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June 2007

Mining Sector

Listing: TSX Venture (MEX.V)

Midlands Minerals Corp

Midlands Minerals is a gold exploration company operating in Ghana and Tanzania, relatively secure parts of the continent. The company's main focus is the formerly producing Sian mine, where Midlands intends to increase the resource and bring it into production by the end of 2010.

Executive Summary

For the full report please visit:

http://www.ObjectiveCapital.co.uk/midlands.pdf

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Initiation Report

Contents

I certify that this report represents my own opinions.

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Midlands Minerals Corporation is a gold exploration company, targeting established gold districts in African nations that it believes have sufficient political stability and are open to foreign exploration and development of their natural resources. Midlands is also seeking diamonds on one of its gold projects. The company's top project carries a modest defined gold resource, but all its projects retain considerable exploration potential.

- ***Midlands' top project is a past producer in Ghana…***
  Midlands Minerals owns a 65 percent interest in the Sian gold project in south central Ghana. The property contains two former producing open pit mines, Esaase and Ampeha, which operated several years ago with significantly lower gold prices. The pit deposits contain a further indicated and inferred mineral resource of nearly 200,000 ounces.

- ***…with permits and infrastructure in place for mining operations***
  In 1996, a thirty-year mining lease was granted to Sian Goldfields. The lease was transferred to Akroma Gold Company Ltd, a 65% subsidiary of Midlands, in 2006, along with the plant and infrastructure remaining from the previous Chinese operations at Sian. Such existing infrastructure could offset the costs associated with bringing the property into full production. Not many junior exploration companies hold properties with full mining licenses!

- ***…with considerable exploration potential…***
  The company's focus is on finding larger deposits and its exploration programmes are turning up parallel extension zones with anomalous gold values along several kilometres of strike length. These zones offer the potential to expand the gold resource well beyond current limits.

- ***…supported by neighbouring development***
  Its location within the northeastern portion of the Ashanti gold-belt, an active multi-million ounce gold district, adds confidence to the likelihood of success. The property is thirty kilometres northeast of Newmont's eight million ounce Akyem gold deposit.

- ***Midlands' contiguous Kwahu Praso property offers further potential…***
  Midlands holds an 80 percent interest in the Kwahu Praso property, which was once part of Sian and contains extensions of the Esaase and Ampeha trends. Work to date has revealed anomalous gold values that offer exploration potential along the main Sian zones.

- ***…as does its Itilima property***
  Midlands holds a 75 percent interest in the Itilima gold and diamonds prospect in Tanzania. Initial exploration results are encouraging and the property lies in an area favourable for both gold and diamonds.

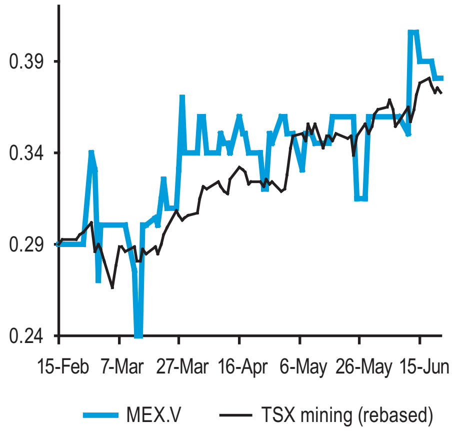
- ***Aggressive exploration is planned at Sian, Kwahu Praso and Itilima…***
  Midlands intends to bring the Sian property to feasibility by the end of 2008 and the mine back into production by the end of 2010. As a result, the company is running concurrent core and reverse circulation drill programmes to increase the resource base at Esaase and to develop new resources elsewhere on the property.

- ***…led by management with an African focus***
  Midlands' founder and president, Kim Harris, has been involved in African exploration since the mid-1980s. In addition, the company's officers and directors include several individuals with extensive experience of the geological and corporate challenges of mineral exploration in Africa.

