MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The following is Management's Discussion and Analysis ("MD&A") of the consolidated financial condition and results of operations of Midas Gold Corp. ("Midas Gold" or the "Corporation") for the year ended December 31, 2015 compared to the year ended December 31, 2014. This MD&A should be read in conjunction with Midas Gold's consolidated financial statements for the year ended December 31, 2015 prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional corporate information, including Midas Gold's most recent Annual Information Form ("AIF") and other continuous disclosure documents can be accessed through the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com and the Corporation's website at www.midasgoldcorp.com.

To the extent applicable, updated information contained in this MD&A supersedes older information contained in previously filed continuous disclosure documents. Information contained on the Corporation's website that is not incorporated by reference does not form part of this MD&A. This MD&A contains forward-looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management's expectations. See the "Forward-Looking Statements" and "Risks and Uncertainties" sections in this MD&A for further information. All "$" dollars in this MD&A are United States Dollars, unless specifically stated as "C$" which are Canadian Dollars.

The information in this MD&A is provided as at February 26, 2016.

OVERVIEW

Midas Gold was incorporated on February 22, 2011 under the Business Corporations Act of British Columbia. The Corporation was organized to locate, acquire and develop mineral properties located principally in the Stibnite – Yellow Pine mining district in Valley County, Idaho (the "District"). The Corporation's common shares trade on the Toronto Stock Exchange ("TSX"). The corporate office of Midas Gold is located at 1250-999 West Hastings St, Vancouver, BC, V6C 2W2, Canada.

HIGHLIGHTS

During the year, Midas Gold focused its efforts in respect of the Stibnite Gold Project (the "Project") on: optimizing and refining aspects of the Project identified in the "Risks and Opportunities" section of the Preliminary Feasibility Study ("PFS") that was published in December 2014; continuing to collect environmental baseline data; stakeholder and community consultation and engagement; and other activities to prepare the Project for a possible entry into the regulatory system for mine development. Limited geological and surface exploration programs were also undertaken in a number of areas around the Project in order to better understand: controls and drivers of mineralization, geo-metallurgy, and the potential of several of the exploration prospects identified in the PFS. As part of these efforts, Midas Gold is working in close collaboration with the Idaho Geological Survey and the US Geological Survey on multi-year, multidisciplinary technical programs focused on the Project.

In May 2015, the Corporation closed a non-brokered private placement and a brokered private placement for an aggregate of 19,124,190 Units at a price of C$0.42 per Unit, for gross proceeds of C$8.0 million ($6.6 million). Each Unit consists of a share in the capital of the Corporation and one-half of one common share purchase Warrant. Each Warrant entitles the holder to acquire one additional common share of the Corporation at a price per Warrant Share of C$0.60 for a period of two years.

Also in May 2015, the Corporation issued its Sustainability Report for 2014 which summarized its efforts in respect of conservation; energy and waste reduction; health and safety; community involvement and engagement; and economic benefits. Reporting includes an assessment of Midas Gold's performance using the internationally recognized "Towards Sustainable Mining" initiative as issued by the Mining Association of Canada. Highlights from the report include exceeding more than 30,000 trees planted; 100% reclamation of Midas Gold drill sites and an additional 8 acres of historically disturbed lands; exceeding 24 consecutive months with zero lost time or reportable safety incidents; and exceeding 36 months without a reportable spill. Later in 2015, Midas Gold had its first lost time incident (sprained muscles) ending a 34 month stretch without incident, but still an excellent record; the record on reportable spills remains unblemished and has since exceeded 46 months.

Midas Gold continued its focus on sustainability and environmental improvement in 2015. Including the 2015 season, we have now planted 37,575 trees at Stibnite. Of these, 1,950 trees were planted by 32 Cascade High School students – and Midas Gold contributed $1 per tree to the school for environmental science and shop programs.

As part of its contributions towards sustainability, in 2015 Midas Gold produced 7,200 kWh with the solar power system on site, which has saved 26,000 gallons of diesel fuel. Midas Gold has recycled more than 3,200 pounds of materials related to its own activities and in support of local community events – building on more the than 1,000 pounds of materials recycled in 2014 as well as the removal/recycling in 2014 of 30 tons of scrap metal left by prior operators.

