

April 7, 2008

Midlands Minerals Corp. (MEX-V, \$0.28)

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RESEARCH COMMENT: NOT RATED

Event: Updated resource at Sian

- Last Thursday, Midlands released an updated resource estimate for their Sian gold project in Ghana. The updated resource now comprises 2.6 million tonnes in the indicated category grading 2.33 g/t gold (195,000 in-situ ounces), and 2.7 million tonnes in the inferred category grading 2.35 g/t gold (204,000 in-situ ounces).
- The Sian project is a fully-permitted open pit past gold producer with a 30-year mining lease, located on the Ashanti gold belt approximately 30km northeast of Newmont Mining's 8.7M oz Akyem gold deposit, with plant, power, roads, buildings and water already in place. Mineralization observed at Sian is similar to that at the Akyem gold deposit.
- Near-term objectives for the Company are (1) the identification of minimum in-situ resource of 500,000 oz Au within a 3km radius of the Esaase pit, and (2) to identify an additional 500,000 oz Au resource initiated by a 2,500m RC drill program focused on testing new zones identified from a previous scout RC drill program last year. Midlands plans to deliver a feasibility study at Sian in late 2008.

Implication: Feasibility by late 2008

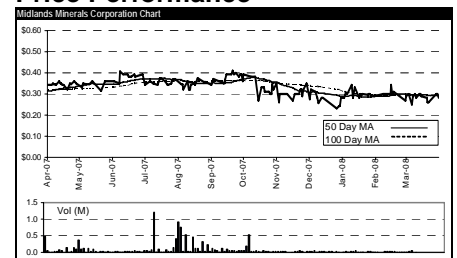
- Having doubled the resources hosted by the Sian project from 100,000 in-situ ozs (indicated) and 100,000 in-situ ozs (inferred) the next step in the development path for Midlands is the completion of a feasibility-stage by year-end with production targeted by the end of 2010.
- Midlands has commenced a 2,500m RC program which promises to create steady news flow, culminating in the tabling of an interim resource update in June. This will be followed by a 20,000m drill program through to the completion of the feasibility study by year-end.

[Click here to view the most recent Haywood Junior Mining Universe](#)

Current Price	\$0.28
YTD Performance	22%
Dividend / Yield	n/a
52-Week High / Low	\$0.43 / \$0.22
Shares O/S	53.05 million (basic) 78.77 million (F/D)

Market Capitalization	\$14.9 million
Enterprise Value	\$13.1 million
Daily Volume (3 mo avg)	8,840
Currency	C\$ unless noted
Company Web Site	www.midlandsminerals.com
CEO	Kim Harris

Price Performance



Please see rating structure, important disclosures, risk profile parameters, disclaimers, and notes on pages 3 - 6 of this report.



Midlands Minerals Corporation TSXV:MEX Price \$0.28 April 4, 2008

Shares O/S (M) 53.0

MCap (C\$) (M) \$14.9

Comment: With a fully permitted plant on site at Sian plus a 30- year mining lease, a resource estimate planned for Q108, and an aggressive exploration program targeting the expanded Sian / Kwahu property package, MEX offers value accretion through resource growth, a near-term production opportunity and exploration upside.