Key Points

22 June 2007
Price: C$ 0.38

Price chart (C$)



Current value of equity

Our base case view	
Expected Value	C$19.2m
Value per share	**C$0.36**
Alternative scenarios	
Pessimistic Scenario	C$3.3m
Optimistic Scenario	C$29.7m
Value per share	C$0.06 - C$0.56

Company details

Quote	
Shares	
-TSX Venture	MEX.V
Hi-Lo last 12-mos. (C$)	0.15 - 0.405
Shares issued (m)	53.0
Fully diluted (m)	75.7
Market Cap'n (C$m)	20.2
Website:	*www.midlandsminerals.com*

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Overview

Midlands Minerals Corp. is a TSX Venture Exchange-listed, Canadian-based resource company with a sharp African focus. The company holds majority interests in two key gold properties that lie within the Ashanti gold-belt of Ghana and one property in Tanzania that offers potential for both gold and diamonds. The company's top prospect is the Sian property, although its Kwahu Praso project adjoins Sian to the southwest through north. The main zones of interest appear to straddle the property boundaries. The Itilima property in Tanzania is less advanced, but no less encouraging, based on equally favourable location and early exploration promise.

The Sian property contains two previous open pit mines with an existing resource

The Sian property contains two past-producing open pit gold mines that have indicated and inferred resources of nearly 200,000 ounces remaining. These historical resources appear insufficient to support reopening of the mine, even at current gold prices, and infill drilling in the area is unlikely to increase the resource significantly. As a result, Midlands believes its exploration would be better directed toward expanding resources nearby.

Existing mine infrastructure will minimise the capital cost required for production

Infrastructure is in place on the Sian property and includes power lines, water, security fences, buildings and roads. The capital cost of bringing the property into production is estimated by the company to be between US$20m to US$25m for purchase of a new CIL plant, equipment and mine fleet.

Fortunately, Sian is well situated in the heart of a major gold district.

The Sian property lies in the northeastern portion of the Ashanti gold-belt, which contains a number of mines with several million ounces of gold. Midlands' exploration model is similar to that of the Akyem deposit, just thirty kilometres to the southwest. This project contains an estimated eight million ounces of gold, within a zone 2,600 metres long. In addition, initial indications suggest the main area of interest at Sian is an extension of the prolific Obuasi structure.

Early exploration results at Sian are promising

Midlands expects its drilling will identify new resources in four key zones: Esaase, Esaase East, Ampeha and Odumasa. Gold occurrences at these sites form a corridor stretching four kilometres, in a zone up to 500 metres wide. The dimensions and geology of these areas indicate sufficient scope to support large gold deposits.

Midlands' exploration potential extends onto the adjoining Kwahu Praso property

The company also holds a majority interest in the Kwahu Praso property, which adjoins Sian to the southwest through north. Although exploration on this property is far less advanced, initial work suggests the zones of interest on Sian extend across the border onto the Kwahu Praso concession.

The Itilima property offers added gold expansion with a diamond kicker

Midlands has a promising property in Tanzania that offers considerable gold potential, as well as the possibility of diamond discoveries. The project lies within the prolific Lake Victoria goldfields region, which contains over 40 million ounces of gold as reserves in major deposits. This includes the Bulyanhulu gold mine that Barrick Gold put into production in 2001, with reserves of 11 million ounces. Furthermore, the property lies within the major kimberlite cluster that contains De Beers' Williamson-Mwadui diamond mine, which has produced nearly 20 million carats to date.

The Itilima property contains no formal gold or diamond resource yet, but anecdotal information suggests local artisans have been recovering gold and diamonds since at least the 1950s. Midlands plans a major drill programme to expand upon the initial gold finds and the company is seeking a partner to develop the diamond potential of the property.

Midlands also has two less advanced gold prospects

The company holds a 100 percent interest in the Kaniago concession on the Asankrangwa gold-belt in Ghana. The property covers a 45-square-kilometre area that is contiguous to the Abore mine to the north and the Obotan mine to the south. Midlands is also optioning a sixty percent interest in its New Kilindi property in Tanzania to Canaco Resources Ltd.

The gold sector remains hot

The price of gold began a rally five years ago that has more than doubled its price. The metal topped US$600 per ounce since last fall and remains above US$650 per ounce, despite a recent pullback. Notwithstanding the sustained rally, current indications remain buoyant, if not bullish.

Many analysts suggest the price will top US$700 per ounce in the shorter term and remain near that level for a few years, thanks to increased demand and signs of weakness in the U.S. dollar. Although we expect gold to decline marginally in the longer term, we do not foresee a sustained drop below US$550, the mean inflation-adjusted price over the past 35 years.

Stable management with experience operating in Africa

Midlands' founder and president, Kim Harris, has been working in and around Africa since the mid-1980s, starting as Director of African operations for Ontario International Corporation. In 1995, she founded a private exploration company, SIKA Resources Inc., which acquired the Itilima property in Tanzania and later sold it to the fledgling Midlands.

