



MIDAS GOLD

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The information included in this Management Discussion and Analysis ("MD&A") dated November 8, 2013, is of the operating results and financial condition of Midas Gold Corp. ("Midas Gold" or the "Corporation") for the three and nine months ended September 30, 2013 compared to the three and nine months ended September 30, 2012. Amounts are presented in the Corporation's functional currency, the U.S. dollar, unless otherwise stated.

This MD&A is intended to help the reader understand the significant factors that have affected the Corporation's financial performance and which may affect its future performance and should be read in conjunction with the condensed consolidated interim financial statements of the Corporation for the three and nine months period ended September 30, 2013 and 2012. The Corporation's condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting ("IAS 34"), using accounting policies that are consistent with the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

The MD&A should be read in conjunction with the consolidated financial statements of Midas Gold Corp. for the year ended December 31, 2012. Additional information relating to the Corporation can be found at its website at www.midasgoldcorp.com as well as under its profile on SEDAR at www.sedar.com.

OVERVIEW

Midas Gold was incorporated on February 22, 2011 under the Business Corporations Act of 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 St, Vancouver, BC, V6C 2W2, Canada.

QUARTERLY HIGHLIGHTS

During the three month period ended September 30, 2013, the Corporation continued its exploration and evaluation program at Golden Meadows ("Golden Meadows" or "Project") and results of the program reported to date are available on the Corporation's website. In an effort to advance the exploration and evaluation of the Project, the Corporation commenced drilling that will be used to update its mineral resource estimates for each of the three deposits comprising the Project. Field operations were scaled back through spring runoff and core drilling recommenced in July for the summer season. Engineering and Regulatory efforts continued through the quarter and will continue into 2014. The drill results from the 2012 and 2013 drilling will be incorporated in updated mineral resource estimates for all three of the known deposits and, as announced on October 7, 2013, a mineral resource estimate for the tailings from prior operating periods. All estimates will be incorporated into an independent Pre-feasibility Study ("PFS") in the first half of 2014, along with results of metallurgical testing, engineering and environmental baseline work. The Corporation plans to use the PFS as the basis to commence permitting on the Project with the filing of a Plan of Operations in 2014, should results of the PFS and other circumstances warrant.



On July 4, 2013, the Corporation closed a non-brokered private placement for 12,740,000 common shares at a price of C\$0.77 per share, for gross proceeds of C\$9,809,800 (\$9,316,367) with Teck Resources Limited (“Teck”). Following the Placement, Teck owns approximately 9.9% of the issued and outstanding shares in Midas Gold.

Subsequent to the end of the quarter, the Corporation achieved a quotation on the OTCQX International segment of OTCQX Marketplace in the USA, which should provide for greater access to U.S. capital markets and an additional trading platform for shareholders.

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.



RESULTS OF OPERATIONS

Net Loss and Comprehensive Loss

| | Three Months Ended | | Nine Months Ended | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2013 | September 30, 2012 | September 30, 2013 | September 30, 2012 |
| EXPENSES | | | | |
| Consulting | \$ 122,709 | \$ 16,884 | \$ 148,428 | \$ 58,196 |
| Directors fees | 60,278 | 62,840 | 183,314 | 187,152 |
| Office and administrative | 89,103 | 96,730 | 242,703 | 251,333 |
| Professional fees | 35,323 | 93,329 | 155,888 | 189,694 |
| Salaries and benefits | 193,058 | 203,050 | 645,124 | 633,508 |
| Share based compensation | 273,869 | 933,247 | 1,348,370 | 4,548,200 |
| Shareholder and regulatory | 30,923 | 26,346 | 250,848 | 197,406 |
| Travel and related costs | 33,323 | 136,029 | 131,956 | 296,715 |
| OPERATING LOSS | \$ 838,586 | 1,568,455 | \$ 3,106,631 | 6,362,204 |
| OTHER EXPENSES | | | | |
| Change in fair value of warrant derivative | \$ 194,000 | \$ - | \$ 87,000 | \$ - |
| Foreign exchange gain | (261,481) | (242,571) | (53,655) | (511,461) |
| Interest income | (23,093) | (42,817) | (55,256) | (152,257) |
| Total other (income) expenses | \$ (90,574) | \$ (285,388) | \$ (21,911) | \$ (663,718) |
| NET LOSS AND COMPREHENSIVE LOSS | \$ 748,012 | \$ 1,283,067 | \$ 3,084,720 | \$ 5,698,486 |

