



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2014 AND 2013**
(Unaudited, expressed in US Dollars)

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

Unaudited, expressed in US dollars

	<u>Notes</u>	<u>June 30, 2014</u>	<u>December 31, 2013</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$ 17,820,990	\$ 14,589,264
Trade and other receivables		12,189	10,016
Prepaid expenses		133,802	142,833
		<u>\$ 17,966,981</u>	<u>\$ 14,742,113</u>
NON-CURRENT ASSETS			
Buildings and equipment		\$ 3,571,851	\$ 4,218,807
Exploration and evaluation assets	4	189,827,848	182,436,154
Reclamation bond		18,000	18,000
		<u>\$ 193,417,699</u>	<u>\$ 186,672,961</u>
TOTAL ASSETS		<u><u>\$ 211,384,680</u></u>	<u><u>\$ 201,415,074</u></u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables		\$ 2,013,239	\$ 2,240,643
Current portion of note payable		194,177	191,819
		<u>\$ 2,207,416</u>	<u>\$ 2,432,462</u>
NON-CURRENT LIABILITIES			
Long-term portion of note payable		\$ -	\$ 190,877
Warrant derivative	5	2,028,879	728,000
TOTAL LIABILITIES		<u>\$ 4,236,295</u>	<u>\$ 3,351,339</u>
EQUITY			
Share capital	6	\$ 212,649,668	\$ 203,134,630
Equity reserve	6	20,702,627	20,192,839
Deficit		(26,203,910)	(25,263,734)
TOTAL EQUITY		<u>\$ 207,148,385</u>	<u>\$ 198,063,735</u>
TOTAL LIABILITIES AND EQUITY		<u><u>\$ 211,384,680</u></u>	<u><u>\$ 201,415,074</u></u>

Commitments - Notes 4 and 10

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

Unaudited, expressed in US dollars

	Note	Three Months Ended		Six Months Ended	
		June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
EXPENSES					
Consulting		\$ 8,196	\$ 440	\$ 8,196	\$ 25,719
Directors fees		54,751	61,077	111,234	123,036
Office and administrative		136,330	74,532	209,832	153,600
Professional fees		81,198	63,337	131,728	120,565
Salaries and benefits		141,814	224,012	361,131	452,066
Share based compensation	6	50,015	444,596	196,481	1,074,501
Shareholder and regulatory		92,804	80,618	215,887	219,925
Travel and related costs		50,073	43,473	79,757	98,633
OPERATING LOSS		<u>\$ 615,181</u>	<u>\$ 992,085</u>	<u>\$ 1,314,246</u>	<u>\$ 2,268,045</u>
OTHER (INCOME) EXPENSES					
Change in fair value of warrant derivative	5	\$ (361,135)	\$ (107,000)	\$ (242,562)	\$ (107,000)
Foreign exchange (gain) loss		(227,104)	113,403	(98,905)	207,826
Interest income		(16,883)	(16,897)	(32,603)	(32,163)
Total other (income) expenses		<u>\$ (605,122)</u>	<u>\$ (10,494)</u>	<u>\$ (374,070)</u>	<u>\$ 68,663</u>
NET LOSS AND COMPREHENSIVE LOSS		<u>\$ 10,059</u>	<u>\$ 981,591</u>	<u>\$ 940,176</u>	<u>\$ 2,336,708</u>
NET LOSS PER SHARE, BASIC AND DILUTED		<u>\$ 0.00</u>	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ 0.02</u>
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING, BASIC AND DILUTED		<u>141,705,000</u>	<u>114,794,00</u>	<u>136,757,000</u>	<u>114,794,000</u>

