



MIDLAND AND OSISKO COMMENCE FIRST DRILLING PROGRAM ON CASAULT GOLD PROPERTY EAST OF DETOUR LAKE

Montreal, January 17, 2012. Midland Exploration Inc. ("**Midland**") (TSX-V: **MD**), in partnership with Osisko Mining Corporation ("**Osisko**"), is pleased to announce the start of an important drilling program on its Casault gold property. The Casault property, currently held 100% by Midland, is located about 40 kilometres east of the Detour Lake gold deposit, which currently hosts an aggregate 16.45 million ounces of gold in measured and indicated resources (based on a cut-off grade of 0.5 g/t Au), including 14.86 million ounces of gold in near-surface mineral reserves. Commercial production at the Detour Lake gold deposit is expected to begin in early 2013 (*Source: NI 43-101 report by BBA for Detour Gold dated March 15, 2011*).

This first major drilling program will involve 2 drill rigs and will total about 5,000 metres of drilling. The main objective is to test the Sunday Lake regional fault zone and to identify mineralized zones and alteration patterns associated with a Detour Lake-type deposit. Twenty (20) diamond drill holes are planned along a series of drill sections spaced about one kilometre apart, in order to test the gold potential along the Sunday Lake Fault over a strike length of more than 8 kilometres. The drilling program is scheduled to begin in mid-January 2012. Over the past few months, a new structural interpretation, combined with a helicopter-borne electromagnetic VTEM-type survey, resulted in the identification of several new targets across the property, and more specifically along the Sunday Lake regional fault zone.

The Midland Casault Gold Property which includes 321 wholly-owned claims covering a total surface area of about 176.4 square kilometres is located about 40 kilometres east of the Detour Lake gold deposit. Midland controls over 20 kilometres along the major Sunday Lake Deformation Zone hosting the major Detour Lake gold deposit. The Casault Property is also adjacent to the west of the Martinière property held by Balmoral Resources Ltd, where drill intersections grading 2.4 g/t Au over 72.0 metres, including a high-grade interval at 11.18 g/t Au over 12.0 metres, were recently reported (*source: Balmoral Resources Ltd press release dated March 2, 2011*).

Terms of Exploration Agreement

Osisko can earn 50% of Midland's interest in the property by spending a total of \$6,000,000 in exploration work and making payments totaling \$600,000 over a period of five years. Midland will be the operator during the first year of the option agreement. Upon acquiring a 50% interest, Osisko will have the option during a three year period to acquire an additional 15% interest by delivering a bankable feasibility study or by solely assuming all exploration, development and mining operations on the Casault Property, earning a 1% additional interest for every \$1,000,000 spent on the property (up to 15% by spending \$15 million).

About Midland

Midland targets the excellent mineral potential and the favourable investment climate of Quebec to make the discovery of new world-class deposits of gold, base metals and rare earth elements. Midland is proud to count on reputable partners such as Osisko Mining Corporation, Agnico-Eagle Mines Limited, Aurizon Mines Limited, North American Palladium Limited, Japan Oil, Gas and Metals National Corporation and SOQUEM Inc. Midland prefers to work in partnership and intends to quickly conclude additional agreements in regard to newly acquired properties. Midland is currently evaluating new opportunities and other projects in order to increase the portfolio of the Company.

About Osisko

Osisko Mining Corporation operates the Canadian Malartic Gold Mine in Malartic, Quebec, and is pursuing exploration on a number of properties, including the Hammond Reef Gold Project in Northern Ontario. Osisko employs more than 700 individuals.

This press release was prepared by Mario Masson, VP Midland Exploration and Qualified Person as defined by NI 43-101. For further information, please consult Midland's website or contact:

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