



**MIDWAY GOLD**



## BUILDING BUSINESS IN NEVADA

SEPTEMBER 2013

NYSE MKT: **MDW** // TSX: **MDW** // [MIDWAYGOLD.COM](http://MIDWAYGOLD.COM) // 720.979.0900

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Cautionary note to U.S. investors concerning estimates of reserves and resources: This presentation and the technical reports referred to in this presentation use the terms "resource", "reserve", "measured resources", "indicated resources" and "inferred resources", which are terms defined under Canadian National Instrument 43-101 and the Canadian Institute of Mining and Metallurgy Classification system. Estimates of mineral resources in this presentation and in the technical reports referred to in this presentation have been prepared in accordance with NI 43-101 and such definitions differ from the definitions in U.S. Securities and Exchange Commission ("SEC") Industry Guide 7. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary

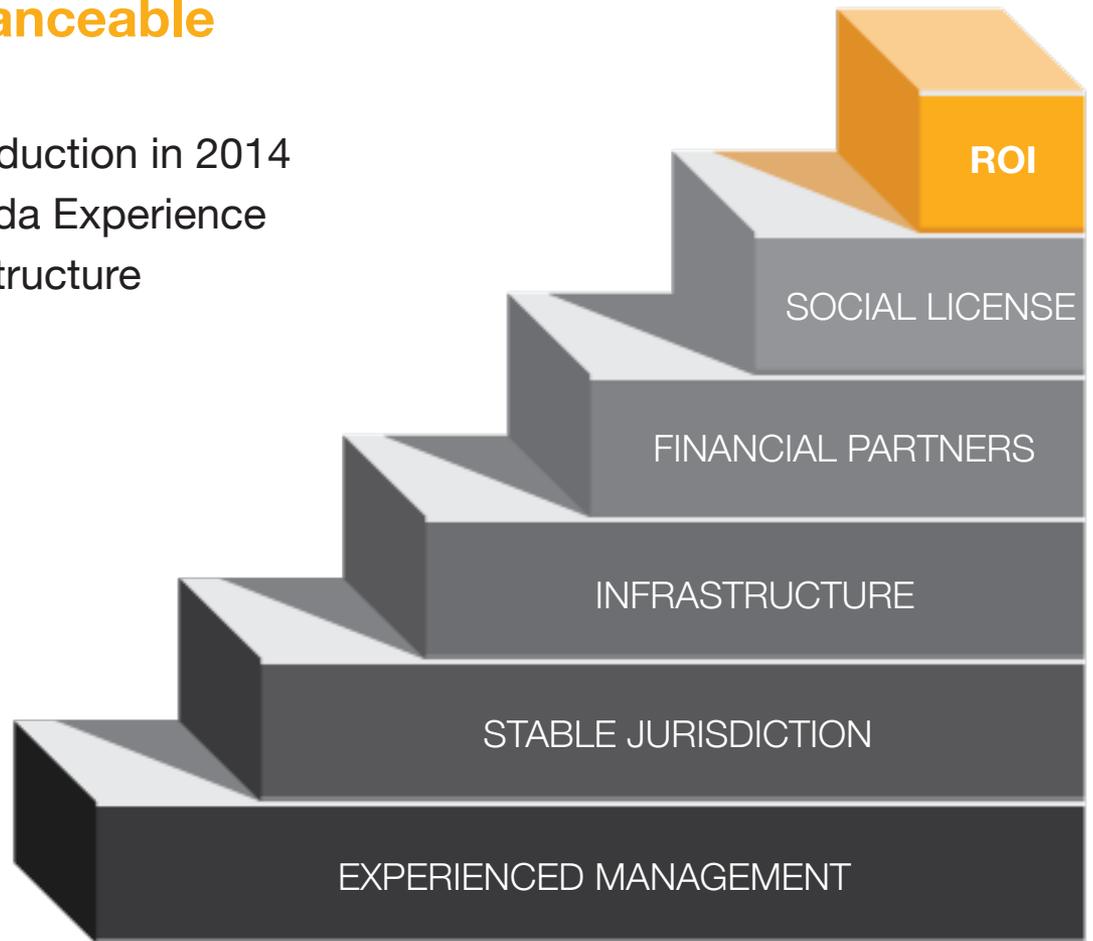
environmental analysis or report must be filed with the appropriate governmental authority. Mineral resources are not mineral reserves and do not have demonstrated economic viability. We advise investors that while those terms are recognized and required by Canadian regulations, the SEC does not recognize them. 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 as defined in the SEC's Guide 7. In addition, "inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. U.S. investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally minable. 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. It cannot be assumed that all or any part of mineral deposits in any of the above categories will ever be upgraded to Guide 7 compliant reserves. Accordingly, disclosure in this presentation and in the technical reports referred to in this presentation may not be comparable to information from U.S. companies subject to the reporting and disclosure requirements of the SEC.