Net loss and comprehensive loss for Midas Gold for the three month period ending September 30, 2013 was \$0.7 million or \$0.01 per common share, compared with \$1.3 million or \$0.01 loss per share for the corresponding period of 2012. This \$0.6 million reduction is primarily attributable to a decrease in share based compensation of \$0.7 million and an increase of change in fair value of warrant derivative expense of \$0.2 million.

As noted above, for the three months ended September 30, 2013, the Corporation's main focus was the exploration and evaluation program at Golden Meadows, and ensuring the Corporation has adequate funds to advance the Project into the permitting phase, should results warrant such.

An analysis of each line item is as 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 have increased in the current quarter when compared to the prior year; the increase in consulting costs is attributed to the listing on the OTCQX.

Directors Fees

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 Committee receiving additional fees commensurate with each role. This expense is consistent with the prior year.

Office and Administrative

This expense for the current quarter and year-to-date is predominantly the maintenance of an office in Vancouver, BC. The expense in the current quarter is consistent with the prior year.

Professional Fees

This expense relates to the legal and accounting costs of the Corporation. The legal fees and accounting fees expensed in the current quarter and year-to-date have decreased due to less corporate activity.



Salaries and Benefits

This expense results from salaries and benefits of 5 corporate employees that are not directly related to the exploration and evaluation of Golden Meadows. The salaries and benefits in the current quarter and year-to-date are consistent with the prior year.

Share Based Compensation

This expense is due 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 when compared to the prior year as there were fewer options granted in the current year. 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 condensed consolidated interim financial statements for the nine month period ended September 30, 2013.

Shareholder and Regulatory

This expense is associated with marketing, licenses and fees, and shareholder communications. This expense has increased in the current quarter and year-to-date when compared to the prior year as a result of the Corporation's increased attendance in industry conferences and higher regulatory and listing fees.

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. This expense has decreased in the quarter and year-to-date when compared to the previous year as a result of additional travel that was required in the prior year between the Corporation's head office in Vancouver, BC, its exploration office in Spokane, WA, the field office in McCall, ID, technical office in Boise, ID, and the Project.

Change in Fair Value of Warrant Derivative

The Corporation issued warrants in the second quarter of 2013 with an exercise price denominated in Canadian dollars. The Corporation determined that such warrants with an exercise price denominated in a currency that is different from the entity's functional currency should be classified as a derivative based on the evaluation of warrant's settlement provisions, and carried at their fair value. Any changes in their fair value from period to period have been recorded as a gain or loss in the consolidated loss.

Foreign Exchange

This expense is a result of translation losses on the Corporation's Canadian dollar denominated balances as at September 30, 2013. In the quarter ended September 30, 2012, the Corporation received Canadian dollars on the closing of a private placement. In 2013, the Corporation reduced its exposure to the Canadian dollar by converting the majority of its cash position into U.S. dollars in late 2012 and early 2013.

