

Midas exercises option to acquire Newington Lithium-Gold Project, WA

Highlights

- Midas has exercised its Option to acquire the Newington Lithium-Gold Project after successful due diligence
- The project is located on the northern extents of the Southern Cross Greenstone belt in WA, host of the World-class Mt Holland pegmatite lithium deposit being developed by the Wesfarmers-SQM Covalent JV
- Initial assay results¹ at Newington of up to 1.3% Li₂O from highly weathered pegmatites
- Mapping has commenced, with more than 200 pegmatite outcrops over 13km located to date
- Midas has commenced systematic auger geochemistry; about 10% of the 412 holes completed to date appear to have intercepted pegmatitic bedrock
- Assays are pending for 479 rock chip and auger samples
- Midas planning to commence drilling at Newington within the next two months

Midas Minerals Ltd (“Midas” or “the Company”) (ASX: MM1) is pleased to advise it has successfully completed due diligence and exercised its option to acquire the Newington Project in WA as part of the option agreement with DiscovEx Resources Limited (ASX: DCX) (“DCX”) announced on 4 April 2022.

Midas’ initial field reviews successfully confirmed that prior reported¹ anomalous lithium (Li), caesium (Cs), tin (Sn), and tantalum (Ta) geochemistry is related to pegmatites and highly fractionated granitoids in the Kawana and Mt Correll-Newfield areas. Midas identified more than 200 pegmatite outcrops so far, over approximately 13km strike.

During due diligence, results of 78 pegmatite and granitoid samples collected from the Kawana North area were analysed using a partial leach assay method. Sixteen (16) samples returned anomalous lithium assays. Four of the 16 anomalous lithium samples were subsequently analysed using a fusion analysis method to obtain a complete element analysis, returning highly anomalous Li, Cs, Sn, Ta and beryllium (Be) (refer Table: 1).

Lithium results of up to 1.3% Li₂O from the Kawana North prospect are very encouraging given the highly weathered nature of the LCT pegmatite (refer ASX 2 May 2022). The Kawana North LCT pegmatite forms part of a pegmatite swarm that extends for at least 8km strike along the Copperhead shear zone (Figure 3).

Midas’ Exploration Manager Mark Calderwood commented:

“Results obtained during the due diligence period confirm the existence of lithium-rich LCT pegmatites on the Newington project. In addition, the abundance of prior Li, Cs, Ta, Sn geochemical anomalies and the extent of pegmatite outcrops are highly encouraging and justifies a comprehensive exploration program to understand the distribution of the lithium bearing pegmatites.

“Systematic auger geochemistry and pegmatite mapping has commenced, and drill hole planning is well advanced with drilling expected to commence within two months.

A review of prior gold exploration is also underway with the aim of understanding the potential of areas of anomalous to significant mineralisation.”

¹ ASX announcement 4 April 2022, ‘Midas enters Option Agreement to expand Yilgarn footprint with gold and lithium prospects’ and ASX announcement 2 May 2022, ‘Midas Confirms Lithium Pegmatites at Newington Project’



Figure 1: Weathered pegmatite, sample ED0037 from Newington Project, WA

Table 1: Fusion analysis of four pegmatite samples (refer ASX 2 May 2022)

	BeO	Cs ₂ O	Li ₂ O	Li ₂ O	Nb ₂ O ₅	Rb ₂ O	SnO ₂	Ta ₂ O ₅
Sample	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm
ED0017	250	440	9,077	0.91	126	5,043	227	45
ED0026	22	629	13,123	1.31	92	5,964	156	62
ED0037	1,829	155	6,603	0.66	69	3,997	138	22
ED0038	672	140	4,470	0.45	51	2,869	105	17

Ongoing Exploration

Midas has commenced a large systematic auger geochemistry program with 412 samples submitted for analysis to date and initial results are expected in July 2022. The program is currently focused on the Kawana pegmatite corridor that extends for at least 8km. Numerous pegmatoids have been logged in auger holes. Prior scattered auger geochemistry over a portion of the corridor returned widespread anomalous to significant Li, Cs, Ta, Sn.

