



NEWS RELEASE

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MIDAS GOLD CORP.
Suite 890 - 999 West Hastings Street
Vancouver, BC CANADA V6C 2W2
Tel: 778-724-4700
www.midasgoldcorp.com

Midas Gold to Initiate Drill Program on its Stibnite Gold Project

Drilling aims to Expand & Improve Mineral Resources and Enhance Project Returns

VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (MAX:TSX / MDRPF:OTCQX) ("Midas Gold" or the "Company") today announced that its Board of Directors has approved a drill program for its Stibnite Gold Project (the "Project"), located in Idaho, USA. The Company's objective for the drill program is to improve, expand and de-risk the mineral resources defined in the December 2014 preliminary feasibility study (the "PFS") before commencing a feasibility study (the "FS"). Positive results could enhance the Project economics in the planned FS. The drill program is expected to commence in September and is scheduled to continue into late 2016. In parallel with drilling, Midas Gold plans to collect an approximately 14-ton bulk sample from existing core material in preparation for metallurgical pilot plant testing.

"The 2014 preliminary feasibility study identified a number of opportunities to enhance the economic returns for the Stibnite Gold Project related to the mineral resources," said Stephen Quin, President & CEO of Midas Gold Corp. "To maximize the return on investment to shareholders from this drill program, targets have been ranked on a discounted present value basis, and some drill holes have been designed to achieve multiple objectives. In addition, drill holes will be sequenced on an iterative basis, working out from the known to the unknown, in order to maximize the potential for success."

Drill Program Objectives

The PFS outlined a number of mineral resource related opportunities that have the potential to enhance Project financial returns, extend Project life and de-risk the projected production. These opportunities include:

1. Better defining the shallow, high grade mineralization in the core of the Yellow Pine deposit and portions of the Hangar Flats deposit, where certain historical drill data generated during prior commercial mining operations was excluded from the PFS due to uncertainty as to the reliability of the data. This excluded data suggests, if confirmed, potential for improved continuity of higher gold and antimony grades in the early production years (as set out in the PFS), which could increase payable gold and antimony production and enhance Project net present value ("NPV").
2. Conversion (through additional drilling) of inferred mineral resources located within the PFS mineral reserve pits into indicated mineral resources and mineral reserves, thereby reducing strip ratio and increasing payable gold and Project NPV, if the results are positive.
3. Conversion (through additional drilling) of inferred mineral resources located outside, but immediately adjacent to, the PFS mineral reserve pits into indicated mineral resources and mineral reserves. Successful conversion could expand the PFS mineral reserve pits, and may also bring some currently excluded indicated mineral resources into the mineral reserves as a result of the expanded pit, thereby increasing payable gold and Project NPV.
4. Advancing current prospects that carry no mineral resource at present towards defining mineral resources with the objective of increasing payable gold and Project NPV. The priorities are prospects and exploration areas (such as the northeast and south ends of the



Yellow Pine deposit, and possibly the Scout prospect, where the grades intersected to date suggest potential to displace or supplement early mine life production and enhance Project NPV. If initial results are positive, additional drilling would be required to define a mineral resource.

5. Replacing certain historical data that was used in the PFS and deemed to be reliable, but where additional confirmation drilling would further de-risk the mineral resource estimate in advance of commencement of the FS.

The majority of the drilling will take place on Midas Gold's private land, with some holes located on unpatented mineral claims. All drilling will take place in accordance with Idaho Department of Lands regulations and with the terms of the plan of operations and decision notice issued by the U.S. Forest Service in early 2016, as applicable. "As with all of our activities, we will conduct the drilling and metallurgical sampling programs in a safe and environmentally conscientious manner," said Mr. Quin. "Additionally, in accordance with our local-hire philosophy, we will look to Idaho first for our workforce and contracting requirements."

Metallurgical Pilot Plant Sample Collection

The collection of a 14-ton metallurgical bulk sample from existing core material is also scheduled to commence in September. Sample material will include medium and large diameter core (HQ and PQ), much of which was drilled in 2011-2013. Collection of this bulk sample is a precursor to the planned pilot plant program that will commence later this year. See the news release dated July 21, 2016 for additional details on the planned metallurgical test program. The diagnostic and flotation test work discussed in the July 21, 2016 news release is progressing well, and results will be announced once received and reviewed.

Quality Assurance/Quality Control

All drilling and sample collection will be conducted under the guidance of a team of internal and external qualified persons in order to ensure the integrity of the sample collection process and the ability to use the collected samples in the final feasibility study.

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

Liz Monger – Manager, Investor Relations

(t): 778.724.4704

(e): info@midasgoldcorp.com



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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, site restoration and 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. 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", "would" 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. 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.