MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The information included in this Management Discussion and Analysis ("MD&A") dated February 20, 2013, is of the operating results and financial condition of Midas Gold Corp. ("Midas Gold" or the "Corporation") for the year ended December 31, 2012 compared to the year ended December 31, 2011. Amounts are presented in the Corporation's functional currency, the US dollar, unless otherwise stated.

This MD&A is intended to help the reader understand the significant factors that have affected the Corporation's performance and which may affect its future performance and should be read in conjunction with the consolidated financial statements of the Corporation for the years ended December 31, 2012 and 2011. The Corporation's consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

Additional information relating to the Corporation, including the Corporation's latest Annual Information Form, can be found at its website at www.midasgoldcorp.com or under its profile on SEDAR at www.sedar.com.

OVERVIEW

Midas Gold was incorporated on February 22, 2011 under the *Business Corporations Act* (British Columbia). The Corporation was organized to locate, acquire and develop mineral properties located principally in the Stibnite – Yellow Pine mining district in Valley County, Idaho (the "District"). The Corporation's common shares commenced trading on the Toronto Stock Exchange ("TSX") on July 14, 2011 after closing an initial public offering ("IPO") under a prospectus dated June 30, 2011. The corporate office of Midas Gold is located at 1250-999 West Hastings Street, Vancouver, BC, V6C 2W2, Canada.

On April 6, 2011, the Corporation executed a transaction (the "Transaction") whereby Midas Gold, Inc. and Vista Gold Corp. ("Vista") contributed their respective Idaho gold assets through a contribution to Midas Gold to form the Golden Meadows Project ("Golden Meadows" or the "Project").

The Transaction did not result in a significant change in the ownership interests of those entities and the acquisition was accounted for as a continuity of interests maintaining the carrying amount of the entities. Accordingly, this MD&A has been prepared to reflect the financial position and results of operations as if these entities had been consolidated since their inception where appropriate.

HIGHLIGHTS

The Corporation continued to advance the Project throughout the year. In June 2012, the Corporation completed an update to its mineral resource estimates for each of the three deposits comprising the Project, and these estimates were incorporated into an independent Preliminary Economic Assessment the results of which were announced on September 4, 2012 (the "PEA"). The Corporation's work program at Golden Meadows continued throughout 2012 and results of the program, inclusive of 50,546 meters (m) drilling of various types, geological, geochemical and geophysical programs, and reported to date are available on the Corporation's website. The Corporation is now focused on definition and step-out drilling, metallurgical testing, engineering and environmental baseline work in support of a planned updated Preliminary

Economic Assessment (the "updated PEA") scheduled for completion in the second half of 2013, as well as ramping up the exploration programs focused on the discovery of additional deposits.

Financial highlights for the year ended December 31, 2012 were:

- Net loss and comprehensive loss for the year of $7.2 million (2011 - $13.4 million);
- Exploration and evaluation cash outflows of $50.8 million (2011 - $21.7 million) on Golden Meadows;
- C$40.4 ($40.5) million financing completed in February 2012; and
- Cash and cash equivalents balance at December 31, 2012 of $19.6 million (2011 - $37.0 million).

FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking information").

In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations or the negative 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" or the negative of these terms or comparable terminology. By their very nature, 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 such forward-looking information.

Forward-looking information includes, but is not limited to, statements regarding:

- analyses and other information based on expectations of future performance and planned work programs;
- possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action;
- timing, costs and potential success of future exploration activities on the Corporation's properties;
- 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;
- evaluation of the potential impact of future accounting changes; and
- estimates concerning recovery of accounts receivable, share-based compensation and carrying value of properties.

Statements concerning mineral resource estimates may also be deemed to constitute forward-looking information to the extent that such statements involve estimates of the mineralization that may be encountered if a property is developed. Any forward-looking information is stated as of the date of this document and Midas Gold does not intend, and does not assume any obligation, to update such forward-looking information to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events unless required to do so by law or regulation.

With respect to forward-looking information contained herein, the Corporation has applied several material factors or assumptions including, but not limited to, certain assumptions as to production rates, operating cost, recovery and metal costs; that 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 exploration and other objectives concerning the Project can be achieved and that the Corporation's other corporate activities will proceed as expected; that the current price and demand for gold and other metals 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 Project will be obtained in a timely manner and on acceptable terms; and the continuity of economic and political conditions and operations of the Corporation.

The forward-looking information contained herein is subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ materially from those expressed or implied by such forward-looking information. In addition to those discussed in the Corporation's public disclosure record, such risks and other factors include, among others, those related to:

- fluctuations in capital markets and share prices;
- the Corporation's ability to obtain necessary financing to fund the completion of further exploration programs or the development of its mineral properties and the expected use of proceeds;
- the Corporation's dependence on one mineral project;
- the Corporation's dependence on key personnel;
- the Corporation's operations and contractual obligations;
- changes in exploration programs based upon results of exploration;
- changes in estimated mineral reserves or 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;
- the Corporation's principal property being located in the USA, including political, economic and regulatory uncertainty;
- environmental risks, including environmental matters under U.S. federal and Idaho rules and regulations;
- 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 the Corporation's activities and operations;
- impact of environmental remediation requirements and the terms of existing and potential consent decrees on the Corporation's planned exploration on the Project;
- the Corporation's mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title;
- community relations;
- delays in obtaining governmental approvals or financing;
- 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 licences and permits;
- currency fluctuations (particularly the Canadian dollar and United States dollar); and
- estimates used in the Corporation's financial statements proving to be incorrect.

This is not an exhaustive list of the factors that may affect the Corporation's forward-looking information. 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 the 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 forward-looking information. Accordingly, readers should not place undue reliance on such forward-looking information.

SELECTED ANNUAL INFORMATION

The following is a summary of certain selected audited consolidated financial information of the Corporation for the years ended December 31, 2012, 2011 and 2010:

Year Ended (All amounts in $)	Revenue	Net Loss and Comprehensive Loss	Basic & Diluted Loss per Share	Total Assets	Long Term Liabilities	Cash Dividend
December 31, 2012	-	(7,179,767)	(0.06)	195,821,058	379,491	-
December 31, 2011	-	(13,437,721)	(0.16)	156,467,170	562,708	-
December 31, 2010	-	(588,194)	(0.02)	12,880,852	743,421	-

RESULTS OF OPERATIONS

Net Loss and Comprehensive Loss

	Three Months Ended		Twelve Months Ended	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
EXPENSES				
Consulting	$ 3,293	$ (867)	$ 61,489	$ 103,664
Directors' fees	63,052	62,638	250,204	104,224
Office and administrative	80,591	113,434	331,924	288,348
Professional fees	154,225	164,626	343,919	496,733
Salaries and benefits	340,535	571,334	974,043	936,786
Share based compensation	719,192	2,907,206	5,267,392	8,661,418
Shareholder and regulatory	34,640	54,467	232,046	366,165
Travel and related costs	55,207	76,177	351,922	310,786
OPERATING LOSS	$ 1,450,735	$ 3,949,015	$ 7,812,939	$ 11,268,124
OTHER EXPENSES				
Foreign exchange loss (gain)	$ 76,004	$ (1,525,461)	$ (435,457)	$ 2,446,057
Interest income	(45,458)	(119,855)	(197,715)	(276,460)
Total other expenses (income)	$ 30,546	$ (1,645,316)	$ (633,172)	$ 2,169,597
NET LOSS AND COMPREHENSIVE LOSS	$ 1,481,281	$ 2,303,699	$ 7,179,767	$ 13,437,721

Net loss and comprehensive loss for Midas Gold for the three month period ending December 31, 2012 was $1.5 million or $0.01 per common share, compared with $2.3 million or $0.02 loss per share for the corresponding period of 2011. Net loss and comprehensive loss for Midas Gold for the year ending December 31, 2012 was $7.2 million or $0.06 per common share, compared with $13.4 million or $0.16 loss per share for the corresponding period of 2011. The decreased losses primarily relate to decreased share based compensation expense and reduced exposure to the Canadian Dollar.

For the three months ended December 31, 2012 the Corporation’s main focus was the balance of the 2012 exploration program at Golden Meadows. During the year ended December 31, 2012, the Corporation’s main focuses were the February 14, 2012 closing of a private placement financing of a total of 9,085,000 special warrants of the Company at a price of C$4.45 for aggregate gross proceeds of C$40,428,250 (the "Private Placement'), including the exercised over-allotment option, updating mineral resource estimates, and the completion of the PEA and the Corporation’s 2012 exploration, environmental baseline and evaluation program at the Project.

