THIS IS NOT A SOLICITATION OF VOTES ON THE PLAN. VOTES MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED A DISCLOSURE STATEMENT. THE DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF COLORADO

In re:	)	**Case No. 15-16835 MER**
	)	
MIDWAY GOLD US INC. *et al.*, [1]	)	**Chapter 11**
	)	**Jointly Administered Under**
Debtors.	)	**Case No. 15-16835 MER**
	)	

DISCLOSURE STATEMENT FOR JOINT CHAPTER 11 PLAN OF LIQUIDATION

SQUIRE PATTON BOGGS (US) LLP

Stephen D. Lerner
Elliot M. Smith
221 E. Fourth Street, Suite 2900
Cincinnati, Ohio 45202
Telephone: (513) 361-1200
Facsimile: (513) 361-1201

-and-

Nava Hazan
30 Rockefeller Plaza, 23rd Floor
New York, New York 10112
Telephone: (212) 872-9800
Facsimile: (212) 872-9815

Counsel for the Debtors and Debtors in Possession

SENDER WASSERMAN WADSWORTH, P.C.
Harvey Sender
Aaron Conrardy
1660 Lincoln Street, Suite 2200
Denver, Colorado 80264
Telephone: (303) 296-1999
Facsimile: (303) 296-7600

Local Counsel for the Debtors and Debtors in Possession

Dated: July 21, 2016

[1] The Debtors and their respective case numbers are: Midway Gold US Inc. (15-16835 MER); Midway Gold Corp. (15-16836 MER); Golden Eagle Holding Inc. (15-16837 MER); MDW-GR Holding Corp. (15-16838 MER); RR Exploration LLC (15-16839 MER); Midway Services Company (15-16840 MER); Nevada Talon LLC (15-16841 MER); MDW Pan Holding Corp. (15-16842 MER); MDW Pan LLP (15-16843 MER); MDW Gold Rock LLP (15-16844 MER); Midway Gold Realty LLC (15-16845 MER); MDW Mine ULC (15-16846 MER); GEH (B.C.) Holding Inc. (15-16847 MER); GEH (US) Holding Inc. (15-16848 MER).

THIS IS NOT A SOLICITATION OF VOTES ON THE PLAN. VOTES MAY NOT BE SOLICITED UNTIL THE BANKRUPTCY COURT HAS APPROVED A DISCLOSURE STATEMENT. THE DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT.

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS 5:00 P.M. ON [__], 2016 (MOUNTAIN TIME), UNLESS THE DEBTORS EXTEND THE VOTING DEADLINE. TO BE COUNTED, THE BALLOTING AGENT MUST ACTUALLY RECEIVE YOUR BALLOT ON OR BEFORE THE VOTING DEADLINE.

THE DEBTORS PROVIDE NO ASSURANCE THAT THE DISCLOSURE STATEMENT (AND THE EXHIBITS HERETO) THAT IS ULTIMATELY APPROVED IN THE CHAPTER 11 CASES (A) WILL CONTAIN ANY OF THE TERMS IN THIS CURRENT DOCUMENT OR (B) WILL NOT CONTAIN DIFFERENT, ADDITIONAL OR MATERIAL TERMS THAT DO NOT APPEAR IN THIS CURRENT DOCUMENT.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, THE PLAN AND ANY EXHIBITS ATTACHED HERETO IS HIGHLY SPECULATIVE, AND PERSONS SHOULD NOT RELY ON SUCH DOCUMENTS IN MAKING INVESTMENT DECISIONS WITH RESPECT TO (A) THE DEBTORS OR (B) ANY OTHER ENTITIES THAT MAY BE AFFECTED BY THE CHAPTER 11 CASES.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT FOR THE JOINT CHAPTER 11 PLAN OF LIQUIDATION TO HOLDERS OF CLAIMS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE PLAN. YOU SHOULD NOT RELY UPON OR USE THE INFORMATION IN THIS DISCLOSURE STATEMENT FOR ANY OTHER PURPOSE.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(B) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND IS NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS. THIS DISCLOSURE STATEMENT WAS NOT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE AUTHORITY, AND NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN.

THIS DISCLOSURE STATEMENT MAY CONTAIN "FORWARD LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. SUCH STATEMENTS CONSIST OF ANY STATEMENT OTHER THAN A RECITATION OF HISTORICAL FACT AND CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "EXPECT," "ANTICIPATE," "ESTIMATE" OR "CONTINUE" OR THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. THE READER IS CAUTIONED THAT ALL FORWARD-LOOKING STATEMENTS ARE NECESSARILY SPECULATIVE AND THERE ARE CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE REFERRED TO IN SUCH FORWARD-LOOKING STATEMENTS. THE LIQUIDATION ANALYSIS, DISTRIBUTION PROJECTIONS AND OTHER INFORMATION CONTAINED HEREIN AND ATTACHED HERETO ARE ESTIMATES ONLY, AND THE TIMING AND AMOUNT OF ACTUAL DISTRIBUTIONS TO HOLDERS OF ALLOWED CLAIMS MAY BE AFFECTED BY MANY FACTORS THAT CANNOT BE PREDICTED. THEREFORE, ANY ANALYSES, ESTIMATES OR RECOVERY PROJECTIONS MAY OR MAY NOT TURN OUT TO BE ACCURATE.

NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. THE DEBTORS URGE EACH HOLDER OF A CLAIM OR AN EQUITY INTEREST TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN AND EACH OF THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF DISCLOSURE CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE MERITS OF THE PLAN.

IT IS THE DEBTORS' POSITION THAT THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION OR WAIVER. RATHER, HOLDERS OF CLAIMS AND

EQUITY INTERESTS AND OTHER ENTITIES SHOULD CONSTRUE THIS DISCLOSURE STATEMENT AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS RELATED TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND OTHER PENDING OR THREATENED LITIGATION OR ACTIONS.

NO RELIANCE SHOULD BE PLACED ON THE FACT THAT A PARTICULAR LITIGATION CLAIM OR PROJECTED OBJECTION TO A PARTICULAR CLAIM IS, OR IS NOT, IDENTIFIED IN THE DISCLOSURE STATEMENT. THE LIQUIDATING TRUSTEE MAY SEEK TO INVESTIGATE, FILE AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THE DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS. THE PLAN RESERVES FOR THE LIQUIDATING TRUSTEE THE RIGHT TO BRING CAUSES OF ACTION (DEFINED IN THE PLAN) AGAINST ANY ENTITY OR PARTY IN INTEREST EXCEPT THOSE SPECIFICALLY RELEASED.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN EVENTS IN THE DEBTORS' CHAPTER 11 CASES AND CERTAIN DOCUMENTS RELATED TO THE PLAN THAT ARE ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THE SUMMARIES DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN FOR ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

THE DEBTORS' MANAGEMENT HAS REVIEWED THE FINANCIAL INFORMATION PROVIDED IN THIS DISCLOSURE STATEMENT. ALTHOUGH THE DEBTORS HAVE USED THEIR REASONABLE BUSINESS JUDGMENT TO ENSURE THE ACCURACY OF THIS FINANCIAL INFORMATION, NO ENTITY HAS AUDITED THE FINANCIAL INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS DISCLOSURE STATEMENT.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO. HOLDERS OF CLAIMS AND EQUITY INTERESTS REVIEWING THIS DISCLOSURE

STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THE DEBTORS FILED THIS DISCLOSURE STATEMENT. HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN MUST RELY ON THEIR OWN EVALUATION OF THE DEBTORS AND THEIR OWN ANALYSIS OF THE TERMS OF THE PLAN, INCLUDING, WITHOUT LIMITATION, ANY RISK FACTORS CITED HEREIN, IN DECIDING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

PRIOR TO DECIDING WHETHER AND HOW TO VOTE ON THE PLAN, EACH HOLDER OF A CLAIM IN A VOTING CLASS SHOULD CONSIDER CAREFULLY ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN GREATER DETAIL HEREIN.

Table of Contents

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") of Midway Gold US Inc. ("MGUS") and its affiliated debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases, pending before the United States Bankruptcy Court for the District of Colorado (the "Bankruptcy Court"), filed in connection with the Debtors' Joint Chapter 11 Plan of Liquidation, dated July 21, 2016 (the "Plan"), a copy of which is attached to this Disclosure Statement as Exhibit A.

A. Definitions and Exhibits

1. Definitions

Unless otherwise defined herein, capitalized terms used in this Disclosure Statement shall have the meanings given in the Plan.

2. Exhibits

All exhibits to this Disclosure Statement are incorporated as if fully set forth herein and are a part of this Disclosure Statement.

B. Notice to Creditors

1. Purpose of Disclosure Statement

The purpose of this Disclosure Statement is to set forth information that (i) summarizes the Plan and alternatives to the Plan, (ii) advises holders of Claims and Equity Interests of their rights under the Plan, (iii) assists holders of Claims entitled to vote in making informed decisions as to whether they should vote to accept or reject the Plan, and (iv) assists the Bankruptcy Court in determining whether the Plan complies with the provisions of chapter 11 of the Bankruptcy Code and should be confirmed.

Pursuant to the Disclosure Statement Order, the Bankruptcy Court has approved this Disclosure Statement, finding that it contains "adequate information" as that term is used in Section 1125(a)(1) of the Bankruptcy Code. However, the Bankruptcy Court has not passed on the merits of the Plan. Creditors should carefully read the Disclosure Statement in its entirety before voting on the Plan.

IT IS THE OPINION OF THE DEBTORS THAT CONFIRMATION AND IMPLEMENTATION OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS' ESTATES AND CREDITORS. THEREFORE, THE DEBTORS RECOMMEND THAT CREDITORS VOTE TO APPROVE THE PLAN.

THE PLAN IS ALSO SUPPORTED BY THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, THE SENIOR AGENT ON BEHALF OF ITSELF AND THE SENIOR SECURED PARTIES, AND THE SUBORDINATE AGENT ON BEHALF OF ITSELF AND THE SUBORDINATE SECURED PARTIES, AND REFLECTS NUMEROUS HEAVILY NEGOTIATED SETTLEMENTS AND OTHER

AGREEMENTS WITH THESE AND NUMEROUS OTHER PARTIES, WHICH, IF LEFT UNRESOLVED, WOULD INVOLVE POTENTIAL LITIGATION AND SIGNIFICANTLY DELAY THE ADMINISTRATION AND WIND-DOWN OF THESE CHAPTER 11 CASES.

PLEASE READ THE DISCLOSURE STATEMENT, INCLUDING THE PLAN, IN ITS ENTIRETY. THE DISCLOSURE STATEMENT SUMMARIZES THE TERMS OF THE PLAN FOR THE CONVENIENCE OF CREDITORS AND EQUITY INTEREST HOLDERS, BUT THE PLAN ITSELF QUALIFIES ALL SUCH SUMMARIES. ACCORDINGLY, IF THERE IS ANY INCONSISTENCY BETWEEN THE PLAN AND THE DISCLOSURE STATEMENT, THE TERMS OF THE PLAN SHALL CONTROL.

C. Disclosure Statement Enclosures

Accompanying the Disclosure Statement are the following enclosures:

1. Disclosure Statement Order

A copy of the Disclosure Statement Order entered by the Bankruptcy Court approving the Disclosure Statement and, among other things, establishing procedures for voting on the Plan and scheduling the hearing to consider, and the deadline for objecting to, confirmation of the Plan.

2. Notice of Confirmation Hearing

A copy of the notice (the "Confirmation Hearing Notice") of the deadline for submitting ballots to accept or reject the Plan and, among other things, the deadline for objecting to the Plan and the date, time and place of the hearing to consider confirmation of the Plan (the "Confirmation Hearing").

3. Ballots

One or more ballots (and return envelopes) for voting to accept or reject the Plan, unless you are not entitled to vote to accept or reject the Plan and are deemed to accept or reject the Plan, and therefore, are not entitled to vote. See Article III of the Plan for an explanation of which parties in interest are entitled to vote.

D. Inquiries

If you have any questions about the packet of materials that you have received, please contact (i) Squire Patton Boggs (US) LLP, 221 E. Fourth Street, Suite 2900, Cincinnati, Ohio 45202, (513) 361-1200, Attn: Stephen Lerner or Elliot Smith, or (ii) Sender Wasserman Wadsworth, P.C., 1660 Lincoln Street, Suite 2200, Denver, Colorado 80264, (303) 296-1999, Attn: Harvey Sender or Aaron Conrardy, during normal business hours.

II. OVERVIEW OF THE DEBTORS' OPERATIONS AND CHAPTER 11 CASES

A. The Debtors' Prepetition Business Operations and Corporate Structure

A full and complete description of the Debtors' prepetition background and corporate structure was set forth in detail in the *Declaration of Bradley J. Blacketor in Support of Chapter 11 Petitions and Various First Day Applications and Motions* (the "First Day Declaration") (Docket No. 22), which is on file with the Bankruptcy Court and incorporated herein by reference in its entirety. The following information is based on the description contained in the First Day Declaration and is being repeated and supplemented here for convenience with minor modifications to reflect postpetition events.

Debtor Midway Gold Corp. ("Midway Gold"), the parent company of MGUS, was incorporated on May 14, 1996 under the laws of the Province of British Columbia, Canada, and its principal business activity was the acquisition, exploration and development of mineral properties located in the states of Nevada and Washington. As of the Petition Date, Midway Gold was a publicly traded, U.S.-based gold producer, and its stock had been trading on the NYSE MKT and the Toronto Stock Exchange under the symbol "MDW."[2] Midway Gold's executive offices were located in Englewood, Colorado and, as of the Petition Date, all of Midway Gold's senior management, including its Chief Executive Officer, Chief Financial Officer and General Counsel worked in the Englewood headquarters.

As of the Petition Date, the Debtors operated primarily through Midway Gold's wholly-owned subsidiary located in the United States, MGUS, which was, among other things, responsible for the Debtors' general corporate functions. The Debtors had one gold producing property: the Pan gold mine located in White Pine County, Nevada. The Debtors also had gold properties which were exploratory stage projects where gold mineralization had been identified, such as the Tonopah project in Nye County, Nevada, the Gold Rock project in White Pine County, Nevada, and the Golden Eagle project in Ferry County, Washington. Out of these projects, a permitting process had been undertaken only for the Gold Rock project. Finally, the Debtors' Spring Valley property, another gold property located in Pershing County, Nevada, was subject to a joint venture with Barrick Gold Exploration Inc. As described below, each of these projects, with the exception of the Tonopah project, were sold during the Chapter 11 Cases (the Spring Valley property to Solidus Resources through the Spring Valley Sale and the remaining properties and projects to GRP Minerals through the GRP Sale) and the Debtors no longer have any ongoing business operations.

An organizational chart depicting the Debtors' overall corporate structure is attached as **Exhibit 1** to the First Day Declaration. In addition to MGUS and Midway Gold, the Debtors in these Chapter 11 Cases are MDW Pan LLP, MDW Pan Holding Corp., MDW Mine ULC, Midway Services Company, MDW Gold Rock LLP, RR Exploration LLC, Nevada Talon LLC, Midway Gold Realty LLC, GEH (BC) Holding Inc., GEH (US) Holding Inc., Golden Eagle Holding, Inc. and MDW-GR Holding Corp. The non-Debtor affiliates are Midway

[2] Midway Gold was delisted by the NYSE MKT and the Toronto Stock Exchange and trading ceased as a result of the commencement of the Chapter 11 Cases.

Pan Mine Co., Midway Gold Rock Mine Co., Mine Services, LLC and Midway Exploration, LLC. Each of these non-Debtors has no material property or operations.

B. The Debtors' Mineral Properties

1. The Pan Property in Nevada

Under that certain Pan Mineral Lease, dated January 7, 2003, between MDW Pan and Nevada Royalty Corp. (successor in interest to Newark Valley Mining Corp., and earlier from Gold Standard Royalty (Nevada) Inc. and originally from Bertha C. Johnson, Trustee of the Lyle F. Campbell Trust under an Agreement of Trust dated August 5, 1986 and last amended on May 19, 1988), MDW Pan assumed a mineral lease agreement for a 100% interest in the Pan property claims. The Pan property is located at the northern end of the Pancake mountain range in western White Pine County, Nevada, approximately 18 miles southeast of Eureka, Nevada, and 58 miles west of Ely, Nevada. The Pan gold deposit contains near-surface mineralization that was extracted using open pit mining methods. Ore is processed by conventional heap leaching methods. As of the Petition Date, ore from the South Pan pit had been processed run-of-mine, while some of the ore from the North Pan pit was crushed before being placed on the leach pad and some processed as run-of-mine material.

Each year, MDW Pan had to pay an advance minimum royalty, which was the greater of $60,000[3] or the US dollar equivalent of 174 ounces of gold. The minimum advance royalties were creditable against a sliding scale Net Smelter Returns ("NSR") production royalty of 2.5% to 4%. In addition, MDW Pan had to incur a minimum of $65,000 per year for work expenditures, including claim maintenance fees, during the term of the mining lease. MDW Pan also owned 100% of certain adjoining claims acquired by staking.

The construction of the Pan gold mine began in January, 2014, and, as of the Petition Date, was near completion. Mining operations commenced in September, 2014, and gold production began on March 26, 2015. The production of gold allowed the Pan gold mine to transition from an exploration and development stage to a gold production stage.

However, as of the Petition Date, gold production was significantly below the Debtors' initial production forecasts due principally to higher than anticipated clay content in the ore mined. This resulted in lower permeability and channeling of the solution applied to the leach pad which, in turn, resulted in significantly lower gold production when compared to initial forecasts. The Pan mine's performance was lower than expected, when compared to the geological model, both in terms of the ore grade and tonnage. The Debtors hired an independent engineer to update the geologic model and mineral resource estimate for the Pan gold mine. The estimated cost to complete construction of the Pan gold mine was $87.8 million (excluding crusher, agglomeration and leach pad expansion capital costs). As of May 2015, approximately $82.1 million had been spent on the Pan mine project.

There were challenges to the Debtors' initial strategy relating to the Pan mine because the restatement of mineral resources resulted in a significant reduction in the contained gold ounces. Both time and resources were lacking to complete the in-fill and the extension

[3] Unless otherwise noted, all amounts expressed in this Disclosure Statement are in United States dollars.

drilling that could convert the material from the inferred to the measured and indicated category. A final technical report on the Pan mine was published on June 25, 2015, which provided an update to the resource block model and to the project's economic assessment.

As of the Petition Date, the Debtors believed that additional time and resources were necessary to successfully maximize value at the Pan mine, including, without limitation, to (i) complete a detailed mine plan, (ii) complete metallurgical testing, (iii) characterize ore to determine expected leach cycles and recovery under various processing schemes, (iv) complete trade-off studies to select the most efficient scheme for processing the ore, (v) complete a detailed design and engineering of the selected process, (vi) complete a capital estimate for the selected process, and (vii) establish a schedule and initiate procurement of long lead items required to complete the development and construction of the selected process. As described below, the Debtors accomplished many, if not all, of these initiatives during the Chapter 11 Cases, which efforts contributed to maximizing value through the postpetition sale processes that were conducted.

As described below, the Pan mine was sold to GRP Minerals during the Chapter 11 cases.

2. The Gold Rock Property in Nevada

Under that certain Monte Mineral Lease, dated March 20, 2006, between MDW Gold Rock LLP ("MDW Gold Rock") and Nevada Royalty Corp., MDW Gold Rock acquired claims that comprised the Gold Rock property. The Gold Rock property is located in the eastern Pancake Range in western White Pine County, Nevada. The property is eight miles southeast of the Pan Project, approximately 45 miles from Ely, Nevada. The royalty agreements were subject to sliding scale royalties on NSR ranging from 2% to 6% based upon gold price and advanced minimum royalty payments recoverable from commercial production.

As of the Petition Date, production had not begun at the Gold Rock property. However, the Gold Rock mine was anticipated to be the Debtors' second operating gold mine. A gold resource had been defined on the project and numerous drill targets with potential for expanding that resource had been identified. Additional drilling was planned but it required additional financing.

There was an ongoing permitting process for the Gold Rock project. On February 13, 2015, the Debtors announced that the Draft Environmental Impact Statement ("DEIS") for the Gold Rock project was available for public comment as published by the U.S. Bureau of Land Management in the federal register. The DEIS provided an analysis of environmental, social and economic impacts of the proposed mine plan and possible alternatives. The public comment period ended on March 30, 2015.

As described below, the Gold Rock project was sold to GRP Minerals during the Chapter 11 cases.

3. The Spring Valley Property in Nevada

MGUS (formerly known as MGC Resources, Inc.) and Barrick Gold Exploration Inc. ("Barrick") entered into an Exploration, Development and Mine Operating Agreement dated March 9, 2009 (as amended, the "Barrick Agreement"), pursuant to which the parties agreed that certain properties located in Pershing County, Nevada and commonly referred to as the "Spring Valley property," which were owned or leased by MGUS, or in which MGUS held a contractual interest, would be explored and developed by Barrick for the benefit of both parties.

Pursuant to the Barrick Agreement, Barrick was granted the exclusive right to explore, develop and earn an interest in the Spring Valley property. Barrick completed an expenditure requirement of $38 million enabling Barrick to earn a 70% interest in the Spring Valley property. In addition, MGUS elected to allow Barrick to earn an additional 5% interest (for a 75% total) by carrying the Debtors to a production decision and arranging financing for MGUS's share of the mine construction expenses with the carrying and financing costs plus interest to be recouped by Barrick, solely from MGUS's share of project cash flows once production had been established. Thus, as of the Petition Date, MGUS and Barrick owned 30% and 70% interests, respectively, in the Spring Valley property.

MGUS exercised its option under the Barrick Agreement to enter into the joint venture with Barrick on February 23, 2014 and Barrick became the manager of the joint venture. On February 25, 2015, the Debtors announced that Barrick had published an initial mineral resource for Spring Valley.

As described in greater detail below, the Debtors and Barrick each determined to sell their respective interests in the Spring Valley property during the Chapter 11 Cases, but the parties were not able to agree on a consensual joint sale process. As a result, the Debtors commenced an adversary proceeding against Barrick, pursuant to which, among other things, the Debtors sought to sell the entirety of the Spring Valley project pursuant to Section 363(h) of the Bankruptcy Code. The Debtors also sought a preliminary injunction to enjoin Barrick from proceeding with its own sale process pending the resolution of the adversary proceeding. Ultimately, the adversary proceeding was effectively rendered moot by the successful sale of MGUS's interest in the Spring Valley project to Solidus Resources through the Spring Valley Sale. Solidus Resources also acquired Barrick's interest in the Spring Valley project through Barrick's independent sale process, such that it acquired 100% of the Spring Valley project. The adversary proceeding was dismissed soon thereafter.

4. The Tonopah Property in Nevada

Pursuant to a series of amendments to an Option Agreement dated July 2, 2001, MGUS acquired a 100% interest in the Tonopah property, comprised of 245 unpatented lode mining claims in Nye County, Nevada. The Tonopah property is located approximately 15 miles northeast of the town of Tonopah, 210 miles northwest of Las Vegas and 236 miles southeast of Reno, Nevada. The property is on the northeastern flank of the San Antonio Mountains and in the Ralston Valley.

MGUS was required to pay a sliding scale royalty on NSR from any commercial production from 2% to 7%, based on changes in gold prices and an advance minimum royalty recoverable from commercial production of $300,000 per year. MGUS entered into an agreement allowing payment of only $50,000 of the $300,000 payment due on August 2014. The remaining $250,000, along with the $300,000 payment due in August 2015, was to be paid subsequently to the economic completion of the Pan gold mine project. As of the Petition Date, production had not begun at the Tonopah property.

As described in greater detail below, notwithstanding significant marketing efforts and preliminary interest expressed by certain buyers, the Tonopah property was not sold through either of the Sales and is currently a Remaining Asset under the Plan that is expected to be transferred to the Midway Liquidating Trust. The Debtors, with the assistance of their advisors, are continuing their efforts to identify a buyer for the Tonopah property and are in preliminary discussions with certain prospective bidders, but as of the date of this Disclosure Statement, no written offer for the Tonopah property has been received.

5. The Golden Eagle Property in Washington

In August, 2008, Debtor Golden Eagle Holding, Inc. purchased a 100% interest in a project located in Golden Eagle, Washington as follows: (i) 75% from Kinross Gold USA Inc. ("Kinross") at a cost of $1.5 million and (ii) 25% interest from Hecla Limited at a cost of $0.5 million. The Golden Eagle property is located on private land in the Eureka (Republic) mining district in Ferry County, Washington. The property is two miles northwest of the town of Republic, Washington. Kinross retained a 2% NSR royalty and was granted a first right of refusal to toll mill ore from the Golden Eagle property at their mill. As of the Petition Date, production had not begun at the Golden Eagle property.

As described below, the Golden Eagle property was sold to GRP Minerals during the Chapter 11 cases.

6. The Pinyon Property in Nevada

MGUS entered into an Exploration, Development and Mine Operating Agreement (the "Pinyon Agreement") with Aurion Resources US LLC ("Aurion") on November 1, 2012 for claims in property located in White Pine County, Nevada. Pinyon is a disseminated gold target near the Gold Rock and Pan projects. The Pinyon property is located in White Pine County, Nevada approximately 20 miles southeast of Eureka, Nevada. It is 10 miles north of the Gold Rock project and 6 miles east of the Pan Project. The Pinyon Agreement provided that MGUS could earn up to a 70% interest in the Pinyon property by incurring exploration expense of $2 million over a period of five years and to make all payments required under an existing mining lease to maintain the claim related to the property. MGUS could also earn an additional 5% (for a 75% total) by arranging a mine financing. As of the Petition Date, no exploration work had been done with respect to this project and expenditures had been limited to the lease and claim payments.