# MIDWAY – FOCUSED ON FUNDAMENTALS



## Simple, Manageable, Financeable

- Bringing 1 M oz Project to Production in 2014
- Management with Major Nevada Experience
- Nevada = Jurisdiction & Infrastructure
- Strong Cash Position



# NEVADA - LOCATION ADVANTAGE



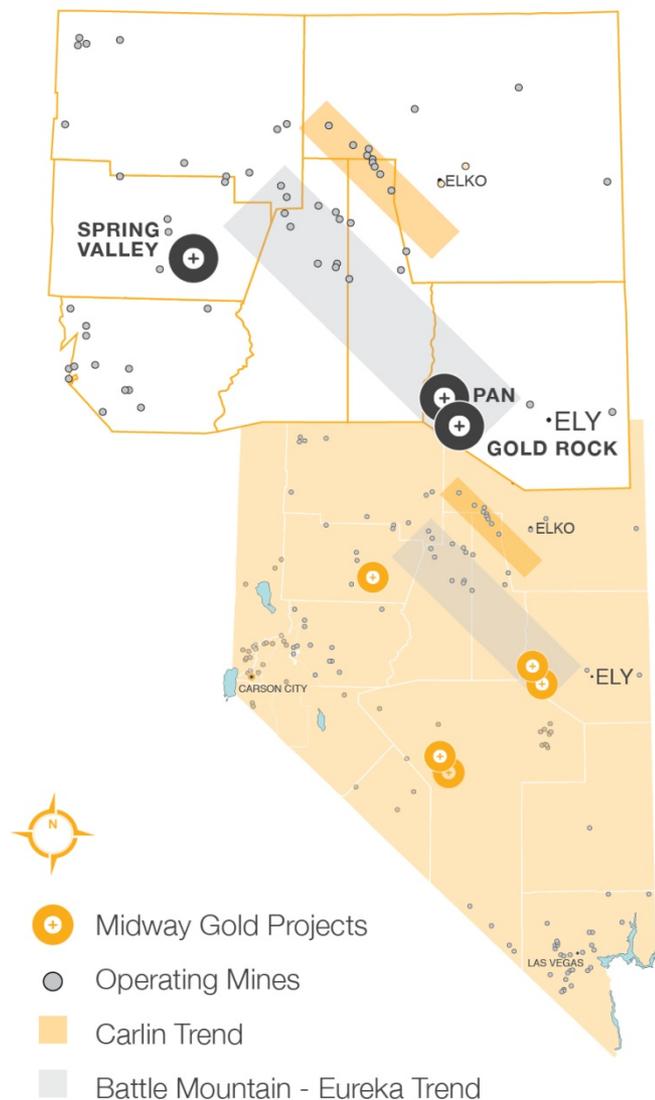
## Mines in Nevada Make Money

### EXISTING INFRASTRUCTURE

- Decreases Capital Requirements
- Lowers Operating Costs
- Reduces Lead Time to Production

### TOP 10 MINING JURISDICTION

- Nevada Produces 80% of US Gold
- Major Mining Companies have Huge Assets in Nevada
- Low Geopolitical Risk



# NEVADA – WE’VE BEEN HERE BEFORE



## Ken Brunk

*Chairman, President and CEO*

- +40 Years Proven Mining Experience
- Former Newmont Senior Vice President
- Managed development of +25 mines
- Managed build out of the Carlin Trend

## Rick Moritz

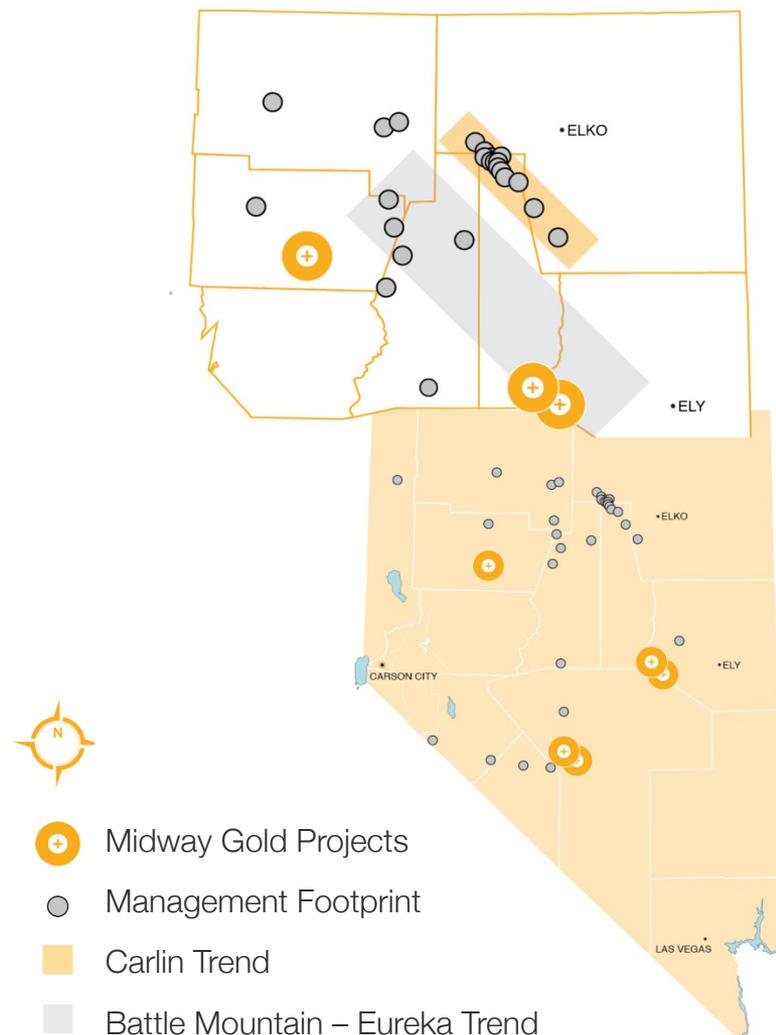
*Senior Vice President of Operations*

- +30 Years Proven Mining

## Grant Shelton

*Vice President of Projects*

- +40 Years Proven Mining



# PAN – A GREAT 1<sup>ST</sup> PROJECT



## Production Expand From Cash Flow

- Start simple, manageable, financeable
- Drill to a million ounces
- Develop a mine plan
- Get project permitted

