MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The information included in this Management Discussion and Analysis ("MD&A") dated March 12, 2014, is of the operating results and financial condition of Midas Gold Corp. ("Midas Gold" or the "Corporation") for the year ended December 31, 2013 compared to the year ended December 31, 2012. 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, 2013 and 2012. 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").

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.

HIGHLIGHTS

During the year ended December 31, 2013, the Corporation continued its exploration and evaluation program at the Golden Meadows Project ("Golden Meadows" or "Project") and results of the programs reported to date are available on the Corporation's website or under the Corporation's profile on SEDAR. In an effort to advance the exploration and evaluation of the Project, the Corporation conducted two drill programs in 2013, the information generated from which will be used to update the mineral resource estimates for each of the three deposits comprising the Project as well as other mineral resources at Golden Meadows. The first drill program took place in early 2013; field operations were then scaled back through spring runoff and thereafter core drilling resumed for the summer and fall season. Engineering and Regulatory efforts continued through the year 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") that is due for completion in mid-2014, along with results of extensive environmental baseline data collection, metallurgical testing, engineering studies. 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 late 2014, should results of the PFS and other circumstances warrant.

In October 2013, 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.

Financial highlights for the year ended December 31, 2013 were:

- Net loss and comprehensive loss for the year of $3.8 million (2012 - $7.2 million);
- Exploration and evaluation cash outflows of $24.6 million (2012 - $50.8 million) on Golden Meadows;
- C$9.8 ($9.3) million financing completed with Teck Resources Limited in July 2013 (2012 - $40.5 million);
- Sale of royalty interest in the Golden Meadows Project plus two million warrants to Franco-Nevada Corporation for gross proceeds of $15 million in May 2013,; and
- Cash and cash equivalents balance at December 31, 2013 of $14.6 million (2012 - $19.6 million).

In March 2014, the Corporation closed a non-brokered private placement for 14,167,621 units ("Unit") at a price of C$0.90 per unit, for gross proceeds of C$12.8 million ($11.5 million) in two tranches. Each Unit consists of one common share in the capital of the Corporation (a "Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder to acquire one additional common share of the Corporation at a price per Warrant Share of C$1.20 for a period of two years.

In consideration for arranging a portion of the private placement, the Corporation paid finder's fees to certain arm's length parties consisting of: (i) cash commission in the aggregate amount of $369,675; and (ii) a total of 410,750 finder's options ("Finder's Options"). Each Finder's Option entitles the holder to acquire one Unit at a price per Unit of C$0.99 for a period of two years.

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.

MIDAS GOLD

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, 2013, 2012 and 2011:

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, 2013	-	(3,795,566)	(0.03)	201,415,074	918,877	-
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	-

RESULTS OF OPERATIONS

Net Loss and Comprehensive Loss

	Three Months Ended		Twelve Months Ended	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
EXPENSES				
Consulting	$ 10,514	$ 3,293	$ 158,942	$ 61,489
Directors' fees	59,437	63,052	242,751	250,204
Office and administrative	82,693	80,591	325,396	331,924
Professional fees	110,783	154,225	266,671	343,919
Salaries and benefits	429,750	340,535	1,074,874	974,043
Share based compensation	24,628	719,192	1,372,998	5,267,392
Shareholder and regulatory	43,945	34,640	294,793	232,046
Travel and related costs	39,154	55,207	171,110	351,922
OPERATING LOSS	$ 800,904	$ 1,450,735	$ 3,907,535	$ 7,812,939
OTHER (INCOME) EXPENSES				
Change in fair value of warrant derivative	$ (245,000)	$ -	$ (158,000)	$ -
Foreign exchange loss (gain)	184,320	$ 76,004	$ 130,665	$ (435,457)
Interest income	(29,378)	(45,458)	(84,634)	(197,715)
Total other income	$ (90,058)	$ 30,546	$ (111,969)	$ (633,172)
NET LOSS AND COMPREHENSIVE LOSS	$ 710,846	$ 1,481,281	$ 3,795,566	$ 7,179,767

Net loss and comprehensive loss for Midas Gold for the three month period ending December 31, 2013 was $0.7 million or $0.01 per common share, compared with $1.5 million or $0.01 loss per share for the corresponding period of 2012. Net loss and comprehensive loss for Midas Gold for the year ending December 31, 2013 was $3.9 million or $0.03 per common share, compared with $7.2 million or $0.06 loss per share for the corresponding period of 2012. The decreased losses primarily relate to decreased share based compensation expense and reduced travel expenses.

