

Midas Gold Significantly Increases West End Mineral Resource Estimate, Golden Meadows Project, Idaho

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Indicated Mineral Resource Increases 32%, While Inferred Mineral Resource Increases 61%

VANCOUVER, BRITISH COLUMBIA -- (Marketwire) -- 05/16/12 -- [Midas Gold Corp.](#) (TSX: MAX) today announced the first of three planned independent NI 43-101 mineral resource estimates for its Golden Meadows Project in Idaho. Gold contained in indicated mineral resources for the West End deposit has increased 32% (to 1.48 million oz) from the previously reported estimate, while the gold contained in inferred mineral resources has increased 61% (to 0.61 million oz). A total of 71% of the resource ounces are in the indicated category and all of the indicated and inferred resource reported herein is contained within resource-limiting open pit shells. The overall grade of the mineral resource remained similar to that previously reported and the West End deposit remains open to expansion in several directions.

The base case mineral resource estimate for the West End deposit as prepared by SRK Consulting (Canada) Inc. is summarized below, while the sensitivity according to cut-off grade is summarized on the following page.

Mineral Resource Statement (1), West End Deposit, Golden Meadows Project, Idaho

Prepared by SRK Consulting (Canada) Inc., May 11, 2012

Mineral Resource Category	Tonnes (000s)	Gold Grade (g/t)	Contained Gold (000s oz)
Open Pit Oxide(2) Mineral Resources			
Indicated	8,251	0.83	221.1
Inferred	1,185	0.63	23.9
Open Pit Sulphide(3) Mineral Resources			
Indicated	25,750	1.52	1,262.3
Inferred	14,076	1.30	588.1

(1) Mineral resources are reported in relation to a conceptual pit shell. Mineral resources are not mineral reserves and do not have demonstrated economic viability - see "Compliance with NI43-101" below. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate.

(2) Open pit oxide mineral resources are reported at a cut-off grade of 0.42 g/t Au. Cut-off grades are based on a price of US\$1,400 per ounce of gold and a number of operating cost and recovery assumptions, plus a 15% contingency (see details below).

(3) Open pit sulfide mineral resources are reported at a cut-off grade of 0.75 g/t Au. Cut-off grades are based on a price of US\$1,400 per ounce of gold and a number of operating cost and recovery assumptions, plus a 15% contingency (see details below).

"The updated mineral resource for West End demonstrates excellent progress over the past year," said Stephen Quin, President and CEO of [Midas Gold Corp.](#) "There are as many ounces in the indicated category today as there were in all categories a year ago and the grade has been maintained; in addition, the total

number of ounces has grown significantly," he said. "Even with these increases in confidence and total contained gold, the West End deposit remains open in several directions and a large drill program is planned for the summer of 2012 to test this potential for continued resource additions, as well as continuing to upgrade the remaining inferred mineral resource."

West End Mineral Resource Estimate at different Cut-off Grades

The sensitivity of the West End mineral resource estimate to different cut-off grades is tabulated below.

Category	Cut-off Grade (g/t Gold)	Tonnes (000s)	Gold Grade (g/t)	Contained Gold (000s ozs)
Oxide - Indicated	0.65	4,360	1.11	156
	0.55	5,693	0.99	182
Base case	0.42	8,251	0.83	221
	0.35	9,895	0.76	241
	0.25	12,647	0.66	268
Sulphide - Indicated	0.95	19,916	1.72	1,104
	0.85	22,700	1.62	1,184
Base case	0.75	25,750	1.52	1,262
	0.65	29,341	1.42	1,343
	0.55	33,603	1.32	1,425
Oxide - Inferred	0.65	389	0.86	11
	0.55	623	0.76	15
Base case	0.42	1,185	0.63	24
	0.35	1,625	0.56	29
	0.25	2,394	0.48	37
Sulphide - Inferred	0.95	10,529	1.45	492
	0.85	12,116	1.38	538
Base case	0.75	14,076	1.30	588
	0.65	15,824	1.23	627
	0.55	17,591	1.17	661
Total - Indicated	0.65 Oxide, 0.95 Sulphide	24,276	1.61	1,260
	0.55 Oxide, 0.85 Sulphide	28,392	1.50	1,366
Base case	0.42 Oxide, 0.75 Sulphide	34,001	1.36	1,483
	0.35 Oxide, 0.65 Sulphide	39,236	1.26	1,584
	0.25 Oxide, 0.55 Sulphide	46,249	1.14	1,693
Total - Inferred	0.65 Oxide, 0.95 Sulphide	10,918	1.43	503
	0.55 Oxide, 0.85 Sulphide	12,740	1.35	553
Base case	0.42 Oxide, 0.75 Sulphide	15,261	1.25	612
	0.35 Oxide, 0.65 Sulphide	17,449	1.17	657
	0.25 Oxide, 0.55 Sulphide	19,985	1.09	698

