

## MIDLANDS MINERALS CORPORATION

(\$0.28; MEX: TSX-V)

**Recommendation:** Speculative Buy (No Change)

**Target Price:** \$0.50 (No Change)

### RECENT DEVELOPMENT: SIAN INDICATED GOLD RESOURCE UP 92%

Midlands Minerals Corporation reported that the Indicated gold resource at the Company's Sian open-pit mine (65% interest) in Ghana has increased by 92% to 192,400 ounces (up from 100,000), while the Inferred resource is now 203,350 (up from 100,000). This represents 2,568,000 tonnes at 2.33 g/t gold and 2,694,000 tonnes at 2.35 g/t gold respectively.

The NI 43-101 compliant and classified resource estimate will be filed on Sedar on or before May 19, 2008.

**COMMENT:** *This brings the Company closer to its short-term target of 500,000 ounces. Sian is a former gold-producing property that became uneconomic and closed in 2004. Midlands expects to bring it to the feasibility stage this year and back into production by 2010 - either on its own or through a joint venture. An outright sale is also a possibility, as we have mentioned in previous commentaries.*

### DRILLING PROGRAM

The Company plans to drill at least 20,000 metres at Sian in 2008. The March-April program will be about 2,500 metres, with the goal of increasing the resource to at least 500,000 ounces.

### THE COMPANY

Midlands is a junior mining company focused on the exploration and development of gold and diamond properties in Ghana and Tanzania. The two countries are the focus of considerable mining interest by both large and small mining exploration and production companies, including Newmont Mining, AngloGoldAshanti, Goldfields, Barrick Gold and IAMGOLD Corp.

### RECOMMENDATION

As we mentioned in our eResearch Bulletin of January 11, 2008, the stock price has retreated to a point where our Target Price of \$0.50 appears to be somewhat optimistic. We said at the time that we viewed the price drop as a function of market sentiment rather than a reflection of any deterioration in Midland's fundamentals. We still hold this view, and continue to rate the shares as a Speculative Buy with a Target Price of \$0.50.

*Continued ...*

**RATINGS HISTORY**

<b>Date</b>	<b>Report Type</b>	<b>Recommendation</b>	<b>Stock Price</b>	<b>Target Price</b>
Mar. 5, 2007	Initiating	Speculative Buy	\$0.30	\$0.45
Mar. 19, 2007	Commentary	No Change	\$0.30	No Change
Sept. 26, 2007	Update	No Change	\$0.41	\$0.50 (Raised)
Jan. 11, 2008	Bulletin	No Change	\$0.30	No Change
April 7, 2008	Bulletin	No Change	\$0.23	No Change

**High-Low Since Initiating: \$0.43-\$0.23.**

**NOTE:** eResearch reports on Midlands Minerals Corporation and other companies are available FREE on our website at [www.eresearch.ca](http://www.eresearch.ca).

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