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December 19, 2011

#2011-21

## **Midas Gold Reports Discovery of High Grade Gold Mineralization in follow-up to 2011 Airborne EM Survey at its Golden Meadows Project, Idaho**

**VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (MAX:TSX)** today announced results from reconnaissance sampling and follow-up evaluation of one of the larger geophysical anomalies outlined by its 2011 DIGHEM airborne electromagnetic (“AEM”) survey, with rock samples returning values up to 39g/t gold in outcrop. In addition, soil sampling on the Rabbit prospect and rock sampling on the northern end of the West End deposit have outlined significant gold anomalies that warrant further evaluation. This work was conducted as part of Midas Gold’s ongoing exploration program on its 11,600 hectare Golden Meadows Project in Valley County, Idaho.

“Midas Gold is encouraged to encounter significant, high grade gold mineralization in outcrop coincident with one of the larger of its newly identified geophysical anomalies at its Golden Meadows Project in Idaho,” said Stephen Quin, President & CEO of Midas Gold Corp. “These results indicate potential for a significant new gold system in this area, warranting systematic exploration to evaluate this anomaly, which extends for 4km along strike and is 400-500m wide,” he said. “In addition, the results from the Rabbit and West End extension confirm the potential of these areas to be related to significant gold mineralizing systems.”

### ***Airborne Geophysics***

As announced September 28, 2011, Midas Gold conducted an airborne electromagnetic survey over its Golden Meadows Project during the summer of 2011. As a result of the trends and anomalies identified in the survey, Midas Gold staked an additional 900 unpatented federal lode mining claims encompassing approximately 7,284 hectares, more than doubling the size of the land package at Golden Meadows to 11,600 hectares. The survey not only reported anomalies at two of the three main resources, as well as possible extensions thereto, but also outlined significant anomalies coincident with areas of known surface gold mineralization, demonstrating the survey technique’s capability in defining mineralized systems. The survey also identified several extensive anomalies outside of Midas Gold’s prior property boundary, supporting the additional staking. [\*\*Click here\*\*](#) for maps locating these anomalies relative to the known mineral resources and previously defined exploration targets.

### ***Follow-up Exploration Results – Mule Prospect***

Initial follow-up on the 2011 Airborne EM surveys has generated some encouraging results. A multi-kilometre long, 400-500m wide, north-south trending conductive zone and magnetic linear was identified in the southeast portion of the recently expanded Golden Meadows property. This trend was investigated near the site of 1920’s era placer prospecting and 1980’s era trenching that cut high grade (greater than 30 g/t Au) quartz-sulphide veins. A reconnaissance traverse along the southern 1.5km trace of this geophysical feature identified a broad zone of intensely altered granite cut by numerous quartz-sulphide veins. Seven of the eight 2011 samples collected from old placer cuts, bedrock trenches, outcrops and spoil piles within this area contained anomalous gold, with four samples reporting greater than 1.0 g/t gold, including two samples reporting greater than 30 g/t gold. These samples may not be representative of the entire geophysical feature,



but suggest the possibility of a large mineralizing system associated with the nearby Tertiary caldera margin. Outcrop is poor in the area of this anomaly, but some historic roads in the area could provide access for geophysical surveys and possible future drilling. Follow up work is planned for 2012. This large target area has been designated “Mule” after a prominent topographic feature in the area.

#### ***Follow-up Exploration Results – Rabbit Prospect***

Results from a soil grid covering an area approximately 0.6km x 1.1km at the Rabbit prospect have been received, outlining two gold-in-soil anomalies greater than 50 parts per billion (“ppb”) gold with a central area comprised of multiple samples reporting greater than 100ppb gold. The soil grid, completed in late summer 2011, consists of 300 samples on 25 meter centers on lines spaced approximately 100m apart. The grid is centered on a large, diffuse, 300m x 400m rock chip anomaly generated during 2009 and 2010 reconnaissance work.