Auger geochemistry and mapping activities will continue and on approval of the Programme of Works, Midas will prepare initial pads for drilling, along a 7km portion of the Kawana pegmatite corridor.

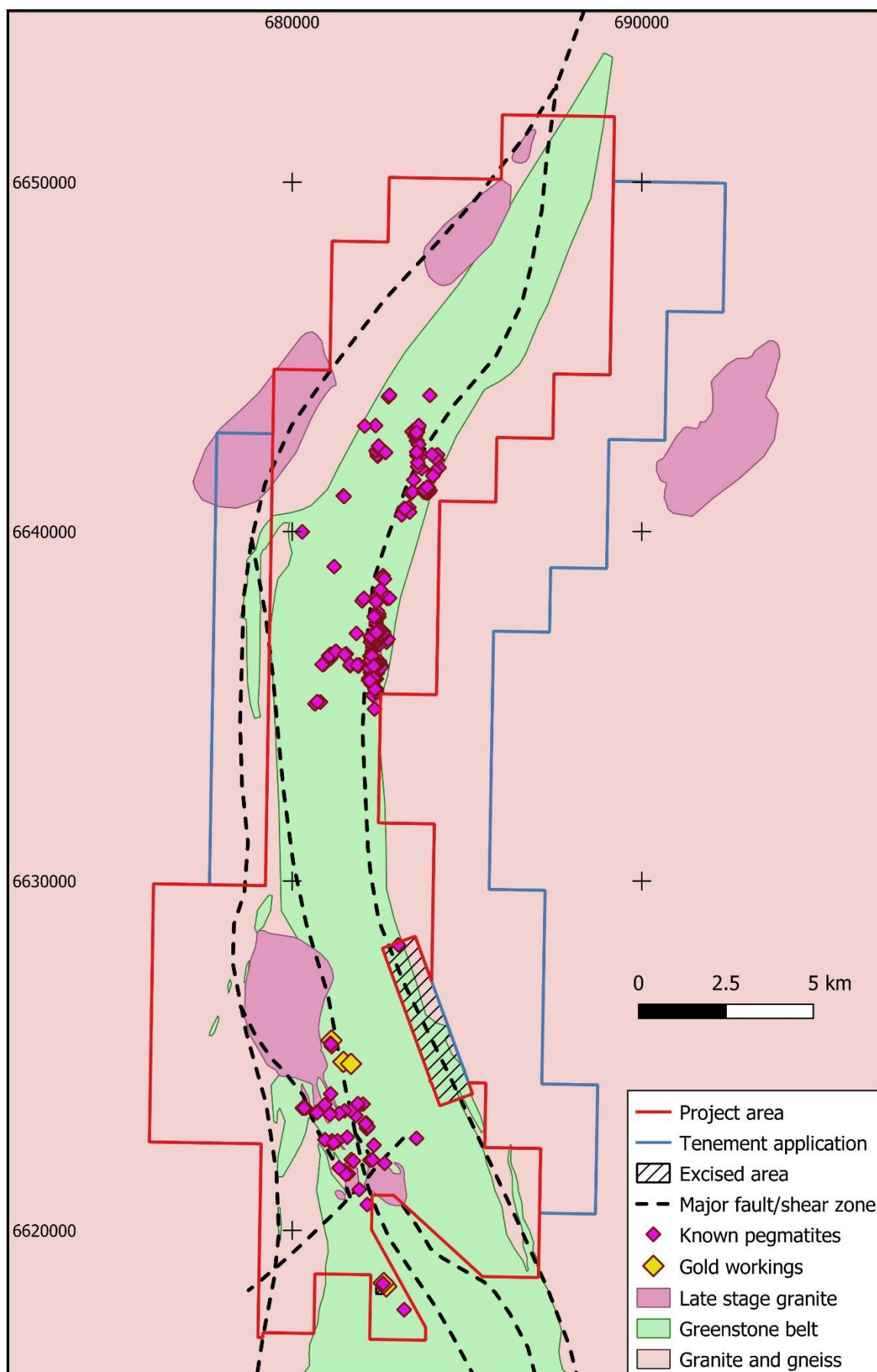


Figure 2: Newington Project.

