



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017**  
(expressed in US Dollars)

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED  
CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The accompanying unaudited condensed consolidated interim financial statements of Midas Gold Corp. (“the Corporation” or “Midas Gold”) for the three months ended March 31, 2018 have been prepared by the management of the Corporation and approved by the Corporation’s Audit Committee and the Corporation’s Board of Directors.

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The Corporation’s independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of the condensed consolidated interim financial statements for the three months ended March 31, 2018.

**Midas Gold Corp.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION****As at March 31, 2018 and December 31, 2017****(Expressed in US dollars)**

	<u>Notes</u>	<u>March 31, 2018</u>	<u>December 31, 2017</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		\$ 11,974,722	\$ 18,915,423
Trade and other receivables		17,845	36,792
Prepaid expenses		339,339	288,349
		<u>\$ 12,331,906</u>	<u>\$ 19,240,563</u>
<b>NON-CURRENT ASSETS</b>			
Buildings and equipment		\$ 512,039	\$ 543,005
Exploration and evaluation assets	4	<u>70,857,593</u>	<u>70,857,593</u>
		<u>\$ 71,369,632</u>	<u>\$ 71,400,598</u>
<b>TOTAL ASSETS</b>		<u>\$ 83,701,538</u>	<u>\$ 90,641,162</u>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		\$ 2,190,803	\$ 3,244,854
Warrant derivative <sup>(i)</sup>	5	<u>563,976</u>	<u>252,595</u>
		<u>\$ 2,754,780</u>	<u>\$ 3,497,449</u>
<b>NON-CURRENT LIABILITIES</b>			
Convertible notes	6	\$ 22,902,470	\$ 22,944,867
Convertible note derivative <sup>(ii)</sup>	7	<u>53,104,991</u>	<u>29,817,891</u>
		<u>\$ 76,007,461</u>	<u>\$ 52,762,758</u>
<b>TOTAL LIABILITIES</b>		<u>\$ 78,762,241</u>	<u>\$ 56,260,207</u>
<b>EQUITY</b>			
Share capital	8	\$ 229,411,531	\$ 228,787,138
Equity reserve	8	23,897,328	23,635,063
Deficit		<u>(248,369,562)</u>	<u>(218,041,246)</u>
<b>TOTAL EQUITY</b>		<u>\$ 4,939,297</u>	<u>\$ 34,380,955</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$ 83,701,538</u>	<u>\$ 90,641,162</u>

Commitments – Notes 4 and 13

Subsequent Event – Note 14

**Footnotes:**

- (i) *The warrant derivative is valued at fair value in accordance with International Financial Reporting Standards ("IFRS"). There are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants or options. See Note 5.*
- (ii) *The Convertible Note Derivative is valued at fair value in accordance with IFRS. There are no circumstances in which the Corporation would be required to pay cash upon conversion of the Convertible Notes. See Note 7.*

**Midas Gold Corp.****CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**

For the three months ended March 31, 2018 and 2017

(expressed in US dollars)

	<u>Notes</u>	<u>March 31, 2018</u>	<u>March 31, 2017</u>
<b>EXPENSES</b>			
Consulting		\$ 42,426	\$ 20,909
Corporate salaries and benefits		86,298	170,141
Depreciation		78,075	234,099
Directors' fees		32,565	25,389
Exploration and evaluation	9	5,797,299	3,299,120
Office and administrative		73,178	76,885
Professional fees		18,606	29,802
Share based compensation	8	507,465	740,566
Shareholder and regulatory		106,271	121,879
Travel and related costs		24,653	23,723
<b>OPERATING LOSS</b>		<u>\$ 6,766,836</u>	<u>\$ 4,742,513</u>
<b>OTHER (INCOME) EXPENSES</b>			
Change in fair value of warrant derivative <sup>(i)</sup>	5	\$ 311,381	\$ (421,217)
Change in fair value of convertible note derivative <sup>(ii)</sup>	7	24,568,934	(4,720,726)
Finance costs	10	609,786	526,370
Foreign exchange (gain) loss		(1,880,420)	625,190
Interest income		(48,201)	(75,747)
Total other loss (income)		<u>\$ 23,561,480</u>	<u>\$ (4,066,130)</u>
<b>NET LOSS AND COMPREHENSIVE LOSS</b>		<u>\$ 30,328,316</u>	<u>\$ 676,383</u>
<b>NET LOSS PER SHARE, BASIC AND DILUTED</b>		<u>\$ 0.16</u>	<u>\$ 0.00</u>
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING, BASIC AND DILUTED</b>		<u>186,807,229</u>	<u>180,144,743</u>

**Footnotes:**

(i) The warrant derivative is valued at fair value in accordance with IFRS. There are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants or options. See Note 5.

