Midas Gold Completes Positive Preliminary Economic Assessment for Golden Meadows Project, Idaho

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Study Demonstrates Potential for Robust, Long-life, Low Cost Gold Production with Antimony Credits

VANCOUVER, BRITISH COLUMBIA -- (Marketwire) -- 09/04/12 -- Midas Gold Corp. (TSX: MAX) today announced the results of an independent, National Instrument 43-101 compliant Preliminary Economic Assessment ("PEA" or "Study") completed on its Golden Meadows Project (the "Project") in Idaho as summarized in Table 1 below. The purpose of the Study was to (a) provide a preliminary concept for the scale and type of mining project that the Golden Meadows Project could support, (b) identify options and alternatives for consideration by Midas Gold in consultation with regulators, governments, communities and other interested parties, (c) identify areas where additional work is required before a pre-feasibility study ("PFS") can be completed, and (d) demonstrate potential for positive economic returns that would support continued investment in the Golden Meadows Project. With this Study in hand, Midas Gold intends to actively engage with interested parties to evaluate potential options and considerations for the possible development of this large scale, long life mining operation in order to manage and mitigate impacts and ensure the sustainability of Midas Gold's activities.

The Golden Meadows property has been the site of extensive open pit and underground mining for almost 100 years and, as such, has seen considerable disturbance and environmental impact. Midas Gold's approach to the conceptual design of this project has been to select economic approaches and alternatives that mitigate and minimize the results of its proposed activities, to remediate considerable amounts of legacy disturbance and to develop a closure and reclamation concept that leaves the site with enhanced fisheries, wetlands and other productive environmental attributes. Midas Gold plans to engage with regulators, governments, communities, tribes, non-governmental agencies and other interested parties to consider the options identified in the PEA, to evaluate reasonable alternatives and to develop preferred options that can be incorporated into a future PFS and, if warranted, the permitting process for a full-scale mining operation.

Table 1: Preliminary Economic Assessment Highlights, Golden Meadows Project, Idaho(1)
(Base Case, at US$1,400/oz of gold)

	Years 1-8		Life-Of-Mine (14.2 years)	
	Annual Average	Total	Annual Average	Total
Payable Gold (K oz)	390	3,121	348	4,922
Payable Antimony (M lbs)	9.9	79.3	6.4	90.6
Cash Costs (US$/oz) (2) (Net of by-product credits)	331		425	
Initial Capital (US$M)				879
Pre-tax NPV5% (US$M)				2,136
After-tax NPV5% (US$M)				1,482
IRR (Pre-tax/After-tax)				33.7%/27.2%
After-tax Payback (Production Years)				3.0

(1) In this release, "M" = million, "K" = thousands, all amounts in US$
(2) See non-IFRS measures below

"This Preliminary Economic Assessment demonstrates potential for a robust, long life, low cost mining operation at Golden Meadows that could be in the lowest quartile of global gold producers," said Stephen Quin, President and CEO of Midas Gold Corp. "The Study provides the basis for us to engage the various interested parties in discussions related to the options and scenarios laid out, and to work with them to determine the optimal and preferred options. The Golden Meadows Project represents a tremendous opportunity to create significant long term, well paid employment in an economically depressed part of Idaho, generate a substantial stream of revenue to county, state and federal governments, to remediate and improve the environmental sustainability of this heavily disturbed site, and to create attractive returns for our shareholders," he said. "With a positive Study in hand, we have the basis from which to enter into meaningful discussions with interested parties to ensure we understand their perspectives, collect their input and consider options to improve and enhance the conceptual plan laid out in the PEA."

Conference Call, Webcast and Conferences

Midas Gold will be hosting a conference call and webcast to discuss highlights of the PEA at 7:00 AM PDT on Wednesday September 5, 2012. Details are provided toward the end of this news release.

Midas Gold is also attending and presenting at the Precious Metals Summit in Vail, Colorado, on September 6-7, 2012, and is attending the Gold Forum in Denver, Colorado, September 9-12, 2012.

Preliminary Economic Assessment

The PEA was compiled by SRK Consulting (Canada) Inc. ("SRK") who was engaged by Midas Gold Corp.'s

wholly owned subsidiary, Midas Gold, Inc. ("MGI"), to evaluate potential options for the conceptual development of a mine at the Golden Meadows Project based on information available up to the date of the Study. Ausenco Solutions Canada Inc. (infrastructure and mineral processing); Blue Coast Metallurgy Ltd. (metallurgy); RTR Resource Management, Inc. (permitting and social and environmental considerations), and JDS Energy and Mining Inc. (project management and economic analysis) also contributed to the Study. Additional details are provided in a technical report to be filed on SEDAR by mid-September 2012.