As described below, the Pinyon property was sold to GRP Minerals during the Chapter 11 cases.

As of the Petition Date, the Debtors were up to date on all the permitting requirements with respect to all of their properties.

C. The Debtors' Prepetition Capital Structure

The First Day Declaration also contained a fulsome description of the Debtors' prepetition capital structure, which is incorporated herein by reference. In addition, pursuant to the *Final Order (A) Authorizing Postpetition Use of Cash Collateral, (B) Granting Adequate Protection to Secured Parties, and (C) Granting Related Relief* (the "Cash Collateral Order") (Docket No. 452), the Debtors made certain stipulations with respect to the amount, nature, validity, priority, extent, and enforceability of the liens, security interests and claims asserted by the Senior Secured Parties and the Subordinate Secured Parties. The following information is based on the description contained in the First Day Declaration and is being repeated and supplemented here for convenience. Nothing herein is intended or shall be deemed to modify in any way any of the stipulations made by the Debtors in the Cash Collateral Order, which stipulations are binding the Debtors' estates as provided for in the Cash Collateral Order.

1. Prepetition Funded Indebtedness

As of the Petition Date, the Debtors had total principal outstanding funded indebtedness of (a) approximately $47.50 million of borrowings under their Senior Debt Facility (as defined below), and (b) approximately $7.85 million under their Subordinated Debt Facility (as defined below).

a. Senior Debt Facility

MDW Pan is party to that certain Senior Credit Agreement by and among MDW Pan, as borrower, each of the Senior Lenders, and Commonwealth Bank of Australia, in its capacity as the Senior Agent, pursuant to which it obtained a $55 million three-year senior secured project finance facility (the "Senior Debt Facility") to fund the continued development and construction of the Pan gold mine project. By amendment to the Senior Credit Agreement dated November 26, 2014, the principal amount of the Senior Debt Facility was reduced from $55 million to $53 million. As of the Petition Date, the outstanding principal balance of the Senior Debt Facility was $47.50 million.

The Senior Credit Agreement has two tranches of debt: (i) a project finance facility in the amount of $43 million, and (ii) a cost overrun facility of $10 million. Advances under the project finance facility bear interest at LIBOR plus 3.75% until economic completion and LIBOR plus 3.50% thereafter. Advances under the cost overrun facility bear interest at the project finance facility rate plus 2%.

MDW Pan, which owned the Pan project and related assets, was the borrower under the Senior Credit Agreement, and the performance and payment of all of MDW Pan's obligations under the Senior Credit Agreement were guaranteed by each of the other Debtors (and the four non-Debtor affiliates). Finally, the Senior Secured Obligations are secured by substantially all of the assets of MDW Pan, as described in detail in the Cash Collateral Order. Finally, each of the Debtors (and the four non-Debtor affiliates of the Debtors) have pledged

100% of the common stock they own in the other Debtors and non-Debtors, as applicable, to secure the Senior Secured Obligations as well.

The Debtors drew down $47.50 million under the Senior Credit Agreement prior to the Petition Date for the purpose of constructing the Pan mine project. The Debtors' ability to draw additional amounts was contingent upon customary conditions precedent, including funding any expected cost overruns on the Pan gold mine project and the establishment of an un-margined hedging program through the Senior Agent. The Debtors satisfied the gold hedging requirements on October 7, 2014 by entering into commitments to deliver to the Senior Agent, at a flat forward price of $1,200 per ounce, 80,500 ounces of gold over a 23-month period commencing in May, 2015.

As a result of Pan gold mine project delays and lower gold production than that forecasted, the Debtors did not have sufficient funds (i) to complete construction of the Pan gold mine, (ii) to fund operating and reserve accounts and (iii) to satisfy other requirements under the Senior Credit Agreement. As a result, the Debtors were no longer in compliance with the Senior Debt Facility.

On March 13, 2015, MDW Pan and the Senior Agent entered into a waiver with respect to certain provisions of the Senior Credit Agreement (the "Waiver") in connection with the Debtors' Senior Debt Facility. The Waiver, among other things, (i) granted MDW Pan a temporary waiver until April 20, 2015 of certain covenants set forth in the Senior Credit Agreement which required that MDW Pan not, directly or indirectly, fail the Cost to Complete Test (as defined in the Senior Credit Agreement) or the Time to Complete Test (also as defined therein) for more than 30 consecutive days, (ii) allowed the financial statements delivered by MDW Pan and Midway Gold for the fiscal year 2014 to include "going concern" disclosures and (iii) permit the discretionary diesel hedging currently in effect by MDW Pan to exceed 75% but not to exceed 90% of projected diesel consumption in any month.

As consideration for the Waiver, MDW Pan agreed to pay to the Senior Agent a non-refundable waiver fee equal to $0.2 million (the "Waiver Fee"), due and payable on June 30, 2015. The Waiver did not amend the covenants, tests or obligations related to the Senior Credit Agreement or the ongoing compliance with its terms, which affected the Debtors' ability to draw the remaining amounts under the Senior Credit Agreement and maintain the Senior Credit Agreement in good standing.

The Debtors were unable to comply with their obligations under the Waiver resulting in an event of default under the Senior Credit Agreement on May 20, 2015. Since January 30, 2015, the Senior Secured Parties have not provided any additional financing to the Debtors.

MDW Pan and CBA also entered into that certain ISDA Master Agreement dated as of October 3, 2014, and related confirmations (the "Secured Hedge Agreement"), as further modified by the Letter Agreement between MDW Pan and CBA dated May 21, 2015 (the "Secured Hedge Termination"), pursuant to which, notwithstanding anything to the contrary in the Credit Agreement or in any Secured Hedge Agreement, MDW Pan was permitted to terminate all Secured Hedge Agreements and all transactions entered into thereunder and,

following such termination, the obligation of MDW Pan to execute and maintain mandatory derivative transactions under the Risk Management Program (as defined in the Senior Creditor Agreement) was waived.

Upon achieving economic completion and meeting certain other requirements under the Senior Debt Facility, the Senior Agent's collateral was to be limited to the assets of MDW Pan and a guaranty from Midway Gold. Pursuant to the Senior Debt Facility, Midway Gold's ability to receive distributions from MDW Pan for corporate, general and administrative expenses and other non-Pan expenditures was contingent upon generating sufficient cash flow and satisfying certain conditions precedent, including funding a debt service reserve account with $10 million and an operating cash account with $7.5 million, as well as achieving various economic completion tests relating to mine production, recoveries, sales, costs and sustainability over a three-month period. As of the Petition Date, these requirements had not been met.

b. Subordinated Debt Facility

The Debtors also have a subordinate secured credit facility pursuant to that certain Subordinate Credit Agreement among MDW Pan, as borrower, the Subordinate Lenders, and the Subordinate Agent (the "Subordinated Debt Facility").

On April 17, 2015, MDW Pan and the Subordinate Secured Parties entered into the Subordinate Credit Agreement and the Debtors received an initial draw of $3.85 million (the "Initial Draw") under the Subordinate Credit Agreement. The Subordinate Credit Agreement matures on September 30, 2017, bears interest at a rate of 13.5% per annum and is subject to a 5% per annum commitment fee on the undrawn commitment through September 30, 2015. The proceeds of the facility were to be used to pay for costs for the Pan gold mine project and for general corporate purposes. As of the Petition Date, the principal balance of the Subordinate Credit Agreement was $7.85 million.

The Subordinated Debt Facility was secured by the same collateral package, guaranties and pledges as the Senior Debt Facility but it is subordinated to the senior security interest of the Senior Agent and the other Senior Secured Parties.

On April 17, 2015, the Senior Agent, the Subordinate Agent, Midway Gold, MDW Pan and certain other parties entered into the Subordination Agreement to determine the respective right of the Senior Agent and the Subordinate Agent.

The Debtors went out of compliance with the terms of the Subordinated Debt Facility prior to the Petition Date and, after May 15, 2015, the Subordinate Agent has not provided any additional financing to the Debtors.

2. Series A Preferred Shares

In December 2012, the Debtors issued 37,837,838 Series A Preferred Shares of Midway Gold at $1.85 per share for gross proceeds of $70 million pursuant to a private placement. The Series A Preferred Shares are a participating security as they receive dividends with common stock or cash at the Debtors' election. There is an 8% annual dividend for the

Series A Preferred Shares, compounding monthly, payable quarterly and, at their option, the Debtors may pay such dividend with common shares in lieu of cash.

The holders of each Series A Preferred Share are able to convert the shares into common shares on a one-for-one basis at any time on a 3 days' notice to the Debtors. After December 13, 2013, the Debtors could pro-ratably force conversion of the shares into common shares on a one-for-one basis if certain conditions were met. Starting on December 13, 2017, the Debtors or each holder of Series A Preferred Shares had the right to redeem or to require the Debtors to redeem, upon 30 days' notice, at their issue price any portion of the Series A Preferred Shares plus accumulated unpaid dividends for cash upon 30 days' notice. As of the Petition Date, there were no conversions.

Holders of the Series A Preferred Shares were given the right to nominate and elect, voting as a separate class, one director to Midway Gold's board. Upon liquidation, dissolution or winding-up, the holders of the Series A Preferred Shares are entitled to a liquidation preference equal to 125% of the initial issue price prior to any distribution to the holders of the common shares. Finally, holders of the Series A Preferred Shares have consent rights over a variety of significant corporate and financing matters.

Of the 37,837,838 Series A Preferred Shares sold, EREF-MID II, LLC and HCP-MID, LLC purchased a combined 17,837,838 Series A Preferred Shares.[4]

On March 26, 2015, Midway Gold's board of directors declared a dividend payment to the holders of Series A Preferred Shares with a record date of March 30, 2015, totaling $1.4 million, which was paid on April 1, 2015 in common shares, through the issuance of 3.7 million common shares to the holders of the Series A Preferred Shares, and in cash, through the payment of applicable withholding taxes.

3. Trade Debt

As a company with significant operations in Nevada, the Debtors purchased or leased mining equipment, processed commodities and used other services and goods from numerous vendors. As of the Petition Date, the Debtors estimated that they collectively owed approximately $17.5 million in trade debt.

4. Equity

As of May 1, 2015, 180,223,767 shares of common stock of Midway Gold were outstanding. As discussed above, Midway Gold's common stock traded on the NYSE MKT and the Toronto Stock Exchange, but has since been delisted from the NYSE MKT. Midway Gold's market capitalization was approximately $6.3 million as of the Petition Date. As of the Petition

[4] Hale Fund Management, LLC ("HFM") is the manager of EREF-MID II, LLC. HCP is the sole member of HCP-MID, LLC. Hale Fund Partners, LLC, ("HFP") is the general partner of HCP. Hale Capital Management, LP ("HCM") is the manager of HCP. Hale Fund Management, LLC ("HFM"), is the general partner of HCM and exercises voting and investment power over the Series A Preferred Shares held by HCP-MID, LLC. Mr. Martin Hale, a member of Midway Gold's board of directors, is the (i) CEO of HCP, (ii) the sole owner and managing member of HFP and (iii) the sole owner and CEO of HFM.

Date, there were no warrants to purchase shares of Midway Gold's common stock but there were outstanding stock options with respect to Midway Gold's common stock.

D. Events Leading to the Debtors' Chapter 11 Filing

While the Debtors achieved first gold production in March, 2015, at the Pan gold mine, the Debtors generated only limited revenues from operations since their incorporation. Total revenues as of the Petition Date were approximately $10.2 million.

The Debtors completed their first gold pour on March 26, 2015 at the Pan gold mine and continued to pour gold on a weekly basis. However, early sampling of ore grades was generally below modeled grades. In response to the early sampling grade variances, the Debtors engaged an independent engineering firm to review modeling, sampling and assaying practices to understand the tonnage and grade variances to date. On May 11, 2015, the Debtors released an updated mineral resource estimate for the Pan gold mine, which ultimately served as the basis for updating the Pan mine plan and mineral reserve estimate.

Gold production was significantly below the Debtors' initial production forecasts due principally to higher than anticipated clay content in the ore mined. This resulted in lower permeability and channeling of the solution applied to the leach pad, which in turn resulted in significantly lower gold production when compared to initial forecasts.

Despite the Debtors' prepetition efforts to increase revenue, decrease costs, reduce or delay capital expenditures and raise capital to address the Debtors' liquidity constraints, the Debtors' liquidity continued to deteriorate. The Debtors' cash and cash equivalents decreased from $15 million on December 31, 2014 to $0.6 million on June 21, 2015.

While the market prices for gold declined substantially in the last few years, which had a negative impact on the Debtors since gold production started, the continuing loss of liquidity was largely the result of (a) construction delays at the Pan mine that increased the need for working capital; (b) an overleveraged capital structure, the servicing of which required significant capital resources, as well as the Debtors' inability to draw under the Senior Debt Facility and the Subordinated Debt Facility; (c) lower than expected ore permeability which delayed the production of gold, (d) significant capital requirements and the need for additional engineering to address the permeability issue, and (e) the reduction in ore grades and tonnage as compared to prior estimates and other technical problems at the Pan mine.

The Debtors' then-existing capital structure placed a significant burden on free cash flow and contributed to the depletion of existing cash balances. As such, the Debtors incurred, among other things, substantial interest and other payment obligations under the Senior Debt Facility and the Subordinated Debt Facility.

In addition, the Debtors were either in default or otherwise had not satisfied the conditions required to draw the remaining $5.5 million available under the Senior Debt Facility or the remaining $2.65 million available under the Subordinated Debt Facility. The Debtors did not have sufficient funds to comply with the terms and conditions of the Senior Debt Facility, which included, but were not limited to, the funding of various reserve accounts and making scheduled principal and interest payments. The Debtors' ability to continue to draw amounts under the

Subordinated Debt Facility was also subject to the Debtors' ability to satisfy various conditions thereunder, which the Debtors were not able to meet.

The Debtors anticipated that they would require additional financing (a) to fund (i) the construction of a crushing and agglomeration circuit to improve the permeability of the solution applied to the ore and the recovery of gold and (ii) a leach pad expansion at the Pan gold mine; and (b) for working capital purposes.

Since commencing leaching operations and prior to the Petition Date, the Debtors produced approximately 9,900 ounces of gold, which was below the expected production. Production shortfalls were due to operational start-up issues, ore grades below modeled grades, a longer ramp up to steady state operations and lower solution permeability rates due to higher than anticipated clay content in the ore mined. Gold production was controlled in part by Adsorption/Desorption/Recovery ("ADR") plant efficiency and heap leach solution application rates. While ADR plant efficiencies continued to ramp up to design, the primary constraint on gold production was lower than expected heap leach solution application rates. Solution application rates were limited by the run-of-mine ("ROM") ore permeability characteristics. While improved since initial leaching through programs of blasting, ore blending and material stacking, ROM ore permeability characteristics limited the solution application rate to about one half of the designed levels. Constrained application rates resulted in delayed gold production. To counteract the production shortfall, the Debtors amended blasting practices, material blending, pad loading and solution application practices.

As a result of the Pan mine project delays and lower gold production forecast, the Debtors determined that they did not have sufficient funds to complete the construction of the Pan mine, to fund operating and reserve accounts and to satisfy other requirements under the Senior Debt Facility.

On March 13, 2015, the Debtors entered into the Waiver with CBA and certain tests required under the Senior Debt Facility were waived until April 20, 2015. The Debtors, however, were unable to comply with their obligations under the Waiver and as a result, the Debtors were no longer in compliance with the terms of the Senior Debt Facility. Such non-compliance became an event of default under the Senior Debt Facility on May 20, 2015. The Debtors were also unable to comply with their obligations under the Subordinated Credit Agreement.

On April 14, 2015, the Debtors hired RBC Dominion Securities Inc. ("RBC") as their strategic advisors to develop, evaluate and assist the Debtors in implementing various potential strategies and transaction alternatives, including the issuance of debt and/or equity securities, a recapitalization and a sale of substantially all of the Debtors' assets.

With the assistance of RBC, the Debtors contacted 28 third-parties, consisting of 23 strategic parties and 5 financial investors to determine whether such parties had an interest in engaging in a strategic transaction with the Debtors. The Debtors provided non-disclosure agreements to interested parties and received 14 signed non-disclosure agreements back. The Debtors also provided the parties that signed those agreements access to the Debtors' data room. Thereafter, 5 parties conducted site visits. As of the June 5, 2015 deadline for the submission of

proposals, however, no proposal to engage in a transaction was received by the Debtors and their advisors. As such, the Debtors determined that the best alternative available under the circumstances was to commence the Chapter 11 Cases and seek to maximize value under the protection of the Bankruptcy Code.

E. The Chapter 11 Cases

1. Commencement of Chapter 11 Cases and the Ancillary Canadian Recognition Proceedings

On June 22, 2015, each of the Debtors filed with the Bankruptcy Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Chapter 11 Cases were assigned to Judge Michael E. Romero and are being jointly administered for procedural purposes only under Case No. 15-16835. Throughout the Chapter 11 Cases, the Debtors have operated and managed their affairs as debtors in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed.

On June 24, 2015, the Bankruptcy Court entered an order authorizing MGUS to act as the Debtors' foreign representative in connection with ancillary Canadian Recognition Proceedings currently pending in the Canadian Court under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA"), Action No. S-155201, Vancouver Registry. On June 25, 2015, the Canadian Court entered an initial order and a supplemental order recognizing the Chapter 11 Cases as a "foreign main proceeding" (as defined in subsection 45(1) of the CCAA) and otherwise providing for the governance of certain aspects of the Canadian Recognition Proceedings, copies of which are on file with the Bankruptcy Court (Docket No. 161). The Canadian Court also appointed Ernst & Young Inc. to serve as Information Officer in the Canadian Recognition Proceedings.

The Debtors retained the law firm of Squire Patton Boggs (US) LLP to serve as their primary bankruptcy counsel and the law firm of Sender Wasserman Wadsworth, P.C. to serve as their local bankruptcy counsel for the Chapter 11 Cases, and the law firm of DLA Piper (Canada) LLP to serve as their Canadian bankruptcy counsel in connection with the Canadian Recognition Proceedings. Additionally, the Debtors retained FTI Consulting, Inc. ("FTI") to serve as their financial advisor and Moelis & Company LLC ("Moelis") to serve as their investment banker. Moelis replaced RBC as the Debtors' investment banker effective as of August 12, 2015 following RBC's postpetition resignation.

2. Events During the Pendency of the Chapter 11 Cases

The Debtors, with the assistance of their retained Professionals and advisors, have generally focused their time and efforts in these Chapter 11 Cases: (i) transitioning their business operations into the chapter 11 environment, (ii) fulfilling their duties as debtors in possession under the Bankruptcy Code, (iii) communicating with their secured and unsecured creditor constituencies and other key parties, (iv) addressing operational issues that impacted the Debtors' prepetition sale efforts, (v) evaluating all available restructuring alternatives, (vi) pursuing and consummating two separate sale processes with successful sales of substantially all of the Debtors' assets, (vii) reviewing and, when appropriate, objecting to proofs of claim that

have been filed, (viii) resolving contentious litigation, (ix) seeking necessary and appropriate relief from the Bankruptcy Court, and (x) otherwise acting to maximize value and move these Chapter 11 Cases forward as promptly and efficiently as possible. Some of the key events that have occurred are summarized below.

a. **First Day Motions**

On the Petition Date, the Debtors filed several motions and other pleadings (the "First Day Motions") to ensure an orderly transition into chapter 11, including (i) a motion for the procedural joint administration of the Chapter 11 Cases; (ii) a motion to pay certain prepetition workforce obligations and other benefits to the Debtors' employees; (iii) a motion relating to the continued use of the Debtors' existing cash management system, bank accounts and business forms; (iv) a motion to retain and employ Epiq Systems ("Epiq") as the Debtors' claims and noticing agent; (v) a motion to establish procedures for determining adequate assurance for the provision of utility services; (vi) a motion to use cash collateral and provide adequate protection to prepetition secured lenders; (vii) a motion to establish notice and hearing procedures relating to the preservation of valuable net operating loss tax attributes, and (viii) a motion to appoint MGUS as the foreign representative with respect to the Canadian Recognition Proceedings. The First Day Motions were granted with certain adjustments or modifications to accommodate the concerns of the Bankruptcy Court, the United States Trustee and other parties in interest.

b. **Appointment of the Creditors' Committee**

On July 1, 2015, the Office of the United States Trustee for the District of Colorado appointed the Official Committee of Unsecured Creditors in these Chapter 11 Cases (Docket No. 95). The initial Committee members were: American Assay Laboratories, Boart Longyear, EPC Services Company, InFaith Community Foundation, Jacobs Engineering Group, Inc., SRK Consulting (US), Inc., and Sunbelt Rentals. EPC Services Company subsequently resigned from the Committee prior to commencing the EPC Adversary Proceeding. The Committee retained the law firm of Cooley LLP to serve as its primary bankruptcy counsel and Gavin/Solmonese LLC to serve as its financial advisor.

The Debtors and their Professionals have consulted with the Committee and its Professionals on all significant matters throughout these Chapter 11 Cases. The Committee was supportive of the two Sales and also supports the Plan.

c. **Cash Collateral**

Among the First Day Motions was the *Debtors' Expedited Motion for Interim and Final Orders (A) Authorizing the Use of Cash Collateral, (B) Granting Adequate Protection, and (C) Granting Related Relief* (the "Cash Collateral Motion") (Docket No. 19), pursuant to which the Debtors sought, among other things, authority to use cash collateral of the Senior Secured Parties and the Subordinate Secured Parties and to provide adequate protection and related relief that is customary and appropriate in chapter 11 cases. The Debtors and their Professionals successfully negotiated the terms of a consensual interim order (Docket No. 50) granting the Cash Collateral Motion on an interim basis. As the Chapter 11 Cases progressed, the Debtors

had continued discussions and negotiations with the Senior Agent and the Subordinate Agent, as well as with creditors asserting mechanic's lien rights, which resulted in the entry of a second interim cash collateral order (Docket No. 228), a third interim cash collateral order (Docket No. 293), and ultimately, on November 6, 2015, the Final Cash Collateral Order. The Final Cash Collateral Order was subsequently amended by (i) the *Notice of Extension of Sale Process Milestone Date* (Docket No. 652), (ii) the *Second Notice of Extension of Sale Process Milestone Dates Under Final Cash Collateral Order* (Docket No. 689) and (iii) the *Notice of Extension of Sale Process Milestone Dates and Revised Form of Proposed Bid Procedures Order and Other Sale Related Documents* (Docket No. 784).

In total, four separate cash collateral hearings were held on June 24, 2015, August 13, 2015, September 11, 2015, and November 6, 2015. Each of the cash collateral orders entered was the product of extensive negotiation and resulted in the consensual use of cash collateral throughout these cases to fund, among other things, administrative costs and expenses and the Debtors' restructuring and sale efforts.

The three interim cash collateral orders did not impose any timeline or specific milestones with respect to conducting a process to identify available restructuring, transaction, and sale alternatives. However, as a result of extensive negotiations, a timeline and specific milestones were included in the Final Cash Collateral Order which laid the groundwork for advancing these cases. These milestones were subsequently extended and modified as necessary or appropriate, on a consensual basis, in order to facilitate the Debtors' restructuring efforts and to ensure that value was being maximized through those efforts for the benefit of all creditors and stakeholders.

On June 3, 2016, having obtained Bankruptcy Court approval for and successfully consummated two separate Sales – the Spring Valley Sale and the GRP Sale – resulting in the sale of substantially all of the Debtors' assets, the Debtors allowed the cash collateral budget to expire. On June 10, 2016, as a result of the expiration of the cash collateral budget and no agreement on an amended budget, the Senior Agent issued a notice that a termination event occurred under paragraph 15 of the Final Cash Collateral. The Senior Agent reserved its rights under the Cash Collateral Order based on the termination and issuance of the notice. No remedial action has been taken by the Senior Agent as of the date of this Disclosure Statement.

d. The Schedules and Statements and Proof Claim Bar Date

On July 15, 2015, each of the Debtors filed their respective Statement of Financial Affairs and Schedules of Assets and Liabilities in accordance with the *Order Granting Debtors' Motion for Order Extending Time to File Schedules and Statements* (Docket No. 106).

On July 20, 2015, the Bankruptcy Court entered an order (Docket No. 144) establishing September 21, 2015 as the general bar date for all proofs of claim, including, without limitation, with respect to claims under section 503(b)(9) of the Bankruptcy Code. The docket text for the bar date order also established January 19, 2016 as the deadline for Governmental Units to file proofs of claim.