During 2015, Midas Gold was actively engaged with the local communities on a number of fronts, reaching more than 7,000 people through 169 community events and 38 tours of the Stibnite site. As a result, local residents have become better informed as to the challenges and opportunities presented by the site. Midas Gold's local volunteer community advisory committee established in 2014 continues to provide a more defined structure for community input. This is in addition to the majority of local directors to the board of the project operating entity, Midas Gold Idaho, Inc., being Valley County residents. As it has committed to, Midas Gold also continues its focus on hiring locally and supporting local businesses, making a significant positive contribution to the local economy throughout the year.

On June 15, 2015, the Corporation was presented with the *2015 Environmental Excellence Award* by the Idaho Association of Commerce and Industry. The Corporation was recognized for investing time, resources and expertise into restoring areas of pre-existing environmental disturbance, improving local water quality, and enhancing fish habitat in the Stibnite-Yellow Pine area of central Idaho, while moving forward with mineral exploration through sustainability initiatives that minimize environmental impact. Later in the year, Midas Gold was also presented with the *Environmental Excellence Award* by the American Exploration & Mining Association for voluntarily reclaiming pre-existing disturbance, improving water quality and restoring fish habitat at its Stibnite Gold Project in Valley County, Idaho.

In December 2015, Midas Gold entered into agreements with the Nez Perce Tribe ("NPT") and Idaho Conservation League ("ICL") whereby Midas Gold entered into certain commitments aimed at reducing sediment entering waterways in and around the Project area. As a result of these additional commitments, plus additional measures incorporated by the US Forest Service in the plan of operations for exploration on the Project, NPT and ICL withdrew their objections to the Environmental Assessment, subsequent to which the US Forest Service issued its Decision Notice and Finding of No Significant Impact for the exploration activities covered by the permit application, as amended during the environmental assessment process. As a result, Midas Gold is now fully permitted to conduct the approved exploration activities for the Project. The entering into of these agreements should not be read as an endorsement of the Project by either NPT or ICL.

Weak equity markets and declining metal prices over the past several years, combined with the transitions related to the advancement of the Project, have necessitated significant reductions in personnel and G&A. Since the peak of activity in 2012, Midas Gold has reduced its workforce by more than 80% and has reduced its G&A costs by more than 40%. To ensure its cash is used as efficiently, effectively and responsibly as possible, Midas Gold continues to focus on measures to reduce ongoing expenditures and deliver its objectives in a cost-effective manner.

Subsequent to the end of the year, the Corporation announced that it has entered into a letter of intent with Paulson & Co. Inc., on behalf of the several investment funds and accounts managed by it ("Paulson"), pursuant to which Midas Gold will conduct an offering of Canadian dollar denominated 0.05% senior unsecured convertible notes (the "Notes") to be issued by

a wholly owned subsidiary to Paulson on a private placement basis (the "Note Offering"). Concurrently, Midas Gold will complete an offering of Notes to certain of the Company's existing shareholders (the "Existing Shareholder Offering") for total gross proceeds of C$55.2 million. The Notes will have a term of seven years and may be converted into common shares of Midas Gold at a price of C$0.3541 per share. The maximum gross proceeds of the Existing Shareholder Offering will be C$20.7 million, with the Note Offering to comprise the balance of the C$55.2 million to be raised.

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", "determine" or "believes", or variations or the negative of such words and phrases, or statements that certain actions, events or results "may", "could", "whether to", "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 activities on the Corporation's properties, including but not limited to development and operating costs in the event that a production decision is made;
- potential success of exploration, development and environmental protection and remediation activities;
- future outlook and goals;
- 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 and mineral reserve 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 contained herein 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, development, environmental 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, development and environmental protection activities 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:

- the industry-wide risks and project-specific risks identified in the PFS and summarized in the Corporation's news release dated December 15, 2014;
- fluctuations in capital markets and share prices;
- the Corporation's ability to obtain financing to advance 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 or equipment;
- failure of equipment to operate as anticipated;
- accidents, effects of weather and other natural phenomena and other risks associated with the mining industry;
- the Corporation's principal property being located in the U.S., 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 and development activities 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 licenses and permits;
- currency fluctuations (particularly the Canadian dollar and United States dollar)
- estimates used in the Corporation's consolidated financial statements proving to be incorrect; and
- A cyber security incident that could adversely affect Midas Gold's ability to operate its business.

