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Encouraging initial RC drilling results from the Reo gold project in Burkina Faso

Highlights

- Encouraging initial RC drilling results have been returned from the Northern Zone at the Morley Prospect, including **3m at 12.3g/t (MRRC0001)**, **1m at 21.9g/t (MRRC0002)**, **7m at 2.14g/t (MRRC0004)**, **10m at 9.63g/t (MRRC0005)** and **6m at 2.47g/t Au (MRRC0006)**.
- Interpretation of the processed high resolution airborne magnetic survey completed over the Reo Project defines major new structure extending 50km through the project tenements.
- Structural interpretation and targeting study of the Reo Project based on recently acquired magnetic data defines multiple new targets for priority auger geochemical drilling.
- A total of **1,920 holes (9,900m)** of geochemical auger drilling have now been completed at the Nassilé Project in Niger, with at least three new prospects or prospect extensions identified.
- The Boulkagou and Dogona permit applications, collectively comprising the Dogona Project in Niger, have been granted by the caretaker Mines Minister however will not be formally issued until the new Minister assumes his/her post at the end of the transition arrangements in mid April 2011.
- New gold rush on the Dogona permit in Niger, with some 7,000 miners now active on the discovery.

Reo Gold Project – Burkina Faso

1. RC Drilling Results

Middle Island is pleased to report initial RC drilling results from the Reo gold project in Burkina Faso. To date 51 holes (4336m) have been completed of a planned programme comprising a minimum of 5,000m and maximum of 6,000m, which commenced on 7 February 2011.



RC Drilling at the Reo Project

Having completed the Phase 1 component of the programme on the Northern Zone at the Morley Prospect, the rig is now drilling first pass 'teaser' holes on satellite zones elsewhere at the Morley and Dassa prospects, before undertaking similar work at the K4/K5 Prospect, then returning to the Northern Zone at Morley to undertake the Phase 2 programme. This approach provides the opportunity to compile and assess results from the Phase 1 programme in order to optimise the drill pattern for subsequent phases.

Some 4,100 samples have now been submitted for analysis to the SGS laboratory in Ougadougou, and results have been received for the first 9 holes (820 samples) of the 51 holes completed to date.

Initial RC drilling results returned from the Morley Prospect to date include better intersections of **3m at 12.3g/t (MRRC0001)** from 17m depth (including **1m at 32.5g/t**), **1m at 21.9g/t (MRRC0002)** from 36m, **7m at 2.14g/t (MRRC0004)** from 39m, **10m at 9.63g/t (MRRC0005)** from 74m (including **1m at 43.0g/t**) and **6m at 2.47g/t Au (MRRC0006)** from 90m depth as shown in the table below.

The distribution of gold results appear to confirm the interpreted mineralised zone geometry and validate the new drilling orientation (-60° to 180° grid). The general width and tenor of intercepts is consistent with that encountered at surface in historic and recent trenching reported previously (**11m at 7.97g/t** including **4m at 20.2g/t**, **6m at 3.88g/t**, **9m at 2.19g/t**, **4m at 4.25g/t**, **12m at 3.17g/t**, **9m at 2.19g/t**, **4m at 4.25g/t** and **12m at 3.17g/t Au**), along with previous Newmont drilling, albeit with generally narrower intersections reflecting the optimal drilling orientation now being employed.

The balance of the programme is designed to confirm the extent of the Northern Zone at the Morley Prospect over an initial 600m strike length, along with preliminary testing of other zones at Morley, and at the Dassa and K4/K5 gold prospects.



