



25 January 2008

AUSTRALIAN STOCK EXCHANGE LIMITED

Dear Sirs

SECOND QUARTER ACTIVITIES STATEMENT

HIGHLIGHTS

- The Company completed diamond drill testing of the Bindah gold prospect at Lake Carey in October 2007 intersecting low grade gold mineralisation within the Bindah Shear Zone.
- Plans for follow-up Aircore drilling at the Intrepid anomaly at Lake Carey were revised and the drill program has been increased to 6,500m to more effectively test the overall Intrepid anomaly including the previously reported 7m @ 2.37g/t Au in INAC043.
- Follow-up rock chip sampling over the main molybdenum-in-soil anomaly was completed at the Waitara porphyry copper-molybdenum prospect in Queensland with highly anomalous rock chip results up to 315ppm Mo coinciding with the centre of the anomaly. Drill testing of this target is planned for the June Quarter 2008.
- A material event subsequent to the Quarter was the execution of a Memorandum of Understanding between Midas and major Chinese gold and non ferrous metals company Zijin Mining Group Co Ltd for a Joint Venture on the Da Hong Shan porphyry copper project in Western China.

OPERATIONS

Lake Carey Gold Project (100% Midas)
Fortitude (E39/348)

Background

Midas (the "Company") has a potentially open pitable gold Resource at Fortitude and the Company is aggressively continuing with the exploration of other gold prospects at Lake Carey with the objective of building the Resource base to a level that will justify a stand-alone mining and treatment operation. Trucking of ore to existing treatment facilities in the region is an alternative and opportunities for toll treatment are under review. The Lake Carey Gold Project lies 70km south of Laverton within the Laverton Tectonic Zone (LTZ), a highly prospective structural corridor which hosts several world class gold deposits including Sunrise Dam (8 Moz Au), Wallaby (7 Moz Au) and Granny Smith (1.8 Moz Au). The Company has a significant tenement holding in the Lake Carey area and is exploring a range of early and advanced stage gold targets.

Resource Estimation and Pit Optimisation Study

The wire frame model at various gold cut-off grades is being updated by SRK Consulting using “Leapfrog” software. This is a precursor to updating the Resource estimate and running a pit optimisation study at gold prices up to AUD\$1,000/oz. The Company is investigating options for trucking ore from Fortitude to existing treatment facilities in the region.

LAKE CAREY EXPLORATION

Bindah (M39/01, P39/3758, M39/286) Midas 100%

Diamond drill testing of the Bindah prospect was completed during the Quarter. Hole locations and results at a 1.0 g/t cut off grade are given below:

Bindah Diamond Drilling Collar Coordinates October 2007					
Hole Number	Northing	Easting	Dip	Azimuth	Depth
BNDH001	6754499	456593	-60	225	141.9
BNDH002	6754820	456570	-60	190	425.8
BNDH003	6754779	456267	-60	225	153.3
BNDH004	6754408	456751	-60	225	168.8
BNDH005	6754830	456320	-60	222	232.9

Bindah Diamond Drilling Gold Assay Results Received by 2/11/2007					
Hole Number	From	To	Width	Au g/t	Summary
BNDH001	117.56	118.58	1.02	5.41	Shear zone with thin quartz sulphide veins on contact between ultramafics and basalts, within the 5.85m wide highly altered Bindah shear zone
BNDH002	383.00	383.75	0.75	1.25	Bindah shear zone contact between mafic and ultramafics with quartz sulphide stringers and moderate alteration.

Samples taken from ½ NQ core analysed for Au by 25g fire assay / AAS determination at Genalysis Laboratory, Perth.

Although the drilling did not intersect the high-grade gold shoot below the Bindah open pit that had been intersected by the Reverse Cycle Percussion drilling earlier in 2007 the results do confirm that the Bindah structure remains a highly prospective target for gold exploration within the Lake Carey tenements.