An analysis of each line item follows:

Consulting
This expense relates to consulting services provided to the Corporation that do not relate to the exploration and evaluation of Golden Meadows. Consulting costs are comparable in the most recent quarter with that of the corresponding quarter from 2011. Consulting costs were higher for the full year ended December 31, 2011 as a result of the consulting work performed in relation to the Transaction.

Directors' Fees
Effective August 1, 2011, each of the Corporation's independent directors were entitled to annual base fee of C$24,000, paid in quarterly installments, with the Chair of the Board, Chairs of Board Committees and members of Board Committees receiving additional fees commensurate with each role. Directors' fees were higher for the full year ended December 31, 2012 as a result of such fees not being paid prior to August 1, 2011.

Office and Administrative
This expense for the current year is predominantly the maintenance of an office in Vancouver, BC. For the comparative period in the prior year, this expense related to the maintenance of an office in Spokane, WA. After March 31, 2011, the Spokane, WA, office was used in direct support of exploration and evaluation activities and the expense has been capitalized to exploration and evaluation assets. The expense in the current quarter is lower than the same period in the previous year as in the prior year the Vancouver office was in the process of being set up, incurring additional non-recurring costs. The expense for the current year was higher than the prior year as a result of the higher costs in Vancouver as compared to the Spokane office in the prior year.

Professional Fees
This expense relates to the legal and accounting costs of the Corporation. The legal fees expensed in the current quarter are similar when compared to the quarter ended December 31, 2011. The legal fees were significantly higher in the prior year as the Corporation worked towards completing the Transaction.

Salaries and Benefits
This expense results from salaries and benefits of the employees that are not directly related to the exploration and evaluation of Golden Meadows. The salaries and benefits in the current quarter are lower than the quarter ended December 31, 2011 due to higher 2011 bonuses accrued when compared to 2012. This expense for the year is similar when compared to the prior year; however, lower 2012 bonuses were offset against higher 2012 salaries as several employees commenced employment midway through 2011.

Share Based Compensation
This expense relates to the compensation of directors, officers, employees and consultants that are share based and not directly related to the exploration and evaluation of Golden Meadows. This expense is lower for the current quarter and year when compared to the prior corresponding quarter and year as were more options were granted and vested of options in the prior periods. The fair value of options granted is estimated at the time of the grant using the Black-Scholes option pricing model which uses various assumptions that are outlined in the Corporation's consolidated financial statements for the period ended December 31, 2012.

Shareholder and Regulatory
This expense is associated with marketing, licenses and fees, and shareholder communications. This expense has decreased for the quarter and the year when compared to the prior corresponding quarter and year as a result of the Corporation's TSX listing in the prior year.

Travel and Related Costs
This expense is a result of travel and meal costs of the Corporation's directors, officers, employees and consultants whilst undertaking business on behalf of the Corporation. Travel and related costs in the current quarter are similar when compared to the quarter ended December 31, 2011. This expense has increased in the current year when compared to the previous year as a result of additional travel that was required between the Corporation's head office in Vancouver, BC, exploration office in Spokane, WA, the field office in McCall, ID, technical office in Boise, ID, and the Project. There were

also additional travel costs for management in connection with the marketing of the Corporation to the investing community.

Foreign Exchange
This expense is a result from translation gain on the Corporation's Canadian dollar denominated balances as at December 31, 2012. In 2011, the Corporation maintained significant balances of Canadian dollars and on average for the year the Canadian dollar weakened and a $2.4 million loss resulted. In the quarter ended December 31, 2011, the Canadian dollar strengthened resulting in an unrealized gain for the quarter. In 2012, the Corporation reduced its exposure to the Canadian dollar by converting the majority of its cash position into US dollars. This has resulted in reduced gains or losses on exchange movements.

Interest Income
This income results from interest received on the Corporation's cash balances. This amount decreased in the current quarter and year as a result of the decreased cash balance.

Exploration and Evaluation Assets

A summary of additions to exploration and evaluation assets for the three and twelve month periods ended December 31, 2012 is as follows:

	Three Months Ended		**Twelve Months Ended**	
	31-Dec-12	**31-Dec-11**	**31-Dec-12**	**31-Dec-11**
Exploration and Evaluation Acquisition Costs				
Interest on notes payable	$ 4,278	$ 3,760	$ 19,289	$ 24,370
Mineral claims	129,222	218,540	559,547	983,022
Mineral claims acquired from Vista	-	-	-	79,148,742
Exploration and Evaluation Expenditures				
Consulting and labor cost	3,139,145	2,058,843	10,079,382	7,817,168
Drilling	3,141,755	5,498,315	19,676,341	10,143,749
Drilling support	3,789,314	4,063,195	13,577,349	5,951,553
Engineering	227,531	1,054,486	3,740,518	1,456,690
Environmental and sustainability	1,533,700	938,271	4,515,872	1,599,448
Geochemistry and geophysics	499,425	583,111	2,419,071	1,056,930
Prepaid exploration and evaluation	(180,538)	(30,056)	(216,226)	556,726
NET ADDITIONS TO EXPLORATION AND EVALUATION ASSETS	$ 12,283,832	$ 14,388,465	$ 54,371,143	$ 108,738,398

An analysis of each line item is as follows:

Interest on Notes Payable
Interest on Notes Payable relates to two notes payable related to the acquisition of mineral claims and a royalty interest. Interest accrues at 3% and interest and principal payments of $0.2 million in total are due on June 2 each year with the final payment in 2015. The interest for the three and twelve month period ended December 31, 2012 is consistent with the comparable period from the prior year.

Mineral Claims
This item is due to the cost associated with acquiring mineral claims through staking and option payments towards the acquisition of mineral claims. Annual fees on unpatented claims are paid in August each year. The decrease in the current quarter resulted from additional survey cost associated with additional claim staking that took part in the quarter ended September 30, 2011. On an annual basis, the prior period included acquisition cost for the Fern Property and additional clam staking.

Consulting and Labour Cost

This item is due to costs associated with staffing the Project. Staffing costs increased in the current quarter and for the year when compared to the prior year due to the increased staffing on the Project. The current quarter includes $0.9 million (2011 - $0.5 million) in share based compensation reflecting the grant of stock options to employees and consultants working on the project.

Drilling

Drilling costs relate to the exploration and evaluation of mineralized areas at Golden Meadows. Costs incurred in the current quarter relate to continued drilling at Golden Meadows. The costs for the current quarter and year have decreased when compared to the prior year as the Corporation commenced a winter drilling program in the quarter ended December 31, 2011. This winter program had some initial set up costs. For the full year ended December 31, 2012, drilling costs were significantly higher as the Corporation completed a 50,546m drill program. During 2011, approximately 25,360m were drilled.

Drilling Support

Drilling support includes the operation of the two camps the Corporation maintains, transportation of people and supplies into Golden Meadows and other costs at Golden Meadows to support drilling operations. The costs for the current quarter and year have decreased when compared to the prior year as the Corporation commenced a winter drilling program in the quarter ended December 31, 2011 and this winter program had some initial set up costs. For the full year ended December 31, 2012, drilling costs were significantly higher as the Corporation completed a 50,546m drill program. During 2011, approximately 25,360m were drilled.

Engineering

These costs are in relation to various studies and evaluations of the Project. For the year ended December 31, 2012, the Corporation's independent consultants conducted work to support an updated mineral resource that was completed in the quarter ended June 30, 2012 and the PEA that was completed on September 21, 2012. In addition, various engineering firms in Boise, Idaho have completed preliminary engineering studies related to site logistics and environmental baseline. Subsequent to the quarter ended September 30, 2012, the focus has been an updated mineral resource update and updated PEA scheduled for completion in the latter half of 2013.

Environmental

In the current quarter and year, these items result from the costs associated with the preparation and review of an Environmental Assessment for future exploration activities, voluntary remediation of legacy environmental conditions and collection of environmental baseline information for potential future operations. The Corporation is in the planning phase for considering the permitting of an operating mine. In the comparable quarter in the prior year, activities were in their early stages. In the prior year, environmental cost predominantly related to the assessment of environmental conditions at Golden Meadows and some voluntary remediation of legacy environmental conditions.

Geochemistry and Geophysics

These costs relate to the analysis of drill cores, rock and soil samples, and to the geophysical exploration programs completed at Golden Meadows. This expense has increased in the current year as the Corporation completed its first winter drilling program in early 2012.