Interest Income

This income results from interest received on the Corporation's cash balances. This amount decreased in the current quarter and year-to-date 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 nine month period ended September 30, 2013 is as follows:

| | Three Months Ended | | Nine Months Ended | |
|--|---------------------|----------------------|---------------------|----------------------|
| | September 30, 2013 | September 30, 2012 | September 30, 2013 | September 30, 2012 |
| Exploration and Evaluation Acquisition and Disposition Costs | | | | |
| Interest on notes payable | \$ 2,775 | \$ 4,278 | \$ 10,755 | \$ 15,011 |
| Mineral claims | 194,460 | 228,321 | 294,460 | 430,325 |
| Sale of Royalty interest | - | - | (13,548,460) | - |
| | 197,235 | 232,599 | (13,243,245) | 445,336 |
| Exploration and Evaluation Expenditures | | | | |
| Consulting and labour cost | 1,445,792 | 2,264,041 | 4,897,003 | 6,940,237 |
| Drilling | 1,746,447 | 5,707,760 | 3,780,406 | 16,534,586 |
| Drilling support | 1,815,577 | 3,167,190 | 5,216,710 | 9,788,034 |
| Engineering | 564,528 | 1,036,141 | 1,372,475 | 3,512,988 |
| Environmental and sustainability | 1,081,233 | 1,377,254 | 2,613,802 | 2,982,172 |
| Geochemistry and geophysics | 129,432 | 809,321 | 266,116 | 1,919,646 |
| Prepaid exploration and evaluation | (176,276) | (77,124) | (62,650) | (35,688) |
| | 6,606,733 | 14,284,583 | 18,083,862 | 41,641,975 |
| NET ADDITIONS TO EXPLORATION AND EVALUATION ASSETS | \$ 6,803,968 | \$ 14,517,182 | \$ 4,840,617 | \$ 42,087,311 |

An analysis of each line item is as follows:

Interest on Notes Payable

Interest on Notes Payable relates to two notes payable for 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 2nd of each year, with the final payment in 2015. The interest for the three and nine month periods ended September 30, 2013 are 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. In the year subsequent to the August 2011 payment, the fees were capitalized to Exploration and Evaluation Assets evenly over the year. The August 2012 and 2013 payments were capitalized to Exploration and Evaluation Assets on payment.

Sale of Royalty Interest

On May 9, 2013, Midas Gold and its subsidiaries completed a \$15.0 million transaction with Franco-Nevada Corporation ("Franco-Nevada") and one of its subsidiaries whereby Midas Gold agreed to sell certain rights to a royalty on future gold production from the Golden Meadows Project for a cash payment of \$14.65 million, and included a subscription agreement for two million warrants exercisable for shares of Midas Gold for proceeds of \$0.35 million. The Corporation incurred costs of \$0.57 million associated with this transaction. A value of \$0.89 million was assigned to the warrants at the date of the transaction and has been recorded as a warrant derivative. The net proceeds of \$13.55 million have been offset against exploration and evaluation assets. Midas Gold has a one-time right to repurchase one third of the royalty for \$9.0 million before May 9, 2016.



Consulting and Labour Cost

This item is due to costs associated with staffing the Project. Staffing costs decreased in the current quarter and year-to-date when compared to the prior year due to the decreased staffing on the Project. In the current quarter, there were 32 Midas Gold employees and 23 outside personnel. For the September 30, 2012 quarter, there were 31 Midas Gold employees and 58 outside personnel. The current quarter includes \$0.2 million (2012 - \$0.2 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. The costs for the current quarter have decreased when compared to the prior year as the Corporation resumed drilling in July 2013 with one rig and in August 2013 with another, while in the comparative quarter in the prior year, there were 6-9 drill rigs completing core drilling.

Drilling Support

Drilling support includes the operation of the camp facilities the Corporation maintains, transportation of people and supplies into Golden Meadows and other costs at Golden Meadows to support drilling operations. This expense for the current quarter and year is lower when compared to the prior year as the Corporation had decreased activity at Golden Meadows when compared to drill program in 2012.

Engineering

These costs are in relation to various studies and evaluations of the Project. For the three and nine months ended September 30, 2013, the Corporation's independent consultants conducted work to support a Pre-Feasibility Study ("PFS"). The prior year had higher level of engineering and resource estimation.

Environmental and Sustainability

In the current quarter and year-to-date, these items result from the costs associated with preparing 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 costs 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 decreased in the current year as the Corporation completed its first winter drilling program in early 2012 and therefore performed more sampling.