Hole	East (m)	North (m)	RL (m)	Depth (m)	From (m)	To (m)	Width (m)	Au (ppm)
MRRC0001	540261	1388183	299	84	17	20	3	12.31
				including	17	19	2	18.0*
				and	17	18	1	32.5†
					24	28	4	1.57
MRRC0002	540240	1388220	301	86	29	32	3	1.81
				including	31	32	1	3.54*
					34	35	1	0.58
					36	37	1	21.9
					43	49	6	1.26
				Including	44	45	1	3.35*
					69	72	3	1.68
MRRC0003	540263	1388219	299	72	39	46	7	2.14
				including	40	41	1	4.66*
				and	44	45	1	3.26*
					58	59	1	0.53
					61	63	2	0.51
					66	68	2	0.73
MRRC0004	540430	1388195	313	102	75	76	1	0.55
					79	80	1	0.82
					90	91	1	0.56
					95	97	2	2.14
				including	96	97	1	3.74*
					100	101	1	0.93
MRRC0005	540440	1388155	299	84	22	24	2	0.63
					26	28	2	0.85
					33	34	1	2.05
					74	84	10	9.63
				including	74	75	1	43.0†
				and	82	83	1	13.5†
MRRC0006	540400	1388200	305	106	1	2	1	0.64
					72	73	1	1.10
					76	77	1	0.59
					90	96	6	2.47
				including	93	94	1	8.78*
					97	98	1	0.51
MRRC0007	540020	1388180	293	90	67	69	2	0.75
MRRC0008	540200	1388185	300	84	4	5	1	1.87
					6	7	1	0.59
					9	11	2	0.97
					28	30	2	1.36
					45	47	2	4.03
				including	46	47	1	7.41
					69	72	3	0.61
					78	79	1	0.64
MRRC0009	540202	1388230	298	114	37	41	4	0.80
					70	72	2	1.97
					78	79	1	0.78

Notes

All holes drilled at -60° to grid 180°.

Intercepts calculated at a 0.5 g/t cutoff value including 2m of internal waste.

* Denotes calculated using 3g/t cutoff and no internal waste.

† Denotes calculated at a 10g/t cutoff and no internal waste.

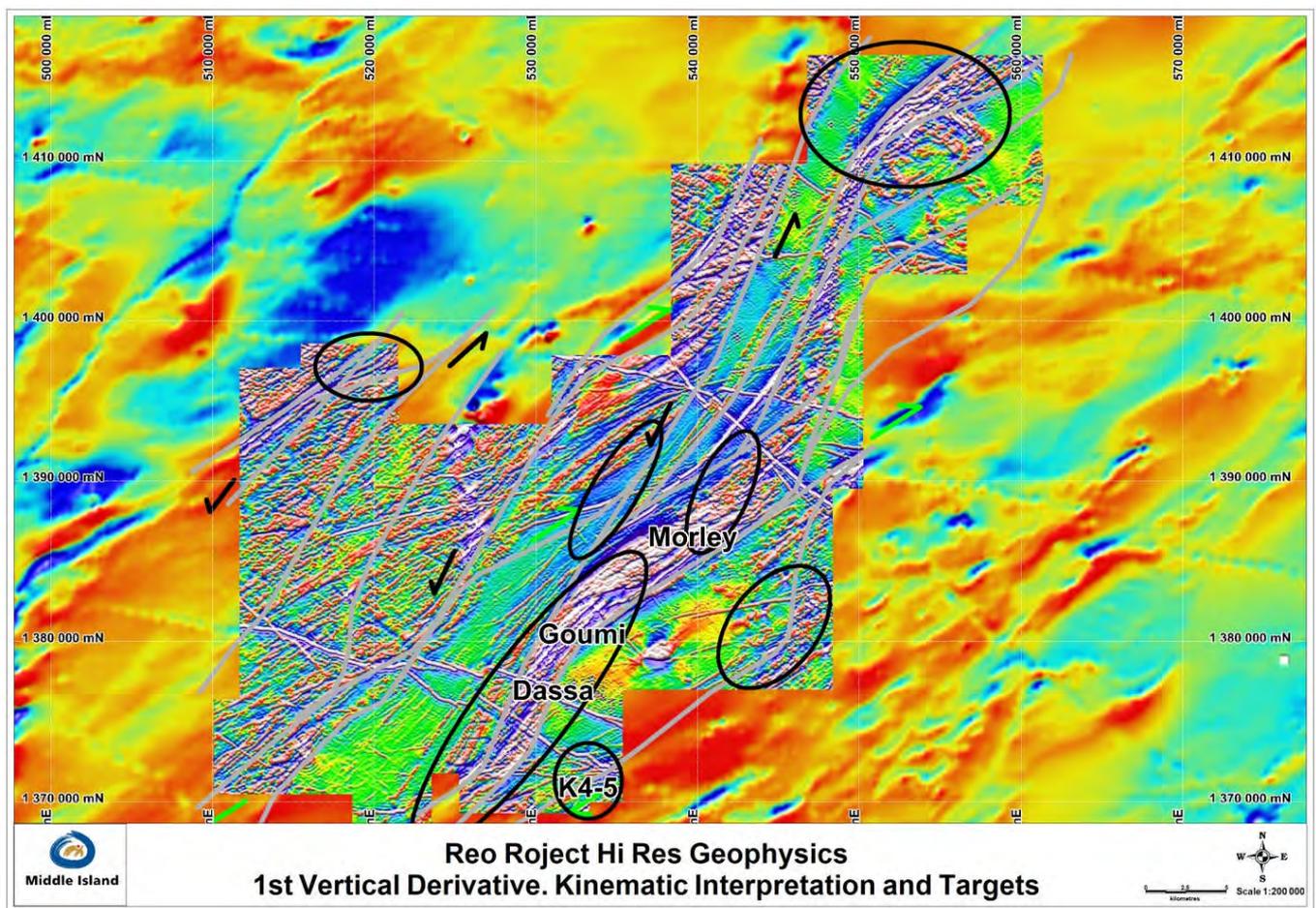
2. Structural Synthesis and Targeting Study