Midas Gold instructed SRK and the other Study contributors to conduct the PEA with the sustainable operation and long-term reclamation of the Project as a key design consideration, with the intent to build a project that would eventually result in an improvement of the environmental conditions that currently exist at Golden Meadows due to historic mining in the area.

The PEA summarized in this news release is intended to provide only an initial, high-level review of the Project potential and design options, which is preliminary in nature. The PEA mine plan and economic model include the use of Inferred resources. Inferred resources are considered to be too speculative geologically to be used in an economic analysis except as permitted under NI43-101 in PEA studies. There is no guarantee that Inferred resources can be converted to Indicated or Measured resources, and as such, there is no certainty the Project economics described herein will be realized.

Project Concept

The preliminary designs presented in the PEA are based on the recognition that the site has been previously extensively mined and thus considerations were made for economic feasibility, mitigation or cleanup of "targeted" legacy environmental issues, improvement of water quality, minimizing mining-related disturbance, and protection of the fishery during operations and on mine closure. In formulating the mine closure, consideration was given to re-establishment of the upstream fishery, backfilling open pits (when appropriate) as part of waste management, and focusing meeting applicable water quality standards during operation with mechanical treatment and on passive water treatment for long term closure. Additional details of these considerations are provided in the 'Environmental', 'Closure and Remediation' and 'Permitting' sections below.

The Project, as currently envisioned, consists of three gold mineral resources with zones of antimony and silver mineralization located in an area of significant historic mining activity. Conventional open pit methods are recommended for mining the three deposits (Yellow Pine, Hangar Flats, and West End), all of which are located within three kilometres of each other.

The deposits contain oxide and sulphide mineralization that are contemplated to be treated with different extraction processes. The oxide material is amenable to milling and then vat leaching to recover gold and silver only. Sulphide materialization is recommended to be milled and treated with sequential flotation to produce two products: an antimony concentrate for off-site shipment to a third party smelter and a gold concentrate that would be further processed on site using pressure oxidation (POX) followed by vat leaching and cyanide destruction within the plant building to produce gold-silver dore.

Production is assumed to be nominally 20,000 t/d or 7.3 Mt/year of mill feed. With this assumed production rate, the mine life would be approximately 14.2 years, with approximately 101 Mt of material processed. The mine would have an overall strip ratio of 3.7 tonnes of waste rock per tonne of economic mineralized rock. Gold accounts for approximately 93% of the value of the payable metals, antimony accounts for about 7% of the payable value and silver has a negligible economic contribution.

Mineral Resources

Updated mineral resources were estimated for each of the three deposits that comprise the Golden Meadows Project. The mineral resource estimates are summarized in Table 2 below and were previously reported by deposit in news releases dated May 16, 2012, June 4, 2012 and June 27, 2012. Antimony and silver values were only estimated within certain limited sub-domains and are summarized in Table 3 below. As a result, the grades for these metals in Table 2 are reported averaged over the entire, much larger gold mineral resource volumes, which may underrepresent the overall grades for these metals.

Table 2: Mineral Resource Estimate(1)- All Three Deposits comprising the Golden Meadows Project, Idaho
Prepared by SRK Consulting (Canada) Inc., June 25, 2012

Mineral Resource Category	Tonnes (000s)	Gold Grade (g/t)	Contained Gold (000s oz)	Silver Grade (5) (g/t)	Contained Silver (000s oz)	Antimony Grade (4)(5) (%)	Contained Antimony (000s lbs)
Open Pit Oxide(2) Mineral Resources							
Indicated	10,573	0.90	305	0.00	-	0.00%	122
Inferred	2,201	0.97	68	0.00	-	0.00%	178
Open Pit Sulphide(3) Mineral Resources							
Indicated	67,653	1.80	3,925	0.60	1,312	0.07%	108,385
Inferred	53,917	1.63	2,822	0.93	1,603	0.08%	92,606
Total Open Pit Oxide + Sulphide(2)(3) Mineral Resources							
Indicated	78,226	1.68	4,229	0.52	1,312	0.06%	108,507
Inferred	56,117	1.60	2,890	0.89	1,603	0.07%	92,784

(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 (as detailed in June 27, 2012 news release).
(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 (as detailed in June 27, 2012 news release).
(4) Where antimony grades are shown as "0.00" there is antimony present but it rounds to 0.00.
(5) Antimony and silver were not estimated for the entire West End deposit and significant portions of the Hangar Flats and Yellow Pine deposits due to a lack of sufficient assays, and these un-estimated volumes are averaged into the totals at an assumed zero grade.