Valuation

Our valuation approach

We have valued Midlands Minerals by assessing the economic potential of the company's properties after accounting for:

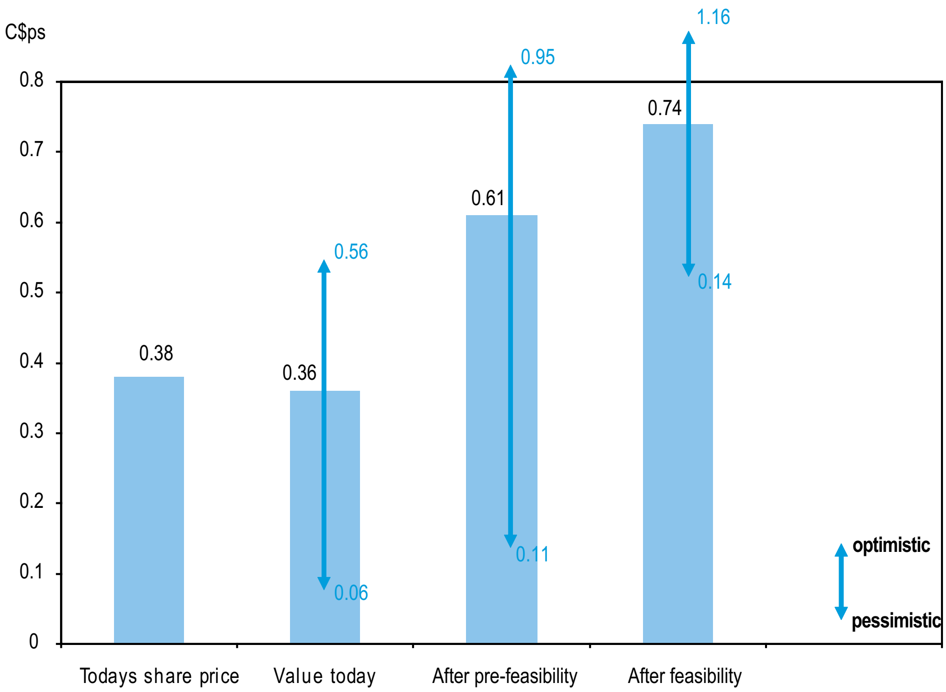
- the economics of mining operations by way of tax, operating costs etc;
- the probability-adjusted proved-up resource by way of classification and size; and
- the probability of feasibility, after taking account of metallurgical, social and regulatory issues.

Our assessment depends on commodity prices, both prices prevailing when mining eventually occurs, and the management's operational response to them. From a valuation perspective, we take account of management's ability to "mothball" operations when commodity prices are below the marginal cost of extraction. This creates "optionality" – something that traditional NPV fails to capture. This can be understood by thinking of NPV as assuming that positive and negative deviations from our mid-case have a similar likelihood of occurring and hence balance each other; in mining, by contrast, the downside is capped at the cost of "mothballing" the site.

We capture this by valuing each years' production as an option, assuming that prices revert to mean over the long run – i.e., the mine will only be operated if the commodity price is above the extraction cost. This means that we value the probability that the price is above the extraction cost, rather than the discounted value of the cash flow using the mid-case of the commodity price.

In valuing the economic potential of resource projects, we assume that while commodity prices are volatile they revert to an inflation-adjusted, long-run mean. For example, gold historically trades at approximately US$550 per ounce in current dollars, with deviations from mean normally correcting over eight years with a volatility of 25 percent.

What Midlands could be worth - now and in the future

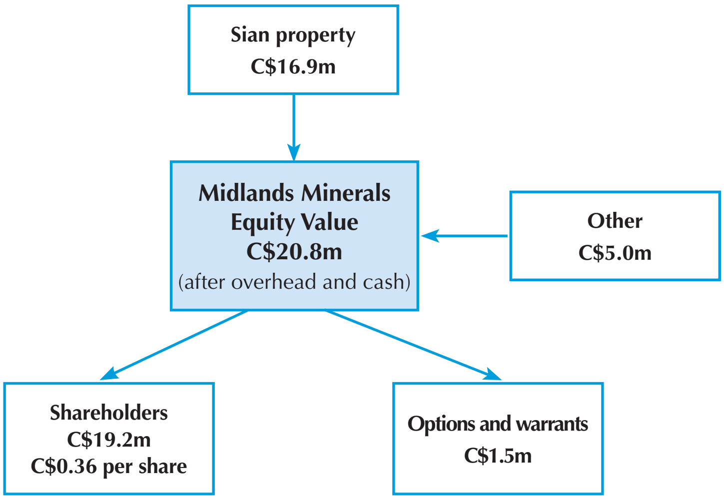


Source: Objective Capital

Valuation summary (C$m)

