

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Perpetua Resources Corp. (formerly Midas Gold Corp.)		None	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Jessica Largent	+1 (208) 901-3060	info@midasgoldinc.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
Suite 201 - 405 S 8th Street		Boise, ID 83702	
<b>8</b> Date of action		<b>9</b> Classification and description	
January 27, 2021		Common Shares	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
714266103	N/A	TSX: PPTA; NASDAQ: PPTA	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On January 27, 2021, Midas Gold Corp. ("Midas") undertook a reverse stock split (share consolidation) whereby it consolidated every ten (10) existing common shares into one (1) new common share (the "Consolidation"). No shareholders received a fractional common share, as each fractional common share of 0.5 or greater was rounded up to the next highest whole common share and each fractional common share of less than 0.5 was cancelled. No cash was received by any shareholder in lieu of a fractional common share. Subsequent to the Consolidation, Midas changed its name to Perpetua Resources Corp.

The Consolidation is described in further detail in the Midas press release ("Release") dated as of January 27, 2021, which is available at www.sedar.com. Shareholders should review the Release and consult their own tax advisors regarding the U.S. federal income tax consequences of the Consolidation.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See Schedule A.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ While the per-share tax basis is impacted, the tax basis of each shareholder's total investment remains the same. The post-Consolidation per-share tax basis is equal to the pre-Consolidation aggregate tax basis in each ten (10) common shares held. This results in an increased per-share basis for the fewer number of common shares held, as adjusted for any whole common share received in lieu of a fractional common share.

**Part II Organizational Action** *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► Midas believes that the Consolidation should be treated as a tax-deferred reverse stock split (share consolidation). Provided the Consolidation qualifies as a tax-deferred reverse stock split, the U.S. federal income tax consequences of the Consolidation to Midas shareholders should be determined under Code Sections 305(a), 307(a), 358(b)(1), 897, 1036 and 368(a)(1)(E).

**18** Can any resulting loss be recognized? ► Provided the Consolidation constitutes a non-taxable transaction, shareholders who received solely one (1) new common share in exchange for ten (10) existing common shares of Midas should not recognize any loss.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► In general, any gain or loss should be reported by shareholders for the tax year which includes January 27, 2021 (e.g., a calendar year shareholder would report the transaction on his or her federal income tax return for the 2021 calendar year).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** Signature ► /s/ Darren Morgans Date ► 03/11/2021

Print your name ► Darren Morgans Title ► CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>John Hollinrake</u>	<u>/s/ John Hollinrake</u>	<u>03/11/2021</u>		<u>P01568530</u>
	Firm's name ► <u>Dorsey &amp; Whitney LLP</u>	Firm's EIN ► <u>41-0223337</u>		Phone no. <u>(206) 903-8812</u>	
	Firm's address ► <u>Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, WA 98104</u>				

**SCHEDULE A**  
**PERPETUA RESOURCES CORP. IRS FORM 8937**  
**PERTAINING TO SECTION 15**

The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that might apply to particular categories of shareholders.

Midas believes that the exchange by the Midas shareholders of the existing common shares for new common shares will properly be treated for U.S. federal income tax purposes as a tax-deferred exchange either under Section 1036 or Section 368(a)(1)(E) of the Code. As a result of the Consolidation, shareholders will be required to allocate the aggregate tax basis to each block of their common shares held immediately prior to the Consolidation among the common shares held immediately after the Consolidation, as adjusted for any whole common share received in lieu of a fractional common share, such that the per-share tax basis in each common share is equal to 1000% of the tax basis in a pre-Consolidation common share, as adjusted for any whole common share received in lieu of a fractional common share.

Midas is classified as a U.S. domestic corporation under Section 7874(b) of the Code and Midas believes that it is a United States real property holding corporation under Section 897 of the Code. Midas also believes that it satisfied the “regularly traded exception” under Section 897(c)(3) of the Code at the time of the Consolidation. Shareholders who are not U.S. persons under Section 7701(a)(30) of the Code and have held more than 5% of the common shares of Midas at any time within the prior five years are subject to special rules under Section 897 of the Code and should consult with their own tax advisors with respect to such rules.

Shareholders should review the Release and consult their own tax advisors regarding the U.S. federal income tax consequences of the Consolidation.