Table 3: Antimony Subdomains(1) Mineral Resource, Yellow Pine & Hangar Flats Deposits
Prepared by SRK Consulting (Canada) Inc., June 25, 2012 for the Golden Meadows Project, Idaho

							Contain-

Mineral Resource Category	Tonnes (000s)	Gold Grade (g/t)	Contained Gold (000s oz)	Silver Grade (g/t)	Contained Silver (000s oz)	Antimony Grade (%)	Contained Antimony (000s lbs)
Open Pit Sulphide(2) Mineral Resources							
Indicated	9,999	2.31	743	3.15	1,012	0.49%	108,507
Inferred	8,639	2.08	576	5.04	1,400	0.49%	92,784

(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 sulphide 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 antimony subdomain is further limited to discrete zones of mineralization with grades that exceed 0.1% Sb.

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 normally 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 Measured and Indicated mineral resource categories through further drilling, or into mineral reserves once economic considerations are applied.

The mineral resource estimates for the Hangar Flats, West End, and Yellow Pine deposits were prepared by SRK as summarized herein. The economically driven pit shell that limits the mineral resource was based entirely on gold value, with antimony and silver reporting within the resource-limiting pit but not defining it. Within the resource-limiting pit, antimony and silver grades are reported without any cut-off. Any mineralization lying outside the resource-limiting pit is not reported as mineral resources.

Since the date of this mineral resource estimate, additional drilling has been completed, and is continuing to infill and extend the mineralization reported herein and updated mineral resource estimates are targeted for the end of Q1/13.

Conceptual Life-of-mine Open Pit Production Schedule

Individual conceptual mine plans were developed for each of the Hangar Flats, West End and Yellow Pine deposits. The conceptual Life-of-mine ("LOM") plan is summarized in Table 4, which is attached at the end of this release. The mine plans utilized approximately 80% of the recently reported mineral resource for the Golden Meadows Project that is summarized above.

Processing

The gold in the three deposits comprising the Golden Meadows Project is primarily contained in pyrite and arsenopyrite, while the antimony is contained in stibnite, and silver in pyrite, arsenopyrite and stibnite. As a result, the mineralized material contemplated to be processed would be crushed, ground and sulphides recovered by sequential flotation of the stibnite and then, subsequently, the pyrite and arsenopyrite, yielding two concentrates. The mineralized material is considered to be of medium hardness, with bond ball mill work indexes ranging from 13.0 to 13.7kWh/t. The conceptual base case approach to the sulphide concentrates is for the stibnite (antimony, along with minor gold and silver) concentrate to be sold to third parties for processing, while the pyrite-arsenopyrite concentrate (containing the gold) will be pressure oxidized on site and gold recovered as dore. Based on metallurgical test work completed to date, recoveries utilized in the PEA are as set out in Table 5 below. The grade of the gold concentrate is designed to manage sulphur

grades for onsite pressure oxidation; were the gold concentrates to be shipped off-site for processing, higher concentrations are achievable.

Table 5: Recoveries Utilized in PEA, Golden Meadows Project, Idaho

Process	Units	Yellow Pine	Hangar Flats	West End
Sulphides with Recoverable Antimony Grades				
Antimony Flotation				
Concentrate grade	% Sb	50	50	n/a
Recovery	%	80	80	n/a
Gold-bearing Sulphide Flotation				
Concentrate grade	% Sulphur	10+	10+	n/a
Gold Flotation Recovery	%	88	89	n/a
POX Residue Gold Extraction	%	98	98	n/a
Overall Gold Recovery	%	86	87	n/a
Sulphides Without Recoverable Antimony Grades				
Gold-bearing Sulphide Flotation				
Concentrate grade	% Sulphur	10+	10+	10+
Recovery	%	93	92	Variable (1)
POX Residue Gold Extraction	%	98	98	98
Overall Gold Recovery	%	91	90	Variable (1)
Oxides				
Gold Leach Extraction	%	80	80	Variable (1)

(1) Depending on degree of oxidation

Indicative economic analysis shows that the slightly lower overall gold recovery in the material with recoverable antimony is more than offset by the recoverable, payable antimony values.

