



MIDLAND AND OSISKO COMMENCE HELICOPTER-BORNE VTEM SURVEY ON THE CASAULT GOLD PROJECT EAST OF DETOUR LAKE

Montreal, October 31, 2012. Midland Exploration Inc. ("**Midland**") (TSX-V: **MD**), in partnership with Osisko Mining Corporation ("**Osisko**"), is pleased to announce the beginning of an important helicopter-borne electromagnetic VTEM-type survey in the east part of its Casault gold property, located along the Sunday Lake Fault about 40 kilometres east of Detour Lake.

The area targeted by the VTEM survey covers more than 12 kilometres along the regional Sunday Lake Fault and is located less than 2 kilometres south of recent gold discoveries by Balmoral Resources Ltd in the Bug Lake, ME16/23 and Martiniere East zones. In this emerging gold play, very high-grade drill intersections were recently reported, namely 273.0 g/t Au over 3.88 metres in the Bug Lake zone (*source: press release by Balmoral Resources Ltd dated August 16, 2012*), 139.0 g/t Au over 1.0 metre in the ME16/23 zone (*source: press release by Balmoral Resources Ltd dated October 15, 2012*) and 11.42 g/t Au over 9.3 metres in the Martiniere East zone (*source: press release by Balmoral Resources Ltd dated March 29, 2012*).

This type of survey is known for its exceptional depth penetration and provides a more accurate definition of targets than conventional systems. At Detour Lake, the original discovery of the main zone is directly attributed to the presence of an airborne electromagnetic anomaly (Detour 38 anomaly) detected during an Input survey in 1974. The main objective of this new VTEM survey on Casault, totalling about 320 line kilometres, is to detect new gold-bearing zones across this extensive part of the property which has seen very little exploration to date. On Casault, new zones with pyrite and pyrrhotite mineralization were intersected in drill hole during the 2012 drill campaign testing VTEM targets from the 2011 survey.

In addition, an important ground-based geophysical induced polarization ("**IP**") survey, totalling about 60 kilometres, will begin as soon as ground conditions allow, after freeze-up. This survey will target the segment of volcanic rocks located just north of the Sunday Lake Fault, which shows strong potential for a Detour Lake-type deposit.

The Casault gold property consists of 326 claims, wholly owned by Midland and covering a total surface area of about 179.5 square kilometres. The property covers the Sunday Lake Fault over more than 20 kilometres strike length and is located about 40 kilometres east of the Detour Lake gold deposit, which currently hosts a total of 23.3 million ounces of gold in measured and indicated resources (NI 43-101 compliant) and 5.8 million ounces of gold in inferred resources (NI 43-101 compliant), including 15.6 million ounces of gold in near-surface proven and probable mineral reserves (NI 43-101 compliant) (*source: press release by Detour Gold Corporation dated January 25, 2012*).

Maps showing the location of the VTEM survey may be consulted using the following links:

For Figure 1 – Map of the Abitibi showing the location of the Casault project, click here: http://media3.marketwire.com/docs/Fig_1_1031.pdf

For Figure 2 – Regional geology map of the Casault project, click here: http://media3.marketwire.com/docs/Fig_2_1031.pdf

For Figure 3 – Map showing the location of the VTEM survey, click here:

http://media3.marketwire.com/docs/Fig_3_1031.pdf

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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