Intrepid (E39/348)

The planned aircore drill program for Intrepid was reviewed and expanded to 6,500m in order to cover a larger area of the prospective target (fig 1). The revised program is scheduled to commence in mid February using the lake-capable aircore rig. The Intrepid anomaly includes both salt lake and adjacent land targets. The targets to be tested in this program are entirely located on the dry salt lake. The drilling targets the mineralisation intersected earlier in 2007 which included 7.0m @ 2.47 g/t Au in INAC043 plus other known structures and banded iron formation rocks in the area that are considered to be Sunrise Dam type analogues. The drilling is designed to test the potential for a large gold system in the area.

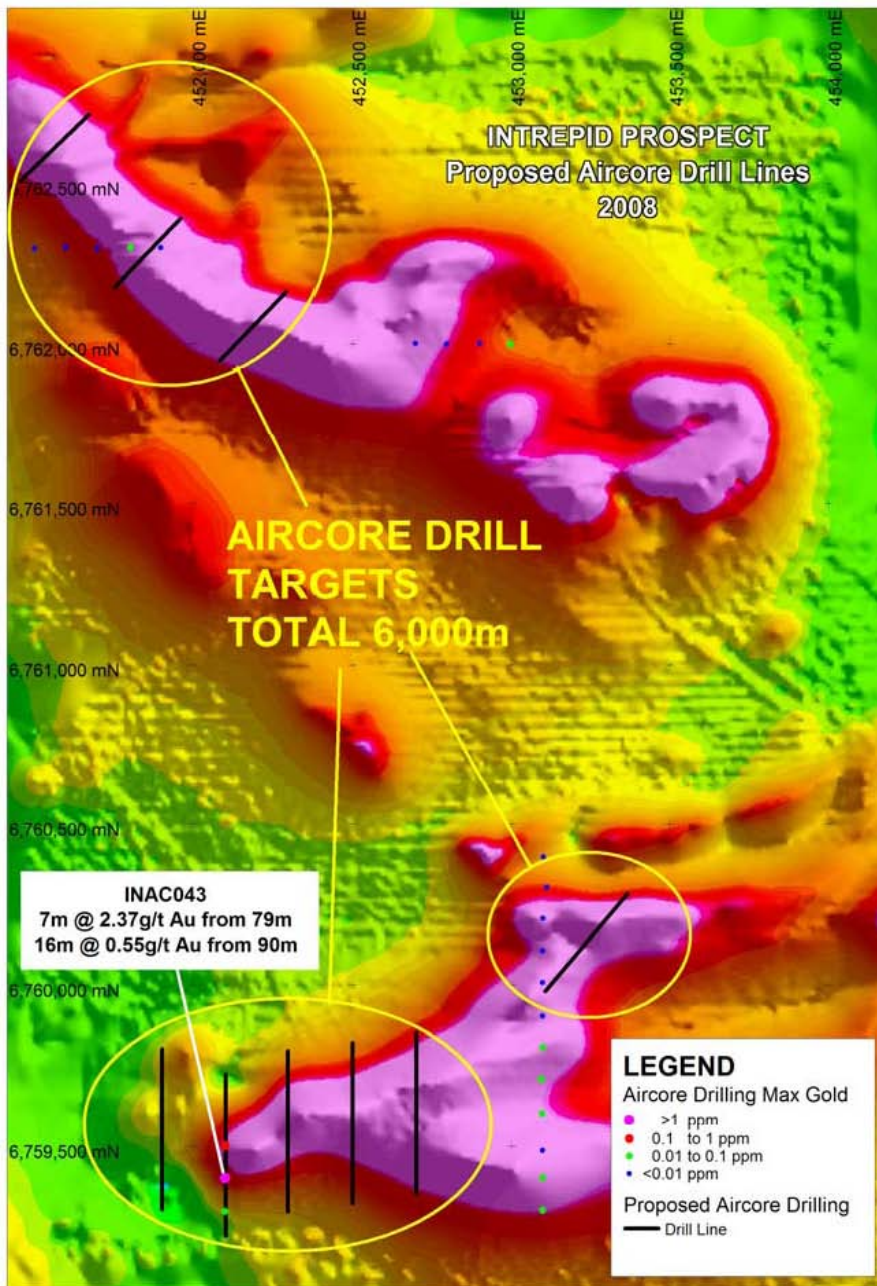


Fig 1 Intrepid Drill Targets

Other Lake Carey Exploration Targets

A review of gold exploration targets was completed for the Lake Carey tenements and a significant number of targets have been identified for prioritisation and drill testing later in 2008. One such target is a 6km strike extension of the Fortitude Shear, to the north of the Fortitude resource, which has had only minimal drill testing in the past due to access difficulties in sandy areas along the lake shore. The drill rig to be used at Intrepid is also suitable for this Fortitude North area.