Consulting structural geologist, Dr Brett Davis, has completed a structural interpretation and targeting study of the entire Reo Project area on the basis of the processed geophysical data and a site visit. This exercise has identified numerous high priority exploration targets that readily justify further assessment.

Interpretation of the processed high resolution airborne magnetic survey completed over the Reo Project has defined a major new structure, termed the Yako Shear, extending 50km through the project tenements, which appears to explain and control the location of mineralisation at the Morley, Goumi and Dassa prospects.

Of particular interest is an apparent flexure in the Yako Shear around an interpreted intrusive stock in the north-eastern portion of the Reo Project that appears to reflect an identical structural setting to the Morley-Goumi Prospect, as shown below.

These identified targets will represent a priority for auger geochemical drilling, planned to commence at the Reo Project in late March 2011.



High resolution airborne magnetic image (1VD) of the Reo Project; priority structures (grey lines) and primary targets (black rings) defined by the structural synthesis and targeting study.

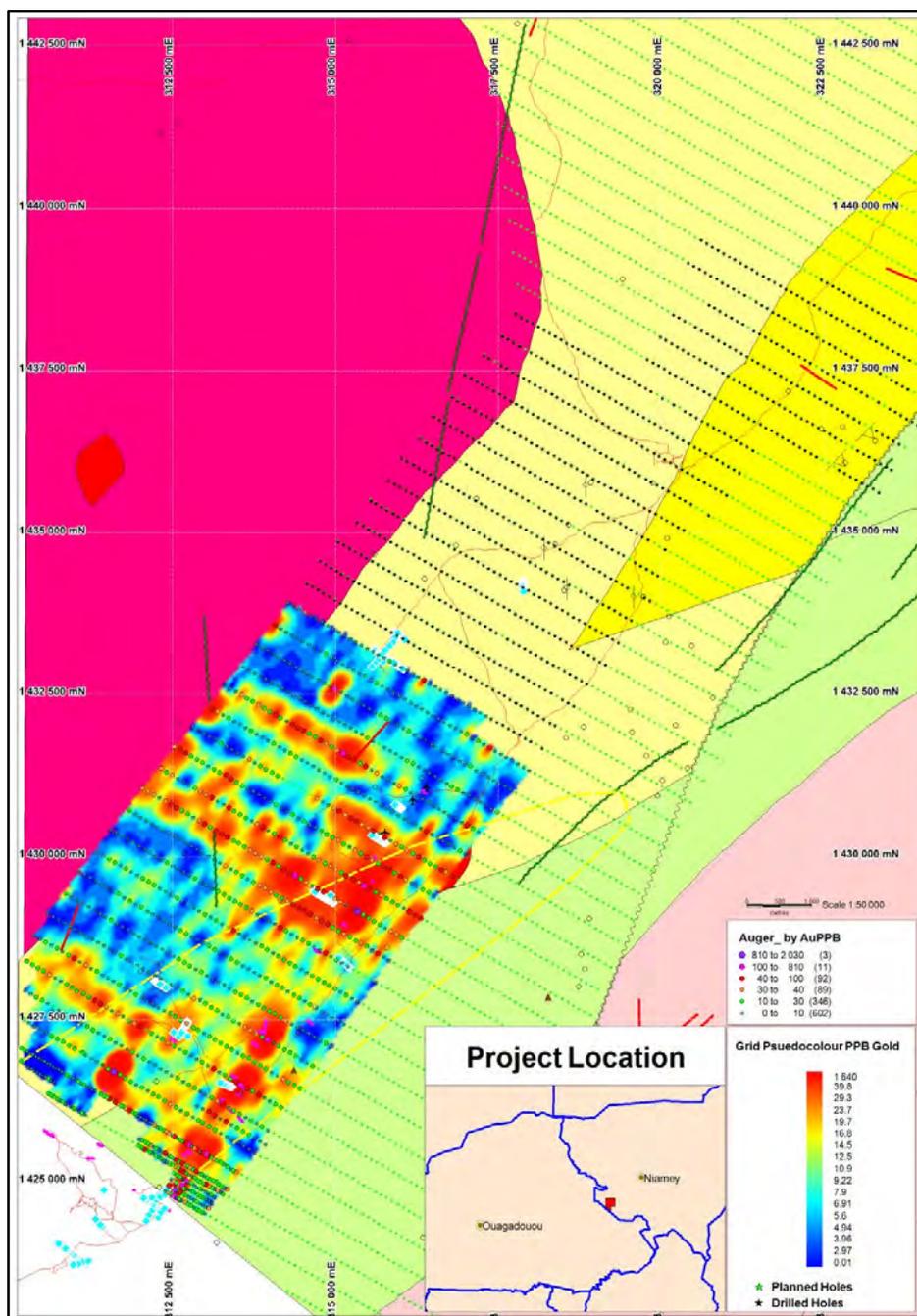
Nassilé Gold Project – Niger

1. Geochemical Auger Drilling

A total of **1,920 holes (9,900m)** of auger geochemical drilling have now been completed at the Nassilé Project in Niger since commencement of the 20,000m programme in December 2010. To date the two auger rigs have completed the entire Phase 1 programme and the first 212 holes of the Phase 2 work, although sample analyses have fallen well behind the drilling progress.