The western soil and rock chip anomaly, which covers an area approximately 200m wide and 400m long, is centered on a 1920’s Thunder Mountain Gold Rush era adit and is where old 1970’s era trenches cut into an intensely quartz veined, altered and sulphide-bearing quartz intrusives. Alteration consists of sulphide replacements of biotite, argillic alteration of feldspars and vuggy quartz veins, including widespread cockscomb quartz and banded quartz adularia veins with fracture-fill textures indicative of epithermal mineralization. The historic trenches, sampled by previous operators, returned 3.04 meters averaging 1.85g/t Au and 6.1 metres averaging 1.06g/t Au. In 2010, Midas collected over 132 rock chip samples in this area, delineating a 250m x 300m northeast-trending area of anomalous rock chip geochemistry with over 30 samples returning greater than 1g/t gold in outcrop, with a high of 13g/t gold. A large ovoid electromagnetic anomaly is associated with the geochemical anomaly. This anomaly, designated the “**West Rabbit**” Anomaly, has never been drilled and is in the process of being permitted for 2012 summer drilling.

The eastern anomaly is along strike from the past producing Garnet Pit, which had reported production of approximately 40,000 ounces of gold averaging 8-10 g/t gold and appears to be along strike of the mapped trace of the Fern Marble (which hosts the Garnet deposit). Initial reconnaissance rock sampling of float and outcrop in 2009, and follow-up work in 2010, defined a large area of intense alteration comprised of pervasive vuggy silica, jasperoids and epithermal veining within mapped carbonate rocks. The soil and rock chip anomaly has a strong northwest-southeast trend, parallel to the carbonate stratigraphy underlying the area. The new soil anomaly is approximately 150m wide and 450m long, and is open along strike in both directions. This anomaly has been designated the “**East Rabbit**” anomaly, and is in the process of being permitted for 2012 summer drilling.

#### ***Follow-up Exploration Results – West End Extension***

Exploration along the northwestern periphery of the West End deposit, host to a NI43-101 compliant indicated and inferred mineral resource (see news release dated February 22, 2011), has returned encouraging results from mapping and rock chip sampling. Twenty rock chip samples were collected during the summer of 2011 to follow up and confirm old 1970’s era road cut sampling and 2010 reconnaissance sampling work in the area. A large road cut along the trace of West End Creek (now covered by mine waste dumps) slightly northwest of the NE Extension Pit, had been sampled in the 1970’s by Superior Oil. This sampling outlined a broad (>100m wide), diffuse, apparently east-west trending zone of mineralization averaging approximately 1 g/t Au in the foot wall of the reported bounding fault to West End deposit. This area was never drilled as it was situated along a former property boundary, which inhibited follow up exploration due to the property situation.



In 2010, Midas Gold drilled a single hole 200m southeast of the Superior Oil anomaly, into the foot wall of the reported bounding fault. This hole cut significant mineralization (hole MGI-10-42, which returned 62m averaging 1.51 g/t Au), suggesting the West End mineralization extends west of the past producing pit, along the old property boundary. The 2010 reconnaissance work and 2011 rock sampling was designed to confirm the 1970's rock chip anomaly, and further refine Midas Gold's understanding of the style and extent of mineralization in the foot wall of the main West End deposit faults. All twenty samples collected in 2011, over a 200m x 400m area, returned anomalous gold, with multiple samples returning greater than 1.0 g/t gold from strongly altered sediments comprised of silicified and vuggy jasperoidal carbonates and epithermal veins and breccias. Many of these mineralized rocks exhibited east-west trending fabrics, suggesting a bend in the structural grain in this area as compared to the northeast trending West End deposit. The primary anomaly is a greater than 1 g/t gold anomaly approximately 150m wide 250m in strike length, and is open to the west. This anomaly' designated the "Exit" anomaly, has never been drilled and is currently being permitted for 2012 summer drilling.

### ***Illustrations***

To view the locations of these exploration targets, please [click here](#).

### **For further information about Midas Gold Corp., please contact:**

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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 were carried out under the supervision of Christopher Dail, C.P.G., Qualified Person and Project Manager for the Golden Meadows Project.