(ii) The Convertible Note Derivative is valued at fair value in accordance with IFRS. There are no circumstances in which the Corporation would be required to pay cash upon conversion of the Convertible Notes. See Note 7.

**Midas Gold Corp.**

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**

**For the three months ended March 31, 2018 and 2017**

**(Expressed in US dollars except for number of shares)**

	Note	Share Capital		Equity Reserve	Deficit	Total
		Shares	Amount			
<b>BALANCE, January 1, 2017</b>		180,002,017	\$ 225,168,974	\$ 22,101,334	\$ (209,748,985)	\$ 37,521,323
Share based compensation	8	-	-	740,566	-	740,566
Exercise of options	8	116,250	42,287	(13,735)	-	28,552
Warrants exercised	5	28,500	17,735	-	-	17,735
Conversion of Convertible Notes	6	299,915	138,423	-	-	138,423
Net loss and comprehensive loss for the year		-	-	-	(676,383)	(676,383)
<b>BALANCE, March 31, 2017</b>		<u>180,446,682</u>	<u>\$ 225,367,419</u>	<u>\$ 22,828,165</u>	<u>\$ (210,425,368)</u>	<u>\$ 37,770,216</u>
<b>BALANCE, January 1, 2018</b>		186,356,265	\$ 228,787,138	\$ 23,635,064	\$ (218,041,248)	\$ 34,380,953
Share based compensation	8	-	-	507,465	-	507,465
Exercise of options	8	939,500	624,393	(245,200)	-	379,193
Net loss and comprehensive loss for the year		-	-	-	(30,328,316)	(30,328,316)
<b>BALANCE, March 31, 2018</b>		<u>187,295,765</u>	<u>\$ 229,411,531</u>	<u>\$ 23,897,329</u>	<u>\$ (248,369,564)</u>	<u>\$ 4,939,295</u>

**Midas Gold Corp.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
**For the three months ended March 31, 2018 and 2017**  
**(Expressed in US dollars)**

	<u>Notes</u>	<u>March 31, 2018</u>	<u>March 31, 2017</u>
<b>OPERATING ACTIVITIES:</b>			
Net loss		\$ (30,328,316)	\$ (676,383)
Adjustments for:			
Share based compensation	8	507,465	740,566
Depreciation		78,075	234,099
Accretion	6,10	609,786	526,370
Change in fair value of warrant derivative	5	311,381	(421,217)
Change in fair value of convertible note derivative	7	24,568,934	(4,720,726)
Unrealized foreign exchange loss		(1,842,797)	638,899
Interest income		(48,201)	(75,747)
Changes in:			
Trade and other receivables		4,114	(1,289)
Prepaid expenses		(50,990)	(16,652)
Trade and other payables		(1,054,050)	(517,552)
Net cash used in operating activities		<u>\$ (7,244,599)</u>	<u>\$ (4,289,632)</u>
<b>INVESTING ACTIVITIES:</b>			
Investment in exploration and evaluation assets		\$ -	\$ -
Purchase of buildings and equipment		(47,109)	-
Interest received		63,035	60,746
Net cash used in investing activities		<u>\$ 15,926</u>	<u>\$ 60,746</u>
<b>FINANCING ACTIVITIES:</b>			
Proceeds from issuance of common shares and/or warrants, net of share issue costs	5,8	\$ 379,193	\$ 41,525
Interest paid on Convertible Notes	6	(19,276)	(18,512)
Net cash provided by financing activities		<u>\$ 359,917</u>	<u>\$ 23,013</u>
Effect of foreign exchange on cash and cash equivalents		(71,945)	38,883
Net increase (decrease) in cash and cash equivalents		(6,940,701)	(4,166,990)
Cash and cash equivalents, beginning of year		18,915,423	37,180,354
<b>Cash and cash equivalents, end of year</b>		<u>\$ 11,974,722</u>	<u>\$ 33,013,364</u>
Cash		\$ 2,518,323	\$ 1,001,474
Investment savings		5,959,255	21,074,037
GIC and term deposits		3,497,145	10,937,853
<b>Total cash and cash equivalents</b>		<u>\$ 11,974,722</u>	<u>\$ 33,013,364</u>