Midas Gold Corp.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

Unaudited, expressed in US dollars except for number of shares

	Note	Issued Capital		Equity Reserve	Deficit	Total
		Shares	Amount			
BALANCE, December 31, 2012		114,794,136	\$ 193,860,089	\$ 17,941,573	\$ (21,468,168)	\$ 190,333,494
Share based compensation	6	-	-	1,740,909	-	1,740,909
Net loss and comprehensive loss for the period		-	-	-	(2,336,708)	(2,336,708)
BALANCE, June 30, 2013		<u>114,794,136</u>	<u>193,860,089</u>	<u>19,682,482</u>	<u>(23,804,876)</u>	<u>189,737,695</u>

	Note	Issued Capital		Equity Reserve	Deficit	Total
		Shares	Amount			
BALANCE, December 31, 2013		127,534,136	\$ 203,134,630	\$ 20,192,839	\$ (25,263,734)	\$ 198,063,735
Share based compensation	6	-	-	511,000	-	511,000
Shares issued in private placement	6	14,167,621	9,511,665	-	-	9,511,665
Exercise of options		3,333	3,373	(1,212)	-	2,161
Net loss and comprehensive loss for the period		-	-	-	(940,176)	(940,176)
BALANCE, June 30, 2014		<u>141,705,090</u>	<u>212,649,668</u>	<u>20,702,627</u>	<u>(26,203,910)</u>	<u>207,148,385</u>

Midas Gold Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

Unaudited, expressed in US dollars

	Three Months Ended		Six Months Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
OPERATING ACTIVITIES:				
Net loss	\$ (10,059)	\$ (981,591)	\$ (940,176)	\$ (2,336,708)
Items not affecting cash:				
Share based compensation	50,015	444,596	196,481	1,074,501
Depreciation	7,775	8,621	15,770	17,367
Change in fair value of warrant derivative	(361,135)	(107,000)	(242,562)	(107,000)
Unrealised foreign exchange (gain) loss	(144,851)	98,444	6,857	147,570
Interest income	(16,883)	(16,897)	(32,603)	(32,163)
Changes in:				
Trade and other receivables	523	7,423	(2,173)	22,697
Prepaid expenses	(7,706)	31,301	9,031	92,769
Trade and other payables	(652,088)	6,640	(299,779)	(158,027)
Net cash used in operating activities	\$ (1,134,409)	\$ (508,463)	\$ (1,289,154)	\$ (1,278,994)
INVESTING ACTIVITIES:				
Exploration and evaluation assets	(2,679,977)	(4,798,707)	\$ (6,248,509)	\$ (12,528,217)
Buildings and equipment	(3,303)	(62,815)	(108,133)	(1,249,616)
Interest received	16,883	16,897	32,603	32,163
Net cash used in investing activities	\$ (2,666,397)	\$ (4,844,625)	\$ (6,324,039)	\$ (13,745,670)
FINANCING ACTIVITIES:				
Proceeds from issuance of common shares and warrants	\$ -	\$ -	\$ 11,477,165	\$ -
Share issue costs	-	-	(419,898)	-
Proceeds from sale of royalty interest, net of issue costs	-	14,434,460	-	14,434,460
Payment of notes payable	(188,519)	(183,028)	(188,519)	(183,028)
Interest paid	(16,972)	(16,972)	(16,972)	(16,972)
Net cash provided by financing activities	\$ (205,491)	\$ 14,234,460	\$ 10,851,776	\$ 14,234,460
Effect of foreign exchange on cash	144,851	(98,444)	(6,857)	(147,570)
Net (decrease) increase in cash and cash equivalents	(3,861,446)	8,782,928	3,231,726	(937,774)
Cash and cash equivalents, beginning of period	21,682,436	9,898,153	14,589,264	19,618,855
Cash and cash equivalents, end of period	\$ 17,820,990	\$ 18,681,081	\$ 17,820,990	\$ 18,681,081
Cash	\$ 6,800,742	\$ 1,361,833	\$ 6,800,742	\$ 1,361,833
Investment Savings	11,020,248	17,319,248	11,020,248	17,319,248
Total cash and cash equivalents	\$ 17,820,990	\$ 18,681,081	\$ 17,820,990	\$ 18,681,081

Supplemental cash flow information - Note 9

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the six months ended June 30, 2014 and 2013
Unaudited, expressed in US dollars

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 and develop mineral properties located principally in the Stibnite – Yellow Pine mining district in Valley County, Idaho. The Corporation currently operates in one segment, mineral exploration in the United States. The Corporation’s common shares commenced trading on the Toronto Stock Exchange on July 14, 2011 after closing an initial public offering under a prospectus dated June 30, 2011. The corporate office of Midas Gold is located at 1250-999 West Hastings St, Vancouver, BC, V6C 2W2, Canada.

