



## Middle Island RESOURCES LIMITED

**Middle Island Resources Ltd**  
ACN 142 361 608

**ASX code: MDI**

**[www.middleisland.com.au](http://www.middleisland.com.au)**

### **Investment Highlights:**

- Australian and ASX listed gold exploration company focused on West Africa
- 100% of Reo Project in Burkina Faso, comprising 1,166km<sup>2</sup> straddling the junction of the Boromo & Houndé greenstone belts.
- Earning between 70% and 100% in the Sirba Project in Niger, representing 2,296km<sup>2</sup> of lightly explored Birimian greenstones.
- 100% interest in five permits and earning 75% in a sixth, collectively comprising the 3,000km<sup>2</sup> Nuon River Project in Liberia, the new gold frontier of West Africa.

### **Capital Structure:**

125 million ordinary shares

18.5 million unlisted options

**Cash (as at 30 Sep 2012)**

\$11.3m

### **Directors & Management:**

**Peter Thomas**

Chairman

**Rick Yeates**

Managing Director

**Beau Nicholls**

Technical Director

**Linton Kirk**

Non-Executive Director

**Andrew Chubb**

Exploration Manager – West Africa

**Dennis Wilkins**

Company Secretary

### **Contact:**

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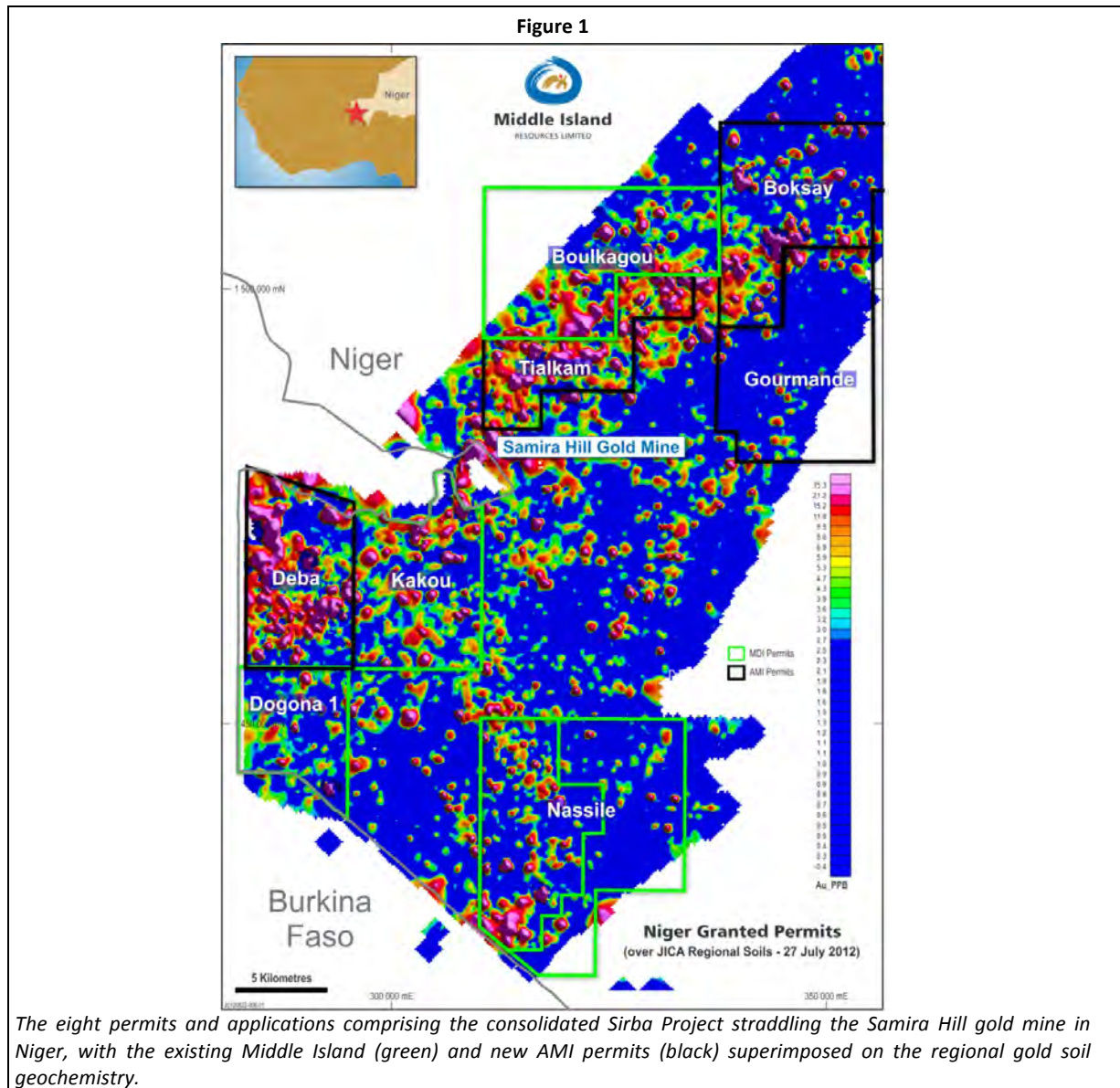
## ASX Release – 19 October 2012

