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Midas Gold Outlines Initial Work Plan & Budget for its Golden Meadows Project, Idaho
Parallel Tracking of Mineral Resource Delineation and Expansion, Economic Studies and Exploration

VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (MAX:TSX) today announced that its board of directors has approved an initial budget and work plan for its 11,600 hectare Golden Meadows Project in Valley County, Idaho.

Drilling has recommenced on site and approximately 16,000 to 17,000m of drilling are planned for the first five months of 2012, focused on the continued definition and expansion of the existing mineral resources at Golden Meadows, with drilling split into two phases. Phase 1 will wrap up drilling at Hangar Flats and Yellow Pine originally planned for 2011 that will be used to update the mineral resource estimates for the three main deposits and incorporate those estimates into an independent preliminary economic assessment (“PEA”) scheduled for completion during 2012. Phase 2 drilling, commencing in February until spring thaw, will focus in definition and step out drilling at both the Hangar Flats and Yellow Pine deposits in support of a planned subsequent preliminary feasibility study (“PFS”). Exploration drilling, for entirely new deposits, will run in parallel with the Phase 2 drilling and is subject to the granting of additional permits. Total drilling and related expenditures during Phase 1 and Phase 2 are expected to total approximately US\$9 million.

In parallel with the drilling and completion of the PEA, Midas Gold plans to commence, to the extent reasonable, the process of advancing the project towards completion of a PFS, including the Phase 2 drilling noted above, extensive metallurgical, mine planning, engineering and other work, and to continue to advance environmental baseline studies and monitoring activities in support of potential permit applications, as well as all camp, logistics and support for the drilling activities. It is estimated that these additional technical, environmental and permitting activities, as well as camp and support costs but excluding drilling and related costs, will result in additional expenditures of approximately US\$7 to US\$8 million in the first half of 2012.

Significant additional work, including extensive drilling, is planned for the second half of 2012, but the scope of such work will be determined once mineral resource updates and technical studies have been completed, and is subject to additional permitting requirements.

“With three significant gold deposits already defined at its Golden Meadows Project in Idaho, Midas Gold is parallel tracking the delineation of those deposits, the evaluation of their economic potential and the exploration of the balance of its highly prospective property holdings,” said Stephen Quin, President & CEO of Midas Gold Corp. “The high grade, near surface nature of our gold deposits warrants a substantial commitment to advancing the Golden Meadows Project towards an economic evaluation as rapidly as practicable. Overlapping resource definition, economic studies, environmental baseline, regulatory activities, and exploration should reduce the overall timeframe to more fully determine and define the ultimate potential of this major gold system.”

Initial 2012 Program

Given that Midas Gold has not yet updated its mineral resource estimates to incorporate the results of the 2011 drilling, nor completed its first economic evaluation on the Golden Meadows Project, the initial 2012



work plan and budget has been designed to complete these studies, while continuing to progress the project towards the subsequent objectives of completing a PFS and potential permitting of a mining operation. In order to achieve and accelerate these objectives in a time-effective manner, Midas Gold plans to conduct its work on three parallel tracks:

Track 1 – Complete a PEA: Complete a limited amount of additional drilling on the Yellow Pine and Hangar Flats deposits (Phase 1), and possible extensions, that (combined with the 2011 and prior drilling) will be utilized in preparing an independent, updated mineral resource estimate for each of the Hangar Flats, Yellow Pine and West End deposits during Q2/11. These updated mineral resource estimates will be used to complete an independent PEA in Q3/12.

Track 2 – Advance a PFS: In parallel and overlapping with Track 1, advance the project towards completion of an independent PFS. As much as possible, work currently being undertaken for the PEA is being done to PFS standards, but additional infill drilling (Phase 2 and subsequent drilling) will be required to continue converting any remaining inferred mineral resources to higher levels of confidence, as will further metallurgical work beyond that being used in the PEA, plus additional engineering and other studies. By completing as much of the work currently underway as possible to PFS standards, the overall timeframe to complete a PFS should be reduced.

Track 3 – Exploration for new deposits: In order to build a pipeline of potential new mineral prospects that could eventually develop into new mineral resources, Midas Gold plans to conduct systematic, intensive exploration across its Golden Meadows Property. A full pipeline, from early stage prospects to resource definition, will assist Midas Gold in determining the ultimate mineral potential of this prolific gold system. This exploration work, involving mapping, sampling, geophysics and drilling, will be conducted in parallel with Track 1 and Track 2.

SRK Consulting (Canada) Inc. (“SRK”) has been retained to complete updating of the mineral resource estimates for the Golden Meadows project, as well as to complete the independent, National Instrument 43-101 compliant PEA. SRK has retained Ausenco to assist with the processing and infrastructure aspects of the PEA, and is working with Blue Coast Metallurgy on the mineralogical and metallurgical aspects of the project.

