QUARTERLY ACTIVITIES REPORT

For the period ending June 2012

Midwinter Resources NL **(ASX: MWN)** is pleased to report the following achievements for the June quarter 2012:

HIGHLIGHTS

Metallurgical work on drill samples from Halla and Kransvallei (Limpopo Province, South Africa) demonstrates

- **High metallurgical recoveries – around 90% in fresh ore**
- **Exceptionally high quality concentrates at coarse grid size**
  - **Concentrate grades of >70% Fe at a grind of 103 microns**
  - **Negligible deleterious elements in concentrates**

Recovery optimization continues in the oxide zone of Halla and Kransvallei

IRON ORE EXPLORATION, LIMPOPO PROVINCE – REBUBLIC OF SOUTH AFRICA

Prior to the period, Midwinter Resources drilling campaigns successfully intersected metamorphosed banded iron formations, which host extensive magnetite mineralization at Kransvallei and Halla (Figure 1 below). Drill sections are shown in Figures 2 and 3.

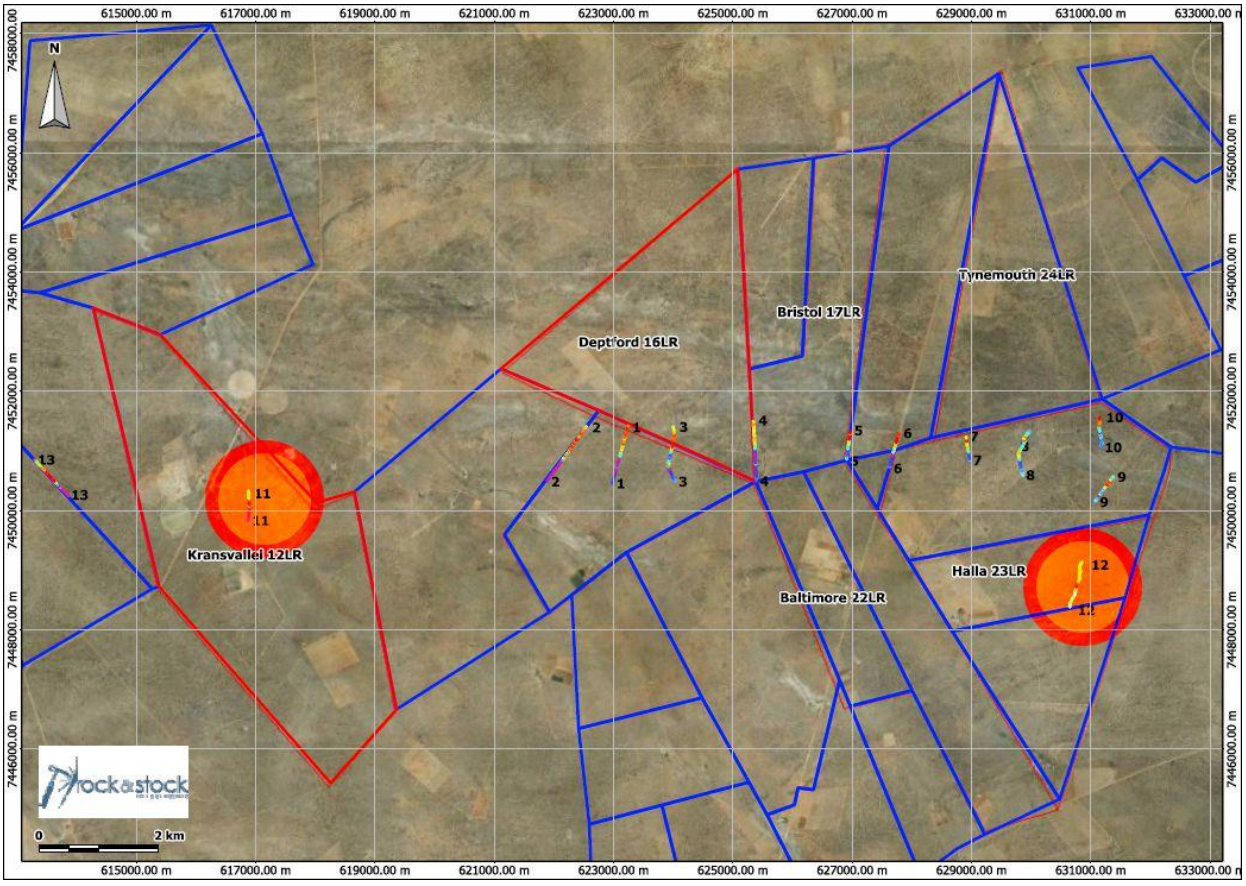

Figure 1 - Location of the Halla and Kransvallei drill sections

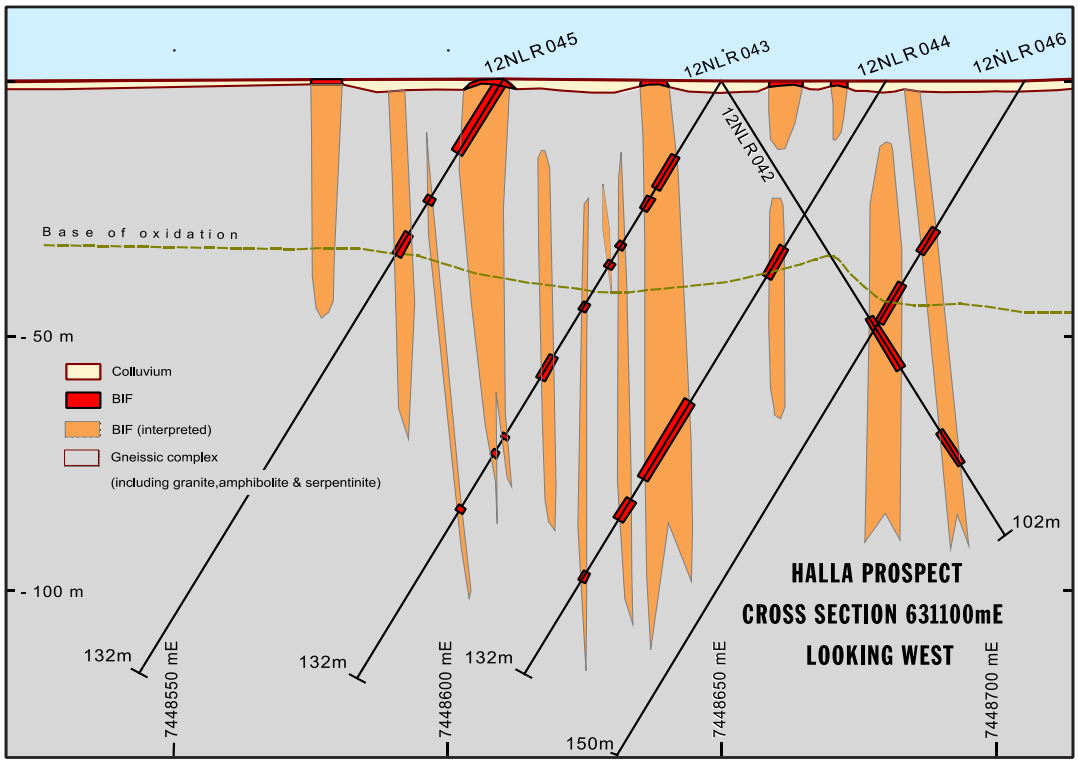

Figure 2 – drill section of the Halla magnetic feature, with widespread mineralization over a width of 125 metres.