Tailings & Waste Rock Management

A total of 101 Mt (68.7 Mm3) of tailings are expected to be produced during the 14.2-year mine life of the recommended project. Based on results of current metallurgical test work and the recommended processing options, three separate tailings streams would be produced: oxide, POX, and flotation tailings. The geochemistry of the POX and oxide tailings suggests they may require containment within a lined facility, while the flotation tailings are considered to be relatively benign and could be placed in a separate unlined facility. However, the buffering capacity of the flotation tailings may serve to neutralize the POX tailings, and create a more benign product overall, which suggests that co-mingled tailings contained within a single, lined facility may be the better option. The recommended tailing storage facility ("TSF") would consist of a lined basin and lined rock fill dam constructed in stages throughout the LOM. The downstream face of the rock fill dam would be buttressed by the waste rock facility ("WRF"), substantially reinforcing the dam. Waste rock from the mining operations at West End is recommended to be backfilled into the Yellow Pine pit. Other

waste rock is recommended to be deposited in a designed WRF adjacent to the Hangar Flats deposit. In order to schedule waste placement within the waste facilities and isolate potential leachable material, a detailed waste management plan would be developed, including components of geochemical characterization, water management, and capping to limit infiltration.

Capital Costs

Capital costs ("CAPEX") estimates were done based on Q3 2012, un-escalated U.S. dollars and are summarized in Table 6 below. Vendor quotes were obtained for all major equipment. Some of the costs were developed from first principles, while some were estimated based on factored references and experience with similar projects.

Table 6: Capital Cost Estimate, Golden Meadows Project

Area	Detail	Pre-production (M$)	Sustaining (M$)	Total (M$)
Direct Costs	Open Pit Mine	121.9	107.2	229.1
	Processing and Utilities	243.0	79.6	322.6
	On-site Infrastructure	93.1	38.8	131.9
	Off-site Infrastructure	67.0	0.0	67.0
Indirect Costs		148.9	19.4	168.3
Owner's Costs		39.7	0.0	39.7
Closure Costs		0.0	53.0	53.0
CAPEX Without Contingency		713.6	298.0	1,011.6
Contingency (variable)		165.7	4.7	170.4
TOTAL CAPEX ESTIMATE with Contingency		879.4	302.6	1,182.0

Operating Costs

Operating cost estimates ("OPEX") were done based on Q3 2012, un-escalated U.S. dollars and are summarized in Table 7 below. Most costs were developed from first principles, although some were estimated based on factored references and experience with similar projects.

Table 7: Operating Cost Estimate, Golden Meadows Project

	Unit Cost Estimate		
Item	$/t Mined	$/t Milled	Cash Cost(2)$/Au ounce Payable
Mining	1.67(1)	7.78	160
Mineral Processing		13.94	287
General and Administration		4.14	85
Total (without by-product credits)		25.86	532
Total (with by-product credits)			425

(1) Excluding pre-strip (Year -1) mining which is captured as a capital cost
(2) see non-IFRS measures below

In the first eight years of operation, cash costs without by-product credits average US$479 per payable ounce of gold, and just US$331 per payable oz of gold after by-product credits are applied (see non-IFRS measures below).

Costs were independently estimated for oxides, low-antimony sulphides and high-antimony sulphides, as set out in Table 8 below.

Table 8: Operating Cost Estimate by Type of Mineralization, Golden Meadows Project

Item	Unit	Combined	Oxide	Sulphide	High Sb
Mining ($1.67/tonne mined(i))	$/t milled	7.78	7.78	7.78	7.78
Stockpile material handling	$/t milled	0.13	0.13	0.13	0.13
Crushing and Grinding	$/t milled	2.83	2.83	2.83	2.83
Oxide Processing	$/t oxide milled	0.82	5.53		
Sb Flotation	$/t high Sb milled	0.28			1.66
Au Flotation	$/t sulphide milled	1.77		2.08	2.08
POX	$/t sulphide milled	7.87		9.23	9.23
Water Management	$/t milled	0.25	0.25	0.25	0.25
General and Administrative	$/t milled	4.14	4.14	4.14	4.14
Total		25.86	20.66	26.44	28.10

(i) Excluding pre-strip (Year -1) mining which is captured as a capital cost

Production Schedule

Based on the conceptual mining schedule for the three deposits and recoveries summarized above, Table 9 sets out the estimated contained and payable metals over the life-of mine and is attached at the end of this release.

Economic Analysis

The economic assessment in the PEA is preliminary in nature and uses inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that this PEA will be realized. The inferred mineral resource used in the mine plan is 37% of the total life-of-mine mineral resource.

