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**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO**

NEZ PERCE TRIBE,

Plaintiff,

v.

MIDAS GOLD CORP., MIDAS GOLD IDAHO,
INC., IDAHO GOLD RESOURCES COMPANY,
LLC, and STIBNITE GOLD COMPANY,

Defendants.

No. 01:19-cv-00307-BLW

**DECLARATION OF AMANDA
ROGERSON**

I, AMANDA ROGERSON, under penalty of perjury, declare and state as follows:

1. My name is Amanda Rogerson. I am a resident of Boise, Idaho, and am over 18 years of age. The following facts are based on my personal knowledge, and, if called as a witness, I would and could truthfully testify thereto.

2. I am co-counsel of record for Plaintiff Nez Perce Tribe (“Tribe”) in this case. I currently represent the Tribe as a staff attorney with Advocates for the West, a position I have held since May of 2019. I previously worked as an in-house staff attorney for the Tribe’s Office of Legal Counsel for four years.

3. During my time in the Tribe’s Office of Legal Counsel, I was tasked with liaising with the U.S. Forest Service and Midas Gold regarding Midas Gold’s proposed Golden Meadows Project and, later, their proposed Stibnite Gold Project. I also provided the Nez Perce Tribal Executive Committee (“NPTEC”), the governing body of the Nez Perce Tribe, and Nez Perce Tribal staff with legal advice and guidance as they engaged with Midas Gold and the U.S. Forest Service regarding Midas Gold’s proposed activities at the Stibnite site.

4. On August 1, 2019, Bradley Marten of Marten Law, counsel for Midas Gold, provided the Tribe’s Office of Legal Counsel with a draft “Statement of Work” (“SOW”) from Midas Gold regarding a potential Administrative Order on Consent (“AOC”) under CERCLA at the Stibnite site, which was then forwarded to me. A true and correct copy of that draft SOW is attached hereto as Exhibit 1.

5. On August 23, 2019, the Tribe received documents from the U.S. Environmental Protection Agency (“EPA”) in response to a Freedom of Information Act request regarding communications between EPA and Midas Gold concerning the Stibnite site (hereafter “FOIA documents”). I have reviewed and am familiar with those FOIA documents.

6. The FOIA documents include a letter dated February 28, 2019, from Bradley Marten to Elizabeth McKenna, counsel for EPA, Region 10, a true and correct copy of which is attached hereto as Exhibit 2. In that letter, Mr. Marten asserted that Midas Gold qualifies as a “bona fide prospective purchaser” (“BFPP”) for the Stibnite site, and that “BFPP status is an exclusion from liability under CERCLA.”

7. The FOIA documents also include a letter dated June 13, 2019, from Elizabeth McKenna, counsel for EPA, Region 10, to Mr. Marten on behalf of Midas Gold, a true and correct copy of which is attached hereto as Exhibit 3. In that letter, Ms. McKenna responded that “Midas has not yet substantiated its claim that it is a bona fide prospective purchaser” under CERCLA.

8. The FOIA documents also include an email dated April 30, 2019, from Merisa A. Moeller of Marten Law, on behalf of Midas Gold, to Ms. McKenna at EPA, Region 10, a true and correct copy of which is attached hereto as Exhibit 4. That email provided what appears to be Midas Gold’s initial draft AOC and stated that “[t]he draft is intended to frame initial discussions regarding Midas’s proposal for limited investigation into historical mining contamination at the Stibnite Mining District” (emphasis added). The initial draft AOC does not appear to be included in the FOIA documents provided by EPA.

9. Ms. McKenna’s June 13, 2019, letter to Midas Gold (Exhibit 2) described Midas Gold’s draft AOC as proposing “a limited initial investigation into existing contamination at the Forest Service Smelter Waste Cell and the Defense Minerals Exploration Administration Dump” at the Stibnite site. Ms. McKenna’s June 13th letter went on to say, “[w]e have collectively evaluated the proposal and have concerns that the investigatory work will not achieve the stated purpose. [...] The agencies have discussed other potential projects that may

be more successful in achieving the goal of determining the sources of arsenic, antimony and mercury. For instance, additional groundwater, storm event surface water, and sediment samples near the Bradley Waste Rock Dumps, the Keyway Wetland, Upper wetland, and stream channels of the East Fork South Fork Salmon River, and tributaries upstream of the Sugar Creek confluence would be important work to perform to understand the sources of contamination.”