An analysis of the December 31, 2012 and December 31, 2011 Statements of financial position of the Corporation follows:

Total Assets

Total assets increased during the year ended December 31, 2012 from $156.5 million to $195.8 million primarily as a result of the Private Placement which accounted for $37.8 million of the increase. The remainder of the increase relates to cash received on the exercise of options. Throughout 2012, the Corporation used the proceeds from its share offerings to advance the exploration and evaluation of the Project.

Equity

Equity increased during the year ended December 31, 2012 from $152.3 million to $190.3 million, primarily as a result of the issuance of shares through the Private Placement of $37.8 million and recognition of share based compensation of $7.2 million.

Total Liabilities

Total liabilities increased during the year ended December 31, 2012 from $4.2 million to $5.5 million, primarily as a result of increased trade and other payables as at December 31, 2012. This increase is due to a higher level of activity at Golden Meadows.

Cash Flows

Midas Gold's net change in cash and cash equivalents for the year was an outflow of $17.3 million (2011 – inflow of $32.1 million). Cash received from financing activities for the year was $37.9 million, as a result of the issuance of shares through the Private Placement and through the exercise of options. The inflows from financing activities were offset by outflows from operating and investing activities.

Operating cash outflows for the year were $2.3 million (2011 - $2.9 million). Operating cash out flows decreased in the current year compared to the prior year due to the establishment of a Vancouver office and increased corporate activity related to the listing of the Corporation on TSX in 2011.

Investing cash out flows for the year were $53.0 million (2011 – $24.2 million). For the year ended December 31, 2012 the Corporation completed a 50,546m drill program whereas in 2011 approximately 25,360m were drilled. The Corporation also increased its cash out flows related to engineering with the preparation of a Preliminary Economic Assessment and its cash outflows related to its environmental and sustainability program.

Use of Proceeds

The actual use of proceeds, as at December 31, 2012 in comparison to the proposed use of proceeds included in the Corporation's short form prospectus dated March 8, 2012, is outlined below.

Expense Category (1) (in millions)		**Proposed Use of Proceeds (2)**		**Actual Use of Proceeds**		**Remaining to be Spent / Difference**
Exploration & Evaluation Assets	$	45.9	$	50.8	$	(4.9)
Building & Equipment		2.5		2.4		0.1
Notes Payable		0.2		0.2		-
General & Administrative		2.6		2.3		0.3
General / Closing Working Capital		21.5		17.0		4.5
	$	72.7	$	72.7	$	-

(1) *Expense categories have been consolidated from the March 8, 2012 prospectus for easier reference to this MD&A. For more details refer to the Corporation's prospectus dated March 8, 2012.*

(2) *The proposed use of proceeds is inclusive of spending proposed and under / (over) spent in the Corporation's prospectus dated June 30, 2011. The proposed use of proceeds is quoted at an exchange rate of US$1.00 = C$1.00.*

The actual use of proceeds exceeded the proposed use of proceeds for exploration and evaluation assets predominantly because of higher drilling costs than expected.

QUARTERLY RESULTS

The net loss and comprehensive loss of Midas Gold for the previous eight calendar quarterly periods:

Quarter Ended (In accordance with IFRS)	Revenue	Net Loss and Comprehensive Loss	Basic & Diluted Loss per Share	Total Assets	Long Term Liabilities	Cash Dividend
December 31, 2012	-	(1,481,281)	(0.01)	195,821,058	379,491	-
September 30, 2012	-	(1,283,067)	(0.01)	195,340,848	380,875	-
June 30, 2012	-	(1,969,973)	(0.02)	196,071,222	382,259	-
March 31, 2012	-	(2,445,446)	(0.02)	194,892,281	561,287	-
December 31, 2011	-	(2,303,700)	(0.02)	156,467,170	562,708	-
September 30, 2011	-	(6,756,485)	(0.07)	154,881,865	565,723	-
June 30, 2011	-	(3,401,319)	(0.04)	114,210,141	565,723	-
March 31, 2011	-	(976,217)	(0.02)	14,718,974	743,421	-

The results for the quarter ended December 31, 2012 are consistent with the prior quarter. For the quarter ended September 30, 2012, the net loss and comprehensive loss relates to the decrease in share based compensation and foreign exchange. The increases in the net loss and comprehensive loss for the quarters ended June 30, 2011 and September 30, 2011 is primarily related to the increase in salaries, share based compensation and foreign exchange losses for the period when compared to previous quarters. The increase in total assets in the quarter ended June 30, 2011 is primarily due to the Transaction described previously and the contemporaneous private placement. The increase in total assets in the quarter ended September 30, 2011 is mainly due to the IPO and increase in exploration and evaluation activity. The increase in total assets in the quarter ended March 31, 2012 is primarily due to the Private Placement.

CAPITAL RESOURCES AND LIQUIDITY

Capital resources of Midas Gold consist primarily of cash and liquid short-term investments. As at December 31, 2012, Midas Gold had cash totalling approximately $19.6 million, approximately $0.2 million in other current assets and $5.1 million in trade and other payables.

Midas Gold has sufficient funds to further advance Golden Meadows and plans to do so by:

- Continuing to upgrade the confidence level of the existing mineral resources;
- Conducting economic studies on the defined mineral resources;
- Growing the mineral resource base through exploration; and
- Proceeding with the regulatory process for the mineral resources thus defined.

Midas Gold has long term liabilities of $0.4 million related to the notes payable on the acquisition of mineral claims and the purchase of a royalty interest.

Midas Gold does not anticipate the payment of dividends in the foreseeable future.

It is management's opinion, based on the Corporation's current liquidity position, that the Corporation will have sufficient assets or be able to raise same to discharge its liabilities as they become due, to sustain its capital expenditures, to fund its 2013 exploration and evaluation program and to meet its administrative and overhead requirements. However, no assurance can be given that these efforts will prove to be successful.

During the year ended December 31, 2012, the Corporation generated capital resources of $38.1 million through the Private Placement financing, and on exercise of stock options and warrants.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration and evaluation programs will result in profitable mining operations in the future. The Corporation's ability to raise funds and continue exploration, evaluation and potential future development activities is directly related to the results of its exploration and evaluation program, as well as the price of gold and other potential by-products and general market conditions.

<u>**Contractual Obligations**</u>

Office Rent

The Corporation entered into a various lease agreements for office space. The total rent obligation over the next five years is as follows:

	December 31, 2012		
	Within one year	After one year but not more than five years	Total
Minimum rental payments	$ 520,159	$ 225,249	$ 745,408

Mining Claim Assessments

The Corporation currently holds mining claims on which it has an annual assessment obligation, in order to maintain the claims in good standing, of $195,000. The Corporation is committed to this annual obligation for the indefinite future in order to maintain its title to these claims.

Options Payments on Mining Claims

The Corporation is obligated to make option payments on mineral claims comprising the Cinnabar prospect, of which is part of the Project, in order to maintain title to these claims. The remaining option payments due on the Cinnabar prospect are $100,000 for each year from 2013 through 2017.

OFF BALANCE SHEET ARRANGEMENTS

The Corporation has no off balance sheet arrangements as of December 31, 2012 and the date of this MD&A.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

During the year ended December 31, 2012, compensation of directors and officers and other key management personnel who have the authority and responsibility for planning, directing and controlling the activities of the Corporation was:

	December 31, 2012	December 31, 2011
Salaries and benefit	$ 871,274	$ 639,106
Share based compensation	1,891,161	5,884,583
	$ 2,762,435	$ 6,523,689

No post-employment benefits, termination benefits, or other long-term benefits were paid to or recorded for key management personnel during the year ended December 31, 2012 and 2011.

There were no balances outstanding with related parties at December 31, 2012.

MINERAL PROPERTIES

The technical information in this MD&A has been prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and reviewed and approved by Stephen P. Quin, P. Geo., President and CEO of Midas Gold, Robert Barnes, P. Eng., Chief Operating Officer of Midas Gold, Richard Moses, C.P.G, Site Operations Manager for the Project, and Christopher Dail, C.P.G., Exploration Manager for the Project. The exploration activities at Golden Meadows in 2012 were carried out under the supervision of Richard Moses, C.P.G., Qualified Person and Site Operations Manager, and Christopher Dail, C.P.G., Qualified Person and Exploration Manager for the Project. All of Mr. Quin, Mr. Barnes, Mr. Moses and Mr. Dail are "qualified persons" within the meaning of such term in NI 43-101.