West End Mineral Resource Estimation

Mineral resource estimates for West End were completed using Gemcom GEMS® software by David Rowe, C.P.G., of SRK Consulting (Canada), Inc. and incorporates the results of 21 holes drilled in 2010 and 2011 that were not utilized in the prior mineral resource estimate, as well as a more robust approach to handling the oxide vs. sulphide boundary. These holes were primarily drilled to test the potential to expand the boundaries of the West End mineral resource below, and to the west and east of the previous estimate. These holes also assisted with confirming prior resource estimates since the holes were generally started off within the existing mineral resource and penetrated through it before extending outside the prior resource limits.

This resource estimate relies on an extensive database of 655 holes drilled by owners prior to Midas Gold and was supplemented by the 21 holes completed by Midas Gold. The veracity of the historic drilling, which was completed in the 1970s through the 1990s, was confirmed through a rigorous data verification protocol. This included reviewing original drill logs, assay certificates and survey information, comparison of data from different drilling campaigns within the same area, and production reconciliation records from mining operations (including a review by the former chief geologist that supervised much of the drilling and the mining operations for a period in the early 1990s), and comparison to the Midas Gold holes. The verification process resulted in a high degree of confidence in the quality of drilling prior to Midas Gold's drilling and is detailed in the June 2011 Technical Report, a copy of which is filed on SEDAR.

Three dimensional geologic domains were constructed based on host rock lithologies, and the gold deposit extents were limited within a gold shell constructed at a 0.25 g/t Au fire assay ("AuFA") threshold. The gold shell was also limited at the boundaries of the deposit so as not to extend more than 50 meters beyond any mineralized drill hole intercept.

The geologic model was further subdivided into three distinct regions for resource estimation based on the orientation of the structural controls for gold deposition. Original drill hole gold fire assay values were capped within each lithologic domain to restrict the influence of high grade outlier values. Composite samples were then created at three meter intervals, and were restricted to the limits of the host lithologic domain; composites from one lithologic domain were not used in interpolation of blocks in a different lithologic domain.

Separate interpolation passes using ordinary kriging were utilized within each of the three structural regions, and the total gold block model estimate consisted of two successively larger passes. The first pass used a maximum search radius of 45 meters, which represents one half (1/2) of the maximum range of the variography, and was subdivided into octants. The second pass was set to estimate the remaining blocks within the gold shell. Total gold from fire assay values were estimated within blocks measuring 15x15x6 meters. A separate gold model was also estimated using only cyanide leachable gold composite values ("AuCN"). Oxide gold mineralization was outlined by calculating the ratio of the cyanide leachable gold block values by the total gold block values (AuCN/AuFA). Only blocks with AuCN/AuFA ratio values greater than 0.7 were included in the final oxide resource. All other blocks were reported as sulphide resource.

Once the estimation process was completed, the previously mined areas were removed, based on available surveys of the existing open pits, the limits of which have been locally confirmed by holes drilled through backfill material that was placed in some of the pits post-mining, where applicable.

Resources are classified in the Indicated category for all blocks estimated by at least four composite samples from a minimum of two drill holes, and a minimum of two octants from the first interpolation pass which searched out to 45 metres or one half (1/2) of the maximum range of sample grade continuity defined by the variography. All remaining blocks within the gold shell are classified as Inferred.

Cut-off Grade Selection

The cut-off grade selected for the base case resource-limiting pit was estimated on the basis of gold only, and used the following assumptions:

	May 2012 Estimate	June 2011 Estimate
Gold Price (US\$/oz)	\$1,400.00	\$1,200
Refining & transport (US\$/oz recovered)	\$7.00	\$5.00
Mining cost (US\$/tonne moved)	\$1.50	\$1.50
Sulphide processing cost (US\$/tonne processed)	\$23.00	\$20.00
Oxide processing cost (US\$/tonne processed)	\$10.00	\$5.00
G&A cost (US\$/tonne processed)	\$3.00	\$2.00
Sulphide recovery	90%	95%
Oxide recovery	80%	85%
NSR Royalty	0%	0%
Maximum pit slope	48 degrees	50 degrees
Discount rate	7%	0%

This led to a calculated cut-off grade of 0.36 g/t gold for oxides and 0.65 g/t for sulphides. In order to provide a level of conservatism, Midas Gold requested SRK to add a 15% contingency factor, increasing the base case cut-off grades to 0.42 g/t gold for oxides and 0.75 g/t for sulphides. This cut-off grade and the assumptions above were used by Jim Robertson, P.Eng., of SRK Consulting (Canada), Inc., to float conceptual pits that limit the mineral resources so that only mineral resources above these cut-offs and within the resource-limiting pit are reported; mineralization falling outside the resource-limiting pit is not reported, no matter what the grade. The strip ratio for this resource-limiting pit is 2.88:1 (tonnes of waste to tonnes of mineral resource within the pit).

