



AUDITORS' REPORT

To the Shareholders of  
Midlands Minerals Corporation  
(A Development Stage Company)

We have audited the consolidated balance sheets of Midlands Minerals Corporation (A Development Stage Company) as at December 31, 2008 and December 31, 2007 and the consolidated statements of operations and deficit, comprehensive loss and accumulated other comprehensive loss, property acquisition costs and deferred exploration expenditures, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2008 and December 31, 2007 and the results of its operations and the cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

*Schwartz Levitsky Feldman llp*

Toronto, Ontario  
April 27, 2009

Chartered Accountants  
Licensed Public Accountants