Statement of Financial Position

An analysis of the September 30, 2013 and December 31, 2012 statements of financial position of the Corporation is as follows:

Total Assets

Total assets increased during the nine months ended September 30, 2013 from \$195.8 million to \$202.6 million primarily as a result of proceeds from the July private placement and on-going Exploration and Evaluation expenditures during the period.

Equity

Equity increased during the nine months ended September 30, 2013 from \$190.3 million to \$198.7 million, primarily as a result of a private placement for net proceeds of \$9.3 million, the recognition of share based compensation of \$2.2 million and net losses of \$3.1 million.



Total Liabilities

Total liabilities decreased during the nine months ended September 30, 2013 from \$5.5 million to \$3.9 million, primarily as a result of decreased trade and other payables as at September 30, 2013. This decrease is due to a reduced level of activity at Golden Meadows at September 30, 2013 compared to the same period in the prior year.

Cash Flows

Midas Gold's net change in cash and cash equivalents for the quarter and year-to-date was an inflow of \$3.7 million and \$2.8 million, respectively. In the current quarter, net cash received from financing activities for the quarter was \$9.3 million, as a result of the private placement.

Operating cash outflows for the quarter and year-to-date were \$0.3 million and \$1.6 million, respectively. Operating cash outflows decreased for the current quarter when compared to the same period the prior year due to the decreased corporate activity.

Investing cash flows for the quarter and year-to-date were \$5.2 million and \$18.9 million, respectively. Investing cash flows decreased in the quarter ended September 30, 2013 with the decreased Golden Meadows exploration and evaluation program compared to the same period in the prior year.

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 |
|---|---------|---------------------------------------|--------------------------------------|--------------|--------------------------|------------------|
| September 30, 2013 | - | (748,012) | (0.01) | 202,582,489 | 1,165,302 | - |
| June 30, 2013 | - | (981,591) | (0.01) | 192,371,819 | 972,728 | - |
| March 31, 2013 | - | (1,355,117) | (0.01) | 192,759,053 | 378,138 | - |
| 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 | - |

The decrease in the net loss and comprehensive loss for the quarter ended September 30, 2013 is primarily related to the decreased share based compensation for the period when compared to other quarters. The increase in long term liabilities in the current quarter is a result of revaluing the warrants issued to Franco-Nevada. The higher net loss and comprehensive loss for the quarter ended March 31, 2012 is primarily related to the increase in salaries, share based compensation and foreign exchange losses for the period when compared to other quarters. The increase in total assets for the period ended March 31, 2012 was due to cash received from equity financings.

CAPITAL RESOURCES AND LIQUIDITY

Capital resources of Midas Gold consist primarily of cash and liquid short-term investments. As at September 30, 2013, Midas Gold had cash totalling approximately \$22.4 million, approximately \$0.1 million in other current assets and \$2.5 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;



- Continuing to undertake technical, economic and trade-off studies, including a Pre-Feasibility Study, on the defined mineral resource.
- Growing the mineral resource base through exploration; and
- Proceeding with the regulatory process for the mineral resources thus defined, assuming results justify such a step.

Midas Gold has long term liabilities of \$1.2 million related to the notes payable (\$0.2 million) on the acquisition of mineral claims and the warrant derivative (\$1.0 million). There are no circumstances under which Midas Gold will be required to pay any cash upon exercise or expiry of the warrants.

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 cash or be able to raise cash to pay its liabilities as they become due, to sustain its capital expenditures, to fund its 2013 and 2014 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.