It should be noted that the assumptions used to derive the cut-off grades and define the resource-limiting pits are estimated so as to meet the NI43-101 requirement for mineral resource estimates to demonstrate "reasonable prospects for economic extraction" and the cut-off grades to be used in the upcoming preliminary economic assessment may vary from those used to limit the mineral resources reported herein, as the inputs to that study are determined. No inference is implied in the changes to the cut-off grade assumptions from the prior mineral resource estimates as to what will be used in the upcoming preliminary economic assessment, as those assumptions remain to be determined.

Given that the drilling in the West End deposit completed prior to Midas Gold's acquisition was almost entirely conducted for determining quantities of mineralization potentially amenable to heap leaching, prior operators generally did not assay for potential by-product metals such as silver, antimony and tungsten. As a result, there is insufficient information to determine the grades for such metals within the West End deposit. However, based on the limited amount of data that is available, the grades for such metals is expected to be low and may not be economically recoverable, except for possibly minor amounts of silver that may be recovered where associated with gold mineralization.

Future Plans for West End Drilling

Drilling at West End is set to recommence shortly, with approximately 14,000m of drilling planned in 58 holes designed to continue to upgrade the remaining inferred mineral resource to the indicated category and to step out; as happened in 2010-11 drilling, some holes will serve both purposes as the upper portions of the holes drill through existing mineral resources, thereby upgrading the confidence level, before extending out beyond the limits of the current mineral resource estimates to continue to test for potential extensions to the mineral resource at West End.

Status of Yellow Pine and Hangar Flats Mineral Resource Estimates

Estimation of the Yellow Pine mineral resource is underway and is incorporating the results of 92 holes drilled in 2011 and early 2012; the updated estimate is expected to be completed by the end of May, 2012. "While the overall quantum of the mineral resource has not yet been determined, it should be noted that the majority of the meterage in the 92 new holes being incorporated into the mineral resource update was designed to upgrade the mineral resources from the inferred to the indicated category (with positive results, as has been reported)," said Mr. Quin. "However, while increases in the mineral resources can be expected (since extensions to mineralization were defined outside the limits of the prior mineral resource estimates) and given the larger number of ounces in the prior mineral resource estimate, any increase in mineral resource is anticipated to be proportionally lower than that for West End, where most of the newly incorporated drilling was step-out," he added.

Modelling of the updated Hangar Flats mineral resource has commenced, incorporating the results of 49 new in-fill and step-out holes completed in 2011 and early 2012 and an updated mineral resource estimate is expected to be completed in June 2012. "The results of these new holes have been previously announced by Midas Gold and, overall, results of the in-fill drilling would seem to support a conversion of a portion of the inferred mineral resource to the indicated category," said Mr. Quin. "However, as noted in prior news releases, a previously unrecognized deflection in the Meadow Creek fault likely cut off some of the inferred mineralization incorporated in the last mineral resource estimate."

Unlike the West End deposit, there is expected to be sufficient data for antimony and silver to estimate a mineral resource for these metals at Hangar Flats and Yellow Pine. However, there is not expected to be sufficient data to define a tungsten grade within these deposits.

Drilling subsequent to the cut-off date for both the Yellow Pine and Hangar Flats mineral resource estimates has, as reported in recent news releases available on SEDAR, indicated further extensions to the mineralization, beyond that being included in these updated estimates, and drilling is continuing.

Updated Technical Report

The details of all three mineral resource estimates will be provided in a NI43-101 Technical Report to be filed in conjunction with the completion of a preliminary economic assessment due in Q3/12.

Compliance with National Instrument 43-101

David Rowe, CPG, of SRK Consulting (Canada), Inc. is the qualified person, as defined in National Instrument 43-101, responsible for the mineral resource estimates for the West End deposit as reported herein. He has read and approved the relevant technical portions of this news release related to the mineral resource estimates for which he is responsible.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

The mineral resources at Golden Meadows are contained within areas that have seen historic disturbance resulting from prior mining activities. In order for Midas to advance its interests at Golden Meadows, the project will be subject to a number of Federal, State and local laws and regulations and will require permit to conduct its activities. However, Midas is not aware of any environmental, permitting, legal or other reasons that would prevent it from advancing the project.