Results to date reveal a ~3km long geochemical anomaly to the north of the Songonduari Prospect, as well as northwest extensions to the Forbemi Prospect and a new high tenor, 2.5km diameter anomaly at Bamperi South. Infill auger drilling to refine these anomalies will be planned once the Phase 1 and 2 programmes have been completed.

The results of geochemical auger drilling completed to date are shown in the figure below.



Imaged gold geochemistry returned from auger drilling at the Nassilé Project to March 2011

2. High Resolution Airborne Geophysical Survey

UTS Aeroquest has been commissioned to undertake a 6,700 line kilometre high resolution airborne magnetic and radiometric survey over the entire Nassilé project area. Aviation permits have been approved by the relevant Niger Government ministries and the survey will commence once UTS receives a relevant corporate security clearance to fly the survey out of Niamey. The survey specifications will involve a 100m line spacing and 40m mean terrain clearance, identical to those utilised for the Reo Project survey.

Dogona Gold Project – Niger

1. Boukagou and Dogona Permit Applications

Middle Island understands that the Boukagou and Dogona permit applications, collectively comprising the Dogona Project in Niger, have been granted by the caretaker Minister, however the company has been advised by Cassidy Gold Corp that the permits will not be formally issued until the new Minister assumes his/her post at the end of the post presidential election administrative transition arrangements in mid April 2011.