### Middle Island announces farm-in agreement to further consolidate Sirba gold project in Niger

- Agreement executed with Canadian-listed AMI Resources Inc. to earn a 70% interest in AMI's rights to three granted exploration permits and one permit application in Niger, via staged exploration expenditure of US\$2 million over a three year term.
- Together with Middle Island's existing Niger interests, the agreement represents a 2,296km<sup>2</sup> consolidation of the Sirba greenstone belt surrounding SEMAFO's Samira Hill gold mine.
- The Sirba Project now covers an 80km strike length of the Japanese International Cooperation Agency (JICA) regional gold soil anomaly that led to the discovery of the Samira Hill gold mine in the 1990's.
- Previous exploration within the AMI permits has identified over 15 gold prospects to date, with better drill intercepts including:-
  - 18m at 4.89g/t Au (eoh)
  - 18m at 3.01g/t Au
  - 18m at 2.41g/t Au (eoh)
  - 8m at 4.57g/t Au
  - 65m at 1.64g/t Au (including 23m at 4.08g/t Au)
- Mapping and remodelling of the Tialkam South Prospect during due diligence investigations presents a significant resource opportunity that will be an exploration focus for Middle Island in the coming field season.

**Sirba Project (Niger) – AMI Option Earn-In Agreement**

Middle Island Resources is pleased to announce the execution of an agreement with AMI Resources Inc (AMI) (TSX-V:AMU) comprising an option for Middle Island to earn a 70% equity in AMI’s interests in three granted exploration permits and one permit application in Niger, as shown in Figure 1.



AMI has been progressively earning a majority interest in the granted Deba and Tialkam permits from Golden Star Exploration Limited, a wholly-owned subsidiary of Golden Star Resources Limited (GSR) (TSX:GSC, US:GSS). The third granted permit, Boksay, is held 100% by AMI Africa Exploration Limited, a wholly-owned subsidiary of AMI, as is the remaining Gormande permit application.

Under the agreement with AMI, Middle Island can earn a 70% interest in AMI’s rights to all permits via staged exploration expenditure of US\$2 million over a three year period.

### **Strategic Rationale**

The four AMI permits cover a collective area of 1,159km<sup>2</sup> and perfectly compliment Middle Island's existing four permits comprising the Sirba Project. The expanded Sirba Project represents a consolidation of the Sirba greenstone belt, comprising eight granted permits and applications covering an aggregate area of 2,296km<sup>2</sup>, all within 50km of and immediately surrounding SEMAFO Inc's (TSX, OMX:SMF) Samira Hill gold mine and associated processing plant. The Samira Hill mine has been operating for some 10 years, consistently producing 50,000oz to 120,000oz per annum.

Consolidation of the Company's interests in the Sirba greenstone belt and the proximity of the Samira Hill processing plant provide multiple options for Middle Island to review in its exploration and development strategy for the Sirba Project.

### **Specific Opportunities**

The AMI permits have been variously explored by Barrick Gold (1995-1999), St Jude Exploration/Golden Star Resources (2006 to 2009) and more recently by AMI. This exploration has identified more than 15 prospects to date that have been tested by limited trenching, RAB, aircore, RC and diamond drilling. More significant prospects identified include Tialkam South, Sefa Nangue, Congo Toure, Kokoloko and M'Banga.

