

**MANAGEMENT INFORMATION CIRCULAR  
FOR THE ANNUAL AND SPECIAL MEETING OF  
SHAREHOLDERS  
TO BE HELD ON JUNE 28, 2011**

*May 19, 2011*

**MIDLANDS MINERALS CORPORATION  
INVITATION TO SHAREHOLDERS**

Dear Shareholder:

On behalf of the board of directors, management and employees, we invite you to attend Midlands Minerals Corporation's Annual and Special Meeting of Shareholders on June 28, 2011 (the "**Meeting**").

Your vote is important regardless of the number of Common Shares you own. Whether or not you are able to attend, if you are a Registered Shareholder, we urge you to complete the enclosed Management Proxy and return it in the prepaid envelope or using any one of the methods described on the Management Proxy by no later than 11:00 am (Eastern Daylight Time) on Friday, June 24, 2011.

Voting by proxy will not prevent you from voting in person if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. If you hold your Common Shares through a broker or an intermediary, we urge you to complete the applicable Management voting instruction form or provide your voting instructions by other acceptable methods.

**IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT OUR PROXY SOLICITATION AGENT:**

**KINGSDALE SHAREHOLDER SERVICES INC.:**

**TOLL FREE IN NORTH AMERICA: 1-888-518-6796**

Banks, Brokers and collect calls: + 1-416-867-2272

Toll free Facsimile: 1-866-545-5580

E-mail: [contactus@kingsdaleshareholder.com](mailto:contactus@kingsdaleshareholder.com)

The items of business to be considered at this Meeting are described in the Notice of Annual and Special Meeting, and Management Information Circular.

We look forward to seeing you at the Meeting.

Sincerely,

*(Signed)*

Kim F. Harris  
President, Chief Executive Officer and a Director

**MIDLANDS MINERALS CORPORATION**  
**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

Midlands Minerals Corporation (the “**Corporation**”) will hold its Annual and Special Meeting of Shareholders (the “**Meeting**”) at Toronto Board of Trade – Downtown Centre, 1 First Canadian Place, Suite 350, Toronto, Ontario, Canada, on Tuesday, June 28th, 2011, at 11:00 am (Eastern Daylight Time) for the following purposes:

1. To receive the Consolidated Financial Statements of the Corporation for the year ended December 31, 2010, and the Auditor’s Report on those statements;
2. To consider, and if deemed advisable, to pass, without variation, a resolution electing the directors for the ensuing year;
3. To appoint the auditors of the Corporation and authorize the directors to fix the auditor’s remuneration;
4. To consider, and if deemed advisable, to pass, without variation, a resolution approving the Corporation’s stock option plan; and
5. To transact any other business properly brought before the Meeting.

Holders of common shares are invited to attend the Meeting. Shareholders of record as at the close of business on Thursday, May 12, 2011, will be entitled to notice of and to vote at the Meeting

A detailed description of the matters to be acted upon at the Meeting is set forth in the accompanying management information circular of the Corporation dated May 19, 2011 (the “**Information Circular**”).

Copies of: (a) this Notice of Annual and Special Meeting of Shareholders, (b) the Information Circular, and (c) a Management form of proxy and instructions in relation thereto (the “**Management Proxy**”) may be obtained at the following office: Midlands Minerals Corporation, 1210 Sheppard Avenue East, Suite 302, Toronto, Ontario, Canada, M2K 1E3, or will be sent to a shareholder without charge upon request by calling + 1-416-492-6992.

**DATED** the 19<sup>th</sup> day of May, 2011.

By Order of the Board of Directors

*(Signed)*

Kim F. Harris  
President, Chief Executive Officer and a Director

NOTE: If you are the holder of common shares in the capital of the Corporation (collectively, “Common Shares”), kindly fill in, date, sign and return, in the addressed prepaid envelope provided for that purpose, the enclosed Management Proxy in respect of the Common Shares owned by you and deliver the completed Management Proxy in the addressed prepaid envelope provided or deposited at the offices of Equity Transfer and Trust Company, (“Equity”) Proxy Department, **by mailing the proxy to Equity at 200 University Avenue, Suite 400, Toronto, Ontario, Canada M5H 4H1. Proxies may also be faxed to Equity at 416-361-0470 to the Attention of: Proxy Department.**

Your proxy must be received no later than 11:00 am (Eastern Daylight Time) on Friday, June 24<sup>th</sup>, 2011, or if the Meeting is adjourned, no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned Meeting. **Registered shareholders may also vote by telephone or over the Internet. Instructions on how to vote by telephone or over the Internet are provided in the Information Circular and Management Proxy enclosed. Non-registered shareholders should follow the instructions on how to complete their voting instruction form or form of proxy and vote their shares on the Management forms that they receive or contact their broker, trustee, financial institution or other nominee. If you have any questions, or require assistance in voting your Management Proxy, please contact the Corporation’s proxy solicitation agent, Kingsdale Shareholders Service Inc., TOLL-FREE IN NORTH AMERICA, AT 1-888-518-6796.**

## MIDLANDS MINERALS CORPORATION MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation by management (“**Management**”) of Midlands Minerals Corporation (the “**Corporation**”), of proxies to be used at the annual and special meeting (the “**Meeting**”) of shareholders of the Corporation (each a “**Shareholder**” and collectively, the “**Shareholders**”) to be held at Toronto Board of Trade – Downtown Center, 1 First Canadian Place, Suite 350, Toronto, Ontario, Canada, on Tuesday, June 28th, 2011, at 11:00 am (Eastern Daylight Time) for the purposes set forth in the accompanying notice of annual and special meeting (the “**Notice**”). Except as otherwise indicated, information herein is given as at May 19, 2011.

In this Information Circular, all references to dollar amounts are to Canadian dollars, unless otherwise specified.

### SOLICITATION OF PROXIES

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited by employees or agents of the Corporation, personally, in writing, by email or by telephone. Kingsdale Shareholder Services Inc. (“**Kingsdale**”) will be acting as soliciting agent for the Corporation to solicit proxies for the Meeting, for a fee that is currently expected by Management to be \$35,000 to \$50,000, exclusive of certain services, disbursements and applicable taxes, depending on the involvement of Kingsdale in soliciting proxies. The costs of such solicitation by employees or agents of the Corporation, including Kingsdale, will be borne by the Corporation.

This Information Circular solicits Management Proxies (as defined below), voting for the resolutions as outlined herein.

### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed Management form of proxy (“**Management Proxy**”) are a director and an officer of the Corporation, respectively. Registered Shareholders (a “**Registered Shareholder**”) have the right to appoint a person to attend and act for him, her or its and on his, her or its behalf at the Meeting other than the persons named above. Such right may be exercised by inserting in the blank space provided the name of the person to be appointed, who need not be a Shareholder, or by completing another proper form of proxy. In either case, as a Registered Shareholder you can choose from three different ways to vote your common shares in the Corporation (“**Common Shares**”) by Management Proxy, which must be provided so it is received not later than 11:00 am (Eastern Daylight Time) on Friday, June 24, 2011, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the Management Proxy is to be used: (a) by mail or delivery in the addressed prepaid envelope provided or deposited at the offices of Equity Transfer and Trust Company (“**Equity**”), Proxy Department, Proxies may also be faxed to Equity at 416-361-0470 to the Attention of: Proxy Department,

In addition to revocation in any other manner permitted by law, a Management Proxy may be revoked so it is received by no later than 11:00 am (Eastern Daylight Time) on Friday, June 24, 2011 or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting, by: (a) completing and signing a proxy bearing a later date and depositing it with Equity on behalf of the Corporation;

## EXERCISE OF DISCRETION BY PROXIES

The persons named in the Management Proxy will vote for, withhold from voting or vote against, as the case may be, the Common Shares in respect of which he is appointed as proxy in accordance with the direction of the Shareholder appointing him. In the event that a Shareholder does not specify in his, her or its instrument of proxy that the named Management Proxy is required to vote for, to withhold from voting or vote against, as applicable, in respect of the matters to be considered at the Meeting, the Common Shares represented by such proxy shall be voted FOR each of the matters referred to therein.

The Management Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of printing this Information Circular, neither Management nor the directors of the Corporation (each a “**Director**” and collectively, the “**Directors**”) are aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached Notice. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Management Proxy to vote on such other business in accordance with his judgment.

## INFORMATION FOR BENEFICIAL HOLDERS OF SECURITIES

Information set forth in this section is important to persons other than Registered Shareholders. Only Registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a non-Registered Shareholder (a “**Beneficial Shareholder**”) are registered either:

- (a) in the name of an intermediary that the Beneficial Shareholder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans; or
- (b) in the name of a depository such as The Canadian Depository for Securities Limited (“**CDS**”).

In accordance with Canadian securities law, the Corporation has distributed copies of the Notice, this Information Circular and the Management Proxy (collectively, the “**Meeting Materials**”) to CDS and intermediaries for onward distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them.

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Beneficial Shareholders will receive either a Management voting instruction form or, less frequently, a Management Proxy. Often, the voting instruction form supplied to a Beneficial Shareholder by its broker is identical to that provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders should follow the procedures set out below, depending on which type of form they receive.

- (c) *Management Voting Instruction Form.* In most cases, a Beneficial Shareholder will receive, as part of the Meeting Materials, a Management voting instruction form. If the

Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the Management voting instruction form must be completed, signed and returned in accordance with the directions on the form. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the Beneficial Shareholder must complete, sign and return the Management voting instruction form in accordance with the directions provided, together with a form of proxy giving the right to attend and vote.

- (d) *Management Proxy.* Less frequently, a Beneficial Shareholder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Beneficial Shareholder but which is otherwise uncompleted. If the Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the Beneficial Shareholder must complete the Management Proxy and deposit it with Equity Transfer and Trust Company, Proxy Department, on behalf of the Corporation, so as not to arrive later than 11:00 am (Eastern Daylight Time) on Friday, June 24, 2011. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the Beneficial Shareholder must strike out the names of the persons named in the Management Proxy and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided and return to Equity as described above.

Most brokers now delegate responsibility for obtaining instructions from clients (i.e. Beneficial Shareholders) to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails voting instruction forms or proxy forms, to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form or proxy form from Broadridge, cannot use that voting instruction form or proxy form to vote Common Shares directly at the Meeting. A voting instruction form or proxy form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker or other intermediary, a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the Management voting instruction form or form of proxy provided to them and return the same to their broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting in order to have the Common Shares voted.

## **RULES CONCERNING PROXIES**

The persons named in the enclosed proxy form are directors or officers of the Corporation. These persons will vote or withhold from voting, all the shares in respect of which they are appointed to act, in accordance with the instructions indicated on the proxy form. In the absence of instructions, the voting rights attached to the shares shall be exercised IN FAVOUR of the matters mentioned in the foregoing Notice of Meeting. The management of the Corporation is not aware of any changes to the matters identified in the Notice of Meeting or of any other matters that may properly come before the Meeting. However, a proxy given in accordance with the enclosed proxy form confers discretionary authority as to such changes or such other matters that may properly come before the Meeting.

A shareholder has the right to appoint as proxy holder, a person other than the persons designated in the proxy form, to represent him/her and to act on his/her behalf at the Meeting by inserting the name of the chosen proxy holder in the space provided in the proxy form. A person acting as proxy holder need not be a shareholder.

A shareholder giving a proxy may revoke the proxy before it is exercised, in any manner permitted by law, namely by instrument in writing, including another proxy bearing a later date, executed by the shareholder or by the shareholder's attorney authorized in writing, or if the shareholder is a corporation, under its corporate seal or by any instrument in writing executed by an officer or a duly authorized attorney. Such written notices must be filed either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting (June 27, 2011 at 11:00 am), or any adjournment thereof, at which the proxy form is to be used, or with the Chairman of such Meeting before it is used at the Meeting or at any adjournments thereof.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as disclosed herein, management of the Corporation is not aware of any person who may have an interest, whether such interest is by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. The Directors and officers have an interest in the ratification of the Stock Option Plan as they may be granted options under the plan.

## **RECORD DATE AND RIGHT TO VOTE**

The Corporation has fixed the close of business on May 12<sup>th</sup>, 2011 as the Record Date for the Meeting. Only shareholders of record as at 5:00 pm (Eastern Daylight Time) as at that date, will be entitled to receive Notice of the Meeting and related documents and to vote at the Meeting or at any adjournment thereof, but failure to receive such notice does not deprive shareholders of their right to vote their shares at the Meeting.

If a shareholder has transferred any of his/her common shares after the record date, and the transferee of these shares produces properly endorsed share certificates or otherwise establishes that he/she owns such shares, as the case may be, and demands, at least ten (10) days before the Meeting, that his/her name be registered on the list of shareholders entitled to vote, the transferee is entitled to vote such shares at the Meeting.



## VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 102,965,931 Common Shares are issued and outstanding as fully paid and non-assessable common shares. Each issued and outstanding Common Share entitles its holder to one vote.

To the knowledge of the Directors and officers of the Corporation, there are no persons or companies, who beneficially own, directly or indirectly, or exercises control or direction over, voting securities of the Corporation carrying more than 10 percent (10%) of the voting rights, except as follows:

<u>Name and Address</u>	<u>Number of Common Shares</u>	<u>% of outstanding capital</u>
Kim and Edward Harris Toronto, Ontario, Canada	10,568,073 <sup>(1)(2)(3)</sup>	10.26% <sup>(4)</sup>

Notes:

- 1. Kim Harris and Edward Harris have a controlling interest in SIKA Resources Inc. (“SIKA”) and are related to each other. Edward Harris holds 3,978,756 Common Shares;*
- 2. Included in Kim Harris’ (and Edward Harris’) Common Shares as shown are 587,822 Common Shares held by SIKA Resources Inc. Edward Harris and Kim Harris together hold 10,568,073 Common Shares of the Corporation or 10.26% of the issued and outstanding stock;*
- 3. The number of Common Shares stated to be held by each of the foregoing Shareholders is based upon information available on the public record;*
- 4. The percentage of voting rights calculations stated above are based on 102,965,931 Common Shares outstanding, which number represents the number of issued and outstanding Common Shares on the Record Date.*

The Corporation’s major shareholders have the same voting rights per Common Share as all other shareholders.