Four potential cash flow cases were studied using metal prices summarized in Table 10 below. All cash flow cases used the same mineral resource estimate, mine plan and production factors, as shown in Table 11 below.

Table 10: Metal Price Assumptions for the Four Economic Cases, Golden Meadows PEA

Case	Gold Price ($/ounce)	Silver Price ($/ounce)	Antimony Price ($/pound)	Basis
Case A	1,200	20.00	5.50	Gold price used in the mine optimization. The gold price is approximately the 5-year trailing average to the end of July 2012.
Case B (Base Case)	1,400	23.50	6.00	Approximate three-year trailing average gold price to the end of July 2012.
Case C	1,600	27.00	6.50	Approximate eighteen-month trailing average gold price to the end of July 2012.
Case D	1,800	30.00	7.00	An upside case to show project potential at a gold price about 12% higher than prices at the end of July 2012.

Table 11: Summary of Production - All Cases, Golden Meadows PEA

Item	Unit	Value
LOM PRODUCTION		
Waste Mined	Mt	372
Mineralized Material Mined	Mt	101
Strip Ratio (Waste tonnes:mineralized material tonnes)	t:t	3.7
Daily Mill Throughput	t/d	20,000
Annual Mill Throughput	Mt	7.3
Mine Life	Production Years	14.2
MILL HEAD GRADE - OVERALL		
Gold	g/t Au	1.72
Silver	g/t Ag	1.60
Antimony	% Sb	0.08
Oxide Process		
Tonnes	Mt	15.0
Gold	g/t Au	1.05

Silver	g/t Ag	0.10
Gold Flotation Process (excluding Antimony Flotation)		
Tonnes	Mt	69.0
Gold	g/t Au	1.75
Silver	g/t Ag	0.42
Sb Flotation Process (greater than 0.1% Sb only)		
Tonnes	Mt	17.4
Gold	g/t Au	2.18
Silver	g/t Ag	0.67
Antimony	% Sb	0.45
CONCENTRATE PRODUCTION		
Antimony Concentrate	dry metric tonnes	126,474
LOM PAYABLE METAL		
Gold	Koz	4,922
Silver	Koz	335
Antimony	Klb	90,618

The results of the economic analysis are summarized in Table 12 below.

Table 12: Economic Results by Case, Golden Meadows PEA

Parameter	Unit	Pre-tax Results	After-tax Results
Case A ($1,200/ounce Au, $5.50/pound Sb, $20.00/ounce Ag)			
NPV0%	M$	2,549	1,874
NPV5%	M$	1,464	1,036
IRR	%	27	22
Payback period	Production years	2.8	3.7
Case B ($1,400/ounce Au, $6.00/pound Sb, $23.50/ounce Ag) - Base Case			
NPV0%	M$	3,580	2,557
NPV5%	M$	2,136	1,482
IRR	%	34	27
Payback period	Production years	2.3	3.0
Case C ($1,600/ounce Au, $6.50/pound Sb, $27.00/ounce Ag)			
NPV0%	M$	4,611	3,233
NPV5%	M$	2,808	1,923
IRR	%	40	32
Payback period	Production years	1.9	2.6
Case D ($1,800/ounce Au, $7.00/pound Sb, $30.00/ounce Ag)			
NPV0%	M$	5,642	3,910
NPV5%	M$	3,480	2,364
IRR	%	46	36
Payback period	Production years	1.7	2.3

The contribution to the project economics, by metal, is about 93% from gold, 7% from antimony, and less than 1% from silver.

Using a discount rate of 5%, the after-tax break-even gold price for the project is $880/ounce gold (63% of the Case B gold price) assuming no contribution from antimony or silver.

Sensitivity Analysis

Sensitivity analyses were performed using metal prices, mill head grade, CAPEX, and OPEX as variables. The value of each variable was changed plus and minus 20% independently while all other variables were held constant. The results of the sensitivity analyses are shown in Table 13 below.

