



NEWS RELEASE

July 21, 2016

#2016-07

MIDAS GOLD CORP.
1250 - 999 West Hastings Street
Vancouver, BC CANADA V6C 2W2
Tel: 778.724.4700
info@midasgoldcorp.com
www.midasgoldcorp.com

MAX.TSX / MDRPF.OTCQX

Midas Gold Commences Feasibility Level Metallurgical Testwork on its Stibnite Gold Project

VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (MAX:TSX / MDRPF:OTCQX) ("Midas Gold" or the "Company") today announced that it has commenced feasibility level metallurgical testing, which is being conducted as a critical path item in advance of preparing a feasibility study on its Stibnite Gold Project (the "Project"). This work is expected to continue through the second quarter of 2017 and is intended to provide sufficient supporting process information to advance the Project through completion of a feasibility study.

"The commencement of the metallurgical testwork required to support a feasibility study represents another milestone in the advancement of the Stibnite Gold Project," said Stephen Quin, President & CEO of Midas Gold Corp. "The purpose of undertaking these metallurgical programs, and advancing them all the way through pilot scale testing, is to provide us with the confidence required to support a feasibility study, while the incorporation of geo-metallurgical modelling in 3D should provide a higher degree of predictability in metallurgical outcomes for the Project".

Initial Metallurgical Objectives

The purpose of the metallurgical testing is to (1) evaluate the opportunities for Project enhancement identified during preparation of the Preliminary Feasibility Study ("PFS"), the results of which were announced on December 14, 2014, (2) to further increase technical confidence associated with the Project to levels appropriate for a feasibility study, and (3) to improve the quality of design data for engineering studies to be undertaken as part of a feasibility study.

Initial studies are designed to further enhance the positive design and performance of the crushing, grinding and flotation circuits set out in the PFS and will be conducted at SGS Canada's ("SGS") Burnaby laboratory. The final flowsheet will be confirmed through additional locked cycle and bulk flotation testing at SGS, and ultimately through a mineral processing pilot plant at Blue Coast Research Ltd. in British Columbia. Improvements in crushing, grinding and flotation recoveries could potentially reduce capital and operating costs, thereby enhancing Project returns.

Pressure Oxidation Testwork

The pressure oxidation ("POX") testwork will include extensive testing on the processing of the gold-bearing sulphide flotation concentrate produced during the flotation testwork discussed above. A batch POX program is planned, starting later in 2016, once sufficient concentrates have been generated. This batch testwork will be followed by two phases of continuous pilot plant POX testing. The first phase of continuous POX testing will fine-tune process design and will use a composite representing the projected first three years of mine production. The second phase will test the final design conditions on several composites of material originating from different sources throughout the Project. The selection of a preferred laboratory from those available in the United States and Canada will not be made until the required concentrates have been produced and laboratory availability has been confirmed. This phase of testing will also include the development of design information for all processes downstream of the POX circuit.



Geo-Metallurgy

A geo-metallurgical work program is being carried out in parallel with the flowsheet development testwork. This geo-metallurgical testwork will link Project geology and proposed mine plan with process performance, using the extensive and detailed geological, geochemical and mineralogical data collected by Midas Gold linked through algorithms to mineralogical and process performance data. This data includes detailed logging of rock type, alteration and mineralogy in core collected by Midas Gold since 2009, assisted by extensive multi-element geochemical analysis and advanced scanning techniques that assist in identifying particular styles of alteration and mineralogy much more precisely. With this detailed, multivariate information available in 3D space, the mineral resource model can then be used to evaluate variability in process response throughout the various deposits that comprise the Project, as well as better predict process performance through the projected life of the Project. Work started on this geo-metallurgical program in July and is expected to be complete late in the first quarter of 2017.

Quality Assurance/Quality Control

All testing will be conducted under the guidance of a team of independent specialist metallurgical consultants, will utilize internationally recognized metallurgical laboratories and will be supervised by Blue Coast Metallurgy Ltd. on behalf of Midas Gold.

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

Liz Monger – Manager, Investor Relations

(t): 778.724.4704

(e): info@midasgoldcorp.com

 www.facebook.com/midasgoldidaho

 [@MidasIdaho](https://twitter.com/MidasIdaho)

 www.midasgoldcorp.com

Regulatory Compliance

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.

About Midas Gold and the Stibnite Gold Project

Midas Gold Corp., through its wholly owned subsidiaries, is focused on the exploration and, if warranted, development of gold-antimony-silver deposits in the Stibnite-Yellow Pine district of central Idaho that are encompassed by its Stibnite Gold 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 possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action; and the



plans for completion of the metallurgical testwork, results thereof and the results implications on other aspects of the Stibnite Gold Project. In certain cases, Forward-Looking Information can be identified by the use of words and phrases such as "intended", "expected", "understanding", "purpose", "designed", "planned", "better predict" or variations of such words and phrases or statements that certain actions, events or results "can", "could", "should" 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, including, without limitation, the risks and uncertainties related to the results of the metallurgical testwork. In making the forward-looking statements in this news release, Midas Gold has applied several material assumptions, including the assumptions that (1) the samples collected are representative of the deposits; (2) the metallurgical testwork will be carried out to the required specifications; (3) the mineral resource estimates accurately reflect the mineralization in the various deposits, and (4) 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.