Sunset Well P37/6898-P37/6907, P37/5551

The Board has determined that the Sunset Well tenements should be sold and discussions have been held with several parties concerning a sale of the property.

QUEENSLAND PROJECTS

Connors Range JV (Midas 51%) EPM11134 “Waitara” and EPM12361 “Waitara North”

The Connors Range Project is a joint venture with SmartTrans Holdings Limited and Australia Oriental Minerals NL concerning tenements located in the northern Lachlan-New England Fold Belt. Midas has a 51% registered title interest in the tenements and the Company has been increasing its economic interest in the joint venture while the other parties have been diluting their interest. The current (unaudited) participating interests in the joint venture are:

Midas Resources Limited 77.54%
SmartTrans Holdings Limited 13.19%
Australia Oriental Minerals Limited 9.27%

Waitara Porphyry Copper Molybdenum Prospect EPM 11134

Results were received for a rock chip sampling program carried out over the molybdenum (Mo) anomaly identified by the soil sampling announced last Quarter.

Waitara is a very large low grade mineralised porphyry copper-molybdenum system. However, drilling done by other companies in the 1970's did not specifically target the “core” of relatively higher grade Mo mineralisation identified by the recent Midas sampling. The Midas work is aimed at testing this central core of relatively high grade copper and molybdenum mineralisation.

The results of the 82 rock chip samples generally confirm the soil anomaly, with values up to 312ppm Mo. The Mo anomaly coincides with extensive quartz vein float and outcrop.

Digital topographic data has been purchased to facilitate planning of a diamond drill program to test the “core” of the Mo anomaly. At least three diamond drill holes averaging 400m deep are required to test the target. A drill rig is currently being sourced for a May drill program.