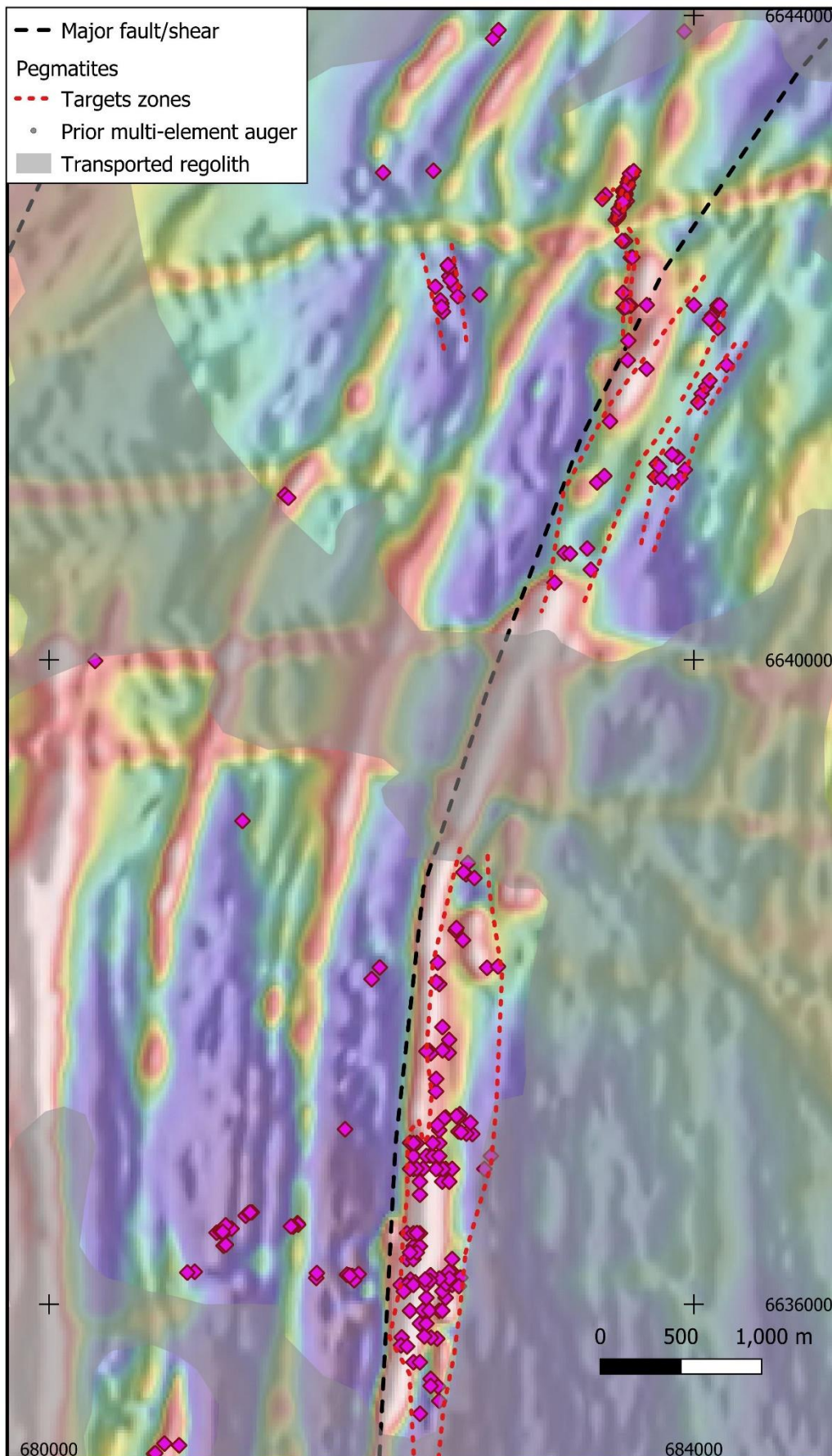


Figure 3: Kawana pegmatites over magnetic image.

