlands’ top priority project is the fully permitted Sian gold project in Ghana. The Sian property contains Esaase and Ampeha, two previously producing open pit mines with a resource with significant growth potential. Midlands’ contiguous Kwahu Praso project, which was once part of Sian, contains extensions of the Esaase and Ampeha trends. Sian and Praso are just 30 kilometres northeast of Newmont Mining’s +8.7 million-ounce Akyem gold deposit.

Midlands’ second priority project in Ghana is the highly prospective Kaniago gold project, which is located on the Asankrangwa Gold Belt and is contiguous to two past open pit gold producers – Abore to the north and Obotan to the south.

Midlands also holds highly prospective licences for gold and diamonds in the Lake Victoria Goldfields in Tanzania, including its advanced Itilima Gold Project, which lies within the Geita-Bulyanhulu-Sekenke Trend, which is host to over 40 million ounces in gold reserves, and has now added to its Tanzania portfolio with the acquisition of the New Kilindi-Handeni prospecting licences.

The Company has a highly qualified management and technical team with broad African experience and extensive experience in the countries in which the Company operates. For more information on the Company, please visit Midlands' website at [www.midlandsminerals.com](http://www.midlandsminerals.com).

### **On behalf of the Board**

Kim Harris  
President and Chief Executive Officer

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*Certain statements contained in this news release constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from actual results and achievements expressed or implied by such forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions, which may prove to be incorrect.*

*The Company adds a cautionary statement to the effect that the potential quantity and grades that may be referred to in this press release are conceptual in nature. There has been sufficient exploration to evaluate a mineral resource. However, the Company is uncertain if further exploration will result in a mineral reserve. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. Readers are also advised to consider such forward-looking statements while considering the risks inherent in the business of mineral exploration. For more information, investors should review the Company's filings that are available at [www.sedar.com](http://www.sedar.com).*