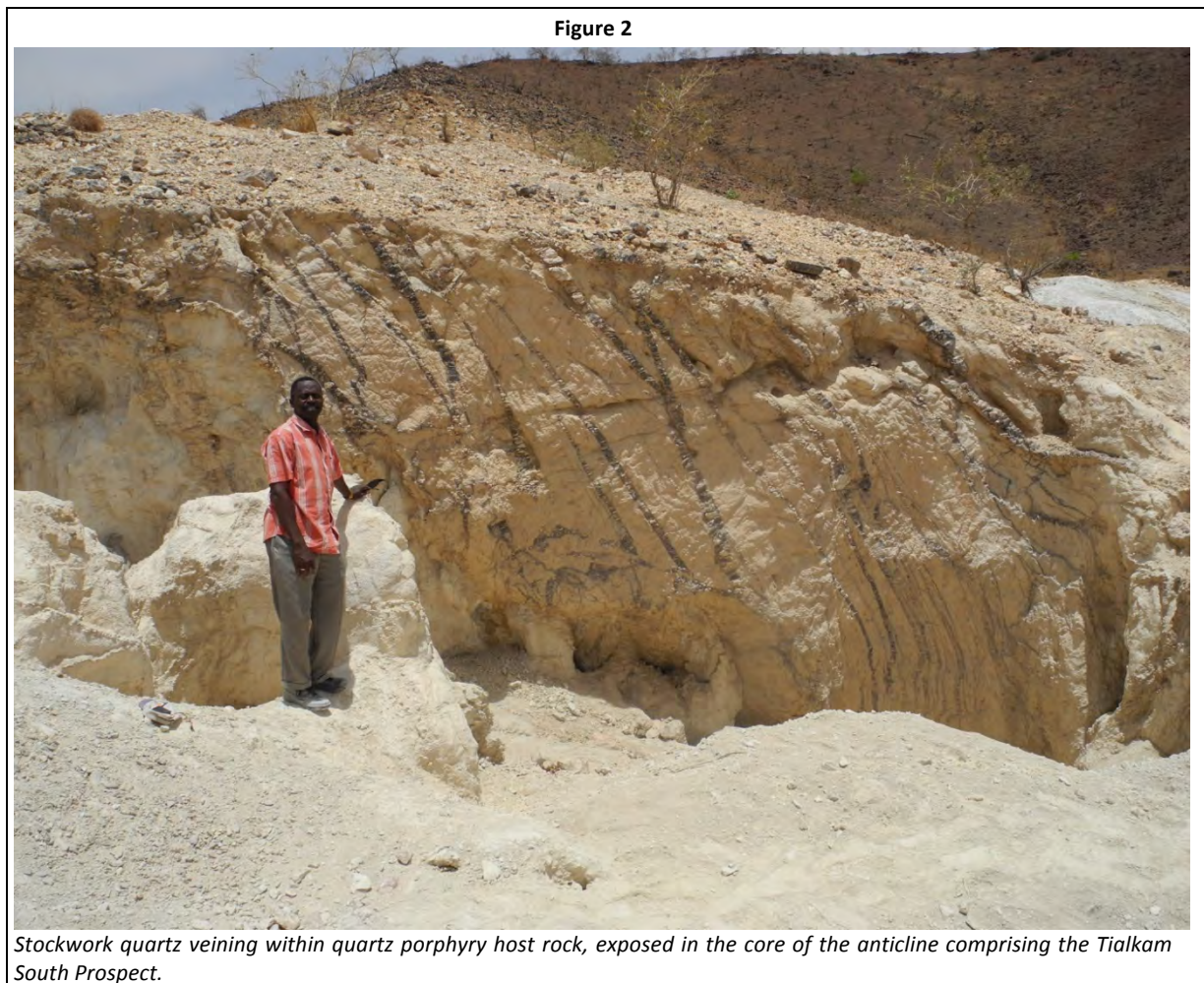
A selection of better drill intercepts defined to date include:-

- Tialkam South                      TIARC037    **8m at 4.57g/t Au (from 52m)**  
and                                      **18m at 4.89g/t Au (ends in mineralisation)**  
TRC027                                **18m at 3.01g/t Au (from 19m)**  
and                                      **18m at 2.41g/t Au (ends in mineralisation)**
- M'Banga                              DDH96-18   **65m at 1.64g/t Au**  
including                              **23m at 4.08g/t Au**  
and                                      **6m at 24.1g/t Au**
- Sefa Nangue                        MJNS-4       **7.5m at 2.24g/t Au**  
MJNS-7                                **1.3m at 9.32g/t Au**  
MJNS-9                                **5.5m at 3.58g/t Au**  
MJNS-13                               **12.5m at 1.84g/t Au**
- Congo Toure                        TRC006       **7m at 3.31g/t Au**  
TRC008                                **4m at 5.96g/t Au**
- Kokoloko                            KOK001       **8m at 2.58g/t Au (from 11m)**  
   **13m at 1.08g/t Au (from 22m)**  
KH008                                 **16m at 1.12g/t Au (from 15m)**



### **Tialkem South Propsect**

Due diligence mapping and remodelling of historic data suggests the mineralised architecture may present a considerable resource opportunity. Mineralisation is associated with an anticlinal structure within metasediments, the core of which has been intruded by a quartz porphyry body. Gold appears to be associated with a broad zone of saddle reefs and link structures within the metasediments, along with intense sheeted to stockwork quartz veining within the underlying porphyry (Figure 2). This overall structure appears to plunge shallowly to the east-northeast where it remains poorly tested.



Along with the K4/K5 Prospect at the Reo Project in Burkina Faso, the Tialkam South Propsect will be a focus for Middle Island over the 2012-13 field season.

### **Sefa Nangue Prospect**

JICA drilled 18 diamond holes at Sefa Nangue and returned multiple ore grade intercepts within a series of west to northwest trending quartz veins in a package of intermediate volcanics. Gaps between veins range from 15m to 100m. AMI drilled RAB profiles both east and west of mineralisation identified by JICA, however these holes appear to lie outside a northeast trending shear corridor interpreted to control mineralisation.

## **Sefa Nangue and -Kokoloko Prospects**

Mineralisation comprising the Sefa Nangue and Kokoloko prospects is associated with a late stage porphyry intrusion into an anticline of felsic volcano-sedimentary rocks. However, little drilling appears to have been completed within the porphyry lying between the two prospects.

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### **Competent Person's 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 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.*

### **Forward Looking Statements**

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding gold prices, exploration costs and other operating results, growth prospects and the outlook of Middle Island's operations contain or comprise certain forward looking statements regarding Middle Island's exploration operations, economic performance and financial condition. Although Middle Island believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties in foreign countries, fluctuations in gold prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. Middle Island undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.