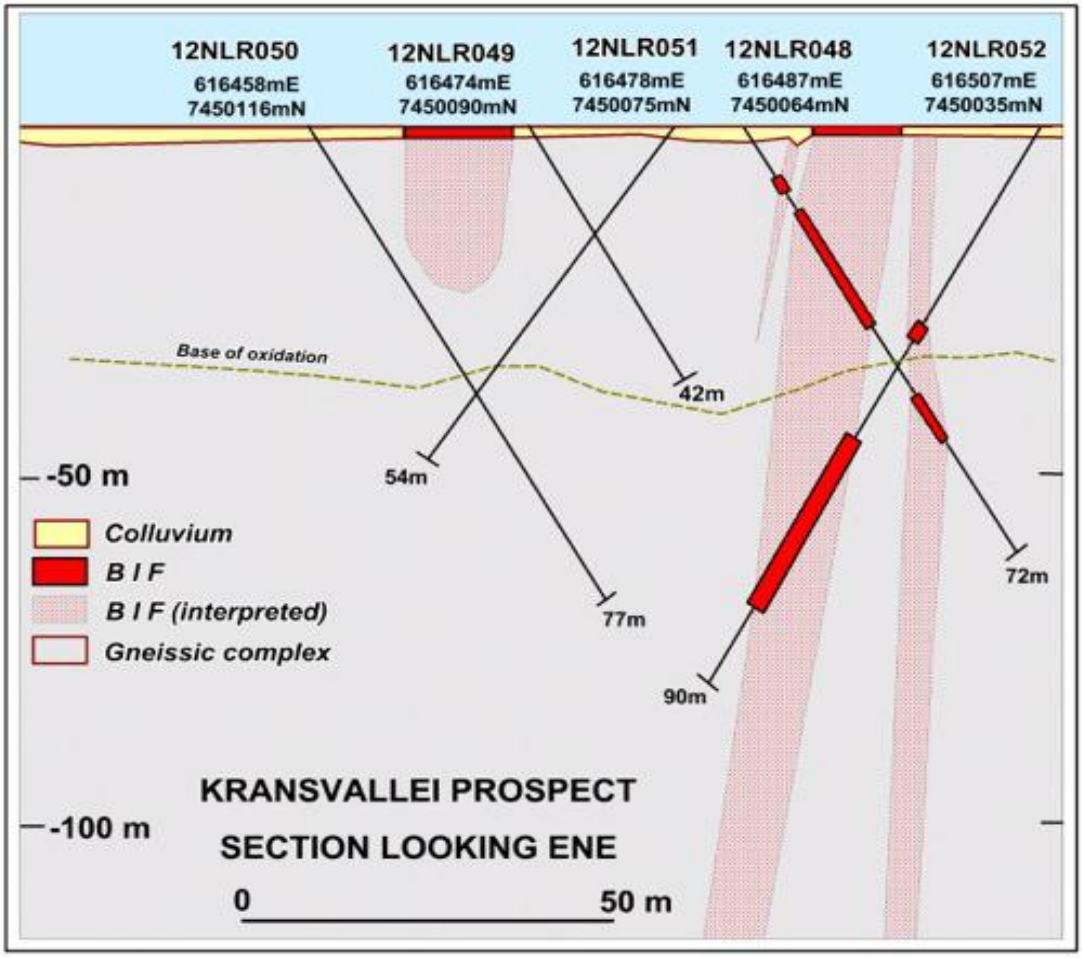

Figure 3 - Drill section across Kransvallei

Composite drill samples from both the oxide zone and fresh zone at Halla and Kransvallei were processed with Davis Tube Recovery (DTR) apparatus.

DTR RESULTS

Fresh banded iron formation (BIF) is the exploration target. This material is oxidised close to surface resulting in lower magnetic separation efficiencies within that zone.
Samples were tested at a grind size of 80% passing 103 microns and tested by DTR.

Halla

Concentrates from the target zone exceed 70% iron with negligible Si, Al or P

Samples	Halla Fresh composite				
	Mass (g)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)
Head	20.4	33.0	46.4	1.44	0.04
Mags	8.40	70.8	1.34	0.38	0.00
Calc. Non-mags	12.1	6.48	77.3	2.17	0.08
Recovery (%)	**41.2**	**88.3**	**1.19**	**10.9**	**2.35**

Similar concentrate grades were produced from oxidised material at Halla however iron recovery was lower and further testing will be undertaken with greater magnetic flux.