**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2018 and 2017**  
**(Expressed in US dollars)**

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**1. Nature of Operations**

Midas Gold Corp. ("the Corporation" or "Midas Gold") was incorporated on February 22, 2011 under the Business Corporations Act of British Columbia. The Corporation was organized to locate, acquire, develop and restore mineral properties located principally in the Stibnite – Yellow Pine mining district in Valley County, Idaho. The Corporation's principal asset is the Stibnite Gold Project ("Stibnite Gold Project" or the "Project"). The Corporation currently operates in one segment, mineral exploration in the United States. The corporate office of Midas Gold is located at 890-999 West Hastings Street, Vancouver, BC, V6C 2W2, Canada.

**2. Basis of Preparation**

*a. Statement of Compliance*

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* ("IAS 34"), using accounting policies that are consistent with the International Financial Reporting Standards ("IFRS").

*b. Basis of Presentation*

These condensed consolidated interim financial statements have been prepared on the historic cost basis except for certain financial instruments, which are measured at fair value.

The preparation of these condensed consolidated interim financial statements is based on the accounting policies consistent with those applied to the consolidated financial statements of Midas Gold for the year ended December 31, 2017, except for those discussed in Note 11 related to the implementation of IFRS 9.

These condensed consolidated interim financial statements do not include all information required for full financial statements and should be read in conjunction with the consolidated financial statements of Midas Gold for the year ended December 31, 2017.

These condensed consolidated interim financial statements for the three-month periods ended March 31, 2018 and 2017 were approved and authorized for issue by the board of directors on May 9, 2018.

**3. Accounting Standards Issued but not yet Effective**

*i) Leases*

IFRS 16 – In January 2016, the IASB issued IFRS 16 – Leases ("IFRS 16") which replaces IAS 17 – Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019. The Corporation is currently considering the impact of the standard on its future consolidated financial statements.

**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2018 and 2017**  
**(Expressed in US dollars)**

**4. Exploration and Evaluation Assets**

At March 31, 2018 and December 31, 2017, the Corporation's exploration and evaluation assets at the Stibnite Gold Project were as follows:

	<b>December 31, 2017</b>		<b>Additions</b>		<b>March 31, 2018</b>
<b>Acquisition Costs</b>					
Interest on notes payable	\$ 116,546	\$	-	\$	116,546
Mineral claims	83,262,757		-		83,262,757
Royalty interest	1,026,750		-		1,026,750
Sale of royalty interest	(13,548,460)		-		(13,548,460)
<b>Balance</b>	<b>\$ 70,857,593</b>	\$	<b>-</b>	\$	<b>70,857,593</b>

At December 31, 2017, the Corporation's exploration and evaluation assets at the Stibnite Gold Project were as follows:

	<b>December 31, 2016</b>		<b>Additions</b>		<b>December 31, 2017</b>
<b>Acquisition Costs</b>					
Interest on notes payable	\$ 116,546	\$	-	\$	116,546
Mineral claims	82,887,467		375,290		83,262,757
Royalty interest	1,026,750		-		1,026,750
Sale of royalty interest	(13,548,460)		-		(13,548,460)
<b>Balance</b>	<b>\$ 70,482,302</b>	\$	<b>595,548</b>	\$	<b>70,857,593</b>

**Summary**

The Corporation acquired title to the Stibnite Gold Project through several transactions. All title is held at 100% through patented and unpatented mineral and mill site claims, except the Cinnabar claims which are held under an option to purchase agreement, and all of the Stibnite Gold Project is subject to a 1.7% net smelter returns royalty.