### Produce at Pan in 2014

RESERVE & RESOURCE SUMMARY								
RESOURCES <sup>(1)</sup>	TONNES	GRADE	CONTAINED		RESERVES <sup>(2)</sup>	TONNES	GRADE	CONTAINED
	('000s)	(g/t)	('000s oz)			('000s)	(g/t)	('000s oz)
<b>Measured</b>	36,920	0.49	579		<b>Proven</b>	25,245	0.60	487
<b>Indicated</b>	43,118	0.40	551		<b>Probable</b>	23,067	0.51	377
<b>M&amp;I</b>	80,037	0.44	<b>1,130</b>		<b>P&amp;P</b>	48,311	0.56	<b>864</b>
<b>Inferred</b>	3,928	<b>0.36</b>	45		<i>P&amp;P Reserves are included in the M&amp;I Resources</i>			

<sup>(1)</sup> Resources as per Independent NI 43-101 Updated Resource Technical Report by Gustavson Associates, LLC (October, 2011). Assumes cutoff grade of 0.14 g/t

<sup>(2)</sup> Reserves as per Independent NI 43-101 compliant Feasibility Study by Gustavson Associates, LLC (November, 2011). Assumes gold price of US\$1,200/oz and cutoff grade of 0.27 g/t (South Pan) and 0.21 g/t (North Pan)

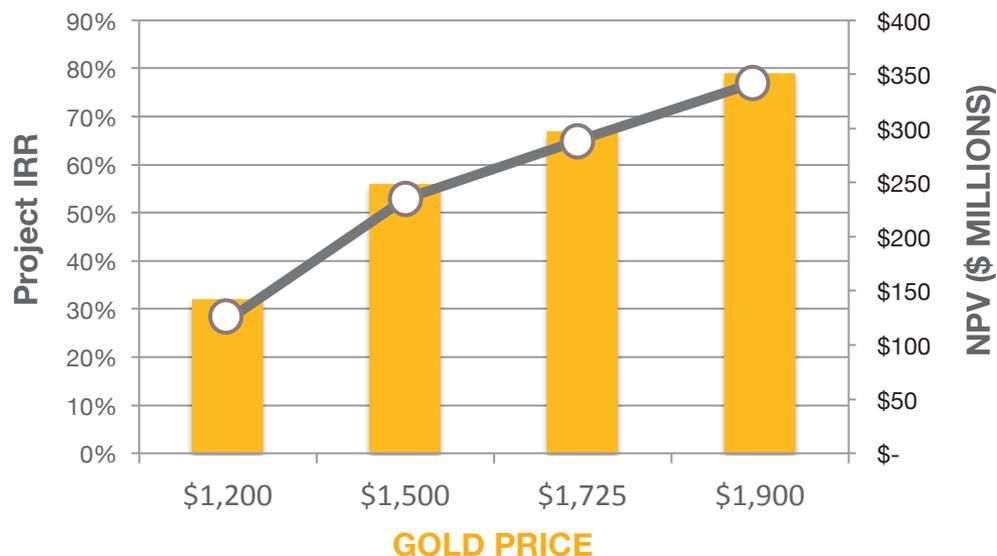
# PAN - SIMPLE | FOCUSED ON RETURNS



## November 2011 Feasibility (1)

PROJECT PARAMETERS	
Project Capex <sup>(2)</sup>	<b>\$99 M</b>
Mine Life	<b>9 years</b>
Life-Of-Mine Production (recovered)	<b>648,800oz</b>
Avg. Annual Production	<b>81,000oz</b>
Total Cash Cost <sup>(3)</sup>	<b>\$585/oz</b>
Fully Loaded, All-In Cost <sup>(4)</sup>	<b>\$824/oz</b>
Average Gold Recovery	<b>75%</b>

AFTER TAX PROJECT ECONOMICS				
Gold Price	<b>\$1,200/oz</b>	<b>\$1,550/oz</b>	<b>\$1,725/oz</b>	<b>\$1,900/oz</b>
NPV <sub>5%</sub>	<b>\$123M</b>	<b>\$235M</b>	<b>\$290M</b>	<b>\$344M</b>
IRR	<b>32%</b>	<b>56%</b>	<b>67%</b>	<b>79%</b>
Payback	<b>2.6 yrs</b>	<b>1.7 yrs</b>	<b>1.4yrs</b>	<b>1.2yrs</b>



- (1) As per Independent NI 43-101 compliant Feasibility Study by Gustavson Associates, LLC (November, 2011)
- (2) Includes \$8.2 mm of working capital and \$6.8 mm contingency
- (3) Includes royalties, state tax and 5% contingency
- (4) Includes total cash cost, initial capital and sustaining capital costs