For readers to fully understand the technical information in this MD&A, the technical information in this MD&A should be read in conjunction with the technical report entitled "Preliminary Economic Assessment Technical Report for the Golden Meadows Project, Idaho" and dated September 21, 2012 (the "Technical Report") prepared by SRK Consulting (Canada) Inc., an independent firm of consulting engineers and scientists, for the Project. The Technical Report is available for viewing under the Corporation's website www.midasgoldcorp.com as well as under its profile on SEDAR at www.sedar.com. The technical information in this MD&A and the Technical Report are intended to be read as a whole, and sections should not be read or relied upon out of context. In addition, the technical information in the Technical Report is subject to the assumptions and qualifications contained in such report.

Golden Meadows Project

The Corporation's property holdings at Golden Meadows are comprised of a contiguous package of unpatented federal lode claims, unpatented mill site claims, patented federal lode claims and patented mill site claims encompassing approximately 10,968 hectares. The Corporation acquired these rights through a combination of transactions and staking.

The Golden Meadows Project includes three known mineral deposits with identified mineral resources. During 2011, 107 holes were completed at the Project, totaling 23,860m of drilling. During 2012, the Corporation completed 50,546m of core, sonic, RC, geotechnical and monitor well drilling in 235 holes, of which 41,429m was core drilling in 162 holes, 7,360m was RC in 29 holes, 481m of sonic drilling to pre-collar other holes and 1,276m was completed in 44 monitoring wells. This is more than double the number of metres and holes completed by the Corporation in 2011. Approximately 40,000m of resource drilling was designed to upgrade the confidence level in the inferred mineral resources in all three of the known deposits (Hangar Flats, West End and Yellow Pine) or to expand those deposits. Results generally confirmed the previously defined mineral resources and, as a result, are expected to upgrade a significant portion of the mineral resources to an indicated category. In addition, step-out drilling expanded the deposits beyond the previously defined resource limits – especially at Yellow Pine and, to some extent, West End. Approximately 5,300m of drilling was conducted for the purposes of discovering completely new deposits. This drilling was focused on the newly defined Scout gold-antimony deposit. Approximately 700m of holes were drilled specifically to collect sample material for metallurgical testing which, along with sample material collected from other holes, is being utilized in an extensive metallurgical optimization program currently underway at independent laboratories. A summary of each known mineral deposit follows:

Hangar Flats

Hangar Flats is a structurally controlled gold deposit hosted in intrusive rocks, with gold associated with sulphides in both the fault zone and adjacent rock defined by historic drilling, the Corporation's drilling and in underground workings. A total of 37 drill holes, consisting of 8,295m of drilling, were completed by the Corporation in 2009 and 2010. During 2011, 12 drill holes consisting of 4,265m were completed. The drilling program covered an area which begins south of the old caved or closed portals of the historic Meadow Creek Mine and extends about 1,000m north of these portals. The drilling completed in 2011 covered 1,500m of strike length and a maximum of 500m down dip and drilling resumed in early 2012, and between January 1 and December 31, 2012, 55 holes totaling 16,175m were completed primarily as in-fill drilling to improve the confidence of the deposit model and convert inferred resources to indicated resources.

West End
The West End gold deposit has a primary structural control and secondary stratigraphic control, with gold occurring preferentially where certain rock types are cut by the West End or associated faults. From initial discovery until the end of 2010, a total of 729 drill holes had been completed in the West End area and covered 1,300m of strike and a maximum down dip extent of 200m. During 2011, the Corporation conducted an abbreviated exploration drilling program at West End with the objective of upgrading the confidence level in the existing mineral resources and testing the potential to expand them. During 2011, a total of 9 holes consisting of 1,353m of drilling were completed through December 31, 2011.

A total of 28 holes totaling 7,311m were completed during the January 1 to December 31, 2012 period. These holes were primarily in-fill drill holes and holes to test the West End structural zone at depth. Deeper holes cut mineralization several hundred meters down dip from the surface and may result in additional mineral resources.

Yellow Pine
Yellow Pine is a structurally controlled gold deposit hosted in intrusive rocks, with gold associated with sulphides in both the fault zone and adjacent rock. There are six exploration data sets that support the current mineral resource estimation, five of which are historical, with no drilling completed by the Corporation in 2009 or 2010. That drilling covers 1,500m of strike length and a maximum of 400m down dip. During 2011, the Corporation conducted a drilling program at Yellow Pine with the objective of upgrading the confidence level in, and expanding, the existing mineral resources. During 2011, 83 holes were completed totaling approximately 17,413m.

From January 1 through December 31, 2012, 83 holes totaling 19,364m were completed in the Yellow Pine area. The majority of these holes were in-fill and step-out holes and, in a number of cases resulted in expansion of the spatial extent of known mineralization down dip or laterally.

District Exploration
During 2012, the Corporation completed district-scale exploration activities including collection of over 3,500 soils on six major grids covering approximately 25 square kilometers (km^2), approximately 350 stream silts covering 130 km^2 and numerous rock samples and geologic mapping, as well as 50 line-km of CSAMT ground-based geophysical surveys covering approximately 21 km^2. Several new prospects were identified and, at several others, the spatial extent of known surface mineralization was expanded by surface sampling activities or by inference from the geophysical surveys.

A major new gold-silver-antimony discovery at the Scout Prospect was confirmed with the completion of 14 widely-spaced, core and reverse circulation drill holes totaling 3,755m covering a north-south trending structural corridor over a strike length of 825m. Significant mineralization was encountered in the Scout drill holes and a preliminary resource estimate is in progress. Additional follow-up work is planned, including additional drilling and resource estimates.

Environmental and Other Matters Pertaining to Golden Meadows

The Project is located in a historic mining district with exploration and mining activity, and related environmental effects, spanning nearly 100 years from the early 1900s until today. Actions by prior operators and government agencies have addressed some of the historic environmental issues.

For additional disclosure on the Environmental and Other Matters refer to the Corporation's Annual Information Form for the year ended December 31, 2012, the prospectus dated June 30, 2011 and the short form prospectus dated March 8, 2012.

The Corporation is, and in future will continue to be, subject to federal, state and local statutes, rules and regulations related to, among other things, environmental protection, site access and construction activities. The environmental effects, if any, of current and future activities will be monitored and, where appropriate, mitigated and reclaimed by the Corporation.

A number of environmental studies and regulatory investigations in the District identified numerous areas of potential environmental degradation related to historic mining. In the past, regulatory actions under the *Comprehensive Environmental Response, Compensation, and Liability Act* ("CERCLA"), the *Resource Conservation and Recovery Act* ("RCRA") and state law have been taken by the U.S. Environmental Protection Agency ("EPA"), the U.S. Forest Service and the Idaho Department of Environmental Quality against historic mining operators. All of these regulatory activities and related clean-up programs pre-date any ownership or activity by the Corporation. Prior to its acquisitions in the District, the Corporation conducted appropriate due diligence, comprising formal assessments of the properties comprising the Project, in order to mitigate potential liabilities related to past disturbance.

Consent Decrees under CERCLA

Several of the patented lode and mill site claims acquired by Midas Gold in the West End Deposit and the Cinnabar claim groups held under option are subject to a consent decree, which covers certain environmental liability and remediation responsibilities with respect to such claims. The consent decree provides the regulatory agencies that were party to the agreement access and the right to conduct remediation activities under their respective CERCLA and RCRA authorities as necessary and to prevent the release or potential release of hazardous substances. The consent decree also requires that heirs, successors and assigns refrain from activities that would interfere with or adversely affect the integrity of any remedial measures implemented by government agencies. Several of the patented claims in the Hangar Flats and Yellow Pine properties acquired by Idaho Gold Resources and contributed to Midas Gold as part of the Transaction are subject to a consent decree between the previous owner of those claims and the United States, which creates certain obligations on that previous owner, including that the previous owner will cooperate with the U.S. Environmental Protection Agency and U.S. Forest Service in those agencies' efforts to secure any government controls necessary to implement response activities.

Plans for the Environmental Issues

The Corporation expects to address areas of existing environmental concern as part of the permitting process for any future mining operations. The Corporation recognizes the need to maintain the current designated uses, to improve water quality, wildlife and aquatic habitat where practicable and to reduce sediment loads in the Project area wherever feasible as a component of its ongoing activities, as well as to provide for future mining activities, should they occur.