To date, more than 200 hundred proofs of claim have been filed. The Debtors have conducted a preliminary review and have filed certain omnibus objections to certain of the proofs of claim. However, the Debtors' review of proofs of claim has not been completed and the Debtors reserve all rights to assert additional objections as provided for in the Plan (which objections may be asserted by the Midway Liquidating Trust under the Plan).

e. **Monthly Operating Reports**

Each month, the Debtors timely filed the required consolidated Chapter 11 Monthly Operating Reports and have communicated with the Office of the United States Trustee with respect to any questions that may have arisen. A copy of each monthly report was also publicly filed with the Securities and Exchange Commission through appropriate Form 8-K's.

f. **Key Employee Retention Plan**

In order to facilitate their restructuring efforts and ensure sufficient employee support and morale to make those efforts successful, the Debtors determined, in consultation with the Senior Agent, the Committee and other parties, that it was necessary and appropriate to obtain approval and implement a key employee retention plan for certain non-insider employees. Accordingly, on August 28, 2015, the Debtors filed the Motion for an Order Authorizing the Implementation of a Key Employee Retention Plan for Non-Insider Employees (Docket No. 263), which was approved by the Bankruptcy Court through an order entered on September 11, 2015 (the "KERP Order") (Docket No. 298). All payments that were required to be made by the KERP Order have been made.

g. **Section 363(h) Barrick Litigation**

As described above, MGUS and Barrick each determined to sell its interest in the Spring Valley property during the Chapter 11 Cases, but the parties were not able to agree on a consensual joint sale process. As a result, on October 15, 2015, the Debtors commenced an adversary proceeding against Barrick, Adversary Proceeding No. 15- 1412, pursuant to which, among other things, MGUS sought to enforce its rights under Section 363(h) of the Bankruptcy Code and to sell the entirety of the Spring Valley project without the consent of Barrick. The Debtors also sought a preliminary injunction to enjoin Barrick from proceeding with its own sale process pending the resolution of the adversary proceeding. Among other things, the Debtors believed that Barrick's independent sale process would not maximize value and would materially interfere with MGUS' efforts to sell its ownership interest in the Spring Valley property.

The parties engaged in significant discovery efforts on an expedited timeline with respect to the Debtors' request for a preliminary injunction. As the parties were preparing for an evidentiary hearing on the request, MGUS became aware of an opportunity to sell its interest in the Spring Valley property to Solidus Resources, who was also the favored purchaser identified by Barrick for a sale of its own interest in the Spring Valley property. The Debtors and Barrick agreed to put the adversary proceeding on temporary hold to allow sufficient time to reach an agreement with Solidus Resources. Following extensive negotiations over a period of days, MGUS reached an agreement in principle with Solidus Resources that the Debtors and their Professionals believed represented the highest and best value for MGUS' ownership interest in

the Spring Valley property under the circumstances. The Debtors and their Professionals also determined that there would be no material benefit from proceeding with additional marketing or a public auction process for the Spring Valley ownership interest.

Accordingly, on December 1, 2015, the Debtors filed a motion (Docket No. 507) to approve a private sale of MGUS' ownership interest in the Spring Valley property for a cash purchase price of $25 million less any applicable cure costs, transfer taxes and the Moelis transaction fee. On December 15, 2015, the Bankruptcy Court entered the Spring Valley Sale Order approving the Spring Valley Sale to Solidus Resources, and the Spring Valley Sale closed shortly thereafter.

The successful consummation of the Spring Valley Sale effectively rendered the Barrick adversary proceeding moot. As such, on December 21, 2015, the Debtors filed a Notice of Dismissal of Adversary Proceeding voluntarily dismissing the Barrick adversary proceeding.

h. **The Asset Sales**

As described above, the Debtors have successfully consummated two separate asset sales – the Spring Valley Sale and the GRP Sale – the result of which was the sale and monetization of the substantially all of the Debtors' assets. Having sold substantially all of their assets and ceased business operations, the Debtors have proposed the Plan to distribute the Sale Proceeds as appropriate in accordance with the priority and other relevant provisions of the Bankruptcy Code and to otherwise provide for a means to promptly and efficiently wind-down these Chapter 11 Cases.

(i) <u>The Spring Valley Sale</u>

As described above, the opportunity for the Spring Valley Sale arose within the context of the Barrick section 363(h) adversary proceeding. Having determined that (i) the offer received from Solidus Resources for MGUS' ownership interest in the Spring Valley property and certain related assets maximized value and that no further benefit would be gained from conducting additional marketing efforts or a public auction process (as described in greater detail in the Debtors' motion to approve the Spring Valley Sale), and (ii) if successfully consummated, the sale to Solidus Resources would fully resolve the Barrick section 363(h) litigation and avoid additional litigation cost and uncertainty, the Debtors moved for approval of a prompt private sale to Solidus Resources.

On December 15, 2015, the Bankruptcy Court entered the Spring Valley Sale Order approving the Spring Valley Sale, which resulted in, among other things, the $25 million in Spring Valley Sale Proceeds for the benefit of the Debtors' estates. The Spring Valley Sale Proceeds were unencumbered property of MGUS and have been used to fund certain administrative costs and expenses of these Chapter 11 Cases. As of July 1, 2016, approximately $16.7 million of the Spring Valley Sale Proceeds remained and are available for the benefit of administrative claimants and general unsecured creditors of MGUS.

(ii) The GRP Sale

Having sold the Spring Valley related assets, the Debtors turned their focus to conducting a fulsome process to identify the best available restructuring, transaction, or sale alternative for their remaining assets in accordance with the milestones established by the Cash Collateral Order. The Debtors had already conducted a prepetition six-week transaction process with the assistance of RBC, which did not result in any binding offers or other viable opportunities. With the benefit of the automatic stay and other protections under the Bankruptcy Code, the Debtors continued to investigate all available transactions with the assistance of Moelis postpetition.

As a result of these postpetition efforts, the Debtors and their Professionals determined that a sale of substantially all of the Debtors' assets was the best alternative available to maximize value. Accordingly, on March 7, 2016, the Debtors filed the *Motion for Entry of: (I) an Order (A) Approving Bidding and Auction Procedures for the Sale of Substantially All of the Debtors' Remaining Assets, (B) Scheduling an Auction, Sale Hearing, and Other Dates and Deadlines, (C) Authorizing the Debtors to Designate a Stalking Horse Purchaser and Grant Stalking Horse Protections, (D) Approving the Assumption and Assignment of Contracts and Leases and Related Cure Procedures, and (E) Granting Related Relief, and (II) an Order Approving the Sale of Substantially All of the Debtors' Remaining Assets Free and Clear of Liens, Claims and Encumbrances* (the "Sale Motion") (Docket No. 744).

On March 25, 2016, the Bankruptcy Court entered an order (the "Bid Procedures Order") (Docket No. 797) approving, among other things, certain bidding and auction procedures that would govern the remainder of the sale process and granting related relief. On that same day, the Debtors filed a notice of the entry of the Bid Procedures Order and all related dates and deadlines (Docket No. 798). Among other things, the Bid Procedures Order scheduled (i) May 2, 2016 as the bid deadline, (ii) May 5, 2016 as the auction date, if an auction was needed, and (iii) May 9, 2016 as the date for a hearing to consider approval of the Sale Motion.

On April 28, 2016, the Debtors filed a notice (Docket No. 835) designating GRP Minerals as the stalking horse purchaser for the GRP Purchased Assets. The Debtors and Moelis continued their efforts to solicit additional bids, but by the May 2, 2016 bid deadline, no additional bids were received that were superior to the stalking horse bid by GRP Minerals. Accordingly, on May 3, 2016, the Debtors filed a notice (Docket No. 841) cancelling the scheduled auction and stating their intent to ask the Bankruptcy Court to approve the sale of the GRP Purchased Assets to GRP Minerals at the sale hearing.

At the sale hearing, the Debtors established an evidentiary record in support of the GRP Sale and demonstrated to the satisfaction of the Bankruptcy Court that the GRP Sale maximized value and should be approved. The Debtors made certain modifications to the proposed sale order to address certain objections that had been received, and with those changes, the Bankruptcy Court entered an initial order (Docket No. 863) and, subsequently, a revised order (Docket No. 870) approving the GRP Sale on a consensual basis. The GRP Sale successfully closed shortly thereafter, resulting in the GRP Sale Proceeds and other benefits to the Debtors' Estates.

Despite the extensive marketing efforts, however, certain Remaining Assets exist that are to be transferred to the Midway Liquidating Trust under the Plan, including the Debtor's Tonopah project. The Debtors and Moelis continue to engage with prospective bidders with respect to the Tonopah project, but as of the date hereof, no offer has been received.

i. The EPC Services Adversary Proceeding

On May 5, 2016, EPC Services Company commenced the EPC Adversary Proceeding seeking a determination of the relative rights and priorities of EPC Services Company, the other Mechanic's Lien Claimants, the Senior Agent and the Subordinate Agent and certain other parties with respect to the assets of MDW Pan. Certain of the Debtors are named as co-defendants as well.

In particular, EPC Services Company and the other Mechanic's Lien Claimants assert that they each hold secured mechanic's lien claims with priority over the allowed claims of the Senior Agent and the Subordinate Agent and seek a determination from the Bankruptcy Court with respect to such claims, which relate only to the real property assets of MDW Pan and any proceeds thereof realized through the GRP Sale. The GRP Sale Order, however, did not allocate the portion of the GRP Sale Proceeds that are attributable to MDW Pan assets, which allocation is relevant for purposes of determining what funds are available, if any, to satisfy the asserted claims of the Mechanic's Lien Claimants.

As set forth below, the Plan contemplates the establishment of a Lien Priority Dispute Reserve with cash sufficient to pay in full the asserted secured claims of the Mechanic's Lien Claimants upon resolution of the Lien Priority Dispute and the EPC Adversary Proceeding. The parties involved in the EPC Adversary Proceeding have agreed to stay all applicable deadlines in the EPC Adversary Proceeding to allow for settlement discussions to occur. As of the date hereof, those settlement discussions are ongoing.

III. OVERVIEW OF THE PLAN

A. General

This section of the Disclosure Statement summarizes the Plan, which is set forth in its entirety as Exhibit A hereto. This summary is qualified in its entirety by reference to the Plan. YOU SHOULD READ THE PLAN IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

In general, a chapter 11 plan (i) divides claims and equity interests into separate classes, (ii) specifies the property that each class is to receive under the plan, and (iii) contains other provisions necessary to implement the plan. Under the Bankruptcy Code, "claims" and "equity interests" are classified rather than "creditors" and "shareholders" because such entities may hold claims and equity interests in more than one class. Under Section 1124 of the Bankruptcy Code, a class of claims is "impaired" under a plan unless the plan (a) leaves unaltered the legal, equitable and contractual rights of each holder of a claim in such class or (b) provides, among other things, for the cure of existing defaults and reinstatement of the maturity of claims in such class. The Plan provides for twelve (12) classes of claims and equity interests under Article III of the Plan. Of those classes, Class 11 (Other General Unsecured Claims) and

Class 12 (Equity Interests) are deemed to reject the Plan and are not entitled to vote, and Class 1 (Priority Non-Tax Claims), Class 3 (Subordinate Agent Secured Claim), Class 4 (Mechanic's Lien Claims against MDW Pan), and Class 5 (Other Secured Claims against MDW Pan) are deemed to accept the Plan and are not entitled to vote. All other Classes under the Plan are impaired under the Plan and are entitled to vote to accept or reject the Plan. Ballots are being furnished to all such holders to submit their vote to accept or reject the Plan.

A chapter 11 plan may also specify that certain classes of claims or equity interests are to have their claims or equity interests remain unaltered by the plan. Such classes are referred to as "not impaired," and because of the favorable treatment accorded to such classes, they are conclusively deemed to have accepted the plan and therefore need not be solicited to vote to accept or reject the plan. The holders of Claims in Class 1 (Priority Non-Tax Claims), Class 3 (Subordinate Agent Secured Claim), Class 4 (Mechanic's Lien Claims against MDW Pan), and Class 5 (Other Secured Claims against MDW Pan) under the Plan are not impaired and are conclusively deemed to have accepted the Plan. Holders of such Claims are, therefore, not entitled to vote to accept or reject the Plan. Therefore, based on the foregoing, no ballots are enclosed for holders of such claims.

B. Assets for Distribution Under the Plan

In general, the assets available for distribution under the Plan are comprised of (i) Cash on hand as of the Effective Date, (ii) the Remaining Assets, (iii) the Retained Causes of Action, (iv) all proceeds of the foregoing, and (v) all other assets transferred to the Midway Liquidating Trust constituting Liquidating Trust Assets, as described in greater detail in the Plan.

The Remaining Assets are comprised of all assets that were not previously sold, disposed of, transferred or abandoned prior to the Effective Date, including, without limitation, (i) all of the Debtors' right, title and interest in and to the Tonopah Project, (ii) certain raw land located in Ely, Nevada generally described as 1455 Ave. M APN's: 002-271-08, 09, 10, 11, Ely, NV 89301, (iii) outstanding deposits, prepayments, and/or similar amounts held by third parties that belong or are otherwise payable to the Debtors, and (iv) any claim, right or interest of the Debtors in any refund, rebate, abatement or other recovery for Taxes. Remaining Assets **do not** include, however, (i) the Retained Causes of Action, (ii) any of the GRP Purchased Assets or the Spring Valley Assets, or (iii) Cash on hand as of the Effective Date. The Retained Causes of Action will be transferred to the Midway Liquidating Trust and constitute a Liquidating Trust Asset, but will be treated separately from the Remaining Assets as described in the Plan.

On the Effective Date or as soon as is reasonably practicable thereafter (to the extent such amounts have not already been remitted), the Liquidating Trustee shall remit to holders of Allowed Administrative Claims, Allowed Priority Tax Claims and Allowed Priority Non-Tax Claims an amount in Cash equal to the Allowed amount of such Claims, or such lesser amounts as agreed to by such holders. Additionally, the Plan provides that on the Effective Date or as soon as reasonably practicable thereafter the Debtors shall pay to the Senior Agent the Cash to which it is entitled in respect of the Senior Agent Administrative Claim and its Class 2 Claim. The Plan also provides that the Midway Liquidating Trust shall make payment(s) to the holders of other Allowed Claims as and when such Claims become due and payable by Final Order of

the Bankruptcy Court authorizing and approving the payment of such Claims in accordance with Article II of the Plan.

As described below and in the Plan, the Committee has negotiated for the funding of the MGUS GUC Reserve, which will provide Cash recoveries for the holders of Allowed General Unsecured Claims against MGUS, and the Non-MGUS GUC Reserve, which will provide Cash recoveries to be shared Pro Rata and on a *pari passu* basis among holders of Allowed General Unsecured Claims against each of MDW Pan, Midway Gold Corp., MDW Gold Rock LLP, and Midway Gold Realty LLC, in each case as specifically provided for in the Plan.

Pursuant to the settlements described by and embodied in the Plan, (i) holders of Allowed General Unsecured Claims against Debtors other than the No Asset Debtors will also receive their Pro Rata share of the proceeds of the Retained Causes of Action, if any, that are allocable to the Debtor or Debtors against whom such holders assert their Allowed Claims, (ii) the Senior Agent will receive the benefit of any proceeds generated from the Remaining Assets (other than the first $50,000 generated from the Tonopah Project, 50% of which will be contributed to the MGUS GUC Reserve up to $25,000 and 50% of which will be contributed to the Non-MGUS GUC Reserve up to $25,000), in each case as specifically provided for in the Plan, and (iii) the Subordinate Agent will receive the treatment provided for by the Subordinate Agent Settlement.

Certain Debtors, however, do not have in the aggregate assets having a value in excess of the amount of the Senior Agent Administrative Claim against such Debtors. Such Debtors are referred to in the Plan as the No Asset Debtors. In addition, there are no General Unsecured Creditors who are expected to have Allowed Claims against any of the No Asset Debtors except for the Senior Agent and the Subordinate Agent. As such, all Allowed General Unsecured Claims against the No Asset Debtors are classified together in Class 11, as described below, and will not receive any Distribution.

C. Summary Table of Classification and Treatment of Claims and Equity Interests under the Plan

Claims and Equity Interests are divided into twelve (12) classes under the Plan, and the proposed treatment of Claims and Equity Interests in each Class is described in the Plan and in the chart set forth below. Such classification takes into account the different nature and priority of the Claims and Equity Interests and the fact that the Plan does not contemplate the substantive consolidation of the Debtors' separate Estates. The following table summarizes the various Classes under the Plan:

Class	Claim	Status	Voting Rights
1	Priority Non-Tax Claims	Unimpaired	Deemed to Accept
2	Senior Agent Secured Claim	Impaired	Entitled to Vote
3	Subordinate Agent Secured Claim	Unimpaired	Deemed to Accept

4	Mechanic's Lien Claims Against MDW Pan LLP	Unimpaired	Deemed to Accept
5	Other Secured Claims Against MDW Pan	Unimpaired	Deemed to Accept
6	General Unsecured Claims Against Midway Gold US Inc.	Impaired	Entitled to Vote
7	General Unsecured Claims Against Midway Gold Corp.	Impaired	Entitled to Vote
8	General Unsecured Claims Against MDW Pan LLP	Impaired	Entitled to Vote
9	General Unsecured Claims Against MDW Gold Rock LLP	Impaired	Entitled to Vote
10	General Unsecured Claims Against Midway Gold Realty LLC	Impaired	Entitled to Vote
11	Other General Unsecured Claims	Impaired	Deemed to Reject
12	Equity Interests	Impaired	Deemed to Reject

Classes 1, 3, 4 and 5 are the only Classes not impaired under the Plan. Each of the other Classes is impaired under the Plan. The meaning of "impairment," and the consequences thereof in connection with voting on the Plan, is set forth in section III.A of the Plan.

The estimated percentage recovery to holders of General Unsecured Claims is dependent on, among other things, the amount remaining after payment of all Allowed Administrative Claims, Claims in connection with Professional Compensation, Allowed Priority Tax Claims and Allowed Priority Non-Tax Claims at each of the Debtors' Estates, the net recoveries of the Debtors and/or the Liquidating Trustee on account of the Retained Causes of Action and the total amount of General Unsecured Claims at each of the Debtors' Estates that become Allowed Claims. There can be no assurance that the estimated claims amounts are correct, and actual claim amounts may be significantly different from the estimates. The following table is qualified in its entirety by reference to the Plan, a copy of which is annexed hereto as Exhibit A. In no case will any creditor receive more than 100% of its Allowed Claim.

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
N/A	Administrative Expense Claims	$100,000, plus Allowed Professional Fees in an undetermined amount, plus $15 million on account of the Senior Agent Administrative Claim	- Estimated Recovery: 100% - Unimpaired - Each holder of an Allowed Administrative Claim shall be paid the full unpaid amount of such Allowed Administrative Claim in Cash: (i) on the Effective Date or as soon as practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due or as soon as practicable thereafter); (ii) if such Claim is Allowed after the Effective Date, on the date such Claim is Allowed or as soon as practicable thereafter (or, if not then due, when such Allowed Administrative Claim is due); (iii) at such time and upon such terms as may be agreed upon by such holder and the Debtors; or (iv) at such time and upon such terms as set forth in an order of the Bankruptcy Court, in each case subject to certain provisos set forth in the Plan. - Professional Compensation and Reimbursement Claims are subject to the final fee application process required under the Plan and under the Bankruptcy Code. - Subject to the Carve-Out and all other provisions of the Cash Collateral Order, the Senior Agent Administrative Claim shall be paid by the Debtors in Cash: (i) on the Effective Date or as soon as practicable thereafter; (ii) at such time and upon such terms as may be agreed upon by the Senior Agent and the Debtors; or (iii) at such time and upon such terms as set forth in an order of the Bankruptcy Court. The Excess Reserve Amount, if any, shall be paid to the Senior Agent as a supplemental distribution on account of the Senior Agent Administrative Claim only upon the completion of the administration of such

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
			reserves as determined by the Liquidating Trustee. - Allowed Intercompany Administrative Claims shall be set-off against each other and the net payable amount, if any, shall be paid by the liable Debtor to the applicable Debtor in full from available assets of the liable Debtor. If no available assets exist, the unpaid portion of the Intercompany Administrative Claim will be deemed waived and forgiven.
N/A	Priority Tax Claims	$25,000	- Estimated Recovery: 100% - Unimpaired - Except to the extent that a holder of an Allowed Priority Tax Claim against a Debtor agrees to a different treatment, each holder of an Allowed Priority Tax Claim shall be paid the full unpaid amount of such Allowed Priority Tax Claim in Cash, on the latest of (i) the Effective Date, (ii) the date such Allowed Priority Tax Claim becomes Allowed and (iii) the date such Allowed Priority Tax Claim is payable under applicable non-bankruptcy law.
Class 1	Priority Non-Tax Claims	$12,500	- Estimated Recovery: 100% - Unimpaired - To the extent it has not already been paid prior to the Effective Date, Class 1 claimants shall receive those amounts that any such Claimant is entitled to receive on account of the Priority Non-Tax Claims. Such payments shall be made solely from the assets of the specific Debtor's estate against which the Allowed Priority Non-Tax Claim is filed.

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
Class 2	Senior Agent Secured Claim	$49,115,283	- Estimated Recovery: Between 5% and 15% - Impaired - On or as soon as practicable after the Effective Date, the Debtors shall pay to the Senior Agent from assets belonging to MDW Pan the sum of: (A)(1) all Pan Cash Collateral not previously distributed to the Senior Agent and (2) the portion of the GRP Sale Proceeds allocated to MDW Pan, **less** (B)(1) the Lien Priority Dispute Reserve and (2) the Non-MGUS GUC Reserve; *provided, however*, that upon the resolution of the Lien Priority Dispute, the difference, if any, between the Lien Priority Dispute Reserve and the actual amounts paid to the Mechanic's Lien Claimants on account of their asserted secured claims against MDW Pan shall be paid to the Senior Agent by the Midway Liquidating Trustee as a further distribution on account of its Senior Agent Secured Claim. After giving effect to such distributions, any deficiency claim owing on account of the Senior Agent Secured Claim shall be deemed a Class 8 Allowed General Unsecured Claim against MDW Pan.
Class 3	Subordinate Agent Secured Claim	$8,015,234	- Estimated Recovery: 0% - Unimpaired - The estimated recovery for Allowed Claims in this Class is 0%. Pursuant to the Subordinate Agent Settlement, the Subordinate Agent shall receive no Distribution on account of the Subordinate Agent Secured Claim as a secured claim against MDW Pan, and shall not be deemed a secured claim against any other Debtor.
Class 4	Mechanic's Lien Claims	$1,612,515	- Estimated Recovery: To Be Determined / Dependent Upon Resolution of Lien Priority

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
	Against MDW Pan LLP		Dispute - Unimpaired - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date, but subject to the full and complete resolution of the Lien Priority Dispute and the EPC Adversary Proceeding pursuant to a Final Order of the Bankruptcy Court or as may be agreed consensually among the Midway Liquidating Trust, the Senior Agent and a Mechanic's Lien Claimant, the Midway Liquidating Trustee shall pay from the Lien Priority Dispute Reserve the full amount of the Allowed secured claims of the Mechanic's Lien Claimants whose liens are determined to be senior in priority to the liens securing the Senior Agent Secured Claim. In the event that any portion of the secured claim asserted by a Mechanic's Lien Claimant is determined by Final Order or agreement among the parties to be of lesser priority than the Senior Agent Secured Claim, the corresponding portion of the Lien Priority Dispute Reserve shall be distributed to the Senior Agent as a further distribution on account of the Senior Agent Secured Claim. Furthermore, in the event any portion of the secured claim asserted by a Mechanic's Lien Claimants is determined by Final Order to be unsecured, such portion shall be deemed and treated as a Class 8 General Unsecured Claim against MDW Pan. Notwithstanding the foregoing, in full and final satisfaction of all prepetition and postpetition Claims that have or could have been asserted by Golder Associates in any of the Chapter 11 Cases, Golder Associates shall receive the treatment provided under the Golder Associates Claim Settlement.