## MATTERS TO BE ACTED UPON AT THE MEETING

### 1. ELECTION OF DIRECTORS

The articles of incorporation provide that the board of directors (the “**Board**”) of the Corporation consist of a minimum of three (3) Directors and a maximum of fifteen (15). The number of Directors of the Corporation is currently set at 5 with the addition of 1 Technical Advisor for the upcoming year. The nominees are, in the opinion of the Board, well qualified to act as Directors for the coming year. Each nominee has established his eligibility and willingness to serve as Director, if elected. Each duly elected Director will hold office until the next annual meeting of Shareholders or until a successor is duly elected, unless his or her office is earlier vacated in accordance with the articles of the Corporation.

To the knowledge of the Corporation, no Director is, or has been in the last ten (10) years, a director or executive officer of an issuer that, while that person was acting in that capacity: (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days; (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under

Canadian securities legislation, for a period of more than 30 consecutive days; or (c) within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. To the knowledge of the Corporation, in the past ten (10) years, no Director has become bankrupt, made a proposal under any legislation related to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Director.

Following approval of these appointments by the shareholders as the case may be, the Board of Directors will be composed of four (3) independent directors, one (1) director related to a major shareholder and one (1) director who is an employee, for a total of 5 and 1 technical advisor.

The following chart and brief biography of each Director and Technical Advisor sets out the names and residence location of each person proposed to be nominated for election as a Director; all other positions and offices with the Corporation; the date the person was elected as a Director; their principal occupations and their occupations for the previous five years; other directorships; committee memberships in the Corporation; and the approximate number of securities of the Corporation, beneficially owned by each Director or over which he exercises control or direction as at the Record Date. The information relating to each Director having been subject to a cease trade order or bankruptcy, and each Director's shareholdings and biography is not known by Management. All such information was provided to the Corporation by each Director, respectively.

<b><u>Name and Residence</u></b>	<b><u>Position(s) with the Issuer</u></b>	<b><u>No. of Common Shares of the Issuer Held</u></b>	<b><u>Principal Occupations During Previous Five Years</u></b>
Kim F. Harris Toronto, Ontario Canada	President, Chief Executive Officer, Vice Chair and Director since 2000	6,589,317 <sup>(1)</sup>	President and CEO of the Issuer from June 2000 to present, Managing Director of SIKA Resources Inc. (a privately held resource exploration company) June 1995, previously Director, Africa, for Ontario International Corporation
Edward A. Harris Toronto, Ontario Canada	Vice Chair and Director (Director since 2000, Audit Committee member)	3,978,756	Vice President and Portfolio Manager with McLean Budden Limited since 1990
Mark B. Keatley London, United Kingdom	Director (Director since 2004, Audit Committee member)	Nil	CFO of Ashanti Goldfields Ltd. from 1994 to 2000, Current CFO of a UK firm
R. John Carruthers Oshawa, Ontario, Canada	Director and Chairman (Director since 2000, named Chairman on November 1, 2010)	134,150	Former Director of Industrial Business Development with Casebank Technologies

Karl Schmed Toronto, Ontario Canada	Director (Director since 2005, Audit Committee member)	302,000	President of Global Colour Link Inc., Founder and former President of SQS
David Groves Ph.D. Perth Australia	Technical Advisor (Geology)	Nil	Former Professor of Geology at the University of Western Australia, Current Technical Advisor on Ghana exploration activities

Notes:

*(1) Of the above 6,589,317 Common Shares, 6,001,495 Common Shares are held by Kim Harris exclusive of her interest in SIKA Resources Inc. which holds 587,822 shares in Midlands Minerals Corporation. Kim Harris and Edward Harris have a controlling position in SIKA Resources Inc.*

### **Dr. David Groves, Ph.D. (Technical Advisor)**

Dr. Groves is a renowned expert on Ghanaian and Tanzanian geology and associated with a number of major gold discoveries. He provides technical advice on target generation to major gold mining companies, as well as junior exploration companies. Formerly a Professor of Geology at the University of Western Australia, he has co-authored over 500 publications on various geological subjects.

### **Edward Harris (Non-Independent Director)**

Edward (Ted) Harris is a Vice President and Portfolio Manager with McLean Budden Limited, an Investment Management firm. He has over 35 years of experience in the financial services industry, having previously worked with Dominion Securities, RBC Investment Management, and with Canada Life prior to that. Ted Harris is one of the Founders of Midlands Minerals.

### **Mark Keatley, MBA, MA, MPhil (Independent Director)**

Mark Keatley is currently Chief Financial Officer of a UK pharmaceutical firm, and is a former CFO of Ashanti Goldfields Company (now part of AngloGold Ashanti). Previous to that Mark Keatley held senior positions in the IFC (World Bank) and has worked with Ford Motor Company (UK). He has been a director of Midlands since September 2005. Mark Keatley brings international experience in the mining sector as well as strong financial expertise and a solid knowledge of the African countries in which Midlands operates.

### **John Carruthers (Independent Director)**

John Carruthers is a retired senior executive, and an engineer by training. He has worked in the steel industry internationally with mid to large cap companies, and brings strong operational and managerial expertise to the Midlands Board. John Carruthers is one of the founding directors of Midlands Minerals.

### **Karl Schmed (Independent Director)**

Karl Schmed is a retired executive and former president and CEO of SQS Inc, a colour separation and graphics company which he founded over 30 years ago. Karl Schmed brings to Midlands his experience in growing a company from an idea to a going concern, which became an attractive acquisition by a much larger firm. Karl Schmed is one of the founding directors of Midlands Minerals.

### **Kim Harris (Non Independent Director)**

Kim F. Harris, President and Chief Executive Officer, and Founder of Midlands Minerals Corporation, has over 25 years of business experience in Africa, of which 15 years has been in the exploration and mining sector. Mrs. Harris is also the founder and Managing Director of SIKA Resources Inc., a private exploration company founded in 1996. Former Director for Africa with Ontario International Corporation, Mrs. Harris has a Masters Degree from the University of Toronto, an International Management Certificate from the School of Business, University of Western Ontario, and a Bachelors degree from Simon Fraser University in British Columbia.

Management, and the Directors do not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the Management Proxy reserve the right to vote FOR another nominee in their discretion.

The Founding Directors have contracts with the Corporation providing for benefits upon involuntary termination of \$20,000 as acknowledgement and recognition for their services for the past 12 years without compensation.