	Scenario		
	Base	**Pessimistic**	**Optimistic**
Property portfolio			
- Sian	16.9	(0.5)	30.6
- Itilima	0.5	0.5	0.5
- New Kilindi	1.8	1.8	1.8
- Kaniago	0.5	0.5	0.5
- other	0.0	0.0	0.0
Total	19.7	2.2	33.4
Less: overhead	4.8	4.8	4.8
Expected value of portfolio	14.9	(2.5)	28.7
Add: other investments	2.3	2.3	2.3
Add: starting cash + new funds	3.6	3.6	3.6
Total Current Value for Firm	20.8	3.3	34.5
Less: bank & other debt	0.0	0.0	0.0
Total Value to Equity Claims	20.8	3.3	34.5
Less: options and warrants	1.5	0.0	4.8
Ordinary Equity Holders	19.2	3.3	29.7
Value per share (C$)	**0.36**	**0.06**	**0.56**

Components of Midlands Minerals' entity value



Expected value of Midlands Minerals Corp

Scenario	Risked mineable resources (m tonnes)	Sian property value (C$m)	MEX Valuation (C$m)	Value per share (C$)
Base case outlook	**4.7**	**16.9**	**19.2**	**0.36**
Value for scenarios of further exploration success				
Full proved up	9.8	44.5	39.5	0.74
Optimistic outlook	7.2	30.6	29.7	0.56
Pessimistic outlook	1.4	-0.5	3.3	0.06
Value with no further exploration success				
Current resource estimate	0.7	-4.2	-0.3	-0.01

Notes:

- *'fully proven up' scenario assumes that current mineable resource estimates are upgraded to 'Proven' status*
- *for further details see Sian property section*

Sensitivities for assumptions on …

Long run real gold price (US$/oz)	500.0	525.0	**550.0**	575.0	600.0
Value (C$/share)	0.31	0.34	**0.36**	0.39	0.41
Change in value (%)	*-15%*	*-7%*		*+7%*	*+14%*
Time for gold price to revert to mean (years)	6	7	**8**	9	10
Value (C$/share)	0.33	0.35	**0.36**	0.38	0.39
Change in value (%)	*-8%*	*-4%*		*+3%*	*+7%*
Volatility of gold price (%)	*20%*	***25%***	*30%*	*35%*	*40%*
Value (C$/share)	0.34	**0.36**	0.39	0.43	0.47
Change in value (%)	*-7%*		*+8%*	*+18%*	*+29%*
Interest rate (%)	*4.4%*	*4.5%*	***4.6%***	*4.7%*	*4.8%*
Value (C$/share)	0.37	0.37	**0.36**	0.36	0.36
Change in value (%)	*+1%*	*+1%*		*-1%*	*-1%*
Sovereign risk premium (%)	*0.00%*	*0.25%*	***0.50%***	*0.75%*	*1.00%*
Value (C$/share)	0.38	0.37	**0.36**	0.36	0.35
Change in value (%)	*+3%*	*+2%*		*-2%*	*-3%*

Sian sensitivities for assumptions on …

Recovery rate (%)	*80%*	*85%*	***90%***	*95%*	*100%*
Value (C$m)	13.88	15.39	**16.90**	18.41	19.92
Change in value (%)	*-18%*	*-9%*		*+9%*	*+18%*
Operating Costs (US$ per tonne)	314	**330**	347	363	380
Value (C$m)	18.23	**16.90**	15.57	14.24	12.92
Change in value (%)	*+8%*		*-8%*	*-16%*	*-24%*
Increase in Capital Cost (%)	***+0%***	*+10%*	*+20%*	*+30%*	*+40%*
Value (C$m)	**16.90**	16.27	15.64	15.00	14.37
Change in value (%)		*-4%*	*-7%*	*-11%*	*-15%*

Sian Valuation (C$m)