The Cinnabar claims are subject to an option agreement amendment dated December 1, 2016, whereby on payment of \$100,000 on or before May 1, 2017 and \$40,000 per year for five years paid on each December 1 beginning in 2017, the Corporation has the option to own 100% of the Cinnabar claim group. At the end of the five years, rather than purchase the Cinnabar claim group the Corporation has the option to extend the agreement for an additional 15 years, with annual payments each year on December 1<sup>st</sup> as follows: 2022 – 2026: \$25,000; 2027 – 2031: \$30,000; and 2032 – 2037: \$35,000. As at March 31, 2018, \$790,000 had been paid to date on the amended option agreement and original option agreement, dated May 3, 2011, which gives the Corporation the option to acquire the property at no further cost. At completion of the amended option agreement, the Corporation will have paid \$950,000 in total related to the claims.

**Title**

Although the Corporation has taken steps to verify title to the properties in which it has an interest and, in accordance with industry standards for properties in the exploration stage, these procedures do not guarantee the Corporation's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory requirements.



**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
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**(Expressed in US dollars)**

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**5. Warrant Derivative**

The exercise price of certain warrants is denominated in Canadian dollars; however, the functional currency of the Corporation is the US Dollar. As a result of this difference in currencies, the proceeds that will be received by the Corporation are not fixed and will vary based on foreign exchange rates and the warrants are a derivative and are required to be recognized and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as a non-cash gain or loss in the consolidated statement of net loss and comprehensive loss. Upon exercise, the holders will pay the Corporation the respective exercise price for each warrant exercised in exchange for one common share of Midas Gold and the fair value at the date of exercise and the associated non-cash liability will be reclassified to share capital. The non-cash liability associated with any warrants that expire unexercised will be recorded as a gain in the consolidated statement of net loss and comprehensive loss. There are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants.

In May 2013, the Corporation issued to Franco Nevada Corporation (“Franco”) 2,000,000 share purchase warrants (“Franco Warrants”). The Franco Warrants are exercisable into 2,000,000 common shares of the Corporation at C\$1.23 per warrant. The Franco Warrants contain a mandatory conversion feature which requires Franco to exercise 100% of the outstanding warrants if, at any time, the volume weighted average trading price of Midas Gold’s common shares is equal to or greater than C\$3.23 for a period of 30 consecutive trading days. The Franco Warrants expire on May 9, 2023.

In May 2015, the Corporation issued 9,562,095 share purchase warrants (“2015 Warrant(s)”) as part of a private placement of Units (“2015 Unit(s)”). Each 2015 Unit consisted of one Share and one-half of one 2015 Warrant. Each 2015 Warrant entitled the holder to purchase one Share at a price of C\$0.60 until May 20, 2017. The balance of these warrants was either exercised or expired during the previous year.

A reconciliation of the change in fair values of the derivative is below:

	<b>FV Warrant Derivative</b>	
Balance, December 31, 2016	\$	1,855,065
Fair value of warrants exercised		(763,014)
Change in fair value of warrant derivative		(839,455)
Balance, December 31, 2017	\$	252,595
Fair value of warrants exercised		-
Change in fair value of warrant derivative		311,381
Balance, March 31, 2018	\$	563,976

The fair value of the warrants was calculated using the Black-Scholes valuation model. The weighted average assumptions used in the Black-Scholes valuation model are:

	<b>March 31, 2018</b>	<b>December 31, 2017</b>
Fair value of related warrants outstanding	\$0.28	\$0.13
Risk-free interest rate	2.0%	1.9%
Expected term (in years)	3.1	3.4
Expected share price volatility	66%	65%

**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2018 and 2017**  
**(Expressed in US dollars)**

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**6. Convertible Notes**

On March 17, 2016, the Corporation issued unsecured convertible notes (the “Convertible Notes”) for gross proceeds of \$38.5 (C\$50.0) million. The Convertible Notes bear interest at a rate of 0.05% per annum, payable annually in cash or common shares (at the Corporation’s election) or added to the principal and payable on maturity, and have a maturity date of March 17, 2023. On the maturity date, the outstanding principal amount of the Convertible Notes is due and payable in cash unless converted in advance of that date. The holders of the Convertible Notes may convert any portion of their Convertible Notes at any time prior to the maturity date into common shares of the Corporation at a price of C\$0.3541 per share. If there is an equity financing completed at 95% of C\$0.3541, or below, the conversion price is adjusted downward. The Convertible Notes can be redeemed by the Corporation after four years with not more than 60-days written notice and not less than 30-days written notice when the Corporation’s common shares reach a price of C\$0.7082 or higher. Following the notice of redemption, but prior to the redemption date the holders may convert their Convertible Notes to be redeemed into common shares at the then-current conversion price.