# PAN – COMPETITIVE PER TON METRICS



OPERATING COSTS		
Description	US \$ Per ton of ore	US \$ Per oz of gold
Mining	2.78	227.97
Processing	2.58	211.82
G & A	0.37	30.49
Production Taxes	0.52	42.99
Royalties	0.58	48.00
Contingency – 5%	0.29	23.51
<b>Total Operating Cost</b>	<b>\$7.12</b>	<b>\$584.78</b>



# PAN – CURRENTLY WELL-FUNDED



## Evaluating Next Phase of Financing

### WE HAVE OPTIONS

- + Equity Piece in Place First-December 2012
- + Solid Cash Position
- + Strong Interest from Several Traditional Banks



Cat 777G 100 Ton Truck



Cat 992K Loader

VERY FINANCEABLE PROJECT	
Mine Equipment	\$29.5 M
Processing Plant	\$35.8 M
Infrastructure	\$14.1 M
Owners Costs	\$4.8 M
Working Capital	\$8.2 M
Contingency	\$6.8 M
<b>Total</b>	<b>\$99 M</b>

# PAN – FACILITIES LAYOUT



## Focus on Costs

### OPEN PIT

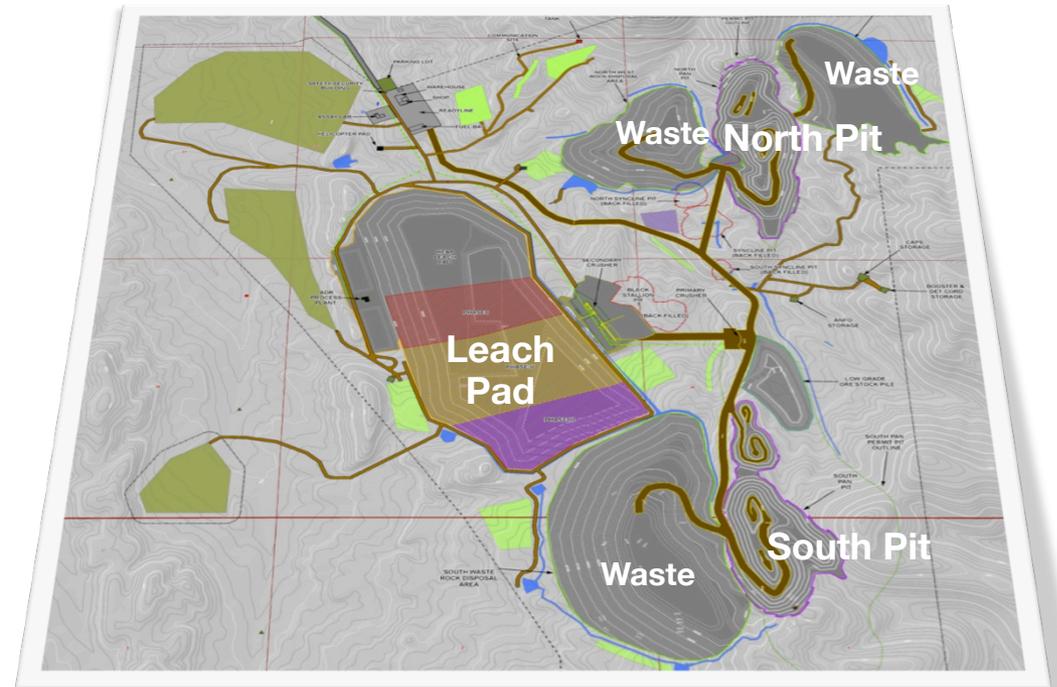
- Ore Starts at Surface
- No Pre-Strip
- <1:1 Strip in Payback
- Low 1.8:1 LOM Strip Ratio