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.

2016 OUTLOOK AND GOALS

During 2016, Midas Gold's objective is to continue its engagement with regulators, communities, tribes and other stakeholders in respect of the concepts for the Project set out in the PFS in order to ensure that any plans for the redevelopment of the Project addresses concerns and issues to the extent environmentally, technically and commercially feasible. Following these discussions, and if warranted, the Corporation would consider filing a Plan of Operations ("PoO") for a mining and processing operation.

The Corporation continues to balance the timing and prioritization of expenditures, looking to restrain expenditures while still delivering the Corporation's major objectives in a timely and cost effective manner.

SELECTED ANNUAL INFORMATION

The following is a summary of certain selected audited consolidated financial information of the Corporation for the years ended December 31, 2015, 2014 and 2013:

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, 2015	-	(1,300,116)	(0.01)	213,036,244	-	-
December 31, 2014	-	(573,745)	(0.00)	209,264,310	-	-
December 31, 2013	-	(3,795,566)	(0.03)	201,415,074	190,877	-

RESULTS OF OPERATIONS

Net Loss and Comprehensive Loss

		Three Months Ended		Year Ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
EXPENSES					
Consulting	$	1,665	43,102	2,806	52,592
Directors fees		42,001	55,437	195,248	218,757
Office and administrative		50,277	72,806	250,330	350,211
Professional fees		98,879	114,297	157,432	273,071
Salaries and benefits		160,721	234,474	698,418	790,176
Share based compensation		2,023	19,938	214,147	216,473
Shareholder and regulatory		59,965	100,932	321,392	365,001
Travel and related costs		31,370	53,178	142,261	148,947
OPERATING LOSS	$	446,901	694,164	1,982,034	2,415,228
OTHER (INCOME) EXPENSES					
Change in fair value of warrant derivatives	$	(34,461)	(368,848)	(934,572)	(1,815,091)
Foreign exchange loss		40,681	27,931	275,800	30,181
Interest income		(6,247)	(9,419)	(23,146)	(56,573)
Total other expenses (income)	$	(27)	(350,336)	(681,918)	(1,841,483)
NET LOSS AND COMPREHENSIVE LOSS	$	446,574	343,828	1,300,116	573,745

Net loss and comprehensive loss for Midas Gold for the three month period ending December 31, 2015 was $0.4 million compared with a loss of $0.3 million for the corresponding period of 2014. Net loss and comprehensive loss for Midas Gold for the year ending December 31, 2015 was $1.3 million compared with a loss of $0.6 million for the corresponding period of 2014. This $0.1 million change for the three month and the $0.7 million change for the year were primarily attributable to a decrease in the non-cash gain recorded on the change in the fair value of the warrant derivative although these gains were offset by lower operating expenses in all categories. As noted above, for the three months ended December 31, 2015, the Corporation's main focus was the continued evaluation and advancement of the Stibnite Gold Project.

An analysis of each line item follows.

Consulting
This expense relates to consulting services provided to the Corporation that do not relate to the exploration and evaluation of the Stibnite Gold Project. The expense for the current quarter and year is well below the comparable prior period as a result of reduced expenditures related to the Corporation's OTCQX listing.

Directors' Fees
Each of the Corporation's independent directors is entitled to annual base fee of C$24,000, paid in quarterly installments, with the Chair of the Board, Chairs of Board Committees and Members of Board Committee receiving additional fees commensurate with each role. This expense has decreased for the quarter and the year as the number of independent directors was reduced from eight to six at the Corporation's AGM in May 2015.