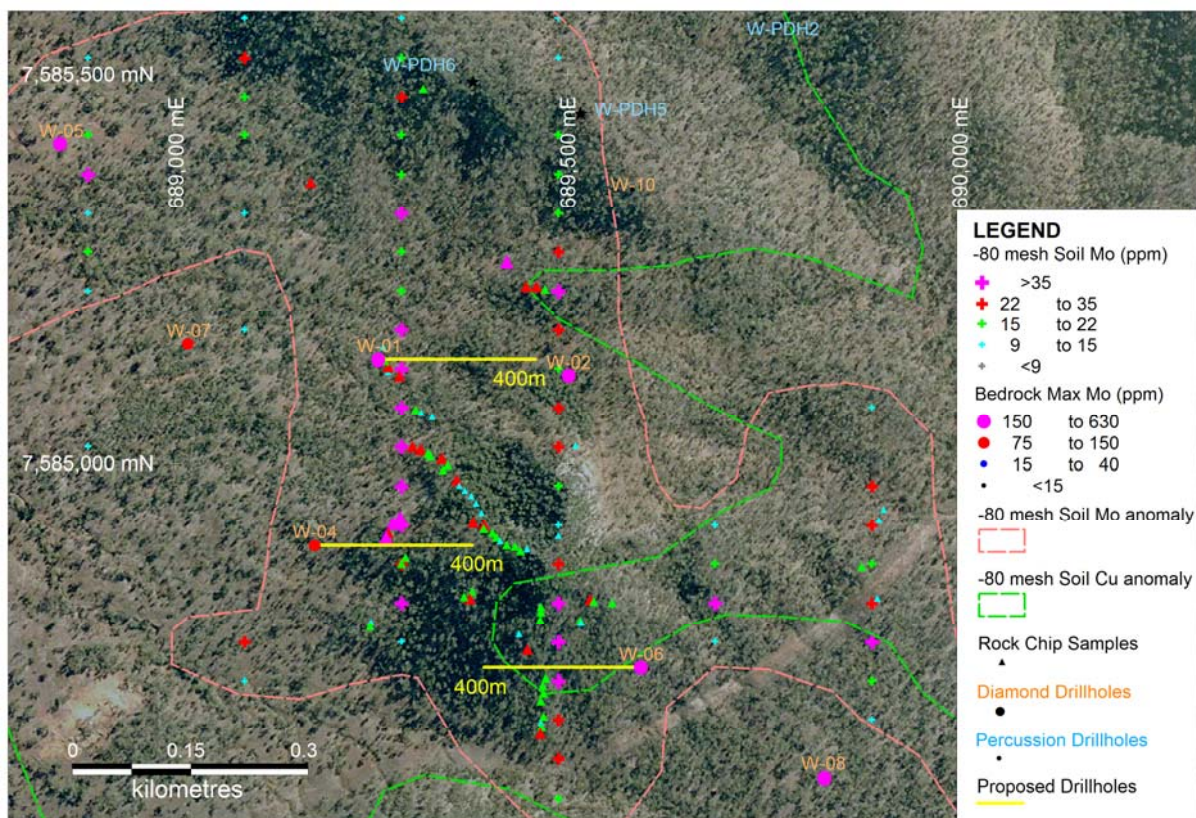


Fig 2 Waitara Molybdenum Anomaly and Planned Diamond Drill Holes

Ukalunda Project *EPM11935 UKALUNDA, EPM11088 SUNBEAM, ML/1028,ML/ 1065, ML/1066, ML/1074*

The tenements have been offered for sale and discussions with interested parties are continuing.

P.R. CHINA

Midas is exploring for gold and base metals in China. Midas has a corporate office in Shenzhen and a regional office near Chengdu in Sichuan Province. The Company is seeking advanced exploration and acquisition opportunities for nickel, copper and gold projects.

Shimian Joint Venture, Sichuan Province, P.R.China

MMCL has an incorporated joint venture with Geological Brigade 405 of Sichuan Province covering a 700km² area that is considered highly prospective for Au-Cu, Pb-Zn-Ag and Platinum Group Metals (PGM's). More than 30 known gold mines and prospects are recorded in the area. MMCL has a 60% interest and it is funding the first RMB1,008,000 of expenditure (approx. AUD\$180,000) after which exploration will be funded by the joint venture parties in proportion to their equity.

An application has been made for an Exploration Permit covering the high priority gold and base metal targets resulting from the Company's initial sampling.

MoU Signed with Zijin Mining Group Co Ltd on Copper Project in Tian Shan Belt

A material event subsequent to the December Quarter has been the signing of a Memorandum of Understanding (“MoU”) concerning a Joint Venture (JV) agreement with one of China’s largest resources companies, Zijin Mining Group Co Ltd (“Zijin”) (Hong Kong Stock Code: 2899), to explore the **Da Hong Shan** porphyry copper project in western China. This was reported to the Australian Stock Exchange on 24 January 2008.

The Da Hong Shan project, located within the **Tian Shan Belt** of Xinjiang province, comprises three contiguous exploration licences with a total area of 305.8 km².

The MoU between the two companies sets out in detail the joint venture relationship and the commercial terms under which Midas can earn up to a 70% interest in the project, subject to a Zijin Buy-back right. This agreement becomes binding once Midas completes due diligence on the project, and within five days of completion of due diligence gives notice to Zijin of its intent to formalise the JV agreement and Zijin then elects to cooperate with Midas.

The Company’s due diligence is already well advanced, and an initial work program of geophysics, geochemical sampling and drilling for 2008 is being prepared. More technical information will be released by the Company upon completion of due diligence.

Yours faithfully

MIDAS RESOURCES LIMITED



GEOFF BALFE
Managing Director/CEO

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 Australasian 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.