Scenarios for exploration success	**Base**	**Optimistic**	**Pessimistic**
Net value of production	**137.5**	137.5	137.5
Probability of mining success	***44%***	*67%*	*14%*
Expected net value of production	**59.8**	91.6	19.5
Add: tax shield on depreciation charge	**9.4**	9.4	9.4
Less: development & operational capex	**20.4**	20.4	20.4
Value of mining operations	**48.8**	80.6	8.5
Probability of reaching mine development	***48%***	*48%*	*48%*
Expected value of deposit	**23.4**	38.7	4.1
Less:			
- expect pre-development costs*	**2.2**	2.2	2.2
- further exploration costs **	**2.4**	2.4	2.4
Expected value of project	**18.8**	34.0	(0.6)
effective risk haircut	***81%***	*69%*	*97%*
Effective ownership after government share	***90%***	*90%*	*90%*
Midlands's share	**16.9**	30.6	-0.5

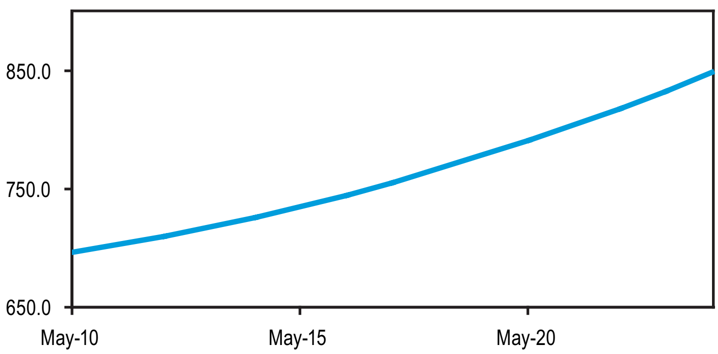
* shown as expected value of being incurred after allowing for likelihood of reaching each development stage

** present value

Commodity assumptions

Gold prices are mean reverting	
Long run level	550 US$/lb
Avg time to revert	8 years
Volatility	*25%*
Inflationary price growth	*2%*

Expected gold price



Our key assumptions

Midlands' main asset is the Sian gold property in Ghana, where it has a modest existing resource and indications from its exploration programme that the company could develop a substantially larger resource with continued drilling and exploration. Our key assumptions for this property are as follows:

- the property currently has an indicated and inferred resource of two million tonnes, grading 3.3 grams of gold per tonne. To this we hypothesise the company could add a further twelve million tonnes of ore through further exploration, with an average grade of 2.7 grams per tonne. Applying appropriate conversion factors, we believe this could translate to a mineable resource of approximately 9.2 million tonnes, averaging 2.7 grams of gold per tonne.
- we envisage this pace of operations would support a 4,000 tonne per day mine for a period of seven years, commencing operation late in 2010. We estimate the pre-production capital costs at C$27.8m, with operating costs averaging C$36 per tonne, or US$330 per ounce initially, and increasing annually with the cost of inflation.
- our model assumes a gold recovery rate of ninety percent and pegs annual sustaining capital costs at approximately 6.5 percent of initial capital expenditures.

Our results

After allowing for likely economics, exploration potential and development risk, our analysis suggests an expected value of C$16.9m for the Sian property. We also ascribe nominal values for Midlands' other projects, totalling C$2.8m.

After allowing for corporate overhead and outstanding warrants, this values Midlands' ordinary equity at C$19.2m, or C$0.36 per share compared to a current price of C$0.38. This discrepancy reflects the market's willingness to pay a premium for the company's blue-sky potential. Our analysis suggests that if all available resources are ultimately proven and developed, the Sian property could yield up to C$0.74 per share. Our optimistic outlook for exploration success suggests values as high as C$0.56 per share.

Benchmarks

Midlands Minerals currently carries a market capitalisation warranted by a junior explorer with limited or no resources outlined, but with a realistic expectation of success. Based on our estimate of potentially one million ounces, Midlands would have a current value of C$16.80 per ounce. This is roughly half of the value accorded Australian listed Adamus Resources Ltd, which has a resource of 1.5 million ounces outlined on its Southern Ashanti project in Ghana, with a feasibility study in progress.

Etruscan Resources is a producer with gold projects in West Africa, including Ghana. The company has a resource of 2.7 million ounces and the market values this resource at approximately C$125 per ounce. This value is comparable with the value ascribed to the 7.3 million-ounce resource credited to Golden Star Resources, also, currently in production. Another Ghanaian gold producer, Red Back Mining Inc. states a gold resource of 2.3 million ounces in its producing mine and a further resource of 3.3 million ounces in an advanced project in Mauritania. The market values Red Back's combined resources, a blend of production and potential, at just over C$95 per ounce.

