



# NEWS RELEASE

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## **Midas Gold Completes C\$55.2 Million Financing** *Funds to be used to Advance the Stibnite Gold Project, Idaho*

**VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (TSX:MAX / OTCQX:MDRPF) (“Midas Gold” or the “Company”)** today reported that it has completed its previously announced offering (the “**Offering**”) of Canadian dollar denominated 0.05% senior unsecured convertible notes issued by a wholly owned subsidiary of the Company (the “**Notes**”) and common shares (“**Shares**”), raising total gross proceeds of C\$55,204,000.

“We are pleased to have completed this Offering of Shares and Notes,” said Stephen Quin, President & CEO of Midas Gold Corp. “We also appreciate the written support of our shareholders, which allowed us to accelerate the closing of the Offering, and the participation of certain existing shareholders in the Offering. Through this Offering, we are now positioned to continue to advance the world class Stibnite Gold Project with certainty of funding.”

“We are excited to play an important role in the development of one of North America’s largest, highest quality gold projects,” said Victor Flores, Partner, Paulson & Co. Inc. (“**Paulson**”). “With the funding provided by Paulson and the Company’s existing shareholders, the team at Midas Gold can continue to advance the Stibnite Gold Project through the regulatory process, completion of a feasibility study and into site restoration and development.”

### ***Director Appointments***

In conjunction with the completion of the Offering, Midas Gold has appointed Victor Flores and Marcelo Kim, both Partners at Paulson, to its board of directors. In order to accommodate these appointments, Wayne Hubert and John Wakeford have stepped down from the board.

“On behalf of Midas Gold, we thank John and Wayne for their invaluable contributions to the creation and advancement of Midas Gold over the past five years,” said Mr. Peter Nixon, Chairman of the Board of Midas Gold Corp. “We welcome Victor and Marcelo to the board and look forward to working with them on this next important phase of the Company’s development.”

### ***Participants & Ownership***

Under the Offering, Paulson, on behalf of the several investment funds and accounts managed by it, purchased Notes in the aggregate principal amount of C\$34,502,500. In addition, certain of the Company’s existing shareholders purchased 14,643,880 Shares at an issue price of \$0.3541 per Share for gross proceeds of \$5,185,398 and also purchased Notes in the aggregate principal amount of C\$15,516,101. A total of 51 existing shareholders from 12 different countries purchased either Notes or Shares.

As a result of the completion of the Offering, including the issuance of the Advisory Fee Shares (as defined below), the Company’s issued and outstanding share capital consists of 175,826,167 Shares.



Assuming conversion of all of the Notes, the issued shares would increase to 317,081,748. Were just the Notes held by Paulson converted into Shares, Paulson would hold approximately 97,437,165 Shares, representing 35.7% of the issued and outstanding Shares on a partially diluted basis and 30.7% on a diluted basis (assuming conversion of all outstanding Notes).

### ***Shareholder Approval***

Shareholder approval of the Offering was obtained through the written consent of shareholders holding an aggregate of 97,020,566 Shares, representing 60.3% of the outstanding Shares prior to completion of the Offering.

### ***Insider Participation***

Certain directors and senior officers of Midas Gold participated in the Offering by purchasing an aggregate of 978,000 Shares. Accordingly, the Offering constituted to that extent a "related party transaction" under applicable Canadian securities laws. The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the Offering and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons.

### ***Use of Proceeds***

Midas Gold will use the proceeds from the Offering for permitting and feasibility studies for the Stibnite Gold Project and for working capital and general corporate purposes.

### ***Advisors and Fees***

Haywood Securities Inc. ("**Haywood**") acted as financial advisor to Midas Gold. Dumoulin Black LLP acted as Canadian legal counsel, and Dorsey & Whitney LLP acted as US legal counsel to Midas Gold; Thorsteinssons LLP and Covington & Burling LLP provided Canadian and US tax advice, respectively, to Midas Gold. Goodmans LLP acted as Canadian counsel to Paulson and Kleinberg, Kaplan, Wolff & Cohen, P.C. acted as US counsel to Paulson.

In consideration for Haywood's services, Midas Gold agreed to pay Haywood an advisory fee, of which Midas Gold elected to pay a portion through the issuance of 353,007 Shares (the "**Advisory Fee Shares**").

**This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States unless an exemption from such registration is available.**

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### **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 and expected use of proceeds and business objectives. In certain cases, Forward-Looking Information can be identified by the use of words and phrases such as "anticipates", "expects", "understanding", "has agreed to", "will" or variations of such words and phrases or statements that certain actions, events or results "would", "occur" or "be achieved". Although Midas Gold has attempted to identify important factors that could affect Midas Gold 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. In making the forward-looking statements in this news release, Midas Gold has applied several material assumptions, including the assumptions that general business and economic conditions will not change in a materially adverse manner. 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, Midas Gold 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.