Contractual Obligations

Office Rent

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

| | September 30, 2013 | | |
|-------------------------|---------------------------|-----------------------|------------|
| | Within 1 year | Between 2 and 5 years | Total |
| Minimum rental payments | \$ 317,926 | \$ 434,978 | \$ 752,904 |

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 \$194,460. 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 Cinnabar claims are subject to an option to purchase agreement dated May 3, 2011, whereby on payment of \$150,000 on signing and \$100,000 per year for six years paid on the anniversary of signing, the Corporation has the option to own 100% of the Cinnabar claim group. As at September 30, 2013, four payments of \$100,000 remain outstanding and \$350,000 has been paid to date. At completion of the option agreement, the Corporation will have paid \$750,000.

OFF BALANCE SHEET ARRANGEMENTS

The Corporation has no off balance sheet arrangements as of September 30, 2013 and the date of this MD&A.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

During the nine months ended September 30, 2013, 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:

| | September 30, 2013 | September 30, 2012 |
|------------------------------|---------------------------|---------------------------|
| Salaries and consulting fees | \$ 577,442 | \$ 583,916 |
| Share based compensation | 431,787 | 1,625,709 |



| | |
|--------------|--------------|
| \$ 1,009,229 | \$ 2,209,625 |
|--------------|--------------|

No post-employment benefits, termination benefits, or other long-term benefits were paid to or recorded for key management personnel during the nine month periods ended September 30, 2013 and 2012.

There were no balances outstanding with related parties at September 30, 2013.

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 2013 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 the Golden Meadows Project 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.

During the first quarter of 2013, 11 core holes totalling approximately 2,663m and 9 monitoring wells totalling approximately 608m were completed. Results from the 2013 core drilling primarily focused on confirming and refining the interpretation of portions of the Yellow Pine and Hangar Flats deposits and continues to demonstrate good continuity of grade and thicknesses of gold, silver and antimony mineralization. No additional core drilling was completed during the second quarter due to shut down for spring break-up however, during the second quarter, 22 auger holes totalling 445.6m were drilled.

During the third quarter, a 68 additional drill holes were completed on the Project, bringing the total drilling to approximately 7,783m year-to-date. This total includes 22 core holes completed at Yellow Pine and three at Hangar Flats (totaling approximately 3,269m) that were designed and drilled to develop higher confidence levels in the inferred and indicated mineral resources and to provide additional samples for metallurgical testing or, in a few cases, to provide additional in-fill drilling where computer block models had insufficient drill support for estimating mineral resources within the conceptual pit shells utilized in the Preliminary Economic Assessment ("PEA"). A total of 10 auger holes (totaling approximately 106m) were completed near the current shop area to provide geotechnical information for evaluation of engineering properties at an alternative potential plant site under consideration since the PEA was completed. A single



monitoring well was completed at West End (totaling approximately 158m). A 42-hole, 977m hollow stem auger drilling program was completed in the current quarter that was designed to evaluate the potential for the reprocessing of historic tailings located on the Project, to provide information on the engineering properties of these materials, to provide samples for metallurgical testing and to provide samples and additional data for environmental characterization. Results from the drilling of the tailings suggests that there may be potential for the tailings materials to contain grades of gold and antimony that could potentially be recovered if the tailings were re-processed, assuming other technical, engineering and economic factors were favourable.

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 and in 2012, 55 holes totaling 16,175m were completed primarily as in-fill drilling to improve the confidence of the deposit model and help convert inferred resources to indicated resources.

A single core hole, drilled to 401m depth was completed at Hangar Flats in the first quarter of 2013. No additional drilling was completed during second quarter 2013, due to a drilling shut down for spring break-up. During the third quarter, three holes totalling 442m were completed, primarily to further improve confidence in the mineral resource estimate and provide additional samples for metallurgical testing. One of these holes was drilled to evaluate an area underlain by historic workings where geologic interpretations suggested the mineral resources block model was under-reporting the grade of this portion of the deposit.

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 completed a total of 9 holes consisting of 1,353m of drilling as confirmation of historic drill holes and to test the deposit at depth. A total of 28 holes totaling 7,311m were completed during 2012 primarily as in-fill drill holes and to continue to test the West End structural zone at depth. No additional core drilling has been completed since 2012, and a single water monitoring well was drilled to a depth of 158m during this reporting period.

