Midas Gold Updates Progress on its Golden Meadows Au-Ag-Sb Project, Idaho

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Optimization of Planned Preliminary Feasibility Study Advances on Many Fronts

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 7, 2014) - **Midas Gold Corp. (TSX:MAX)(OTCQX:MDRPF)** today provided a progress report on its Golden Meadows Project in the historic Stibnite mining district of Idaho. Since the completion of the Preliminary Economic Assessment published in September 2012 (the "PEA"), the Midas Gold team and its consultants have focused on efforts to optimize the project from an environmental, social, sustainability, technical and economic perspective, with the objective of improving the project concepts over those set out in the PEA, including key objectives of designing for project closure, management of water quality and habitat restoration. Over the past 18 months, Midas Gold has also used the concepts from the PEA as a basis for discussions with local communities, Native American Tribes, State, Federal and local governments, regulators, NGOs and other interested parties in respect of project options in order to solicit suggestions and feedback for consideration in its technical studies. The results of these efforts will be incorporated into a Preliminary Feasibility Study (a "PFS") once the review and optimization process is complete.

"During the past 18 months, Midas Gold and its team of consultants have been evaluating numerous aspects of the Golden Meadows Project in order to optimize outcomes from an environmental, sustainability, social, technical and financial perspective," said Stephen Quin, President & CEO of Midas Gold Corp. "With almost 70 individual trade-off and optimization studies completed or in progress, this has been an intensive effort focused on designing the best possible project," he said. "While significant work remains to be completed over the next few months, we have completed much of the physical work required to support the preliminary feasibility study and are now focused on the analysis and interpretation of the results, the finalization of key assumptions for the planned study and optimization of project outcomes. With the later than planned receipt of some of the studies' results and some variability of results from initial assumptions used in the PEA, this process is taking somewhat longer than anticipated but, regardless, the objective is to design the best project while taking into account these different perspectives."

With these perspectives in mind, the following is a summary of key areas of activity, with further detail on each provided later in the release:

1. **Expanded mineral resource estimation process** - In order to provide data necessary for the optimization of metallurgical processing, balance the throughput of different types of mineralization and to ensure the applicability of the various historic data sets, the time frame for the completion of the expanded mineral resource estimates is around mid-year.

2. **Mine plan optimization** - In order to reduce its environmental footprint, Midas Gold has elected to forgo incorporation of certain of the high strip, lower margin mineral resources, as well as phasing mining within individual pits to balance different feed types and to support in-pit placement of waste rock.

3. **Employment** - Midas Gold has identified a number of functions that can be located within local communities, allowing employees to work from home and reducing camp size.

4. **Fish habitat protection and enhancement** - A major focus has been to mitigate potential impacts on water quality, to design concepts to enhance water quality and fish habitat, and to deliver same earlier in the project schedule.

5. **Recycling historic tailings and spent ore** - In order to address legacy disturbance from historic mining early in the project life, Midas Gold plans to utilize the spent heap leach ore for construction purposes and reprocess the historic tailings early in the project schedule.

6. **Relocated project infrastructure** - With the objective of reducing potential impacts on or risks to the environment and local communities, Midas Gold has identified a new preferred access route, a new preferred process plant location, and has elected to utilize grid power for the project.

7. **Materials handling** - Based on testing and option analysis, Midas Gold has elected to utilize a jaw crusher as its preferred first stage comminution, and to use trucks to haul materials.

8. **Processing enhancements** - Extensive metallurgical testing has allowed Midas Gold to identify options for enhanced overall recoveries, to eliminate the capital and operating cost associated with acidulation and to provide for extended operating hours on an annual basis.

9. **Concentrate oxidation** - Supported by extensive testing and trade-off studies, Midas Gold has determined to retain pressure oxidation as the preferred method of concentrate oxidation due to its better environmental and financial performance, and has identified opportunities to reduce neutralization costs.

10. **Secondary antimony processing** - Recently completed test work has demonstrated the potential for production of antimony end products within the US, as opposed to shipping concentrates overseas.

Details of Project Optimization Efforts

In the PEA completed in September 2012, Midas Gold outlined one possible option for the potential future development of the Golden Meadows Project, identified additional information required in order to further advance the project, and outlined some possible alternatives for the potential project.