### REDUCE FUEL SENSITIVITY

- Short Hauls
- 60% of Hauls Downhill
- Shallow Pits

### PLAN FOR EXPANSION

- Permitting for 2X the Current Operation
- Leach Pad Design Accounts for Growth



# PAN – PROCESS FLOW SHEET



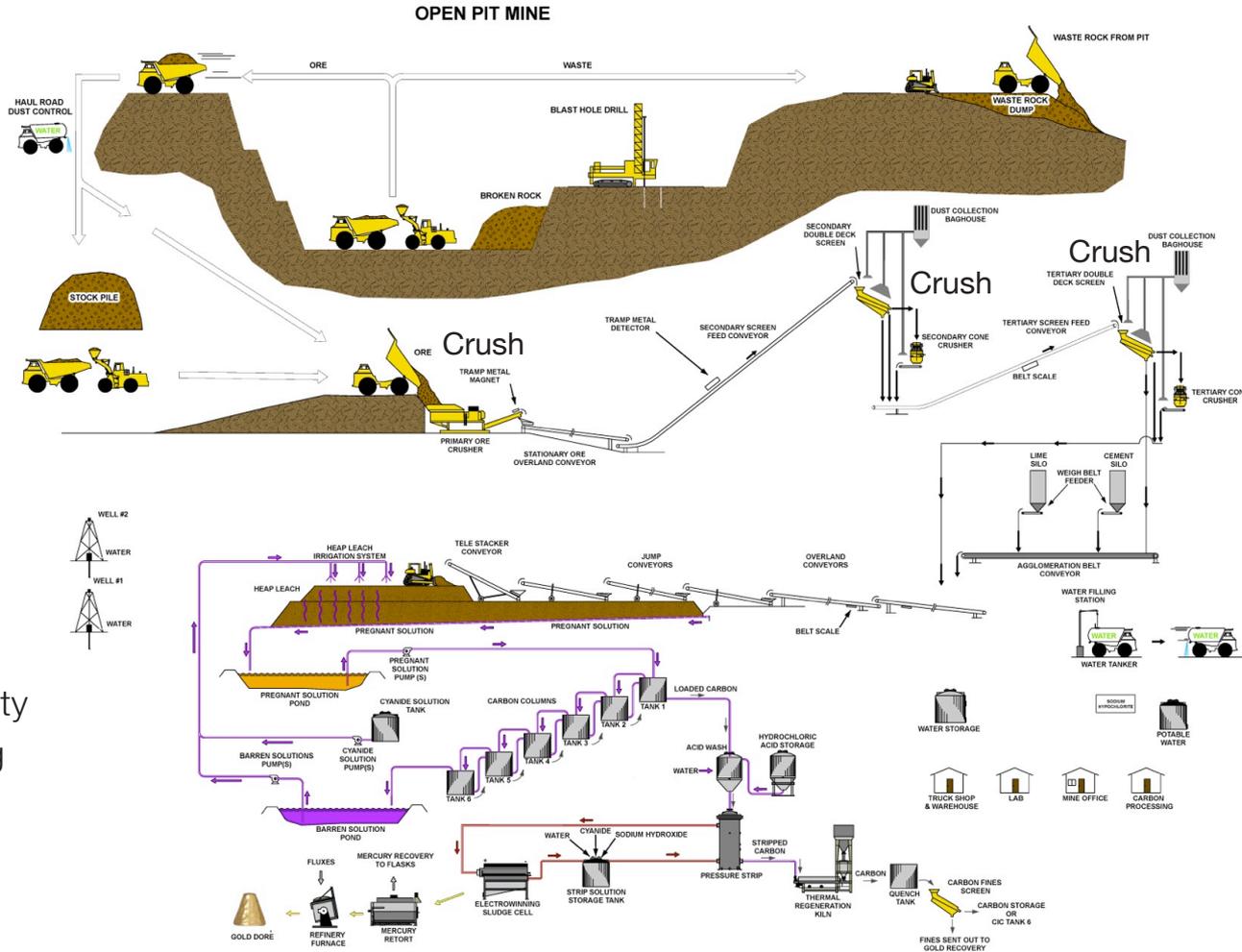
## Focus on Costs

### HEAP LEACH

- All Oxide – No Sulphides
- Simple, Low Cost
- No Mills
- Average 75% Recovery
- Better Recovery over Time

### OPTIMIZE

- Ongoing Since 2011 Feasibility
- Potential to Reduce Crushing
- Potential for Run of Mine



# PAN – PERMITTING ON TRACK



## DE-RISKING THE PROCESS

No impact on surface or ground water

+ 404 or 401 NOT permit required

All oxide – no sulphides

+ No ARD potential

## ENVIRONMENTAL IMPACT STATEMENT (EIS) PROCESS

Pan Project NEPA Process	2010	2011	2012	2013
Base line studies	✓			
Submit mine plan of operations		✓		
Completeness review by BLM		✓		
3rd Party contractor selection			✓	
Publish notice in Federal Register			✓	
Public Scoping Meetings			✓	
Preparation of Draft EIS			✓	
Publish notice of Draft EIS in Federal Register				✓
Draft EIS public meetings/ comments				✓
Address comments for Final EIS				+
Publish notice of Final EIS in Federal Register				>
Final EIS public meetings/ comments				>
EIS Record of Decision				>
Begin Construction				>



