



## **MIDLAND EXPLORATION OPTION ITS RARE EARTH YTTERBY PROJECT TO JAPAN OIL, GAS AND METALS NATIONAL CORPORATION**

Montreal, March 3, 2010. Midland Exploration Inc. (“Midland”) (TSX-V: MD) is pleased to announce the signing of a Memorandum of Agreement with Japan Oil, Gas and Metals National Corporation (“JOGMEC”) for its Ytterby rare earth elements (“REE”) project. The project, currently held 100% by Midland, consists of 1804 claims covering a surface area of about 679 square kilometres. The Ytterby project comprises 4 distinct claim blocks located between 200 to 230 kilometres east and northeast of Schefferville, Québec. The Ytterby main claim block is well strategically located 5 km south of the Strange Lake REE deposit and the B-Zone REE new discovery announced by Quest Uranium in 2009 (*see press release dated August 19, 2009*). With this position, Midland controls almost entirely the Napeu Kainiut Pluton which hosts the Strange Lake Peralkaline Complex.

JOGMEC has the option to acquire 50% interest in the Ytterby project prior to March 31, 2012 by funding \$2,700,000 in exploration expenditures with the following consideration:

- Initial payment within 30 days of signature totalling \$200,000; and
- Exploration expenditures totalling \$2,500,000, including \$1,000,000 in work expenditures during the first year.

The above agreement is subject to a 30 day due diligence. Once above due diligence is satisfied by JOGMEC, Midland and JOGMEC will form a Management Committee to direct exploration and Midland will act as Operator. Midland will be operator as long as it will hold an interest equal to or higher than 50% in the project and is currently preparing a first exploration field program to be initiated in May 2010.

Midland is very proud to join forces with a major Japanese leader such as JOGMEC, and is looking forward to the start of its first exploration program.

Based on compilation of Provincial and Federal Government lake sediment geochemistry, geological maps, mineral occurrences and airborne geophysical surveys, Midland’s Ytterby claim blocks are all marked by extensive strong unsourced yttrium, uranium, lanthanum and fluorine lake bottom sediment anomalies combined with uranium (eU) and thorium (eTh) airborne radiometric anomalies within the Mistastin Batholith. All these indications point to the presence of systems similar in nature to the Strange Lake Deposit and signifying that Midland’s properties have a high discovery potential for intracratonic intrusion-related REE deposits.

Diamond drilling completed in 2009 by Quest Uranium, just 5 kilometres north of Midland property boundary, confirmed the resource expansion potential of the B-Zone in all directions, particularly at depth and down-plunge to the northeast (*See press release dated November 12, 2009*). It is anticipated that an inferred resource estimate for the B- Zone and the Main zones will be completed sometimes in the second quarter of 2010. A peralkaline granitic pluton hosts the B-Zone and the Strange Lake REE deposits (historical resource estimate, pre-National Instrument 43-101 with 52 million tonnes @ 3.25% ZrO<sub>2</sub>, 0.56% Nb<sub>2</sub>O<sub>5</sub>, 0.66% Y<sub>2</sub>O<sub>3</sub>, 0.12% BeO and 1.30% TREO) which is associated with the Mesoproterozoic Mistastin Batholite. The Strange Lake deposit has been found in the 80’s by Iron

Ore Company while investigating lake sediment anomalies. The Strange Lake Area may emerge as a world class future source of rare earth metals. Recent geochemical analysis show the area having a high percentage of the expensive heavy rare earth elements (europium to lutetium, a series of 9 elements in the periodic table) for which the world demand should increase with the emerging green technologies like hybrid and electric vehicles, energy efficient lighting and wind power.

#### **About JOGMEC**

JOGMEC was established in February, 2004, following the integration of the former Japan National Oil Corporation (JNOC) and Metal Mining Agency of Japan (MMAJ). It is a corporation under the Japanese Ministry of Economics, Trade and Industry (METI), with a mandate of investing in developing minerals projects worldwide to help secure a stable supply of natural resources for Japanese industry.

#### **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 Agnico-Eagle Mines Limited, Osisko Mining Corporation, North American Palladium Limited 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.

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

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