The Shareholders will be requested at the Meeting to pass the following resolution, without variation:

**“IT IS HEREBY RESOLVED, THAT** the following persons be elected as directors, in case of David Groves, Technical Advisor of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is duly elected, unless his or her office is earlier vacated in accordance with the articles of the Corporation:

1. Edward Harris
2. Karl Schmed
3. Mark Keatley
4. John Carruthers
5. Kim Harris
6. David Groves, Ph.D.

**The persons named in the Management Proxy intend to vote FOR the resolution appointing the slate of Directors and Technical Advisor set out above in the absence of directions to the contrary from the Shareholders appointing them.**

## **2. RE-APPOINTMENT AND REMUNERATION OF AUDITORS**

Management recommends that Schwartz Levitsky Feldman, Chartered Accountants (“SLF”), which firm has served as auditors of the Corporation since 2007, be re-appointed as the auditors of the Corporation and authorize the Directors to fix the auditors’ remuneration. Management is seeking the approval of a majority of the votes cast at the Meeting for SLF to be so appointed.

The Shareholders will be requested at the Meeting to pass the following resolution, without variation:

**“IT IS HEREBY RESOLVED, THAT** Schwartz Levitsky Feldman, Chartered Accountants, be appointed as the auditors of the Corporation, and the board of directors of the Corporation are hereby authorized to fix the remuneration of Schwartz Levitsky Feldman, Chartered Accountants.”

**The persons named in the Management Proxy intend to vote FOR the appointment of SLF as auditors of the Corporation until the next annual meeting of Shareholders, and authorizing the Directors to fix the remuneration of the auditors in the absence of directions to the contrary from the Shareholders appointing them.**

### **3. APPROVAL OF THE STOCK OPTION PLAN**

In 2004, the Shareholders approved the Corporation’s stock option plan in substantially its current form (the “**Stock Option Plan**”) which is known as a rolling plan. The purpose of the Stock Option Plan is to attract, retain and motivate directors, officers, employees and consultants (collectively, the “**Participants**”) by providing them with the opportunity, through stock options, to acquire a proprietary interest in the Corporation and benefit from its growth. In Management’s view, the ability to grant stock options as a means of compensating Participants contributes to the Corporation’s overall financial performance. As such, Management considers that the Stock Option Plan is beneficial to the Corporation as it provides the Corporation with greater flexibility to compensate eligible Participants with grants of stock options and encourage Participant ownership of the Corporation.

The options are non-assignable and may be granted for a term not exceeding five (5) years, unless the Corporation is listed on Tier 1 of the TSX Venture Exchange (“TSX-V”) in which case the options may be granted for a term not exceeding ten (10) years. Options may be granted under the Stock Option Plan only to Participants or to persons that have agreed to commence serving in any of the aforementioned capacities subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Common Shares may be listed or may trade from time to time. The number of Common Shares reserved for issue to any one person pursuant to the Stock Option Plan may not exceed five percent (5%) of the issued and outstanding Common Shares at the date of such grant or in any 12 month period. The exercise price of options issued may be issued at the market price of the Common Shares as listed on the TSX-V, subject to any discounts permitted by applicable legislative and regulatory requirements.

On May 19, 2004, the directors of the Corporation adopted the Stock Option Plan which was subsequently approved by the shareholders, to encourage common share ownership in Midlands Minerals Corporation by directors, officers, key employees and consultants of the Corporation from time to time.

The policies of the TSX Venture Exchange require that a “rolling” stock option plan (where a specific maximum number of shares issuable under the plan is not fixed), such as that of the Corporation, be ratified by the shareholders of the Corporation at each Annual and Special Meeting.

The full Stock Option Plan is available from the Company upon request. The material terms of the Stock Option Plan are as follows:

1. The number of common shares which may be reserved for issuance to eligible persons (as defined in the Plan) is a maximum of 10% of the issued and outstanding common shares;
2. No one person shall be issued options representing more than 5% of the issued and outstanding shares of the Corporation in any 12 month period;
3. All options will be non-assignable and non-transferable;
4. No financial assistance can be provided by the Corporation to option holders to facilitate the purchase of common shares under the Plan;
5. If an option holder ceases to be a director, officer, or employee or consultant of the Corporation (other than by reason of death) then the options will expire no later than 90 days following that date; and
6. Investor Relations persons may not be granted options exceeding 2% of outstanding capital and such options must vest over one year with no more than 25% vesting in each quarter.

The pricing of the options will be in accordance with the TSX-V rules and guidelines and the setting of the price at the time of granting of the options will take into account the TSX-V's rules, including that the price be not less than the discounted market price.

The Stock Option Plan provides that eligible persons there under include any director, employee, (full-time or part-time), officer or consultant of the Corporation or any subsidiary thereof, may be granted options by the Corporation. A consultant means an individual (including an individual whose services are contracted through a personal holding company) with whom the Corporation or a subsidiary has a contract for substantial services. The total number of Common Shares which may be reserved and set aside for issuance to eligible persons may not exceed 10% of the issued and outstanding Common Shares from time to time.

The terms of the options may not exceed 5 years and shall be subject to earlier redemption upon the termination of employment. If an optionee dies, the legal representative of the optionee may exercise the optionee's options for a period not exceeding one (1) year after the date of the optionee's death but only up to and including the original option expiry date. The Stock Option Plan also contains anti-dilution provisions usual to plans of this type.

The following table sets out the number of common shares reserved for issuance under the Stock Option Plan:

**OPTIONS AS AT  
DECEMBER 31, 2010**

648,000	Granted August 17, 2006	Exercisable at \$0.45 per share until August 9, 2011
666,019	Granted April 4, 2007	Exercisable at \$0.45 per share until April 4, 2012
100,000	Granted July 10, 2008	Exercisable at \$0.40 per share until June 10, 2013
1,230,290	Granted February 2, 2009	Exercisable at \$0.40 per share until February 2, 2014
150,000	Granted June 24, 2009	Exercisable at \$0.40 per share until June 24, 2014

100,000	Granted June 30, 2009	Exercisable at \$0.40 per share until June 30, 2014
1,570,000	Granted December 14, 2009	Exercisable at \$0.25 per share until December 14, 2014
3,605,156	Granted February 16, 2010	Exercisable at \$0.33 per share until February 16, 2015
100,000	Granted July 20, 2010	Exercisable at \$0.33 per share until July 20, 2015
2,030,000	Granted December 23, 2010	Exercisable at \$0.25 per share until December 23, 2015

Weighted Average Exercise Price for above Options as of December 31, 2010 is \$0.33 per share.