In the 18 months since completion of the PEA, different project concepts have been and continue to be reviewed with a focus on environmental, sustainability, social, technical and financial outcomes. Project optimization studies have been completed or are in progress on approximately 70 aspects of the project, including the following ten key areas:

1. **Mineral Resource Estimation** - Midas Gold has completed 45,790m of drilling in 272 holes since the date of the PEA, has recovered considerable historic (i.e. pre-Midas Gold) data generated by prior operators of the project, and is working with its consultants to ensure the appropriateness of, and the basis for, incorporating each of these various data sets into the updated mineral resource estimate. This Midas Gold and historic data, combined with structural data collected by Midas Gold from oriented core, analysis of samples for trace and rock-forming elements (such as sulphur, silica and carbonate), and alteration (including the degree of oxidation), have assisted in the interpretation of structures, stratigraphy and various mineralizing events. Midas Gold has used this information to improve its geologic modelling of the mineral deposits within the Golden Meadows Project area. Geologic models are substantially complete for the Hangar Flats, West End and Yellow Pine deposits, and a model is well advanced for the Scout deposit. A number of parameters and elements (both directly and through the use of proxies) that are essential for mine planning (in order to balance gold production with pressure oxidation and mill capacity) are also being incorporated into the models. Mineral resource estimation is substantially advanced and is taking longer than planned due to the number and complexity of the models, but robust models, able to accurately predict the parameters likely to affect or influence the various stages of processing and neutralization, are key to optimizing the PFS. Completion of the mineral resource models is dependent on assumptions in respect of a number of parameters that are required under NI43-101 to demonstrate potential economic viability in order to define a mineral resource that will form the basis of a mineral reserve estimate for use in the PFS. Finalization of these assumptions is dependent on outcomes of certain trade-off and optimization studies discussed below and, as a result, the schedule for completion is around the end of Q2/14.

2. **Mine Plan Optimization** - An environmental, technical and financial review of each of the deposits, based on the 2012 PEA mineral resource estimates, indicated that the extraction of the higher strip ratio mineral resources in the final phase of the conceptual Hangar Flats pit generated a large environmental footprint (in respect of the resulting open pit and waste rock dumps) for a marginal increase in net present value ("NPV"), with the NPV of the increased cash flow being largely offset by increased sustaining capital. This sustaining capital included additional mining equipment and considerable waste stripping in order to access these incremental mineral resources. Midas Gold has determined to forgo these relatively marginal ounces in order to reduce the size of any pit designed for Hangar Flats, with the resulting reduction in waste generated from this area aligned with Midas Gold's objective of aiming to reduce its overall environmental footprint. Midas Gold has also worked with its consultants to optimize the scheduling of the various deposits, including potentially phasing development within individual pits in order to balance and optimize mill feed while potentially allowing concurrent backfilling portions of these open pits as mining progresses (reducing the overall quantity of waste rock placed in waste rock storage facilities).

3. **Community and Camp-based Employment** - Following an evaluation of its needs and those of its future employees, Midas Gold has determined that certain support and technical functions (including accounting, human resources, some logistics, warehousing and laboratory) could be located in the local communities in the Cascade - Donnelly - McCall corridor, rather than at the project site. This will allow a significant number of employees to live at home, with their families, and work at well-paid, quality jobs in the communities in this corridor, resulting in a smaller camp and reduced vehicular traffic to site. Midas Gold has also identified a potential alternate location for the on-site man camp that would improve the safety of, and quality of life for, its employees as compared to the site selected in the PEA.

4. **Fish Habitat Protection & Enhancement** - A major focus for the conceptual project design has been the improvement of the local fishery, both through habitat enhancement and improvement of water quality. After evaluating opportunities to mitigate potential impacts and enhance eventual outcomes related to fish habitat (versus options considered in the PEA), Midas Gold has, among other things, identified opportunities to eliminate potential future impact on Sugar Creek, to allow fish passage through the site and beyond (for the first time since the 1930s) earlier in the project life, to enhance fish spawning/rearing potential in the Meadow Creek Valley, and to largely eliminate ongoing erosion and sediment generation from Blowout Creek. Blowout Creek is likely the largest contributor of sediments to Meadow Creek in the project area, impacting fish habitat and water quality.

5. **Re-mining of Historic Tailings & Re-use of Historic Leached Ore** - Extensive prior mining at Stibnite resulted in deposition of (i) a significant quantity of tailings generated by milling operations conducted from the 1920s through the 1950s, and (ii) a significant volume of spent ore generated by seasonal heap leach operations conducted in the 1980s and 1990s. Midas Gold has determined that it is conceptually feasible to reprocess the tailings and to re-use the leached ore for a net environmental benefit. Following a successful auger drilling program completed during the summer of 2013, Midas Gold announced a NI 43-101 compliant mineral resource estimate for the existing tailings on October 28, 2013 and is currently focused on options for recovering and re-treating these tailings. Midas Gold anticipates that these tailings would be reprocessed and placed in a lined tailings storage facility early in the project life, most likely within the first three to five years, thereby ensuring that this remediation opportunity is delivered early in the conceptual project schedule. These historic tailings are overlain by approximately six million tonnes of spent heap leach ore that has been crushed to minus 3/4 inch size. Geotechnical and geochemical analysis of the spent ore indicates that it could be reused for construction of certain infrastructure related to the conceptual project, thereby eliminating the need to mine and crush several million tonnes of new rock to create suitable aggregate for the construction of this infrastructure. Through these approaches, Midas Gold could effectively recycle previously generated waste material, reducing its environmental footprint and saving money related to mining and crushing if such material were not available.