## Milestones to Pan Production

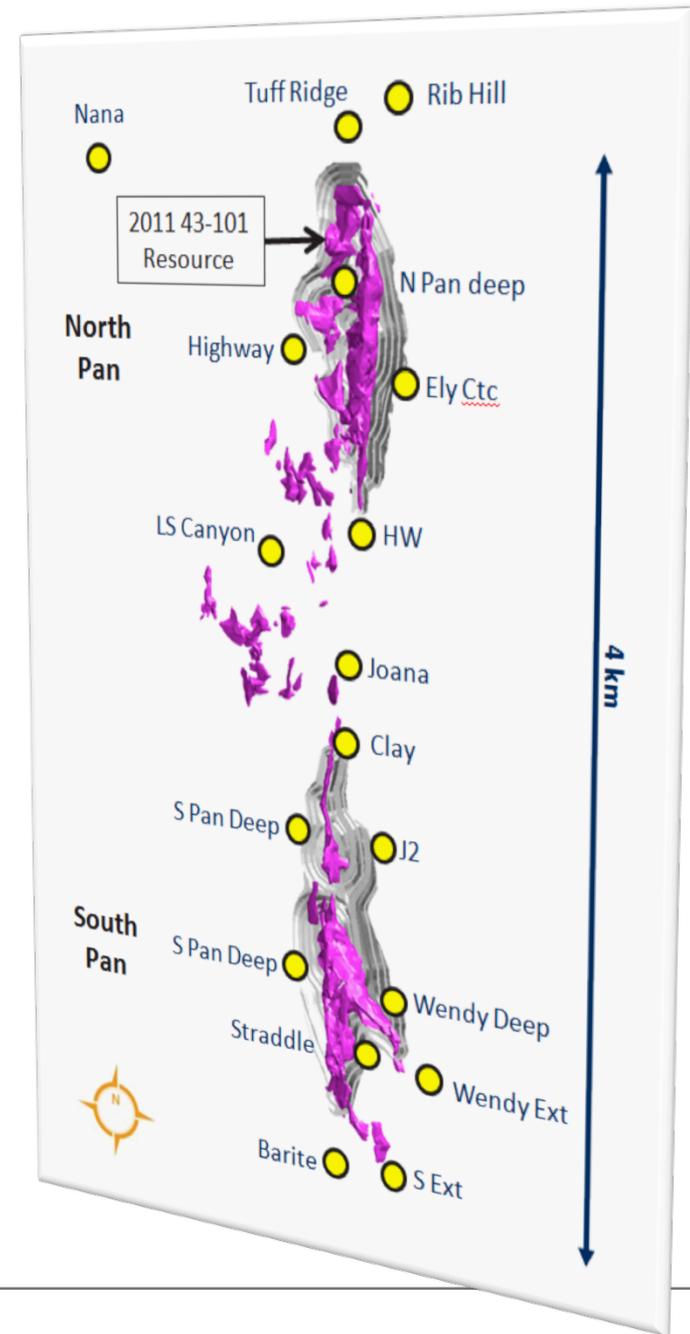
EXPAND



# PAN EXPANSION

## Drill Targets

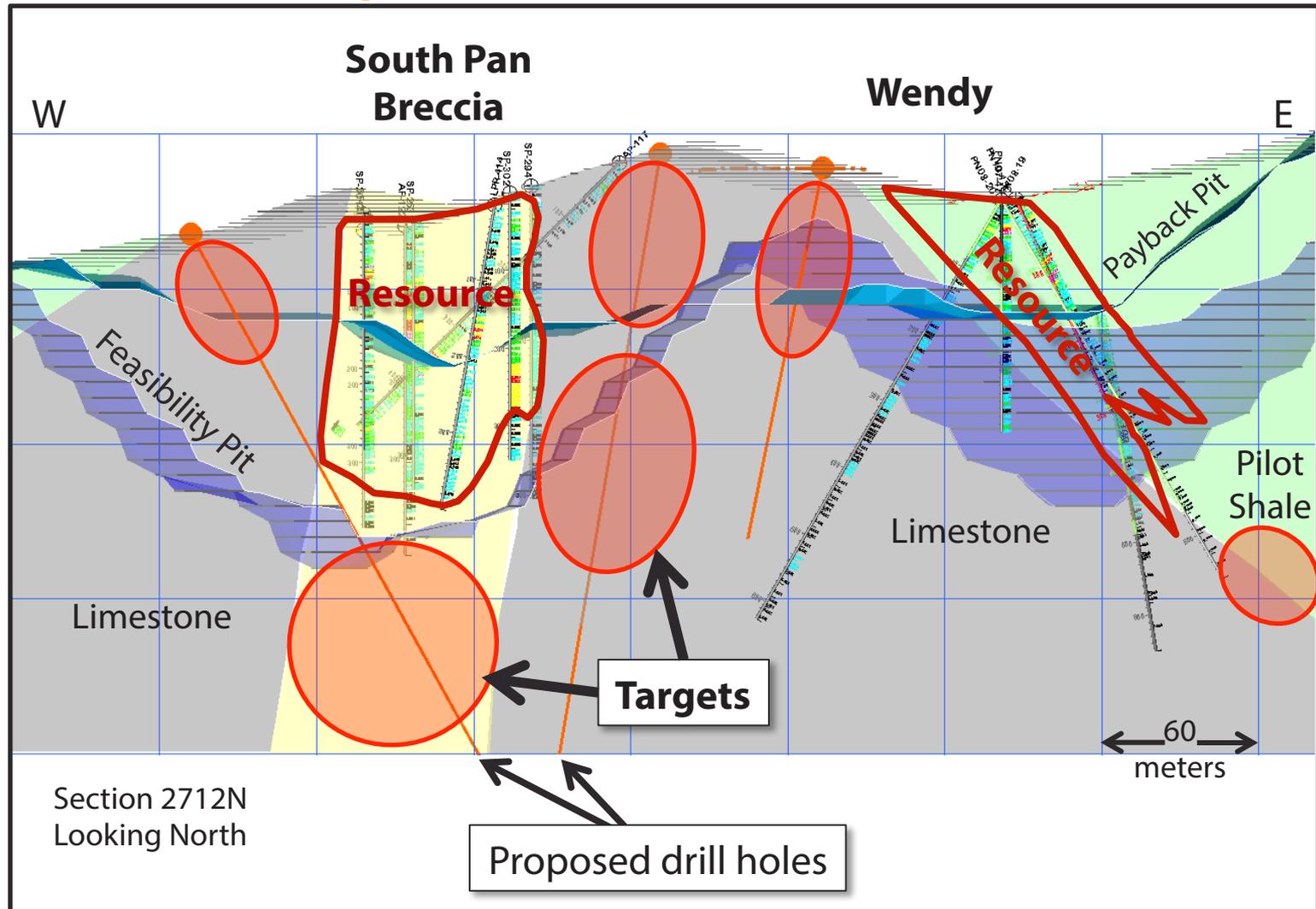
- Sediment hosted Carlin-style gold system
- 3,700 meters long x up to 300 meters wide
- Still open to north and south
- Open to depth
- Numerous expansion targets