Office and Administrative
This expense for the current quarter is predominantly the maintenance of an office in Vancouver, BC. The expense in the current quarter decreased compared to the comparative quarter due to a focus on reduced costs throughout the year for administrative costs.

Professional Fees
This expense relates to the legal and accounting costs of the Corporation. The reduction on a year-to-year basis has resulted from the elimination of an auditor review of the quarterly interim financial statements and reduced legal fees.

Salaries and Benefits
This expense results from salaries and benefits of the employees that are not directly related to the exploration and evaluation of the Stibnite Gold Project, primarily Canadian corporate employees. Salaries and benefits for the year and quarter ended December 31, 2015 are below the comparable period in the prior year as a result of reduced staffing of the corporate office.

Share Based Compensation
This expense is due to the compensation of directors, officers, employees and consultants that are share based and not directly related to the exploration and evaluation of Stibnite Gold. This expense for the current quarter and the year is below the comparative period in 2014 as the value of the options being granted is reducing with the company's reducing share price. 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 annual financial statements for the period ended December 31, 2015.

Shareholder and Regulatory
This expense is associated with marketing, licenses and fees, and shareholder communications. The expense for the current quarter and year is below the comparative period from the prior year as a result of a reduced investor relations program.

Travel and Related Costs
This expense is a result of travel and meal costs of the Corporation's directors, officers, employees and consultants whilst undertaking business on behalf of the Corporation. The expense for the current quarter and year is below the comparative period from the prior year as a result of a reduced travel.

Foreign Exchange
This gain is a result of the translation of the Corporation's Canadian dollar denominated balances as at December 31, 2015. Foreign exchange expense has increased from the comparative quarter due to the change in the value of the Canadian dollar compared to the US dollar.

Change in Fair Value of Warrant Derivative
The Corporation issued warrants and finder's options in various financing transaction since 2013, all with an exercise price denominated in Canadian dollars. The Corporation determined that warrants and finder's options 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 statement of net loss and comprehensive loss. There are no circumstances under which Midas Gold will be required to pay cash upon exercise or expiry of the warrants or finder's options.

Interest Income
This income results from interest received on the Corporation's cash balances. Interest income decreased in the current quarter compared to the comparative quarter as a result of reduced interest rates and lower average cash balances.

Exploration and Evaluation Assets

A summary of additions to exploration and evaluation assets for the three and nine month periods ended December 31, 2015 and 2014 is as follows:

		Three Months Ended		Year Ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Exploration and Evaluation Acquisition Costs					
Interest on notes payable	$	-	1,468	2,411	8,181
Mineral claims		-	-	383,188	315,295
		-	1,468	385,599	323,476
Exploration and Evaluation Expenditures					
Consulting and labor cost		835,567	1,005,213	3,656,600	4,163,358
Drilling		247	-	28,176	-
Field office and drilling support		659,207	687,040	2,460,567	2,974,342
Engineering		66,421	275,926	395,139	2,728,574
Environmental and sustainability		704,792	1,018,381	3,050,788	3,867,222
Geochemistry and geophysics		20,910	29,741	32,142	46,195
Prepaid exploration and evaluation		(16,417)	(34,252)	(31,394)	(52,576)
		2,270,725	2,982,049	9,591,816	13,737,115
NET ADDITIONS TO EXPLORATION AND EVALUATION ASSETS	$	2,270,725	2,983,517	9,977,415	14,060,591

An analysis of each line item follows.

Interest on Notes Payable
Interest on Notes Payable related to two notes payable for the acquisition of mineral claims and a royalty interest. The interest for the three month period ended December 31, 2015 has reduced to nil as the balance of the Notes Payable was paid off earlier in the year.

Mineral Claims
Mineral claim fees include payments to the Bureau of Land Management ("BLM") and option payments to owners for land under an option agreement. For the twelve months ended December 31, 2015 the fees paid to the BLM increased as Midas Gold increased its land position by acquiring an additional 129 federal unpatented lode claims totaling approximately 850 hectares.

