



10 October, 2010

## **SHARE PURCHASE PLAN**

Midas Resources Limited (ASX: MDS, Midas or the Company) is pleased to announce a Share Purchase Plan (SPP), providing shareholders an opportunity to increase their holding in Midas as it advances a number of exciting opportunities in iron ore, gold and base metals.

Under the SPP, eligible shareholders will be able to purchase additional shares in Midas at 1.12 cents. This represents a 20% discount to the market price at close on the record date of 9 October and a 20% discount to the volume weighted average price of the past five trading days prior to announcement.

Shareholders are entitled to purchase up to \$15,000 worth of additional shares without incurring brokerage or other transaction costs. Eligible shareholders include those registered as at 5pm WST on 9 October 2012 with a registered addresses in either Australia or New Zealand.

The issue will be limited to 53,571,429 shares to raise a total of \$600,000.

Funds raised from the SPP will principally be used to advance drilling at the Paterson Project and to extend geophysical surveys in the Paterson tenements, and to provide additional working capital.

Midas is also continuing to explore various development options for our Fortitude gold project and continues to explore selected exploration targets in the Lake Carey tenements.

### **BACKGROUND TO THE OFFER**

The SPP funds will principally be directed towards exploration in the Paterson Province as follows and for general working capital:

1. The Company has established a significant tenement holding in the Paterson Province with three granted Exploration Licences totaling 795km<sup>2</sup> in area and a total tenement area of 1,343km<sup>2</sup> including current applications. Helicopter geophysical surveys (VTEM) were carried out in selected areas early in 2012 and prospective targets have been identified. SPP funds will enable the extension of VTEM surveys into other prospective tenements during Q4 2012 so that new targets will be ready for drilling in 2013.
2. Diamond drilling has already commenced on a VTEM target in E45/3468 and, depending on results, the SPP funds will enable follow-up drilling on this

target plus the drill testing of other targets, including a high priority IOCG target in E45/3768. More information about the targets to be tested is contained in the Information Booklet to be distributed with the SPP Offer.

### Share Purchase Plan (SPP) details and timetable

New shares under the SPP will be offered at 1.12 cents which is a discount to the volume weighted average price of shares traded over the previous 5 days prior to this announcement of 20% and to the market price at close on the record date of 20%.

The issue will be limited to 53,571,429 shares to raise a total of \$600,000. However, should demand exceed this amount, the Directors of the Company may consider increasing the number of shares to be issued. The maximum number permitted by the ASX Listing Rules is 30% of the pre offer issued capital (ASX listing rule 7.2)

#### INDICATIVE TIMETABLE

DATE	EVENT	DESCRIPTION
9 October 2012	Record Date	Eligible shareholders determined
10 October 2012	Announcement Date	Share Purchase Plan announced
11 October 2012	Opening Date	SPP Opens
26 October 2012	Closing Date	SPP Closes
2 November 2012	Issue Date	Shares Issued under SPP
2 November 2012	Despatch Date	Despatch date for holding statements
5 November 2012	Quotation Commences	Shares issued under SPP expected to commence quotation on ASX

*This timetable is only indicative and the Directors reserve the right to vary any of the key dates above, including the Issue Date and Closing Date, without further notice.*

Details on this offer and how to proceed are enclosed in the accompanying Offer Booklet. To apply for a parcel of shares, shareholders should read all of the offer documents carefully and follow the instructions on the personalised application form. Shareholders may also wish to discuss this investment with their financial advisor.

The application form should be completed and returned with payment before 26 October 2012. **There is provision for shareholders to make a BPay payment and in this instance the application form does not need to be returned.**

Yours sincerely,



**Geoff Balfe**  
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources and Geology is based on information compiled by Mr Geoff Balfe, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of the Company. Mr Balfe 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 Balfe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

### **Shareholder Information**

Principal Office  
Level One  
282 Rokeby Road  
Subiaco WA6008

Capital Structure	
Ordinary Shares (MDS):	498.4 million
Listed Options 3c (MDSOC):	48.0 million
Unlisted Options:	2.7 million

Web: [www.midasresources.com.au](http://www.midasresources.com.au)  
Tel: 61 8 9388 2211  
Fax: 61 8 9388 2600

### **Media and Investor queries:**

Warrick Hazeldine/Ryan McKinlay  
Purple Communications  
+61 8 6314 6300

**MIDAS RESOURCES LIMITED**  
**ABN 87 095 092 158**

**SHARE PURCHASE PLAN**  
**OFFER BOOKLET**

Eligible Shareholders may apply for Shares from a minimum value of \$1,000 up to a maximum of \$15,000 of at a 20% discount to the closing market price before the announcement of the Offer

**OFFER CLOSES 5pm WST ON 26 OCTOBER 2012**

This is an important document.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision on whether or not to accept the Offer, you should consult your financial or other professional adviser.

