

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

NAME OF ENTITY

Middle Island Resources Limited

ABN

70 142 361 608

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	*Class of *securities issued or to be issued	(i) Fully paid ordinary shares (ii) Unlisted options
2	Number of *securities issued or to be issued (if known) or maximum number which may be issued	(i) 10,276,898 (ii) 1,500,000
3	Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion)	(i) Fully paid ordinary shares (ii) \$0.50 unlisted options expiring 16 December 2014

+ See chapter 19 for defined terms.

4	<p>Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<table border="1" style="width: 100%;"> <tr> <td style="width: 50px;">(i)</td> <td>Yes</td> </tr> <tr> <td>(ii)</td> <td>No</td> </tr> </table>		(i)	Yes	(ii)	No
(i)	Yes						
(ii)	No						
5	Issue price or consideration	<table border="1" style="width: 100%;"> <tr> <td style="width: 50px;">(i)</td> <td>\$0.40</td> </tr> <tr> <td>(ii)</td> <td>Nil</td> </tr> </table>		(i)	\$0.40	(ii)	Nil
(i)	\$0.40						
(ii)	Nil						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<table border="1" style="width: 100%;"> <tr> <td style="width: 50px;">(I)</td> <td>Accelerate the current drilling program at the Company's projects in West Africa and for general working capital purposes.</td> </tr> <tr> <td>(II)</td> <td>Issue to a key employee as an incentive for continued service, pursuant to shareholder approval on 30 April 2012.</td> </tr> </table>		(I)	Accelerate the current drilling program at the Company's projects in West Africa and for general working capital purposes.	(II)	Issue to a key employee as an incentive for continued service, pursuant to shareholder approval on 30 April 2012.
(I)	Accelerate the current drilling program at the Company's projects in West Africa and for general working capital purposes.						
(II)	Issue to a key employee as an incentive for continued service, pursuant to shareholder approval on 30 April 2012.						
7	Dates of entering *securities into uncertificated holdings or despatch of certificates	4 May 2012					
8	Number and *class of all *securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th>*Class</th> </tr> </thead> <tbody> <tr> <td>99,387,347</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>		Number	*Class	99,387,347	Fully paid ordinary shares
Number	*Class						
99,387,347	Fully paid ordinary shares						

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	25,600,002	Fully paid ordinary shares
	15,000,000	Options exercisable at 25 cents and expiring 30 June 2015
	450,000	Options exercisable at 37.5 cents and expiring 1 November 2013
	250,000	Options exercisable at 25 cents and expiring 31 December 2014
	250,000	Options exercisable at 37.5 cents and expiring 31 December 2014
	250,000	Options exercisable at 50 cents and expiring 31 December 2014
	200,000	Options exercisable at 53 cents and expiring 1 November 2014
	300,000	Options exercisable at 56 cents and expiring 15 December 2014
	275,000	Options exercisable at 51 cents and expiring 1 November 2014
	1,500,000	Options exercisable at 50 cents and expiring 16 December 2014
	10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

+ See chapter 19 for defined terms.

Part 2 – Deleted – NOT APPLICABLE

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty.

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary

Date: 4 May 2012

Print name:

Dennis Wilkins

+ See chapter 19 for defined terms.



Middle Island
RESOURCES LIMITED

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4 May 2012

Company Announcements Office
ASX Limited
20 Bond Street
SYDNEY NSW 2000

Dear Sir

**ISSUE OF MIDDLE ISLAND RESOURCES LIMITED SHARES – SECONDARY TRADING NOTICE
NOTIFICATION PURSUANT TO PARAGRAPH 708A(5)(e) OF THE CORPORATIONS ACT 2001 (Act)**

On 4 May 2012, Middle Island Resources Limited (**Company**) issued 10,276,898 fully paid ordinary shares, at an issue price of \$0.40 each (**Securities**).

Secondary Trading Exemption

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) the Company issued the Securities without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 4 May 2012 the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at 4 May 2012 there is no information:
 - i. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - ii. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - A. *the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or*
 - B. *the rights and liabilities attaching to the Securities.*

Yours faithfully

A handwritten signature in black ink, appearing to read 'Dennis Wilkins'.

Dennis Wilkins
Company Secretary