2. New Gold Rush at Dogona

A gold rush is underway within the Dogona permit application in Niger, following a new discovery in January 2011. Within 20 days of the initial discovery some 7,000 artisanal miners had descended on the site, with more arriving daily. Even in this short period of time gold workings had been excavated to some 9m depth on quartz veins within saprolite.



Artisanal miners recently arrived at a new gold discovery on the Dogona permit application in Niger.

General

A number of additional permit application and acquisition opportunities are currently being pursued by your company. It is anticipated that higher priority opportunities consistent with the Company's strategy may be added to the Middle Island portfolio.

Middle Island looks forward to being in a position to continue regularly reporting trench, auger and RC drilling results through to the onset of the West African monsoon season in June 2011.

About Middle Island Resources Limited

Middle Island Resources Limited (MDI) is an Australian gold exploration company established to strive to deliver shareholder value by identifying, exploring and developing quality gold assets primarily within West Africa. The Board has high calibre technical, management, capital market and financial skills and has assembled a high quality portfolio of gold projects.

The Company has the rights to three gold exploration projects located in the countries of Burkina Faso and the Republic of Niger, collectively comprising an area of 2,565.4km² of prospective Birimian greenstones.

REO GOLD PROJECT

MDI acquired a 100% interest in the Reo gold project in Burkina Faso from Newmont Ventures Limited, via a share sale agreement that sees Newmont as a substantial MDI shareholder. Between 2007 and 2010, Newmont identified a series of gold prospects distributed around the margins of a granite batholith in the southeast portion of the Reo Project area, the majority of which have returned significant mineralised intersections in trenching and drilling.

The two more significant prospects at the Reo Project, Morley (formerly Didyr) and K4/K5, occupy classic pressure shadow sites at opposing ends of the batholith, with numerous significant intersections up to 34m at 16.4g/t Au being returned from the more advanced Morley Prospect at the northern end. The less advanced but potentially more significant K4/K5 Prospect at the southern end of the batholith presently hosts some 10,000 artisanal miners, attesting to its potential.

MDI considers that the Reo Project has the potential to host a significant gold deposit and has embarked on a comprehensive exploration program to test this concept.

NASSILE GOLD PROJECT

MDI has the right to earn a 70% interest in the Nassilé Project in Niger from Island Arc Exploration Corp and Cassidy Gold Corp via staged exploration expenditure of US\$2 million over a three year term. The Nassilé Project is located within the less explored Sirba greenstone belt adjoining the Burkina Faso border, some 100km southwest of the capital Niamey.

Previous exploration has identified a series of artisanal mining centres and prospects, with better drilling results to date being returned from the Songonduari and Koutougou prospects.

The Nassilé Project incorporates several prospects and artisanal mining sites that have only been lightly explored. MDI considers that there is potential to identify a deposit at the project that could potentially be toll treated at the nearby Samira Hill Gold Mine.

DOGONA GOLD PROJECT

MDI also has the right to earn a 90% interest in the Boukagou and Dogona permit applications (once granted) from Cassidy Gold Corp via exploration expenditure of US\$1 million over a two year term. These two applications, collectively comprising the Dogona Project, are located close to Nassilé, and respectively lie north and south of the Samira and Libiri gold deposits in the same structural and stratigraphic setting.

The Dogona Project applications have seen no previous modern exploration and host large artisanal mining sites that are considered to have significant resource potential, particularly given the project's proximity to a processing plant at the Samira Hill Gold Mine.



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Competent Persons Statement

Information in this report relates to exploration results or mineral resources that are based on information compiled by Mr Rick Yeates (Member of the Australasian Institute of Mining and Metallurgy) and Mr Beau Nicholls (Member of Australian Institute of Geoscientists). Mr Yeates and Mr Nicholls are fulltime employees of MDI and have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Yeates and Mr Nicholls consent to the inclusion in the release of the statements based on their information in the form and context in which they appear.

Please note with regard to exploration targets, the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.