The Shareholders will be requested at the Meeting to pass the following resolution, without variation:

**“IT IS HEREBY RESOLVED, THAT:**

1. the Stock Option Plan of the Corporation, the material terms of which are summarized in the Information Circular of the Corporation dated May 19, 2011 and the grant of stock options pursuant to such Stock Option Plan is hereby authorized; and
2. any director or officer of the Corporation is hereby authorized for, on behalf of, and in the name of the Corporation to do and perform or cause to be done or performed all such things, to take or cause to be taken all such actions, to execute and deliver or cause to be executed and delivered all such agreements, documents and instruments, contemplated by, necessary or desirable in connection with the Stock Option Plan and the foregoing resolutions, as may be required from time to time and contemplated and required in connection therewith, or as such director or officer in his or her discretion may consider necessary, advisable or appropriate in order to give effect to the intent and purposes of the foregoing resolutions, and the doing of such things, the taking of such actions and the execution of such agreements, documents and instruments shall be conclusive evidence that the same have been authorized and approved hereby.”

**The persons named in the Management Proxy intend to vote FOR the approval of the Stock Option Plan in the absence of directions to the contrary from the Shareholders appointing them.**

**EXECUTIVE COMPENSATION**

For purposes of this Information Circular, “named executive officer” of the Corporation means an individual who, at any time during the year, was (each a “**Named Executive Officer**”):

- (a) the Corporation’s chief executive officer (“**CEO**”);
- (b) the Corporation’s chief financial officer (“**CFO**”);
- (c) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 for that financial year; and

- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

Based on the foregoing definition, during the last completed financial year of the Corporation, there were two (2) Named Executive Officers.

## **COMPENSATION DISCUSSION AND ANALYSIS**

The company's principal goal is to create value for its shareholders. The Company believes that compensation policies and practices of the Company should reflect the interests of its shareholders in achieving this goal.

The Corporation's executive compensation program has two principal components: base salary and stock options.

Base salaries for all employees of the Corporation are established for each position through comparative salary surveys of similar type and size companies. Both individual and corporate performances are also taken into account.

No bonuses were paid to executive officers or employees during the most recently completed financial year.

Stock options are granted to provide an incentive to the Participants to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. The Corporation awards stock options to the Participants based upon the decision of the Board which decision is based upon the review of a proposal from the CEO. Previous grants of incentive stock options are taken into account when considering new grants.

There are no perquisites, or deferred payments payable to Named Executives, and the Company has no other awards, bonuses, or other compensation other than the salaries and participation in the Stock Option Plan.

Termination benefits for the Named Executive who is the Founder of the Company, amount to a minimum of 24 months' salary due upon termination, in addition to any other accrued funds which may be owed to the Named Executive.

The Company's compensation philosophy is based upon the following principles and objectives:

1. attracting, motivating and retaining individuals with exceptional executive, technical, financial, and other relevant skills
2. aligning the interests of the Chief Executive Officer and other officers of the Company with the interests of the Company and its shareholders
3. linking executive compensation to the performance of the Company and each particular officer of the Company

To ensure the Company attracts and retains qualified and experienced executives, adjustments are made to the base salaries of senior executives. The Company has two senior executives who are employees and



these are the President and Chief Executive Officer (“**CEO**”) and the Vice President Exploration. The base salary of the CEO is adjusted each year to reflect the cost of living increases.

## **BONUS PAYMENTS**

The Company does not pay performance bonuses at this time. Options are granted instead.

## **JOB PERFORMANCE CRITERIA**

The criteria considered in determining performance vary in accordance with the position and responsibilities of the executive of the Company. While not solely based on any one item, key considerations in determining performance for executives of the Company include acquisition and management of mineral properties with geological merit as well as the operating performance of the Company, the guidance and strategic vision for growth and business goals of the Company, the performance of the Company’s Common Shares and other organizational indicators, as well as individual achievements that demonstrate a contribution by the Executive to the Company. Industry peer compensation is taken into account when determining Executive Compensation.

## **COMPENSATION OF EXECUTIVE OFFICERS**

Kim Harris, the Company’s chief executive officer (“**CEO**”), Rakesh Malhotra CA CPA, the Company’s Chief Financial Officer (“**CFO**”), are the “Named Executive Officers” (or “**NEOs**”) for the Company. Kim Harris is an employee of the Company, while Rakesh Malhotra CA CPA, is an officer of the Company but not an “employee”. The CFO provides his services on a part-time basis.

A “Named Executive Officer” means the following individuals: the CEO, CFO and the three most highly compensated Executive Officers, other than the CEO and CFO, whose total salary and bonus exceeded \$150,000 and who were serving as Executive Officers at the end of the most recently completed financial year and any such individuals who would be a NEO but for the fact that the individual was neither an Executive Officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

The Corporation has two executive officers, The Chief Executive Officer (Kim F. Harris) and the Chief Financial Officer (Rakesh Malhotra, CA CPA). The board of directors determined on an annual basis, the compensation to be paid to the Chief Executive Officer and this base is adjusted each year in line with the cost of living and increasing responsibilities in Ghana and Tanzania as the Company has grown from one project in Tanzania to six gold and diamond projects in Tanzania and four gold projects in Ghana. The Company now has operating subsidiary companies in both Ghana and Tanzania, which require close management and the responsibilities for the CEO have grown drastically over the years.

The following table, presented in accordance with Form 51-102F6 of National Instrument 51-102 *Continuous Disclosure Obligations*, sets forth all annual and long-term compensation for services rendered in all capacities to the Corporation and its subsidiaries for the fiscal years ended December 31, 2010, 2009, 2008, 2007, 2006, and 2005 in respect of the Chief Executive Officer and Chief Financial Officer of the Corporation (the “**Named Executive Officers**”). The board of directors has granted a total of 5,907,490 options to the Named Executives Officers of the company as part of their compensation.

## SUMMARY COMPENSATION TABLE

Name and Principal Position	Financial Year Ended Dec. 31	Annual Compensation Salary (\$)	Annual Compensation Bonus (\$)	Other Compensation (\$)	Long Term Compensation Options Granted	Other Perquisites and Deferred Payments
<b>Kim F. Harris</b> (CEO)	2010	\$190,595	Nil	\$45,742	3,205,156	Nil
<b>Rakesh Malhotra</b> (as VP Finance in November, 2010)	2010	\$7,800	Nil	Nil	50,000	Nil

## OUTSTANDING OPTION BASED AWARDS FOR NAMED EXECUTIVES

The following table sets forth the value of all incentive plan awards vested or earned for each Named Executive Officer during the financial year ended December 31, 2010

Name of Named Executive	Number of Options Each Exercisable for One Common Share (unexercised)	Date of Grant	Option Exercise Price	Option Expiry Date	Value of in the Money Options
<b>Kim Harris</b> <b>CEO</b>	558,000	August 18, 2006	\$0.45	August 9, 2011	Nil
	481,019	April 4, 2007	\$0.45	April 4, 2012	Nil
	440,290	February 2, 2009	\$0.40	February 2, 2014	Nil
	2,555,156	February 16, 2010	\$0.33	February 16, 2015	Nil
	650,000	December 23, 2010	\$0.25	December 23, 2015	Nil
<b>Paul Singer</b> <b>Financial Advisor</b>	40,000	June 22, 2006	\$0.45	August 9, 2011	Nil
	10,000	April 4, 2007	\$0.45	April 4, 2012	Nil
	100,000	February 2, 2009	\$0.40	February 2, 2014	Nil

