ASX Announcement (ASX: MDS)

MIDAS RESOURCES LIMITED

Date: December 17 2013

Copper Discovery at Overlander

Midas Resources Limited ("Midas" or "the Company") **(ASX:MDS)** wishes to announce significant new copper intersections at the Overlander North Prospect within its 100%-owned Mount Isa Project in Northwest Queensland.

Assay results have been received from the first two holes of the current reverse circulation (RC) drilling programme and include:

- **14 metres at 2.62% Cu**, 0.12 g/t Au and 575 ppm Co from 76 metres including **6m at 3.73% Cu**, 0.13 g/t Au and 262 ppm Co from 80 metres in hole OVRC002 and
- **10 metres at 1.45% Cu**, 0.11 g/t Au and 473 ppm Co from 63 metres in hole OVRC001,
- Red-rock alteration typical of IOCG systems intersected in the base of some current drill holes, with large coincidence magnetic anomoly and gossanous material at surface yet to be tested.

Figure1: RC drill chip sample from OVRC002 at 82 to 83m.

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Drilling is continuing at Overlander North to determine the extent of the mineralised zone.

The Overlander Prospect is located 6 kilometres west of Midas's Kalman Copper-Gold-Molybdenum-Rhenium Deposit and is interpreted to form part of a mineralised structural zone extending northwards for six kilometres from the known Andy's Hill iron oxide copper-gold (IOCG) prospect in the south, through the Overlander South prospect to Overlander North.

Executive Director Alex Hewlett commented on the discovery, "Midas is encouraged by the initial drilling results from the first prospect drilled as part of the current drilling program. Overlander North is shaping up as holding potential for open pittable mineralisation as well as potential for larger deposits of the IOCG type."

As well as the mineralised zone currently being drill tested the Overlander North prospect is also characterised by a strong magnetic feature located immediately to the west that is similar in size to the Andy's Hill anomaly.

Strong red-rock alteration typical of these IOCG systems has been intersected in the base of some of Midas's current drill holes which suggests that this magnetic anomaly may also represent an IOCG system of which the Ernest Henry copper-gold deposit is a local example.

The Overlander North magnetic feature has not previously been drill tested and the strongly copper and cobalt anomalous magnetic and gossanous material present at surface in this area is considered extremely encouraging. Initial drill holes into this target are now underway as part of this current programme as well as a subsequent follow up programme early in 2014.

The current drilling program is expected to finish in late December and restart following the wet season. Further assay results are expected early in the New Year.

- ENDS -

Alex Hewlett | Executive Director

Competent Person Statement

The information in this release that relates to Exploration Results is based on information compiled by Mr Russell Davis, a Member of the Australasian Institute of Mining and Metallurgy. Mr Davis is a director of Hammer Metals Limited, a subsidiary of Midas Resources Limited. Mr Davis has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking 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.' Mr Davis consents to the inclusion in this release of the matters based on his information and information presented to him in the form and context in which it appears.