These comparisons highlight the risks and potential rewards of investments in early-stage projects.

Comparative companies

Company	Stock Ticker	Market Cap	Au oz	Market value per ounce
Midlands Minerals	**MEX.V**	**C$ 16.8**	**1.0***	**C$ 16.8**
Adamus Resources	ADU.AX	C$ 50.2	1.5	C$ 33.4
Red Back Mining	RBI.TO	C$533.0	5.6	C$ 95.2
Etruscan Resources	EET.TO	C$344.0	2.7	C$127.4
Golden Star Res.	GSC.TO	C$937.1	7.3	C$128.4

*Hypothetical target. Current resource is 200,000oz.

Source: Objective Capital

Key Risks

Success of Midlands Minerals' projects depends on the company…

delineating a gold resource sufficient to warrant advanced exploration: The existing mineral resource within the old pits on the Sian property is too small to support the resumption of mining and further drilling within the pits is unlikely to expand the resource sufficiently. In this light, Midlands' focus will be on finding one or more zones with larger gold resources. Initial results are encouraging, but as with all projects, the company may not be able to delineate a resource with sufficient gold grades, continuity, or tonnage to warrant advanced testing and development. Our valuation assumes varying degrees of risk of an unfavourable outcome at several key stages of project development.

obtaining permits and approvals without undue delay or difficulty: Although Midlands is limiting its programmes to what it believes are the safer parts of Africa, both Ghana and Tanzania have experienced outbreaks of unrest and violence in their pasts, although not to anything like the extent of other parts of the continent. Moreover, there is no guarantee that the local governments will remain open to foreign investment and development.

controlling operating costs: Midlands' gold focus centres on larger-scale, low-to-medium-grade deposits capable of supporting a large mine. With lower-grade deposits, controlling operating costs is a critical component of profitability. As with any new mine, there is a risk of unforeseen issues giving rise to higher costs. Further, there is the risk that the cost of fuel and key supplies will grow at rates beyond the expected inflation rate.

maintaining gold revenues: Midlands faces the risk that its production gold grade will fall short of projections and metallurgical issues could reduce its gold recoveries. Further, a drop in the gold price or unfavourable exchange rates could reduce revenues below expected levels.

obtaining adequate financing: Midlands will require increasing amounts of cash to further its exploration programmes to advanced stages on its top prospects. The required sales of common shares to raise exploration cash could dilute existing shareholders considerably. Should one or more of its projects pass feasibility, the company will face a major capital expenditure to construct the mine. Much of the capital cost would typically come from debt financing, but Midlands faces the risk that it will be unable to obtain sufficient loans, forcing it to rely upon further equity sales.

Financials

Income statement

Year ending Dec 31 (C$000)	2006A	2007E	2008E	2009E	2010E	2011E
Net revenues	—	—	—	—	—	62,718
Sundry expenses	(1,065)	(1,172)	(1,289)	(1,418)	(1,559)	(1,715)
Operating costs	—	—	—	—	—	29,586
Gross profits	(1,065)	(1,172)	(1,289)	(1,418)	(1,559)	90,589
Ghanaian statutory 10% tax on profits	—	—	—	—	—	(2,569)
Subtotal	(1,065)	(1,172)	(1,289)	(1,418)	(1,559)	88,019
EBITDA	**(1,065)**	**(1,172)**	**(1,289)**	**(1,418)**	**(1,559)**	**88,019**
Depreciation & amortisation	(8)	(6)	(7)	154	(450)	(4,737)
Gains, writedowns and minority interests	—	—	—	—	—	—
EBIT	(1,073)	(1,178)	(1,296)	(1,263)	(2,009)	83,282
Interest	59	279	235	(137)	(33)	1,596
EBT	(1,014)	(899)	(1,061)	(1,400)	(2,042)	84,878
Tax paid	—	315	371	490	715	(29,707)
Earnings	**(1,014)**	**(584)**	**(690)**	**(910)**	**(1,328)**	**55,171**
Dividends	—	—	—	—	—	—
Retained earnings	**(1,014)**	**(584)**	**(690)**	**(910)**	**(1,328)**	**55,171**

