



MIDAS GOLD

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Midas Gold Enters into US\$15 million Transaction with Franco-Nevada

Provides Funding to Continue Advancing Golden Meadows Project in Idaho

VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (TSX:MAX) ("Midas Gold") today announced that it and its subsidiaries (the "Midas Group") have entered into a US\$15.0 million transaction with **Franco-Nevada Corporation (FNV:TSX)** ("Franco-Nevada") and one of its subsidiaries whereby the Midas Group has agreed to sell certain rights to a royalty on future gold production from the Golden Meadows Project in Valley County, Idaho (the "Agreement"), as well as a subscription agreement (the "Sub-Agreement") for two million warrants exercisable for shares of Midas Gold.

"The transactions with Franco-Nevada and its subsidiary provide significant funding to continue advancing the evaluation of the world-class Golden Meadows gold-silver-antimony-tungsten project," said Stephen Quin, President & CEO of Midas Gold. "We appreciate Franco-Nevada's endorsement of the merits of the Golden Meadows Project and its potential to be a significant producer of gold and other metals." Midas Gold intends to use the proceeds of the transactions to fund on-going mineral resource evaluation, metallurgical, engineering design, and environmental baseline data collection and evaluation at the Golden Meadows Project with a view to completing a prefeasibility study on the Golden Meadows Project and, if warranted, filing an application for the development of a mining operation, as well as for general working capital.

Transaction Summary

The subsidiaries of Midas Gold that hold the mineral title to the Golden Meadows Project (the "Vendor Group") have entered into the Agreement with a subsidiary of Franco-Nevada (the "Payee") whereby the Vendor Group has granted the Payee a perpetual 1.7% net smelter returns ("NSR") royalty on any future gold production from the Golden Meadows Property, subject to the normal terms and conditions for such a royalty, in exchange for the sum of US\$14.65 million. Importantly, the royalty excludes antimony, silver and other valuable by-products that may be produced from the Golden Meadows Property, if and when development proceeds.

The Midas Group has the right to repurchase one-third of the NSR royalty for the sum of US\$9.0 million for three years from the closing of the transaction. In addition, the NSR royalty rate may be adjusted based on the capacity of the project, when and if approved by Midas Gold for development, if the approved mill throughput is different to the 20,000 tonnes per day scenario set out in the Preliminary Economic Assessment reported by Midas Gold in a news release dated September 4, 2012. The Vendor Group has also granted the Payee a first right of refusal on any new or existing royalty or stream interests from the Golden Meadows Property. The royalty interest will be registered against title and the payment thereof will be secured by a mortgage registered against the Golden Meadows Property.

In conjunction with the Agreement, Midas Gold has entered into the Sub-Agreement with Franco-Nevada, whereby Franco-Nevada has, for the sum of US\$0.35 million, subscribed for two million



warrants that are exercisable into shares of Midas Gold at an exercise price of \$1.23 per share for a period of ten years from the date of issuance. Midas Gold may force exercise of the warrants if the price of the shares of Midas Gold exceeds \$3.23 for a period of thirty consecutive trading days. Completion of both transactions is subject to, among other things, acceptance by the Toronto Stock Exchange in respect of the issuance of the warrants and satisfaction of certain closing conditions.

The transactions are expected to close on or about May 9, 2013.

Advisors

Haywood Securities Inc. acted as financial advisor to Midas Gold and its board of directors in respect of this transaction.

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About Midas Gold and the Stibnite-Yellow Pine Project

Midas Gold Corp., through its wholly owned subsidiaries including 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. Independent mineral resource estimates are detailed in a technical report entitled "*Preliminary Economic Assessment Technical Report for the Golden Meadows Project, Idaho*" dated effective August 15, 2012, (the "**Technical Report**") and filed on SEDAR on September 21, 2012 is available on Midas Gold's website at www.midasgoldcorp.com or under Midas Gold's profile on SEDAR at www.sedar.com. This Preliminary Economic Assessment outlines a 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 the completion of the proposed transactions involving Franco-Nevada and its subsidiary and the expected timing thereof that is based on assumptions about future economic conditions and courses of action; the timing and costs of future exploration activities on Midas Gold'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; and the assumption that any necessary regulatory approvals and all conditions precedent to the proposed transactions will be obtained and/or satisfied in a timely manner. 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", "suggest", "optimize", "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", "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 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.