This release was authorised by the Board of Midas Minerals Limited.

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About Midas

Midas Minerals is a junior mineral exploration company based in Western Australia, targeting the discovery of economic mineral deposits. Midas' primary focus is gold; however, our projects are also prospective for lithium, nickel, PGE and copper.

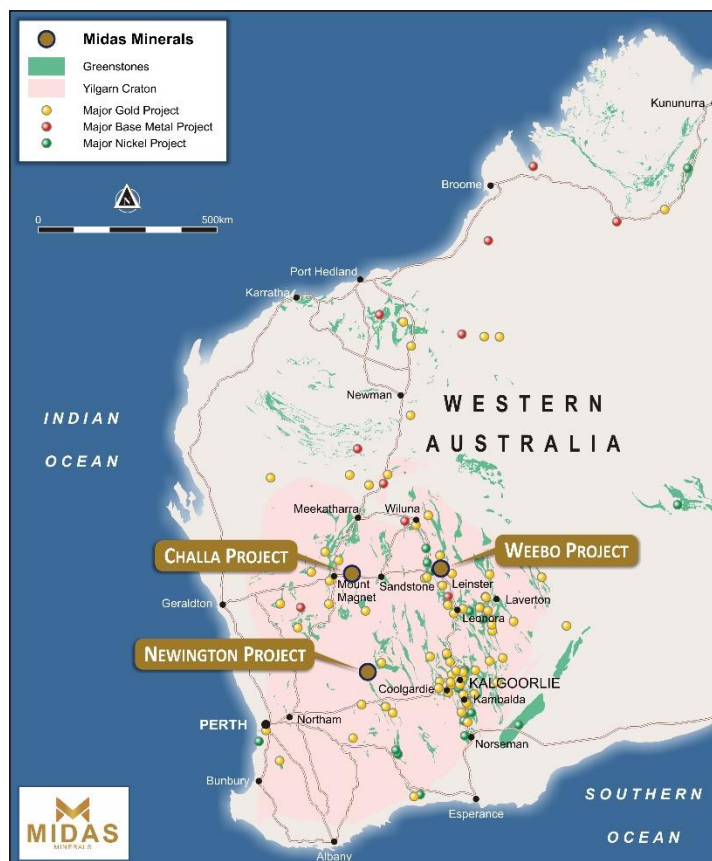


Figure 4: Project Locations

The Company has three projects located within the Yilgarn Craton of Western Australia:

Weebo (under an option agreement refer to prospectus ASX release 3 September 2021), 453km² - Tier 1 location within the Yandal greenstone belt between the Thunderbox and Bronzewing gold mines, prospective for gold and nickel. Significant gold drill intercepts and gold and nickel geochemical anomalies were recently reported. Drill results are pending.

Challa, 859km² - Located over part of the large Windimurra Intrusive Complex between Mt Magnet and Sandstone. Significant palladium-platinum, gold and base metal geochemical anomalies and VTEM conductors were recently identified. Definition of drill targets underway.

Newington, 311km² - Located at the north end of the Southern Cross and Westonia greenstone belts, prospective for lithium and gold.

Midas' Board and management have extensive experience in mineral discovery and a proven track record of significant gold discoveries and mine development.

Forward Looking Statement

Statements regarding Midas's plans, forecasts and projections with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Midas's plans for development of its mineral properties will proceed. There can be no assurance that Midas's will be able to confirm the presence of Mineral Resources or Ore Reserves, that any mineralisation will prove to be economic or that a mine will be successfully developed on any of Midas's mineral properties. The performance of Midas's may be influenced by a number of factors which are outside the control of the Company, its directors, staff or contractors.