Consulting and Labour Cost
This item is due to costs associated with staffing the Project. Staffing costs for this year and quarter have decreased in comparison to the prior year have decreased due to the decreased staff levels associated with the Project. The current year includes $0.3 million (2014 - $0.4 million) in share based compensation reflecting the grant of stock options to employees and consultants working on the Project.

Drilling
Drilling costs relate to the exploration and evaluation of mineralized areas at Stibnite Gold. There was a small auger drilling program in the quarter ended September 30, 2015 and some minor costs have rolled into the current quarter. There was no drilling carried out in the prior year.

Field Office and Drilling Support
Field Office and Drilling Support includes operation of the camp the Corporation maintains, transportation of people and supplies into the Stibnite Gold Project and other costs at the Stibnite Gold Project to support drilling operations as well as other exploration and field activities. This expense for the current quarter is lower than the comparative period as the Corporation had decreased activity at Stibnite Gold, with minimal drilling and reduced camp activity for the period.

Engineering
These costs are in relation to various studies on and evaluations of the Project. For the quarter and year ended December 31, 2015, the Corporation's engineering costs were significantly reduced from 2014 as the prior year included the completion of the Pre-Feasibility Study.

Environmental and Sustainability
In the current quarter, these items result from the costs associated with the collection of environmental baseline information for potential future operations and voluntary remediation of legacy environmental conditions. The Corporation is currently in a stakeholder engagement process prior to considering whether timing is appropriate for commencing permitting of an operating mine. In the comparative quarter, environmental costs predominantly related to the assessment of environmental conditions at the Stibnite Gold Project and some voluntary remediation of legacy environmental conditions. The costs in the current quarter and year decreased compared with the comparative period due to project reduced level of baseline information being required in the current quarter.

Geochemistry and Geophysics
These costs relate to the analysis of drill cores, rock and soil samples, and to the geophysical exploration programs completed at the Stibnite Gold Project. This expense has decreased from the current year as less sampling occurred in the year and the current quarter when compared to the prior year.

An analysis of the December 31, 2015 and December 31, 2014 balance sheets of the Corporation follows.

Total Assets

Total assets increased during the twelve months ended December 31, 2015 from $209.3 million to $213.0 million primarily as a result of cash raised from the May 2015 private placement and costs related to exploration and evaluation of the Project.

Equity

Equity increased during the twelve months ended December 31, 2015 from $207.7 million to $212.2 million, primarily as a result of the issuance of shares through the Private Placement with net proceeds of $5.2 million.

Total Liabilities

Total liabilities decreased during the twelve months ended December 31, 2015 from $1.6 million to $0.8 million, primarily as a result of a decrease in trade and other payables and the final payment on two notes payable for the acquisition of mineral claims and a royalty interest.

Cash Flows

Midas Gold's net change in cash and cash equivalents for the twelve months ended December 31, 2015 was an outflow of $5.1 million (2014 – $5.0 million outflow). There were inflows from financing activities in 2015 and 2014; however these were more than offset by outflows from operating and investing activities.

Operating cash outflows for the year ended December 31, 2015 were $1.9 million (2014 - $2.3 million) and Investing cash outflows for the twelve months ended December 31, 2015 were $8.8 million (2014 – $13.4 million).

QUARTERLY RESULTS

The net loss and comprehensive loss of Midas Gold for the previous eight calendar quarterly periods is tabulated below.

Quarter Ended	Revenue	Net Income (Loss) and Comprehensive Income (Loss)	Basic & Diluted Income(Loss) per Share	Total Assets	Long Term Liabilities	Cash Dividend
December 31, 2015	-	(446,874)	(0.00)	213,036,242	-	-
September 30, 2015	-	(55,912)	(0.00)	213,431,459	-	-
June 30, 2015	-	(223,077)	(0.00)	214,071,321	-	-
March 31, 2015	-	(574,253)	(0.00)	208,651,942	-	-
December 31, 2014	-	(343,828)	(0.00)	209,264,310	-	-
September 30, 2014	-	710,259	0.01	210,187,416	-	-
June 30, 2014	-	(10,059)	(0.00)	211,384,680	-	-
March 31, 2014	-	(930,117)	(0.01)	211,640,086	189,482	-

The Corporation has had relatively consistent operating losses over the past five quarters, the most significant variances to the net and comprehensive losses for the same quarters is the change in the fair value of the warrant derivative and foreign exchange. The recording of a net and comprehensive income for the quarter ended September 30, 2014 as compared to the net and comprehensive losses in prior and more recent periods is primarily related to the increased gain on the revaluation of the Corporation's warrant derivative when compared to the quarter ended June 30, 2014. For quarters prior to June 30, 2014, the predominant effect on Net Income (Loss) relates to the expensing of share based compensation.