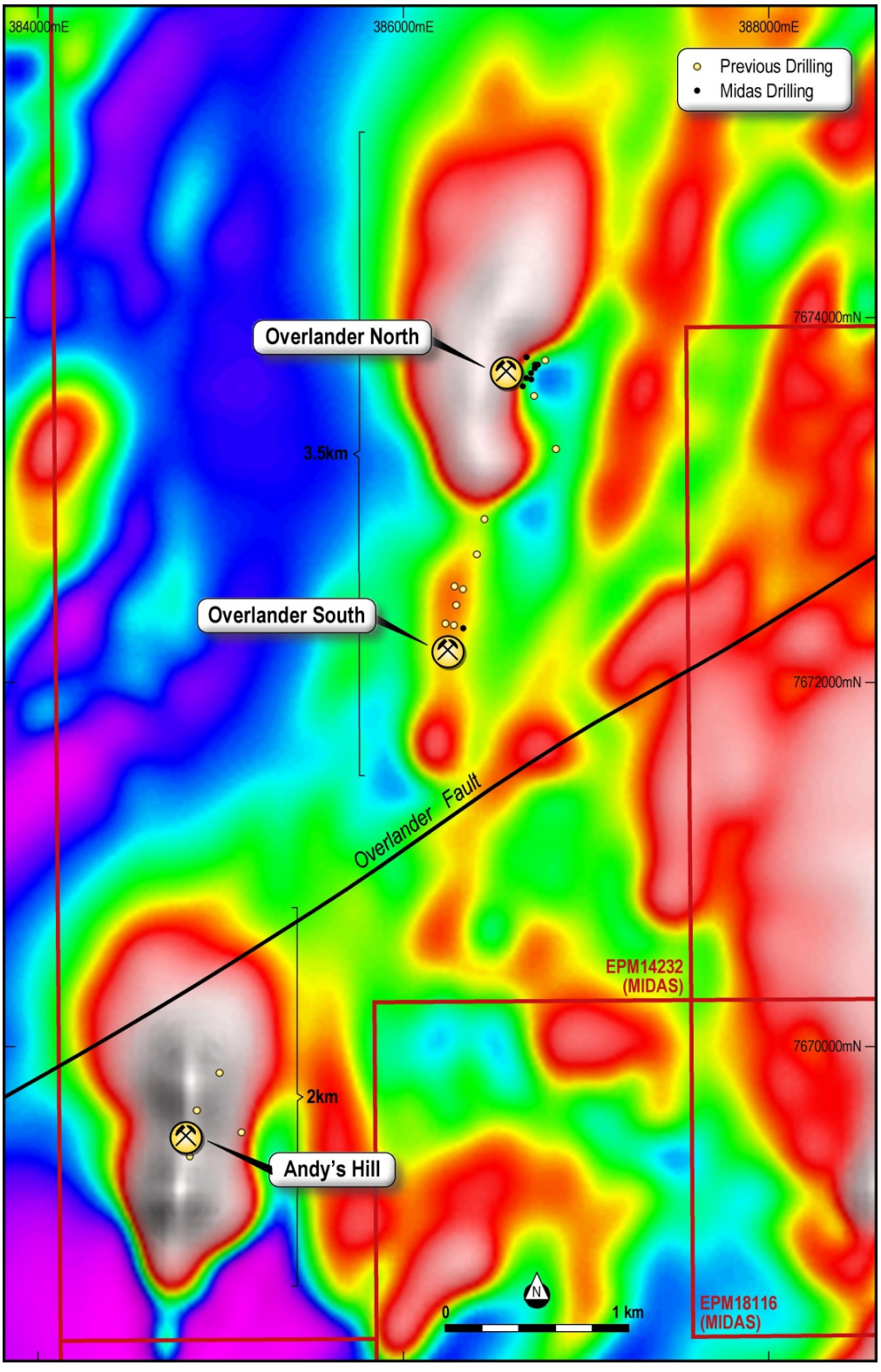

Figure 2: Andy's Hill – Overlander Magnetics

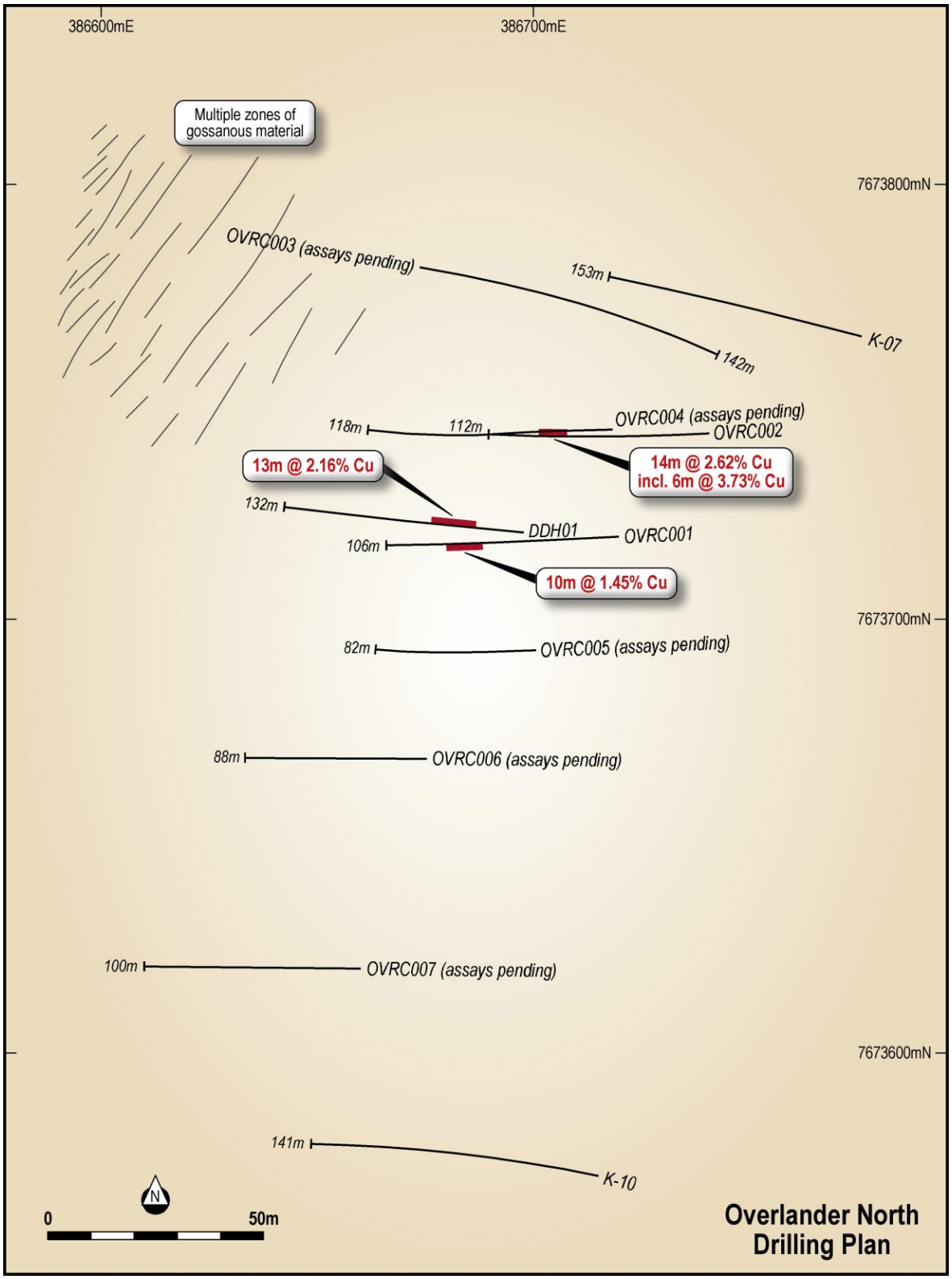

Figure 3: Overlander North Drill Plan

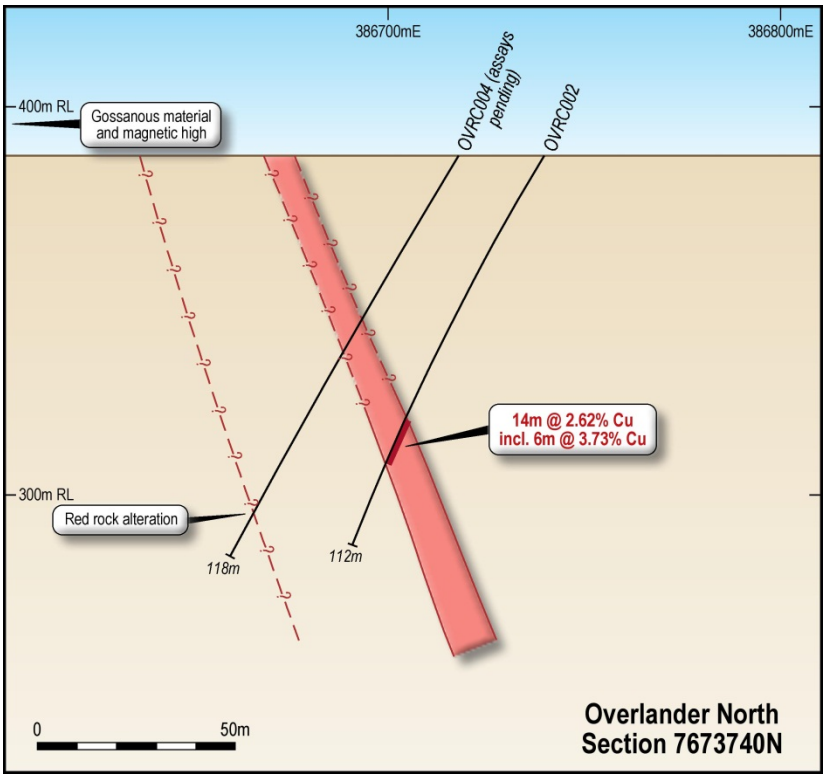

Figure 4: Section 7673740N

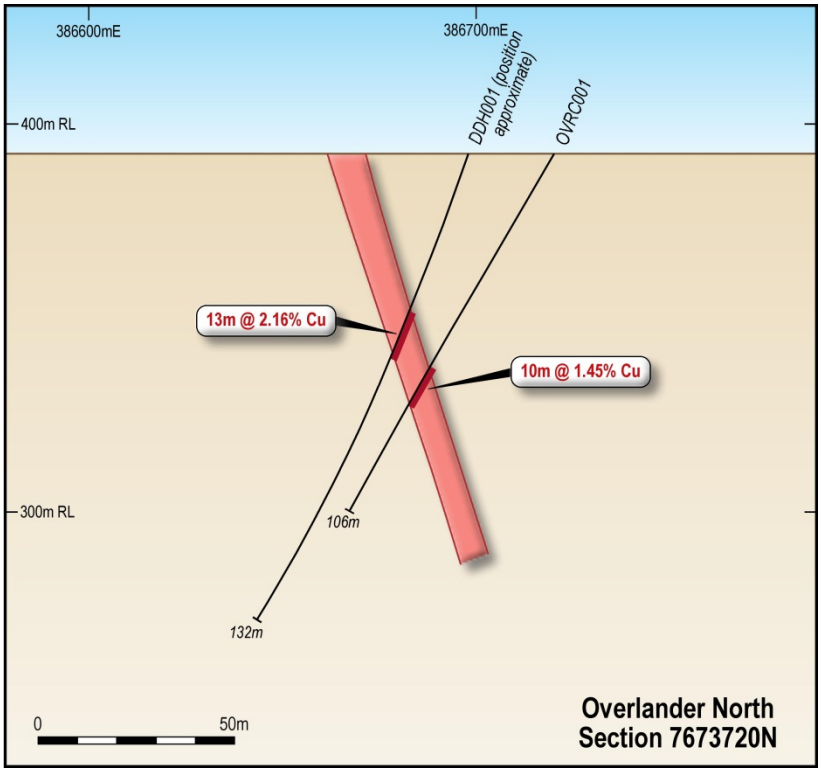

Figure 5: Overlander North Section 7673720N

HOLEID	MAXDEPTH	EAST	NORTH	RL	GRIDID	DIP	AZIMUTH	From	To	ME-ICP61	ME-ICP61	Cu-OG62	Au-AA21	Au-TL43	ME-ICP43	ME-ICP43
	(m)			(m)			mag	(m)	(m)	Co	Cu	Cu	Au	Au	Co	Cu
										ppm	ppm	%	ppm	ppm	ppm	ppm
										1	1	0.001	0.002	0.001	1	1
OVRC001	106	386719	7673719	390	MGA94Z54	-60	262	0	4					0.005	31	363
								4	8					0.002	22	167
								8	12					0.003	30	322
								12	16					0.003	35	290
								16	20					0.004	64	665
								20	24					0.015	141	3950
								24	28					0.008	83	780
								28	32					0.007	54	1025
								32	36					0.014	86	1830
								36	40					0.005	57	728
								40	44					0.004	46	659
								44	48					0.003	39	606
								48	52					0.004	75	1195
								52	56					0.011	77	1550
								56	60					0.006	94	1490
								60	61	91	1810		0.012			
								61	62	61	1025		0.005			
								62	63	113	3960		0.009			
								63	64	258	>10000	1.22	0.068			
								64	65	192	>10000	1.61	0.134			
								65	66	459	>10000	1.52	0.065			
								66	67	279	>10000	2.91	0.483			