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”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee.

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, 2013.

These condensed consolidated interim financial statements do not include all of the 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, 2013, which are available at the Corporation’s website www.midasgoldcorp.com as well as under its profile on SEDAR at www.sedar.com.

These condensed consolidated interim financial statements for the three and six month periods ended June 30, 2014 and 2013 were approved and authorized for issue by the board of directors on July 31, 2014.

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
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3. Accounting Standards Issued but not yet Effective

IFRS 9 - New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets and financial liabilities. IFRS 9 will be effective no earlier than 2018. The Corporation is assessing the potential impact, if any, of this standard on its consolidated financial statements.

Effective January 1, 2014, the Corporation adopted the below standards and there was no material impact on the consolidated financial statements:

- (i) IFRIC 21 - is an interpretation on IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, with respect to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event. The interpretation clarifies that the obligating event is the activity described in the relevant legislation that triggers the payment of the levy;
- (ii) IAS 36 - The IASB published amendments to the disclosures required by IAS 36, when the recoverable amount is determined based on fair value less costs of disposal; and
- (iii) IAS 32 – The IASB published amendments to IAS 32 to provide clarifications on the requirements for offsetting financial assets and financial liabilities to the balance sheet.

Midas Gold Corp.
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4. Exploration and Evaluation Assets

At June 30, 2014 and December 31, 2013, the Corporation's exploration and evaluation assets at the Golden Meadows Project were as follows:

	As at December 31, 2013	Additions	As at June 30, 2014
Acquisition Costs			
Interest on notes payable	\$ 105,954	\$ 4,782	\$ 110,736
Mineral claims	81,593,436	100,000	81,693,436
Royalty interest	1,026,750	-	1,026,750
Sale of royalty interest	(13,548,460)	-	(13,548,460)
Exploration and Evaluation Expenditures			
Consulting and labour cost	26,368,269	2,165,371	28,533,640
Drilling	37,481,570	-	37,481,570
Field office and drilling support	25,998,441	1,453,140	27,451,581
Engineering	8,695,508	2,003,253	10,698,761
Environmental and sustainability	9,810,353	1,642,645	11,452,998
Geochemistry and geophysics	4,681,092	9,412	4,690,504
Prepaid exploration and evaluation	223,241	13,091	236,332
Balance	\$ 182,436,154	7,391,694	\$ 189,827,848

	As at December 31, 2012	Additions	As at December 31, 2013
Acquisition Costs			
Interest on notes payable	\$ 92,187	\$ 13,767	\$ 105,954
Mineral claims	81,298,976	294,460	81,593,436
Royalty interest	1,026,750	-	1,026,750
Sale of royalty interest	-	(13,548,460)	(13,548,460)
Exploration and Evaluation Expenditures			
Consulting and labour cost	19,727,095	6,641,174	26,368,269
Drilling	32,341,086	5,140,484	37,481,570
Field office and drilling support	19,871,896	6,126,545	25,998,441
Engineering	5,623,972	3,071,536	8,695,508
Environmental and sustainability	6,306,600	3,503,753	9,810,353
Geochemistry and geophysics	4,149,460	531,632	4,681,092
Prepaid exploration and evaluation	340,500	(117,259)	223,241
Balance	\$ 170,778,522	\$ 11,657,632	\$ 182,436,154

Midas Gold Corp.
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4. Exploration and Evaluation Assets (continued)

Summary

The Corporation acquired title to the Golden Meadows Project through several transactions. All title is held at 100% through patented and unpatented mineral claims, except the Cinnabar claims which are held under an option to purchase agreement, and all of the Golden Meadows Project is subject to the Franco-Nevada royalty described below. During 2012, the Corporation completed the acquisition of the patented Yellow Pine claims through the payment of its final option payment of \$100,000 in accordance with the Option to Purchase Agreement dated November 7, 2003; in total, the Corporation paid \$1,000,000.