# PAN EXPANSION POTENTIAL



## South Pan Example



# GOLD ROCK – MIDWAY'S 2<sup>ND</sup> MINE



## Sister Project – Only 8KM Away

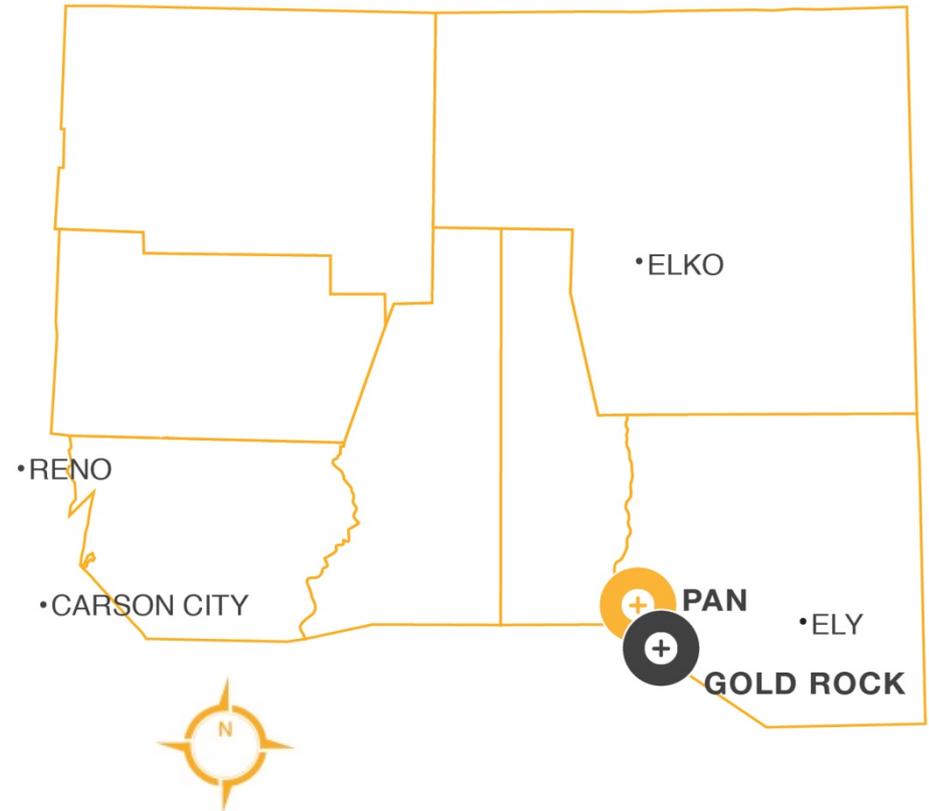
We are Building a Business in Mining

If you want a production profile, you have to build the assembly line

## 2016 Production Targeted

PAN-style deposit

- Oxide Ore = simple processing
- PAN-style economics expected
  - Low Capex project
  - Open Pit/Heap Leach
  - Nearby infrastructure
  - No pit de-watering
- Potential to be larger than PAN
- Potential to be higher grade than PAN



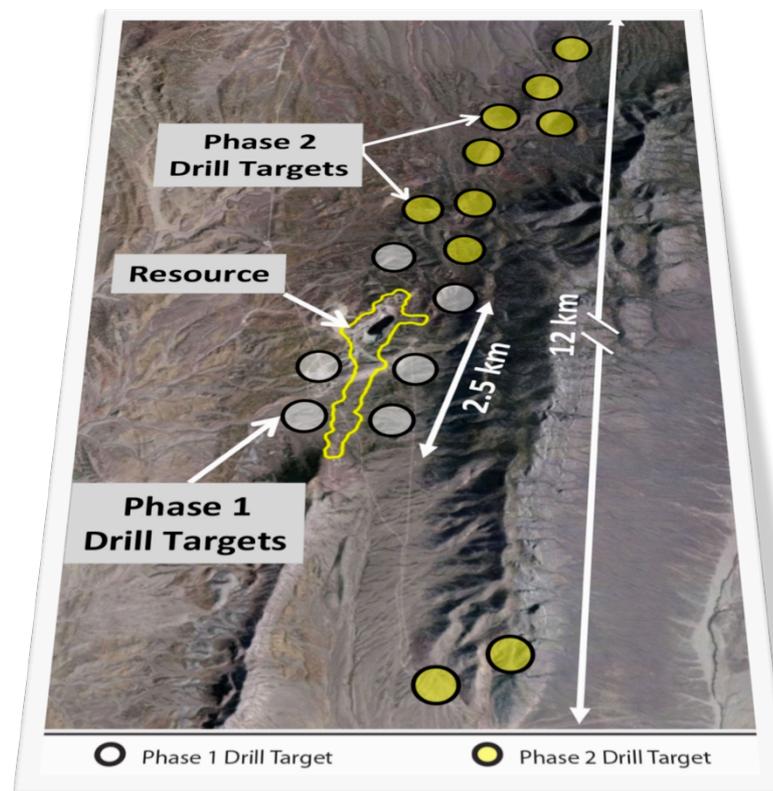
# GOLD ROCK – USING THE MIDWAY RECIPE



## Simple, Manageable, Financeable

- Grow the resource with drilling
- Develop preliminary mine plan
- Initiate the EIS Process
- Plan of Operations submitted in April 2013