	150,000	February 16, 2010	\$0.33	February 16, 2015	Nil
	100,000	December 23, 2010	\$0.25	December 23, 2015	Nil
<b>Rakesh Malhotra VP Finance for 2010</b>	50,000	December 23, 2010	\$0.25	December 23, 2015	Nil
<b>Tom Neelands VP Exploration</b>	200,000	December 23, 2010	\$0.25	December 23, 2015	Nil

Notes:

- (1) *Mrs. Harris was appointed as President and CEO on April 4, 2000*
- (2) *Mr. Singer was appointed as Financial Advisor having been CFO since April 4, 2005*
- (3) *Mr. Malhotra was appointed as CFO on June 1, 2011*
- (4) *Mr. Neelands was appointed as VP Exploration at December, 2010*

#### **INCENTIVE PLAN AWARDS**

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$0.245 for the Common Shares on the TSX-V on December 31, 2010 and the exercise price of the options, multiplied by the number of unexercised options.

#### **SUMMARY OF EMPLOYMENT CONTRACTS OF EACH NAMED EXECUTIVE OFFICER**

The following describes the material terms and conditions of the employment contracts of each of the Named Executive Officers in effect during the financial year ended December 31, 2010. For a description of the termination provisions and change of control benefits payable by the Corporation to each Named Executive Officer, see below under the heading “Termination Benefits”.

Kim Harris had an employment contract in effect during the financial year ended December 31, 2010.

Paul Singer had an employment contract in effect during the financial year ended December 31, 2010.

Rakesh Malhotra had an employment contract in effect during the financial year ended December 31, 2010.

Tom Neelands had an employment contract in effect during the financial year ended December 31, 2010.

#### **TERMINATION BENEFITS**

The CEO will be entitled to receive a payment equal to a minimum of 24 months’ salary plus any other accrued funds owed to the CEO, on termination for any reason other than cause, and the Controller is entitled to a payment of \$60,000 in the event of involuntary termination.

Three founding directors and the former CFO, who is a founder, are entitled to receive \$20,000 each in the event of involuntary termination.

The Corporation entered into an agreement with the Chief Financial Officer to pay for his part-time services at the rate of \$20,000 per year. All other special assignments such as the preparation of the Corporation's annual corporate annual tax returns constitute additional payments to the CFO.

### **PENSION PLAN BENEFITS**

No benefits were paid, and no benefits are proposed to be paid to any of the Named Executive Officers of the Corporation under any pension or retirement plan.

No deferred compensation plans were paid, and no benefits are proposed to be paid to any of the Named Executive Officers of the Corporation under a deferred compensation plan.

### **DIRECTOR COMPENSATION**

The following table sets forth all amounts of compensation provided to the Directors, other than Directors who are also Named Executive Officers, for the financial year ending December 31, 2010:

There were no long-term incentive awards made to the Named Executive Officers of the Corporation during the fiscal year ended December 31, 2010. There were no pension plan benefits in place for the named executive officers. Incentive Stock Options totalling 5,885,156 have been granted in compliance with the TSX-V regulations, to employees, members of the board of directors, and to eligible consultants. Each director currently holds between 500,000 to 550,000 stock options.

The following table is presented in accordance with Form 51-102F6, and sets forth all amounts of compensation provided to the directors for the Company's most recent completed financial year.

<b>Name of Director</b>	<b>Compensation period</b>	<b>Salary and Fees</b>	<b>Bonus</b>	<b>Perquisites and Benefits</b>	<b>Options Granted</b>	<b>Option Based Awards / Share based awards</b>
Edward Harris	2010	\$5,000	Nil	Nil	325,000	Nil
Mark Keatley	2010	\$5,000	Nil	Nil	325,000	Nil
John Carruthers	2010	\$5,000	Nil	Nil	325,000	Nil
Karl Schmed	2010	\$5,000	Nil	Nil	325,000	Nil
David Groves	2010	\$5,000	Nil	Nil	150,000	Nil
Richard Moloneux	2010	\$5,000	Nil	Nil	Nil	Nil
Darryl Levit	2010	\$5,000	Nil	Nil	Nil	Nil
Keith Baptist	2010	\$5,000	Nil	Nil	Nil	Nil

## **COMPENSATION OF DIRECTORS AND OFFICERS**

Other than being paid an annual retainer of \$5,000, and having their eligible out-of-pocket expenses reimbursed, directors have no standard compensation arrangements or any other arrangements with the Company. Options were granted in compliance with TSX-V policies, and fees were paid to cover expenses related to attending board meetings. The directors of the Corporation received no compensation for their services in such capacity. Expenses are paid to cover out of pocket costs related to board duties and attendance at meetings. Directors are paid from time to time when performing a technical task as it relates to their areas of specialization. The amounts paid out to directors are of such a nature as to be not material.

## **NON-ARM'S LENGTH PARTY TRANSACTIONS**

The Company acquired its principal asset, the Tanzania Itilima Gold and Diamond Property, from SIKA Resources Inc. ("SIKA") by acquiring 75% of the issued and outstanding shares of Itilima Mining Company Limited (IMC). SIKA Resources Inc. is controlled by Kim Harris who is the Chief executive Officer of Midlands and a director, and Edward Harris who is a director, and together they are officers and holders of more than 10% of the shares of Midlands Minerals Corporation.

The consideration received by SIKA Resources Inc. and the shareholders of SIKA for the shares of IMC was 5,420,000 common shares of Midlands priced at \$0.08 per share. The value was based upon SIKA having expended approximately \$433,600 on the Itilima Gold and Diamond Property at the time the shares of IMC were transferred. The Company is satisfied that the transaction complies with the CICA Hand Book with respect to related party transactions and received TSX-V approval.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Corporation's Directors or officers was indebted to the Corporation as of December 31, 2010 or at any time during 2010, with the exception of Edward Harris who had advanced funds in the form of a loan to the Company in excess of \$350,000. The loan has been fully repaid. There was no other indebtedness in 2010.

## **SHAREHOLDER RIGHTS PLAN**

The Rights Plan was passed by the Company's shareholders at the Annual General Meeting held June 25, 2009, and is available at [www.sedar.com](http://www.sedar.com).

The Rights Plan is designed to provide adequate time for shareholders of Midlands and the Board of Directors to consider and evaluate any unsolicited takeover bid for the Company; to provide the Board of Directors with adequate time to identify, develop, and negotiate alternatives for maximizing shareholder value; to provide shareholders with an equal opportunity to participate in any takeover bid; to encourage the fair treatment of shareholders in the event of any bid for Midlands, and to give shareholders adequate time to make an informed decision about any proposed transaction.

Midlands is not aware of any pending or threatening bid for the Company. The Rights Plan, which has a term of three years, is similar to those adopted by other Canadian publicly listed companies and is consistent with current Canadian corporate practice.