The Cinnabar claims are subject to an option agreement dated May 3, 2011, whereby on payment of \$150,000 on signing and \$100,000 per year for six years paid on the anniversary of signing, the Corporation has the option to own 100% of the Cinnabar claim group. As at June 30, 2014, three payments of \$100,000 remain outstanding and \$450,000 has been paid to date. At completion of the option agreement the Corporation would have paid \$750,000.

Title

Although the Corporation has taken steps to verify title to the properties in which it has an interest 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.

Sale of Royalty Interest

On May 9, 2013, Midas Gold entered into an agreement with Franco-Nevada Corporation ("Franco-Nevada") whereby for gross proceeds of \$15,000,000 Franco-Nevada was granted a perpetual 1.7% net smelter returns royalty on any future gold production from the Golden Meadows Property and 2,000,000 share purchase warrants that are exercisable into 2,000,000 common shares of Midas Gold. The royalty is collateralized by a mortgage over the claims that are subject to the royalty. The warrants have an exercise price of C\$1.23 and expire in ten years. Midas Gold has a one-time right to repurchase one third of the royalty for \$9,000,000 before May 9, 2016. The Corporation incurred costs of \$565,540 associated with this transaction.

A value of \$886,000 was assigned to the warrants at the date of the transaction and has been recorded as a warrant derivative (Note 5). After determining the value of the warrants, the residual proceeds of \$13,548,460, net of transaction costs, have been offset against exploration and evaluation assets.

5. Warrant Derivative

The exercise price of the certain warrants and finder's options are 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. Warrants and finder's options with an exercise price denominated in a currency that is different from the entity's functional currency 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 statement of net loss and comprehensive loss. However, there are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants or Finder's Options.

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5. Warrant Derivative (continued)

On May 9, 2013, the Corporation issued 2,000,000 share purchase warrants to Franco-Nevada (Note 4). The warrants are exercisable into 2,000,000 common shares of the Corporation at C\$1.23 per warrant. The warrants contain a mandatory conversion feature which requires Franco-Nevada 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 warrants expire on May 9, 2023.

In March 2014, the Corporation issued 7,083,810 share purchase warrants as part of a private placement of units (Note 6). Each share purchase warrant entitles the holder to purchase one common share of the Corporation at a price of C\$1.20 for a period of two years. These and the Franco-Nevada warrants are considered to be a derivative and are required to be recognized and measured at fair value at each reporting period.

In March 2014, the Corporation issued 410,750 finder's options ("Finder's Options") as a part of a private placement of units ("Unit") (Note 6). Each Unit consists of one common share in the capital of the Corporation (a "Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder to acquire one additional common share of the Corporation at a price per Warrant Share of C\$1.20 for a period of two years. Each Finder's Option entitles the holder to acquire one Unit of the Corporation at a price of C\$0.99 for a period of two years. The Finder's Options are considered to be a derivative and are required to be recognized and measured at fair value at each reporting period.

Upon exercise of the warrants or Finder's Options, the warrant or Finder's Option holders will pay the Corporation the respective exercise price for each warrant or Finder's Option exercised in exchange for one common share or one Unit of Midas Gold. Any warrants or Finder's Options exercised will be measured at 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 or Finder's Options that expire unexercised will be recorded as a gain in the statement of net loss and comprehensive loss.

