

# GRAND OAKES RESOURCES CORP.

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## PRESS RELEASE

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### FINANCING AND SPONSORSHIP AGREEMENT

Toronto, Canada – February 24, 2004 – Grand Oakes Resources Corp. ("**Grand Oakes**") announces that Midlands Minerals Corporation ("**Midlands**") has entered into a financing and sponsorship agreement (the "**Agreement**") with Northern Securities Inc. ("**Northern**"). Under the Agreement, Northern has agreed to act as Midlands' exclusive lead agent, on a "best efforts" basis, in connection with a private placement of units of Midlands for gross proceeds of a minimum of \$1,000,000 up to a maximum of \$2,000,000 (the "**Financing**"). The offering price of such units is still to be determined by Midlands and Northern. Each such unit will consist of one common share of Midlands and one-half of one warrant of Midlands, each whole warrant entitling the holder to purchase, for a period of two years from the closing of the Financing, one common share of Midlands at a price that is still to be determined by Midlands and Northern. Proceeds of the Financing are to be used by Midlands for mineral exploration and general corporate purposes.

A condition to the closing of the Financing is that the TSX Venture Exchange has conditionally approved the listing on such Exchange of the common shares of the corporation ("**Amalco**") to be created by the proposed amalgamation of Grand Oakes and Midlands and that, in the opinion of Northern, the listing conditions will have been met upon the closing of the Financing and the said amalgamation.

Northern has also agreed under the Agreement to act as Amalco's sponsor in connection with the application to list Amalco's common shares on the TSX Venture Exchange, subject to the completion of satisfactory due diligence.

For further information, please contact:

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