2012 ACTIVITIES, 2013 OUTLOOK AND GOALS

During 2012, 50,546m of drilling was completed in 235 holes, focused on the continued definition and expansion of the existing mineral resources at Golden Meadows, collection of metallurgical samples, geotechnical drilling and completion of groundwater monitor wells. Drilling was split into two phases. Phase 1 wrapped up drilling at Hangar Flats and Yellow Pine originally planned for 2011 and, along with 2010 and 2011 drilling not previously incorporated into the 2011 mineral resource estimate, was used to update the mineral resource estimates for the three known deposits, which estimates were incorporated into the PEA, the results of which were announced on September 4, 2012 and are detailed in the Technical Report. Phase 2 drilling was focused on definition and step-out drilling at all three deposits in support of a further update to the mineral resource estimates scheduled for 2013. This drilling was intended to more fully define the limits of each deposit and to upgrade the confidence level of a significant portion of the existing inferred mineral resources to the indicated level. Additional drilling is being carried out in the first half of 2013 which, combined with the 2012 drilling, will be incorporated into updated mineral resource estimates that are scheduled for completion in the first half of 2013.

Exploration drilling for entirely new deposits was conducted in parallel with the Phase 2 drilling, primarily at the Scout prospect. Estimation of a maiden mineral resource estimate for the Scout prospect is currently in progress and is expected to be completed in the first half of 2013.

In parallel with the 2012 drilling and the PEA discussed above, Midas Gold advanced the Project towards completion of an updated PEA scheduled for the second half of 2013 by conducting further metallurgical testing, mine planning, engineering and other study-related work. This work is currently on-going and is expected to continue throughout the first half of 2013. Meanwhile, the Corporation continues to advance its environmental baseline studies and environmental monitoring activities that are being carried out to support of potential future permit applications. These activities are expected to continue throughout 2013. In order to carry out these field activities, the Corporation maintained its camp, logistics and support services at Golden Meadows throughout 2012 and expects to do so through 2013.

As set out in the short form prospectus filed March 8, 2012, in 2012 and beyond, the Corporation estimates expenditures (including the Phase 1 and Phase 2 drilling and the additional technical work described above) would total approximately $48.17 million, including $23.75 million on drilling and related activities, $9.26 million on permitting, environmental and regulatory costs, $6.52 million on exploration outside of the three known deposits, and $6.18 million on technical work in support of the PEA that was scheduled for completion in the third quarter of 2012 (which was completed as scheduled and reported in the Technical Report) and the subsequent technical study. In addition, capital expenditures of $2.46 million were planned to support these activities. This work was carried out on three parallel tracks:

> Track 1 - Complete a Preliminary Economic Assessment: This task was completed with the announcement of the results of the PEA on September 4, 2012 and the filing of the Technical Report.
>
> Track 2 - Advance the Project to an updated PEA: In parallel and overlapping with completion of the PEA, work has been ongoing to advance the Project towards completion of an independent updated PEA that further optimizes the Project, which study is scheduled for completion in the second half of 2013, based on recommendations contained in the PEA. This work included Phase 2 drilling to convert remaining inferred mineral resources to higher levels of confidence, to more fully define the limits of these deposits, as well as further metallurgical work, environmental baseline, engineering and other studies, beyond that used in the PEA. This work continues into 2013.
>
> Track 3 - Exploration for new deposits: In parallel with and overlapping Tracks 1 and 2, and subject to permitting, exploration is being conducted with the objective of discovering new deposits that could materially enhance the Project. In 2012, this work included soil, silt and rock sampling, geologic mapping, ground geophysics and limited drilling at the Scout prospect. Additional exploration, including drilling (in some areas, subject to permitting), is planned in 2013 and beyond.

In 2013, the emphasis is on continuing on Track 2 and Track 3 activities, with updated mineral resource estimates planned for the first half of 2013 and an updated PEA scheduled for completion in the second half of 2013. Exploration activities, subject to permitting in some areas, is planned to ramp up in the second half of 2013.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Critical Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions about future events that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

1) Economic recoverability and probability of future economic benefits of exploration evaluation and development costs
   Management has determined that exploratory drilling, evaluation, development and related costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, history of defining mineral resources, economic studies, and existing permits.

2) Functional currency

   The functional currency for each of the Corporation's subsidiaries is the currency of the primary economic environment in which the entity operates. The Corporation has determined that the functional currency of each entity is the US dollar. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Corporation reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

1) Impairment of building and equipment and exploration and evaluation assets

   Management considers both external and internal sources of information in assessing whether there are any indications that the Corporation's building and equipment and exploration and evaluation assets are impaired. External sources of information management considers include changes in the market, economic and legal environment in which the Corporation operates that are not within its control and affect the recoverable amount of its building and equipment and exploration and evaluation assets. Internal sources of information management consider include the manner in which mining properties and building and equipment are being used or are expected to be used and indications of economic performance of the assets.

2) Depreciation and amortization rate for building and equipment

   Depreciation and amortization expenses are allocated based on assumed asset lives. Should the asset life or depreciation rates differ from the initial estimate, an adjustment would be made in the consolidated statements of income.

3) Mineral resource estimates

   The figures for mineral resources are determined in accordance with NI 43-101. There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the Corporation's control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgements used in engineering and geological interpretation. Differences between management's assumptions (including economic assumptions such as metal prices and market conditions) could have a material effect in the future on the Corporation's financial position and results of operation.

4) Valuation of share based compensation

   The Corporation uses the Black-Scholes Option Pricing Model for valuation of share based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Corporation's earnings and equity reserves.

Changes in Accounting Policies Including Initial Adoption

Standards Issued but not yet Effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods after December 31, 2012. The Corporation does not expect the standards below to have a material impact on the financial statements, although additional disclosures may be required.

The following new Standards were issued by the IASB in May 2011, and are effective for annual periods beginning on or after January 1, 2013.

1) Consolidated Financial Statements

   IFRS 10 *Consolidated Financial Statements* ("IFRS 10") will replace IAS 27 *Consolidated and Separate Financial Statements,* and SIC 12 *Consolidation – Special Purpose Entities*. The portion of IAS 27 that deals with separate financial statements will remain. IFRS 10 changes the definition of control, such that the same consolidation criteria will apply to all entities. The revised definition focuses on the need to have both "power" and "variable returns" for control to be present. Power is the current ability to direct the activities that significantly influence returns. Variable returns can be positive, negative or both. IFRS 10 requires continuous assessment of control of an investee based on changes in facts and circumstances.

2) Joint Arrangements

IFRS 11 Joint Arrangements ("IFRS 11") will replace IAS 31 Interests in Joint Ventures, and SIC 13 Jointly Controlled Entities – Non-monetary Contributions by Venturers. IFRS 11 defines a joint arrangement as an arrangement where two or more parties contractually agree to share control. Joint control exists only when the decisions about activities that significantly affect the returns of an arrangement require the unanimous consent of the parties sharing control. The focus is not on the legal structure of joint arrangements, but rather on how the rights and obligations are shared by the parties to the joint arrangement. IFRS 11 eliminates the existing policy choice of proportionate consolidation for jointly controlled entities. In addition, the Standard categorizes joint arrangements as either joint operations or joint ventures.

3) Disclosure of Interests in Other Entities

IFRS 12 *Disclosure of Interests in Other Entities* ("IFRS 12") will replace the disclosure requirements currently found in IAS 28 *investment in Associates,* and is the new Standard for disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities, including information about the significant judgments and assumptions that it has made in determining whether it has control, joint control or significant influence in another entity. IFRS 12 sets out the required disclosures for entities reporting under IFRS 10 and IFRS 11.

4) Separate Financial Statements

The new IAS 27 *Separate Financial Statements* ("IAS 27") has been updated to require an entity presenting separate financial statements to account for those investments at cost or in accordance with IFRS 9 *Financial Instruments.* The new IAS 27 excludes the guidance on the preparation and presentation of consolidated financial statements for a group of entities under the control of a parent, which is within the scope of the current IAS 27 *Consolidated and Separate Financial Statements*, and is replaced by IFRS 10.

5) Investments in Associates and Joint Ventures

The new IAS 28 *Investments in Associates and Joint Ventures* ("IAS 28") has been updated and it is to be applied by all entities that are investors with joint control of, or significant influence over, an investee. The scope of the current IAS 28 *Investments in Associates* does not include joint ventures.

IFRS 13 Fair Value Measurement ("IFRS 13") was issued by the IASB in May 2011, and is effective for annual periods beginning on or after January 1, 2013. Early application is permitted. IFRS 13 was issued to remedy the inconsistencies in the requirements for measuring fair value and for disclosing information about fair value measurement in various current IFRSs. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price.