6. **Project Infrastructure** - Midas Gold and its consultants have re-evaluated concepts for a preferred access route, a preferred power supply and siting of a potential process facility through the lens of environmental impact, community considerations, technical risk and financial outcomes.

    a. **Access Route** - After considering a number of options, Midas Gold has an alternate preferred access route that was identified by members of the local community. Since this already existing access route essentially eliminates travel adjacent to significant drainages and has only one crossing of such a drainage, it significantly reduces potential sediment impacts on water and fish habitat related to sediment run-off and dust generation from roads and vehicular traffic, while also largely eliminating the risk of spills into these drainages. Midas Gold and its consultants are continuing to optimize the design of this access route in order to minimize potential impacts and costs.

    b. **Power Supply** - Midas Gold and its consultants have evaluated options for supplying power to the site, including on-site power generation, and have concluded that connecting to the existing power grid represents the best outcome from a sustainability, community, risk and financial perspective. The power line option has the advantage of eliminating potentially significant greenhouse gas emissions related to on-site power generation, significantly reducing the volumes of fuel to be transported to site and related road traffic, reducing noise, providing a long term benefit to communities along the route through improved and more reliable infrastructure, while providing Midas Gold with access to a reliable, long term, low cost source of energy.

    c. **Process Facilities** - Midas Gold is looking to locate the potential process facilities near the Scout deposit and former town site of Stibnite as opposed to at the site considered in the PEA. This new location is set back significantly further from existing creeks, places the infrastructure on exposed competent bedrock (where there is lower geotechnical risk for foundations), moves it off forested wetlands and moves it closer to the centre of gravity for the project. While this location may impact the potential future development options for the Scout mineralization discovered in 2012, it may not preclude the underground extraction of relatively shallow, high grade antimony-gold-silver mineralization defined in the Scout area, should a mineral resource be defined and further evaluation demonstrate potential for an attractive economic return.

7. **Comminution & Materials Handling** - The PEA assumed that the project would utilize a gyratory crusher to feed the SAG-Ball mill combination to achieve the desired particle size at 20,000 tonnes per day; however, subsequent engineering analysis and metallurgical testing support the choice of a single jaw crusher, resulting in reduced capital costs for the crusher as compared to a gyratory crusher. This jaw crusher would feed into the same SAG-Ball mill combination selected in the PEA. Recently completed confirmatory test work has also identified unanticipated higher variability in hardness within portions of the deposits that needs to be modelled in order to ensure a balanced mill feed. As noted in its September 9, 2013 news release, Midas Gold had also been evaluating the potential to utilize conveyors to move material from the pits to the mill and/or waste dumps. A recently completed trade-off study compared the life-cycle cost of crushing and conveying ore and waste rock to the plant and waste rock storage facility, respectively, versus trucking. While the discounted costs between the two options was within the error of the estimates (for both waste rock and ore), trucking yielded an appreciably lower capital cost with much greater operational flexibility, as well as less exposure to potential avalanche and landslide hazards, and will form the basis of the PFS.

8. **Flotation Recoveries & Leach Tests** - Appreciable laboratory testing has been dedicated to achieving the right economic balance between grind size, gold/antimony rougher flotation, gold/antimony cleaner flotation, gold scavenger flotation, and leaching of the oxidized gold concentrate and flotation tailings. The outcome of these tests has been to:

    a. Justify marginally finer grind sizes resulting in overall marginally improved gold recoveries in flotation, and the potential to directly feed rougher flotation concentrates from the Hangar Flats and Yellow Pine deposits to the pressure oxidation circuit for a significant portion of the contemplated project life, thereby reducing the risk of gold losses during subsequent cleaner flotation steps, while still having sufficient sulphur to sustain autothermic reactions in the pressure oxidation circuit.

    b. A flotation cleaner circuit for West End concentrates would still be required, but would have the added benefit of allowing the rejection of excess carbonate from West End concentrates, the presence of which could reduce the effectiveness of the pressure oxidation circuit. However, this cleaning step has demonstrated sufficient carbonate rejection to eliminate the need for the capital and operating costs related to the acidulation circuit that were included in the PEA.

    c. Midas Gold and its consultants have also concluded that providing for leaching the tailings after flotation early in the mine life would give additional operational flexibility, potential for enhanced gold recoveries and reduce the risk of leachable gold bypassing the flotation recovery circuit. This approach would also allow oxides to be processed when the pressure oxidation circuit is down for maintenance (usually about 10-15% of the year), facilitating gold production during these periods.

