

## **PRESS RELEASE: 27 MARCH 2003**

### **MIDLANDS MINERALS CORPORATION CONFIRMS GOLD BEARING SHEAR ZONES AND ALSO FINDS POSSIBLE KIMBERLITES IN PHASE ONE EXPLORATION PROGRAM ON ITS ITILIMA CONCESSION IN SHINYANGA, TANZANIA**

Midlands Minerals Corporation is pleased to announce the preliminary exploration findings from its Itilima Concession in Tanzania. The prospecting license covers 64.6 sq. kilometers. The exploration program being carried out by Watts, Griffis and McOuat Limited, tested grid areas covering two sub-parallel zones of gold mineralization identified from previous exploration work, artisanal workings, and geophysical surveys.

Preliminary gold soil geochemical results covering approximately 20 kilometers of grid lines, outlines several anomalies (gold values greater than 20 p.p.b.). Sample values ranged from the detection limit of 3 p.p.b. Au up to 1250 p.p.b. All samples were collected from the top of the saprolitic layer. Sample depths ranged from 10cm to 2m, depending on the thickness of the soil and sediment (Lake Victoria alluvium) and local calcrete. Approximately 30% of the sample sites were abandoned due to the thickness of the calcrete.

The main gold-bearing quartz veined zone appears to be continuous over a strike length of at least 1.2 kilometres. The central area is currently being extensively exploited by local artisanal workings. Grab samples from artisanal pits returned values as high as 43 g/t Au.

Gold mineralized quartz veins have also been reported for a second trend located approximately 3.5 kilometers east of the main zone. Here, a grab sample assayed 0.78 p.p.m. Au. Sample results from 300 metres of trenching are still pending.

Sample analyses were performed at Humac Laboratories in Mwanza, Tanzania. This laboratory participates in international round-robin testing and is used extensively by Barrick's Bulyanhulu gold mine. Reference samples (10%) are currently in Canada for verification by an accredited laboratory.

The exploration program was carried out by Watts, Griffis and McOuat Limited, under the supervision of a qualified person, Paul Dunbar, P/Geo. who has worked extensively in Africa in similar environments.

### **POSSIBILITY OF DIAMONDS**

Although the initial focus of the reconnaissance program was gold, ground magnetic surveys uncovered three kimberlite pipes not shown on previous maps of the property. Historically, local villagers have reported diamonds being collected from or in the vicinity of each of these locations. The Itilima project is 20kms SE of one of the world's largest open pit diamond mines, the Williamson (Mwadui) diamond mine, operated by DeBeers. The property lies within the area covered by the 190 airborne geophysical survey of the "Mwadui Diamond Field".

Several samples of the ilmenite and red garnet-bearing rocks from two of these sites have been collected and are enroute to Canada for petrographic evaluation. A ground magnetic survey conducted over one of the targets has identified a magnetic low at least 200m long and 100m in width. Geosurvey International G.m.b.H. of Germany, also identified eight other magnetic anomalies within the Itilima concession. These may also represent possible kimberlite pipes.

Planned Action: Midlands will be reviewing the results obtained from its first phase program, including the evaluation of the kimberlite samples and will investigate both the gold and diamond potential of the concession. The second phase program is scheduled to commence in June 2003 and will include IP surveys on specific targets and initial drilling to define a resource. The company also has gold properties on the Ashanti Gold Belt in Ghana where work is expected to commence within a few weeks.

Midlands is a privately held Canadian junior exploration and development company. The company is in the process of a reverse take over of a public reporting issuer with the intention of obtaining a listing on a Stock Exchange as soon as possible. Alfred Powis, O.C. is the Chairman of the Board.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities of any jurisdiction. An investment in the Common Shares of the company should be considered speculative due to certain risk factors, primarily the nature of mineral exploration, the volatility of precious metal prices, the calculation of ore reserves, and corresponding ore grades.

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