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
Class 5	Other Secured Claims Against MDW Pan	$106,000	- Estimated Recovery: 0% - Unimpaired - This Class includes, among others, the Claims asserted by the Subordinated Mechanic's Lien Claimants, which together total approximately $11,751,000. However, because these Claims are contractually subordinate to the Senior Agent Secured Claim and the Subordinate Agent Secured Claim, they are entirely undersecured and are deemed and treated as Class 8 General Unsecured Claims against MDW Pan, subject to the claim objection process. As such, their value is not included in the estimated amount of Allowed Claims in this Class and they are not reserved for through the Other Pan Secured Claims Reserve. According to the claims register, six other Claims potentially fall within this Class. However, the Debtors believe that these Claims are subject to valid objections and they estimate that there will not be any Allowed Claims in this Class. However, all such Claims are reserved for in their asserted amounts through the Other Pan Secured Claims Reserve. - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date occurring after (i) the entry of a Final Order determining that an Other Pan Secured Claim has priority over the Senior Agent Secured Claim or (ii) an agreement among the holder of an Allowed Other Secured Claim, the Senior Agent and the Liquidating Trust, the Midway Liquidating Trust shall, in full and final satisfaction of such Allowed Claim, pay the holder of such Allowed Claim the full amount of such Allowed Claim in Cash

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
			from the Other Pan Secured Claims Reserve. In the event that any portion of the secured claim asserted by the holder of an Other Pan Secured Claim is determined by Final Order or agreement among the parties to be of lesser priority than the Senior Agent Secured Claim, the corresponding portion of the Other Pan Secured Claims Reserve shall be distributed to the Senior Agent as a further Distribution on account of the Senior Agent Secured Claim. Furthermore, in the event any portion of the secured claim asserted by the holder of an Other Pan Secured Claim is determined by Final Order to be unsecured, such portion shall be deemed and treated as a Class 8 General Unsecured Claim against MDW Pan.
Class 6	General Unsecured Claims Against Midway Gold US Inc.	$1,495,473	- Estimated Recovery: Between 15% and 30%, depending on, among other things, whether there are recoveries from the Retained Causes of Action of MGUS and/or from the Tonopah Project. - Impaired - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date, the Midway Liquidating Trust shall, in full and final satisfaction of such Allowed General Unsecured Claim, (i) pay each holder of an Allowed General Unsecured Claim in this Class, *other than* the Senior Agent and any other Debtor (including, without limitation, Midway Gold Corp. on account of the Intercompany Loan), its Pro Rata share of (a) the MGUS GUC Reserve and (b) the net proceeds generated from the Retained Causes of Action of MGUS, if any; and (ii) pay the Senior Agent on account of its Allowed General Unsecured Claim in this Class the net proceeds generated from the Remaining

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
			Assets allocable to MGUS, if any. The prepetition General Unsecured Claims of other Debtors against MGUS will not receive any distribution. Notwithstanding the foregoing or any other provision in the Plan to the contrary, the Subordinate Agent Secured Claim shall receive the agreed treatment provided for in the Subordinate Agent Settlement on account of its Allowed General Unsecured Claim against MGUS.
Class 7	General Unsecured Claims Against Midway Gold Corp.	$446,832	- Estimated Recovery: Between 1% and 2%, depending on, among other things, whether there are recoveries from the Retained Causes of Action of Midway Gold Corp. and/or from the Tonopah Project. - Impaired - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date, the Midway Liquidating Trust shall, in full and final satisfaction of such Allowed General Unsecured Claim, (i) pay each holder of an Allowed General Unsecured Claim in this Class, *other than* the Senior Agent and any other Debtor, its Pro Rata share of (a) the Non-MGUS Reserve (which reserve is to be shared equally with holders of Allowed General Unsecured Claims against Debtors MDW Pan, MDW Gold Rock LLP, and Midway Gold Realty LLC on a Pro Rata and *pari passu* basis) and (b) the net proceeds generated from the Retained Causes of Action of Midway Gold Corp., if any; and (ii) pay the Senior Agent on account of its Allowed General Unsecured Claim in this Class the net proceeds generated from the Remaining Assets allocable to Midway Gold Corp., if any. The prepetition General Unsecured Claims of other Debtors against Midway Gold Corp. will not receive any

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
			distribution. Notwithstanding the foregoing or any other provision in the Plan to the contrary, the Subordinate Agent shall receive the agreed treatment provided for in the Subordinate Agent Settlement on account of its Allowed General Unsecured Claim against Midway Gold Corp.

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
Class 8	General Unsecured Claims Against MDW Pan LLP	$16,272,410	- Estimated Recovery: Between 1% and 2%, depending on, among other things, whether there are recoveries from the Retained Causes of Action of MDW Pan and/or from the Tonopah Project. - Impaired - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date, the Midway Liquidating Trust shall, in full and final satisfaction of such Allowed General Unsecured Claim, (i) pay each holder of an Allowed General Unsecured Claim against the Estate of Debtor MDW Pan, *other than* the Senior Agent and any other Debtor, its Pro Rata share of (a) the Non-MGUS GUC Reserve (which reserve is to be shared equally with holders of Allowed General Unsecured Claims against Debtors Midway Gold Corp., MDW Gold Rock LLP, and Midway Gold Realty LLC on a Pro Rata and *pari passu* basis) and (b) the net proceeds generated from the Retained Causes of Action of MDW Pan, if any; and (ii) pay the Senior Agent on account of its Allowed General Unsecured Claim in this Class the net proceeds generated from the Remaining Assets allocable to MDW Pan, if any. The prepetition General Unsecured Claims of other Debtors against MDW Pan will not receive any distribution. Notwithstanding the foregoing or any other provision in the Plan to the contrary, the Subordinate Agent shall receive the agreed treatment provided for in the Subordinate Agent Settlement on account of its Allowed General Unsecured Claim against MDW Pan.

Class Number	**Description of Class**	**Estimated Amount of Allowed Claims in Class**	**Treatment Under the Plan / Estimated % Recovery Under Plan**
Class 9	General Unsecured Claims Against MDW Gold Rock LLP	$32,596	- Estimated Recovery: Between 1% and 2%, depending on, among other things, whether there are recoveries from the Retained Causes of Action of MDW Gold Rock LLP and/or from the Tonopah Project. - Impaired - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date, the Midway Liquidating Trust shall, in full and final satisfaction of such Allowed General Unsecured Claim, (i) pay each holder of an Allowed General Unsecured Claim in this Class, *other than* the Senior Agent and any other Debtor, its Pro Rata share of (a) the Non-MGUS GUC Reserve (which reserve is to be shared equally with holders of Allowed General Unsecured Claims against Debtors Midway Gold Corp., MDW Pan, and Midway Gold Realty LLC on a Pro Rata and *pari passu* basis) and (b) the net proceeds generated from the Retained Causes of Action of MDW Gold Rock LLP, if any; and (ii) pay the Senior Agent on account of its Allowed General Unsecured Claim in this Class the net proceeds generated from the Remaining Assets allocable to MDW Gold Rock LLP, if any. The prepetition General Unsecured Claims of other Debtors against MDW Gold Rock LLP will not receive any distribution. Notwithstanding the foregoing or any other provision in the Plan to the contrary, the Subordinate Agent shall receive the agreed treatment provided for in the Subordinate Agent Settlement on account of its Allowed General Unsecured Claim against MDW Gold Rock LLP.

Class Number	**Description of Class**	**Estimated Amount of Allowed Claims in Class**	**Treatment Under the Plan / Estimated % Recovery Under Plan**
Class 10	General Unsecured Claims Against Midway Gold Realty LLC	$956	- Estimated Recovery: Between 1% and 2%, depending on, among other things, whether there are recoveries from the Retained Causes of Action of Midway Gold Realty LLC and/or from the Tonopah Project. - Impaired - On or as soon as practicable after the Initial Distribution Date or any subsequent distribution date, the Midway Liquidating Trust shall, in full and final satisfaction of such Allowed General Unsecured Claim, (i) pay each holder of an Allowed General Unsecured Claim in this Class, *other than* the Senior Agent and any other Debtor, its Pro Rata share of (a) the Non-MGUS GUC Reserve (which reserve is to be shared equally with holders of Allowed General Unsecured Claims of Debtors Midway Gold Corp., MDW Pan, and Midway Gold Rock LLP on a Pro Rata and *pari passu* basis) and (b) the net proceeds generated from the Retained Causes of Action of MDW Gold Realty LLC, if any; and (ii) pay the Senior Agent on account of its Allowed General Unsecured Claim in this Class the net proceeds generated from the Remaining Assets allocable to MDW Gold Realty LLC, if any. The prepetition General Unsecured Claims of other Debtors against MDW Gold Realty LLC will not receive any distribution. Notwithstanding the foregoing or any other provision in the Plan to the contrary, the Subordinate Agent shall receive the agreed treatment provided for in the Subordinate Agent Settlement on account of its Allowed General Unsecured Claim against MDW Gold Realty LLC.

Class Number	Description of Class	Estimated Amount of Allowed Claims in Class	Treatment Under the Plan / Estimated % Recovery Under Plan
11	General Unsecured Claims against No Asset Debtors	$0	- Estimated Recovery: None - Impaired - The only Claims in this Class are held by the Senior Agent, the Subordinate Agent and Aspen Insurance. The Allowed Claims of the Senior Agent and Subordinate Agent will be satisfied out of the assets of Debtors other than the No Asset Debtors as provided in the Plan. The Claims of Aspen Insurance against all Debtors are expected to be withdrawn in recognition of the assignment and assumption of the surety bonds issued by Aspen Insurance by GRP Minerals as part of the GRP Sale, thus satisfying the Claims of Aspen Insurance against all Debtors. If such Claims are not withdrawn, the Debtors intend to object to the allowance of such Claims. - In addition, the No Asset Debtors do not have in the aggregate assets having a value in excess of the amount of the Senior Agent Administrative Claim against such Debtors. Accordingly, no assets will remain for holders of Allowed General Unsecured Claims against such Debtors and such holders will not receive a Distribution on account of their Allowed General Unsecured Claims.
12	Equity Interests	N/A	- Estimated Recovery: None - Impaired - Holders of Equity Interests shall neither receive nor retain any property under the Plan. On the Effective Date, the Equity Interests shall be deemed cancelled.

D. Provisions Governing Distributions Under the Plan

1. Initial Distribution Date

On the Initial Distribution Date or as soon thereafter as is reasonably practicable, the Midway Liquidating Trust shall make, or shall make adequate reserves for, the Distributions required to be made under the Plan.

2. Establishment of Disputed Interim Distribution Reserves

On the Initial Distribution Date, and after making all Distributions required to be made on such date under the Plan, the Midway Liquidating Trust shall establish a separate Disputed Interim Distribution Reserve into which the Distributions on account of General Unsecured Claims that are not yet Allowed Claims shall be deposited and withdrawn as provided in Article V.C. of the Plan.

In calculating the amount of the Distributions, the Midway Liquidating Trust shall treat all General Unsecured Claims that have not yet been Allowed (until and unless that Claim has been finally disallowed) as if each General Unsecured Claim had been Allowed in the least amount fixed by the following: (a) the filed amount of such Claim if such Claim states a fixed liquidated amount; (b) the amount determined by the Bankruptcy Court for purposes of fixing the amount to be retained for such Claim in accordance with Article VI.D. of the Plan; and (c) such other amount as may be agreed upon by the holder of such Claim and the Midway Liquidating Trust. Nothing in this section of the Plan shall preclude the Midway Liquidating Trust, or any holder of a Disputed General Unsecured Claim on notice to the Midway Liquidating Trust, from seeking an Order of the Bankruptcy Court-in respect of or relating to the amount retained with respect to such holder's Disputed Claim.

3. Maintenance of Disputed Reserves

The Midway Liquidating Trust shall hold property in the Disputed Interim Distribution Reserve for the benefit of the holders of Claims ultimately determined to be Allowed. The Disputed Interim Distribution Reserve shall be closed and extinguished by the Midway Liquidating Trust when all Distributions and other dispositions of Cash or other property required to be made hereunder have been made in accordance with the Plan and Midway Liquidating Trust. Upon closure of the Disputed Interim Distribution Reserve, all Cash (including any Cash Investment Yield) or other property held in the Disputed Interim Distribution Reserve shall revest in and become the property of the Midway Liquidating Trust. All funds or other property that vest or revest in the Midway Liquidating Trust pursuant to the Plan shall be (a) used to pay the fees and expenses of the Midway Liquidating Trust as and to the extent set forth in the Liquidating Trust Agreement, and (b) thereafter distributed on a Pro Rata basis to holders of Allowed Claims.

4. Lien Priority Dispute Reserve

On the Effective Date or as soon as practicable thereafter, the Midway Liquidating Trust shall establish the Lien Priority Dispute Reserve. No Distributions from the Lien Priority Dispute Reserve shall be made unless and until the Lien Priority Dispute has been

fully and finally resolved by Final Order of the Bankruptcy Court or by agreement among the parties.

a. Golder Associates Claim Settlement

In full and final settlement and satisfaction of all prepetition and postpetition Claims that have or could have been asserted by Golder Associates, a Mechanic's Lien Claimant, against any of the Debtors in any of the Chapter 11 Cases, including, without limitation, (i) Proof of Claim Nos. 250 and 251, (ii) all debts that may have been scheduled by any Debtor in favor of Golder Associates, and (iii) all mechanic's lien claims and rights asserted or that could have been asserted against MDW Pan or otherwise with respect to the work that Golder Associates performed in connection with the Pan project, the Debtors, the Senior Agent, the Committee and Golder Associates agree as follows:

- Golder Associates is hereby granted an Allowed Class 4 Mechanic's Lien Claim in the amount of $310,131.55 (representing an approximate 55.0% recovery), which shall be paid by the Debtors or the Liquidating Trustee, as applicable, on the Effective Date or as soon as practicable thereafter from the funds held in the Lien Priority Dispute Reserve;

- Golder Associates hereby waives any and all (i) unsecured deficiency Claims it may have against any Debtor, (ii) postpetition administrative claims it may have against any Debtor for any other amounts payable on account of its asserted Claims (including, without limitation, attorneys' fees, interest and other costs and expenses), and (iii) other Claims and rights it may have or could assert under any mechanic's lien statute or similar laws with respect to work performed in connection with the Pan project;

- Subject to the completion of the administration of the Lien Priority Dispute Reserve as determined by the Liquidating Trustee, the Senior Agent shall receive $253,743.99 from the Lien Priority Dispute Reserve on account of the remainder of Golder Associates' asserted Class 4 Mechanic's Lien Claim;

- The Debtors, the Committee and the Senior Agent hereby grant Golder Associates most favored nations status with respect to the Lien Priority Dispute and agree that if any Mechanic's Lien Claimant recovers more than 55.0% of the amount of its claim asserted against MDW Pan, then the recovery for Golder Associates shall be increased by a corresponding percentage and paid as a supplemental Distribution from the funds held in the Lien Priority Dispute Reserve;

- The most favored nations grant set forth above shall not apply to any recovery received by a Mechanic's Lien Claimant pursuant to a Final Order entered in the EPC Adversary Proceeding and shall apply solely to recoveries received by other Mechanic's Lien Claimants (if any) pursuant to settlements among the applicable parties;

- Golder Associates agrees to affirmatively support confirmation of the Plan and not oppose the Plan and waives all objections that it may have with respect to the Plan; and

- On the Effective Date, Golder Associates shall be deemed dismissed with prejudice as a defendant in the EPC Adversary Proceeding.

The Plan shall serve as a motion to approve the Golder Associates Claim Settlement under Rule 9019 of the Bankruptcy Rules and the entry of the Confirmation Order shall constitute an order approving the settlement.

5. Other Pan Secured Claims Reserve

On the Effective Date or as soon as practicable thereafter, the Midway Liquidating Trust shall establish the Other Pan Secured Claims Reserve into which the Liquidating Trustee shall deposit the amount of $106,000, representing the estimated maximum amount of Distributions on account of Class 5 Other Secured Claims Against MDW Pan that may become Allowed Claims. Funds from the Other Pan Secured Claims Reserve shall be withdrawn and paid to holders of such Allowed Claims as provided in Article V.C. of the Plan. No Distributions from the Other Pan Secured Claims Reserve shall be made unless and until a determination is made, either by Final Order or with the agreement of the Liquidating Trustee and the Senior Agent, that an Allowed Class 5 Claim is of higher priority than the Senior Agent Secured Claim against MDW Pan.

6. Excess Reserve Amount

To the extent there is any Excess Reserve Amount, such Excess Reserve Amount shall be paid to the Senior Agent as a supplemental distribution on account of the Senior Agent Administrative Claim only upon the completion of the administration of the relevant reserves as determined by the Liquidating Trustee.

7. Quarterly Distributions

Any Distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that Distribution is not an Allowed Claim on such date, shall be held by the Midway Liquidating Trust in the Disputed Interim Distribution Reserve pursuant to Article V.B. of the Plan and Distributed on the first Quarterly Distribution Date after such Claim is Allowed.

Similarly, any Distribution that is not made on the Initial Distribution Date or on any other date specified herein because the Claim that would have been entitled to receive that Distribution is subject to (i) the Lien Priority Dispute Reserve and the resolution of the Lien Priority Dispute or (ii) the Other Pan Secured Claims Reserve and the determination of the priority of the Claim relative to the Senior Agent Secured Claim against MDW Pan, shall be held by the Midway Liquidating Trust in the applicable reserve pursuant to Article V.B. of the Plan and Distributed on the first Quarterly Distribution Date after such Claim meets the requirements for Distribution under the applicable reserve.

No interest shall accrue or be paid on the unpaid amount of any Distribution paid on a Quarterly Distribution Date in accordance with Article V.C. of the Plan.

8. Record Date for Distributions

Except as otherwise provided in a Final Order of the Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Record Date will be treated as the holders of those Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to the transfer may not have expired by the Record Date. The Midway Liquidating Trust shall have no obligation to recognize any transfer of any Claim occurring after the Record Date. In making any Distribution with respect to any Claim, the Midway Liquidating Trust shall be entitled instead to recognize and deal with, for all purposes hereunder, only the Entity that is listed on the proof of Claim Filed with respect thereto or on the Schedules as the holder thereof as of the close of business on the Record Date and upon such other evidence or record of transfer or assignment that are known to the Midway Liquidating Trust as of the Record Date.

9. Delivery of Distributions

a. **General Provisions; Undeliverable Distributions**

Subject to Bankruptcy Rule 9010 and except as otherwise provided herein, Distributions to the holders of Allowed Claims shall be made by the Midway Liquidating Trust at (a) the address of each holder as set forth in the Schedules, unless superseded by the address set forth on proofs of Claim Filed by such holder or (b) the last known address of such holder if no proof of Claim is Filed or if the Debtors have been notified in writing of a change of address. If any Distribution is returned as undeliverable, the Midway Liquidating Trust may, in its discretion, make reasonable efforts to determine the current address of the holder of the Claim with respect to which the Distribution was made as the Midway Liquidating Trust deems appropriate, but no Distribution to any such holder shall be made unless and until the Midway Liquidating Trust has determined the then-current address of such holder, at which time the Distribution to such holder shall be made to the holder without interest. Amounts in respect of any undeliverable Distributions made by the Midway Liquidating Trust shall be returned to, and held in trust by, the Midway Liquidating Trust until the Distributions are claimed or are deemed to be unclaimed property under Section 347(b) of the Bankruptcy Code, as set forth in Article V.E.3. of the Plan. The Midway Liquidating Trust shall have the discretion to determine how to make Distributions in the most efficient and cost-effective manner possible; provided, however, that its discretion may not be exercised in a manner inconsistent with any express requirements of the Plan or the Liquidating Trust Agreement.

b. **Minimum Distributions**

Notwithstanding anything herein to the contrary, if a Distribution to be made to a holder of an Allowed Claim on the Initial Distribution Date or any subsequent date for Distributions would be $50 or less in the aggregate at the time of such Distribution, no such Distribution will be made to that holder unless a request therefor is made in writing to the Liquidating Trustee no later than twenty (20) days after the Effective Date.

c. **Unclaimed Property**

Except with respect to property not Distributed because it is being held in the Disputed Interim Distribution Reserve, Distributions that are not claimed by the expiration of the later of six (6) months from the Effective Date or ninety (90) days from such Distribution shall be deemed to be unclaimed property under Section 347(b) of the Bankruptcy Code and shall vest or revest in the Midway Liquidating Trust, and the Claims with respect to which those Distributions are made shall be automatically cancelled. After the expiration of the applicable period, the claim of any Entity to those Distributions shall be discharged and forever barred. Nothing contained in the Plan shall require the Midway Liquidating Trust to attempt to locate any holder of an Allowed Claim. All funds or other property that vests or revests in the Midway Liquidating Trust pursuant to Article V of the Plan shall be distributed by the Liquidating Trustee to the other holders of Allowed Claims in accordance with the provisions of the Plan or the Liquidating Trust Agreement.

10. Transactions on Business Days

If the Effective Date or any other date on which a transaction is to occur under the Plan shall occur on a day that is not a Business Day, the transactions contemplated by the Plan to occur on such day shall instead occur on the next succeeding Business Day.

11. Manner of Cash Payments Under the Plan or the Liquidating Trust Agreement

Cash payments made pursuant to the Plan or the Liquidating Trust Agreement shall be in United States dollars by checks drawn on a domestic bank selected by the Midway Liquidating Trust or by wire transfer from a domestic bank, at the option of the Midway Liquidating Trust.

12. Time Bar to Cash Payments by Check

Checks issued by the Midway Liquidating Trust on account of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for the reissuance of any check that becomes null and void pursuant to Article V.I. of the Plan shall be made directly to the Liquidating Trustee by the holder of the Allowed Claim to whom the check was originally issued. Any Claim in respect of such voided check shall be made in writing on or before the later of six (6) months from the Effective Date or ninety (90) days after the date of issuance thereof. After that date, all claims in respect of void checks shall be discharged and forever barred and the proceeds of those checks shall revest in and become the property of the Midway Liquidating Trust as unclaimed property in accordance with Section 347(b) of the Bankruptcy Code and be distributed as provided in Article V.E.3. of the Plan.

13. Limitations on Funding of Disputed Reserve

Except as expressly set forth in the Plan, the Debtors and the Senior Agent shall not have any duty to fund the Disputed Interim Distribution Reserve.

14. Compliance with Tax Requirements

In connection with making Distributions under the Plan, to the extent applicable, the Midway Liquidating Trust shall comply with all tax withholding and reporting requirements imposed on it by any Governmental Unit, and all Distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. No Distribution shall be made to or on behalf of a holder of an Allowed Claim pursuant to the Plan unless and until such holder has provided the Midway Liquidating Trust with any information that applicable law requires the Midway Liquidating Trust to obtain in connection with making Distributions, including completed IRS Form W9. The Midway Liquidating Trust may withhold the entire Distribution due to any holder of an Allowed Claim until such time as such holder provides the necessary information to comply with any withholding requirements of any Governmental Unit. Any property so withheld will then be paid by the Liquidating Trustee to the appropriate authority. If the holder of an Allowed Claim fails to provide the information necessary to comply with any withholding requirements of any Governmental Unit within six months from the date of first notification to the holder of the need for such information or for the Cash necessary to comply with any applicable withholding requirements, then such holder's Distribution shall be treated as an undeliverable Distribution in accordance with Article V.E.1. of the Plan.

15. No Payments of Fractional Dollars

Notwithstanding any other provision of the Plan to the contrary, no payment of fractional dollars shall be made pursuant to the Plan. Whenever any payment of a fraction of a dollar under the Plan would otherwise be required, the actual Distribution made shall reflect a rounding down of such fraction to the nearest whole dollar.

16. Interest on Claims

Except as specifically provided for in the Plan or the Confirmation Order, interest shall not accrue on Claims and no holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim. Except as expressly provided herein or in a Final Order of the Court, no prepetition Claim shall be Allowed to the extent that it is for postpetition interest or other similar charges.

17. Setoff and Recoupment

The Midway Liquidating Trust may, but shall not be required to, setoff against, or recoup from, any Claim and the Distributions to be made pursuant to the Plan in respect thereof, any claims or defenses of any nature whatsoever that any of the Debtors, the Estates or the Midway Liquidating Trust may have against the holder of such Claim except Transferred Causes of Action, but neither the failure to do so nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors, the Estates or the Midway Liquidating Trust of any right of setoff or recoupment that any of them may have against the holder of any Claim.

E. Means for Implementation and Execution of the Plan

1. Settlements with the Senior Agent, the Subordinate Agent, and the Committee

Following extensive good faith settlement negotiations, the Debtors, the Senior Agent, the Subordinate Agent, and the Committee have reached the following agreements in full and final settlement of all disputes among them including, among other things, (i) the secured and administrative priority claims asserted by the Senior Agent against MDW Pan, (ii) the allocation of the purchase price of the GRP Sale, (iii) the treatment of the Subordinate Agent Secured Claim and the General Unsecured Claims of the Subordinate Agent, and (iv) the availability of assets for the benefit of general unsecured creditors of MDW Pan and MGUS as follows:

a. The CBA Settlement

Following good faith negotiations, in exchange for the releases and other valuable consideration provided herein, the Senior Agent has agreed (i) to accept the treatment provided in this Plan in full and final satisfaction of the Senior Agent Administrative Claim, the Senior Agent Secured Claims, and all other Claims on account of the Senior Obligations or otherwise owed to any of the Senior Secured Parties that may exist; (ii) to voluntarily fund the Non-MGUS GUC Reserve from amounts otherwise payable to the Senior Agent for the sole benefit of holders of Allowed General Unsecured Claims against MDW Pan (other than such Claims that are held by the Senior Secured Parties, the Subordinate Secured Parties, other Debtors, and the Mechanic's Lien Claimants); (iii) to voluntarily fund the MGUS GUC Reserve from amounts otherwise payable to the Senior Agent for the sole benefit of holders of Allowed General Unsecured Claims against MGUS (other than such Claims that are held by the Senior Secured Parties, the Subordinate Secured Parties, other Debtors, and the Mechanic's Lien Claimants); (iv) to the establishment of the Lien Priority Dispute Reserve; (v) to fully fund the amounts that are or will become due under the Carve-Out (to the extent required by the Cash Collateral Order) pursuant to the Professional Compensation Claims Reserve (which reserve constitutes an estimated amount only and not a cap or an agreement to cap Allowed Professional Compensation Claims) and the amounts necessary to wind-down the Debtors' Estates in an orderly fashion in accordance with the Wind-Down Budget; (vi) to the terms of the Subordinate Agent Settlement; (vii) to provide the releases set forth herein and (viii) to support confirmation of the Plan.

With respect to the establishment and funding of the Non-MGUS GUC Reserve, such reserve was negotiated and agreed upon based, in part, on the fact that, absent an agreement with the Senior Agent, the Senior Agent Administrative Claim would consume all available assets at each of Debtors MDW Pan, Midway Gold Corp., MDW Gold Rock LLP, and Midway Gold Realty LLC and there would be no distribution at all to the general unsecured creditors of such Debtors. As a result of the foregoing settlement, however, the general unsecured creditors of such Debtors will receive their Pro Rata share of the Non-MGUS GUC Reserve.