For Rock samples, all gold assays are by a 30g Fire Assay charge followed by an atomic absorption finish (with a 0.005g/t lower reporting limit). Samples reporting values > 6g/t are re-analyzed using a 30g Fire Assay charge followed by a gravimetric finish. Silver is analyzed via a 4-acid digestion followed by an ICP finish (with a 0.5g/t lower reporting limit). Samples reporting values > 10g/t Ag are reanalyzed using a 2g ICP-AES, four acid digest, while samples reporting > 750g/t Ag are reanalyzed using a 30g Fire Assay charge followed by a gravimetric finish. Antimony is analyzed via a 4-acid digestion followed by an ICP finish (with a 5.0g/t lower reporting limit). Samples reporting values > 2,000g/t Sb are reanalyzed using XRF with a 0.9g charge in a Lithium Borate fusion (with a 0.01% lower reporting limit).

Soil samples were sieved to -80 mesh, and had an ICP-MS multi-element analysis instead of the ICP-AES analysis carried out on rock samples. Gold assays were carried out as with rock samples, above.

Analyses are carried out by ALS CHEMEX in their Reno and Winnemucca, Nevada and Vancouver, British Columbia laboratories. Blank and standard samples are used for quality assurance and quality control and a review of the results of analyses of the blanks, standards and duplicates by the Company's Qualified Person indicates values are within normal and acceptable ranges.