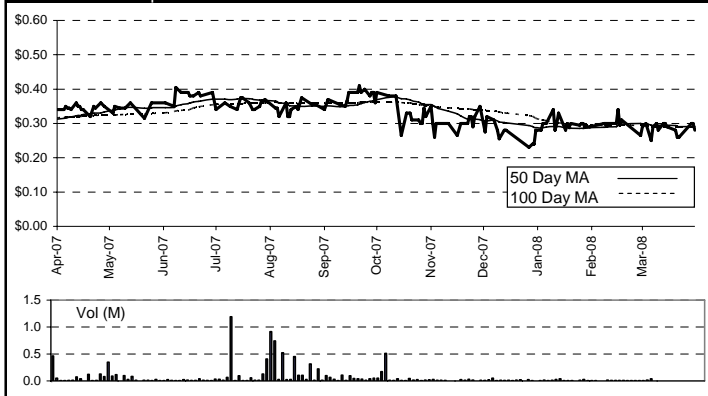
Investment Highlights

- Key Sian/Kwahu Praso property 30 km north of Newmont's Akyem mine (5.4 M oz).
- Sian: Past gold producer - 2 open pits (Esaase and Ampeha) - Fully permitted processing plant and a 30-year mining lease.
- Mineralization - silica carbonate alternation with disseminated pyrite - analogous to Akyem.
- Hosts 200,000oz NI 43-101 compliant resource.
- Current work focused on building tonnage - 12,400 m core and RC drilling plus soil geochemistry and IP surveys completed in 2007 - 5 new gold-bearing zones discovered.
- Recent drill results indicate mineralization is continuous beyond basement of indicated resource (from 120m down to 280m) - including 23m intersection of 2.50g/t Au from 194m to 217m (MEDD017)
- Itilima: Located in the Lake Victoria Goldfields on the same trend that hosts Bulyanhulu - Geita - Sekenke deposits.
- Potential for large Archean gold VMS.

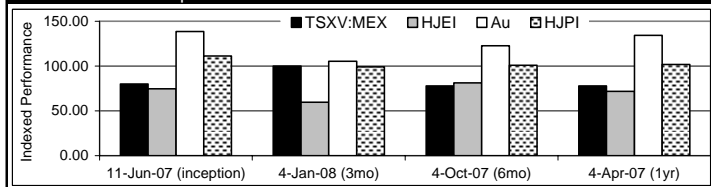
Catalysts

- Sian/Kwahu Praso:** Resource update for Sian released in April'08 with RC drill program commencing in March (30 RC holes; 2,500m). Feasibility study expected by year end.
- Itilima:** Drilling planned for H208 and currently looking for JV partner for diamond prospects.
- Kaniago:** Drilling planned for H208 to follow up on soil sampling.

Midlands Minerals Corporation Chart



Relative Performance* 100 point base



Peer Group Companies

		Price (C\$)	MC (C\$) (M)
TSX:EET	Etruscan Resources Inc.	\$2.54	\$315.28
TSXV:KGN	Keegan Resources Inc.	\$5.70	\$154.09
TSXV:AGG	African Gold Group Inc.	\$0.95	\$30.69
TSXV:MEX	Midlands Minerals Corporation	\$0.28	\$14.85
TSXV:AMU	AML Resources Inc.	\$0.18	\$5.64

Estimated Burn Rate (C\$) (M)* provided by Co

		Exploration Timetable
April 2008 cash & equiv	\$1.8	
Sian/Kwahu Praso	-\$0.7	Q208
Itilima	n/a	
Admin Costs	-\$0.3	
Financings	\$0.0	
ITM Options / Warrants	\$0.4	
April 2008 cash & equiv	\$1.2	

Key Properties

Sian/Kwahu Praso	65 - 80%
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Location: Ghana
 Exploration Stage: Advanced Exploration
 Description: Located on the northeast end of Ashanti Gold belt with carbonate-silica flooding disseminated pyrite mineralization - analogous to and located 30km north of Akyem (Newmont - 7.7 M oz). JV w/Sian Goldfields Ltd (35%) - private Ghanaian company.

Current: Past gold producer - 2 open pits (Esaase and Ampeha). Fully permitted processing plant and a 30- year mining lease. Gold production 2001 - 2003 (16,200 oz), with recovery 91%, ceasing in 2004 due to economics. Current focus on building tonnage for an updated resource estimate in Q108 leading to feasibility study stage by the end of 2008 and production in 2010. Past 2007 work program included 12,400m core & RC drilling plus soil geochemistry and IP surveys - drill testing of targets on three anomalous trends with mineralization similar to Akyem. Results from first phase returned good grades (MEDD-001: 10.81 g/t over 7 m including 24.3 g/t over 3 m); bulk tonnage potential (MEDD-002: 65 m averaging 0.6 g/t Au including 1.99 g/t Au over 13 m) and the discovery of 3 new gold-bearing zones (Esaase South, Hanging Wall, Mpeyo East & West). Drilling in 2007 has demonstrated Esaase mineralization extending over a strike of 950m by 300m deep and remains open at both ends and at depth. Follow up drilling planned at Hanging Wall, Esaase South, Mpeyo, Esaase East, and Odumasua zones to commence in March 2008 (20-30 holes with 1 RC rig).