CAPITAL RESOURCES AND LIQUIDITY

Capital resources of Midas Gold consist primarily of cash and liquid short-term investments. As at December 31, 2015, Midas Gold had cash totaling approximately $4.6 million, approximately $0.1 million in other current assets and $0.6 million in trade and other payables.

With the financing discussed in the Highlights section above Midas Gold has sufficient funds to further advance the Stibnite Gold Project and plans to do so by:

- Engaging with Project stakeholders to provide those stakeholders with the opportunity for better understanding of the Project concepts and to provide a forum for such stakeholders to provide further input into possible options and alternatives;
- Continuing to undertake further technical optimisations, including those outlined in the recommendations section of the PFS;
- Growing the mineral resource base through exploration, provided sufficient funds are available; and
- If warranted, proceeding with the regulatory process for the redevelopment of the Project.

Midas Gold has a current liability of $0.3 million related to the warrant derivative. There are no circumstances under which Midas Gold will be required to pay any cash upon exercise or expiry of the warrants or Finder's Options.

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 Stibnite Gold Project into 2016 and to meet its administrative and overhead requirements for the next 12 months.

Contractual Obligations

Office Rent

The Corporation entered into a various lease agreements for office and storage space. The total rent obligation over the next five years is $244,584 with $212,784 due within one year and $31,800 due after one year but not more than five years.

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 approximately $235,000. The Corporation is committed to this annual obligation for the indefinite future in order to maintain its title to these claims.

Option Payments on Mining Claims

The Corporation is obligated to make option payments on mineral claims comprising the Cinnabar prospect, which is part of the Project, in order to maintain title to these claims. The remaining option payments due on the Cinnabar prospect are $100,000 for 2016 and 2017, respectively.

OFF BALANCE SHEET ARRANGEMENTS

The Corporation has no off balance sheet arrangements as of December 31, 2015 and the date of this MD&A.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

During the year ended December 31, 2015, 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, 2015	December 31, 2014
Salaries and benefits	$ 880,094	$ 992,734
Share based compensation	225,045	135,890
	$ 1,105,139	$ 1,128,624

No post-employment benefits, termination benefits, or other long-term benefits were paid to or recorded for key management personnel during the three month periods ended December 31, 2015 and 2014.

There were no balances outstanding with related parties at December 31, 2015.

MINERAL PROPERTIES

Stibnite Gold Project

The Corporation's property holdings at the Stibnite Gold Project are comprised of a contiguous package of unpatented federal lode claims, unpatented federal mill site claims, patented federal lode claims and patented mill site claims. At the beginning of the third quarter of 2015 this land position encompassed approximately 10,968 hectares held in 1,389 unpatented lode and mill site claims and patented land holdings. The Corporation acquired these rights through a combination of transactions and staking, and holds a portion under an option agreement. During the third quarter, the Corporation increased its land position and acquired through claim staking an additional 129 federal unpatented lode claims totaling approximately 850 hectares bringing the total to 1,518 unpatented federal lode and mill site claims and the overall property position to approximately 11,548 hectares.

The Stibnite Gold Project includes four known mineral deposits with identified mineral resources, as announced on September 10, 2014. Following completion of a PFS, the results of which were announced on December 15, 2014, Midas Gold also declared a mineral reserve for each of the four deposits. The PFS defined an economically feasible, technically and environmentally sound Project that minimizes impacts and maximizes benefits and provides a comprehensive overview of

the Project, including recommendations for future work programs required to advance the Project to a decision point.