Yellow Pine

Yellow Pine is a structurally controlled gold deposit hosted in intrusive rocks, and to a lesser extent in metasedimentary 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. During 2011, the Corporation conducted a drilling program at Yellow Pine with the objective of confirming historic drilling, developing and upgrading the confidence level in, and expanding, the existing mineral resources. During 2011, 83 holes were completed totaling approximately 17,413m as in-fill, step-out and metallurgical test holes. A total of 1,878m of drilling in 9 in-fill core holes were completed in the Yellow Pine deposit in the first quarter of 2013 to verify areas of uncertainty in the mineral resource block models. No additional drilling was completed during second quarter 2013 due to shut down for spring break-up. During the third quarter of 2013, 22 holes, totaling 2,827m were completed to further improve confidence in the mineral resource estimates and to provide additional metallurgical samples for ongoing metallurgical testing.

District Exploration

During the first and second quarters of 2013, the Corporation completed minimal on-site exploration due to winter and break-up conditions. In late spring, a small 125-sample soil grid was completed covering an area approximately 500m x 1,000m adjacent to and as a follow-up to a condemnation drill hole completed in 2013 that cut gold-silver mineralization at depth. The results from this sampling program outlined a large gold-in-soils anomaly adjacent to the drilled intercept in the condemnation holes suggesting the possibility of a larger mineralized system in the area. No additional subsequent follow-up has completed.



In June, a hollow-stem auger drilling program was initiated to investigate and characterize formerly processed heap leach materials (from the 1980's through 1990's mining operations) and underlying sulphide-bearing tailings (from the 1920's through the 1950's mining operations) situated in and under the Spent Ore Disposal Area southwest of the Hangar Flats Deposit. Historic production records from past operations and sampling by previous operators and government agency staff suggested that gold and antimony mineralization was present in the spent ore pile and former processed tailings materials. A total of 42 auger holes, totaling approximately 978m were completed in 2013, with 22 holes totaling 445.6 metres completed in the second quarter and the remainder completed during the current reporting period.

Drilling was completed on a roughly 75 metre x 75 metre grid across the main tailings area. The tailings were tested over an area extending approximately 800m by 400m, although the outer edges of the drill pattern had minimal to no tailings. Results from the program indicate that the historic tailings beneath the spent heap leach material have an average overall thickness of approximately 8.4m, with the thickest tailings situated near the northern (lower) end of the former tailings impoundment, and tapering out to a feather-edge at the limits of the spent heap leach material. Additional tailings are known to underlie several other areas in the immediate vicinity, but were not sampled or evaluated as part of this program. The length weighted average grade of all intervals of tailings drilled, with no cut-off grade applied, was 1.17 g/t Au, which is very close to the estimated value of 1.12 g/t Au derived from back-calculating expected tailings grades from past mining, milling and production records. Length weighted average grades for other metals of interest included 3.0g/t silver, 0.17% antimony and 0.02% tungsten.

Additional soil and rock chip sampling, mapping and evaluation of geophysical anomalies continued throughout the quarter with several large soil grids completed in areas thought to be of interest. Analytical results are pending for these surveys.

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 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 a transaction with Vista Gold Corp. in 2011 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.

2013/2014 OUTLOOK AND GOALS

The core objective of the Corporation is to complete a more robust and comprehensive evaluation of the economic potential of the Golden Meadows Project, building on the results of the PEA that was published in September 2012. Key areas of on-going activity include:

- Design optimization of the conceptual Golden Meadows Project that was described in the PEA, with a major focus on reclamation of existing historic disturbance and eventual restoration of the brownfields site, including enhancement of the local fishery, the re-establishment of fish passage upstream of existing barriers created by historic mining, and the development of wetlands in historically disturbed areas and on post-closure reclaimed areas.
- Evaluation of the potential for reprocessing tailings deposited by historic milling operations conducted from the late 1920s through to the early 1950s, where assaying of recent drilling confirmed past indications of potentially economically attractive grades in those tailings. Reprocessing of these materials may also assist with remediation of past mining disturbance through their removal from their current location and their re-placement in a lined tailings facility, reducing potential for metal leaching into groundwater.
- Comprehensive remodelling of geology of the mineral deposits that comprise the Golden Meadows Project, incorporating the results of Midas Gold's approximately 40,000m of new resource-definition related drilling completed since the cut-off date used in the September 2012 PEA, as well as additional drill data recovered for holes completed pre-Midas Gold's involvement in Golden Meadows.
- Updated mineral resource estimates, utilizing the new geologic models and new drill data acquired since the date of the PEA mineral resource estimate, including additional data recovered from holes completed prior to Midas Gold's involvement in the project. The objective of incorporating the additional drilling and data is to maximize conversion of a significant portion of the inferred resource into the indicated and measured categories in this resource update and will be used as the basis for the planned PFS.
- Utilizing the PEA mineral resource estimates as a base, optimization of pit scheduling (which deposit gets mined in what sequence, blending options, etc.), as well as evaluating the economic and environmental trade-offs of mining certain high strip ratio mineralization (such as the deeper portions of the Hangar Flats deposit) which yield only modest incremental cash flow in the PEA but generate substantial amounts of waste material - elimination of these more marginal ounces could result in a smaller project footprint and less sustaining capital (as the need for replacement of the mining fleet is reduced or eliminated) with minimal impact on the project net present value.
- Extensive metallurgical testing of mineralization from all three main deposits with the objective of optimizing economic performance, including grind size vs. recovery testing, options for enhanced flotation recoveries, pressure oxidation vs. bio-oxidation testing on concentrates, leaching optimization for oxides and oxidized concentrates, carbonate rejection work to reduce or eliminate the need for acidulation costs (capital and operating) when processing West End materials, options for historic tailings retreatment, and other such optimizations.



- Trade-off studies looking at the economic, environmental and post-closure impacts of power supply options, process plant locations, access routes, etc.

Midas Gold is continually evaluating opportunities to reduce the environmental footprint of the project, while maintaining robust project economics, by evaluating opportunities to remediate, reclaim and restore the extensive disturbance from historic mining activities at the site. Midas Gold considers location, operation, closure and post-closure in the design of all aspects of the project, and the risks related thereto.

With the additional funding in place from the recently completed transactions with Franco-Nevada and Teck, the Corporation continues to balance the timing and prioritization of expenditures, looking to reduce costs while still delivering the Corporation's major objectives in a timely and cost effective manner. The Corporation has largely completed the closure of its office in Spokane, WA as part of its cost-reduction efforts. The major corporate objectives remain:

1. Completing updated mineral resource estimates for each of the mineral deposits incorporating substantial amounts of new data by no later than Q1/14;
2. Completion of a PFS in Q2/14 as opposed to the previously contemplated updating the PEA; and
3. Completion and filing of a draft Plan of Operations thereafter, should result of the PFS and other circumstances warrant.

With its current financial position, Midas Gold believes that it has sufficient funding to meet the above objectives and meet its obligations into 2015.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make estimates and judgments about the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results.

Accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used in the preparation of these financial statements include, among others, the useful lives of buildings and equipment, valuation of assets, recognition of deferred tax assets or liabilities, valuation of share based payments, accounting for acquisitions and the recoverable amount of exploration and evaluation expenditures.

Accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include the accounting for acquisitions, recognition of deferred tax assets or liabilities, functional currency, expected economic lives of and the estimated future operating results and net cash flows from buildings and equipment and exploration and evaluation assets.