During March of 2018 the second annual interest payment was made to note holders in cash, in the amount of \$19,276.

The Convertible Notes have been deemed to contain an embedded derivative (“Convertible Note Derivative”) relating to the conversion option. The Convertible Note Derivative was valued upon initial recognition at fair value using partial differential equation methods at \$19.8 million (Note 7). At inception, the gross proceeds of the Convertible Notes were reduced by the estimated fair value of the Convertible Note Derivative (\$19.8 million) and the transaction costs of related to the Convertible Notes (\$0.4 million) resulting in a balance of \$18.3 million. The Convertible Notes are measured at amortized cost and will be accreted to maturity over the term using the effective interest method.

The components of the Convertible Notes are summarized as follows:

	<b>Convertible Notes</b>
Balance, March 17, 2016	\$ 18,307,136
Accretion and Interest	1,675,461
Foreign exchange adjustments	(638,839)
Balance, December 31, 2016	\$ 19,343,758
Accretion and Interest Expense	2,232,310
Interest Payments	(18,512)
Conversions	(42,765)
Foreign exchange adjustments	1,430,076
Balance, December 31, 2017	\$ 22,944,867
Accretion and Interest Expense	609,786
Interest Payments	(19,276)
Foreign exchange adjustments	(632,908)
Balance, March 31, 2018	\$ 22,902,470

**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2018 and 2017**  
**(Expressed in US dollars)**

**7. Convertible Note Derivative**

The Convertible Note Derivative related to the Convertible Notes (Note 6) was valued upon initial recognition at fair value of \$19.8 million using partial differential equation methods and is subsequently re-measured at fair value at each period end through the consolidated statement of net loss and comprehensive loss. The components of the Convertible Note Derivative are summarized as follows:

	<b>Convertible Note Derivative</b>
Balance, March 17, 2016	\$ 19,771,572
Fair value adjustment	31,249,896
Foreign exchange adjustments	(1,983,632)
Balance, December 31, 2016	\$ 49,037,836
Fair value adjustment	(21,799,942)
Conversions	(95,658)
Foreign exchange adjustments	2,675,655
Balance, December 31, 2017	\$ 29,817,891
Fair value adjustment	24,568,934
Foreign exchange adjustments	(1,281,834)
Balance, March 31, 2018	\$ 53,104,991

Upon conversion of the Convertible Notes, the fair value of the Convertible Note Derivative and the carrying value of the Convertible Notes will be reclassified to share capital. There are no circumstances in which the Corporation would be required to pay any cash upon conversion of the Convertible Notes.

The fair value of the Convertible Note Derivative was calculated using partial differential equation methods. The assumptions used in the valuation model include the following, with a change in share price having the most significant impact on the valuation:

	<b>March 31, 2018</b>	<b>December 31, 2017</b>
Risk-free interest rate	2.0%	1.9%
Expected term (in years)	4.9	5.2
Share Price	C\$0.95	\$C0.59
Credit Spread	10%	10%
Implied discount on share price	37% - 26%	37% - 26%
Expected share price volatility	57%	57%

**8. Share Capital**

*a. Authorized*

Unlimited number of common shares without par value.  
 Unlimited number of first preferred shares without par value.  
 Unlimited number of second preferred shares without par value.

*b. Common Shares Issued*

In March 2016, in conjunction with the issuance of the Convertible Notes (Note 6), the Corporation issued 14,643,880 shares at a price of C\$0.3541 per common share, for gross proceeds of \$4.0 million (C\$5.2

**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
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**(Expressed in US dollars)**

**8. Share Capital (continued)**

million) and 353,007 common shares for services in relation to the issuance and transactions costs of \$0.1 million (C\$0.1 million). The net proceeds of the issuance were \$3.9 million (C\$5.0 million).

