



## MIDLAND EXPLORATION AND NORTH AMERICAN PALLADIUM REPORT A NEW GOLD DISCOVERY ON LAFLAMME

Montreal, July 13, 2011. Midland Exploration Inc. ("**Midland**") (TSX-V: MD) is pleased to report the discovery, in drill hole, of a new significant gold zone on its Laflamme Property. This new discovery comes in the wake of the recent announcement of a Ni-Cu-PGE discovery in the eastern part of the property. The two new discoveries will be targeted shortly with a follow-up ground-based geophysical survey to investigate their strike extensions. The Laflamme project, a joint venture with North American Palladium Limited ("**North American Palladium**") who is acting as project operator, is located about 25 kilometres west of the town of Lebel-sur-Quévillon in the Abitibi region of Quebec.

### **New significant gold discovery**

Drill hole LA-11-11, recently completed in the western part of the Laflamme Property intersected a new gold-bearing zone grading **9.71 g/t Au over 1.0 metre**, from 150.0 to 151.0 metres. This gold-bearing structure is hosted in gabbro and is characterized by an altered shear zone exhibiting quartz veinlets with 2-3% pyrite mineralization. Further down this drill hole, another zone of quartz-tourmaline-pyrite veins returned 1.1 g/t Au over 1.0 metre between 297.6 to 298.6 metres.

The hole was drilled to test a weak airborne MegaTEM anomaly in the western part, of the property. This new gold-bearing structure is entirely untested in all directions and is located in an unexplored area of the property. Detailed ground-based geophysical surveys, namely a magnetic survey and an induced polarization survey, will be undertaken very shortly to test the strike extensions of this significant gold discovery.

### **Commencement of geophysical surveys on the recent Ni-Cu-PGE discovery**

In conjunction with follow-up work on the gold discovery, extensive ground-based magnetic and electromagnetic (TDEM) geophysical surveys will be undertaken in the vicinity of the Ni-Cu-PGE discovery, to better define the other VTEM conductors identified along the lateral extensions of the discovery hole, LA-11-08. This drill hole intersected a new zone with Ni-Cu-PGE mineralization in ultramafic rocks, which graded 0.66% Ni, 0.35% Cu, 0.17 g/t Pt, 0.16 g/t Pd, 0.11 g/t Au and 1.4 g/t Ag over 8.0 metres including a higher-grade section at 1.55% Ni, 0.53% Cu, 0.26 g/t Pt, 0.28 g/t Pd, 0.13 g/t Au and 1.9 g/t Ag over 1.6 metres (*see Midland Exploration press release dated June 15, 2011*).

An additional budget of \$600,000 has been approved to carry out further exploration work in the coming months, including a minimum of about 2,500 metres of diamond drilling to test the best geophysical and geological targets along the direct strike extensions of the gold and Ni-Cu-PGE discoveries, as well as other exploration targets across the property. These two new discoveries occurred in the first holes respectively drilled in the two areas and both show excellent potential in all directions.

The Laflamme Property consists of 494 claims for a total surface area of about 26,097 hectares, and covers more than 40 kilometres along the strike extension of the Sleeping Giant mine. Following the discovery, 142 pending claims were added to the property. North American Palladium recently

acquired 50% interest in the project and may acquire an additional 15% interest by completing a feasibility study.

Maps showing the location of this new gold discovery may be consulted using the following links:

For Figure 1 – Map of the Abitibi showing the location of the Laflamme project, click here: [http://media3.marketwire.com/docs/Figure1\\_Laflamme\\_Juillet\\_2011.pdf](http://media3.marketwire.com/docs/Figure1_Laflamme_Juillet_2011.pdf)

For Figure 2 – Regional map showing the geology of the Laflamme property, click here: [http://media3.marketwire.com/docs/Figure\\_2\\_Laflamme\\_Juillet\\_2011.pdf](http://media3.marketwire.com/docs/Figure_2_Laflamme_Juillet_2011.pdf)

For Figure 3 – Regional map showing the magnetic signature of the Laflamme property, click here: [http://media3.marketwire.com/docs/Figure3\\_Laflamme\\_Juillet\\_2011.pdf](http://media3.marketwire.com/docs/Figure3_Laflamme_Juillet_2011.pdf)

For Figure 4 – Map showing the discovery hole LA-11-11 on the Laflamme property, click here: [http://media3.marketwire.com/docs/Figure\\_4\\_Laflamme\\_Juillet\\_2011.pdf](http://media3.marketwire.com/docs/Figure_4_Laflamme_Juillet_2011.pdf)

### **Quality Control**

The exploration program on the Laflamme project is conducted by North American Palladium and data are reviewed by Mario Masson, Vice-President Exploration for Midland Exploration Inc. and Qualified Person as defined by National Instrument 43-101. Assay samples are taken from NQ-size drill core sawn in half; one half is shipped to a commercial laboratory and the other half is kept for future reference. Assays were conducted by ALS-Chemex-Chimitec in Val-d'Or, and included blanks and standards inserted in the sample stream as a quality control procedure. The attitude of the zone is not yet known and the intersection width may not be true width.

### **About North American Palladium**

North American Palladium is a Canadian precious metals company focused on growing its production of palladium and gold in mining-friendly jurisdictions. The Company's flagship mine, Lac des Iles, is one of the world's two primary palladium producers. NAP also owns and operates the Sleeping Giant gold mine located in the prolific Abitibi region of Quebec. The Company has extensive landholdings adjacent to both its Lac des Iles and Sleeping Giant mines, and a number of exploration projects. NAP trades on the NYSE Amex under the symbol PAL and on the TSX under the symbol PDL. For more information, please visit [www.nap.com](http://www.nap.com).

### **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 REE. Midland is proud to count on reputable partners such as North American Palladium Limited, Agnico-Eagle Mines Limited, Osisko Mining Corporation, Japan Oil, Gas and Metals National Corporation, Zincore Metals and Soquem Inc. Midland prefers to work in partnership and intends to 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.

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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