9. **Concentrate Oxidation** - While flotation to produce gold-pyrite concentrates remains at the centre of the contemplated processing facility for the potential project, options for the onsite oxidation of the concentrates produced had previously indicated that bio-oxidation ("BiOx") may have been a preferred alternative to pressure oxidation ("POx") of those concentrates. However, subsequent test work, combined with evaluation from an environmental, technical and financial perspective, has resulted in POx being selected as the preferred methodology as it generates more environmentally stable tailings products, has demonstrated more reliable and higher metallurgical recoveries, is less vulnerable to process upset and, overall, generates better economics. Results of recent analysis test work have also provided considerable additional data in respect of sulphur, carbonate, silica and other minor metals that need to be modelled in order to balance mill feed to match the capacity and capabilities of the planned process facilities. A significant cost in the PEA related to the POx of concentrates was related to the neutralization of the POx solutions before leaching, however, subsequent work has determined that the flotation tailings can accomplish most of the neutralization and this neutralization could be supplemented by a local source of on-site, high quality limestone defined and tested during 2013.

10. **Secondary Antimony Processing** - The PEA assumed production of an antimony concentrate that would be shipped offshore for processing. Given the relatively low payability and high transportation costs associated with such an option, Midas Gold and its consultants have conducted an extensive program to evaluate the potential for offsite but still US-based processing of such concentrates through the leaching of the concentrates and electrowinning of metallic antimony from the solutions. Optimization of the process continues, but test results have demonstrated ~99% solubilisation of the antimony in the leach circuit and have successfully produced high quality electrowon antimony. Optimization and locked cycle tests in support of this option continue. Midas Gold anticipates that the base case for PFS will, for simplicity, assume production and shipment of concentrates overseas, as in the PEA, but will set out an option case for the production of metallic antimony or other saleable antimony compounds (antimony trioxide or sodium antimonite) that can be evaluated and advanced, potentially in cooperation with partners.

The above ten areas represent just a portion of the project optimization activities undertaken during the 18 months since completion of the PEA, and work continues in a number of areas in order to fully optimize the project from a variety of perspectives.

2014 Outlook

As previously reported, the primary focus for Midas Gold has been the updating of mineral resource estimates and on preparing a preliminary feasibility study. The updated mineral resource estimates will incorporate the results of all drilling completed since the PEA and are now anticipated to be completed around the end of Q2/14 in order to incorporate a number of additional parameters needed to support the mineral processing aspects of the project. The PFS will take these updated mineral resource estimates and

incorporate the results of the extensive, post-PEA metallurgical testing, geotechnical, environmental and engineering work (the results of some of which are discussed above) with the objective of defining a more fully optimized project. The results of the PFS are anticipated to be available in the summer of 2014, but the schedule is dependent on the timing for the completion of the mineral resource estimates and various other aspects of the trade-off studies (some of which are discussed above), and may be extended into the fall.

As previously reported with the closing of a financing in Q1/14, Midas Gold believes it has sufficient cash resources to fund the Company's activities, including the on-going exploration and evaluation of the Golden Meadows Project and general working capital, into 2016.

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.

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 deposits in the Stibnite‐Yellow Pine district of central Idaho. The principal gold deposits identified to date within the Project are the Hangar Flats, West End and Yellow Pine deposits, all of which are associated with important structural corridors, as well as a recently announced mineral resource contained in historic tailings. Independent mineral resource estimates were reported for all three lode deposits in a news release dated June 27, 2012 and are detailed in a consolidated technical report entitled *"Preliminary Economic Assessment Technical Report for the Golden Meadows Project, Idaho"* dated August 15, 2012 (the "**Technical Report**"), which is available on Midas Gold's website at www.midasgoldcorp.com or under Midas Gold's profile on SEDAR at www.sedar.com. The Preliminary Economic Assessment outlines one concept for the development of a large scale, long life, low cost open pit gold mining operation producing gold and by-product antimony based on the estimated mineral resource, as well as outlining a number of opportunities for potential enhancement of the conceptual project.

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" or "does not anticipate", "believes", "anomalous" or variations of such words and phrases or statements that certain actions, events or results "may", "may not", "could", "would", "should", "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 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 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 licenses 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.

Note to US Investors

This news release has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. The terms "mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC Industry Guide 7 standards as in place tonnage and grade without reference to unit measures. "Indicated mineral resource" and "inferred mineral resource" have a great amount of uncertainty as to their existence and a great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. Accordingly, information contained in this News Release contain descriptions of the Company's mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations there under.

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