Reserve/Resource: Indicated (NI 43-101 compliant):2.6 M tonnes @ 2.33 g/t Au
 Inferred (NI 43-101 compliant):2.7 M tonnes @ 2.35 g/t Au

Corporate Contact

President/CEO: Kim F. Harris
 Website: www.midlandsmaterials.com Telephone: 416-492-6992

Capital Structure (C\$) (M)

		53.05	78.77
Shares O/S - Basic, F.D.			
(C\$) (M)	Av Strike	Basic	ITM
Cash & Equiv			\$1.80
Options	\$0.33	4.21	1.83
Warrants	\$0.46	21.52	0.00
Total Cash & ITM		25.72	1.83
Market Cap			\$14.85

Trading Statistics (C\$)

52 Week High / Low	\$0.43 / \$0.22
Average Daily Vol (M)	0.06

Ownership (M)

	Management	Institutional
Shares	9.21	28.41
% O/S	17.36%	53.56%

Analyst Coverage

	# Analysts
	n/a

Last Financing

6/26/2007	\$2.4 million	Brokered Private Placement	6.8M units @ \$0.35 & 1/2 warr @ \$0.50
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Itilima

Itilima	100%
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Location: Tanzania
 Exploration Stage: Exploration
 Description: Located in the Lake Victoria Goldfields on the same trend that hosts Bulyanhulu - Geita - Sekenke deposits (Bulyanhulu: 13 M oz; Geita: 14 M oz)
 /Potential: Results from diamond core drilling in 2006 suggest similarities to large Archean VMS deposits.
 Current: Drilling planned for H208 and currently looking for JV partner for diamond prospects.
 Reserve/Resource: None

Kaniago

Kaniago	100%
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Location: Ghana
 Exploration Stage: Exploration
 Description: 47.5 sq km property located 20km S of Keegan Resources' Esaase deposit on the Asankranwa Gold Belt & contiguous to Obotan mine, Adubiaso mine, & Abore mine.
 /Potential: Geology consists of Birimian metasediments trending northeast, intruded by Dixcove-type granitoids. Past work includes extensive soil sampling, 1,240 samples in Phase I survey (2006) and 1,617 samples in Phase II (2007) - both returning encouraging results confirming zones are on direct strike with significant gold deposits on the Asankranwa gold belt. Follow up drilling planned for H2/08.
 Current: Reserve/Resource: None





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- n/a

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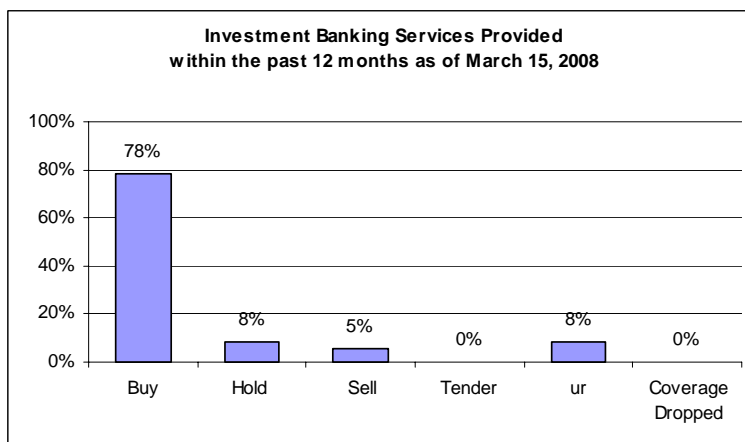
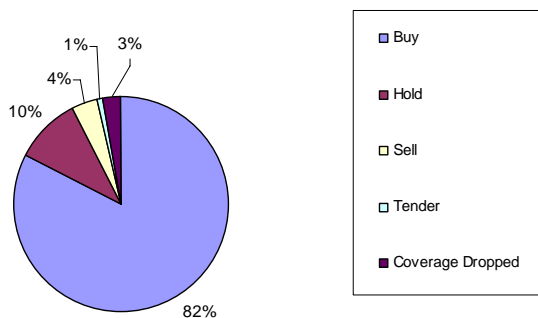
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and production guidance. Hedging is in line with peers. *Low* – Haywood forecasts exceed guidance. The Company has a history of meeting or exceeding guidance. Forecasts allow for modestly lower commodity pricing or production levels. Commodity hedging lowers volatility relative to peers.

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