



TSX-V: MEX

OTCQX: MDLXF

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Midlands Minerals Announces Increase of Private Placement Offering

TORONTO , ONTARIO, August 2, 2011 – Midlands Minerals Corporation (“Midlands” or the “Company” TSXV-MEX; OTCQX-MDLXF) is pleased to announce that its previously announced private placement offering has been increased to up to 81,250,000 units (the “Units”) priced at \$0.08 per Unit with each Unit consisting of one common share of the Company (a “Common Share”) and one common share purchase warrant (a “Warrant”) for gross proceeds of up to \$6.5 million, with an option to the Agent (as defined below) to increase the offering for an additional \$1 million (the “Offering”). Each Warrant will entitle the holder to acquire one Common Share at a price of \$0.10 for a period of 24 months after the closing date.

Bayfront Capital Partners Ltd. has agreed to act as agent for and on behalf of the Company and in syndication with Delano Capital Corp. (“Bayfront” or the “Agent”) on a best efforts basis with respect to the Offering, pursuant to which they will receive an aggregate cash commission of 8% of the gross proceeds raised in the Offering, which may be paid to the Agent in the form of Units, as well as such number of broker units (the “Broker Units”) as is equal to 8% of the total number of Units sold in the Offering. Each Broker Unit shall be exercisable to acquire one Unit at a price of \$0.08 per Unit for a period of 24 months from the closing date.

Midland’s expects closing of the transaction to take place on or about August 25, 2011.

Any securities to be issued by Midlands pursuant to the Offering will be subject to a hold period of four months and one day from the closing date in accordance with the rules and policies of the TSX Venture Exchange and applicable Canadian securities laws, and such other further restrictions as may apply under foreign securities laws.

The proceeds of the Offering will be used to finance the next phase of Midlands’ ongoing mineral exploration programs at the Company’s Sian and Kaniago gold projects located in Ghana at its gold projects in Tanzania, and for general corporate purposes.

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.

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.

For more information on the Company, please visit Midlands' website at www.midlandsminerals.com.

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The TSX Venture Exchange and OTCQX have not reviewed and do not accept responsibility for the adequacy or accuracy of the content of this news release.

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.