



16 October 2009

The Manager  
Company Announcements  
Australian Stock Exchange Limited  
Level 10, 20 Bond Street  
SYDNEY NSW 2000

### **FULLY UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE**

Midas Resources is pleased to announce a renounceable rights issue ("Rights Issue") to raise approximately \$1.55 million before costs. The Rights Issue offers two new shares with two free attaching options for every nine shares held at a price of 3 cents per share. The free attaching options will have an exercise price of 3 cents each and term of three years. The Company will apply for the quotation of new shares and new options on the ASX.

The Rights Issue is fully underwritten by Patersons Securities Limited.

The funds raised will be used to fund the Company's exploration programme and for working capital. Further announcements will be made concerning a planned drill program on a gold target at Lake Carey and follow-up sampling on iron ore targets at West Pilbara when those programs are about to commence.

The Prospectus relating to this Rights Issue is expected to be lodged with ASIC and ASX on Friday, 16 October 2009 and will be available after lodgement on the ASX website [www.asx.com.au](http://www.asx.com.au) and also on the Company's website [www.midasresources.com.au](http://www.midasresources.com.au). An updated Company presentation will also be lodged with ASX and placed on the Company's website.

Yours faithfully

Geoff Balfe  
Managing Director/CEO