

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Midway Gold Corp. (the "Company")
Point at Inverness, Suite 280
8310 South Valley Highway
Englewood, Colorado
U.S.A. 80112

Item 2 Date of Material Change

May 21, 2015

Item 3 News Release

The news release was disseminated on May 21, 2015 by the BusinessWire newswire service and through other various other approved public media.

Item 4 Summary of Material Change

The Company announced that a waiver had expired concerning the Company's Senior Debt and that the Company may be in technical default of its loan agreements.

Item 5 Full Description of Material Change

For full details please see a copy of the Company's news release dated May 21, 2015, attached as Schedule A hereto and the Company's filed Form 8-K dated May 26, 2015, attached as Schedule B hereto.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable

Item 7 Omitted Information

None

Item 8 Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this Report:

Bradley J. Blacketor, Senior Vice President and CFO
Phone: (720) 979-0900

Item 9 Date of Report

May 26, 2015

SCHEDULE A



MIDWAY GOLD

CORPORATE HEADQUARTERS
8310 S Valley Highway, Suite 280, Englewood, CO 80112
720.979.0900

 BUILDING BUSINESS IN NEVADA

MIDWAY GOLD PROVIDES CORPORATE UPDATE

DENVER, CO – May 21, 2015 – Midway Gold Corp. (TSX and NYSE-MKT: MDW) (the "Company" or "Midway") provides a corporate update today with regard to its current capital structure and existing debt obligations.

- As a result of the expiration of its waiver with the Senior Debt, the Company may now be in technical default of its loan agreements. The Company is in active discussions with its senior lender to obtain conditional waivers.
- The Company is reviewing alternative financing proposals to replace the Senior Debt that may provide the Company with necessary time and capital to advance its business although there can be no assurance that replacement debt will be on terms acceptable to the Company.
- The Board of Directors of the Company has formed a Special Committee (the "Committee") to explore and evaluate strategic alternatives to enhance shareholder value. The Committee was tasked with exploring, among other things, strategic partnerships, asset sale opportunities and debt refinancing opportunities. The Company has received a number of proposals from interested third parties and continues to work with its stakeholders and potential investors to bring a transaction to conclusion.

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- RBC Capital Markets have been retained as the Company's financial advisor to assist with this process. It is the Company's current intention not to disclose developments with respect to the strategic review process until the Board of Directors has approved a specific transaction or otherwise determines that disclosure is necessary or appropriate. The Company cautions that there are no assurances or guarantees that the process will result in a transaction or, if a transaction is undertaken, the terms or timing of such a transaction.
- We remain committed to maximizing value for our stakeholders. A robust strategic process is ongoing and we have received good responses to date.

Midway Gold Corp.
Jaime Wells, 720-979-0900
Investor Relations

Neither the TSX Exchange, its Regulation Services Provider (as that term is defined in the policies of the TSX Exchange) nor the NYSE MKT accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking statements about the Company and its business. Forward looking statements are statements that are not historical facts and include, but are not limited to, statements about the Company's intended financing plans, ability to resolve defaults with our Senior Lender, prospects that the Company may be able to replace the Senior Debt, strategies and prospects for strategic alternatives and other statements, estimates or expectations. Forward-looking statements are typically identified by words such as: "may", "should", "plan", "believe", "predict", "expect", "anticipate", "intend", "estimate", "postulate", "target" and similar expressions or the negative of such expressions or which by their nature refer to future events. The forward-looking statements in this press release are subject to various risks, uncertainties and other factors that could cause the Company's actual results or achievements to differ materially from those expressed in or implied by forward looking statements. Other risks, uncertainties and factors include, without limitation, risks related to the timing and completion of the Company's intended work plans, potential delay of material deliveries, ability to meet debt covenants and obligations, risks related to fluctuations in gold prices; uncertainties related to raising financing in a timely manner and on acceptable terms; changes in planned work resulting from weather, logistical, technical or other factors; the possibility that results of work will not fulfill expectations and realize the perceived potential of the Company's properties; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold resources and reserves; the possibility that required permits may not be obtained on a timely manner or at all; the possibility that capital and



operating costs may be higher than currently estimated and may preclude commercial development or render operations uneconomic; the possibility that the estimated recovery rates and production may not be achieved; risk of accidents, equipment breakdowns and labor disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in the work program; changes in interest and currency exchanges rates; local and community impacts and issues; environmental costs and risks; and other factors identified in the Company's SEC filings and its filings with Canadian securities regulatory authorities. Forward-looking statements are based on the beliefs, opinions and expectations of the Company's management at the time they are made, and other than as required by applicable securities laws, the Company does not assume any obligation to update its forward-looking statements if those beliefs, opinions or expectations, or other circumstances, should change. Although the Company believes that such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward looking statements.