Cashflow statement

Year ending Dec 31 (C$000)	2006A	2007E	2008E	2009E	2010E	2011E
EBIT	(1,073)	(1,178)	(1,296)	(1,263)	(2,009)	83,282
Interest revenue	(16)	—	—	—	—	—
Stock based compensation	189	—	—	—	—	—
Depreciation / amortisation	8	(6)	(7)	154	(450)	(4,737)
Foreign exchange	49	—	—	—	—	—
Gains and Writedowns	—	—	—	—	—	—
Tax credits and mining rights	—	—	—	—	—	—
Changes in non-cash working capital balances:	—	—	—	—	—	—
(Increase) decrease in inventory	(2)	0	(0)	27	(103)	4,301
(Increase) decrease in receivables	(8)	—	—	—	—	13,171
Increase (decrease) in payables	55	—	—	—	—	5,621
Net cash from Ops	**(799)**	**(1,184)**	**(1,303)**	**(1,081)**	**(2,562)**	**101,638**
Tax paid	—	315	371	490	715	(29,707)
Dividends	—	—	—	—	—	—
Net interest received (paid)	(59)	279	235	(137)	(33)	1,596
Proceeds from issuance of share capital	4,167	10,325	3,000	—	—	—
Loans	—	—	—	—	18,000	(18,000)
Exercise of warrants	2	—	—	—	—	—
Share / warrant issuance costs	—	233	—	—	—	—
Net cash from financing	4,110	11,151	3,606	353	18,682	(46,111)
Short-term investments	(2,100)	—	—	—	—	—
Purchase sale of equipment	(27)	—	—	—	(13,915)	(15,838)
Sale of equipment (Chinese mill)	—	—	—	1,000	—	—
Interest in mineral properties and deferred exploration expenditures	(975)	(3,200)	(3,200)	(2,800)	(500)	(1,500)
Net cash from investing activities	**(3,102)**	**(3,200)**	**(3,200)**	**(1,800)**	**(14,415)**	**(17,338)**
Net increase (decrease) in cash	**209**	**6,767**	**(897)**	**(2,528)**	**1,705**	**38,188**

Balance* sheet						
Year ending Dec 31 (C$000)	**2006A**	**2007E**	**2008E**	**2009E**	**2010E**	**2011E**
Mining interests & deferred exploration expenses	5,419	8,619	11,819	14,619	15,119	16,619
Fixed assets at NAV	38	44	51	(1,103)	13,262	33,837
Cash	339	7,106	6,209	3,681	5,385	43,574
Marketable securities	2,218	2,218	2,218	2,218	2,218	2,218
Receivables	13	13	13	13	13	(13,158)
Prepaid expenses and deposits	9	9	9	9	9	9
Inventory	—	(0)	(0)	(28)	75	(4,226)
Funds reserved for exploration	—	—	—	—	—	—
Equipment	—	—	—	—	—	—
Advances to Sika Resources Inc.	7	7	7	7	7	7
Less Payables	(3,042)	(3,042)	(3,042)	(3,042)	(3,042)	(8,663)
Net assets	**5,001**	**14,974**	**17,285**	**16,375**	**33,047**	**70,218**
Less loans	—	—	—	—	(18,000)	—
Capital employed	**5,001**	**14,974**	**17,285**	**16,375**	**15,047**	**70,218**
Represented by	—	—	—	—	—	—
Share capital	5,165	15,722	18,722	18,722	18,722	18,722
Warrants	1,801	1,801	1,801	1,801	1,801	1,801
Contributed surplus	590	590	590	590	590	590
Acumulated earnings (deficit)	(2,555)	(3,139)	(3,829)	(4,739)	(6,066)	49,104
Shareholders' funds	**5,001**	**14,974**	**17,285**	**16,375**	**15,047**	**70,218**

* We have forecast further capital raising in 2007 and 2008. Were these not to occur, on our forecasts the company would incur a deficit on shareholders' funds.

Source: Objective Capital

Kim F. Harris MSc. – President and chief executive officer

Kim Harris earned a bachelor's degree from Simon Fraser University in British Columbia and a master's degree from the University of Toronto before commencing her career in the resource sector. In 1995, Ms. Harris founded a private mineral exploration company, SIKA Resources Inc., and she has been its managing director since then. Based in Toronto, Ms. Harris has over 20 years of experience operating in Africa. She served as director of African operations for Ontario International Corporation from 1984 to 1993.

Edward Harris – Vice-chairman and director

Edward Harris is the husband of Kim Harris. He has over 20 years of experience in the financial sector and since 1990 he has been with McLean Budden Ltd as a vice-president and portfolio manager. Previously, Mr. Harris worked for Canada Life Assurance Co and RBC Dominion Securities Investment Management Ltd.

