



ASX RELEASE
31 July 2007

Midas Fortitude Gold Project Update

Highlights

- A second review of the Fortitude Resource has resulted in a 21% increase in gold grade and 5.7% increase in contained gold.
- These increases are the result of changes to certain assumptions concerning mining selectivity which is the principal reason for the increase in the total contained metal above the 1g/t Au lower cut off grade in the current model.
- A report on an open pit mining optimisation study is currently pending.

Midas Resources Limited ("Midas" or "the Company" ASX: MDS) provides an update on the progress at the company's Fortitude gold project in Western Australia. The Company is pleased to announce that following a second review by RSG Global Consulting (RSG Global), the Fortitude Resource has been revised with a 21% increase in gold grade and 5.7% increase in contained gold.

The increases are the result of changes to certain assumptions concerning mining selectivity, which is the principal reason for the increase in the total contained metal above the 1g/t Au lower cut off grade in the current model, as reported below.

The Lake Carey project, located approximately 35km to the south of AngloGold Ashanti's 8M oz Sunrise Dam gold mine, contains several advanced gold prospects including Midas' Fortitude gold deposit, which is currently undergoing a Feasibility Study.

Fortitude Resource and Pit Optimisation

The Company announced an update to the Fortitude Resource on 19th June 2007. Midas and RSG Global Consulting (RSG Global) have completed a review of the Resource estimation procedures and key input parameters for Fortitude. In light of this review, a further update of the Resource at Fortitude has been completed. The new JORC compliant Mineral Resource estimate is presented below at a 1g/t cut off grade for comparison with the previous resource estimate of 19th June 2007:-



Table 1 Fortitude Deposit Mineral Resource Estimate - July 2007 Multiple Indicator Kriging 3mE x 6mN x 2.5mRL Selective Mining Unit 1g/t Au cutoff			
Lower Cutoff Grade (g/t Au)	Mt	Ave Grade (g/t Au)	Kozs
Indicated			
1.0	1.882	2.3	137
Inferred			
1.0	3.445	2.3	250
Total			
1.0	5.327	2.3	388

The key parameters used for the previously reported June 2007 Resource estimate and the current July 2007 Resource estimate are summarised below:

		19 June 07	31 July 07
Sample length		1m	1m
Composite length		3m	1m
Composite Top Cuts (g/t) Mineralised Zones 1 to 4		6.5, 5.5, 6.5, 12.0	13,8,8.5,18
Grade Interpolation Method		Multiple Indicator Kriging	Multiple Indicator Kriging
Wire frames		Hard boundaries at 0.3g/t cut off grade	Hard boundaries at 0.3g/t cut off grade
Parent Block size		25mN x 6.25mE x 5mxRL	25mN x 4mE x 5mxRL
Sub Block Size		2.5mN x 1.25mE x 2.5mRL	2.5mN x 1mE x 1mRL
Selective Mining Unit (SMU)		6mN x 4mE x 2.5mRL	6mN x 3mE x 2.5mRL
Search Ellipse	Pass 1	50m x 25m x 10m	50m x 50m x 4m
	Pass 2	75m x 37.5m x 15m	75m x 75m x 8m
	Pass 3	120m x 80m x 40m	120m x 120m x 16m
Minimum Number of Composites	Pass 1	16	16
	Pass 2	12	12
	Pass 3	6	6



Midas and RSG Global believe that the key to optimising the overall grade tonnage characteristics of the Fortitude Gold Deposit is mining selectivity (target mining block size). Estimation parameters utilised for the current model represent the optimum of what may be practically achievable from the point of view of mining selectivity.

This assumed improvement in mining selectivity is the principal reason for the increase in the total contained metal above the 1g/t Au lower cut off in the current model. Parameters were chosen to replicate a more selective model and include a smaller parent block size in the E – W direction (4m opposed to 6.25m), a shorter distance for the minor direction of the search ellipse for all estimation passes, the use of one metre composites as opposed to three metre composites and a smaller overall selective mining unit. The smaller block size and narrow selective mining unit are more consistent with the geology of the deposit and allow a better mining selectivity on a scale consistent with the narrow geological structures observed at Fortitude. It is noted that the current drill spacing is insufficient to accurately model the individual mineralised structures.

Open pit optimization work is being carried out by RSG Global using the updated resource estimate and the latest mining and treatment costs and a report is pending.

While the increase in the +1g/t resource estimate is encouraging, the rise in mine-related capital and operating costs over the past twelve months coupled with the recent adverse change in the US\$/A\$ exchange rate means that there is no certainty that the pit optimisation work will yield a satisfactory commercial outcome.

ABOUT MIDAS

Midas Resources is a Perth based resource exploration company with gold projects in Western Australia (Lake Carey-Fortitude), Queensland and China. The Company is moving the Fortitude gold project to full feasibility in 2007 and testing a range of other high quality gold and base metal targets at Lake Carey and at Connors Range QLD. The Company also has a cooperative joint venture in China's Sichuan Province where tenements are in the application stage.

For and on behalf of the Board of Midas Resources Limited,

G D Balfe
Managing Director



The information within this report as it relates to exploration results and geology was compiled by Mr. Paul Dunbar who is a member of the Australian Institute of Mining and Metallurgy. Mr. Dunbar is a full time employee of the Company. Mr. Dunbar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Dunbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information within this report as it relates to mineral resources was compiled by Mr. Brian Wolfe who is a member of the Australian Institute of Mining and Metallurgy. Mr. Wolfe is resource consultant with RSG Global. Mr. Wolfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Wolfe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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