If you have any questions in relation to the Offer or how to complete the Application Form, please call the Company's Share Registry, Advanced Share Registry Services on +61 8 9389 8033 or Mr Mark Pitts – Company Secretary on +61 8 9388 2211.

This document is not a prospectus or other disclosure document under the Corporations Act.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO US PERSONS**

## **Midas Resources Limited Share Purchase Plan Terms and Conditions**

Midas Resources Limited (**Midas** or **Company**) is pleased to provide Eligible Shareholders with the opportunity to participate in the Midas Share Purchase Plan (**SPP**) by subscribing for up to AUD\$15,000 of additional Shares at a subscription price of 1.12 cents per Share (**Offer**).

The terms and conditions of the SPP are set out below, and are binding on any Shareholder completing an Application Form attached to this Offer Booklet.

### **Eligibility**

The Offer is open to all Shareholders who are registered as holders of fully paid ordinary Shares in the Company at 5.00pm Western Standard Time on 9 October 2012 (**Record Date**) and whose registered address as recorded in the register is in Australia and New Zealand. The Board of Midas has determined that because of foreign securities laws it is not practical for holders of Shares with registered addresses outside of Australia or New Zealand to participate in the SPP.

#### (a) Individual Shareholders

If you are the only registered holder of a holding of Shares, but you receive more than one Offer under the Share Purchase Plan (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of new Shares with a value of up to \$15,000.

The Company reserves the right to reject any application for new Shares where it believes there has not been compliance with this rule.

#### (b) Joint Shareholders

If you are recorded with one or more other persons as the joint Shareholder of a holding of Shares, that joint Shareholding is considered to be a single registered Shareholding for the purpose of the SPP, and the joint Shareholders are entitled to participate in the SPP in respect of that single holding only. If the same joint Shareholders receive more than one offer under the SPP due to multiple registered holdings, the joint Shareholders may only apply for one parcel of new Shares with a value of up to \$15,000.

#### (c) Custodians

If you are a Custodian and hold Shares on behalf of one or more persons resident in Australia and New Zealand (each a **Participating Beneficiary**), you may be entitled to apply for up to \$15,000 worth of Shares for each Participating Beneficiary, subject to you providing a certificate to the Company containing the information prescribed by ASIC Class Order 09/425 as modified by ASIC Class Orders 10/105, 10/789 and 11/162 (**Custodian Certificate**).

If you are a Custodian and would like a Custodian Certificate or further information on how to apply, you should contact the Company's Share Registry, Advanced Share Registry Services on +61 8 9389 8033.

(d) Trustee or nominee

If you hold Shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for beneficiaries in the manner described in paragraph (b) unless the Company otherwise agrees. In this case, the rules for multiple single holdings set out in paragraph (a) apply.

(e) Directors and employees

Directors and employees of Midas who hold Shares may be Eligible Shareholders.

### **The Offer**

The SPP enables all Eligible Shareholders, irrespective of the size of their Shareholding, to purchase up to \$15,000 worth of ordinary fully paid Shares in the Company at a discount to market price, **with no associated costs of brokerage**. The SPP provides smaller Shareholders with the opportunity to increase their holdings into more meaningful and financially viable parcels of Shares.

Under the terms of ASIC Class Order 09/425 as modified by ASIC Class Orders 10/105, 10/789 and 11/162, Eligible Shareholders can only be issued with a maximum number of ordinary Shares equating to \$15,000 under the SPP in any 12 month period. Midas reserves the right to issue to an Eligible Shareholder less new Shares than the number specified in the Application Form for any reason whatsoever including the possible subscription for over \$15,000 worth of new Shares by a Shareholder through multiple applications or joint holdings.