Table 13: Sensitivity Analysis - All Cases, Golden Meadows PEA

		After-tax NPV5%(M$)		
		-20%	0%	20%
Case	Variable	Variance	Variance	Variance
Case A	CAPEX	1,176	1,036	889
	OPEX	1,242	1,036	816
	Metal Price or Grade	436	1,036	1,593
Case B (Base Case)	CAPEX	1,619	1,482	1,344
	OPEX	1,683	1,482	1,277
	Metal Price or Grade	828	1,482	2,122
Case C	CAPEX	2,060	1,923	1,786
	OPEX	2,124	1,923	1,721
	Metal Price or Grade	1,193	1,923	2,652
Case D	CAPEX	2,501	2,364	2,227
	OPEX	2,565	2,364	2,163
	Metal Price or Grade	1,547	2,364	3,181

Economic Impacts

The economic analysis set out in the PEA also provides some indications of the potential economic impact of the Golden Meadows Project on the local, Idaho and US economies, should the future work and permitting support development of a mining operation. Highlights include:

- Direct employment of more than 400 people during the three-year construction phase and 425 people during the subsequent 14.2 year operating phase at annual salaries estimated to average more than double the average 2010 census reported salaries for Idaho;
- A study by the University of Idaho estimates 2.5 times as many community-based jobs are likely to be dependent on each direct job at such a mine, with such jobs related to contracting, transportation, services and other support activities;
- An average annual payroll of $20 million during the conceptual 14.2 year life of mine;
- Gross investment of approximately over $500 million in capital equipment and equipment manufacturing during the construction phase, with an additional $200 million or more during operations, the substantial majority of which is expected to be sourced from within the United States; and,
- Approximately $1,023 million in direct taxes to all levels of government, including payments to the local county ($3 million), State ($220 million) and Federal ($800 million) governments over the 14.2 year operating life of the project, but excluding payroll taxes, state sales taxes and income taxes paid by employees.

MGI is already having a significant impact on the local economy, with upwards of 115 people directly employed or working with contractors on site in 2011 and 146 so far in 2012, making MGI the largest private sector employer in Valley County, more than 70% of whom reside in the State of Idaho and almost half are

from Valley and adjacent Adams counties. MGI has also been able to utilize a significant number of contractors and suppliers from within Valley and Adams counties and the State of Idaho, with an estimated 85% of its project expenditures being spent in Idaho, approximately half of which is being spent with local entities.

Environmental

Midas Gold and MGI recognize the importance of protecting the environment and, to facilitate the development of a sustainable project, Midas Gold established the following environmental objectives for the Project:

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--  Protect surface and ground water quality;
--  Protect and enhance the fishery;
--  Maintain or enhance the objectives of CERCLA-ordered environmental
    improvements;
--  Minimize potential for sedimentation and spills along transportation
    corridors; and
--  Incorporate environmental enhancement opportunities into the conceptual
    concurrent and final reclamation plans.
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In order to achieve Midas Gold's and MGI's objectives, SRK has incorporated the following design considerations, from an environmental perspective, into the recommended Project:

-- Minimize the project footprint - the concepts of backfilling pits, where practical, and concentrating tailings storage in one location (rather than multiple smaller locations) are high priorities for design. Minimizing the footprint enables better protection of water quality and simpler, more effective water management.
-- Management of water - a comprehensive water management strategy to minimize and reuse water supplies in order to support in-stream flow requirements for important fish species has been developed for additional study as part of this PEA.
-- Management of waste - the waste management plan for the project involves the potential for segregation and selective handling and placement of potentially reactive waste rock, and storage of flotation, oxide, and POX tailings in a synthetically lined facility. Further, blending of the plus 90% by volume, inert flotation material with the small volume POX tailings, is expected to chemically neutralize any residues in the POX tailings.
-- Reduce contact of Project infrastructure (including roads in particular) with waterways - The conceptual design presented in this PEA of an alternate road corridor to the Project site would move the main transportation route away from much of the environmentally sensitive Johnson Creek & South Fork of the Salmon River ("SFSR") waterways.
-- Enhance the fishery - The environmental design also involves the creation of three fish spawning reaches in the East Fork of the SFSR ("EFSFSR") above the planned Yellow Pine pit, backfilling of the Yellow Pine pit, and construction of a new channel through the backfilled area that would provide fish passage into the upper reaches of the EFSFSR and Meadow Creek drainage areas that are currently inaccessible due to the steep gradient within the abandoned Yellow Pine pit.
-- Clean up past environmental degradation - Selective environmental clean-up projects would be considered as part of the overall mine plan, where feasible; additional reclamation treatments at the historic spent ore disposal area ("SODA") is an example of this opportunity.
-- Management of air quality - The use of the best practice control technology and practices to control air emissions at the site would be employed.
-- Environmental Monitoring - Monitoring to ensure compliance with all applicable air, water, waste, and reclamation objectives and to validate the effectiveness of water treatment and best management practice (BMP) technologies is a fundamental component of the Project.