Competent Person's Statement

The exploration information in this announcement is based on and fairly represents information and supporting documentation prepared by Mr Mark Calderwood, a consultant of the Company. Mr Calderwood is a Competent Person and is a member of the Australasian Institute of Mining and Metallurgy. Mr Calderwood has sufficient experience relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Calderwood consents to the inclusion in this announcement of the matters based on his information and supporting documents in the form and context in which it appears.

Mr Calderwood is a shareholder of the Company and the Company does not consider this to constitute an actual or potential conflict of interest to his role as Competent Person due to the overarching duties he owes to the Company. Mr Calderwood is not aware of any other relationship with Midas which could constitute a potential for a conflict of interest.

The information in this release that references previously reported exploration results is extracted from the Company's ASX market announcements released on the date noted in the body of the text where that reference appears, or above. The previous market announcements are available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

All maps, photographs and diagrams in this announcement are first published by the Company on the date of this announcement unless stated otherwise.

Appendix A: JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	Rock chip samples were collected from outcrop or subcrop exposures of pegmatites or pegmatitic granitoids
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	Not applicable for the program undertaken.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	Not applicable for the program undertaken.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography The total length and percentage of the relevant intersections logged. 	Pegmatites/pegmatoids have been logged in shallow auger sampling where cuttings contain coarse mica flakes or microcline. Such logging is qualitative in nature due to the depth of soil and weathering with hole depths ranging from 0.2m to 1.9m

Criteria	JORC Code Explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is • representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of • the material being sampled. 	No new sample results reported
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	No new assays reported
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	Not applicable for the first pass program undertaken.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	All locations have been presented in zone 50 GDA 1994 MGA. Sample locations were recorded with a handheld GPS accurate to +/- 3m.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<p>Rock chip sample spacing was random based on locations of outcrops.</p> <p>Auger sampling is undertaken on a 80m by 40m grid.</p>

Criteria	JORC Code Explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	Not applicable
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Not applicable for early-stage exploration
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	No audits or reviews of sampling techniques has been undertaken.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>Midas has an option to purchase DiscovEx Resources Limited rights to 12 tenements in total. 11 tenements form the Newington Main tenement area located 90km NNW of Southern Cross and 1 tenement the Newington West tenement, located 60km west of Southern Cross.</p> <p>The Newington Main project area comprises 11 tenements with varying ownership. These are detailed as follows:</p> <p>DiscovEx Resources Limited (100% owned) E77/2309*, E77/2602, E77/2604, E7/2605.</p> <p>*A 1.75% gross revenue royalty is payable (E77/2309 only) pursuant to a Royalty Deed between Gateway Projects WA Pty Ltd (ACN 161 934 649), Gateway Mining Limited (ACN 008 402 391) and Discovex Resources Limited (ACN 115 768 986) dated 31 March 2021; and</p> <p>E77/2309 is subject to an obligation pursuant to a tenement sale agreement between Gateway Projects WA Pty Ltd (ACN 161 934 649), Gateway Mining Limited (ACN 008 402 391) and Discovex Resources Limited (ACN 115 768 986) where Gateway Projects WA Pty Ltd (ACN 161 934 649) must be issued \$250,000 worth of shares in the "Buyer" (being, once assigned, Midas Minerals Limited (ACN 625 128 770) as the Assignee) within 10 Business Days of a maiden JORC compliant Mineral Resources being announced on E77/2309.</p> <p>Newfield Tenements (70% interest)</p> <p>The current registered holder of tenements M77/422 and M77/846 is Newfield Resources Limited. DiscovEx has a 70% beneficial interest in the Newfield tenements.</p> <p><u>Royalty on M77/422 and M77/846:</u></p> <p>(a) \$10 per ounce of gold and 2% Net Smelter Return of non-gold commodities payable to Carterton Holdings Pty Ltd pursuant to a royalty deed dated 7 November 2001 (as assigned); and</p> <p>(b) 2% Net Smelter Return of gold payable to Anthony John Woodhill (16.67%), Anthony William Kiernan (16.67%), Archaeon Exploration Services Pty Ltd (16.65%), Woodline Pty Ltd (16.67%), Plato Prospecting Pty Ltd (16.67%) and Geoda Pty Ltd (16.67%) pursuant to an option agreement dated 22 November 2011 (as assigned).</p> <p>Fleet Street Tenements (51% interest with a right to earn up to an 80%)</p> <p>The current registered holders of tenement E77/2200 are Fleet Street Pty Ltd and Bildex Holdings Pty Ltd. The current registered holder of tenements P77/4397, E77/2326, E77/2558 and E77/2263 is Fleet Street Holdings Pty Ltd. Except for E77/2263, these tenements are subject to a Farm-in Agreement dated 23 September 2019 between Syndicated Metals Limited, Fleet Street Holdings Pty Ltd and Bildex Holdings Pty Ltd which contemplates the forming of a Joint Venture, and, following a Decision to Mine being made, Fleet Street</p>