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 treatment.

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 for the three months ending December 31, 2013 are comparable with that of the corresponding quarter in 2012. Consulting costs were higher for the year ended December 31, 2013 as a result of 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 Committees receiving additional fees commensurate with each role. Directors' fees for the year ended December 31, 2013 are comparable to that of the prior year.

Office and Administrative

This expense is predominantly the maintenance of the corporate head office in Vancouver, BC. The office and administrative expenses for the year and quarter ended December 31, 2013 are comparable to that of the prior year and quarter.

Professional Fees

This expense relates to the legal and accounting costs of the Corporation. The legal and accounting expenses for the year and quarter ended December 31, 2013 have decreased from the prior year and quarter due to less corporate activity in the current year.

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 for the year and quarter ended December 31, 2013 are higher compared to the prior year and quarter ended December 31, 2012 due to higher levels of bonuses accrued.

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 more options were granted and vested in 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, 2013.

Shareholder and Regulatory

This expense is associated with marketing, licenses and fees, and shareholder communications. This expense has increased for the quarter and the year when compared to the prior corresponding quarter and year as a result of the Corporation's listing on the OTCQX.

Travel and Related Costs

This expense is a result of travel and meal costs of the Corporation's directors, officers, employees and consultants while undertaking business on behalf of the Corporation. This expense has decreased in the current year and quarter when compared to the previous year and quarter as a result of less travel between the Corporation's head office in Vancouver, BC, its exploration office in Spokane, WA, the field office in Lake Fork, ID, technical office in Boise, ID, and the Project. The exploration office in Spokane, WA was closed in 2013.

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 warrants with an exercise price denominated in a currency that is different from the entity's functional currency should be classified as a derivative 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. There are no circumstances under which Midas Gold will be required to pay cash upon exercise or expiry of the warrants.

Foreign Exchange

This expense results from a translation loss on the Corporation's Canadian dollar denominated balances as at December 31, 2013. The Canadian dollar decreased in value in relation to the U.S. dollar during 2013 resulting in a foreign exchange loss for the year. 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 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, 2013 is as follows:

	Three Months Ended		Twelve Months Ended	
	31-Dec-13	**31-Dec-12**	**31-Dec-13**	**31-Dec-12**
Exploration and Evaluation Acquisition Costs				
Interest on notes payable	$ 3,013	$ 4,278	$ 13,767	$ 19,289
Mineral claims	-	129,222	294,460	559,547
Sale of Royalty interest	-	-	(13,548,460)	-
Exploration and Evaluation Expenditures				
Consulting and labour cost	1,744,171	3,139,145	6,641,174	10,079,382
Drilling	1,360,079	3,141,755	5,140,484	19,676,341
Field Operations & Drilling support	1,743,193	3,789,314	6,126,545	13,577,349
Engineering	865,702	227,531	3,071,536	3,740,518
Environmental and sustainability	889,951	1,533,700	3,503,753	4,515,872
Geochemistry and geophysics	265,516	499,425	531,632	2,419,071
Prepaid exploration and evaluation	(54,609)	(180,538)	(117,259)	(216,226)
NET ADDITIONS TO EXPLORATION AND EVALUATION ASSETS	$ 6,817,016	$ 12,283,832	$ 11,657,632	$ 54,371,143

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, 2013 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 claim staking and surveying that took part in the quarter ended December 31, 2012 that were not repeated in 2013. On an annual basis, the prior period included acquisition costs for the Yellow Pine and additional claim staking.