Among other things, the foregoing settlement resolves significant disputes, including, among other things, disputes with respect to (i) the amount of the Senior Agent Administrative Claim under the Cash Collateral Order and (ii) the allocation of the GRP Sale Proceeds. As such, this settlement provides significant value to the Debtors' Estates, favorably resolves and

avoids potential significant litigation, and enables the prompt and efficient wind-down of the Debtors' Estates.

The Plan shall serve as a motion to approve this settlement under Rule 9019 of the Bankruptcy Rules and the entry of the Confirmation Order shall constitute an order approving the settlement.

b. The Committee Settlement

Following good faith negotiations, in exchange for the valuable consideration provided herein, the Committee has agreed to (a) the treatment provided to the Senior Agent hereunder on account of the Senior Agent Administrative Claim and the Senior Agent Secured Claim, (b) Subordinate Agent Settlement providing for the treatment provided to the Subordinate Agent hereunder on account of the Subordinate Agent Secured Claim and its General Unsecured Claims, (c) the funding of the Non-MGUS GUC Reserve and the MGUS GUC Reserve, (d) the releases set forth herein and (e) support confirmation of the Plan.

Among other things, the foregoing settlement resolves significant disputes, including, among other things, disputes with respect to (i) the amount of the Senior Agent Administrative Claim under the Cash Collateral Order, (ii) the validity and characterization of the Intercompany Loan, (iii) the amount and validity of the Claims of the Subordinate Agent and (iv) the allocation of the GRP Sale Proceeds. As such, this settlement provides significant value to the Debtors' Estates, favorably resolves and avoids potential significant litigation, and enables the prompt and efficient wind-down of the Debtors' Estates.

The Plan shall serve as a motion to approve this settlement under Rule 9019 of the Bankruptcy Rules and the entry of the Confirmation Order shall constitute an order approving the settlement.

c. The Subordinate Agent Settlement

Following good faith negotiations, in exchange for the valuable consideration provided herein, the Senior Agent, the Subordinate Agent, the Debtors and the Committee have agreed to the following treatment for the Subordinate Agent Secured Claim in exchange for, among other things, the agreement of the Subordinate Agent and the other Subordinate Secured Parties to support confirmation of the Plan:

- The Subordinate Agent shall not receive any Distribution on account of the Subordinate Agent Secured Claim.

- The Subordinate Agent shall receive a combined Distribution of $100,000 on account of its Allowed General Unsecured Claims against each Debtor (other than the No Asset Debtors) as follows: (i) a $50,000 Distribution as its full and final Pro Rata share of the MGUS GUC Reserve on account of its Class 6 Allowed General Unsecured Claim against MGUS, and (ii) a $50,000 Distribution as its full and final Pro Rata share of the Non-MGUS GUC Reserve on account of its aggregate Class 7, Class 8, Class 9, and Class 10 Allowed General Unsecured Claims against Midway Gold Corp., MDW Pan, MDW Gold Rock LLP, and

Midway Gold Realty LLC; provided, however, that no Distributions shall be made from the MGUS GUC Reserve or the Non-MGUS GUC Reserve unless and until all Allowed Administrative Claims, Priority Tax Claims and Priority Non-Tax Claims have been paid in full as required by the Plan.

- The Subordinate Agent shall receive the first $100,000 in net proceeds, if any, generated from Retained Causes of Action as a partial Distribution on its Allowed General Unsecured Claims against each Debtor. The net proceeds in excess of the first $100,000, if any, generated from the Retained Causes of Action of each Debtor shall be shared Pro Rata on a *pari passu* basis among all holders of Allowed General Unsecured Claims against that Debtor, and the Subordinate Agent shall be deemed to have an Allowed General Unsecured Claim in the amount of $4 million against each Debtor for purposes of sharing on a Pro Rata and *pari passu* basis in such net proceeds.

- Any (i) proofs of claim, including, without limitation, the Subordinate Agent Proofs of Claim, filed by or on behalf of the Subordinate Agent against any Debtor, (ii) debts that have been scheduled in favor of the Subordinate Agent by any Debtor, and (iii) claims previously Allowed by any order of the Court, including, without limitation, the Cash Collateral Order, against any Debtor, are hereby disallowed and expunged with prejudice.

Among other things, the foregoing settlement resolves significant disputes, including, among other things, disputes with respect to the amount, validity and treatment of the Subordinate Agent Secured Claim and the General Unsecured Claims of the Subordinate Agent. As such, this settlement provides significant value to the Debtors' Estates, favorably resolves and avoids potential significant litigation, and enables the prompt and efficient wind-down of the Debtors' Estates.

The Plan shall serve as a motion to approve this settlement under Rule 9019 of the Bankruptcy Rules and the entry of the Confirmation Order shall constitute an order approving the settlement.

2. Allocation of GRP Sale Proceeds and Other Assets

Each Debtor owned, accounted for, and maintained its assets, other than cash, separately from the assets of the other Debtors. Consistent with the its centralized cash management system (as explained in greater detail in the *Expedited Motion for a Final Order (A) Authorizing, But Not Directing, the Debtors to Maintain Their Existing Bank Accounts, Cash Management System and Business Forms; (B) Waiving Investment and Deposit Requirements; and (C) Granting Related Relief* (Docket No. 16) approved by the Bankruptcy Court as part of the first day relief granted in the Chapter 11 Cases, all cash was managed through MGUS under the centralized cash management system. Postpetition intercompany transfers were recorded by each Debtor appropriately and the treatment of administrative claims arising from such postpetition transfers is provided in Article II.A.3. of the Plan.

The Debtors successfully sold substantially all of their assets in the Chapter 11 Cases through the Spring Valley Sale and the GRP Sale. As a result, the assets available for distribution to holders of Allowed Claims under the Plan are generally comprised of (i) cash on hand as of the Effective Date, (ii) Retained Causes of Action, and (iii) the Remaining Assets. The Spring Valley Assets were owned by MGUS. Accordingly, the Spring Valley Sale Proceeds were allocated entirely to MGUS. A portion of these proceeds was used to fund postpetition operations and costs and expenses of the Chapter 11 Cases, but the remainder of approximately $16 million remains available for distribution to holders of Allowed Claims against MGUS as provided in the Plan.

The GRP Purchased Assets consisted primarily of the Pan Project owned by Debtor MDW Pan, the Gold Rock Project owned by Debtor MDW Gold Rock LLP, and the Golden Eagle Project owned by MDW Golden Eagle Holdings. A single aggregate purchase price (i.e. the GRP Sale Proceeds) was paid by GRP for the GRP Purchased Assets pursuant to the GRP Asset Purchase Agreement. The GRP Sale Proceeds consist of $5.326 million in cash less certain cure costs, transfer taxes and the transaction fee paid to the Debtors' investment banker, Moelis & Company.

The GRP Asset Purchase Agreement did not require that the GRP Sale Proceeds be allocated among the three Debtors whose assets were sold to GRP. Thus, for purposes of the Plan and distributions to holders of Allowed Claims, the Debtors were required to allocate the net GRP Sale Proceeds among MDW Pan, MDW Gold Rock LLP and MDW Golden Eagle Holdings. The Debtors, with the advice of their professionals, determined that the proper allocation is as follows:

MDW Gold Rock LLP: $2,228,000

Golden Eagle Holdings: $1,158,000

MDW Pan: $946,000

The allocation for Golden Eagle Holdings is based on the stand-alone binding bid received for the Golden Eagle Project during the sale process, less applicable cure costs and a pro rata share of the transaction fee paid to the Debtors' investment banker, Moelis & Company. The allocation for MDW Gold Rock LLP is based on the average of the two stand-alone binding bids received for the Gold Rock Project during the sale process, less applicable cure costs and a pro rata share of the transaction fee paid to the Debtors' investment banker, Moelis & Company. The Debtors did not receive any stand-alone bids for the Pan Project. The only bid for the Pan Project was the bid by GRP Minerals which was a bid for the combined Pan Project, Golden Eagle Project and Gold Rock Project. Thus, the allocation for MDW Pan is derived from the difference between the GRP Sale Proceeds and the allocations to Golden Eagle Holdings and Gold Rock LLP, net of applicable cure costs, transfer taxes and a pro rata share of the transaction fee paid to the Debtors' investment banker, Moelis & Company. The Debtors submit that this allocation is fair and reasonable and reflects the relative values for the projects that resulted from the Court-approved sale process.

All cash on hand of each Debtor as of the Effective Date, less the amounts necessary to fund the reserves required by the Plan, will be paid to the Senior Agent on account of the Senior Agent Administrative Claim.

3. Appointment of the Liquidating Trustee and the Liquidating Trust Committee

On or prior to the Confirmation Date, the Committee shall determine the initial Liquidating Trustee and the initial members of the Liquidating Trust Committee. The Liquidating Trust Committee shall be comprised of at least three (3) general unsecured creditors of the Debtors. The Liquidating Trustee shall serve at the direction of the Liquidating Trust Committee and in accordance with the Liquidating Trust Agreement and the Plan, provided, however, the Liquidating Trust Committee may not direct the Liquidating Trustee or the members of the Liquidating Trust Committee to act inconsistently with their duties under the Liquidating Trust Agreement and the Plan. The Liquidating Trust Committee may terminate the Liquidating Trustee at any time in accordance with the provisions of the Liquidating Trust Agreement.

4. Formation of the Midway Liquidating Trust

On the Effective Date, the Midway Liquidating Trust shall be established pursuant to the Liquidating Trust Agreement for the purpose of, inter alia, (a) administering the Liquidating Trust Fund, (b) resolving all Disputed Claims, (c) pursuing the Retained Causes of Action, (d) selling, transferring or otherwise disposing of the Remaining Assets, and (e) making all Distributions to the Beneficiaries provided for under the Plan, and, except as provided in the Plan, for all other purposes related to the administration of the Plan. The Midway Liquidating Trust is intended to qualify as a liquidating trust pursuant to United States Treasury Regulation Section 301.7701-4(d).

5. Funding of the Midway Liquidating Trust

On the Effective Date, the Liquidating Trust Fund shall vest automatically in the Midway Liquidating Trust. The Plan shall be considered a motion pursuant to Sections 105, 363 and 365 of the Bankruptcy Code for approval of the Midway Liquidating Trust, execution of the Liquidating Trust Agreement and the authority of the Liquidating Trustee to act on behalf of the Midway Liquidating Trust. The transfer of the Liquidating Trust Fund to the Midway Liquidating Trust shall be made for the benefit and on behalf of the Beneficiaries. The assets comprising the Liquidating Trust Fund will be treated for tax purposes as being transferred by the Debtors to the Beneficiaries pursuant to the Plan in exchange for their Allowed Claims and then by the Beneficiaries to the Midway Liquidating Trust in exchange for the beneficial interests in the Midway Liquidating Trust. The Beneficiaries shall be treated as the grantors and owners of the Midway Liquidating Trust. Upon the transfer of the Liquidating Trust Fund, the Midway Liquidating Trust shall succeed to all of the Debtors' rights, title and interest in the Liquidating Trust Fund, and the Debtors will have no further interest in or with respect to the Liquidating Trust Fund.

The Liquidating Trust Assets are comprised of the separate assets of each of the Debtors. Upon being transferred to the Liquidating Trust as part of the Liquidating Trust Fund, the assets and liabilities of each Debtor shall be kept separate from the assets and liabilities of each of the other Debtors. Except for the Non-MGUS GUC Reserve, the assets of each Debtor shall be held for the sole benefit of the creditors holding Allowed Claims against such Debtor and shall not be used to satisfy Allowed Claims of any other Debtor, provided, however, that the fees and expenses of professionals retained by the Midway Liquidating Trust may be paid without regard to the separation of assets and liabilities. The Liquidating Trust is not required to physically segregate the assets of each Debtor, but must separately account for the separate assets and liabilities of each Debtor.

Except to the extent definitive guidance from the IRS or a court of competent jurisdiction (including the issuance of applicable Treasury Regulations or the receipt by the Liquidation Trustee of a private letter ruling if the Liquidating Trustee so requests one) indicates that such valuation is not necessary to maintain the treatment of the Liquidation Trust as a liquidating trust for purposes of the Internal Revenue Code and applicable Treasury Regulations, as soon as possible after the Effective Date, but in no event later than sixty (60) days thereafter, (i) the Liquidating Trustee shall make a good faith valuation of the Liquidation Trust Assets, and (ii) the Liquidating Trustee shall establish appropriate means to apprise the Beneficiaries of such valuation. The valuation shall be used consistently by all parties (including, without limitation, the Debtors, the Midway Liquidating Trust, the Beneficiaries and the Liquidating Trust Committee) for all federal income tax purposes. The Liquidating Trustee also shall file (or cause to be filed) any other statements, returns, or disclosures relating to the Liquidating Trust that are required by any Governmental Unit.

6. Taxation of the Midway Liquidating Trust

Within a reasonable period of time after the end of each taxable year or other relevant period, the Midway Liquidating Trust will allocate the taxable income, gain, loss, deduction or credit arising from the Midway Liquidating Trust to each individual or entity that was a Beneficiary during the taxable year or other relevant period, and shall notify each such Beneficiary via a separate written statement of such Beneficiary's share of taxable income, gain, loss, deduction or credit arising from the Midway Liquidating Trust for such taxable year or other relevant period. The written statement sent to each Beneficiary shall instruct such Beneficiary to report all such tax items arising from the Midway Liquidating Trust on its own tax returns, and shall inform such Beneficiary that the Beneficiary shall be required to pay any tax resulting from such Midway Liquidating Trust tax items being allocated to such Beneficiary.

7. Rights and Powers of the Liquidating Trustee

The Liquidating Trustee shall be deemed the representative for each of the Debtor's Estates in accordance with Section 1123 of the Bankruptcy Code and shall have all the rights and powers set forth in the Liquidating Trust Agreement, including, without limitation, the powers of a trustee under Sections 704 and 1106 of the Bankruptcy Code and Rule 2004 of the Bankruptcy Rules to act on behalf of the Midway Liquidating Trust, including without limitation, the right to (1) effect all actions and execute all agreements, instruments and other documents necessary to implement the provisions of the Plan and the Liquidating Trust

Agreement; (2) sell, liquidate, or otherwise dispose of the assets transferred to the Liquidating Trust Fund (including the Remaining Assets) on the Effective Date; (3) prosecute, settle, abandon or compromise any Retained Causes of Action; (4) make Distributions as contemplated hereby, (5) establish and administer any necessary reserves for Disputed Claims that may be required; (6) object to the Disputed Claims and prosecute, settle, compromise, withdraw or resolve such objections; and (7) employ and compensate professionals and other agents, provided, however, that any such compensation shall be made only out of the Liquidating Trust Fund without regard to the separateness of assets and liabilities related to each Debtor, to the extent not inconsistent with the status of the Midway Liquidating Trust as a liquidating trust within the meaning of Treas. Reg. § 301.7701-4(d) for federal income tax purposes. For the avoidance of doubt, the Liquidating Trustee shall be bound by all provisions of the Cash Collateral Order, including all stipulations made and releases given by the Debtors on behalf of the Estates therein.

8. Fees and Expenses of the Midway Liquidating Trust

Except as otherwise ordered by the Bankruptcy Court, the Liquidating Trust Expenses on or after the Effective Date shall be paid in accordance with the Midway Liquidating Trust Agreement without further order of the Bankruptcy Court.

9. Semi-Annual Reports to Be Filed by the Midway Liquidating Trust

The Midway Liquidating Trust shall file semi-annual reports regarding the liquidation or other administration of property comprising the Liquidating Trust Fund, the Distributions made by it and other matters required to be included in such report in accordance with the Liquidating Trust Agreement. In addition, the Midway Liquidating Trust will file tax returns as a grantor trust pursuant to United States Treasury Regulation Section 1.671-4(a).

10. Directors/Officers/Equity/Assets of the Debtors on the Effective Date

a. On the Effective Date, the authority, power and incumbency of the persons then acting as directors and officers of the Debtors shall be terminated and such directors and officers shall be deemed to have resigned or to have been removed without cause.

b. On the Effective Date, (i) all of the Debtors shall be deemed to have been liquidated, (ii) except to the extent otherwise provided herein, all the then Equity Interests in the Debtors (including, without limitation, all notes, stock, instruments, certificates and other documents evidencing such Equity Interests) shall be deemed automatically cancelled and extinguished, and shall be of no further force or effect, whether surrendered for cancellation or otherwise, and without any further action by the Bankruptcy Court or any other Entity or under any applicable agreement, law, regulation or rule, and (iii) all obligations of the Debtors thereunder or in any way related thereto, including, without limitation, any obligation of the Debtors to pay any franchise or similar taxes on account of such Equity Interests and any obligation of the Debtors under any indenture relating to any of the foregoing, shall be discharged.

c. Notwithstanding the foregoing, as soon as practicable on or after the Effective Date, the Debtors or the Midway Liquidating Trust shall: (a) file, a certificate of dissolution or such similar document, together with all other necessary corporate documents, to effect the dissolution of each Debtor under the applicable laws of its state of incorporation or domicile; (b) complete and file final federal, state and local tax returns on behalf of each Debtor, and pursuant to Section 505(b) of the Bankruptcy Code, request an expedited determination of any unpaid tax liability of each Debtor or its Estate for any tax incurred during the administration of such Debtor's Chapter 11 Case, as determined under applicable tax laws; and (c) make all necessary filings in the Canadian Court to obtain recognition of the Confirmation Order and the Plan and provide for the dissolution of the Debtors that are Canadian entities as may be necessary or appropriate. Following such actions and upon the filing by the Midway Liquidating Trust on behalf of the Debtors of a certification to that effect with the Bankruptcy Court, the Debtors shall be dissolved for all purposes without the necessity for any other or further actions to be taken by or on behalf of each of the Debtors or payments, including, without limitation, the payment of any franchise or similar taxes to the state or commonwealth of incorporation or organization of such Entity, to be made in connection therewith. The filing by the Midway Liquidating Trust of each Debtor's certificate of dissolution shall be authorized and approved in all respects without further action under applicable law, regulation, order or rule, including, without limitation, any action by the stockholders, the board of directors, or managing members of each such Debtor.

d. On the Effective Date, each Debtor shall assign, transfer and distribute to the Midway Liquidating Trust the Liquidating Trust Assets, including all of the Debtors' books and records. For purposes of Article IV.H. of the Plan, books and records include computer generated or computer maintained books and records and computer data, as well as electronically generated or maintained books and records or data, along with books and records of any Debtor maintained by or in the possession of third parties, wherever located.

11. Operations of the Debtors Between the Confirmation Date and the Effective Date

The Debtors shall continue to operate as Debtors in Possession during the period from the Confirmation Date through and until the Effective Date.

12. Establishment of the Administrative Bar Date

a. The Plan establishes the Administrative Bar Date, which was approved by the Bankruptcy Court pursuant to the Confirmation Order.

b. Except as otherwise provided in Article IV.J.4 of the Plan, on or before the Administrative Bar Date, each holder of an unpaid Administrative Claim shall file with the Bankruptcy Court a request for payment of Administrative Claim. If represented by counsel, the request for payment of Administrative Claim must be filed electronically using the Bankruptcy Court's ECF System. If not represented by counsel, the request for payment Administrative Claim may be filed no later than the

Administrative Bar Date directly with the Office of the Clerk at the United States Bankruptcy Court for the District of Colorado, 721 19th Street, Denver, Colorado 80202. Any request for payment of Administrative Claim not filed in this manner, including any requests sent to the Debtors, counsel to the Debtors, the Liquidating Trust Committee, or counsel to the Liquidating Trust Committee, will not be deemed a properly filed Administrative Claim and will be disallowed and forever barred in its entirety.

c. The request for payment of an Administrative Claim will be timely Filed only if it is actually received by the Bankruptcy Court by 5:00 p.m., Mountain Time, on the Administrative Bar Date.

d. Notwithstanding anything in Article IV.J.2 of the Plan, Professionals shall not be required to file a request for payment of any Administrative Claim on or before the Administrative Bar Date for Professional Compensation as such Professionals will instead file final fee applications as required by the Bankruptcy Code, Bankruptcy Rules and the Confirmation Order. In addition, the Senior Agent shall not be required to file a request for payment of the Senior Agent Administrative Claim (such claim being Allowed under the terms of the Cash Collateral Order and the Plan).

13. Term of Injunctions or Stays

Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Cases pursuant to Sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Chapter 11 Cases are closed.

14. Destruction of Records and Abandonment of Property

In accordance with their duties under the Liquidating Trust Agreement and the Plan, the Liquidating Trustee, with the consent of the Liquidating Trust Committee, may destroy the Debtors' books and records and/or abandon property held by the Midway Liquidating Trust without prior approval from the Court; provided, however, that prior to destroying any books and records or abandoning any property, the Liquidating Trustee shall file an Abandonment / Destruction Notice with the Bankruptcy Court and serve the same via email on counsel to each of the Debtors, CBA, HCP, the Mechanic's Lien Claimants, and GRP Minerals. If any such notice party or any other party in interest objects to the Abandonment Notice within 20 days of its filing, the Liquidating Trustee shall be required to seek approval of the proposed destruction or abandonment, as applicable, upon notice and motion under Section 554 of the Bankruptcy Code.

F. Procedures for Resolving and Treating Disputed Claims

1. No Distribution Pending Allowance

Notwithstanding any other provision of the Plan, the Liquidating Trustee shall not distribute any Cash or other property on account of any Disputed Claim unless and until such Claim becomes Allowed. Nothing contained herein, however, shall be construed to prohibit or require payment or distribution on account of any undisputed portion of a Claim. Nothing herein

shall preclude the Liquidating Trustee from making Distributions on account of the undisputed portions of Disputed Claims.

2. Resolution of Disputed Claims

Unless otherwise ordered by the Bankruptcy Court after notice and a hearing, the Liquidating Trustee and the Liquidating Trust Committee shall have the right to the exclusion of all others (except as to the Professionals' applications for allowances of compensation and reimbursement of expenses under Sections 330 and 503 of the Bankruptcy Code) to make, File, prosecute, settle, compromise, withdraw or resolve in any manner approved by the Bankruptcy Court, objections to Claims. The costs of pursuing the objections to Claims shall be borne by the Midway Liquidating Trust. From and after the Confirmation Date, all objections with respect to Disputed Claims shall be litigated to a Final Order except to the extent, subject to the approval of the Liquidation Trust Committee in accordance with the terms of the Liquidation Trust Agreement, the Liquidation Trustee elects to withdraw any such objection or the Liquidation Trustee and the claimant elect to compromise, settle or otherwise resolve any such objection, in which event they may settle, compromise or otherwise resolve any Disputed Claim without approval of the Bankruptcy Court.

3. Objection Deadline

All objections to Claims shall be Filed and served upon the holders of each such Claim not later than six (6) months after the Effective Date, unless otherwise ordered by the Bankruptcy Court after notice and a hearing.

4. Estimation of Claims

At any time, (a) prior to the Effective Date, the Debtors, and (b) subsequent to the Effective Date, the Liquidating Trustee, may request that the Bankruptcy Court estimate any contingent or unliquidated Claim to the extent permitted by Section 502(c) of the Bankruptcy Code regardless of whether the Debtors or the Midway Liquidating Trust have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall have jurisdiction to estimate any Claim at any time during litigation concerning any objection to such Claim, including during the pendency of any appeal relating to any such objection. If the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on the Claim, as determined by the Court. If the estimated amount constitutes a maximum limitation on the Claim, the Debtors or the Midway Liquidating Trust, as applicable, may elect to pursue supplemental proceedings to object to the ultimate allowance of the Claim. All of the aforementioned Claims objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Court.

5. Disallowance of Claims

Except as otherwise agreed, the holder of any proof of Claim Filed after the General Bar Date or the Governmental Bar Date, as applicable, shall not be treated as a creditor for purposes of voting and distribution pursuant to Bankruptcy Rule 3003(c)(2) and pursuant to

the General Bar Date Order, unless on or before the Confirmation Date the Bankruptcy Court has entered an order deeming such Claim to be timely filed. Any Claims held by Entities from which property is recoverable under Section 542, 543, 550 or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under Section 522(f), 522(h), 544, 545, 547, 548, 549 or 724(a) of the Bankruptcy Code, provided that such Cause of Action is a Retained Cause of Action, shall be deemed disallowed pursuant to Section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors.

6. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Noticing Agent at the direction of the Debtors or the Liquidating Trustee, as applicable, without a Claims objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court.

G. Treatment of Executory Contracts and Unexpired Leases

1. Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except for the executory contracts and unexpired leases listed on Exhibit II to the Plan as being assumed, if any, and except to the extent that a Debtor either previously has assumed, assumed and assigned or rejected an executory contract or unexpired lease by an order of the Bankruptcy Court, including, but not limited to, the Sale Orders, or has filed a motion to assume or assume and assign an executory contract or unexpired lease prior to the Effective Date, each executory contract and unexpired lease entered into by a Debtor prior to the Petition Date that has not previously expired or terminated pursuant to its own terms will be rejected pursuant to section 365 of the Bankruptcy Code. Each such contract and lease will be rejected only to the extent that any such contract or lease constitutes an executory contract or unexpired lease. The entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of any such rejections pursuant to Sections 365(a) and 1123 of the Bankruptcy Code and that the rejection thereof is in the best interest of the Debtors, their Estates and all parties in interest in the Chapter 11 Cases.

2. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Claims created by the rejection of executory contracts and unexpired leases pursuant to Article VII.A of the Plan, must be filed with the Bankruptcy Court and served on the Debtors or the Midway Liquidating Trust, as applicable, no later than thirty (30) days after the Effective Date. Any Claims arising from the rejection of an executory contract or unexpired lease pursuant to Article VII.A of the Plan for which proofs of Claim are not timely filed within that time period will be forever barred from assertion against the Debtors, the Estates, the Midway Liquidating Trust, and their respective successors and assigns, and their assets and

properties, unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the discharge and permanent injunction set forth in Article IX.E. of the Plan. Unless otherwise ordered by the Bankruptcy Court, all such Claims that are timely filed as provided herein shall be treated as General Unsecured Claims as to the applicable Debtor under the Plan and shall be subject to the provisions of Article III of the Plan.

3. Executory Contracts and Unexpired Leases to Be Assumed

a. **Assumption Generally**

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into in connection with the Plan, on the Effective Date, pursuant to section 365 of the Bankruptcy Code, the Debtors shall assume each of the respective executory contracts and unexpired leases, if any, listed on Exhibit II to the Plan; provided, however, that the Debtors reserve the right, at any time prior to the Effective Date, to, amend Exhibit II to the Plan to: (a) delete any executory contract or unexpired lease listed therein, thus providing for its rejection; or (b) add any executory contract or unexpired lease to Exhibit II to the Plan, thus providing for its assumption pursuant to Article VII.C. of the Plan. The Debtors shall provide notice of any amendments to Exhibit II to the Plan to the parties to the executory contracts or unexpired leases affected thereby and to the parties on the then-applicable service list in the Bankruptcy Cases. Nothing herein shall constitute an admission by a Debtor that any contract or lease is an executory contract or unexpired lease or that a Debtor has any liability thereunder.

b. **Assumptions of Executory Contracts and Unexpired Leases**

Each executory contract or unexpired lease assumed under Article VII.C. of the Plan shall include any modifications, amendments, supplements or restatements to such contract or lease.

c. **Assignments Related to Post-Effective Date Transactions**

As of the Effective Date, any executory contract or unexpired lease assumed under Article VII.C. of the Plan shall be deemed assigned to the Midway Liquidating Trust, pursuant to section 365 of the Bankruptcy Code.

4. Payments Related to the Assumption of Executory Contracts and Unexpired Leases

The Cure Amount Claims associated with each executory contract and unexpired lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code: (1) by payment of the Cure Amount Claim in Cash on or within 20 (twenty) days after the Effective Date; or (2) on such other terms as are agreed to by the parties to such executory contract or unexpired lease. Pursuant to section 365(b)(2)(D) of the Bankruptcy Code, no Cure Amount Claim shall be allowed for a penalty rate or other form of default rate of interest. If there is an unresolved dispute regarding: (1) the amount of any Cure Amount Claim; (2) the ability of the Liquidating Trustee or any assignee to provide "adequate assurance of

future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed; or (3) any other matter pertaining to assumption of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code shall be made following the resolution of such dispute by the parties or the entry of a Final Order resolving the dispute and approving the assumption.

H. Conditions Precedent to Effective Date of the Plan

1. Conditions Precedent to the Effective Date

The following are conditions precedent to the Effective Date that must be satisfied or waived:

a. The Confirmation Order has become a Final Order.

b. The Confirmation Order shall be in full force and effect.

c. The Liquidating Trust Agreement and all other documents, instruments and agreements required to be executed with respect to the formation of the Midway Liquidating Trust shall be executed and delivered.

d. Notwithstanding the foregoing, the Debtors reserve, in their sole discretion, the right to waive the occurrence of any condition precedent to the Effective Date or to modify any of the foregoing conditions precedent. Any such written waiver of a condition precedent set forth in Article VIII of the Plan may be effected at any time, without notice, without leave or order of the Bankruptcy Court, and without any formal action other than proceeding to consummate the Plan. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

I. Release, Exculpation, Injunction and Related Provisions

The Plan provides for certain release, exculpation and related provisions in Article IX of the Plan. Importantly, the releases in the Plan that are given on behalf of the Debtors and their Estates relate only to the postpetition period, and nothing is intended or shall be deemed to be a release by any Debtor or its Estate of any prepetition claims and/or Causes of Action that may exist.

These provisions are summarized below. In the event of any conflict between this summary and the provisions as they appear in the Plan, the Plan provisions shall govern.

1. Compromise and Settlement

Pursuant to Section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims and Equity Interests. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval

of the compromise or settlement of all Claims and Equity Interests, as well as a finding by the Bankruptcy Court that such compromise or settlement is fair, equitable, reasonable and in the best interests of the Debtors, the Estates and holders of Claims and Equity Interests.

2. Releases by the Debtors

a. **Notwithstanding anything contained in the Plan to the contrary, as of the Effective Date, for the good and valuable consideration provided by each of the Released Parties, including, without limitation: (a) the satisfaction and elimination of debt and all other good and valuable consideration paid pursuant to the Plan or otherwise; and (b) the services of the Debtors' officers and directors and the Professionals retained in these Chapter 11 Cases in facilitating the expeditious implementation of the Sales of substantially all of the Debtors' assets, each of the Debtors hereby provides a full release, waiver and discharge to the Released Parties (and each Released Party shall be deemed released and discharged by the Debtors) and their respective properties from any and all Causes of Action and any other debts, obligations, rights, suits, damages, actions, remedies and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that are based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place on or after the Petition Date and prior to or on the Effective Date in any way related to the Debtors, including, without limitation, those that any of the Debtors or the Midway Liquidating Trust would have been legally entitled to assert or that any holder of a Claim or Equity Interest or other Entity would have been legally entitled to assert for or on behalf of any of the Debtors or Estates and further including those in any way related to the Chapter 11 Cases or the Plan. In addition, the Debtors, on behalf of themselves and their respective Estates, hereby release each of the Professionals retained by the Debtors and the Committee in these Chapter 11 Cases from any and all Avoidance Actions that may exist as of the Effective Date.**

b. **Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the releases set forth in Article IX.B of the Plan pursuant to Bankruptcy Rule 9019 and its finding that they are: (a) in exchange for good and valuable consideration, representing a good faith settlement and compromise of the Claims and Causes of Action thereby released; (b) in the best interests of the Debtors and all holders of Claims; (c) fair, equitable and reasonable; (d) approved after due notice and opportunity for hearing; and (e) a bar to any of the Debtors or the Liquidating Trustee.**

3. Exculpation

Notwithstanding anything contained in the Plan to the contrary, the Exculpated Parties shall neither have nor incur any liability to any Entity for any and all Claims and Causes of Action arising on or after the Petition Date, including any act taken or omitted to be taken in connection with, or related to, formulating, negotiating,

preparing, disseminating, implementing, administering, confirming or consummating the Plan, the Disclosure Statement, the Liquidating Trust Agreement, the Cash Collateral Order, the Sales or any other contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other postpetition act taken or omitted to be taken in connection with or in contemplation of the Sales or the liquidation of the Debtors; provided, however, that the foregoing provisions of Article IX.C of the Plan shall have no effect on the liability of any Exculpated Party that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; provided, further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above-referenced documents.

4. Third Party Releases

Except as otherwise expressly provided for in the Plan or in obligations issued pursuant to the Plan, from and after the Effective Date, all Releasing Parties shall be deemed to have forever released, waived and discharged all Causes of Action and any other debts, obligations, rights, suits, damages, actions, remedies and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing as of the Effective Date or thereafter arising, in law, equity or otherwise, whether for tort, contract, violations of federal or state securities laws or otherwise, that are based in whole or in part upon any act or omission, transaction, or other occurrence or circumstances existing or taking place on or after the Petition Date but prior to or on the Effective Date in any way related to the Debtors, the Chapter 11 Cases or the Plan against the Released Parties.

5. Injunction

a. **Pursuant to Section 1141(d)(3) of the Bankruptcy Code, confirmation of the Plan will not discharge the Debtors; provided, however, upon confirmation of the Plan, the occurrence of the Effective Date, and Distributions hereunder, Claimants may not seek payment or recourse against or otherwise be entitled to any Distribution from the Liquidating Trust Assets except as expressly provided in the Plan and the Liquidating Trust Agreement.**

b. **Except as otherwise expressly provided for in the Plan or in obligations issued pursuant to the Plan, all Parties and Entities are permanently enjoined, on and after the Effective Date, on account of any Claim or Equity Interest, from:**

(i) **commencing or continuing in any manner any action or other proceeding of any kind against any of the Debtors' Estates, the Midway Liquidating Trust, their successors and assigns, and any of their assets and properties;**

(ii) **enforcing, attaching, collecting or recovering by any manner or means any judgment, award, decree or order against any**

Debtor's Estate, the Midway Liquidating Trust, their successors and assigns, and any of their assets and properties;

(iii) **creating, perfecting or enforcing any encumbrance of any kind against any Debtor's Estate, the Midway Liquidating Trust, their successors and assigns, and any of their assets and properties;**

(iv) **asserting any right of setoff or subrogation of any kind against any obligation due from any Debtor's Estate, the Midway Liquidating Trust or their successors and assigns, or against any of their assets and properties, except to the extent a right to setoff or subrogation is asserted with respect to a timely filed proof of claim; or**

(v) **commencing or continuing in any manner any action or other proceeding of any kind in respect of any Claim or Equity Interest or Cause of Action released or settled hereunder.**

c. **From and after the Effective Date, all Entities are permanently enjoined from commencing or continuing in any manner against the Debtors, their Estates, their successors and assigns, and any of their assets and properties, any suit, action or other proceeding, on account of or respecting any claim, demand, liability, obligation, debt, right, cause of action, interest or remedy released or to be released pursuant to the Plan or the Confirmation Order.**

6. Releases of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document created pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, liens, pledges or other security interests against property of the Estates shall be fully released and discharged and all of the right, title and interest of any holder of such mortgages, deeds of trust, liens, pledges or other security interest shall revert to the Debtors and the Liquidating Trustee.

7. No Substantive Consolidation

Nothing in the Plan is intended or shall be deemed to be a substantive consolidation of the Debtors' separate Estates. Each of the Debtors' Estates shall continue to be separate from one another. No assets belonging to one Debtor's Estate shall be joined or otherwise consolidated with the assets belonging to any of the other Debtors' Estates and no liabilities of one Debtor's Estate shall be joined or otherwise consolidated with the liabilities of any of the other Debtors' Estates**.** However, nothing herein is intended or shall be deemed to be a waiver of any right of the Debtors, the Liquidating Trustee, or any other party in interest to seek substantive consolidation through a separate motion with notice and opportunity to be heard.

8. Preservation of Rights of Action

a. **Vesting of Causes of Action**

(i) Except as otherwise provided in the Plan or Confirmation Order, in accordance with Section 1123(b)(3) of the Bankruptcy Code, any Retained Causes of Action that the Debtors may hold against any Entity shall vest upon the Effective Date in the Midway Liquidating Trust.

(ii) Except as otherwise provided in the Plan or Confirmation Order, after the Effective Date, the Liquidating Trustee shall have the exclusive right to institute, prosecute, abandon, settle or compromise any Retained Causes of Action, in accordance with the terms of the Liquidating Trust Agreement and without further order of the Bankruptcy Court, in any court or other tribunal, including, without limitation, in an adversary proceeding filed in one or more of the Chapter 11 Cases.

(iii) Retained Causes of Action and any recoveries therefrom shall remain the sole property of the Midway Liquidating Trust (for the sole benefit of the holders of General Unsecured Claims), as the case may be, and holders of Claims shall have no right to any such recovery.

b. **Preservation of All Causes of Action Not Expressly Settled or Released**

(i) Unless a Retained Cause of Action against a holder or other Entity is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including the Confirmation Order), the Debtors and the Liquidating Trustee expressly reserve such Retained Cause of Action for later adjudication by the Debtors or the Liquidating Trustee (including, without limitation, Retained Causes of Action not specifically identified or described in the Plan Supplement or elsewhere or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances which may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches shall apply to such Retained Causes of Action upon or after the entry of the Confirmation Order or Effective Date based on the Disclosure Statement, Plan or Confirmation Order, except where such Retained Causes of Action have been released in the Plan (including, without limitation, and for the avoidance of doubt, the releases contained in Article IX.B.1 of the Plan) or any other Final Order (including the Confirmation Order). In addition, the Debtors and Liquidating Trustee expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

Subject to the immediately preceding paragraph, any Entity to whom the Debtors have incurred an obligation (whether on account of services, purchase or sale of goods or otherwise), or who has received services from the Debtors or a transfer of money or property of the Debtors, or who has transacted business with the Debtors, or leased equipment or property from the Debtors, should assume that any such obligation, transfer or transaction may be reviewed by the Liquidating Trustee subsequent to the Effective Date and may be the subject of an action after the Effective Date, regardless of whether: (i) such Entity has filed a proof of claim against the Debtors in the Chapter 11 Cases; (ii) the Debtors or Liquidating Trustee have objected to any such Entity's proof of claim; (iii) any such Entity's Claim was included in the Schedules; (iv) the Debtors or Liquidating Trustee have objected to any such Entity's scheduled Claim; or (v) any such Entity's scheduled Claim has been identified by the Debtors or Liquidating Trustee as disputed, contingent or unliquidated.

J. Retention of Jurisdiction

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Cases and all Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and the Plan as is legally permissible, including, without limitation, jurisdiction to:

a. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of Claims or Equity Interests;

b. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

c. resolve any matters related to the assumption, assignment or rejection of any executory contract or unexpired lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom, including those matters related to any amendment to the Plan after the Effective Date pursuant to Article VII.C. of the Plan adding executory contracts or unexpired leases to the list of executory contracts and unexpired leases to be assumed;

d. ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

e. decide or resolve any motions, adversary proceedings (including Avoidance Actions), contested or litigated matters and any other matters and grant or deny any applications involving a Debtor that may be pending on the Effective Date or instituted by the Liquidating Trustee after the Effective Date, provided, however, that the

Liquidating Trustee shall reserve the right to commence actions in all appropriate jurisdictions;

f. enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with the Plan, Plan Supplement or the Disclosure Statement;

g. resolve any cases, controversies, suits or disputes that may arise in connection with the Effective Date, interpretation or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

h. issue and enforce injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Effective Date or enforcement of the Plan, except as otherwise provided in the Plan;

i. enforce Article IX.A, Article IX.B, Article IX.C, and Article IX.D of the Plan;

j. enforce the Injunction set forth in Article IX.E of the Plan;

k. resolve any cases, controversies, suits or disputes with respect to the releases, injunction and other provisions contained in Article IX of the Plan, and enter such orders as may be necessary or appropriate to implement or enforce all such releases, injunctions and other provisions;

l. enter and implement such orders as necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

m. resolve any other matters that may arise in connection with or relate to the Settlement, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document adopted in connection with the Plan or the Disclosure Statement; and

n. enter an order and/or the decree contemplated in Fed. R. Bankr. P. 3022 concluding the Chapter 11 Cases.

K. Miscellaneous Provisions

1. Payment of Statutory Fees

All fees payable pursuant to Section 1930 of title 28 of the United States Code after the Effective Date, as determined by the Bankruptcy Court at a hearing pursuant to Section 1128 of the Bankruptcy Code, shall be paid prior to the closing of the Chapter 11 Cases on the earlier of when due or the Effective Date, or as soon thereafter as practicable by the Midway Liquidating Trust.

2. Modification of Plan

Subject to the limitations contained in the Plan: (1) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules to amend or modify the Plan prior to the entry of the Confirmation Order, including amendments or modifications to satisfy Section 1129(b) of the Bankruptcy Code; and (2) after the entry of the Confirmation Order, the Debtors or the Liquidating Trustee, as the case may be, may, upon order of the Bankruptcy Court, amend or modify the Plan, in accordance with Section 1127(b) of the Bankruptcy Code, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

3. Revocation of Plan

The Debtors reserve the right to revoke or withdraw the Plan prior to the entry of the Confirmation Order, and to file subsequent chapter 11 plans. If the Debtors revoke or withdraw the Plan or if entry of the Confirmation Order or the Effective Date does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any claims by or against, or any Equity Interests in, such Debtor or any other Entity; (b) prejudice in any manner the rights of the Debtors or any other Entity; or (c) constitute an admission of any sort by the Debtors or any other Entity.

4. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to herein shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity.

5. Governing Law

Except to the extent that the Bankruptcy Code or Bankruptcy Rules apply, and subject to the provisions of any contract, instrument, release, indenture or other agreement or document entered into in connection herewith, the rights and obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado, without giving effect to the principles of conflict of laws thereof.

6. Reservation of Rights

Except as expressly set forth herein, the Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and the conditions to effectiveness of the Plan shall have been waived or satisfied. Neither the filing of the Plan, any statement or provision contained herein, nor the taking of any action by a Debtor or any Entity with respect to the Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1) any Debtor with respect to the holders of Claims or Equity Interests or other parties-in-interest; or (2) any holder of a Claim or other party-in-interest prior to the Effective Date.

7. Article 1146 Exemption

Pursuant to Section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto shall not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct the appropriate state or local governmental officials or agents to forego the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment.

8. Section 1125(e) Good Faith Compliance

The Debtors and each of their respective Representatives, shall be deemed to have acted in "good faith" under Section 1125(e) of the Bankruptcy Code.

9. Further Assurances

The Debtors, Liquidating Trustee, all holders of Claims receiving Distributions hereunder and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan or the Confirmation Order.

10. Service of Documents

Any pleading, notice or other document required by the Plan to be served on or delivered to the Debtors and/or the Liquidating Trustee, as applicable, shall be sent by first class U.S. mail, postage prepaid as follows:

Midway Gold US Inc.
c/o Squire Patton Boggs (US) LLP
221 E. Fourth Street, Suite 2900
Cincinnati, Ohio 45202
Attn: Stephen Lerner and Elliot Smith

-and-

The Liquidating Trustee
c/o [TBD][5]

11. Filing of Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court all agreements and other documents that may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

[5] The contact information for the Liquidating Trustee and counsel to the Liquidating Trustee shall be provided prior to the Confirmation Hearing.

12. No Stay of Confirmation Order

The Confirmation Order shall contain a waiver of any stay of enforcement otherwise applicable, including pursuant to Fed. R. Bankr. P. 3020(e) and 7062.

13. Aid and Recognition

The Debtors or Liquidating Trustee, as the case may be, shall, as needed to effect the terms of the Plan, request the aid and recognition of any court or judicial, regulatory or administrative body in any province or territory of Canada or any other nation or state.

IV. ALTERNATIVES TO THE PLAN

The Debtors have determined that the Plan is the most practical means of providing maximum recoveries to creditors. This is especially true given that substantially all of the Debtors' assets have been sold and there are limited remaining assets to administer. Alternatives to the Plan that have been considered and evaluated by the Debtors during the course of these Chapter 11 Cases include liquidation of the Debtors' assets under chapter 7 of the Bankruptcy Code. The Debtors' consideration of these alternatives to the Plan has led the Debtors to conclude that the Plan, in comparison, provides a greater recovery to creditors on a more expeditious timetable, and in a manner that minimizes certain inherent risks in any other course of action available to the Debtors. An analysis comparing the Plan with a liquidation of the Debtors' assets under chapter 7 of the Bankruptcy Code is attached hereto as Exhibit B.

A. Liquidation Under Chapter 7 of the Bankruptcy Code

If the Plan or any other chapter 11 plan for the Debtors cannot be confirmed under Section 1129(a) of the Bankruptcy Code, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code, in which case, a trustee would be elected or appointed to liquidate any remaining assets of the Debtors for distribution to creditors pursuant to chapter 7 of the Bankruptcy Code. If a trustee is appointed and the remaining assets of the Debtors are liquidated under chapter 7 of the Bankruptcy Code, holders of certain Allowed Claims (including all holders of General Unsecured Claims) may receive lesser distributions on account of their Allowed Claims and would likely have to wait a longer period of time to receive any such distributions than they would under the Plan. Among other things that may adversely impact recoveries in a chapter 7 liquidation, is that the settlements that have been achieved in the Chapter 11 Cases may not remain in place and costly litigation on the many settled issues may ensue.

B. Alternative Chapter 11 Plan

If the Plan is not confirmed, the Debtors or any other party in interest may attempt to formulate an alternative chapter 11 plan which might provide for the liquidation of the Debtors' assets other than as provided in the Plan. However, since substantially all of the Debtors' assets have already been liquidated and the Plan provides for the distribution of the proceeds of the liquidation and any non-liquidated assets in accordance with the priorities established by the Bankruptcy Code and the settlements contained in the Plan, the Debtors believe that any alternative chapter 11 plan will be substantially similar to the Plan. Any attempt

to formulate an alternative chapter 11 plan would necessarily delay creditors' receipt of distributions yet to be made and, due to the incurrence of additional administrative expenses during such period of delay, may provide for smaller distributions to holders of Allowed Claims than are currently provided for in the Plan. Thus, the Debtors believe that the Plan will enable all creditors to realize the greatest possible recovery on their respective Claims.

V. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following discussion summarizes certain federal income tax consequences of the Plan to the Debtors and to holders of certain Claims. This summary does not address the federal income tax consequences to holders of Equity Interests and to holders whose Claims (i) are paid in full, in Cash, or that are otherwise not Impaired under the Plan or (ii) that are not receiving any distribution under the Plan. Unless otherwise noted, all claims discussed under this heading "Certain Federal Income Tax Consequences of the Plan" are presumed to be "Allowed."

This summary is based on the Internal Revenue Code of 1986, as amended ("IRC"), the Treasury Regulations promulgated and proposed thereunder, judicial decisions, and published administrative rulings and pronouncements of the Internal Revenue Service ("IRS") currently in effect. These authorities are all subject to change, possibly with retroactive effect, and any such change could alter or modify the federal income tax consequences described below.

This summary does not address foreign, state or local tax consequences, or any estate or gift tax consequences of the Plan, nor does it purport to address the federal income tax consequences of the Plan to special classes of taxpayers (such as foreign entities, nonresident alien individuals, S corporations, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, investors in pass-through entities, broker-dealers, tax-exempt organizations and those taxpayers subject to the alternative minimum tax). Accordingly, this summary should not be relied upon for purposes of determining the specific tax consequences of the Plan with respect to a particular holder of a Claim.

Due to the possibility of changes in law, differences in the nature of various Claims, differences in individual Claim holders' methods of accounting and tax circumstances, and the potential for disputes as to legal and factual matters, the federal income tax consequences described herein are subject to significant uncertainties. No ruling has been applied for or obtained from the IRS, and no opinion of counsel has been requested or obtained by the Debtors with respect to any of the tax aspects of the Plan. No representations are being made regarding the particular tax consequences of the Plan to the Debtors or any holder of a Claim or Equity Interest.

The federal income tax consequences to individual Claim holders will differ and will depend on factors specific to each such Claim holder, including, but not limited to: (i) whether the holder's Claim (or a portion thereof) constitutes a Claim for principal or interest, (ii) the origin of the holder's Claim, (iii) the holder's holding period for the Claim, (iv) whether the holder of the Claim reports income on the accrual or cash basis method of accounting, and (v)

whether the holder of the Claim has taken a bad debt deduction or otherwise recognized a loss with respect to the Claim.

THE TAX CONSEQUENCES TO HOLDERS OF CLAIMS MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH SUCH HOLDER. THIS DISCUSSION DOES NOT CONSTITUTE TAX ADVICE OR A TAX OPINION CONCERNING THE MATTERS DESCRIBED. THERE CAN BE NO ASSURANCE THAT THE IRS WILL NOT CHALLENGE ANY OR ALL OF THE TAX CONSEQUENCES DESCRIBED HEREIN, OR THAT SUCH A CHALLENGE, IF ASSERTED, WOULD NOT BE SUSTAINED. ACCORDINGLY, EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH HIS, HER OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, FOREIGN OR OTHER TAX CONSEQUENCES OF THE PLAN.

A. Federal Income Tax Consequences to the Debtors.

Depending upon the nature of the debt (recourse versus nonrecourse) for federal income tax purposes, each Debtor may recognize cancellation of indebtedness income ("COD income") and/or gain (or loss) as a result of the exchange of the cash, Liquidating Trust Assets and/or other assets for relief from indebtedness (i.e., the Claims). The Debtors will take any such COD Income and gain (or loss) into account on their final tax returns as required under the IRC, Treasury Regulations, and other relevant tax guidance.

B. Federal Income Tax Consequences to the Holders of Senior Agent Secured Claims.

The holders of Senior Agent Secured Claims will recognize gain (or loss) in an amount equal to the difference between (a) the aggregate amount of cash received in exchange for the Senior Agent Secured Claim holder's outstanding Claim against the Debtors (excluding any cash received by such Senior Agent Secured Claim holder in exchange for accrued interest on the Claim), less (b) the aggregate adjusted tax basis such Senior Agent Secured Claim holder had in its outstanding Claim against the Debtors at the time of the exchange (excluding any adjusted tax basis allocated to accrued interest on the outstanding Claim). The character of any gain or loss triggered as capital or ordinary will depend upon the manner in which the Senior Agent Secured Claim holder's Claim against the Debtors arose. Due to limitations in the IRC, a Senior Agent Secured Claim holder that recognizes a capital loss as a result of the exchange, may not be able to utilize such capital loss in the taxable year it arises or possibly ever.