A reconciliation of the change in fair value of the warrant derivative is below:

	Warrant Derivative
Balance, December 31, 2013	\$ 728,000
Value of warrants issued	1,411,562
Value of finder's options issued	131,879
Change in fair value of warrant derivative	(242,562)
Balance, June 30, 2014	\$ 2,028,879

The fair value of the warrants and Finder's Options were calculated using a Black-Scholes valuation model. The weighted average assumptions used by the Black-Scholes valuation model are:

	June 30,	December 31,
	2014	2013
Fair value warrants granted	\$0.22	\$0.39
Risk-free interest rate	1.3%	2.8%
Expected term (in years)	2.8	7.4
Expected share price volatility	64.0%	64.0%

Midas Gold Corp.
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6. 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. Issued during the six months ended June 30, 2014

Shares Issued for Cash

In March 2014, the Corporation closed a non-brokered private placement in two tranches for an aggregate of 14,167,621 Units at a price of C\$0.90 per Unit, for gross proceeds of C\$12.8 million (\$11.5 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\$1.20 for a period of two years. The net proceeds of C\$12.1 million (\$10.9 million) were distributed between the common shares, C\$10.5 million (\$9.5 million), and warrants, C\$1.6 million (\$1.4 million), based on their relative fair values.

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

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 of up to five years as determined by the Board of Directors of the Corporation and the exercise price shall not be less than the closing price of the shares on the day preceding the award date, subject to regulatory approval. All stock options granted are subject to vesting, with one third vesting upon issuance and one third 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, 2013 and the six months ended June 30, 2014 is as follows:

	Number of Options	Weighted Average Exercise Price (C\$)
Balance, December 31, 2012	9,510,000	\$ 2.85
Options granted	1,090,000	0.79
Options forfeited	(505,000)	2.92
Balance, December 31, 2013	10,095,000	\$ 2.62
Options granted	1,352,000	0.72
Options exercised	(3,333)	0.71
Balance, June 30, 2014	11,443,667	\$ 2.40

Midas Gold Corp.
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Unaudited, expressed in US dollars

6. Share Capital (continued)

c. Share purchase options (continued)

During the six months ended June 30, 2014, the Corporation allocated \$314,519 (2013 - \$666,408) to exploration and evaluation assets and \$196,481 (2013 - \$1,074,501) to share based compensation expense on the vesting of share purchase options and warrants.

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:

	Six Months Ended	
	June 30, 2014	June 30, 2013
Fair value options granted	\$0.38	\$0.38
Risk-free interest rate	1.43%	1.40%
Expected term (in years)	5.0	5.0
Expected share price volatility ⁽¹⁾	62%	62%
Expected dividend yield	-	-
Expected forfeiture	5%	5%

⁽¹⁾ Volatility was based on the historical volatility of the Corporation's publicly traded shares.

An analysis of outstanding share purchase options as at June 30, 2014 is as follows:

Weighted Average Exercise Price (C\$)	Options Outstanding		Options Exercisable		Expiry Date
	Number	Remaining Contractual Life (Years)	Number	Remaining Contractual Life (Years)	
\$ 2.50	6,210,000	1.8	6,210,000	1.8	Apr-18-2016
3.25	910,000	1.9	910,000	1.9	Jun-06-2016
3.76	450,000	2.2	450,000	2.2	Sep-26-2016
4.10	350,000	2.4	350,000	2.4	Dec-7-2016
3.95	450,000	2.5	450,000	2.5	Jan-4-2017
3.50	170,000	2.8	170,000	2.8	Mar-30-2017
3.10	250,000	3.2	166,667	3.2	Sep-7-2017
3.10	285,000	3.3	190,000	3.3	Oct-9-2017
0.71	516,667	3.9	170,000	3.9	May-22-2018
0.89	500,000	4.1	166,667	4.1	July-31-2018
0.72	1,344,000	4.5	448,000	4.5	Jan-8-2019
0.95	8,000	4.6	2,667	4.6	Feb-3-2019
\$ 2.40	11,443,667	2.5	9,684,001	2.2	

Midas Gold Corp.
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6. Share Capital (continued)

c. Share purchase options (continued)