*c. Share purchase options*

Under the terms of the Corporation's Stock Option Plan, the maximum number of shares reserved for issuance under the Plan is 10% of the issued shares on a rolling basis. Options may be exercisable over periods as determined by the Board of Directors of the Corporation and the exercise price shall not be less than the five day weighted-average share price on the day preceding the award date, subject to regulatory approval. All stock options granted are subject to vesting, with one quarter vesting upon issuance and one quarter vesting on each anniversary from the date of grant.

A summary of share purchase option activity within the Corporation's share based compensation plan for the year ended December 31, 2017 and three months ended March 31, 2018 is as follows:

	Number of Options	Weighted Average Exercise Price (C\$)
Balance, December 31, 2016	11,299,000	\$ 0.85
Options granted	4,512,500	0.88
Options forfeited	(1,442,250)	2.72
Options exercised	(438,500)	0.41
Balance, December 31, 2017	13,930,750	\$ 0.68
Options granted	3,495,000	0.61
Options exercised	(939,500)	0.55
Balance, March 31, 2018	16,486,250	\$ 0.67

The number of outstanding options represents 8.8% of the issued and outstanding shares at March 31, 2018. During the three months ended March 31, 2018, the Corporation's total share based compensation was \$507,465 (2017 - \$740,566).

The fair value of options granted is estimated at the time of the grant using the Black-Scholes option pricing model, using the following weighted average assumptions:

	Three Months Ended	
	March 31, 2018	March 31, 2017
Fair value options granted	\$0.34	\$0.52
Risk-free interest rate	1.97%	1.13%
Expected term (in years)	5.0	5.0
Expected share price volatility	65%	66%
Expected dividend yield	-	-
Expected forfeiture	5%	5%

**Midas Gold Corp.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the three months ended March 31, 2018 and 2017**  
**(Expressed in US dollars)**

**8. Share Capital (continued)**

An analysis of outstanding share purchase options as at March 31, 2018 is as follows:

Range of Exercise Prices (C\$)	Options Outstanding			Options Exercisable		
	Number	Weighted Average Exercise Price (C\$)	Weighted Average Remaining Contractual Life (Years)	Number	Weighted Average Exercise Price (C\$)	Weighted Average Remaining Contractual Life (Years)
\$0.31 - \$0.46	4,104,875	\$0.39	2.26	3,566,781	\$0.40	2.19
\$0.59 - \$0.72	5,954,625	\$0.63	3.66	2,581,313	\$0.66	2.74
\$0.82 - \$0.89	5,533,750	\$0.89	3.42	3,016,875	\$0.89	3.17
\$0.92 - \$0.97	893,000	\$0.93	4.53	94,250	\$0.96	4.21
\$0.31 - \$0.97	16,486,250	\$0.67	3.3	9,259,219	\$0.64	2.7

**d. Warrants**

A summary of warrant activity for the year ended December 31, 2017 and three months ended March 31, 2018 is as follows; see also Note 5:

	Number of Warrants	Weighted Average Exercise Price (C\$)
Balance, December 31, 2016	7,645,120	\$ 0.76
Warrants exercised	(5,615,883)	0.60
Warrants expired	(29,287)	0.60
Balance December 31, 2017	2,000,000	\$ 1.23
Warrants exercised	-	-
Balance, March 31, 2018	2,000,000	\$ 1.23

**9. Exploration and Evaluation Expenditures**

The Corporation's exploration and evaluation expenditures at the Stibnite Gold Project for the three months ended March 31, 2018 and 2017 were as follows:

	Three Months Ended	
	March 31, 2018	March 31, 2017
Exploration and Evaluation Expenditures		
Consulting and labour cost	\$ 1,153,164	\$ 1,054,569
Drilling	187,492	483,218
Field office and drilling support	424,861	483,944
Engineering	1,348,840	481,145
Permitting	2,052,726	245,191
Environmental and reclamation	517,444	515,515
Legal and sustainability	112,772	35,538
<b>Exploration and Evaluation Expense</b>	<b>\$ 5,797,299</b>	<b>\$ 3,299,120</b>

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**10. Finance Costs**

The Corporation's finance costs for the three months ended March 31, 2018 and 2017 were as follows:

	Three Months Ended	
	March 31, 2018	March 31, 2017
Finance Costs		
Accretion	604,905	521,706
Interest expense	4,881	4,664
<b>Interest Expense</b>	<b>\$ 609,786</b>	<b>\$ 526,370</b>

**11. Financial Instruments**

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard became effective in the current quarter and replaces IAS 39 *Financial Instruments: Recognition and Measurement*. The Company has adopted IFRS 9 retrospectively in accordance with the standard; changes in accounting policies resulting from the adoption of IFRS 9 does not have a material impact on the Company's consolidated financial statements.