The Offer to participate under the SPP to each Eligible Shareholder is made on the same terms and conditions. The Offer is non-renounceable and therefore you are not permitted to transfer your right to subscribe for Shares under the SPP. Participation in the SPP is entirely optional and is subject to the terms and conditions specified in this booklet and on the enclosed Application Form.

The requirements of ASX listing rule 7.1 are exempted provided the number of Shares to be issued under the SPP is limited to 30% of the issued capital in any 12 month period. The Directors have resolved that they will limit the number of Shares to be issued under this SPP to 53,571,429 Shares to raise a possible \$600,000. However, should demand exceed this amount, the Directors of the Company may consider increasing the number of Shares to be issued up to 30% of the pre-SPP issued capital in the Company.

### **Subscription Price**

The subscription price under this SPP will allow the purchase of new Shares, to a maximum of \$15,000 per Shareholder, at 1.12 cents which represents a 20% discount to the closing price of 1.40 cents on 9 October 2012 and a 20% discount to the volume weighted average price for the 5 trading days immediately preceding the announcement date of the SPP.

### **How much can be Invested**

Eligible Shareholders may apply for Shares from a minimum value of \$1,000 up to a maximum of \$15,000. Fractions of new Shares will be rounded down.

If you apply for less than \$1,000 of new Shares, the Company will not allot any new Shares to you and will refund your application monies.

## Rights attaching to Shares

The rights and obligations of new Shares to be issued under the SPP are contained in the constitution of the Company (which is available for inspection at the registered office of the Company during the period of the Offer). The Shares will be issued on the same terms and conditions as all other ordinary Shares in the Company and the Company will apply for the new Shares to be quoted on the ASX. If the new Shares are not quoted on the ASX, the new Shares will not be issued and all funds received will be refunded (without interest).

## How to Participate in this Offer

If you would like to apply for new Shares under the SPP, complete the accompanying Application Form in accordance with the instructions set out in that form.

***If you wish to pay by cheque*** - The completed Application Form must be accompanied by a cheque or bank draft made payable to "Midas Resources Limited – Share Purchase Plan" and crossed "Not Negotiable" for the appropriate application money in Australian dollars calculated at 1.12 cents per new Share applied for, and received by the Company at either of the following addresses by no later than 5.00pm Western Standard Time on 26 October 2012. The Company will present the cheque or bank draft on or around the day of receipt of the Application Form. If a cheque is not honoured upon its first presentation, the Directors reserve the right to reject the relevant Application Form.

If the amount of your cheque(s) or bank draft(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of new Shares you have applied for in your Application Form, you may be taken to have applied for such lower number of new Shares as your cleared application money will pay for (and to have specified that number of new Shares in your Application Form) or your application may be rejected.

Street Address:	Postal Address:
Advanced Share Registry Services 150 Stirling Highway Nedlands WA 6009	Advanced Share Registry Services PO Box 1156 Nedlands WA 6909

***Alternatively, if you are paying by Bpay*** – You do not need to return the application form, refer to your personalised instructions on your Application Form.

Participation in the SPP is entirely optional. If you are in any doubt about the Offer you should consult a professional advisor.

## Investment Risk

Investing in Shares in Midas Resources Limited should be considered a speculative investment, Shareholders should be aware that the market price of the Company's Shares can fluctuate, particularly in the case of the Company operating in the resources sector. Accordingly, the value of the new Shares applied for under the SPP may rise or fall.

Shareholders should note that the Offer is not made under a prospectus or other disclosure document for the purposes of, and does not require the type of disclosures required under, the *Corporations Act 2001*. Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX.

Midas recommends that you monitor its announcements and the Share price, which can be found on its website at [www.midasresources.com.au](http://www.midasresources.com.au) and on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX: MDS). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

You should consult your professional advisor when deciding whether or not to accept the Offer and participate in the SPP.

### **Scaling back applications**

In order to meet the requirements of the ASX Listing Rules and the ceiling which Directors have elected to place on the Offer, Midas intends to limit the total number of Shares issued under the SPP to 53,571,429 ordinary Shares. However, should demand exceed this amount, the Directors of the Company reserve the right to increase the number of Shares to be issued to up to 30% (149,517,698 Shares) of the pre-SPP issued Share capital of the Company. If, and to the extent to which, applications for Shares under the SPP exceed the limits in either event, Midas reserves the right to close the Offer earlier and to scale back applications on a pro rata basis. In the event that the applications exceed the 53,571,429 initially offered under the SPP, Midas further reserves the right, in its absolute discretion, to accept over subscriptions, up to the maximum 30% capacity allowed under the ASX Listing Rules.