### ***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

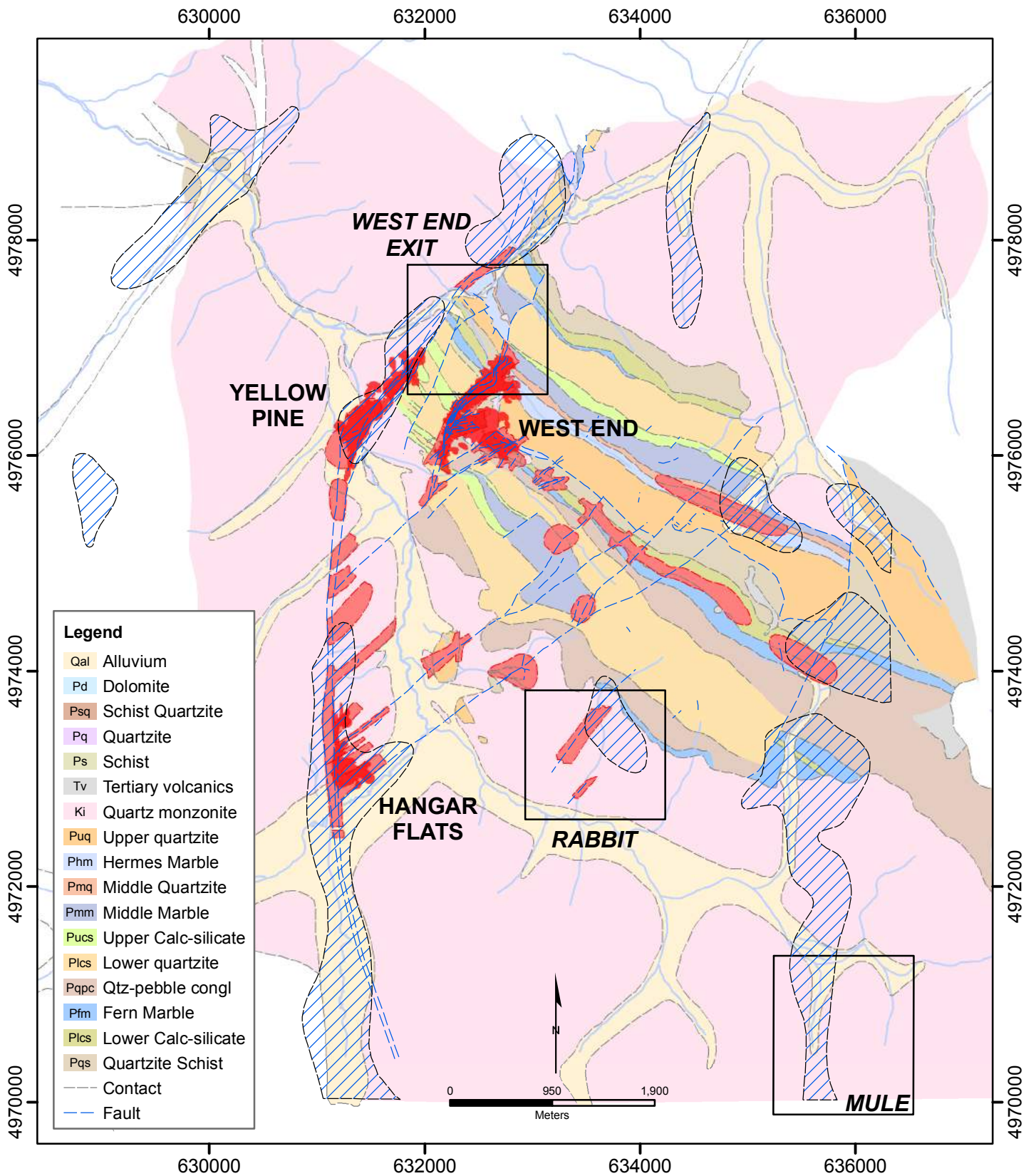


estimates were reported for all three deposits in a news release dated April 20, 2011 and are detailed in a consolidated technical report entitled "*NI 43-101 Technical Report on Mineral Resources, Golden Meadows Project, Valley County, Idaho*" dated June 6, 2011 (the "**Technical Report**") is available on Midas Gold's website at [www.midasgoldcorp.com](http://www.midasgoldcorp.com) or under Midas Gold's profile on SEDAR at [www.sedar.com](http://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**

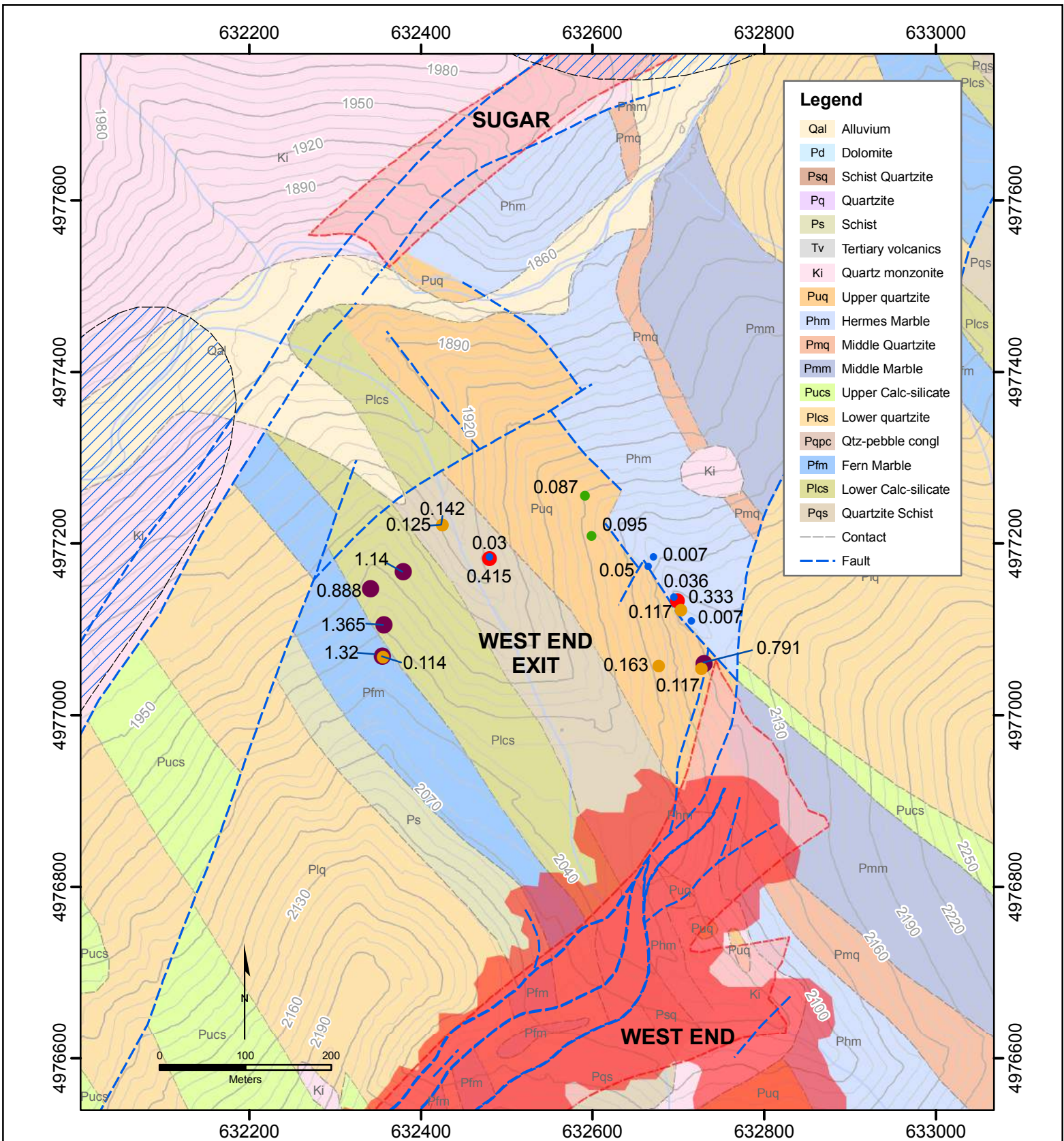
Statements contained in this news release that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities legislation and the United States *Private Securities Litigation 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.