Criteria	JORC Code Explanation	Commentary
		<p>may elect (among other options) to convert to a Royalty, the rate of which varies depending on the extent of the participating interest at the time of election. These tenements are currently subject to a Farm-in agreement signed with Discovex Resources Limited. DiscovEx Resources has a 51% beneficial interest with the right to earn up to 80% in the tenements, following which one or more of the vendors can elect to contribute to development costs or convert their interest into a gold royalty up to 1.5% (dependant on total holdings) and a non-gold commodity royalty up to 2% (dependant on total holding).</p> <p>DiscovEx Resources Limited (100% owned) Newington West tenement E77/2770 and is located on freehold private land.</p> <p>The Newington Project is located on Kawana and Mt Jackson pastoral leases. The project area is with the registered Marlinyu Ghoorlie native title area WC2017/007</p> <p>There are no wilderness areas, national park or environmental impediments (other than usual environmental and rehabilitation conditions on which the granted tenements have been granted) over the outlined current areas. There are no current impediments to obtaining a license to operate in the project area.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>This report refers to prior exploration results. For relevant prior exploration results refer ASX announcements 'Midas enters Option Agreement to expand Yilgarn footprint with gold and lithium prospects' 4 April 2022 and 'Midas Confirms Lithium Pegmatites at Newington Project' 2 May 2022</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>Known gold deposits are within steeply dipping N-W or E-W striking quartz vein hosted deposits within amphibolite altered mafic rocks. Mineralisation varies from approximately 1-5m true thickness within an alteration zone generally considered to be typical of vein style gold mineralisation.</p> <p>Numerous unclassified pegmatites have been mapped or intercepted in gold and nickel exploration. The pegmatites are associated with late-stage granite intrusions which post date gold mineralisation. Pegmatites of the Lithium Caesium and tantalum (LCT) classification have been confirmed on the project.</p> <p>Auger geochemistry also indicates metasomatic W, Mo, Bi, Au mineralisation close to the Mt Carroll granitoid</p>
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar 	<p>No new drilling activities are being reported.</p>

Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. ● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	<ul style="list-style-type: none"> ● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. ● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ● The assumptions used for any reporting of metal equivalent values should be clearly stated. 	Not applicable for the survey undertaken.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> ● These relationships are particularly important in the reporting of Exploration Results. ● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported ● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	No drilling activities are being reported.
Diagrams	<ul style="list-style-type: none"> ● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Figures 2 and 3 show locations of known pegmatites.
Balanced reporting	<ul style="list-style-type: none"> ● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	No new assay results reported, references included for prior results.
Other substantive exploration data	<ul style="list-style-type: none"> ● Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock 	<p>All relevant and material exploration data for the target areas discussed, has been reported or referenced.</p> <p>All relevant diagrams have been incorporated in this report.</p>

Criteria	JORC Code Explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	Further exploration is warranted across the tenements to improve the understanding of the mineralisation.