Kransvallei

Concentrates from the target zone exceed 70% iron with negligible Si, Al or P

Samples	Kransvallei Fresh composite				
	Mass (g)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)
Head	20.4	36.5	43.6	1.46	0.06
Mags	9.60	70.6	1.40	0.51	0..00
Calc. Non-mags	10.8	6.19	81.1	2.30	0.10
Recovery (%)	**47.1**	**91.0**	**1.51**	**16.4**	**1.57**

Similar concentrate grades were produced from oxidised material at Kransvallei however iron recovery was lower and further testing will be undertaken with greater magnetic flux.

KINGDOM OF SWAZILAND - SOUTHERN AFRICA

MPAKA COAL PROJECT

Midwinter maintains an option to acquire 100% of the issued capital of Teeman (Pty) Ltd, a company incorporated in Swaziland. Teeman's principal asset is a prospecting right application over approximately 16km^2 covering the Mpaka Colliery (Swaziland) which was operated by Gencor until 1992.

Mpaka is 50km east of Manzini and 125kms west, from Maputo in Mozambique (Figure 4). Infrastructure is well developed in the area and the project is close to road and rail which can provide access to Maputo (Mozambique) and Richards Bay (South Africa). Mpaka produced coal that was used as a reductant in the production of ferrochrome and ferromanganese in Mpumalanga (nearby in South Africa).

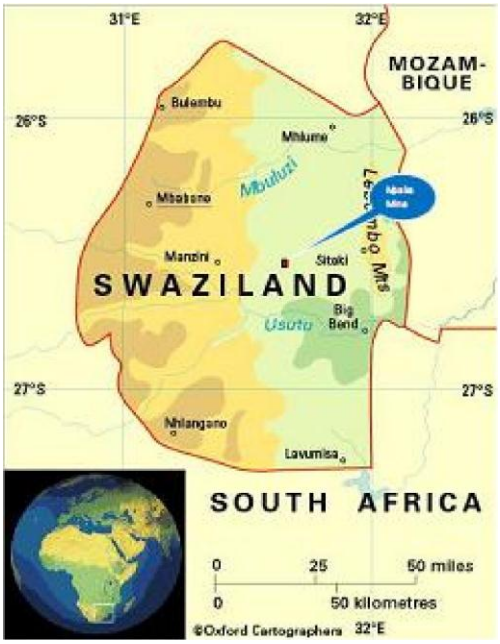

Figure 4 - Location of the Mpaka Coal Project

The application has an area of 20.5km2, of which 19.3km2 is over the sedimentary Middle Ecca Series of the Karro Group that contains the high quality anthracite seams of the Lower Coal Zone. Within this zone, the Main Coal Seam is of prime interest. It has an average thickness of 3.7m in the Mpaka area (of one set of 25 bore-holes, 23 intersected thicknesses of the Main Coal Seam between 3.2 and 4.5m, with the other two intersection thicknesses being 2.2m and 1.6m). Within the project area, the seam dips at a shallow angle of the order of 3 degrees to the east and is at depths below surface varying from the order of 50m in the west of the project area to the order of 300m in the east.
The Mpaka Mine operated from 1964 to 1992, a period of about 29 years. During 1986 it was producing at a rate of about 210,000tpa.

About Midwinter

Midwinter is focused on advancing the Northern Lights Iron Ore Project in the Republic of South Africa. The project consists of approximately 3,000km^2 of granted Prospecting Rights, and pending applications prospective for magnetite mineralization. It is estimated that over 600km strike potential of iron formations exist within areas controlled by Midwinter. Assays from drilling and surface iron samples range from 23% to 41% Fe. Mineralization is coarse-grained and amenable to low cost concentration processes. The mineralization exhibits very low impurity levels and is capable of producing very high quality concentrates.

Midwinter has recognized an opportunity to expand its participation in the ferrous metals industru and accordingly is actively seeking entry to the production of metallurgical coal through the Mpaka Caol Project in the Kingdom of Swaziland.

Competent Persons Statement:

The information contained in the report that relates to Exploration Results of projects owned by Midwinter Resources NL and is based on information compiled or reviewed by Mr Adrian Griffin, who is an employee of the Company and is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Griffin has given consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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