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 GOLDEN MEADOWS PROJECT  
 VALLEY COUNTY, IDAHO

**DISTRICT PROSPECTS**  
 2011 Aeromagnetic Anomalies

Date: 12/15/11



**2011 WE Rock samples**

**Au g/t**

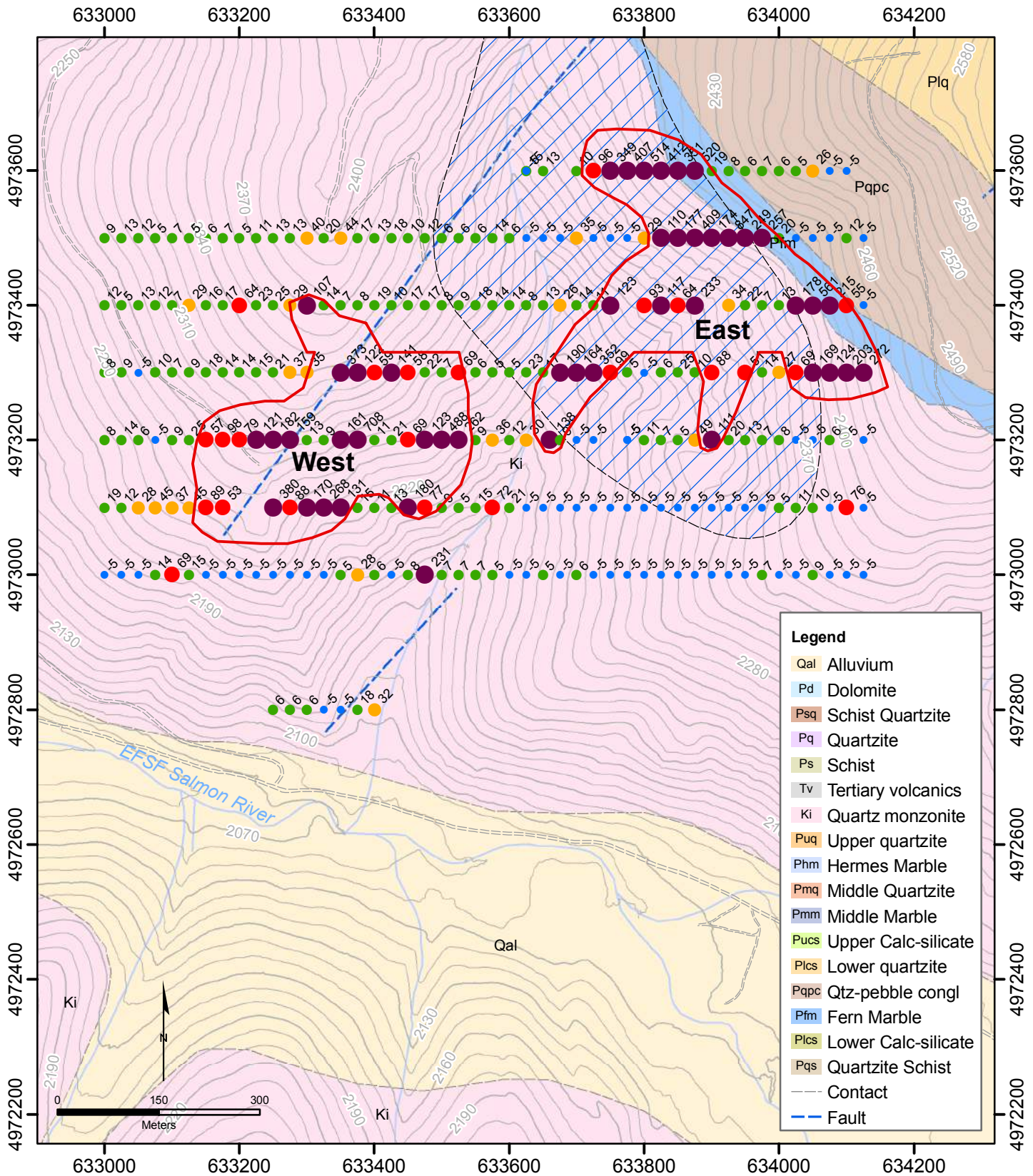
- 0.007 - 0.050
- 0.051 - 0.100
- 0.101 - 0.200
- 0.201 - 0.500
- 0.501 - 1.365

