



# MIDAS GOLD

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June 2, 2011

#2011-9

## **Midas Gold Corp. Files Preliminary Prospectus with Regulators** *Initial Public Offering for C\$30 million to C\$40 million Planned*

VANCOUVER, BRITISH COLUMBIA – Midas Gold Corp. (a private corporation) ("Midas Gold" or the "Corporation") today announced that it has filed a preliminary prospectus with all provincial Securities Commissions in Canada, excluding Quebec, in connection with a proposed initial public offering of common shares of the Corporation (the "Offering"). The Offering is expected to be approximately C\$30 to C\$40 million and to involve a syndicate of agents led by Haywood Securities Inc. and BMO Capital Markets, and including Canaccord Genuity Corp. and Macquarie Capital Markets Canada Ltd. (the "Agents"). Midas Gold has also granted the Agents an option to purchase, within 30 days of the closing of the Offering, an additional number of shares equal to 15% of the common shares sold in the Offering at the same price as the Offering.

"I am pleased to have reached this significant milestone in the development of Midas Gold," said Stephen Quin, President & CEO of Midas Gold. "A public listing, if achieved, would provide the market recognition that our Golden Meadows Project deserves, while providing the funding required to advance its significant exploration potential."

A preliminary prospectus relating to these securities has been filed with securities commissions or similar authorities in each of the provinces of Canada, except Quebec, but has not yet become final for the purpose of the sale of securities to the public.

The Corporation's common shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirement of such Act and applicable state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such jurisdiction. Any public offering of securities in the United States must be made by means of a U.S. prospectus containing detailed information about the company and management, as well as financial statements.

A copy of the preliminary prospectus may be obtained from any of the above-mentioned Agents and is also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### ***About Midas Gold and the Golden Meadows Project***

Midas Gold is a private company focused on the exploration and, if warranted, development of the Golden Meadows Project in the Stibnite-Yellow Pine district of central Idaho. Gold mineralization within the Golden Meadows Project appears to be associated with an intrusion related, gold-rich system



overprinted by a younger, epithermal gold system with increased silver and antimony. Historic production from the district is estimated at approximately one million ounces of gold, along with significant by-products of silver, antimony and tungsten, primarily from underground higher-grade gold-antimony production at Hangar Flats from 1925-38, open pit mining at Yellow Pine from 1938-52, and from heap leaching of oxide gold occurrences, including West End, Garnet Creek and Homestake, from 1974 to 1997. The deeper sulphide gold potential has seen little modern exploration. The principal gold deposits identified to date within the Golden Meadows Project are the Hangar Flats, West End and Yellow Pine deposits, all of which are associated with important structural corridors. Independent mineral resource estimates were reported for all three deposits in a news release dated April 20, 2011 and are detailed in technical reports (the “Technical Reports”) filed under Midas Gold’s profile at [www.sedar.com](http://www.sedar.com) or are available on the Corporation’s website at [www.midasgoldinc.com](http://www.midasgoldinc.com).

The Hangar Flats, West End and Yellow Pine deposits in the Stibnite-Yellow Pine gold district remain open to expansion along strike and to depth. In addition, there is potential to discover entirely new deposits based on information contained within an extensive exploration database developed by Midas Gold from almost 100 years of exploration activity by multiple owners and operators.

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

**Investor Relations** at 604-568-4580

Or e-mail Midas Gold at [info@midasgoldinc.com](mailto:info@midasgoldinc.com)

### ***Compliance with National Instrument 43-101***

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 and reviewed and approved by Stephen P. Quin, P. Geo., President and CEO of Midas Gold, Inc. and Midas Gold Corp. and a Qualified Person. The exploration activities at the Hangar Flats and West End deposits were carried out under the supervision of Christopher Dail, C.P.G., Qualified Person and Project Manager for the Golden Meadows Project.

For readers to fully understand the information in this news release, they should read the relevant Technical Reports in their entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this news release which qualifies the technical information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. The Technical Reports are each intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in those reports is subject to the assumptions and qualifications contained in the Technical Reports.

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 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.



### **Forward-Looking Statements**

Statements contained in this news release and in the preliminary prospectus referred to herein and dated May 31, 2011 (the "Prospectus") that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities legislation and the United States *Private Securities Litigation Reform Act* of 1995. Forward Looking Information includes, but is not limited to, statements relating to the timing, availability and amount of financings; expected use of proceeds; business objectives; costs and timing relating to the potential acquisition of interests in mineral properties; the timing and costs of future exploration activities on the Corporation's properties; success of exploration activities; permitting time lines and requirements, requirements for additional capital, entry into further option or joint venture agreements, requirements for additional water rights and the potential effect of proposed notices of environmental conditions relating to mineral claims acquired pursuant to the Reorganization (as defined in the Prospectus); anticipated results and developments in operations in future periods; 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; estimates concerning recovery of accounts receivable, stock-based compensation and carrying value of properties. In certain cases, Forward-Looking Information can be identified by the use of words and phrases such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations 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". Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the Golden Meadows Project is developed. In making the forward-looking statements in this news release and the Prospectus, the Corporation has applied several material assumptions, including, but not limited to, the assumption that the Offering will be completed and that any additional financing needed will be available on reasonable terms; the exchange rates for the U.S. and Canadian currencies in 2011 and 2012 will be consistent with the Corporation's expectations; that the current exploration and other objectives concerning the Golden Meadows Project can be achieved and that its other corporate activities will proceed as expected; that the current price and demand for gold will be sustained or will improve; that general business and economic conditions will not change in a materially adverse manner and that all necessary governmental approvals for the planned exploration on the Golden Meadows Project will be obtained in a timely manner and on acceptable terms; the continuity of the price of gold and other metals, economic and political conditions and operations. Other assumptions are discussed throughout this news release and the Prospectus and, in particular, in the "Risk Factors" section in the Prospectus. Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. Such risks and other factors include, among others, risks related to the completion of financings and the use of proceeds; 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; environmental risks, including environmental matters under U.S. federal and Idaho rules and regulations; impact of environmental remediation requirements and the terms of existing and potential consent decrees on the Corporation's planned exploration on the Golden Meadows Project; certainty of mineral title; community relations; delays in obtaining governmental approvals or financing; fluctuations in mineral prices; the Corporation's dependence on one mineral project; the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits; the Corporation's lack of operating revenues; governmental regulations and the ability to obtain necessary licences and permits; risks related to mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title; currency fluctuations; changes in environmental laws and regulations and changes in the application of standards pursuant to existing laws and regulations which may increase costs of doing business and restrict operations; risks related to dependence on key personnel; and estimates used in financial statements proving to be incorrect; as well as those factors discussed in the section entitled "Risk Factors" in the Prospectus. Although



the Corporation has attempted to identify important factors that could affect the Corporation and may cause actual actions, events or results to differ materially from those described in Forward-Looking Information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that Forward-Looking Information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on Forward-Looking Information.

Except as required by law, the Corporation does not assume any obligation to release publicly any revisions to Forward-Looking Information contained in this news release or the Prospectus to reflect events or circumstances after the dates thereof or to reflect the occurrence of unanticipated events.

***Cautionary Note – The mineral resource estimates referenced in this press release use the terms “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 an SEC registered company.***

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