SCHEDULE B

8-K 1 midway8k05262015.htm MIDWAY GOLD CORP. - 8-K

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: May 23, 2015
(Date of earliest event reported)

MIDWAY GOLD CORP.

(Exact Name of Registrant as Specified in Charter)

British Columbia, Canada
(State or Other Jurisdiction of
Incorporation)

001-33894
(Commission File Number)

98-0459178
(IRS Employer Identification No.)

Point at Inverness, Suite 280
8310 South Valley Highway
Englewood, Colorado
(Address of principal executive offices)

80112
(Zip Code)

Registrant's telephone number, including area code: **(720) 979-0900**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.04. Triggering Events That Accelerate or Increase a Direct Financial Obligation.

On July 18, 2014, Midway Gold Corp.'s (the "Company") affiliate MDW Pan LLP, as borrower entered into a credit agreement (the "Credit Agreement") with Commonwealth Bank of Australia ("CBA"), as administrative agent, collateral agent and the initial lender for the purpose of establishing an aggregate U.S.\$55 million senior secured credit facility consisting of, (i) a U.S.\$45 million project finance facility ("Project Finance Facility") and (ii) a U.S.\$10 million cost overrun facility (the "Overrun Facility" together with the Project Finance Facility is collectively referred to herein as, the "Debt Facility"). The Debt Facility (which was reduced to U.S.\$53 million as a result of a Credit Agreement amendment to reduce the Project Finance Facility to U.S.\$43 million in December 2014) is secured by substantially all of the assets of the borrower (MDW Pan LLP, a wholly-owned subsidiary of the Company, and the owner of the Pan project and related assets) and all other entities of the consolidated group. MDW PAN LLP has drawn U.S.\$47.5 million under the Debt Facility. MDW PAN LLP also terminated its forward gold sales, interest rate swaps and fuel hedges that were part of the Risk Management Program under the Debt Facilities. The termination of these programs resulted in a obligation of approximately U.S.\$1.1 million due by June 30, 2015.

On March 13, 2015, MDW Pan LLP, as borrower, and CBA, as administrative agent, collateral agent, technical agent and initial lender, and the other lenders named in the Credit Agreement entered into a waiver with respect to certain provisions of the Credit Agreement (the "Waiver"). The Waiver, among other things, (i) granted MDW Pan LLP a temporary waiver of the covenants set forth in Section 7.01(y) of the Credit Agreement until April 20, 2015, which requires that MDW Pan LLP not, directly or indirectly, to fail the Cost to Complete Test (as defined in the Credit Agreement) or the Time to Complete Test for more than thirty (30) consecutive days. Any failure to satisfy the Cost to Complete Test or the Time to Complete Test following the expiration of the Waiver continued to be subject to the thirty (30) day cure period contemplated by Section 7.01(y) of the Credit Agreement. The Waiver did not amend the covenants, tests or obligations related to the Debt Facility or ongoing compliance with its terms.

As of May 20, 2015, the waiver had expired. On May 23, 2015, CBA provided the Company a Notice of Event of Default and Reservation of Rights (the "Notice"). The Notice alleges that an Event of Default under the Credit Agreement has occurred and is Continuing as a result of the Borrower's failure to satisfy the Cost to Complete Test and/or the Time to Complete Test for more than thirty (30) consecutive days following the expiration of the Waiver entered into in connection therewith and set forth in the waiver letter, dated March 13, 2015 (the "Specified Event of Default").

Under the Notice, CBA claims to reserve all rights and remedies of the Administrative Agent and the other Secured Parties arising under the Credit Agreement and the other Loan Documents relating to the Specified Event of Default, including, without limitation, the right to (i) require the Borrower to pay interest on the Outstanding Amount and all other amounts due under the Loan Documents at the Default Rate in accordance with Section 2.06(b) of the Credit Agreement, (ii) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing and payable under the Credit Agreement or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or notice of any kind in accordance with Section 12.02(a) of the Credit agreement, (iii) require the Borrower to pay all fees and expenses incurred by the Administrative Agent and any Lender in connection with the enforcement or protection of their rights under the Loan Documents in accordance with Section 15.04(a) of the Credit Agreement, and (iv) exercise all other rights and remedies available under the Loan Documents and applicable law.