The Project design concepts reflect the extensively disturbed nature of the current site, which has been explored and mined for the past approximately 100 years. Clean-up of legacy environmental impacts, improvement of water quality, minimizing incremental mining-related disturbance, and protection and re-establishment and enhancement of the upstream fishery, both during operations and following mine closure, were incorporated into the PFS.

The Project (as detailed in the preliminary feasibility study published on December 15, 2014) consists of the Yellow Pine, Hangar Flats and West End in situ gold deposits and onsite historic tailings that contain elevated gold, antimony and silver values, and all deposits are located in areas of significant historic mining activity or disturbance. The deposits are amenable to open pit mining and lie within three kilometers of each other, allowing processing at a centralized plant; much of the Project's infrastructure and facilities would be located within areas of historical disturbance, reducing the incremental footprint of the Project. Integral to the design of the Project is the remediation and reclamation of numerous areas of historical disturbance, and restoration of the site. Many of these activities will be conducted during the construction period for the Project or during the first few years of operation, including the restoration of fish passage for the first time since the 1930s.

The PFS supersedes and replaces the technical report entitled "Preliminary Economic Assessment Technical Report for the Golden Meadows Project, Idaho" prepared by SRK Consulting (Canada) Inc. and dated September 21, 2012 and that report should no longer be relied upon. The Golden Meadows Project is now known as the Stibnite Gold Project.

District Exploration

During the third and fourth quarters of 2015, the Corporation conducted mapping and sampling at various prospects and within former open pits and continued its efforts on updating geological, alteration and structural models following completion of the PFS. Also during this period, members of the US Geological Survey and the Idaho Geological Survey visited the Project on a number of occasions and sampled core and outcrops as part of ongoing cooperative studies to investigate mineral deposits and prospects in the Project area. During the third quarter, a series of hollow stem augur holes were completed over a former heap leach pad and on historic waste rock dumps for characterization purposes. During the third quarter, Midas Gold's Plan of Operations related to ongoing exploration was released for a 45-day public comment period and the analysis and review was completed during the fourth quarter by the US Forest Service ("USFS"). Subsequent to and after the end of the reporting period, in early January 2016, the USFS issued a Finding on No Significant Impact, and approved the activity in a Decision Notice dated January 14, 2016. The Decision Notice included recommendations for additional mitigations and monitoring that are to be incorporated to the Plan of Operations prior to implementation. As a result of subsequently completing the bonding process, the approval is now final and Midas Gold is free to carry out exploration in accordance with the approved plan of operations.

Environmental and Other Matters Pertaining to Stibnite Gold

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 Environmental and Other Matters refer to the Corporation's Annual Information Form for the year ended December 31, 2014 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 subsidiaries of Midas Gold in the areas of the West End mill site claims previously used for processing operations 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 subsidiaries of Midas Gold are also subject to a consent decree between the previous owner of those claims and the United States, which imposes 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.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Critical Accounting Estimates and Judgments

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

Accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used in the preparation of these consolidated financial statements include, among others, the useful lives of buildings and equipment, valuation of assets, valuation of share based compensation and warrant derivative, mineral resource estimates and the recoverable amount of exploration and evaluation expenditures.

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

FINANCIAL INSTRUMENTS

The Corporation's cash balance decreased from $9,622,499 at December 31, 2014 to $4,502,325 at December 31, 2015. There has been no other significant change in the Corporation's financial instruments since December 31, 2014 with the exception of the warrant derivative which is discussed in Results of Operations.

OUTSTANDING SHARE DATA

	February 26, 2016	December 31, 2015
Common shares issued and outstanding	160,829,280	160,829,280
Options outstanding [(1)]	13,917,750	13,917,750
Warrants outstanding [(2)]	18,851,281	20,184,614
Total	193,598,311	194,931,644

(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.

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 (2013) 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, 2015, 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 Corporation's ICFR in the three months ended December 31, 2015 which have materially affected, or are reasonably likely to materially affect, ICFR.

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, 2015 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.