- AEM Anomalies
- Mineral Resource
- Key Prospect

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**WEST END EXIT**  
 2011 Rock Samples Au g/t

Date: 12/15/11



**2011 Rabbit Soils**

**Au ppb**

- -5 - 4
- 5 - 25
- 26 - 50
- 51 - 100
- 101 - 847

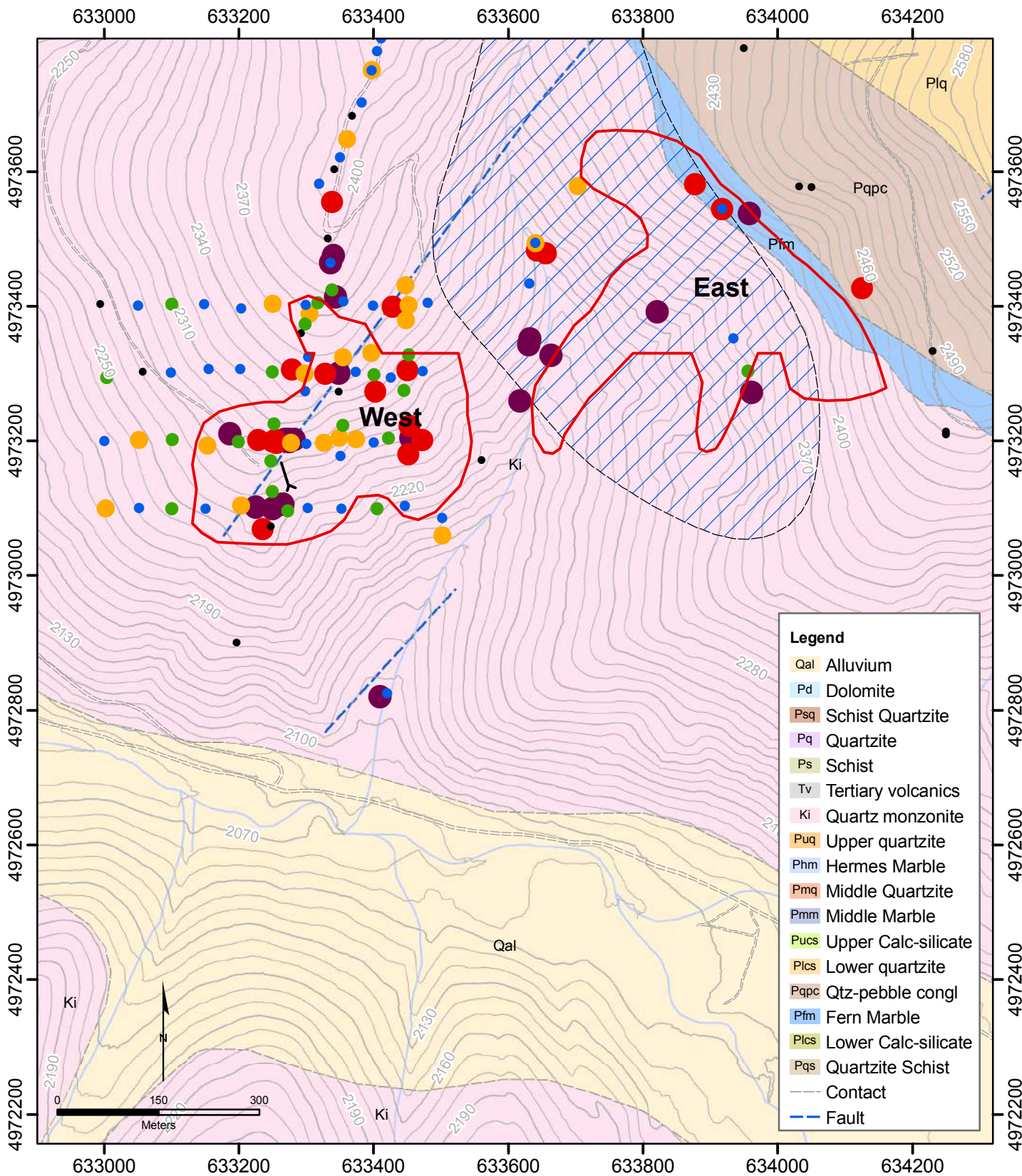
AEM\_Anomalies

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**RABBIT PROSPECT**  
 2011 Soil Geochemistry Au ppb

Date: 12/15/11





Legend	
Qal	Alluvium
Pd	Dolomite
Psq	Schist Quartzite
Pq	Quartzite
Ps	Schist
Tv	Tertiary volcanics
Ki	Quartz monzonite
Puq	Upper quartzite
Phm	Hermes Marble
Pmq	Middle Quartzite
Pmm	Middle Marble
Pucs	Upper Calc-silicate
Plcs	Lower quartzite
Pqpc	Qtz-pebble congl
Pfm	Fern Marble
Plcs	Lower Calc-silicate
Pqs	Quartzite Schist
---	Contact
- - -	Fault

**Rabbit 2009-2010 Rock**

- Au g/t**
- -0.005 - 0.005
  - 0.006 - 0.025
  - 0.026 - 0.050
  - 0.051 - 0.100
  - 0.101 - 0.500
  - 0.501 - 13.000