Illustrations

To view the locations of current drill holes and the old and new pit boundaries for the West End deposit, please visit the following link: <http://media3.marketwire.com/docs/max916i.pdf>.

Quality Assurance

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 ("NI43-101") and reviewed and approved by Stephen P. Quin, P.Geo., President and CEO of [Midas Gold Corp.](#), and a Qualified Person. The resource estimation for the gold deposits at Golden Meadows was completed by David Rowe, C.P.G. of SRK Consulting (Canada), Inc. under the supervision of Guy Dishaw, P.Geo., of SRK Consulting (Canada), Inc., and was reviewed by Paul Jensen, C.P.G., Qualified Person and Midas Gold's Senior Geologist for the Golden Meadows Project.

About Midas Gold and the Golden Meadows Project

[Midas Gold Corp.](#), through its wholly owned subsidiaries Midas Gold Inc. and Idaho Gold Resources, LLC, is focused on the exploration and, if warranted, development of the Golden Meadows Project in the Stibnite-Yellow Pine district of central Idaho. The principal gold deposits identified to date within the Golden Meadows Project are the Hangar Flats, West End and Yellow Pine deposits, all of which are associated with important structural corridors. Independent mineral resource estimates are detailed in a consolidated technical report entitled "NI 43-101 Technical Report on Mineral Resources, Golden Meadows Project, Valley County, Idaho" dated June 6, 2011 (the "Technical Report") is available on Midas Gold's website at www.midasgoldcorp.com or under Midas Gold's profile on SEDAR at www.sedar.com. A new technical report covering all three updated mineral resources will be filed on SEDAR in conjunction with the completion of a preliminary economic assessment, scheduled for completion in Q3/12.

Forward-Looking Statements

Statements contained in this news release that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward Looking Information includes, but is not limited to, disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action; the timing and costs of future exploration activities on the Corporation's properties; success of exploration activities; permitting time lines and requirements, requirements for additional capital, requirements for additional water rights and the potential effect of proposed notices of environmental conditions relating to mineral claims; planned exploration and development of properties and the results thereof; planned expenditures and budgets and the execution thereof. In certain cases, Forward-Looking Information can be identified by the use of words and phrases such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "potential", "confirm" or "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that may be encountered if the Golden Meadows Project is developed.

In making the forward-looking statements in this news release, the Corporation has applied several material assumptions, including, but not limited to, that any additional financing needed will be available on reasonable terms; the exchange rates for the U.S. and Canadian currencies in 2011 will be consistent with the Corporation's expectations; that the current exploration and other objectives concerning the Golden Meadows Project can be achieved and that its other corporate activities will proceed as expected; that the current price and demand for gold will be sustained or will improve; that general business and economic conditions will not change in a materially adverse manner and that all necessary governmental approvals for the planned exploration on the Golden Meadows Project will be obtained in a timely manner and on acceptable terms; the continuity of the price of gold and other metals, economic and political conditions and operations. Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information.

Such risks and other factors include, among others, risks related to the availability of financing on commercially reasonable terms and the expected use of proceeds; operations and contractual obligations; changes in exploration programs based upon results of exploration; changes in estimated mineral reserves or mineral resources; future prices of metals; availability of third party contractors; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks associated with the mineral exploration industry; environmental risks, including environmental matters under U.S. federal and Idaho rules and regulations; impact of environmental remediation requirements and the terms of existing and potential consent decrees on the Corporation's planned exploration on the Golden Meadows Project; certainty of mineral title; community relations; delays in obtaining governmental approvals or financing; fluctuations in mineral prices; the Corporation's dependence

on one mineral project; the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits; the Corporation's lack of operating revenues; governmental regulations and the ability to obtain necessary licences and permits; risks related to mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title; currency fluctuations; changes in environmental laws and regulations and changes in the application of standards pursuant to existing laws and regulations which may increase costs of doing business and restrict operations; risks related to dependence on key personnel; and estimates used in financial statements proving to be incorrect; as well as those factors discussed in the Corporation's public disclosure record. Although the Corporation has attempted to identify important factors that could affect the Corporation and may cause actual actions, events or results to differ materially from those described in Forward-Looking Information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that Forward-Looking Information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on Forward-Looking Information.

Except as required by law, the Corporation does not assume any obligation to release publicly any revisions to Forward-Looking Information contained in this news release to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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