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 and mineral reserves are inherently forward-looking statements subject to error. Although mineral resource and mineral reserve 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. The following summary should be read in conjunction with the Corporation's Annual Information Form for the year ended December 31, 2015 available under the Corporation's profile on SEDAR at www.sedar.com.

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 and development in the Western United States is subject to numerous regulatory requirements on land use.

Mineral exploration and development 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.

Resource exploration and development 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 and development 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.

Mineral exploration and development 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 and mineral reserves is based on estimates and is subject to great uncertainty.

The calculations of amounts of mineralized material within mineral resources and mineral reserves are estimates only. Actual recoveries of gold and other potential by-products from mineral resources and mineral reserves may be lower than those indicated by test work. Any material change in the quantity of mineralization, grade, tonnage 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 determination and valuation of mineral reserves

and mineral resources is based on, among other things, assumed metal prices. Market fluctuations and metal prices may render mineral resources and mineral reserves uneconomic. Any material change in quantity of mineral reserves, mineral resources, grade, tonnage, 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 at times 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 PFS issued December 15, 2014, 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.

The Corporation's Risks

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

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

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

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

Midas Gold's current and future permits to conduct activities at the Stibnite Gold Project could be challenged during regulatory processes or in the courts by third parties and such challenges may delay or prevent the Corporation from meeting its objectives.
Third parties commonly challenge permits related to exploration and mining projects and there is possibility that such parties may challenge Midas Gold's permits for its activities.

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 U.S. 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.
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.

Midas Gold's mineral resource and mineral reserve estimates may not be indicative of the actual gold that can be mined.
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 and mineral reserve 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 mineral resource and/or mineral reserve estimates being overstated, the mineable gold that can be received from the project being less than the mineral resource and mineral reserve estimates, and the Project not being a viable project.

If Midas Gold's mineral resource and mineral reserve 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 generate any revenues from operations or production. Putting a mining project into production requires substantial planning and expenditures and whilst several members of the management and the board of directors have mine construction experience, 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 U.S. Under U.S. 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 claims 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.

A cyber security incident could adversely affect Midas Gold's ability to operate its business.

Information systems and other technologies, including those related to the Corporation's financial and operational management, are an integral part of the Corporation's business activities. Network and information systems related events, such as computer hacking, cyber-attacks, computer viruses, worms or other destructive or disruptive software, process breakdowns, denial of service attacks, or other malicious activities or any combination of the foregoing or power outages, natural disasters, terrorist attacks, or other similar events could result in damages to the Corporation's property, equipment and data. These events also could result in significant expenditures to repair or replace damaged property or information systems and/or to protect them from similar events in the future. Furthermore any security breaches such as misappropriation, misuse, leakage, falsification, accidental release or loss of information contained in the Corporation's information technology systems including personnel and other data that could damage its reputation and require the Corporation to expend significant capital and other resources to remedy any such security breach. Insurance held by the Corporation may mitigate losses however in any such events or security breaches may not be sufficient to cover any consequent losses or otherwise adequately compensate the Corporation for any disruptions to its business that may result and the occurrence of any such events or security breaches could have a material adverse effect on the business of the

Corporation. There can be no assurance that these events and/or security breaches will not occur in the future or not have an adverse effect of the business of the Corporation.

CAUTIONARY NOTE IN RESPECT OF MINERAL RESOURCES AND MINERAL RESERVES

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. The Project 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 and mineral reserves at the Project are contained within areas that have seen historic disturbance resulting from prior mining activities. In order for Midas Gold to advance its interests at Stibnite Gold, the Project will be subject to a number of Federal, State and local laws and regulations and will require permits to conduct its activities. However, Midas Gold is not aware of any environmental, permitting, legal or other reasons that would prevent it from advancing the Project.

This MD&A and the mineral resource and mineral reserve estimates referenced in this MD&A are reported in accordance with the requirements under Canadian securities laws, namely National Instrument 43-101 *Standards of Disclosure for Mineral* Projects ("**NI 43-101**"), which differ from the requirements under U.S. securities laws. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements under the U.S. Securities and Exchange Commission ("SEC") Industry Guide 7. 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.