To the extent that a portion of the cash received by a Senior Agent Secured Claim holder is attributable to accrued interest on the Senior Agent Secured Claim holder's outstanding Claim against the Debtors, such cash will be deemed made in payment of such accrued interest. The federal income tax laws are unclear on how much consideration shall be deemed attributable to accrued interest when partial payments are made on a debt on which both principal and interest are owed. Though the Plan provides that all consideration shall be allocated first to the principal amount of the Claims, it is unclear whether such Plan provision will be controlling for income tax purposes**.** To the extent that the Senior Agent Secured Claim holder has not yet included the accrued interest on its Claim in gross income, the cash deemed received in payment

of such interest will generally be included in the Senior Agent Secured Claim holder's gross income for federal income tax purposes. To the extent the Senior Agent Secured Claim holder previously included such accrued interest in gross income, cash deemed received in payment of such interest generally will not be included in gross income. The Senior Agent Secured Claim holder may be able to claim a deductible loss if the cash deemed received for the accrued interest is less than the amount the Senior Agent Secured Claim holder had previously included in gross income.

If a deficiency exists for a Senior Agent Secured Claim holder after all Pan Cash Collateral and GRP Sale Proceeds allocated to MDW Pan have been distributed under the Plan, the Senior Agent Secured Claim holder's deficiency shall become an Allowed General Unsecured Claim. See "Federal Income Tax Consequences to holders of General Unsecured Claims" and "Federal Income Tax Consequences of the Midway Liquidating Trust".

C. Federal Income Tax Consequences to the Holders of Subordinate Agent Secured Claims.

All Subordinate Agent Secured Claim holders are treated as Allowed General Unsecured Claim holders under the Plan. See "Federal Income Tax Consequences to Holders of General Unsecured Claims" and "Federal Income Tax Consequences of the Midway Liquidating Trust".

D. Federal Income Tax Consequences to the Holders of Mechanic's Lien Claims Against MDW Pan LLP.

The holders of Mechanic's Lien Claims Against MDW Pan LLP ("Mechanic's Lien Holders") will recognize gain (or loss) in an amount equal to the difference between (a) the aggregate amount of cash received in exchange for the Mechanic's Lien Holder's outstanding Claim against the Debtors (excluding any cash received by such Mechanic's Lien Holder in exchange for accrued interest on the Claim), less (b) the aggregate adjusted tax basis such Mechanic's Lien Holder had in its outstanding Claim against the Debtors at the time of the exchange (excluding any adjusted tax basis allocated to accrued interest on the outstanding Claim). The character of any gain or loss triggered as capital or ordinary will depend upon the manner in which the Mechanic's Lien Holder's Claim against the Debtors arose. Due to limitations in the IRC, a Mechanic's Lien Holder that recognizes a capital loss as a result of the exchange, may not be able to utilize such capital loss in the taxable year it arises or possibly ever.

To the extent that a portion of the cash received by a Mechanic's Lien Holder is attributable to accrued interest on the Mechanic's Lien Holder's outstanding Claim against the Debtors, such cash will be deemed made in payment of such accrued interest. The federal income tax laws are unclear on how much consideration shall be deemed attributable to accrued interest when partial payments are made on a debt on which both principal and interest are owed. Though the Plan provides that all consideration shall be allocated first to the principal amount of the Claims, it is unclear whether such Plan provision will be controlling for income tax purposes. To the extent that the Mechanic's Lien Holder has not yet included the accrued interest on its Claim in gross income, the cash deemed received in payment of such interest will generally be

included in the Mechanic's Lien Holder's gross income for federal income tax purposes. To the extent the Mechanic's Lien Holder previously included such accrued interest in gross income, cash deemed received in payment of such interest generally will not be included in gross income. The Mechanic's Lien Holder may be able to claim a deductible loss if the cash deemed received for the accrued interest is less than the amount the Mechanic's Lien Holder had previously included in gross income.

If a deficiency exists for a Mechanic's Lien Holder after all cash amounts have been paid under the Plan, the deficiency left for each Mechanic's Lien Holder shall become a Class 14 General Unsecured Claim Against MDW Pan LLP. See "Federal Income Tax Consequences to Holders of General Unsecured Claims" and "Federal Income Tax Consequences of the Midway Liquidating Trust".

E. Federal Income Tax Consequences to the Holders of Other Secured Claims Against MDW Pan.

The holders of Other Secured Claims Against MDW Pan ("Other MDW Pan Holder") will recognize gain (or loss) in an amount equal to the difference between (a) the aggregate fair market value of the collateral received in exchange for the Other MDW Pan Holder's outstanding Claim against the Debtors (excluding any cash received by such Other MDW Pan Holder in exchange for accrued interest on the Claim), less (b) the aggregate adjusted tax basis such Other MDW Pan Holder had in its outstanding Claim against the Debtors at the time of the exchange (excluding any adjusted tax basis allocated to accrued interest on the outstanding Claim). The character of any gain or loss triggered as capital or ordinary will depend upon the manner in which the Other MDW Pan Holder's Claim against the Debtors arose. Due to limitations in the IRC, an Other MDW Pan Holder that recognizes a capital loss as a result of the exchange, may not be able to utilize such capital loss in the taxable year it arises or possibly ever.

To the extent that a portion of the collateral received by an Other MDW Pan Holder is attributable to accrued interest on the Other MDW Pan Holder's outstanding Claim against the Debtors, such cash will be deemed made in payment of such accrued interest. The federal income tax laws are unclear on how much consideration shall be deemed attributable to accrued interest when partial payments are made on a debt on which both principal and interest are owed. Though the Plan provides that all consideration shall be allocated first to the principal amount of the Claims, it is unclear whether such Plan provision will be controlling for income tax purposes. To the extent that the Other MDW Pan Holder has not yet included the accrued interest on its Claim in gross income, the collateral deemed received in payment of such interest will generally be included in the Other MDW Pan Holder's gross income for federal income tax purposes. To the extent an Other MDW Pan Holder previously included such accrued interest in gross income, the collateral deemed received in payment of such interest generally will not be included in gross income. An Other MDW Pan Holder may be able to claim a deductible loss if the collateral deemed received for the accrued interest is less than the amount the Other MDW Pan Holder had previously included in gross income.

An Other MDW Pan Holder will have a tax basis in the collateral received equal to its fair market value on the date of the exchange, and a holding period for such collateral that begins on the day after the date of the exchange.

If a deficiency exists for an Other MDW Pan Holder after all collateral has been distributed under the Plan, the deficiency left for each Other MDW Pan Holder shall become a Class 14 General Unsecured Claim Against MDW Pan LLP. See "Federal Income Tax Consequences to Holders of General Unsecured Claims" and "Federal Income Tax Consequences of the Midway Liquidating Trust".

F. Federal Income Tax Consequences to Holders of General Unsecured Claims

In accordance with the Plan, the Liquidating Trust Assets will be transferred by the Debtors to the Midway Liquidating Trust for the benefit of holders of General Unsecured Claims against the Debtors (such holders are referred to in this section as "Unsecured Creditors"). Pursuant to the Plan, the Unsecured Creditors are required for all federal income tax purposes, to treat the Liquidating Trust Assets transferred by the Debtors to the Midway Liquidating Trust as having been transferred directly to such Unsecured Creditors by the Debtors, and then transferred by such Unsecured Creditors to the Midway Liquidating Trust in exchange for beneficial interests therein.

As a result of the deemed exchange, each Unsecured Creditor will recognize gain (or loss) in an amount equal to the difference between (a) the fair market value of the Unsecured Creditor's allocable share of the Liquidating Trust Assets deemed received in exchange for the Unsecured Creditor's outstanding Claim against the Debtors (excluding the fair market value of any portion of the Liquidating Trust Assets received by such Unsecured Creditor in exchange for accrued interest on the Claim), less (b) the adjusted tax basis such Unsecured Creditor had in its outstanding Claim against the Debtors at the time of the exchange (excluding any adjusted tax basis allocated to accrued interest on the outstanding Claim). The character of any gain or loss triggered as capital or ordinary will depend upon the manner in which the Unsecured Creditor's Claim against the Debtor arose. Due to limitations in the IRC, an Unsecured Creditor that recognizes a capital loss as a result of the deemed exchange, may not be able to utilize such capital loss in the taxable year it arises or possibly ever.

To the extent that a portion of the Liquidating Trust Assets deemed received by an Unsecured Creditor is attributable to accrued interest on the Unsecured Creditor's outstanding Claim against the Debtors, such portion of the Liquidating Trust Assets will be deemed made in payment of such accrued interest. The federal income tax laws are unclear on how much consideration shall be deemed attributable to accrued interest when partial payments are made on a debt on which both principal and interest are owed. Though the Plan provides that all consideration shall be allocated first to the principal amount of the Claims, it is unclear whether such Plan provision will be controlling for income tax purposes**.** To the extent that the Unsecured Creditor has not yet included the accrued interest on its Claim in gross income, the fair market value of the portion of the Liquidating Trust Assets deemed received in payment of such interest will generally be included in the Unsecured Creditor's gross income for federal income tax purposes. To the extent the Unsecured Creditor previously included such accrued interest in gross income, the fair market value of the portion of the Liquidating Trust Assets

deemed received in payment of such interest generally will not be included in gross income. The Unsecured Creditor may be able to claim a deductible loss if the fair market value of the portion of the Liquidating Trust Assets deemed received for the accrued interest is less than the amount the Unsecured Creditor had previously included in gross income.

The Unsecured Creditors will have a tax basis in the Liquidating Trust Assets equal to their fair market value on the date of the deemed transfer to the Midway Liquidating Trust by the Unsecured Creditors, and will have a holding period in the Liquidating Trust Assets that begins on the day after the deemed transfer of such assets to the Midway Liquidating Trust.

THERE ARE MANY FACTORS THAT WILL DETERMINE THE TAX CONSEQUENCES TO EACH UNSECURED CREDITOR. FURTHERMORE, THE TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND IN SOME CASES UNCERTAIN. THEREFORE, IT IS IMPORTANT THAT EACH CREDITOR OBTAIN HIS, HER OR ITS OWN PROFESSIONAL TAX ADVICE REGARDING THE TAX CONSEQUENCES TO SUCH CREDITOR AS A RESULT OF THE PLAN.

G. Federal Income Tax Consequences of the Midway Liquidating Trust

1. Classification as a Liquidating Trust

The Midway Liquidating Trust is intended to qualify as a liquidating trust for federal income tax purposes. In general, a liquidating trust is not a separate taxable entity, but rather is treated for federal income tax purposes as a "grantor" trust (*i.e.*, a pass-through entity). In Revenue Procedure 94-45, 1994-2 C.B. 684 (the "Revenue Procedure"), the IRS has set forth the general criteria for obtaining an IRS ruling as to the grantor trust status of a liquidating trust under a bankruptcy plan. The Midway Liquidating Trust has been structured with the intention of complying with such general criteria. Pursuant to the Plan, and in conformity with the Revenue Procedure, all parties (including the Debtors, the Liquidating Trustee and the Unsecured Creditors) are required to treat, for federal income tax purposes, the Midway Liquidating Trust as a grantor trust of which its creditor-beneficiaries (i.e., the Unsecured Creditors) are the owners and grantors, and the following discussion assumes that the Midway Liquidating Trust would be so treated for federal income tax purposes. However, no ruling has been requested from the IRS concerning the tax status of the Midway Liquidating Trust as a grantor trust. Accordingly, there can be no assurance that the IRS would not take a contrary position to the classification of the Midway Liquidating Trust as a grantor trust. If the IRS were to challenge successfully such classification, the federal income tax consequence to the Midway Liquidating Trust and the Unsecured Creditors could vary from those discussed herein (including the potential for an entity-level tax).

2. Tax Reporting and Income Allocation

For federal income tax purposes, all parties (including the Debtors, the Liquidating Trustee, and the Unsecured Creditors) will treat the Midway Liquidating Trust as a grantor trust of which the Unsecured Creditors are the owners and grantors. Thus, each Unsecured Creditor (and any subsequent holder of interests in the Midway Liquidating Trust) will be treated as the direct owner of an undivided interest, for all federal income tax purposes, in

the Liquidating Trust Assets. Accordingly, each Unsecured Creditor will be required to report on its federal income tax return(s) the Unsecured Creditor's allocable share of any income, gain, loss, deduction or credit recognized or incurred by the Midway Liquidating Trust. For example, each Unsecured Creditor will be required to pick up, as ordinary income, its allocable share of any interest the Midway Liquidating Trust earns. In addition, each Unsecured Creditor will be required to recognize gain or loss when the Liquidating Trustee settles a Retained Cause of Action in which the Unsecured Creditor holds an interest. The amount of such gain (or loss) will equal the difference between (a) the Unsecured Creditor's allocable share of the amount actually received by the Midway Liquidating Trust for such Retained Cause of Action, and (b) the Unsecured Creditor's adjusted tax basis in its allocable share of the Retained Cause of Action. The character of any gain or loss triggered as capital or ordinary will depend upon the manner in which the Retained Cause of Action arose. Due to limitations set forth in the IRC, an Unsecured Creditor who recognizes a capital loss, may not be able to utilize such capital loss in the taxable year it arises or possibly ever.

The federal income tax reporting obligations of an Unsecured Creditor as a holder of a beneficial interest in the Midway Liquidating Trust is not dependent upon the Midway Liquidating Trust distributing any cash or other proceeds to such Unsecured Creditor. Therefore, an Unsecured Creditor may incur a federal income tax liability due to its ownership interest in the Midway Liquidating Trust regardless of the fact that the Midway Liquidating Trust has not made, or will not make, any concurrent or subsequent distributions to such Unsecured Creditor.

Because each Unsecured Creditor should have been reporting on its own federal income tax returns its allocable share of the Midway Liquidating Trust's income, gain, losses, deductions and credits each taxable year, the actual cash distribution by the Midway Liquidating Trust to such Unsecured Creditor should not be a taxable event.

The Liquidating Trustee will file with the IRS returns for the Midway Liquidating Trust as a multiple grantor trust pursuant to Treasury Regulation § 1.671-4(a). The Liquidating Trustee will also send to each Unsecured Creditor, at the end of each taxable year, a separate statement setting forth the Unsecured Creditor's allocable share of Midway Liquidating Trust's income, gain, loss, deduction and credit. The written statement will also instruct each Unsecured Creditor to report its allocable share of the tax items from the Midway Liquidating Trust on its own federal income tax return, and inform such Unsecured Creditor that the Unsecured Creditor is solely responsible for paying any tax associated therewith.

H. Withholding and Reporting

Payments of interest, dividends and certain other payments are generally subject to backup withholding at the rate of 28% unless the payee of such payment furnishes such payee's correct taxpayer identification number (social security number or employer identification number) to the payor. The Liquidating Trustee may be required to withhold the applicable percentage from payments made to an Unsecured Creditor who does not provide his, her or its taxpayer identification number. Backup withholding is not an additional tax, but an advance payment that may be refunded to the taxpayer by the IRS to the extent that the backup withholding results in an overpayment of tax by such taxpayer in such taxable year.

THE FOREGOING IS INTENDED TO BE ONLY A SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FEDERAL, STATE AND LOCAL INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND IN SOME CASES UNCERTAIN. SUCH CONSEQUENCES MAY ALSO VARY BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM. ACCORDINGLY, EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH HIS, HER OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE AND LOCAL INCOME AND OTHER TAX CONSEQUENCES UNDER THE PLAN.

VI. SOLICITATION AND VOTING PROCEDURES

On [__], 2016, the Bankruptcy Court entered the Disclosure Statement Order approving the adequacy of the Disclosure Statement and approving the Solicitation Procedures. In addition to approving the Solicitation Procedures, the Disclosure Statement Order established certain dates and deadlines, including the date for the Confirmation Hearing, the deadline for parties to object to confirmation, the Voting Record Date and the Voting Deadline. The Disclosure Statement Order also approved the forms of Ballots and certain confirmation-related notices. The Disclosure Statement Order and the Solicitation Procedures should be read in conjunction with the Disclosure Statement. Capitalized terms used herein that are not otherwise defined in the Disclosure Statement or Plan shall have the meanings ascribed to them in the Solicitation Procedures.

A. Solicitation Package

1. Contents of Solicitation Package

The following materials, all of which shall be submitted to holders of Claims eligible to vote on the Plan on a compact disc in PDF format, shall constitute the Solicitation Package, *provided, however*, that all holders of Claims eligible to vote on the Plan shall also receive a paper copy of the Confirmation Hearing Notice and the applicable Ballot:

- The Plan;
- The approved Disclosure Statement;
- The Disclosure Statement Order;
- The Confirmation Hearing Notice;
- The applicable Ballot and voting instructions; and
- Prepaid return envelope.

Holders of Claims not eligible to vote on the Plan will not receive the full Solicitation Package. Rather, such parties will receive only a hard copy of (i) the Confirmation Hearing Notice and (ii) a Notice of Non-Voting Status. The Confirmation Hearing Notice will

direct such parties to the case website maintained by the Noticing Agent to download and view copies of the Plan, the approved Disclosure Statement, the Disclosure Statement Order and all other related documents free of charge.

Notice parties who are not holders of Claims will receive only a hard copy of the Confirmation Hearing Notice alone.

2. Distribution of Solicitation Package

The Debtors shall serve, or caused to be served, all of the materials in the Solicitation Package on all holders of Claims eligible to vote on the Plan as described in Article VI.A.1. above.

Holders of Claims in Class 1 (Priority Non-Tax Claim), Class 3 (Subordinate Agent Secured Claim), Class 4 (Mechanic's Lien Claims against MDW Pan LLP), and Class 5 (Other Secured Claims against MDW Pan) are unimpaired and conclusively deemed to accept the Plan. Accordingly, such parties will receive only a hard copy of (i) the Confirmation Hearing Notice and (ii) a Notice of Non-Voting Status.

Holders of Claims in Class 11 (Other General Unsecured Claims), and Equity Interests in Class 12 (Equity Interests) are impaired and conclusively deemed to reject the Plan. Accordingly, such parties will also receive only a hard copy of (i) the Confirmation Hearing Notice and (ii) a Notice of Non-Voting Status.

Consistent with Bankruptcy Rule 2002, the Debtors will also serve by regular U.S. Mail a copy of the Confirmation Hearing Notice on all creditors, the U.S. Trustee, counterparties to the Debtors' unexpired leases and executory contracts that have not yet been assumed or rejected, and all other notice parties appearing in the Debtors' records.

The Confirmation Hearing Notice shall inform parties that the Plan, the Plan Supplement, the Disclosure Statement, the Disclosure Statement Order and all other Solicitation Package materials (except Ballots) can be obtained by: (a) accessing the website of the Debtors' claims and noticing agent, Epiq, at http://dm.epiq11.com/MGC, requesting a paper copy from Epiq (also the "Balloting Agent") or by email at Tabulation@Epiqsystems.com and reference "Midway Gold US Inc." in the subject line.

B. Voting Instructions and General Tabulation Procedures

1. Voting Record Dates

The Bankruptcy Court has approved [__], 2016, as the Voting Record Date.

2. Voting Deadline

The Bankruptcy Court has approved [_____], 2016 at 5:00 p.m. (Prevailing Mountain Time), as the Voting Deadline. The Debtors may extend the Voting Deadline without further order of the Bankruptcy Court, however, the Debtors will document any such extension in the Voting Report.

For holders of all Claims or Equity Interests, the Balloting Agent will answer questions regarding the procedures and requirements for voting to accept or reject the Plan and for objecting to the Plan, provide additional copies of all materials and oversee the voting tabulation. Balloting Agent will also process and tabulate ballots for each Class entitled to vote to accept or reject the Plan.

TO BE COUNTED AS VOTES TO ACCEPT OR REJECT THE PLAN, BALLOTS CAST BY HOLDERS AND MASTER BALLOTS CAST ON BEHALF OF BENEFICIAL HOLDERS IN CLASSES ENTITLED TO VOTE MUST BE RECEIVED BY THE BALLOTING AGENT BY THE VOTING DEADLINE, AT THE ADDRESS LISTED ON THE APPLICABLE BALLOT, WHETHER BY FIRST CLASS MAIL, OVERNIGHT COURIER OR PERSONAL DELIVERY. THE BALLOTS WILL CLEARLY INDICATE WHERE THE BALLOT MUST BE RETURNED.

Ballots must be **actually received** by the Balloting Agent by the Voting Deadline as follows:
If sent by **First Class Mail**: Midway Gold US Inc. Ballot Processing c/o Epiq Systems P.O. Box 4422 Beaverton, OR 97076 4422
If sent by **Messenger or Overnight Courier**: Midway Gold US Inc. Ballot Processing c/o Epiq Systems 10300 SW Allen Blvd. Beaverton, OR 97005
If you have any questions on the procedures for voting on the Plan, please call the Balloting Agent at the following telephone number: **(646) 282 2500**

IT IS IMPORTANT TO FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON EACH BALLOT WHEN SUBMITTING A VOTE.

EACH BALLOT WILL CONTAIN A PROVISION STATING THAT A VOTING CREDITOR, BY VOTING, ACKNOWLEDGES HIS, HER OR ITS CONSENT TO THE RELEASE, EXCULPATION AND RELEASE PROVISIONS OF THE PLAN, AS FOLLOWS:

If you vote to accept the Plan, you shall be deemed to have consented to the releases contained in Article IX of the Plan. YOU SHOULD CAREFULLY REVIEW SUCH RELEASES PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN.

The Holder identified below votes to (please check one):	
ACCEPT THE PLAN ☐	REJECT THE PLAN ☐

FOR ANSWERS TO ANY QUESTIONS REGARDING SOLICITATION PROCEDURES, PARTIES MAY CALL THE BALLOTING AGENT VIA TELEPHONE AT (646-282-2500)

To obtain an additional copy of the Plan, the Disclosure Statement, the Plan Supplement or other Solicitation Package materials (except Ballots), please refer to the Balloting Agent's website, at http://dm.epiq11.com/MGC, requesting a paper copy from the Balloting Agent or email to tabulation@epiqsystems.com and reference "Midway Gold US Inc." in the subject.

Ballots received after the Voting Deadline will not be counted by the Debtors in connection with the Debtors' request for confirmation. The method of delivery of Ballots to be sent to the Balloting Agent is at the election and risk of each Creditor, except as otherwise provided, a Ballot will be deemed delivered only when the Balloting Agent actually receives the original executed Ballot. In all cases, sufficient time should be allowed to assure timely delivery. An original executed Ballot is required. Ballots should not be sent to any of the Debtors, the Debtors' agents (other than the Balloting Agent), or the Debtors' financial or legal advisors, and any Ballots sent to such parties will not be counted. The Debtors expressly reserve the right to amend from time to time the terms of the Plan (subject to compliance with the requirements of Section 1127 of the Bankruptcy Code and the terms of the Plan regarding modification).