RESOURCES <sup>(1)</sup>	TONNES (‘000s)	GRADE (g/t)	CONTAINED (‘000s oz)
<b>Indicated</b>	12,968	0.74	310
<b>Inferred</b>	17,894	0.58	331



(1) Resources as per Independent NI 43-101 compliant Technical Report by Gustavson Associates, LLC (February, 2012). Assumes cutoff grade of 0.27 g/t



# SPRING VALLEY –

## BARRICK EARNING IN TO A MIDWAY ASSET



### Added Growth With Great Partners

- Barrick is operator
- Barrick completed 60% earn-in April 2013
  - ⊕ Exercised option to earn additional 10% if they spend an additional \$8M

### Option to be Carried to Production

- Barrick funds everything to production
- Midway gives up additional 5%
  - Retains 25% interest
  - ABX right to recover Midway share of capital
    - From 90% of Midway cash flows
    - Interest rate of Prime +2%

RESOURCES <sup>(1)</sup>	TONNES	GRADE	CONTAINED
	('000s)	(g/t)	('000s oz)
<b>Measured</b>	59,032	0.49	931
<b>Indicated</b>	85,793	0.59	1,229
<b>M&amp;I</b>	144,825	0.46	<b>2,160</b>
<b>Inferred</b>	103,935	0.59	<b>1,971</b>

(1) Resources as per Independent NI 43-101 compliant Technical Report by Gustavson Associates, LLC (May, 2011). Assumes cutoff grade of 0.14 g/t

# SPRING VALLEY –

BARRICK EARNING IN TO A MIDWAY ASSET



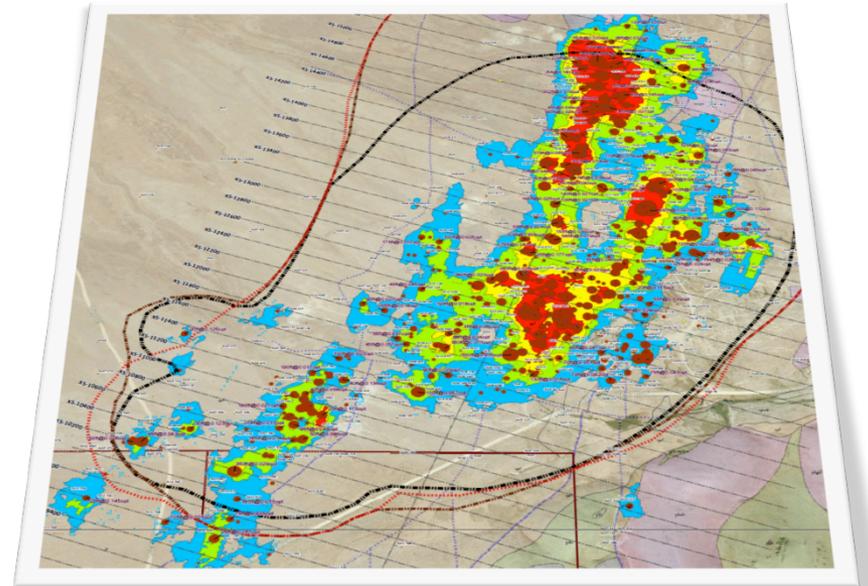
## Infrastructure is Always Important

Barrick is the Operator

- Upgraded to Development Team – 2012
  - Expect Internal Scoping Study – 2013
- ⊕ Nearby community
  - ⊕ Paved road to site
  - ⊕ Power line on site
  - ⊕ Nearby interstate highway
  - ⊕ Known mining area

Great resource potential

- Gold Deposit 2 km Long x 0.5 km Wide
- Open for Growth in Several Directions
- Active Drilling to Improve Quality of Resource
- Good Recoveries in Gravity & Column Leach Tests



Spring Valley Q2 2013  
Gold grade x Thickness

# CAPITAL MARKETS OVERVIEW



## Market statistics

Symbol (TSX-V/NYSE MKT)	MDW
Share Price <sup>(1)</sup>	\$1.03
Shares Outstanding (Basic)	129.6M
Market Capitalization	\$134M

## Common share structure<sup>(2)</sup>

Share Outstanding (Basic)	129,618,228
Options	10,218,334
Warrants	6,130,781
Fully Diluted	145,967,343

## Preferred share structure

Preferred Shares <sup>(3)</sup>	37,837,838
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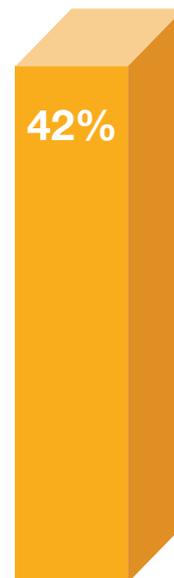
(1) As of close on September 6, 2013

(2) As of June 30, 2013

(3) Convertible to Common Shares as of December 13, 2012

(4) Assumes full dilution

## Key investors<sup>(4)</sup>



Barclays  
 BlackRock  
 Davenport & Co  
 Franklin Templeton  
 Hale Capital  
 Ingalls & Snyder  
 Nantahala Capital  
 Northern Trust  
 State Street  
 Sun Valley Gold  
 US Global Investors  
 Van Eck  
 Vanguard

## ANALYST COVERAGE



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