Initial Work Plan

During Phase 1 and Phase 2 of drilling program, approximately US\$9.0 million will be spent on infill, step-out and exploration drilling utilizing four core and two reverse circulation (“RC”) drill rigs, assisted by a sonic rig, which should complete 16,000m to 17,000m of drilling during this period, prior to the spring thaw.

In Phase 1, one core drill will complete drilling three holes at **Yellow Pine** which, in conjunction with the 2011 drilling, will be used to update the Yellow Pine mineral resource estimate. At the same time, two RC and three core rigs will commence additional drilling at **Hangar Flats**, focused on the northern and southern ends of the Hangar Flats mineralized system, with the objective of increasing the mineral resource, increasing the confidence level of the existing mineral resource and reducing the overall strip ratio by potentially converting unclassified mineralization to mineral resources. This drilling should be completed in February and, as with Yellow Pine, will be used (in conjunction with the 2011 and earlier drilling) to update the Hangar Flats mineral resource estimate.

Only limited drilling was completed at **West End** in 2011 and no more drilling is planned until the second half of 2012 in this area, so geologic modelling and updating of the mineral resource estimate for West End is already in process and will include both 2010 and 2011 drilling not previously not incorporated into the mineral resource estimate announced on February 22, 2011.



As drills complete Phase 1 of the drilling outlined above, they will immediately commence Phase 2 drilling, infilling and stepping out on the Hangar Flats and Yellow Pine deposits in support of the PFS, and continue drilling until spring thaw and are expected to resume drilling once conditions dry out, at which time drilling on the West End deposit can also recommence.

During Phase 1 and Phase 2, one or more drills will be assigned to exploring new prospects for their potential to host entirely new deposits, subject to granting of the necessary permits. It is anticipated that infill, step out and exploration drilling will continue through the balance of the year, but where and how much will be determined once the updated mineral resource estimates have been evaluated for needed additional in fill and step out drilling to fully define all three deposits, and granting of additional permits.

Additional expenditures will be incurred in parallel with the Phase 1 and Phase 2 drilling towards preparation of environmental baseline studies and an environmental impact statement, as well as other permitting and regulatory activities. Midas Gold has retained HDR Engineering Inc. of Boise, Idaho, to assist with the environment baseline and permitting related matters. In support of the PEA and subsequently planned PFS, the extensive metallurgical studies currently underway will continue under the supervision of Blue Coast Metallurgy, as will engineering and other work leading up to completion of the PEA in Q3/12 and subsequent studies under SRK and Ausenco. An additional \$0.7 million of capital equipment purchases are planned related to continuing to improving camp, field facilities and communications and network infrastructure to support sustained, higher levels of field activities over the next several years.

2011 Exploration Activities & Expenditures

As previously reported, a total of 107 holes totaling 23,860m were completed during the 2011 field season. This total excludes sonic drill holes completed for geotechnical purposes and includes 10,533m of RC and 13,327m of core drilling, and was designed to confirm and expand known mineral resources and potentially discover new mineralized areas. In addition, extensive metallurgical, geotechnical, engineering and other work was undertaken in preparation for completion of the planned PEA, but such work is generally being undertaken to PFS standards, where practicable. Expenditures in 2011 were approximately US\$19.9 million, including infill and step out drilling, geotechnical drilling, assaying, the airborne EM survey and other exploration activities, while an additional approximately US\$1.3 million was spent on PEA related activities, including metallurgical testing, engineering and geotechnical work, as well as on permitting, environmental baseline, environmental monitoring, voluntary environmental remediation and regulatory activities. In addition, approximately US\$2.6 million in capital expenditures were incurred to improve site infrastructure so that field activities can be sustained at high levels throughout the year (including the winter), including purchase and installation of three 22-man trailer camps, additional camp infrastructure, offices, equipment purchases such as bulldozers and loaders to support field activities and clear snow, and constructing a covered fuel tank farm and helicopter hanger on site suitable for winter operations. These capital expenditures will support sustained field activities for several years.

As a result of these expenditures, a significant proportion of which were essential, one-time expenditures, Midas Gold ended 2011 with approximately US\$37 million in cash.

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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 exploration activities at Golden Meadows are carried out under the supervision of Christopher Dail, C.P.G., Qualified Person and Project Manager 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 were reported for all three deposits in a news release dated April 20, 2011 and 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.

The Hangar Flats, West End and Yellow Pine deposits remain open to expansion along strike and to depth. In addition, Midas Gold continues to review and assess information contained within an extensive exploration database developed by Midas Gold from almost 100 years of exploration activity by multiple owners and operators with the objective of identifying opportunities for the potential discovery of additional gold mineralization.

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", 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.