								67	68	692	>10000	1.38	0.085			
								68	69	334	>10000	1.575	0.109			
								69	70	210	7530		0.03			
								70	71	1405	8970		0.036			
								71	72	647	>10000	1.395	0.045			
								72	73	256	>10000	1.25	0.027			
								73	74	129	2440		0.006			
								74	75	27	280		<0.002			
								75	76	18	156		0.002			
								76	80					0.002	38	134
								80	84					0.012	71	972
								84	88					0.004	53	121
								88	92					0.003	47	75
								92	96					0.003	63	19
								96	100					0.015	78	549
								100	104					0.005	100	574
								104	106					0.005	107	888
OVRC002	112	386740	7673743	390	MGA94Z54	-60	263	0	4					0.105	60	958
								4	8					0.003	35	401
								8	12					0.003	34	231
								12	16					0.005	65	712
								16	20					0.003	17	244
								20	24					0.002	28	322
								24	28					0.002	30	367
								28	32					0.004	38	686
								32	36					0.011	74	1140
								36	40					0.002	23	238
								40	44					0.005	36	480
								44	48					0.002	34	348
								48	52					0.002	28	211
								52	56					0.009	70	1785
								56	60					0.002	27	231
								60	61	58	423		0.002			
								61	62	66	704		0.004			
								62	63	93	3070		0.012			
								63	64	219	9790		0.047			
								64	65	131	7360		0.034			
								65	66	115	6250		0.022			
								66	67	126	8320		0.027			