In November 2009, the IASB published IFRS 9, "Financial Instruments", which covers the classification and measurement of financial assets as part of its project to replace IAS 39, "Financial Instruments: Recognition and Measurement." In October 2010, the requirements for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If this option is elected, entitles would be required to reverse the portion of the fair value change due to own credit risk out of earnings and recognize the change in other comprehensive income. IFRS 9 is effective for the Corporation on January 1, 2015. Early adoption is permitted and the standard is required to be applied retrospectively.

FINANCIAL INSTRUMENTS

The Corporation determines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. IFRS provides three levels of inputs that may be used to measure fair value:

Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 – Values based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.

Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

The Corporation's financial instruments at December 31, 2012 are:

	Carrying and Fair Value
Financial Assets	
Cash	$ 19,618,855
	$ 19,618,855
Financial Liabilities	
Other Financial Liabilities:	
Trade and other payables	$ 4,911,936
Notes payable	575,628
	$ 5,487,564

The notes payable are promissory notes that were issued in May 2009 as part of the purchase of patented milling and lode claims on the Project and a 5% NSR royalty on patented lode mining claims on the Project. The notes have a fixed interest rate of 3% per annum, have a combined annual payment of $200,000 due each June 2 and mature on June 2, 2015.

The Corporation is exposed in varying degrees to a number of risks arising from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Corporation does not use other financial instruments to mitigate these risks and has no designated hedging transactions.

The risks and the management of these risks are:

Credit Risk

The Corporation has no significant credit risk arising from operations. The Corporation's credit risk is primarily attributable to cash and cash equivalents and trade and other receivables. The Corporation holds its cash with Canadian chartered banks and the risk of default is considered to be remote. The Corporation has minimal accounts receivable exposure, and its refundable credits are due from the Canadian government.

Liquidity Risk

There is the risk that the Corporation will not be able to meet its financial obligations. Since its inception, the Corporation has raised capital through sales of its securities. If such funding is not available in the future, either through the sale of securities through private placements or through the expected sale of the Corporation's securities on public markets, the Corporation's operations could be adversely effected. The Corporation manages its liquidity risk by planning, budgeting, monitoring and making necessary adjustments to cash flow to support its operating requirements.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a loss is limited because at present the Corporation holds all of its surplus cash in an interest bearing account and investment-grade short-term deposit certificates issued by its banking institutions. The Corporation monitors its investments it makes and satisfied with the credit worthiness of its banks. The Corporation's other financial liabilities include the notes payable, which bear interest at a fixed rate of 3% until June 2, 2015 and therefore has no interest rate risk.

Foreign Currency Risk

The Corporation's functional and reporting currency is the US dollar and major purchases are transacted in US dollars. The Corporation is exposed to the risk of changes in US dollar relative to the Canadian Dollar. A portion of the Corporation's financial assets and liabilities are denominated in Canadian dollars. The Corporation monitors this exposure, but has no contractual hedge positions.

		December 31, 2012		December 31, 2011
Cash and cash equivalents	$	5,190,659	$	30,313,427
Trade and other receivables		52,088		276,599
Trade and other payables		(280,800)		(541,902)
	$	4,961,947	$	30,048,124

A five percent change in the US dollar exchange rate to the Canadian dollar would impact the Corporation's earnings by $248,097.

With the approval of the initial 2012 Budget in early January, a significant portion of Canadian dollars was exchanged for US dollars. The Corporation's C$40.4 million share offering in February 2012, a significant portion of those funds were exchanged into US dollars as well.

During the year, the Corporation maintained a portion of its cash balance in Canadian Dollars. There is a risk that the Corporation's cash balance be reduced on a fluctuation in the relevant exchange rate. The Corporation has a policy that all board approved expenditures be held in the currency they expect to be made in. Cash held in excess of board approved expenditures has been and will be actively managed by the Corporation's management with consideration to the expected currency needs of the Corporation past board approved expenditures.

OUTSTANDING SHARE DATA

	February 20, 2013	December 31, 2012
Common shares issued and outstanding	114,794,136	114,794,136
Options outstanding	9,510,000	9,510,000
Warrants outstanding	1,333,334	1,333,334
Total	125,637,470	125,637,470

A summary of share purchase option activity within the Corporation's share based compensation plan for the years ended December 31, 2012 and 2011 is as follows:

	Number of Options	Weighted Average Exercise Price (C$)
Balance, December 31, 2010	10,650,000	$ 0.22
Options granted before Transaction	2,000,000	0.48
Options exercised before Transaction	(4,600,000)	0.24
Options converted to Warrants in Transaction	(7,450,000)	0.28
Options exercised after Transaction	(290,000)	0.51
Options granted after Transaction	8,585,000	2.75
Balance, December 31, 2011	8,895,000	$ 2.65
Options granted	1,790,000	3.39
Options exercised	(427,200)	0.61
Options forfeited	(747,800)	3.05
Balance, December 31, 2012	9,510,000	$ 2.85

A summary of warrant activity for the year ended December 31, 2012 is as follows:

	Number of Warrants	Weighted Average Exercise Price (C$)
Balance, December 31, 2010	-	$ -
Warrants converted from options in Transaction	7,450,000	0.28
Warrants exercised	(6,116,666)	0.24
Warrants forfeited	-	-
Balance, December 31, 2011 and 2012	1,333,334	$ 0.48

DISCLOSURE CONTROL AND PROCEDURES AND INTERNAL CONTROL OF FINANCIAL REPORTING

The Corporation's management, under the supervision of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), has designed disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*, based on the control framework developed by the Committee of Sponsoring Organizations of the Treadway Commission.

DC&P are designed to provide reasonable assurance that material information relating to the Corporation is made known to the CEO and CFO during the reporting period and the information required to be disclosed by the Corporation is recorded, processed, summarized and reported in a timely and appropriate manner. ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with international financial reporting standards. Due to the inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed and operated, they may not prevent or detect misstatements on a timely basis.

The Corporation's management, under the supervision of the CEO and CFO, has evaluated the design and operating effectiveness of its DC&P and ICFR and concluded that, as of December 31, 2012, they are effective in providing reasonable assurance regarding required disclosures and the reliability of external financial reporting.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

National Instrument 52-109 also requires Canadian public companies to disclose any changes in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No changes were made to the Company's ICFR in the three months ended December 31, 2012 which have materially affected, or are reasonably likely to materially affect, ICFR.

RISKS AND UNCERTAINTIES

Midas Gold is subject to a number of significant risks due to the nature of its business and the present stage of its business development. Readers should carefully consider the risks and uncertainties described below, in addition to the risk factors discussed under the heading "Risk Factors" in the Corporation's final prospectus dated June 30, 2011 and short form prospectus dated March 8, 2012, each available under the Corporation's profile on SEDAR at www.sedar.com, before deciding whether to invest in Midas Gold common shares.

Midas Gold's failure to successfully address such risks and uncertainties could have a material adverse effect on its business, financial condition and/or results of operations, and the future trading price of its common shares may decline and investors may lose all or part of their investment. Midas Gold cannot give assurance that it will successfully address these risks or other unknown risks that may affect its business. Estimates of mineral resources are inherently forward-looking statements subject to error. Although mineral resource estimates require a high degree of assurance in the underlying data when the estimates are made, unforeseen events and uncontrollable factors can have significant adverse or positive impacts on the estimates. Actual results will inherently differ from estimates. The unforeseen events and uncontrollable factors include: geologic uncertainties including inherent sample variability, metal price fluctuations, variations in mining and processing parameters, and adverse changes in environmental or mining laws and regulations. The timing and effects of variances from estimated values cannot be accurately predicted.

Below is a brief summary of some of Midas Gold's risks and uncertainties. These risk factors are not a definitive list of all risk factors associated with an investment in the common shares of Midas Gold or in connection with the Corporation's operations.

Industry Risks

Metal prices have fluctuated widely in the past and are expected to continue to do so in the future, which may adversely affect the amount of revenues derived from production of mineral reserves.

The commercial feasibility of the Project and Midas Gold's ability to arrange funding to conduct its planned exploration projects is dependent on, among other things, the price of gold and other potential by-products. Depending on the price to be received for any minerals produced, Midas Gold may determine that it is impractical to commence or continue commercial production. A reduction in the price of gold or other potential by-products may prevent the Project from being economically mined or result in the write-off of assets whose value is impaired as a result of low precious metals prices.