The rights issued under the Rights Plan (the "**Rights**") will become exercisable only if a person, together with his or her affiliates, associates and joint actors acquires or announces the intention to acquire

beneficial ownership of Midlands common shares which, when aggregated with current holdings, total 20% or more of Midlands' outstanding common shares (determined in the manner set out in the Rights Plan), other than a Permitted Bid (as defined in Rights Plan).

A Permitted Bid must be made by way of a takeover bid circular prepared in compliance with applicable securities laws, and, among other conditions, must remain open for 60 days and may be taken up only if more than 50% of the shares held by shareholders other than the bidder have been tendered to the takeover bid.

In the event that the takeover bid does not meet the Permitted Bid requirements of the Rights Plan, the Rights will entitle shareholders, other than shareholder making the takeover bid, to purchase additional common shares of Midlands at a substantial discount to the market price of the common shares at that time. For further information on the Rights Plan, please visit [www.sedar.com](http://www.sedar.com) or the Company's website at [www.midlandsmineals.com](http://www.midlandsmineals.com).

## **CORPORATE GOVERNANCE PRACTICES**

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose information relating to its corporate governance practice. The Corporation's "Statement of Corporate Governance Practices", approved by the Directors, is attached to this Information Circular as Appendix "A".

## **AUDIT COMMITTEE**

### **Audit Committee's Charter**

As a TSX-V listed Corporation, the Corporation is required to have an audit committee for the purpose of monitoring and enhancing the quality of the financial information disclosed by the Corporation. The Audit Committee charter (the "**Charter**") is attached as Appendix "B" hereto.

### **Composition of Audit Committee**

As of December 31, 2010, the Audit Committee was composed of a majority of independent Directors who meet the independence requirement set out in NI 58-101 and under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"). As of December 31, 2010, the Audit Committee was comprised of three directors: Edward Harris, Karl Schmed (independent) and Mark Keatley (independent).

All current members of the Audit Committee are "financially literate" within the meaning given to such term in the Charter and NI 52-110, and have the ability to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

### **Audit Committee Oversight**

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Directors.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "*De Minimus Non-Audit Services*" or any exemption provided by Part 8 of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Corporation has not adopted any specific policies in relation to the engagement of non-audit services.

### **External Auditor Service Fees**

- (a) *Audit Fees* - SLF billed the Corporation \$45,000 from January 1, 2010 to December 31, 2010 and \$45,000 from January 1, 2009 to December 31, 2009.
- (b) *Audit-Related Fees* - SLF billed the Corporation approximately \$15,000 from January 1, 2010 to December 31, 2010 and \$10,000 from January 1, 2009 to December 31, 2009, for assurance and related services that are reasonably related to the performance of the audits or reviewing the Corporation's financial statements and are not included under "Audit Fees".
- (c) *Tax Fees* - SLF did not bill the Corporation any amounts from January 1, 2010 to December 31, 2010 or from January 1, 2009 to December 31, 2009, for services related to tax compliance, tax advice and tax planning.
- (d) *All Other Fees* - SLF did not bill the Corporation any amounts from January 1, 2010 to December 31, 2010 or from January 1, 2009 to December 31, 2009, for services other than those reported above.

### **Exemption**

The Corporation is relying upon the exemption in section 6.1 of NI 52-110.

## **OTHER BUSINESS**

Management and the Directors are not aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached notice of Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Management Proxy to vote on such other business in accordance with his judgment.

## **ADDITIONAL INFORMATION**

Financial information regarding the Corporation is provided in the Corporation's audited annual consolidated financial statements for the financial year ended December 31, 2010 and the accompanying management's discussion and analysis. Copies of the foregoing and the Annual Information Form of the Corporation for the financial year ended December 31, 2010 may be obtained on written request addressed to the CFO.

Written requests for a copy of the above documents should be directed to the CFO, at 1210 Sheppard Avenue East, Suite 302, Toronto, Ontario, Canada, M2K 1E3.

Additional information concerning the Corporation is available online at [www.sedar.com](http://www.sedar.com).

### **GENERAL**

The Directors have approved the contents of this Information Circular and its sending to the Shareholders, the auditors of the Corporation and to appropriate governmental and regulatory agencies.

**DATED** as of the 19<sup>th</sup> day of May, 2011.

By Order of the Board of Directors

*(Signed)*

Kim F. Harris  
President, Chief Executive Officer and a Director



**APPENDIX “A”**  
**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Corporation was accepted as a Tier 2 Corporation by the TSX Venture Exchange and completed the listing of its shares on the TSX Venture Exchange on April 4, 2005.

The Board of Directors of the Corporation is made up of four (4) independent directors (Keith Baptist, John Carruthers, Mark Keatley, and Karl Schmed) out of a total of six (6) directors. Two (2) directors (Kim Harris and Edward Harris) are related to each other. The Directors explicitly assume responsibility for the stewardship of the Corporation, and as part of the overall stewardship responsibility, should assume responsibility for the following matters:

1. Adoption of a strategic planning process;
2. The identification of the principal risks of the Corporation’s business and ensuring the implementation of appropriate systems to manage these risks;
3. Succession planning, including appointing, training and monitoring senior management;
4. A communications policy for the Corporation, and
5. The integrity of the Corporation’s internal control and management information systems.

Candidates of the Board will be recommended to the Board by the Chief Executive Officer and other members of the Board. The Board will then recommend the nominees to the shareholders for election at the annual meeting. In selecting nominees as new directors, the Board will assess the ability to contribute to the effective management of the Company, taking into account the needs of the Company and the individual’s background, experience, perspective, skills and knowledge that is appropriate and beneficial to the Company.

Management and Directors will provide an orientation process for new directors, this includes providing background materials on the Company and its business practices. Additional educational sessions for directors on matters relevant to the Company and its business will be given when required. Directors are also encouraged to take advantage of other available educational opportunities that would further their understanding of the Company’s business and enhance their performance on the Board.

The Chief Executive Officer will make recommendations to the full Board of Directors as to the form and amount of director compensation. The Company recognizes that it is important to set director compensation at an appropriate level so that no director’s independence will be affected. Directors’ compensation will be determined based on these principles as well as comparisons on compensation made by comparable companies to reflect appropriate compensation.

The Audit Committee oversees the establishment of appropriate controls and fraud prevention. It also oversees the disclosures of financial information and the code of ethics. The Corporation encourages ethical business.

In addition to the above statement of corporate governance, the Corporation has a Code of Conduct in place, governing the conduct of the business of the Corporation by the directors, employees, advisors and consultants, as well a Social Responsibility and Environmental Policy, copies of which are attached to this Appendix “A” as Schedule A.