Marc Boisvert, P.Eng. – Vice-president of exploration

Marc Boisvert is a former vice-president and director of Barrick Exploration Africa Ltd, responsible for exploration in Tanzania. He was also a project geologist with Noranda Inc. The Quebec-based Mr. Boisvert also worked with Inmet on its Petaquilla copper project in Panama and its Molejone gold project. He was involved with the discovery of Inmet's Troilus gold mine in Quebec.

Alfred Powis, O.C. – Chairman

Alfred Powis was the chief executive officer of Noranda Inc. and a director of the Canadian Imperial Bank of Commerce. He retired in 1996 but remains active in the resource sector. After leaving Noranda, Mr. Powis served as a director of several public companies. He was chairman of Twin Mining Corporation from 1999 to 2006 and Inmet Mining Corporation from 1997 to 2004. Mr. Powis joined Midlands as chairman in 2004.

Paul E. Singer, CA – Chief financial officer

The Ontario-based Paul Singer is a graduate of the University of Waterloo. He has over 30 years of experience as a chartered accountant, primarily in private practice since 1990. Mr. Singer served as the CFO of Midlands since its inception in 2004, save for a brief break in the spring of 2005.

Isaac T. Adjovu – regional exploration manager for Africa

Isaac Adjovu is a geologist with over 20 years of experience in Africa. He worked with B.R.G.M. as an exploration geologist, moving to Ashanti Goldfields Co as a senior geologist. Mr. Adjovu also worked with Newmont Mining Co as a consulting geologist. For the past six years, Mr. Adjovu has been the chief executive officer of the Ghana-based Geodita Resources Ltd.

Naomi Benedikt – Controller and office manager

Naomi Benedikt has many years of experience in financial management and accounting, holding senior positions with a variety of companies. Ms. Benedikt is a partner in Exactic Graphics Inc., a colour imaging company.

Noel Nedrick – Director

Noel Nedrick has been a self-employed financial consultant since 1996.
He worked as a research analyst for a number of brokerage firms, and for the Bank of Nova Scotia. Mr. Nedrick has a bachelor's degree from Concordia University in Quebec. He has been with Midlands since its inception.

Mark B. Keatley, M.A., M.Phil., MBA – Director

Mark Keatley has master's degrees in arts and philosophy from Cambridge University and an MBA from Stanford Business School. From 1994 to 2000, he was a chief financial officer for Ashanti Goldfields Company Ltd. The London-based Mr. Keatley's career includes senior management positions with the International Finance Corporation, the World Bank, and Ford Motor Company, U.K.

John Carruthers, P.Eng. – Director

The Toronto-based John Carruthers has a degree in applied sciences from the University of Windsor in Ontario. Until 1999, he worked as a senior manager with Deloitte & Touche and managed and operated major plants for Cytec Industries, in the southern U.S., and for Cyanamid of Canada Ltd. Mr. Carruthers also worked with Casebank Technologies Inc. from 1999 to 2004. Mr. Carruthers became a director of Midlands in 2005.

Pierre Lalande – Director

From 1994 to 2001, Pierre Lalande was a chief geologist of Iamgold Corporation He has a 30-year career that includes work in several West African countries. Based in Ontario, Mr. Lalande also was a senior geologist with Watts, Griffis and McOuat Ltd.

Karl Schmed – Director

Until 2002, Karl Schmed was the president of SQS Inc., a colour separation high-tech company. He currently is the president of Global Colour Link & Associates Inc.

We are pleased to bring you this report on **Midlands Minerals Corp**.

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As we are unconflicted by corporate finance or PR/IR agendas, our analysts are always free to give their true opinion of the businesses we cover.

As always, I welcome your comments and feedback on our research!

Gabriel Didham, CFA
Objective Capital

Will Purcell
Will has been involved in the resource sector for 30 years in a variety of roles. Since the late 1990s, he has been active in assessed mineral resource investment projects. Will has a B. Math degree from the University of Waterloo in Ontario.

Alexandra Harrison, M. Sc (Mining Geology)
Alexandra Harrison holds a BSc in Applied Geology and an MSc in Mining Geology and has over ten years experience in exploration and mining. She worked in precious and base metals and in energy world wide, before coming to London where she has been involved with several junior AIM and TSX-V listed resource companies.

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