Changes in Accounting Policies Including Initial Adoption

Standards Issued but not yet Effective

Certain pronouncements were issued by the International Accounting Standards Board ("IASB") or the IFRS Interpretations Committee. 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 Standards are effective for annual periods beginning on or after January 1, 2014:



- (i) IFRIC 21 - is an interpretation on IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, with respect to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event. The interpretation clarifies that the obligating event is the activity described in the relevant legislation that triggers the payment of the levy
- (ii) IAS 36 - The IASB published amendments to the disclosures required by IAS 36, when the recoverable amount is determined based on fair value less costs of disposal

The following Standard has been issued but the effective date has been deferred:

- (i) IFRS 9 - New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets and financial liabilities

FINANCIAL INSTRUMENTS

The Corporation's cash balance increased from \$19,618,855 at December 31, 2012 to \$22,387,500 at September 30, 2013. The warrant derivative value increased from \$886,000 at May 9, 2013 to \$973,000 at September 30, 2013.

The fair value hierarchy establishes three levels to classify the inputs of valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Investments in common shares and warrants held that have direct listings on an exchange are classified as Level 1.

Level 2 - Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liabilities. Investments in common shares and warrants held that are not listed on an exchange are classified as Level 2.

Level 3 - Prices or valuation techniques that require inputs that are both significant to fair value measurement and unobservable (supported by little or no market activity).

As required by IFRS 13, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. At September 30, 2013, the warrant derivative was classified as a Level 2 financial instrument. None of the Corporation's other financial instruments are measured and recognized in the consolidated statement of financial position at fair value. At December 31, 2012, none of the Corporation's financial instruments were measured and recognized in the consolidated statement of financial position at fair value.

The carrying values of cash and cash equivalents, trade and other receivables, trade and other payables, notes payable and accrued interest payable, approximate their fair value due to the short-term nature of the instruments.



OUTSTANDING SHARE DATA

| | November 8, 2013 | September 30, 2013 |
|--------------------------------------|------------------|--------------------|
| Common shares issued and outstanding | 127,534,136 | 127,534,136 |
| Options outstanding | 10,385,000 | 10,385,000 |
| Warrants outstanding | 3,333,334 | 3,333,334 |
| Total | 141,252,470 | 141,252,470 |

DISCLOSURE CONTROL AND PROCEDURES AND INTERNAL CONTROL OVER 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 its DC&P and ICFR and concluded that, as of September 30, 2013, they have been designed effectively to provide reasonable assurance regarding required disclosures and the reliability of external financial reporting.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

NI 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 material changes were made to internal controls in the three months ended September 30, 2013.

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. Only those persons who can bear risk of the entire loss of their investment should invest in the Corporation's common shares. 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.
- Global financial markets can have a profound impact on the global economy, in general and on the mining industry in particular.
- Mineral exploration in the Western United States is subject to numerous regulatory requirements on land use.
- Resource exploration and development is a high risk, speculative business.
- 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.
- Exploration activities are subject to geologic uncertainty and inherent variability.
- The quantification of mineral resources is based on estimates and is subject to great uncertainty.
- Increased operating and capital costs may adversely affect the viability of existing and proposed mining projects.

Corporation's Risks

- Midas Gold will need to raise additional capital through 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 affected.
- 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.
- 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 has not completed an environmental impact statement, nor has it received the necessary permits for water or explosives to conduct mining operations.
- Midas Gold's activities are subject to environmental liability.
- 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.
- Midas Gold's exploration efforts may be unsuccessful in locating viable mineral resources.
- 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.
- 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 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'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 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.



- Midas Gold depends on key personnel for critical management decisions and industry contacts but does not maintain key person insurance.
- Midas Gold does not have a full staff of technical people and relies upon outside consultants to provide critical services.
- Certain Midas Gold directors also serve as officers and/or directors of other mineral resource companies, which may give rise to conflicts.
- Midas Gold has no history of paying dividends, does not expect to pay dividends in the immediate future and may never pay dividends.
- Midas Gold's business involves risks for which Midas Gold may not be adequately insured, if it is insured at all.
- A shortage of supplies and equipment could adversely affect Midas Gold's ability to operate its 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.