**APPENDIX “B”**  
**MIDLANDS MINERALS CORPORATION**  
**CODE OF CONDUCT**

**Introduction Policy**

Midlands Minerals Corporation (the “**Company**”) is committed to fair dealing and integrity in the conduct of its business. This commitment is based on a fundamental belief that business should be conducted honestly, fairly and in compliance with both the spirit and the letter of applicable laws. The Company expects all its Advisors, members of its Board of Directors, and all its Employees to share its commitment to high standards.

This Policy outlines the Company’s Code of Business conduct (the “**Code**”) which applies to all Employees, Advisors, and members of the Board of Directors. For purposes of this Code, “Employee” means any person holding a full-time, part-time or contracted salaried or paid position with the Company, or a person who is receiving other forms of compensation for time and or services.

The Code is in place to ensure that everyone at the Company is working with the sole purpose of doing what is best for our shareholders with no real or perceived conflict of interest. In the exploration and development business, there are no higher ethical values than truth, honesty and professionalism.

This Code also covers all matters related to any potential conflict that could result from knowledge of insider information and the confidentiality that is implicit within the release of insider information other than through recognized public vehicles for disseminating information to the public. The Code also implies a “blackout” period with respect to the buying and selling of shares where insider information is a factor. The Code also covers the obligation that each employee, advisor or member of the board has to report any business practice or behaviour that is unbecoming of Midlands Minerals Corporation.

Our reputation is our most important asset and it has taken many years to build that. As such, we cannot allow our reputation and hence the livelihood of everyone working at the Company to be put at risk by actions of any one individual. The Code is designed to inform you about the Company’s principles and values and what the Company considers appropriate business practice and behaviour.

Compliance with this Code by Advisors, members of the Board of Directors, Officers and all Employees of the Company is mandatory and is one of the conditions of employment, association and membership to the Company’s Board of Directors.

**Understanding the Code**

Please study the Code carefully so that you understand the expectations and obligations inherent in the Company’s commitment to conducting business ethically.

Each person should apply the Code using common sense and with the intention of complying fully with both the written words and the spirit underlying those word.

If a person is in doubt about the application of the Code, the person should discuss the matter with the Chief Executive Officer or with the Chief Financial Officer in a timely manner.

## **Monitoring Procedures**

If a person becomes aware of, or suspects, a contravention of the Code, the person must promptly and confidentially advise the Company. The matter will be investigated and dealt with.

Each year, every Employee and members of the Board of Directors will be asked to review the Code and will be reminded of their responsibility to advise the Company if they are not in compliance with the Code or if they are aware of any contravention of the Code.

## **SOCIAL RESPONSIBILITY AND ENVIRONMENTAL POLICY**

The Company is a junior gold and diamond explorer and its exploration objective is the discovery and development of mineral resources that can be mined profitably. The Company works to minimize the social and environmental impact in all its exploration activities and puts the health and safety of its employees first and foremost.

The Company interacts well and effectively with the host and local communities to ensure that its work does not compromise local community values. The Company is committed to its policy on Environment, Health and Safety (“EHS”) issues and it undertakes to:

- Comply with EHS regulatory requirements in Canada and in the countries in which the Company operates;
- Provide information on EHS to locally hired personnel;
- Develop and use EHS practices that are efficient and apply these in all its exploration activities;
- Require contractors to comply with applicable legislation and local regulatory requirements
- Reclaim exploration and mining sites in compliance with applicable regulations and site specific requirements in the countries in which the Company is operating

Such EHS practices will be reviewed from time to time to take into account technical and economic developments.

## **APPENDIX “C” AUDIT COMMITTEE CHARTER**

### **Purpose**

To assist the board of directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations and the code of conduct.

### **Authority**

The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Pre-approve all auditing and non-audit services.
- Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation.
- Seek any information it requires from employees - all of whom are directed to cooperate with the committee's requests or external parties.
- Meet with company officers, external auditors, or outside counsel, as necessary.

### **Composition**

The audit committee will consist of at least three and no more than six members of the board of directors. The board or its nominating committee will appoint committee members and the committee chair.

Each committee member will be both independent and financially literate. At least one member shall be designated as the “financial expert,” as defined by applicable legislation and regulation.

### **Meetings**

The committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via tele- or video-conference. The committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. It will hold private meetings with auditors (see below) and executive sessions. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

### **Responsibilities**

The committee will carry out the following responsibilities:

### **Financial Statements**

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- Review interim financial reports with management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to committee members.

### **Internal Control**

- Consider the effectiveness of the Company's internal control system, including information technology security and control.
- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

### **Internal Audit**

- Review with management and the chief audit executive the charter, plans, activities, staffing, and organizational structure of the internal audit function.
- Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the chief audit executive.
- Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing*.
- On a regular basis, meet separately with the chief audit executive to discuss any matters that the committee or internal audit believes should be discussed privately.

### **External Audit**

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors.
- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors.
- On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

### **Compliance**

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.

- Review the process for communicating the Code of Conduct to company personnel, and for monitoring compliance therewith.
- Obtain regular updates from management and company legal counsel regarding compliance matters.

### **Reporting Responsibilities**

- Regularly report to the board of directors about committee activities, issues, and related recommendations.
- Provide an open avenue of communication between internal audit, the external auditors, and the board of directors.
- Report annually to the shareholders, describing the committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.
- Review any other reports the company issues that relate to committee responsibilities.

### **Other Responsibilities**

- Perform other activities related to this charter as requested by the board of directors.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Evaluate the committee's and individual members' performance on a regular basis.

**APPENDIX “D”**  
**STATEMENT OF SOCIAL RESPONSIBILITY & ENVIRONMENTAL POLICY**

Midlands Minerals Corporation is a junior gold and diamond exploration company, and its exploration objective is the discovery and development of mineral resources that can be mined profitably. The Company works to minimize the social and environmental impact in all its exploration activities, and puts the health and safety of its employees first and foremost.

Currently, Midlands Minerals operates in Ghana and Tanzania. The Company and its employees interact well and effectively with the host and local communities to ensure that its exploration activities do not compromise the values of the local communities.

The Company is committed to its policy on the Environment, Health and Safety (“EHS”) issues and it undertakes to:

- Comply with EHS regulatory requirements in Canada and in the countries in which the Company operates;
- Provide information on EHS to locally hired personnel;
- Develop and use EHS practices that are efficient and apply these in all the Company’s exploration activities;
- Require contractors and consultants to comply with applicable legislation and local regulatory requirements;
- Reclaim exploration and mining sites in compliance with applicable regulations and site specific requirements in the countries in which the Company is operating.

The Company’s aim is to minimize inevitable environment impacts associated with daily operations and regularly reviews its environment policies and business practices to ensure any impact to the environment is minimized and improvements are made.

The Company actively seeks opportunities to minimize consumption of energy and strongly encourage reducing resources used and recycling of recyclable resources.

Such EHS practices will be reviewed from time to time to take into account legal, technical, and economic developments.

If you have any questions about the information contained in this document or require assistance in completing your proxy form, please contact Kingsdale Shareholder Services Inc., Midlands Minerals Corporation's proxy solicitation agent, at:

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