Future revenues, if any, are expected to be in large part derived from the future mining and sale of gold and other potential by-products or interests related thereto. The prices of these commodities fluctuate and are affected by numerous factors beyond Midas Gold's control, including, among others:

- international economic and political conditions,
- expectations of inflation or deflation,
- international currency exchange rates,
- interest rates,
- global or regional consumptive patterns,
- speculative activities,
- levels of supply and demand,
- increased production due to new mine developments,

• decreased production due to mine closures,
• improved mining and production methods,
• availability and costs of metal substitutes,
• metal stock levels maintained by producers and others, and
• inventory carrying costs.

The effect of these factors on the price of gold and other potential by-products cannot be accurately predicted. If the price of gold and other potential by-products decreases, the value of Midas Gold's assets would be materially and adversely affected, thereby materially and adversely impacting the value and price of Midas Gold's common shares.

Global financial markets can have a profound impact on the global economy, in general and on the mining industry in particular.
Many industries, including the precious metal mining industry, are impacted by global market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A slowdown in the financial markets or other economic conditions, including but not limited to, reduced consumer spending, increased unemployment rates, deteriorating business conditions, inflation, deflation, volatile fuel and energy costs, increased consumer debt levels, lack of available credit, changes in interest rates and tax rates may adversely affect Midas Gold's growth and profitability potential.

Specifically:

- a global credit/liquidity crisis could impact the cost and availability of financing and Midas Gold's overall liquidity;
- the volatility of gold and other potential by-product prices may impact Midas Gold's future revenues, profits and cash flow;
- volatile energy prices, commodity and consumables prices and currency exchange rates impact potential production costs; and
- the devaluation and volatility of global stock markets impacts the valuation of the Corporation's equity securities, which may impact its ability to raise funds through the issuance of equity.

Mineral exploration in the Western United States is subject to numerous regulatory requirements on land use.
The exploration for and development of mineral resources in the western United States is subject to Federal, State and local regulatory processes and evolving application of environmental and other regulations can and has affected the ability to advance mineral projects as effectively as in prior years. A number of mineral projects in the western United States have been subjected to regulatory delays or actions that have impeded the progress of these projects towards production.

Resource exploration and development is a high risk, speculative business.
Exploration for and development of mineral resource is a speculative business, characterized by a high number of failures. Substantial expenditures are required to discover new deposits and to develop the infrastructure, mining and processing facilities at any site chosen for mining. Most exploration projects do not result in the discovery of commercially viable deposits and no assurance can be given that any particular level of recovery or mineral reserves will in fact be realized by Midas Gold or that any mineral deposit identified by Midas Gold will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited.

Mineral exploration is subject to numerous industry operating hazards and risks, many of which are beyond Midas Gold's control and any one of which may have an adverse effect on its financial condition and operations.
The Project and any future operations in which Midas Gold has a direct or indirect interest will be subject to all the hazards and risks normally incidental to resource companies. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the industry operating risks involved in the conduct of exploration programs and the operation of mines. If any of these events were to occur, they could cause injury or loss of life, severe damage to or destruction of property. As a result, Midas Gold could be the subject of a regulatory investigation, potentially leading to penalties and suspension of operations. In addition, Midas Gold may have to make expensive repairs and could be subject to legal liability. The occurrence of any of these operating

risks and hazards may have an adverse effect on Midas Gold's financial condition and operations, and correspondingly on the value and price of Midas Gold's common shares.

Exploration activities are subject to geologic uncertainty and inherent variability.
There is inherent variability between duplicate samples taken adjacent to each other and between sampling points that cannot be reasonably eliminated. There may also be unknown geologic details that have not been identified or correctly appreciated at the current level of delineation. This results in uncertainties that cannot be reasonably eliminated from the estimation process. Some of the resulting variances can have a positive effect and others can have a negative effect on mining and processing operations.

The quantification of mineral resources is based on estimates and is subject to great uncertainty.
The calculations of amounts of mineralized material within a mineral resource are estimates only. Actual recoveries of gold and other potential by-products from mineral resources may be lower than those indicated by test work. Any material change in the quantity of mineralization, grade or stripping ratio, or the price of gold and other potential by-products may affect the economic viability of a mineral property. In addition, there can be no assurance that the recoveries of gold and other potential by-products in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Notwithstanding the results of any pilot plant tests for metallurgy and other factors, there remains the possibility that the ore may not react in commercial production in the same manner as it did in testing.

Mining and metallurgy are an inexact science and, accordingly, there always remains an element of risk that a mine may not prove to be commercially viable. Until a deposit is actually mined and processed, the quantity of mineral reserves, mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral reserves and mineral resources may vary depending on, among other things, metal prices. Any material change in quantity of mineral reserves, mineral resources, grade, percent extraction of those mineral reserves recoverable by underground mining techniques or stripping ratio for those mineral reserves recoverable by open pit mining techniques may affect the economic viability of a mining project.

Increased operating and capital costs may adversely affect the viability of existing and proposed mining projects.
The mining industry has recently been subjected to conditions that have resulted in significant increases in the cost of equipment, labour and materials. The Corporation uses benchmarked data for the operation and capital costs included in its PEA and Technical Report dated September 21, 2012, however there is no guarantee that development or operations of the Project will eventuate, and if it did, such operating or capital costs will prevail.

<u>Risks Related to the Corporation</u>

Midas Gold will need to raise additional capital though the sale of its securities or other interests, resulting in dilution to the existing shareholders and, if such funding is not available, Midas Gold's operations would be adversely effected.
Midas Gold does not generate any revenues and does not have sufficient financial resources to undertake by itself all of its planned exploration programs. Midas Gold has limited financial resources and has financed its operations primarily through the sale of Midas Gold's securities such as common shares. Midas Gold will need to continue its reliance on the sale of its securities for future financing, resulting in dilution to existing shareholders. Further exploration programs will depend on Midas Gold's ability to obtain additional financing, which may not be available under favourable terms, if at all. If adequate financing is not available, Midas Gold may not be able to commence or continue with its exploration programs.

Future sales of Midas Gold's common shares into the public market by holders of Midas Gold options and warrants may lower the market price, which may result in losses to Midas Gold's shareholders.
Sales of substantial amounts of Midas Gold's common shares into the public market by unrelated shareholders, Midas Gold's officers or directors or pursuant to the exercise of options or warrants, or even the perception by the market that such sales may occur, may lower the market price of the Corporation's common shares.

Midas Gold is subject to numerous government regulations which could cause delays in carrying out its operations, and increase costs related to its business.

Midas Gold's mineral exploration and development activities are subject to various laws and regulations governing operations, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Amendments to current laws and regulations governing operations, or more stringent implementation thereof could substantially increase the costs associated with Midas Gold's business or prevent it from exploring or developing its properties.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on Midas Gold and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Midas Gold has not completed an environmental impact statement, nor has it received the necessary permits for water or explosives to conduct mining operations.

The department responsible for environmental protection in the USA has broad authority to shut down and/or levy fines against facilities that do not comply with environmental regulations or standards. Failure to obtain the necessary permits would adversely affect progress of Midas Gold's operations and would delay or prevent the beginning of commercial operations.

Midas Gold's activities are subject to environmental liability.

Midas Gold is not aware of any claims for damages related to any impact that its operations have had on the environment but it may become subject to such claims in the future. An environmental claim could adversely affect Midas Gold's business due to the high costs of defending against such claims and its impact on senior management's time. Also, environmental regulations may change in the future which could adversely affect Midas Gold's operations including the potential to curtail or cease exploration programs or to preclude entirely the economic development of a mineral property. The extent of any future changes to environmental regulations cannot be predicted or quantified, but it should be assumed that such regulations would become more stringent in the future. Generally, new regulations will result in increased compliance costs, including costs for obtaining permits, delays or fines resulting from loss of permits or failure to comply with the new regulations.

Midas Gold faces substantial competition within the mining industry from other mineral companies with much greater financial and technical resources and Midas Gold may not be able to effectively compete.

The mineral resource industry is intensively competitive in all of its phases, and Midas Gold competes with many companies possessing much greater financial and technical research resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped gold properties. The principal competitive factors in the acquisition of such undeveloped properties include the staff and data necessary to identify, investigate and purchase such properties, and the financial resources necessary to acquire and develop such properties. Competition could adversely affect Midas Gold's ability to acquire suitable prospects for exploration in the future.

Midas Gold's exploration efforts may be unsuccessful in locating viable mineral resources.

