



MIDLAND UPDATES THE EXPLORATION PROGRAM FOLLOWING THE RECENT DISCOVERIES ON THE LAFLAMME PROJECT

Montreal, October 25, 2011. Midland Exploration Inc. ("**Midland**") (TSX-V: MD) is pleased to report that an helicopter-borne electromagnetic ("VTEM") survey was recently completed, and that ground-based geophysical electromagnetic ("TDEM") and induced polarization ("IP") surveys are scheduled to begin shortly on the Laflamme Property, a joint-venture project with North American Palladium Ltd. ("**North American Palladium**").

During the months of August and September 2011, extensive line cutting was completed on three grids located in areas where Ni-Cu-PGE and gold discoveries were recently made through drill holes LA-11-08 and LA-11-11 respectively (*see Midland Exploration Inc. press release dated July 13, 2011*). These two new discoveries were made in the first holes respectively drilled in the two areas which show excellent potential in all directions. Ground geophysical surveys resumed in mid-October in preparation for a major 2,500 metre drilling campaign scheduled to begin later this fall.

Helicopter-borne VTEM survey

During the month of September, an extensive helicopter-borne electromagnetic VTEM-type survey totalling 560 kilometres was completed along the extensions of the Ni-Cu-PGE discovery. Interpretation of the survey results is ongoing.

TDEM surveys on the Ni-Cu-PGE discovery

Two grids totalling about 65 kilometres were set up in the immediate vicinity of discovery hole LA-11-08 and in an area further west, where magnetic and electromagnetic signatures are very similar to those in the discovery area. Drill hole LA-11-08 intersected an entirely 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's press release dated June 15, 2011*).

IP survey on the gold discovery

In the vicinity of the gold discovery, which graded 9.71 g/t Au over 1.0 metre in drill hole LA-11-11 (*see Midland's press release dated July 13, 2011*), an extensive IP survey totalling about 15 kilometres is scheduled to begin in late October to test the extensions of this new gold-bearing structure. The latter, hosted in gabbro, is characterized by an altered shear zone exhibiting quartz veinlets with 2-3% pyrite mineralization. Further down the same drill hole, another zone with quartz-tourmaline-pyrite veining graded 1.1 g/t Au over 1.0 metre, from 297.6 to 298.6 metres.

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 North American Palladium's Sleeping Giant gold mine; 142 pending claims have been 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.

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 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.

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 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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