Item 7.01. Regulation FD Disclosure.

On May 26, 2015, Midway Gold Corp. (the "Company") issued the press release attached hereto as Exhibit 99.1 providing a Corporate Update. In accordance with General Instruction B.2 of Form 8-K, the information set forth in the press release is deemed to be "furnished" and shall not be deemed to be "filed" for purposes of the Securities Exchange Act of 1934, as amended. The information set forth in Item 7.01 of this Current Report on Form 8-K shall not be deemed an admission as to the materiality of any information in this Current Report on Form 8-K that is required to be disclosed solely to satisfy the requirements of Regulation FD.

Item 9.01. Exhibits.

<u>Exhibit</u>	<u>Description</u>
99.1*	<u>Press Release, dated May 26, 2015</u>

* The foregoing exhibit relating to Item 7.01 is intended to be furnished to, not filed with, the SEC pursuant to Regulation FD.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MIDWAY GOLD CORP.

DATE: May 26, 2015

By: /s/ Bradley J. Blacketor
Bradley J. Blacketor
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1*	Press Release, dated May 26, 2015

* The foregoing exhibit relating to Item 7.01 is intended to be furnished to, not filed with, the SEC pursuant to Regulation FD.

EX-99.1 2 newsrelease.htm PRESS RELEASE, DATED MAY 26, 2015

**MIDWAY GOLD**CORPORATE HEADQUARTERS
8310 S Valley Highway, Suite 280, Englewood, CO 80112
720.979.0900

BUILDING BUSINESS IN NEVADA

MIDWAY GOLD PROVIDES CORPORATE UPDATE

DENVER, CO – May 26, 2015 – Midway Gold Corp. (TSX and NYSE-MKT: MDW) (the “Company” or “Midway”) remains in active discussions with its Senior Lender regarding strategic partnerships, asset sale opportunities and debt refinancing opportunities. As previously disclosed, the terms of a waiver with regard to the Senior Debt have lapsed and the Company remains in discussions to obtain additional waivers. The Company’s Senior Lender has provided the Company with a notice alleging an event of default based on the non-monetary conditions which were previously waived. The notice does not invoke or demand any specific remedies but states that it reserves all rights. Midway believes the notice is intended to document the conditions as viewed by Senior Lender and, while there can be no assurances, we will continue working toward maximizing value for our stakeholders by pursuing our strategic alternatives.

Midway Gold Corp.
Jaime Wells, 720-979-0900
Investor Relations

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May 26, 2015



This press release contains forward-looking statements about the Company and its business. Forward looking statements are statements that are not historical facts and include, but are not limited to, statements about the Company's intended financing plans, ability to resolve alleged defaults with our Senior Lender, prospects that the Company may be able to replace the Senior Debt, strategies and prospects for strategic alternatives, Midway's receipt of notices from Senior Lender, and other statements, estimates or expectations. Forward-looking statements are typically identified by words such as: "may", "should", "plan", "believe", "predict", "expect", "anticipate", "intend", "estimate", "postulate", "target" and similar expressions or the negative of such expressions or which by their nature refer to future events. The forward-looking statements in this press release are subject to various risks, uncertainties and other factors that could cause the Company's actual results or achievements to differ materially from those expressed in or implied by forward looking statements. Other risks, uncertainties and factors include, without limitation, risks related to the timing and completion of the Company's intended work plans, potential delay of material deliveries, ability to meet debt covenants and obligations, risks related to fluctuations in gold prices; uncertainties related to raising financing in a timely manner and on acceptable terms; changes in planned work resulting from weather, logistical, technical or other factors; the possibility that results of work will not fulfill expectations and realize the perceived potential of the Company's properties; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold resources and reserves; the possibility that required permits may not be obtained on a timely manner or at all; the possibility that capital and operating costs may be higher than currently estimated and may preclude commercial development or render operations uneconomic; the possibility that the estimated recovery rates and production may not be achieved; risk of accidents, equipment breakdowns and labor disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in the work program; changes in interest and currency exchanges rates; local and community impacts and issues; environmental costs and risks; and other factors identified in the Company's SEC filings and its filings with Canadian securities regulatory authorities. Forward-looking statements are based on the beliefs, opinions and expectations of the Company's management at the time they are made, and other than as required by applicable securities laws, the Company does not assume any obligation to update its forward-looking statements if those beliefs, opinions or expectations, or other circumstances, should change. Although the Company believes that such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward looking statements.

May 26, 2015