Mineral resource exploration and, if warranted, development, is a speculative business, characterized by a number of significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in volume and/or grade to return a profit from production. There is no certainty that the expenditures that have been made and may be made in the future by Midas Gold related to the exploration of its properties will result in discoveries of mineralized material in commercial quantities.

Most exploration projects do not result in the discovery of commercially viable mineral deposits and no assurance can be given that any particular level of recovery or mineral reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially viable deposit which can be legally and economically exploited.

If Midas Gold's mineral resource estimates are not indicative of the actual gold that can be mined, the mineable gold that can be recovered from Golden Meadows may be less than the mineral resource estimate and the Project may not be a viable project.
Assays results from core drilling or reverse circulation drilling can be subject to errors at the laboratory analyzing the drill samples. In addition, reverse circulation or core drilling may lead to samples which may not be representative of the gold or other metals in the entire deposit. Mineral resource estimates are based on interpretation of available facts and extrapolation or interpolation of data and may not be representative of the actual deposit. All of these factors may lead to a mineral resource estimate which is overstated.

If Midas Gold's mineral resource estimates for the Project are not indicative of actual recoveries of gold and other potential by-products, Midas Gold will have to continue to explore for a viable deposit or cease operations.

Midas Gold has a limited history as an exploration company and does not have any experience in putting a mining project into production.
Midas Gold has only been actively engaged in exploration since 2009. Midas Gold does not hold any mineral reserves and does not generate any revenues from production. Midas Gold's success will depend largely upon its ability to locate, define and develop commercially viable mineral reserves, which may never happen. Further, putting a mining project into production requires substantial planning and expenditures and, as a corporation, Midas Gold does not have any experience in taking a mining project to production. As a result of these factors, it is difficult to evaluate Midas Gold's prospects, and its future success is more uncertain than if it had a longer or more proven history.

Midas Gold expects to continue to incur losses and may never achieve profitability, which in turn may harm the future operating performance and may cause the market price of Midas Gold's common shares to decline.
Midas Gold has incurred net losses every year since inception. Midas Gold currently has no commercial production and has never recorded any revenues from mining operations. Midas Gold expects to continue to incur losses, and will continue to do so until such time, if ever, as its properties commence commercial production and generate sufficient revenues to fund continuing operations.

The development of new mining operations will require the commitment of substantial resources for operating expenses and capital expenditures, which may increase in subsequent years as Midas Gold adds, as needed, consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Project or any other properties. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture or other agreements with others in the future, its acquisition of additional properties, and other factors, many of which are unknown today and may be beyond the Corporation's control. Midas Gold may never generate any revenues or achieve profitability. If Midas Gold does not achieve profitability, it will have to raise additional financing or shut down its operations.

Midas Gold's title to its mineral properties and its validity may be disputed in the future by others claiming title to all or part of such properties.
Midas Gold's properties consist of various mining concessions in the USA. Under USA law, the concessions may be subject to prior unregistered agreements or transfers, which may affect the validity of Midas Gold's ownership of such concessions. A claim by a third party asserting prior unregistered agreements or transfer on any of Midas Gold's mineral properties, especially where commercially viable mineral reserves have been located, could adversely result in Midas Gold losing commercially viable mineral reserves. Even if a claim is unsuccessful, it may potentially affect Midas Gold's current operations due to the high costs of defending against such claims and its impact on senior management's time. If Midas Gold loses a commercially viable mineral reserve, such a loss could lower Midas Gold's revenues or cause it to cease operations if this mineral reserve represented all or a significant portion of Midas Gold's operations at the time of the loss.

Midas Gold's ability to explore and, if warranted, exploit its mineral resources may be impacted by litigation or consent decrees entered into or proposed to be entered into by previous owners of mineral rights that now comprise the Project, related to disturbance related to past mining and exploration activities.
Several of the patented lode and mill site claims acquired by Midas Gold in the West End Deposit and the Cinnabar claim groups held under option are subject to a consent decree, which covers certain environmental liability and remediation responsibilities with respect to such claims. The consent decree requires that heirs, successors and assigns refrain from activities that would interfere with or adversely affect the integrity of any remedial measures implemented by government agencies. Several of the patented claims in the Hangar Flats and Yellow Pine properties that were recently purchased are subject to a consent decree between the owner of those claims and the United States, which creates certain obligations on that owner, including that that owner will cooperate with the U.S. Environmental Protection Agency and U.S. Forest Service in those agencies' efforts to secure any government controls necessary to implement response activities.

All industries, including mining, are subject to legal claims with or without merit. Defense and settlement costs can be substantial, even with respect to claims without merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular claim could have an effect on the Corporation's financial position. It is possible that any proposal to develop a mine on the Project, or any governmental approval for such a development, could be challenged in court by third parties, the effect of which would be to delay and possibly entirely impede the Corporation from developing the Project or commencing production.

Midas Gold depends on key personnel for critical management decisions and industry contacts but does not maintain key person insurance.
Midas Gold is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the operations of Midas Gold. Midas Gold's success is dependent to a great degree on its ability to attract and retain highly qualified management personnel. The loss of any such key personnel, through incapacity or otherwise, would require Midas Gold to seek and retain other qualified personnel and could compromise the pace and success of its exploration activities. Midas Gold does not maintain key person insurance in the event of a loss of any such key personnel.

Midas Gold does not have a full staff of technical people and relies upon outside consultants to provide critical services.
Midas Gold has a relatively small staff and depends upon its ability to hire consultants with the appropriate background and expertise as such persons are required to carry out specific tasks. Midas Gold's inability to hire the appropriate consultants at the appropriate time could adversely impact Midas Gold's ability to advance its exploration activities.

Certain Midas Gold directors also serve as officers and/or directors of other mineral resource companies, which may give rise to conflicts.
Certain Midas Gold directors and officers are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. Directors and officers of the Corporation with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

Midas Gold has no history of paying dividends, does not expect to pay dividends in the immediate future and may never pay dividends.
Since incorporation, neither Midas Gold nor any of its subsidiaries have paid any cash or other dividends on its common shares, and the Corporation does not expect to pay such dividends in the foreseeable future, as all available funds will be invested primarily to finance its mineral exploration programs.

Midas Gold's business involves risks for which Midas Gold may not be adequately insured, if it is insured at all.
In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including landslides, ground failures, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks. Midas Gold does not currently have insurance against all such risks and may decide not to take out insurance against all such risks as a result of high premiums or other reasons. Should such

liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of Midas Gold.

Additionally, the Corporation is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products by third-parties occurring as part of historic exploration and production) has not been generally available to companies within the industry. The Corporation periodically evaluates the cost and coverage of the insurance that is available against certain environmental risks to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Corporation becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds the Corporation has to pay such liabilities and result in bankruptcy. Should the Corporation be unable to fund fully the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

A shortage of supplies and equipment could adversely affect Midas Gold's ability to operate its business.
Midas Gold is dependent on various supplies and equipment to carry out its operations. The shortage of such supplies, equipment and parts could have a material adverse effect on Midas Gold's ability to carry out its operations and therefore have a material adverse effect on the cost of doing business.

CAUTIONARY NOTE IN RESPECT OF MINERAL RESOURCES

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

The mineral resources at Golden Meadows are contained within areas that have seen historic disturbance resulting from prior mining activities. In order for Midas Gold to advance its interests at Golden Meadows, the project will be subject to a number of Federal, State and local laws and regulations and will require permits to conduct its activities.

This MD&A and the mineral resource estimates referenced in this MD&A use the terms "Measured Mineral Resources", "Indicated Mineral Resources", "Measured & Indicated Mineral Resources" and "Inferred Mineral Resources." We advise you that, while these terms are defined in and required by Canadian regulations, these terms are not defined terms under the U.S. Securities and Exchange Commission ("SEC") Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. Midas Gold is not a SEC registered Corporation nor is any of its subsidiaries.

CAUTIONARY NOTE IN RESPECT OF PRELIMINARY ECONOMIC ASSESSMENTS

Readers should note that the PEA mine plan and economic model referred to herein are preliminary in nature and include the use of inferred mineral resources. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources are considered to be too speculative geologically to be used in an economic analysis except as allowed for by NI 43-101 in preliminary economic assessment studies. There is no guarantee that inferred mineral resources can be converted to indicated or measured mineral resources and, as such, there is no certainty the Project economics described in the PEA will be realized. The inferred mineral resource used in the PEA mine plan is 37% of the total life-of-mine mineral resource.