If a scale back occurs, you may be allocated Shares to a value which is less than you applied for. Any determination by the Board in respect of any scaling back will be final. Any fraction of Shares will be rounded down.

If a scale back occurs Midas will refund any excess application money to you (without interest).

### **Timetable**

The indicative timetable for the Offer is as follows:

Record Date	9 October 2012
Announcement of the SPP	10 October 2012
Dispatch of Offer Documents	11 October 2012
SPP Offer Opening Date	11 October 2012
SPP Offer Closing Date	26 October 2012
Issue of Shares and Dispatch of Holding Statements	2 November 2012

*This is an indicative timetable and the Directors reserve the right to vary any of the dates shown above, subject to the ASX Listing Rules and the Corporations Act 2001.*

## Definitions

**Application Form** means the application form attached to or accompanying these terms and conditions.

**ASX Listing Rules** means the Listing Rules of the ASX.

**ASX** means ASX Limited (ABN 98 008 624 691).

**Closing Date** means 26 October 2012 or such other date as may be determined by the Directors.

**Company** or **Midas** means Midas Resources Limited (ABN 87 095 092 158).

**Custodian** means a person that:

- (a) holds an Australian financial services licence that:
  - (i) covers the provision of a custodial or depositary service; or
  - (ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order 02/294; or
- (b) is exempt under:
  - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations; or
  - (ii) paragraph 7.6.01(1)(na) of the Corporations Regulations; or
  - (iii) ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184; or
  - (iv) ASIC Class Orders 03/1099, 03/1100, 03/1101, 03/1102, 04/829 or 04/1313; or
  - (v) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (iv); or
  - (vi) paragraph 911A(2)(h) of the Corporations Act, from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service; or
- (c) is a trustee of a:
  - (i) self-managed superannuation fund; or
  - (ii) superannuation master trust; or
- (d) is the responsible entity of an IDPS-like scheme; or
- (e) is the registered holder of Shares or interests in the class or interests in the class and is noted on the register of members of the Company as holding the Shares or interests on account of another person.

**Director** means a director of the Company.

**Eligible Shareholder** means a Shareholder as at the Record Date other than a Non-Qualifying Foreign Shareholder.

**Non-Qualifying Foreign Shareholder** means a Shareholder whose registered address is not situated in Australia or New Zealand.

**Offer** means the offer of new Shares pursuant to the Share Purchase Plan.

**Opening Date** means 11 October 2012.

**Record Date** means 9 October 2012.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Purchase Plan** or **SPP** means the issue of up to 53,571,429 new Shares to Eligible Shareholders<sup>1</sup>, each of which is entitled to apply for a parcel of new Shares valued at up to \$15,000 in accordance with these terms and conditions.

**Shareholder** means the holder of a Share.

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<sup>1</sup> Should the Company choose to exercise its discretion to increase the Offer to the maximum capacity permitted under the ASX Listing Rules, the maximum number of new Shares available under the Offer will be 149,517,698.



10 October, 2012

ASX RELEASE

### **Share Purchase Plan Cleansing Notice**

Midas Resources Limited (ASX: MDS) (**Company**) gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Corporations Act**), as modified by the Australian Securities and Investments Commission Class Order 09/425 (**CO 09/425**).

As at the date of this notice, the Company states that:

1. Midas will offer up to 53,571,429<sup>1</sup> fully paid ordinary shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act pursuant to a Share Purchase Plan announced to ASX on 9 October 2012.
2. As at the date of this notice, Midas has complied with:
  - a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - b) section 674 of the Corporations Act.
3. As at the date of this notice, there is no information:
  - a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - ii) the rights and liabilities attaching to the shares for issue.
4. The offer is a Share Purchase Plan offered to all Midas shareholders with a registered address in Australia or New Zealand.

Mark Pitts  
Company Secretary

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<sup>1</sup> The Company reserves the right to increase the number of shares to be issued under the Offer to a maximum of 149,517,698 in its absolute discretion.