IFRS 9 largely retains the existing requirements of IAS 39 for the classification and measurement of financial liabilities, however, it eliminates the previous IAS 39 categories for financial assets held to maturity, loans and receivables and available for sale. Under IFRS 9, on initial recognition a financial asset is classified as measured at:

- Amortized cost;
- Fair Value through Other Comprehensive Income ("FVOCI") – debt investment;
- FVOCI – equity investment; or
- Fair Value through Profit or Loss ("FVTPL")

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. For financial assets measured at amortized cost, these assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

The Corporation's financial instruments consist of cash and cash equivalents, trade and other receivables, trade and other payables, Convertible Notes, Convertible Note Derivative and warrant derivative. Cash and cash equivalents and trade and other receivables previously designated as loans and receivables under IAS 39 are now classified as amortized cost under IFRS 9. The trade and other payables and convertible note are designated as other financial liabilities, which are measured at amortized cost. The Convertible Note Derivative and warrant derivatives are designated at fair value through profit or loss. The cash and cash equivalents, trade and other receivables, trade and other payables approximate their fair value due to their short-term nature.

The Corporation classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

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**11. Financial Instruments (continued)**

The three levels of the fair value hierarchy are:

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

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

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

At March 31, 2018 and December 31, 2017, the levels in the Fair Value hierarchy into which the Corporation's financial assets and liabilities are measured and recognized on the balance sheet at fair value are categorized as follows:

	<b>March 31, 2018</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Convertible Note Derivative (see Note 7) \$	-	-	\$ 53,104,991
Warrant Derivative (see Note 5)	-	-	563,977
\$	-	-	\$ 53,668,968

	<b>December 31, 2017</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Convertible Note Derivative (see Note 7) \$	-	-	\$ 29,817,891
Warrant Derivative (see Note 5)	-	-	252,595
\$	-	-	\$ 30,070,486

**12. Segmented Information**

The Corporation operates in one segment, being the exploration, evaluation and potential development of the Stibnite Gold Project. Details on a geographic basis are as follows:

	<b>March 31, 2018</b>	<b>December 31, 2017</b>
Assets by geographic segment, at cost		
Canada		
Current assets	\$ 11,778,456	\$ 18,728,779
Non-current assets	(72,720,455)	37,184
	(60,941,999)	18,765,962
United States		
Current assets	553,450	511,785
Non-current assets	144,090,088	71,363,415
	144,643,537	71,875,199
	\$ 83,701,538	\$ 90,641,162

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**13. Commitments**

a. Office Rent

The Corporation entered into various lease agreements for office and storage space. The total rent obligation over the next five years is \$259,840 with \$155,776 due within one year and \$104,064 due after one year but not more than five years.

b. Mining Claim Assessments

The Corporation currently holds mining claims on which it has an annual assessment obligation of \$235,000 to maintain the claims in good standing. The Corporation is committed to these payments indefinitely. Related to the Mining Claim Assessments is a \$168,000 bond related to the Corporation's exploration activities.

**14. Subsequent Events**

Subsequent to the end of the quarter, the Corporation announced that it has entered into an agreement with Barrick Gold Corporation ("Barrick") whereby Barrick will purchase 46,551,731 common shares of Midas Gold in a non-brokered private placement (the "Placement") at a price of C\$1.06 per share for gross proceeds of US\$38.07 million. The Placement will result in Barrick owning 19.9% of the issued and outstanding shares in Midas Gold on a post-transaction basis. Barrick's investment supports Midas Gold's continued efforts to permit the Stibnite Gold Project in order to build and operate a world class mining operation that addresses legacy environmental impacts and generates economic benefits to the local community. Closing of the Barrick financing is anticipated on or about May 15, 2018.