Closure and Remediation

The conceptual closure plan is focused on effective remediation of a considerable area degraded by historic mining practices (including waste dumps, abandoned pits, leach pads, former mill and smelter location, etc.) by re-mining areas of past disturbance, creating substantially improved containment, and managing waste materials in fully engineered and contained facilities. The conceptual closure plan would create more than 60 hectares of new wetlands, restore local drainages, reopen fish pathways along the EFSFSR south of the current Yellow Pine pit lake to migratory species (including salmon), and create three fisheries enhancement habitats. In addition, all newly-generated waste would be covered and planted to create sustainable vegetative cover.

Recognizing that there is already substantial disturbance from extensive past open pit and underground mining within its Golden Meadows project boundaries, over the past several years Midas Gold has undertaken a series of voluntary remediation efforts to mitigate the on-going impact of legacy environmental disturbance, including reclaiming more than five acres of ground disturbed prior to Midas Gold's involvement in the area, planting 5,000 trees in 2011 (with a further 7,800 scheduled for planting in the fall of 2012) to reduce suspended solids run-off, application of dust suppression materials to almost seven miles of public roads, and replaced or repaired numerous culverts and other stream crossings, all of which has helped to

reduce the sediment loading of local drainages, enhancing the downstream water quality and fish habitat.

Permitting

Midas Gold has developed an integrated plan to address the potential Environmental Impact Statement ("EIS") and the potential regulatory process for any new mining operation, should such be warranted after the additional recommended work and further studies are completed. The plan considers: (a) environmental baseline study needs, (b) MGI's ultimate "preferred alternative" to be described in the PFS, (c) a concurrent EIS and permitting schedule, (d) environmental risk management strategy, including "offsets" to potential impacts, and (e) an internal management program driven by scheduling milestones and cost tracking.

Substantial existing environmental baseline information generated by previous operators and governmental agencies is being confirmed and supplemented by MGI. This baseline is a compilation of previous studies and several EIS conducted for recent mining operations, remedial cleanup investigations, and multiple resource agency inventories. The new supplemental studies by MGI are aimed at describing 'current mining' environmental conditions at the site.

Project Risks & Opportunities

Aside from the risks typical of all large scale mining projects, such as confidence in mineral resource estimates, metallurgical performance, capital and operating cost increases, commodity price decreases, etc., the principal Project risks identified in the PEA include the following:

1. Ability to acquire a mining permit while maintaining an reasonable development timeline;
2. Success in converting Inferred resources to Measured or Indicated categories; and
3. The ability to attract and retain experienced professionals given the competitive state of the global mining industry.

Excluding the typical opportunities for such a mining project as that conceptualized in the PEA, such as higher metal prices, lower costs, etc., a number of specific opportunities have been identified at Golden Meadows and include the following:

1. Increases in mineral resources - all of the three deposits that contributed mineral resources to the conceptual plan laid out in the PEA are open to expansion and drilling is continuing. Additional mineral resources could extend the mine life, increasing the Project NPV and IRR.
2. Higher grade mineral resources - if MGI was successful in defining higher grade mineral resource within or around the existing deposits, or in completely new deposits, these mineral resources could displace lower grade material into the future, increasing the Project NPV and IRR.
3. Increased by-products - as noted in the mineral resource section above, antimony and silver grades have only been estimated for a small portion (approximately 17%) of the overall mineral resource. As additional drilling and modelling is completed, were by-product values extended into the un-estimated areas, higher by-product production could be contemplated and could result in reduced net operating costs, increasing the Project NPV and IRR.
4. Conversion of in-pit unclassified material - the currently contemplated pits have significant volumes of material with little to no drilling that are therefore unclassified tonnes treated as waste in the current financial model. Drilling has been on-going in 2012, and is continuing, with the objective of converting some portion of these unclassified tonnes to mineral resources above contemplated cut-off grades, which would result in increased mineral resources and mine life, positively affecting the NPV and IRR of the Project.
5. Improved geotechnical parameters - the currently contemplated pits have slopes assigned to them based on limited geotechnical information. Geotechnical drilling is currently in process to assist with better defining the appropriate geotechnical parameters, which could result in steeper pit walls, reducing strip ratios and therefore lowering operating costs.
6. Potential increases in design throughput - such increases could result in an improved capital return scenario.
7. Alternate oxide material processing options - such options could allow earlier or parallel processing of oxide materials, increasing production and economic returns.
8. Generation of quicklime - generation of quicklime from local limestone sources could reduce costs and the number of vehicles required to bring materials to site.

Moving Forward

MGI intends to use the recommendations in the PEA as the basis for informed discussions with tribal and other governments, NGOs, regulatory agencies, recreational groups, local communities and others in order to cooperatively develop a Project that is sustainable both from an economic and environmental perspective.