								67	68	117	5190		0.024			
								68	69	119	3250		0.012			
								69	70	80	577		0.002			
								70	71	68	466		0.003			
								71	72	102	565		0.002			
								72	73	78	786		0.003			
								73	74	49	1115		0.006			
								74	75	26	439		0.003			
								75	76	112	1355		0.016			
								76	77	331	5210		0.025			
								77	78	721	>10000	2.31	0.07			
								78	79	403	>10000	2.8	0.16			
								79	80	610	>10000	1.805	0.167			
								80	81	720	>10000	2.63	0.104			
								81	82	496	>10000	3.33	0.09			
								82	83	524	>10000	5.51	0.111			
								83	84	1185	>10000	4.73	0.08			
								84	85	1390	>10000	2.23	0.081			
								85	86	582	>10000	3.59	0.391			
								86	87	227	>10000	2.96	0.145			
								87	88	321	>10000	2.49	0.118			
								88	89	256	>10000	1.155	0.045			
								89	90	288	6960		0.031			
								90	91	151	2690		0.016			
								91	92	88	1030		0.011			
								92	96					0.006	116	1130
								96	100					0.008	131	299
								100	104					0.008	95	91
								104	108					0.006	116	23
								108	112					0.007	87	13

Table 1: Overlander North Drill Hole Details

JORC Code, 2012 Edition

Table 1 report – Overlander North Drilling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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 representivity 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• The sampling has been carried out using a reverse circulation (RC) drilling rig to obtain individually riffle split 1m samples weighing approximately 3kg. One metre samples over interpreted mineralised intervals were selected for assay. Remaining intervals were sampled as 4 metre composites, obtained by spearing the 1 metre drill spoil. • Samples submitted for assay underwent a fine crush with 1kg riffled off for pulverising to minus 80 mesh. • The one metre samples in the interpreted mineralized zone were submitted for 4 acid digest followed by fire assay for gold and ICP analysis for a range of elements including copper, silver, cobalt and molybdenum. The composited 4 metre samples underwent aqua regia digest followed by AAS for gold and ICP for a range of elements including copper, silver, cobalt and molybdenum.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Reverse circulation.
Drill sample recovery	• *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*	• Recovery of samples were visually estimated and recorded in the logs. Average recovery of the samples was estimated to be in the range of 80-90%. Local variations in the near surface oxidized zone. • Holes were drilled dry using a booster and auxillary where necessary.