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 $14.6 million, and included a subscription agreement for two million warrants exercisable for shares of Midas Gold, for proceeds of $0.4 million. The Corporation incurred costs of $0.6 million associated with this transaction. A value of $0.9 million was assigned to the warrants at the date of the transaction and has been recorded as a warrant derivative. The net proceeds of $13.5 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 for the year when compared to the prior year due to decreased staffing on the Project. The current quarter includes $0.02 million (2012 - $0.9 million) in share based compensation reflecting the value 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. For the year and quarter ended December 31, 2013, drilling costs were significantly lower as the Corporation completed a 11,655 metre ("m") drill program in 2013 compared with a 50,546m drill program in 2012.

Field Operations and Drilling Support
Field Operations and 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 as well as other exploration and field activities. For the year and quarter ended December 31, 2013, drilling support costs were significantly lower as the Corporation completed a 11,655m drilling program compared with a 50,546m drill program in 2012 while, in addition, other exploration and field activities were also curtailed in 2013 as compared to 2012.

Engineering
These costs are in relation to various studies and evaluations of the Project. For the year and quarter ended December 31, 2013, the Corporation's independent consultants conducted work to support a Pre-Feasibility Study ("PFS") that is scheduled for completion in mid-2014. The prior year had a higher level of engineering and resource estimation related to the completion of a Preliminary Economic Assessment, the results of which were announced on September 4, 2012.

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 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 had a smaller drilling program compared to the prior year and completed lesser amounts of exploration related activities.

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

Total Assets

Total assets increased during the year ended December 31, 2013 from $195.8 million to $201.4 million primarily as a result of an increase in costs related to the exploration and evaluation of the Project.

Equity

Equity increased during the year ended December 31, 2013 from $190.3 million to $198.1 million, primarily as a result of the issuance of shares through the Private Placement for proceeds of $9.3 million and recognition of share based compensation of $2.2 million.

Total Liabilities

Total liabilities decreased during the year ended December 31, 2013 from $5.5 million to $3.4 million, primarily as a result of a decrease in trade and other payables as at December 31, 2013. This decrease is due to a lower 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 $5.0 million (2012 – $17.3 million). Cash received from financing activities for the year was $23.7 million (2012 - $38.1 million), as a result of the issuance of shares through the Private Placement and the sale of the royalty interest. The inflows from financing activities were offset by outflows from operating and investing activities.

Operating cash outflows for the year were $2.1 million (2012 - $2.3 million). Operating cash out flows decreased in the current year compared to the prior year due to decreased corporate activity as professional fees, salaries and benefits and travel costs decreased.

Investing cash out flows for the year were $26.1 million (2012 – $53.0 million). For the year ended December 31, 2013 the Corporation completed a 11,655m drill program whereas in 2012 approximately 50,546m was drilled.

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, 2013	-	(710,846)	(0.01)	201,415,074	918,877	-
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	-

The decrease in the net loss and comprehensive loss for the quarter ended December 31, 2013 is primarily related to the decreased share based compensation for the period when compared to the other quarters. The increase in long term liabilities in the second, third and fourth quarters of 2013 is the result of issuing and revaluing the warrants issued to Franco-Nevada.

CAPITAL RESOURCES AND LIQUIDITY

Capital resources of Midas Gold consist primarily of cash and liquid short-term investments. As at December 31, 2013, Midas Gold had cash and cash equivalents totalling approximately $14.6 million, approximately $0.2 million in other current assets and $2.4 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 resources;
- 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 $0.9 million related to the notes payable ($0.2 million) on the acquisition of mineral claims and the warrant derivative ($0.7 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 assets to discharge its liabilities as they become due, to advance the Golden Meadows project through 2014 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, 2013, the Corporation generated capital resources of $23.7 million through the Private Placement financing and sale of royalty interest.

As discussed above in Highlights the Corporation subsequently closed a non-brokered private placement for gross proceeds of C$12.8 million ($11.5 million).

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.