3. Tabulation Procedures

In tabulating votes to accept or reject the Plan the following procedures (the "Tabulation Procedures") shall be used:

a) Unless otherwise provided in these Tabulation Procedures, a Claim will be deemed temporarily Allowed for voting purposes only in an amount equal to: (i) the liquidated, non-contingent, undisputed amount of such Claim as set forth in the Debtors' Schedules if no proof of claim has been timely filed in respect of such Claim; or (ii) if a proof of claim has been timely filed in respect of such Claim, the amount set forth in such proof of claim;

b) If a Claim is deemed Allowed under the Plan or in an order of the Court entered prior to the Voting Record Date, such Claim is allowed for voting purposes in the deemed Allowed amount set forth in the Plan or such order;

c) If a Claim for which a proof of claim has been timely filed is for unknown or undetermined amounts, or is wholly unliquidated or contingent (as determined on the face of the Claim or after a reasonable review of the

supporting documentation by the Balloting Agent), and such Claim has not been Allowed, such Claim will be temporarily Allowed for voting purposes only, and not for purposes of allowance or distribution and accorded one vote and valued at an amount equal to one dollar ($1.00);

d) If a Claim is listed on a timely filed proof of claim as contingent, unliquidated, or disputed in part, such Claim is temporarily Allowed in the amount that is liquidated, non-contingent, and undisputed for voting purposes only, and not for purposes of allowance or distribution;

e) If a holder of a Claim identifies a Claim amount in its Ballot that is different than the amount otherwise calculated in accordance with the Tabulation Procedures, the Claim will be temporarily Allowed for voting purposes in the amount calculated in accordance with the Tabulation Procedures;

f) Creditors with Claims that have been indefeasibly paid, in full or in part, shall only be permitted to vote the unpaid amount of such Claim, if any, to accept or reject the Plan;

g) Duplicate Claims within the same Voting Class, will be deemed temporarily Allowed for voting purposes only in an amount equal to one such Claim and not in an amount equal to the aggregate of such claims;

h) Creditors will not be entitled to vote Claims to the extent such Claims have been superseded and/or amended by other Claims filed by or on behalf of such creditors, regardless of whether the Debtors have objected to such earlier filed Claim;

i) If the Debtors have served an objection or request for estimation as to a claim at least ten (10) calendar days before the Voting Deadline, such Claim is temporarily disallowed for voting purposes only and not for purposes of allowance or distribution, except to the extent and manner as set forth in such objection;

j) Claims filed for $0.00 are not entitled to vote;

k) Any Class that contains claims entitled to vote but no votes are returned for such Class shall be deemed to have accepted the Plan;

The following additional procedures will apply:

a) The voter must complete each section of the Ballot, including, without limitation, certifying the amount of its Claim, voting to accept or reject the Plan, completing the requested identification information, and signing and dating the Ballot. If the party executing the Ballot is signing as a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or acting in a fiduciary or representative capacity, they should

indicate such capacity when signing and, if required or requested by the Balloting Agent, the Debtors, or the Court, must submit evidence satisfactory to the requesting party to so act on behalf of the holder of the Claim.

b) The voter must vote all of its Claims either to accept or reject the Plan. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted. To the extent possible, the Debtors shall mail each claimant holding a Claim in the Voting Class a single Ballot on account of the claims held by such claimant in the Voting Class.

c) For purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code, separate Claims held by a single creditor in a particular Class shall be aggregated as if such creditor held one Claim in such Class, and the votes related to such Claims shall be treated as a single vote to accept or reject the Plan.

d) If multiple Ballots are received from the same voter with respect to the same Claim prior to the Voting Deadline, the last properly executed Ballot timely received will be deemed to reflect such voter's intent and will supersede and revoke any prior Ballot received.

e) If a creditor submits inconsistent Ballots, such Ballots shall not be counted.

f) Delivery of a defective or irregular Ballot will not be deemed to have been made until such defect or irregularity has been cured or waived by the Debtors. Any waiver by the Debtors of defects or irregularities in any Ballot will be detailed in the voting report filed with this Court by the Balloting Agent. Neither the Debtors, nor any other person or entity, will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots, nor will any of them incur any liability for failure to provide such notification.

g) The Debtor is hereby authorized to waive any defects or irregularities as to any particular Ballot at any time, either before or after the Voting Deadline, and any such waivers shall be documented in the tabulation report (the "Voting Declaration") prepared by the Balloting Agent.

h) In addition, the following Ballots will not be counted in determining the acceptance or rejection of the Plan:

i) any Ballot that is illegible or contains insufficient information to permit the identification of the holder;

ii) any Ballot that (a) does not indicate an acceptance or rejection of the Plan, (b) indicates both an acceptance and rejection of the Plan, and/or (c) partially accepts and partially rejects the Plan;

iii) any Ballot cast by a person who does not hold, or represent a person that holds, a Claim in the Voting Class;

iv) any Ballot received after the Voting Deadline will not be counted unless the Debtors have granted an extension with respect to such Ballot. The voter may choose the method of delivery of its Ballot to the Balloting Agent at its own risk. Delivery of the Ballot will be deemed made only when the original properly executed Ballot is actually received by the Balloting Agent;

v) any Ballot delivered by facsimile transmission, electronic mail, or any other means not specifically approved herein;

vi) any Ballot sent to a person other than the Balloting Agent; and

vii) any Ballot not bearing an original signature.

VII. CONFIRMATION PROCEDURES

A. Confirmation Hearing

The Confirmation Hearing will commence on [_____], 2016 at __:__ _.m. (Prevailing Mountain Time), before The Honorable Judge Michael E. Romero at the United States Bankruptcy Court for the District of Colorado, 721 19th Street, Denver, Colorado 80202. The Confirmation Hearing may be adjourned from time to time without further notice except for an announcement of the adjourned date made at the Confirmation Hearing or any adjournment thereof.

The Plan Objection Deadline is __:__ p.m. (Prevailing Mountain Time) on [_____], 2016.

All Plan Objections must be Filed with the Bankruptcy Court and served on the Debtors and certain other parties in accordance with the Disclosure Statement Order on or before the Plan Objection Deadline.

The Debtors' proposed schedule will provide Entities sufficient notice of the Plan Objection Deadline, which will be at least the 28 days as required by Bankruptcy Rule 2002(b). The Debtors believe that the Plan Objection Deadline will afford the Bankruptcy Court, the Debtors and other parties in interest reasonable time to consider the Plan Objections prior to the Confirmation Hearing.

THE BANKRUPTCY COURT WILL NOT CONSIDER PLAN OBJECTIONS UNLESS THEY ARE TIMELY SERVED AND FILED IN COMPLIANCE WITH THE DISCLOSURE STATEMENT ORDER.

Plan Objections must be served on all of the following parties:

SQUIRE PATTON BOGGS (US) LLP 221 E. Fourth Street, Suite 2900 Cincinnati, Ohio 45202 Attn: Stephen Lerner and Elliot Smith -and- **SQUIRE PATTON BOGGS (US) LLP** 30 Rockefeller Plaza, 23rd Floor New York, New York 10112 Attn: Nava Hazan Counsel for the Debtors and Debtors in Possession	**UNITED STATES TRUSTEE** Office of the United States Trustee for the District of Colorado 1961 Stout Street, Suite 12-200 Denver, Colorado 80294 Attn: Leo Weiss
SENDER WASSERMAN WADSWORTH, P.C. 1660 Lincoln Street, Suite 2200 Denver, Colorado 80264 Attn: Harvey Sender and Aaron Conrardy Local Counsel for the Debtors and Debtors in Possession	**CLERK OF THE BANKRUPTCY COURT** United States Bankruptcy Court for the District of Colorado 721 19th Street Denver, Colorado 80202

B. Statutory Requirements for Confirmation of the Plan

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies the requirements of Section 1129 of the Bankruptcy Code. The Debtors believe:

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors, as the Plan proponents, will have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or promised under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Cases, or in connection with the Plan and incident to the case, has been disclosed to the Bankruptcy Court, and any such payment: (1) made before the confirmation of the Plan is reasonable; or (2) subject to the approval of the Bankruptcy Court as reasonable, if it is to be fixed after confirmation of the Plan.

- Either each holder of an Impaired Claim has accepted the Plan, or will receive or retain under the Plan on account of such Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount that such holder would receive or retain if the Debtors were liquidated on that date under chapter 7 of the Bankruptcy Code, including pursuant to Section 1129(b) of the Bankruptcy Code for Equity Interests deemed to reject the Plan.

- Each Class of Claims that is entitled to vote on the Plan has either accepted the Plan or is not Impaired under the Plan, or the Plan can be confirmed without the approval of such voting Class pursuant to Section 1129(b) of the Bankruptcy Code.

- Except to the extent the holder of a particular Claim will agree to a different treatment of its Claim, the Plan provides that Administrative Claims, Priority Tax Claims, Priority Non-Tax Claims and Other Secured Claims will be paid in full on the Effective Date, or as soon thereafter as is reasonably practicable.

- At least one Class of Impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in that Class.

- Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtors or any successors thereto under the Plan.

- The Debtors have paid the required filing fees pursuant to 28 U.S.C. § 1930 to the clerk of the Bankruptcy Court.

- In addition to the filing fees paid to the clerk of the Bankruptcy Court, the Debtors will pay quarterly fees on the last day of the calendar month, following the calendar quarter for which the fee is owed in each of the Debtors' Chapter 11 Cases for each quarter (including any fraction thereof), to the Office of the U.S. Trustee, until the case is converted or dismissed, whichever occurs first.

1. Best Interests of Creditors Test

Often called the "best interests" test, Section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each class, that each holder of a claim or an equity interest in such class either (a) has accepted the plan or (b) will receive or retain under the plan property with a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtors liquidated under chapter 7 of the Bankruptcy Code. To make these findings, the bankruptcy court must: (a) estimate the Cash liquidation proceeds that a chapter 7 trustee would generate if each of the debtor's chapter 11 cases were converted to a chapter 7 case and the assets of such debtor's estate were liquidated; (b) determine the liquidation Distribution that each non-accepting holder of a claim or an equity interest would receive from such

liquidation proceeds under the priority scheme dictated in chapter 7; and (c) compare such holder's liquidation Distribution to the plan Distribution that such holder would receive if the plan were confirmed.

In chapter 7 cases, unsecured creditors and interest holders of a debtor are paid from available assets generally in the following order, with no junior class receiving any payments until all amounts due to senior classes have been paid fully or any such payment is provided for: (a) holders of secured claims (to the extent of the value of their collateral); (b) holders of priority claims; (c) holders of unsecured claims; (d) holders of debt expressly subordinated by its terms or by order of the bankruptcy court; and (e) holders of equity interests.

The Debtors believe that the value of any Distributions if the Chapter 11 Cases were converted to cases under chapter 7 of the Bankruptcy Code would be less than the value of Distributions under the Plan because, among other reasons, (i) conversion to chapter 7 would require appointment of a chapter 7 trustee, which likely would delay and reduce the present value of Distributions; and (ii) the fees and expenses of a chapter 7 trustee would likely further reduce Cash available for Distribution.

2. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that the Bankruptcy Court find that confirmation is not likely to be followed by the liquidation of the Debtors or the need for further financial reorganization, unless the Plan contemplates such liquidation. Indeed, Section 1123(b)(4) of the Bankruptcy Code permits liquidation plans that "provide for the sale of all or substantially all of the property of the estate, and the Distribution of the proceeds of such sale among holders of claims or interests" in chapter 11 proceedings and, thus, such a plan does not violate the requirements of Section 1129(a). Moreover, when a liquidating plan of reorganization is tested against Section 1129(a)(11), the feasibility standard is greatly simplified. In the context of a liquidating plan, feasibility is established by demonstrating the debtor's ability to make the payments anticipated by the plan and specifying the timing of the debtor's liquidation. Notably, there is no requirement that such payments will be guaranteed.

The Plan provides for the liquidation of the Debtors by the transfer and sale of property and payment of the debts. Further, the Debtors maintain that there is a reasonable expectation that the payments required to be made during the term of the Plan will, in fact, be made.

3. Acceptance by Impaired Classes

The Bankruptcy Code requires that, as a condition to confirmation, except as described below, each class of claims or equity interests that is impaired under a plan, accepts the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such class is not required. A class is "impaired" unless the plan: (a) leaves unaltered the legal, equitable and contractual rights to which the claim or the equity interest entitles the holder of such claim or equity interest; (b) cures any default and reinstates the original terms of such obligation; or (c) provides that, on the consummation date, the holder of such claim or equity interest receives cash equal to the allowed

amount of that claim or, with respect to any equity interest, any fixed liquidation preference to which the holder of such equity interest is entitled or any fixed price at which the debtor may redeem the security.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject the plan. Thus, a class of claims will have voted to accept the plan only if two-thirds in amount and a majority in number actually voting cast their ballots in favor of acceptance.

Most Classes are Impaired under the Plan, and as a result, the holders of Claims in such Classes are entitled to vote on the Plan. Pursuant to Section 1129 of the Bankruptcy Code, the holders of Claims in such Classes must accept the Plan for the Plan to be confirmed without application of the "fair and equitable test" to such Classes, and without considering whether the Plan "discriminates unfairly" with respect to such Classes, as both standards are described herein. As stated above, a Class of Claims will have accepted the Plan if the Plan is accepted by at least two-thirds in amount and a majority in number of the Claims of each such Class (other than any Claims of creditors designated under Section 1126(e) of the Bankruptcy Code) that have voted to accept or reject the Plan.

4. Confirmation Without Acceptance by All Impaired Classes

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes entitled to vote on the plan have not accepted it; *provided, however*, that the plan has been accepted by at least one impaired class. Pursuant to Section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, such plan will be confirmed, at the plan proponent's request, in a procedure commonly known as a "cram down," so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or equity interests that is impaired under, and has not accepted, the plan.

Under the Plan, holders of Claims in Class 11 and Equity Interests in Class 12 are deemed to reject the Plan. The Debtors assert that the Plan satisfies the requirements of Section 1129(b) of the Bankruptcy Code as to both Classes because the Plan does not discriminate unfairly and is fair and equitable to holders of Claims and Equity Interests in such Classes. No holder of a Claim in a junior Class is receiving any Distributions under the Plan and holders of Claims and Equity Interests in such Classes are receiving no Distribution because, having observed the priorities of the Bankruptcy Code, the Debtors do not have any assets available to make any such Distributions. Holders of Claims in more senior Classes are not receiving payment in full.

5. No Unfair Discrimination

This test applies to classes of claims or equity interests that are of equal priority and are receiving different treatment under the Plan. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair." In general, bankruptcy courts

consider whether a plan discriminates unfairly in its treatment of classes of claims of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly, and, accordingly, a plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

6. Fair and Equitable Test

This test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100% of the amount of the allowed claims in such class. As to the dissenting class, the test sets different standards depending on the type of claims or equity interests in such class.

Secured Claims: The condition that a plan be "fair and equitable" to a non-accepting class of secured claims includes the requirements that: (1) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by the debtor or transferred to another entity under the plan; and (2) each holder of a secured claim in the class receives deferred cash payments totaling at least the allowed amount of such claim with a present value, as of the effective date of the plan, at least equivalent to the value of the secured claimant's interest in the debtor's property subject to the liens.

Unsecured Claims: The condition that a plan be "fair and equitable" to a non-accepting class of unsecured claims includes the requirement that either: (1) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (2) the holder of any claim or any equity interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or junior equity interest any property.

Equity Interests: The condition that a plan be "fair and equitable" to a non-accepting class of equity interests includes the requirement that either: (1) the plan provides that each holder of an equity interest in that class receives or retains under the plan on account of that equity interest property of a value, as of the effective date of the plan, equal to the greater of: (a) the allowed amount of any fixed liquidation preference to which such holder is entitled; (b) any fixed redemption price to which such holder is entitled; or (c) the value of such interest; or (2) if the class does not receive the amount as required under (1) hereof, no class of equity interests junior to the non-accepting class may receive a Distribution under the plan.

To the extent that any Class votes to reject the Plan, the Debtors further reserve the right to seek to modify the Plan.

The votes of holders of Class 3 Claims (Subordinate Agent Secured Claim) and Class 20 Equity Interests are not being solicited because, under Article III of the Plan, there will be no Distribution to such holders. In addition, all Class 20 Equity Interests will be deemed canceled and will be of no further force and effect, whether surrendered for cancellation or otherwise. These Classes are, therefore, conclusively deemed to have rejected the Plan pursuant to Section 1129(b) of the Bankruptcy Code.

Notwithstanding the deemed rejection by these Classes and any other Class that votes to reject the Plan, the Debtors do not believe that the Plan discriminates unfairly against any Impaired Class of Claims or Equity Interests. The Debtors believe that the Plan and the treatment of all Classes of Claims and Equity Interests under the Plan satisfy the foregoing requirements for nonconsensual confirmation of the Plan.

C. Contact for More Information

Any interested party desiring further information about the Plan may contact legal counsel to the Debtors by writing to Squire Patton Boggs (US) LLP, 221 E. Fourth Street, Suite 2900, Cincinnati, OH 45202 Attn: Elliot Smith and/or calling (513) 361-1200, during normal business hours.

VIII. PLAN-RELATED RISK FACTORS AND ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN, ALL HOLDERS OF CLAIMS AND EQUITY INTERESTS THAT ARE IMPAIRED SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH HEREIN, AS WELL AS ALL OTHER INFORMATION SET FORTH OR OTHERWISE REFERENCED IN THIS DISCLOSURE STATEMENT.

A. Certain Bankruptcy Law Considerations

1. Parties-in-Interest May Object to the Debtors' Classification of Claims and Equity Interests

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of Claims and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created twenty Classes of Claims and Equity Interests, each encompassing Claims or Equity Interests, as applicable, that are substantially similar to the other Claims and Equity Interests in each such Class. Nevertheless, there can be no assurance the Bankruptcy Court will reach the same conclusion.

2. Failure to Satisfy Vote Requirement

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may seek to accomplish an alternative chapter 11 plan. There can be no assurance the terms of any such alternative chapter 11 plan would be similar or as favorable to the holders of Allowed Claims as those proposed in the Plan.

3. Debtors May Not Be Able to Secure Confirmation of the Plan

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan, including, among other requirements, a finding by the bankruptcy court that: (a) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (b) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial reorganization unless such liquidation or reorganization is contemplated by the plan; and (c) the value of Distributions to non-accepting holders of claims and equity interests within a particular class under such plan will not be less than the value of Distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance the Bankruptcy Court will confirm the Plan. A non-accepting holder of an Allowed Claim might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determines that the Disclosure Statement, the balloting procedures and voting results are appropriate, the Bankruptcy Court could still decline to confirm the Plan if it found that any of the statutory requirements for confirmation had not been met, including the requirement that the terms of the Plan do not "unfairly discriminate" and are "fair and equitable" to non-accepting Classes.

Confirmation of the Plan is also subject to certain conditions as described in the Plan. If the Plan is not confirmed, it is unclear what Distributions, if any, holders of Allowed Claims would receive with respect to their Allowed Claims.

The Debtors, subject to the terms and conditions of the Plan, reserve the right to modify the terms and conditions of the Plan as necessary for confirmation. Any such modifications could result in a less favorable treatment of any non-accepting Class, as well as of any Classes junior to such non-accepting Class, than the treatment currently provided in the Plan. Such a less favorable treatment could include a Distribution of property to the Class affected by the modification of a lesser value than currently provided in the Plan or no Distribution of property whatsoever under the Plan.

4. Nonconsensual Confirmation

In the event that any impaired class of claims or equity interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm such a plan at the proponents' request if at least one impaired class has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired classes. The Debtors believe that the Plan satisfies these requirements and the Debtors may request such nonconsensual confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, there can be no assurance that the Bankruptcy Court will reach this conclusion.

5. Debtors May Object to the Amount or Classification of a Claim

Except as otherwise provided in the Plan, the Debtors and the Liquidating Trustee reserve the right to object to the amount or classification of any Claim under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any holder of a Claim where such Claim is subject to an objection. Any holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated Distributions described in this Disclosure Statement.

6. Risk of Non-Occurrence of the Effective Date

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing, or as to whether the Effective Date will, in fact, occur.

7. Contingencies Not to Affect Votes of Impaired Classes to Accept or Reject the Plan

The Distributions available to holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims. The occurrence of any and all such contingencies, which could affect Distributions available to holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

B. Risk Factors That May Affect Distributions Under The Plan

1. Debtors Cannot State with any Degree of Certainty What Recovery Will Be Available to Holders of Allowed Claims in Voting Classes

A number of unknown factors make certainty in creditor recoveries impossible. First, the Debtors cannot know with any certainty, at this time, the number or amount of Claims any Class that will ultimately be Allowed. Second, the Debtors cannot know with any certainty, at this time, the number or size of Claims senior to General Unsecured Claims or unclassified Claims that will ultimately be Allowed. Third, the Debtors cannot know with any certainty, at this time, whether or not the Liquidating Trustee will prevail and recover under any of the Retained Causes of Action.

2. Actual Amounts of Allowed Claims May Differ from the Estimated Claims and Adversely Affect the Percentage Recovery on General Unsecured Claims

The Claims estimates set forth herein are based on various assumptions. The actual amounts of Allowed Claims may differ significantly from those estimates should one or more underlying assumption prove to be incorrect. Such differences may adversely affect the percentage recovery to holders of such Allowed Claims under the Plan.

3. The Settlements Described in Article IV of the Plan May Not Be Approved

Article IV of the Plan describes certain settlements that have been reached with the Senior Agent and the Committee, which, among other things, provide for the establishment and funding of the MGUS GUC Reserve and the Non-MGUS GUC Reserve and the resolution of potential litigation regarding the Senior Agent Administrative Claim. If these settlements are not approved, the MGUS GUS Reserve and the Non-MGUS GUC Reserve will likely not be implemented and a primary source of recovery for general unsecured creditors will be eliminated. It is possible that, absent the approval of those settlements, (i) the value of available assets at MDW Pan will be consumed by a combination of the Senior Agent Administrative Claim and the Senior Agent Secured Claim, (ii) the value of available assets at each MGUS will be consumed by the Senior Agent Administrative Claim, and (iii) the significant litigation will ensue regarding, among other things, the Senior Agent Administrative Claim.

Additionally, Article IV of the Plan also provides for a proposed allocation of the GRP Sale Proceeds. If the allocation is not approved, it is possible that significant litigation will ensue regarding, among other things, the proper allocation and the Lien Priority Dispute.

The Debtors believe that the settlements are in the best interest of their Estates. While taking no position on the viability of any intercreditor claims or disputes, the Debtors believe the costs to all parties of litigation of these issues may greatly exceed any potential recovery.

C. Disclosure Statement Disclaimer

1. Information Contained Herein is for Soliciting Votes

The information contained in this Disclosure Statement is for the purposes of soliciting acceptances of the Plan and may not be relied upon for any other purposes.

2. Disclosure Statement Was Not Approved by the Securities and Exchange Commission

Although a copy of this Disclosure Statement was served on the Securities and Exchange Commission, and the Securities and Exchange Commission was given an opportunity to object to the adequacy of this Disclosure Statement before the Bankruptcy Court approved it, this Disclosure Statement was not Filed with the Securities and Exchange Commission under the Securities Act or applicable state securities laws. Neither the Securities and Exchange Commission nor any state regulatory authority has passed upon the accuracy or adequacy of this Disclosure Statement, or the exhibits or the statements contained herein, and any representation to the contrary is unlawful.

3. Disclosure Statement May Contain Forward Looking Statements

This Disclosure Statement may contain “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward

looking terminology such as "may," "expect," "anticipate," "estimate" or "continue" or the negative thereof or other variations thereon or comparable terminology. The reader is cautioned that all forward looking statements are necessarily speculative and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward looking statements. The Distribution projections and other information contained herein and attached hereto are estimates only, and the timing and amount of actual Distributions to holders of Allowed Claims may be affected by many factors that cannot be predicted. Therefore, any analyses, estimates or recovery projections may or may not turn out to be accurate.

4. No Legal or Tax Advice Is Provided to You by this Disclosure Statement

This Disclosure Statement is not legal advice to you. The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each holder of a Claim or an Equity Interest should consult his or her own legal counsel and accountant with regard to any legal, tax and other matters concerning his or her Claim or Equity Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

5. No Admissions Made

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any Entity (including, without limitation, the Debtors) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, holders of Allowed Claims or Equity Interests or any other parties-in-interest.

6. Failure to Identify Litigation Claims or Projected Objections

No reliance should be placed on the fact that a particular litigation Claim or projected objection to a particular Claim or Equity Interest is, or is not, identified in this Disclosure Statement. The Debtors and the Liquidating Trustee may seek to investigate Claims, File and prosecute objections to Claims and Equity Interests, and the Liquidating Trustee may object to Claims or bring Causes of Action after the Confirmation or Effective Date of the Plan irrespective of whether the Disclosure Statement identifies such Claims, Causes of Action or Objections to Claims.

7. No Waiver of Right to Object or Right to Recover Transfers and Assets

The vote by a holder of an Allowed Claim for or against the Plan does not constitute a waiver or release of any Claims or rights of the Debtors or the Liquidating Trustee to object to that holder's Allowed Claim, or to bring Causes of Action or recover any preferential, fraudulent or other voidable transfer of assets, regardless of whether any Claims or Causes of Action of the Debtors or their respective Estates are specifically or generally identified herein.

8. Information Was Provided by the Debtors and Was Relied Upon by the Debtors' Advisors

Counsel to and other advisors retained by the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not verified independently the information contained herein.

9. Potential Exists for Inaccuracies, and the Debtors Have No Duty to Update

The Debtors make the statements contained in this Disclosure Statement as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has not been a change in the information set forth herein since that date. While the Debtors have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered to do so by the Bankruptcy Court.

10. No Representations Outside the Disclosure Statement Are Authorized

No representations concerning or relating to the Debtors, the Chapter 11 Cases or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. In deciding whether to vote to accept or reject the Plan, you should not rely upon any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement, you should promptly report unauthorized representations or inducements to the counsel to the Debtors and the United States Trustee.

D. Liquidation Under Chapter 7

If the Plan is not confirmed, the Chapter 11 Cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the assets of the Debtors for Distribution in accordance with the priorities established by the Bankruptcy Code.

IX. CONCLUSION

THE DEBTORS SUBMIT THAT THE PLAN COMPLIES IN ALL RESPECTS WITH CHAPTER 11 OF THE BANKRUPTCY CODE AND RECOMMEND TO HOLDERS OF IMPAIRED CLAIMS WHO ARE ENTITLED TO VOTE ON THE PLAN THAT THEY VOTE TO ACCEPT THE PLAN.

THE DEBTORS REMIND SUCH HOLDERS THAT, TO BE COUNTED, EACH BALLOT, SIGNED AND MARKED TO INDICATE THE HOLDER'S VOTE,

MUST BE RECEIVED BY THE BALLOTING AGENT NO LATER THAN 5:00 P.M. (PREVAILING MOUNTAIN TIME) ON OR BEFORE [_____], 2016, AT THE FOLLOWING ADDRESS: IF BY FIRST CLASS MAIL, MIDWAY GOLD US INC. BALLOT PROCESSING, C/O EPIQ SYSTEMS, P.O. BOX 4422, BEAVERTON, OR 97076-4422; IF BY MESSENGER OR OVERNIGHT COURIER, MIDWAY GOLD US INC. BALLOT PROCESSING, C/O EPIQ SYSTEMS, 10300 SW ALLEN BLVD, BEAVERTON, OR 97005.

Dated: July 21, 2016

Midway Gold US Inc. (for itself and on behalf of its debtor affiliates)

/s/ William Zisch
By: William Zisch
Its: Chief Executive Officer