Criteria	JORC Code explanation	Commentary
	sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• No sample recovery bias was observed through mineralised zones.
Logging	• *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.*	• All drill chips were geologically logged in detail by Midas geologists recording lithology, mineralogy, alteration and mineralisation, weathering, color and any other features of the sample to a level of detail to support appropriate studies. • Small washed samples from each one metre interval were collected and stored in a chip tray • All holes were logged in full.
Sub-sampling techniques and sample preparation	• *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 diamond core drilling was done • All one metre samples were riffle split and bagged. The one metre samples interpreted to be (copper) mineralised were submitted to ALS Laboratories in Mt Isa for analysis. • The remaining samples were composited into four metre samples using a spear/scoop, rebagged and numbers and submitted to ALS Laboratories in Mt Isa for analysis • All samples were dry • Sample size is considered appropriate
Quality of assay data and laboratory tests	• *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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The mineralized one metre samples were analysed by ALS for a range of elements by ME-ICP61 after a 4-acid digest. Gold was analysed using Au-AA21. Cu values greater than 10000ppm were reanalysed by Cu-OG62. • The composite samples were analyzed by ALS for a range of elements by ME-ICP43 after an aqua regia digest. Gold was analysed by ALS using Au-TL43. • With respect to QA duplicates were inserted every 20 samples and suitable base metal Standards were inserted every 20 samples.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data*	• Significant results were checked by alternative company personnel • No holes have been twinned • All field logging is done by hand and entered into the company database

Criteria	JORC Code explanation	Commentary
	entry procedures, data verification, data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	• Assay files are received electronically from the laboratory.
Location of data points	• *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.*	• Drill hole collars were measured using a hand-held GPS unit with an estimated positional accuracy of approximately 5 metres. • Grid used is MGA 94_Zone 54 • RL's for the drill hole collars are measured with the hand-held GPS • Hole positions will be re-surveyed with DGPS in due course.
Data spacing and distribution	• *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.*	• Samples collected every metre down hole. Current drilling on a nominal 40m x 20m pattern • Sample compositing using a spear/scoop was applied to less mineralized intervals.
Orientation of data in relation to geological structure	• *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.*	• Drill holes are orientated perpendicular to the interpreted strike of the mineralisation.
Sample security	• *The measures taken to ensure sample security.*	• Pre-numbered bags are used and transported by company personnel to the ALS Laboratory in Mount Isa. ALS transports samples to its laboratories in Townsville or Brisbane as required.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been undertaken at this stage

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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 Overlander prospect situated in EPM 14232, held 100% by Mt Dockerell Mining Pty Ltd which is a 100% owned subsidiary of Midas Resources Limited. • No royalties are applicable • The area is within the Kalkadoon claim area

Criteria	JORC Code explanation	Commentary
	• *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.*	• The tenement is in good standing with the Qld DME
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Some previous exploration in the 1970's by CEC (including one diamond drill hole) and in the 2005-2006 period by Kings Minerals Limited
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Proterozoic shear hosted copper-(gold-cobalt) mineralisation

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *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.*
		• See attached table

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• Interval grades are reported as down-hole length weighted averages of grades above 0.5% Cu. No internal dilution and no top cuts applied.
Relationship between mineralisation widths and intercept lengths	• *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*	• Holes are inclined at 60 from horizontal to intersect the interpreted steeply dipping (~70 degrees) mineralized structure • Estimated true width of reported intercepts is approximately 70% to 80% of the down hole width

Criteria	JORC Code explanation	Commentary
	hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The true width of mineralised intersections cannot be accurately determined until the drilling is completed and geological modelling undertaken.
Diagrams	• *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.*	• See attached figures
Balanced reporting	• *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.*	• Complete results for the first two holes (OVRC001 and OVRC002) have been received. Partial results received only for OVRC003. Results for the remaining 5 holes (OVRC003 to OVRC007) drilled up to 16/12/2013 at the prospect are expected in approximately 2 weeks.
Other substantive exploration data	• *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 characteristics; potential deleterious or contaminating substances.*	• Magnetic data reported on plan
Further work	• *The nature and scale of planned further work (eg 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.*	• Limited extensional drilling is planned as part of current program