Contractual Obligations

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, 2013		
	Within one year	After one year but not more than five years	Total
Minimum rental payments	$ 277,883	$ 371,908	$ 649,791

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 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 December 31, 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 December 31, 2013 and the date of this MD&A.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

During the year ended December 31, 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:

	December 31, 2013	December 31, 2012
Salaries and benefit	$ 1,306,227	$ 1,182,007
Share based compensation	586,166	2,288,652
	$ 1,892,393	$ 3,470,659

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, 2013 and 2012.

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

During 2013, a total of 123 holes were completed on the project totalling approximately 11,655m. This included 61 core holes and 62 auger, geotechnical, water well and environmental monitoring boreholes. The 2013 core drilling primarily focused on confirming and refining the interpretation of portions of the Yellow Pine, West End and Hangar Flats deposits to improve confidence in continuity of grade, thicknesses and spatial distribution of gold, silver and antimony mineralization, to provide additional samples for metallurgical testing and for geotechnical and environmental monitoring purposes. This program also included a 42-hole hollow stem auger drilling program evaluating the potential for the reprocessing of historic tailings located on the Project leading to a an initial resource estimate for those materials that was announced on October 28, 2013.

During the fourth quarter of 2013 and included in the above totals, 25 core holes totalling approximately 3,807m were completed on the project including: 5 holes at Hangar Flats, totalling approximately 740m; 2 holes at West End, totalling approximately 450m; and 18 holes at Yellow Pine, totaling approximately 2616m. All of these holes were directed at improving confidence in the Project's mineral resources or as step-out holes from areas of known mineralization.

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. Since the initial discovery in 2009, the Company has completed 126 core and reverse circulation ("RC") holes in order to define and improve the confidence of mineral resources in the deposit, an additional 10 holes totalling approximately 1,016m to provide geotechnical and environmental baseline information.

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 2009 through the end of 2013, 54 holes totalling approximately 12,060m have been completed including 50 RC and core holes totalling approximately 11,701m directed towards resource definition and 5 holes totalling 321m for geotechnical engineering and baseline environmental purposes.

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 zones and adjacent rocks. 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 initiated 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. Since initiation of drilling in 2011, the Corporation has completed approximately 46,305m in 228 holes at the Yellow Pine Deposit. This total includes 213 core and RC holes totalling approximately 45,715m directed at resource definition and metallurgical sample collection and 15 holes totalling approximately 590m for baseline environmental and geotechnical purposes.

Historic Tailings

The historic tailings from past sulfide milling operations have been tested over an area extending approximately 800m by 400m and the materials may be amenable to recovery and a mineral resource estimate was completed after completion of a 42-hole hollow stem auger drilling program on a grid across the tailings site this season, with the estimate announced on October 28, 2013.

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 and throughout the rest of the summer and fall, a series of soil grids were established in various areas on the project. This work included additional rock chip sampling, mapping and evaluation of geophysical anomalies resulting in the delineation of several large gold-in-soils anomalies at a number of new prospects situated at various locations on the Project.

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 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.

2014 OUTLOOK AND GOALS

The core objective of the Corporation is to complete an updated comprehensive evaluation of the economic potential of the Golden Meadows Project through the completion of a PFS, 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 the recent mineral resource estimate 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 43,180m 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 mineral resource into the indicated and measured categories in this mineral resource update and will used as the basis for the planned PFS.
- 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, plus the tailings, with the objective of optimizing economic performance, including grind size versus recovery testing, options for enhanced flotation recoveries, pressure oxidation versus 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 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 2013 transactions with Franco-Nevada and Teck and the March 2014 private placement, 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 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 the end of Q1/14;
2. Completion of a PFS in mid-2014 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.

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) Probability of future economic benefits of exploration evaluation and development costs
The application of the Corporation's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is probable that future economic benefits will be generated from the exploitation of an exploration and evaluation asset when activities have not yet reached a stage where a reasonable assessment of the existence of reserves can be determined. The estimation of mineral resources is a complex process and requires significant assumptions and estimates regarding economic and geological data and these assumptions and estimates impact the decision to either expense or capitalize exploration and evaluation expenditures.