AEM Anomalies

Soil Anomaly



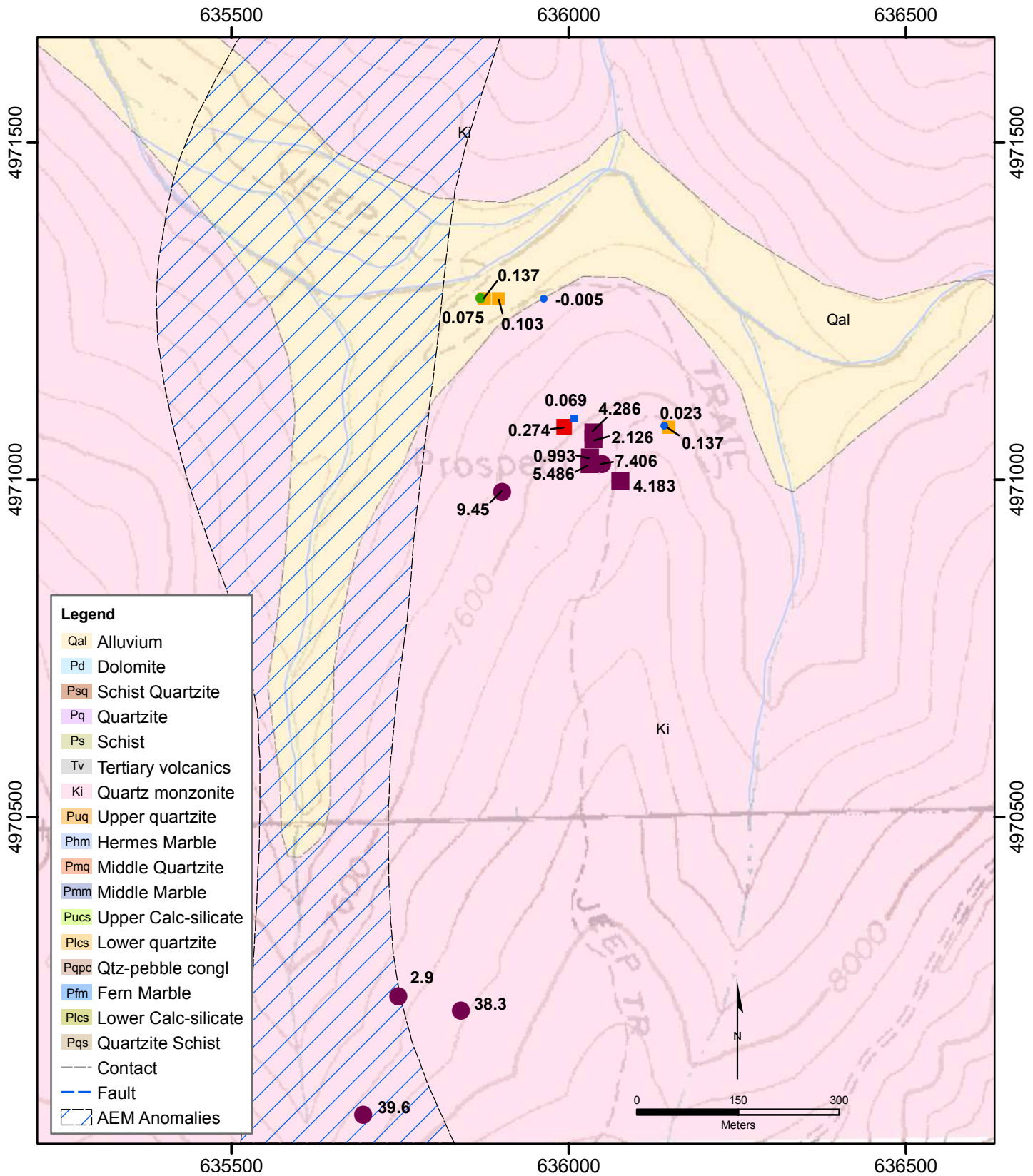
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**RABBIT PROSPECT**  
 2009-2010 Rock Au g/t

Date: 12/15/11





**Legend**

- Qal Alluvium
- Pd Dolomite
- Psq Schist Quartzite
- Pq Quartzite
- Ps Schist
- Tv Tertiary volcanics
- Ki Quartz monzonite
- Puq Upper quartzite
- Phm Hermes Marble
- Pmq Middle Quartzite
- Pmm Middle Marble
- Pucs Upper Calc-silicate
- Plcs Lower quartzite
- Ppqc Qtz-pebble congl
- Pfm Fern Marble
- Plcs Lower Calc-silicate
- Pqs Quartzite Schist
- Contact
- Fault
- AEM Anomalies

**2011 Rock Samples**

- Au g/t**
- 0.005 - 0.050
  - 0.051 - 0.100
  - 0.101 - 0.200
  - 0.201 - 0.500
  - 0.501 - 39.600

**1996 Rock Samples**

- Au g/t**
- 0.069
  - 0.070 - 0.100
  - 0.101 - 0.200
  - 0.201 - 0.500
  - 0.501 - 7.406

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**MULE PROSPECT**  
 Rock Geochemistry Au g/t

Date: 12/15/11