A summary of Finder's Options activity for the six months ended June 30, 2014:

	Number of Finder's Options	Weighted Average Exercise Price (C\$)
Balance, December 31, 2013	-	\$ -
Options granted	410,750	0.99
Balance, June 30, 2014	410,750	\$ 0.99

An analysis of outstanding Finder's Options as at June 30, 2014 is as follows:

Weighted Average Exercise Price (C\$)	Outstanding and Exercisable	Remaining Contractual Life (Years)	Expiry Date
\$ 0.99	371,250	1.7	Mar-4-2016
0.99	39,500	1.7	Mar-7-2016
\$ 0.99	410,750	1.7	

A summary of warrant activity for the year ended December 31, 2013 and the six months ended June 30, 2014:

	Number of Warrants	Weighted Average Exercise Price (C\$)
Balance, December 31, 2012	1,333,334	\$ 0.48
Warrants granted	2,000,000	1.23
Balance, December 31, 2013	3,333,334	\$ 0.93
Warrants granted	7,083,810	1.20
Balance, June 30, 2014	10,417,144	\$ 1.11

An analysis of outstanding share purchase warrants as at June 30, 2014 is as follows:

Weighted Average Exercise Price (C\$)	Warrants Outstanding and Exercisable	Remaining Contractual Life (Years)	Expiry Date
\$ 0.48	1,333,334	1.6	Feb-14-2016
1.20	6,588,810	1.7	Mar-4-2016
1.20	495,000	1.7	Mar-7-2016
1.23	2,000,000	8.9	May-9-2023
\$ 1.13	10,417,144	3.1	

Midas Gold Corp.
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7. Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, trade and other receivables, trade and other payables, notes payable and warrant derivative. Cash and cash equivalents and trade and other receivables are designated as loans and receivables, which are measured at amortized cost. The trade and other payables and notes payable are designated as other financial liabilities, which are measured at amortized cost. The warrant derivative is designated at fair value through profit and loss. The cash and cash equivalents, trade and other receivables and 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:

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.

The warrant derivative is classified at level 2.

8. Segmented Information

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

	June 30, 2014	December 31, 2013
Assets by geographic segment, at cost		
Canada		
Current assets	\$ 17,656,777	\$ 14,514,112
Non-current assets	34,628	50,398
	<u>17,691,405</u>	<u>14,564,510</u>
United States		
Current assets	310,204	228,001
Non-current assets	193,383,071	186,622,563
	<u>193,693,275</u>	<u>186,850,564</u>
	<u>\$ 211,384,680</u>	<u>\$ 201,415,074</u>

Midas Gold Corp.
Notes to Condensed Consolidated Interim Financial Statements
For the six months ended June 30, 2014 and 2013
Unaudited, expressed in US dollars

9. Supplemental Cash flow Information

Non-cash financing and investing activities	Six Months Ended	
	June 30, 2014	June 30, 2013
Share based compensation included in exploration and evaluation assets	\$ 314,519	\$ 666,408
Depreciation capitalized in exploration and evaluation assets	\$ 671,644	\$ 679,624
Transfer of equity reserve upon exercise of options	\$ 1,212	\$ -

The Corporation maintains the majority of its cash in US dollars as this is the currency the majority of expenditures are expected to be made in. Cash and cash equivalents are comprised of the following:

	June 30, 2014	December 31, 2013
Cash and cash equivalents – Held in Canadian dollars	\$ 2,141,993	\$ 5,576,038
Cash and cash equivalents – Held in US dollars	15,678,997	9,013,226
	\$ 17,820,990	\$ 14,589,264

10. Commitments

a. Office Rent

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

	June 30, 2014		
	Within one year	After one year but not more than five years	Total
Minimum rental payments	290,838	379,168	670,006

b. Mining Claim Assessments

The Corporation currently holds mining claims on which it has an annual assessment obligation of \$195,000 in order to maintain the claims in good standing. The Corporation is committed to these payments indefinitely.