



NEWS RELEASE

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Midas Gold Reports Favourable Metallurgical Test Results for its Stibnite Gold Project, Idaho *Reduced Reagent Consumption, Coarser Grind, Higher Antimony Concentrate Grades & Higher Gold Flotation Recoveries*

VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (MAX:TSX / MDRPF:OTCQX) today provided an update on the feasibility-level metallurgical testing program being carried out on its Stibnite Gold Project (“Project”), which is located in Idaho, USA. This work is an important foundation for the planned feasibility study (“FS”) for the Project. The metallurgical testing program, being conducted at several laboratories in the Vancouver, B.C. area, is being coordinated by Blue Coast Metallurgy Ltd. (“Blue Coast”) under the guidance of a team of metallurgical experts working with Midas Gold’s technical staff.

Program Objectives

The current metallurgical testing program is designed to achieve the following objectives:

1. Enhanced economics for the Project by reducing capital and operating costs, improving the antimony concentrate grade, and improving gold flotation recoveries as compared to those reported in the December 2014 prefeasibility study (“PFS”); and
2. Geo-metallurgically model the projected metallurgical response (throughput and recoveries) spatially across the different mineral deposits. A robust geo-metallurgical model would further reduce metallurgical risk to the Project and may create opportunities to enhance overall Project economics.

Metallurgical Testing Program

To date, the focus of the testing has been on optimisation of the grinding and flotation stages of the Project. This work has utilized composites comprising 237 intervals from 29 drill holes, and was designed to create composites that closely represent (by grade, lithology, and spatial distribution) the expected mix of ore through the first 3 years of the projected production as detailed in the PFS. As such, these composites are the most representative metallurgical composites of likely ore in the early years created for the Project testing programs to date.

Results to Date

Based on the flotation and grinding work completed to date, several encouraging results have been achieved:

1. Reagent dosages and overall consumption of flotation reagents have been significantly reduced without negatively affecting metallurgical performance. This should translate into reduced life-of-mine operating costs as compared to the doses used in the PFS, estimated in the range of US\$20-30 million based on assumptions in the PFS.
2. The target primary grind has been coarsened from 75 to 85 microns without negatively affecting metallurgical performance. This should result in reductions in both capital and operating costs as compared with the primary grind size employed in the PFS.
3. Antimony concentrate grades have been improved. In the case of the Yellow Pine deposit, antimony concentrate grades are projected to increase from 59% antimony by weight in the PFS to 63-65%, with similar overall antimony recoveries, while gold losses to the antimony concentrate have been reduced, increasing overall payable gold recoveries for the Project as compared to the PFS. Higher antimony concentrate grades would reduce concentrate shipping costs and enhance the marketability of the concentrate, which should lead to more favourable contractual rates from buyers.
4. Overall reported gold flotation recoveries have increased. Based on tests using the enhanced processing conditions, gold flotation recoveries for the Yellow Pine and Hangar Flats deposits have been several



percentage points higher as compared to the PFS. Materials from the West End deposit have not been sufficiently tested to confirm that the increased gold flotation recovery trend applies to that deposit.

“The results of the metallurgical optimization test work completed to date on our Stibnite Gold Project are encouraging,” said Stephen Quin, President & CEO of Midas Gold Corp. “This test work represents one of a number of avenues for enhancing Project economics that we are pursuing. Other avenues include the mineral resource optimization drill program currently in process and optimizing development rock storage, as well as the balance of the metallurgical test program still to be completed.”

Next Steps

Test work to optimise the grinding and flotation circuits is nearly complete, and attention is now moving to the pressure oxidation and downstream hydrometallurgical circuits. The aim of this next stage of test work is to enhance Project economics, largely through a combination of reduced projected capital and operating costs as compared to the PFS. This work, which includes piloting of both the mineral processing and autoclave stages of the Project plus considerable batch testing to support process design, is expected to be complete by mid-2017.

Geo-Metallurgical Modelling

A detailed geo-metallurgical program is underway to model the potential variability in metallurgical performance in the process. Project geologists and metallurgists are collaborating closely to establish how the expected process response of all mineralised material within mineral resources can be modelled spatially by comparing various rock types, alteration styles and geochemical analyses with metallurgical performance. Ultimately, this modelling should support the projection of throughput and metallurgy for every block in the mineral resource and mine plan. This modelling is expected to both reduce metallurgical risk to the Project and open the opportunity for development of a mine plan that, where possible, exploits optimal metallurgical performance early in the life of the Project.

Details of the previous news releases, the Project and the 2014 Preliminary Feasibility Study can be found filed under Midas Gold’s profile on SEDAR (www.sedar.com) or at www.midasgoldcorp.com.

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Quality Control and Quality Assurance

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. The metallurgical testing program for the Stibnite Gold Project was carried out under the supervision of Christopher Martin, MIMMM, C.Eng., a Qualified Person and Principal Metallurgist for Blue Coast Metallurgy Ltd.

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 Information

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 including actions taken with the goal of enhancing metallurgical performance including recoveries, reagent consumption, grind size and antimony concentrate grades. 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", "estimates", "forecasts", "intends", "anticipates", "potential", "confirm" or "does not anticipate", "believes", "contemplates", "recommends" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might", "be achieved". In preparing the Forward-Looking Information in this news release, the Corporation has applied several material assumptions, including, but not limited to, that the results of metallurgical test programs will be reflected in the scale up to commercial operations; any additional financing needed will be available on reasonable terms; the exchange rates for the U.S. and Canadian currencies will be consistent with the Corporation's expectations; that the current objectives concerning the Stibnite Gold 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 activities on the Stibnite Gold 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, the industry-wide risks and project-specific risks identified in the PFS and summarized above; risks related to the availability of financing on commercially reasonable terms; operations and contractual obligations; changes in exploration programs based upon results of exploration, including drill results; changes in estimated mineral reserves or mineral resources; future prices of metals; changes in and the predictability of metallurgical performance, 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 US 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 and development activities on the Stibnite Gold 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.