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NEWS RELEASE

Midas Gold Announces CDN\$35 Million Financing

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Midas Gold Corp. ("Midas Gold" or the "Company") (TSX: MAX) today announced that it has entered into an agreement with a syndicate of underwriters, led by Haywood Securities Inc., and including Macquarie Capital Markets Canada Ltd., BMO Capital Markets, RBC Capital Markets Inc. and Desjardins Securities Inc. (collectively the "Underwriters"), pursuant to which the Underwriters have agreed to purchase, on a bought deal basis, 7,900,000 special warrants (the "Special Warrants") of the Company at a price of CDN\$4.45 per Special Warrant, for gross proceeds of CDN\$35,155,000 (the "Offering"). The Company intends to use the net proceeds of the Offering for exploration and development of its Golden Meadows Project in central Idaho, and for general working capital purposes.

Each Special Warrant will be exercisable into one common share of the Company (a "Common Share") for no additional consideration at any time after the Closing Date (as defined below), and all unexercised Special Warrants (other than Special Warrants sold in the Province of Quebec) will be deemed to be exercised on the earlier of (a) the date on which a receipt for a final prospectus ("the Qualifying Prospectus") qualifying the Common Shares to be issued upon the exercise of the Special Warrants has been issued by the relevant securities commission(s), or (b) four months and one day after the date of closing of the Offering (the "Closing Date"). All Special Warrants in the Province of Quebec will be deemed to be exercised on the date that is four months and a day following the Closing Date.

In addition, the Underwriters have also been granted an option to purchase up to an additional 1,185,000 Special Warrants on the same terms as set out above (the "Over-Allotment Option"), which may be exercised at any time up to 24 hours prior to the Closing Date, for additional proceeds of up to CDN\$5,273,250. The Underwriters will be paid a cash fee equal to 5.0% of the total gross proceeds from the sale of Special Warrants under the Offering and the Over-Allotment Option.

The Special Warrants to be sold under this Offering will be offered by way of a private placement in all of the Provinces of Canada and will also be offered in the United States on a private placement basis pursuant to an exemption from the registration requirements of the United States *Securities Act of 1933*, as amended.

The Offering is scheduled to close on February 14, 2012 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX, and other securities regulatory authorities as applicable. Midas Gold has agreed to use commercially reasonable efforts to file and obtain a receipt for the Qualifying Prospectus qualifying the conversion of the Special Warrants in all Provinces of Canada, with the exception of Quebec. In the event that a final receipt for the Qualifying Prospectus is not obtained prior to the date that is 60 days following the Closing Date, each Special Warrant shall thereafter be exercisable into 1.1 Common Shares (in lieu of 1.0 Common Share).



On Behalf of the Board of Directors

MIDAS GOLD CORP.

Per: *Stephen Quin*

President & CEO

For further information, please contact:

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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. 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.

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 Company's properties; the timing of completion of the Offering and Over-Allotment Option; 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 Company 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 2012 will be consistent with the Company'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 Company 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 Company'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 Company's dependence on one mineral project; the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits; the Company'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 Company's public disclosure record. Although the Company has attempted to identify important factors that could affect the Company 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 Company 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.