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 and warrant derivative

The Corporation uses the Black-Scholes Option Pricing Model for valuation of share based compensation and warrant derivative. 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 net loss 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 beginning on or after January 1, 2014. The Corporation is assessing the impact of these standards but does not expect the standards below to have a material impact on the consolidated financial statements, although additional disclosures may be required.

(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 and is applicable for periods beginning January 1, 2014;

(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;

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

(iv) IAS 32 – The IASB published amendments to IAS 32 to provide clarifications on the requirements for offsetting financial assets and financial liabilities to the balance sheet.

Effective January 1, 2013, the Corporation adopted the below standards and there was no material impact on the financial statements:

(i) IFRS 10 - New standard to establish principles for the presentation and preparation of consolidated financial statements when an entity controls multiple entities

(ii) IFRS 11 - New standard to account for the rights and obligations in accordance with a joint arrangement

(iii) IFRS 12 - New standard for the disclosure of interests in other entities not within the scope of IFRS 9/IAS 39

(iv) IAS 27 – New standard to account for investments at cost or in accordance with IFRS 9 Financial Instruments

(v) IAS 28 - New standard issued that supercedes IAS 28 (2003) to prescribe the accounting for investments in associates and joint ventures

(vi) IFRS 13 - New standard on the measurement and disclosure of fair value

FINANCIAL INSTRUMENTS

The Corporation's cash balance decreased from $19,618,855 at December 31, 2012 to $14,589,264 at December 31, 2013. The warrant derivative value decreased from $886,000 at May 9, 2013 to $728,000 at December 31, 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 December 31, 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.

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 and royalty interest. If such funding is not available in the future, either through the sale of securities through private placements, the expected sale of the Corporation's securities on public markets or through the sale of royalty interest, 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. Financial assets and liabilities denominated in Canadian dollars are as follows, stated in USD:

		December 31, 2013		**December 31, 2012**
Cash and cash equivalents	US$	5,576,038	US$	5,190,659
Trade and other receivables		59,473		52,088
Trade and other payables		(321,764)		(280,800)
	US$	5,313,747	US$	4,961,947

A five percent change in the US dollar exchange rate to the Canadian dollar would impact the Corporation's earnings by $282,585.

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

	March 12, 2014	**December 31, 2013**
Common shares issued and outstanding	141,705,090	127,534,136
Options outstanding (1)	11,854,417	10,095,000
Warrants outstanding (2)	10,622,519	3,333,334
Total	164,182,026	140,962,470

(1) *Options outstanding include 410,750 Finder's Options that are exercisable into a Unit.*

(2) *Warrants outstanding include 205,375 warrants that become outstanding on the exercise of the Finder's Options.*

A summary of share purchase option activity within the Corporation's share based compensation plan for the years ended December 31, 2013 and 2012 is as follows:

	Number of Options	Weighted Average Exercise Price (C$)
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
Options granted	1,090,000	0.79
Options forfeited	(505,000)	2.92
Balance, December 31, 2013	10,095,000	$ 2.62

Subsequent to December 31, 2013, the Corporation granted 1,352,000 stock options with a weighted average exercise price of C$0.72 and expire in five years.

On February 18, 2014, the Corporation issued 3,333 of its common shares upon exercise of share purchase options at a price of C$0.71 per share for proceeds of C$2,367 ($2,161).

A summary of warrant activity for the year ended December 31, 2013 is as follows:

	Number of Warrants	Weighted Average Exercise Price (C$)
Balance, December 31, 2011 and 2012	1,333,334	$ 0.48
Warrants granted	2,000,000	1.23
Balance, December 31, 2013	3,333,334	$ 0.93

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 *Internal Control – Integrated Framework* (1992) issued 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, 2013, 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, 2013 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. 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.

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 financial market turmoil can include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global and specifically mining equity markets, 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, lack of future financing, 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, which may result 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.