

ASX ANNOUNCEMENT – 1 JULY 2016

CHANGE OF ROLE FROM DIRECTOR TO PROJECT MANAGER FOR NEWLY ACQUIRED SANDSTONE GOLD PROJECT IN W.A.

Middle Island Resources Limited (ASX:MDI; **Company**) advises that Non-Executive Director Mr Linton Kirk intends to resign from the Board to take on the role of Project Manager of the Sandstone gold project in WA, effective from Completion of the acquisition (target date being 8 July 2016).

A mining engineer with more than 35 years' experience in operations worldwide and a Middle Island Director since September 2011, Mr Kirk was a key part of the due diligence team for the Sandstone Project acquisition.

A Non-Executive Director of MACA Limited and an active mining consultant, Mr Kirk is also a Fellow and Chartered Professional of the AusIMM with a career encompassing mining, earthmoving, contracting, management and consulting activities within both open pit and underground operations, including senior executive roles at open pit gold mines in WA and Africa. He has also been involved in numerous feasibility studies, project audits, supply and service tenders, project upgrades and project construction.

Mr Kirk will lead the pre-feasibility study (PFS) for the Sandstone Project and, assuming a positive outcome, the operation's subsequent refurbishment and re-commissioning through to commercial gold production. Mr Kirk will be employed as Project Manager on a consulting basis, with part of his remuneration package to comprise incentive share options, predicated on achieving agreed stretch targets and milestones.

Middle Island Managing Director, Mr Rick Yeates, said "I sincerely thank Linton for his valuable contribution to the Company in his capacity as a Director. While we will miss his services in this respect, I am thrilled that his substantial experience and corporate knowledge will be reapplied to the Sandstone Project. I firmly believe Linton is extremely well qualified to assume the role of Project Manager, in which he will add significant value to the Company and, thereby, its shareholders".

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