MGI did not wait for completion of the PEA to initiate activities it knew would be required to advance the Project towards completion of a PFS and design of a project that may subsequently warrant the filing of permit applications. MGI has already completed approximately 38,246m of in-fill and step-out drilling in 2012 in and around the mineral resources summarized herein with the objective of (a) upgrading the confidence in the existing Inferred mineral resources and better defining potential by-product values, (b) testing currently unclassified material within the current pit limits for its potential to host mineralization, (c) testing for possible extensions to the existing mineral deposits, (d) geotechnical drilling, and (e) commencing the testing for other potential deposits, such as Scout. In addition, MGI has begun collecting additional metallurgical samples for further testing, is continuing its geotechnical and baseline environmental assessments, is assessing potential local sources of limestone, and is continuing with other Project related activities.

All of the new 2012 drilling is to be incorporated in a new mineral resource estimate scheduled for completion

in Q1/13, while all other information, including possible 2013 drilling, is to be incorporated into future studies (whether an updated PEA or a PFS) and to provide sufficient detail and confidence to contemplate the filing of permit applications, should the Project economics warrant once this additional information has been collected and incorporated into such studies.

Illustrations

To view the conceptual project layout and closure, please click here:
http://media3.marketwire.com/docs/MAX0904.pdf

Updated Technical Report

Midas Gold plans to file a NI 43-101 Technical Report on SEDAR by mid-September detailing the information set out herein.

Compliance with National Instrument 43-101

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 MGI 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, MGI is not aware of any environmental, permitting, legal or other reasons that would prevent it from advancing the project.

For readers to fully understand the information in this news release, they should read the Technical Report (to be available on SEDAR or at www.midasgoldinc.com by mid-September 2012) in its entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this news release which qualifies the Technical Information. The Technical Report intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in that report is subject to the assumptions and qualifications contained in the Technical Report.

Non-IFRS Performance Measure

"Cash Operating Costs" is a non-IFRS Performance Measure. This performance measure is included because this statistic is a key performance measure that management uses to monitor performance. This performance measure does not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. This performance measure should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

Conference Call & Webcast Details

Midas Gold will be hosting a conference call and webcast at 7:00 AM PT on Wednesday September 5, 2012 to discuss highlights of the PEA on the Golden Meadows Project and to provide analysts and investors the opportunity to ask questions; call in details are as follows:

Canada & USA Toll Free Dial In: 1-800-319-4610

Outside of Canada & USA call: +1-604-638-5340

International local numbers are available at: http://services.choruscall.com/links/itfsa.html. Callers should dial in 5 - 10 min prior to the scheduled start time and simply ask to join the Midas Gold call.

Midas Gold will also webcast the presentation to accompany the discussion; simply click on the following link to access the presentation: http://services.choruscall.com/links/midas20120905.html.

The conference call will be available for replay by calling Canada & USA Toll Free 1-800-319-6413 or Outside Canada & USA Call: +1-604-638-9010. Alternatively, international local numbers are available at: http://services.choruscall.com/links/itfsa.html and enter the code 8230 followed by the # sign. The call will be available for one month.

Quality Assurance

The technical information in this news release has been 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 under the supervision of Guy Dishaw, P. Geo, of SRK. The other QPs responsible for the PEA study are set out below.

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--  Gordon Doerksen, P.Eng., JDS Energy and Mining Inc. (overall project
    management and economic analysis);
--  Dino Pilotto, P.Eng., SRK Consulting (Canada) Inc. (mining);
--  Bruce Murphy, FSAIMM, SRK Consulting (Canada) Inc. (mine geotech);
--  Maritz Rykaart, P.Eng., SRK Consulting (Canada) Inc. (waste management)
--  John Duncan, P.Eng. SRK Consulting (Canada) Inc. (water management);
--  Chris Martin, C.Eng., Blue Coast Metallurgy Ltd. (metallurgy);
--  Kevin Scott, P.Eng., Ausenco Solutions Canada Inc. (infrastructure and
    mineral processing); and
--  Rick Richins, BS, MS, RTR Inc. (environmental considerations).
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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.

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", "contemplates", "recommends" 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, certain assumptions as to production rate, operating cost, recovery and metal costs as set out in this news release, that any additional financing needed will be available on reasonable terms; the exchange rates for the U.S. and Canadian currencies in 2012 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.

To view Tables 4 and 9 please click on the following link: http://media3.marketwire.com/docs/MAX0904b.pdf

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