10. On August 27, 2019, the NPTEC formally consulted with the U.S. EPA, Region 10, about the draft SOW and a potential AOC between EPA and Midas Gold for the Stibnite site. In a letter to EPA on October 14, 2019, the Tribe elected to not directly participate as a signatory in AOC negotiations between EPA, the U.S. Forest Service, state of Idaho, and Midas Gold; but, rather, to consult directly with EPA. The Tribe anticipates additional consultations with EPA during the pendency of those discussions, and has not received information indicating that an AOC is likely to be finalized regarding the Stibnite site in the immediate future.

11. Attached hereto as Exhibit 5 is a true and correct copy of Midas Gold’s “Condensed Consolidated Interim Financial Statements for the Six and Three Months Ended June 30, 2019 and 2018 (Unaudited, expressed in US Dollars) downloaded on October 28, 2019, from Midas Gold’s corporate website at:

<https://www.midasgoldcorp.com/site/assets/files/2276/2019-q2-fs-mdr.pdf>.

I declare under penalty of perjury pursuant to the laws of the United States that the foregoing is true and correct. Executed this 30th day of October, 2019 at Boise, Idaho.

/s/ Amanda Rogerson
Amanda Rogerson

EXHIBIT 1

Midas Gold, August 2019 Draft "Statement of Work"

Appendix 1

**STATEMENT OF WORK FOR THE
STIBNITE MINE REMEDIAL INVESTIGATION / FEASIBILITY STUDY
Valley County ID near Yellow Pine, ID**

Purpose

This Statement of Work (SOW) sets forth the requirements for conducting a Remedial Investigation and Feasibility Study (RI/FS) at the Stibnite Mine Site (“Site”) located in northwest Idaho approximately 14 miles from the town of Yellow Pine (see Figure 1). The purpose of the RI/FS is to investigate the nature and extent of contamination at the Site and to develop and evaluate remedial alternatives, as appropriate. This SOW provides an overview of Work that will be carried out by Midas Gold Idaho, Inc. (“Midas Gold” or “Respondent”) as it implements the RI/FS at the Site.

In September 2016, Midas Gold filed a Plan of Restoration and Operations (“PRO”) with the United States Forest Service (“USFS”) for the redevelopment of Stibnite, and plans to undertake mining, mineral processing and restoration activities on portions of the Site that will result in landscape-scale changes to many of the existing Site features. As such, the scope and timing of sampling and other elements of the RI/FS will consider potential mining activities in the PRO, any modifications and subsequent remediation. This will require flexibility in the RI/FS and could require a phased approach to accelerate certain activities.

The Site is defined as the areas described below (general locations summarized on Figure 2) and the areal extent of contamination from those features and all suitable areas in close proximity to the contamination necessary for response action implementation:

1. **Yellow Pine Pit (Figure 3)** – The Yellow Pine Pit (formerly known as “The Glory Hole”) was actively mined during the 1930s through the 1950s for antimony, tungsten, gold and silver. The pit is located on Midas Gold patented land, and most of the waste rock dumps associated with the pit are adjacent to the pit; some of the waste rock dumps are located on USFS managed land. During active mining, the East Fork of the South Fork of the Salmon River (EFSFSR) was routed around the pit through the Bailey Tunnel but was allowed to return to its natural course through the pit after the Bailey Tunnel was abandoned in the mid-1950s. The EFSFSR now runs through the pit, but does not currently support fish passage to the headwaters. The Yellow Pine Pit, and the majority of waste rock dumps associated with it, are within the footprint of Midas Gold’s proposed PRO.

2. **Bradley Tailings Pile (Figure 4)** – The Bradley Tailings Pile, also known as the Historical Tailings and Spent Ore Disposal Area, is located on Midas Gold patented land. Approximately 3 million tons of mine tailings generated during the 1940s and 1950s are stored in this area, and they are overlain by approximately 6 million tons of spent heap leach ore placed in the 1980s and 1990s. The downstream end of the Tailings Pile is constrained by a structure known as the Keyway Dam, and a wetland exists downgradient of the Keyway Dam, which is also referred to as the Keyway Marsh. Meadow Creek is diverted around the south side of the Tailings Pile. The Bradley Tailings Pile is within the footprint of Midas Gold’s proposed PRO.
3. **Hangar Flats Tailings Pile (Figure 5)** – The Hangar Flats Tailings Pile, also known as the Hecla Heap Leach Facility, is a reclaimed heap-leach facility which was built and operated in the 1990s to extract oxide gold and silver. The facility is located on Midas Gold controlled patented land, and is within the footprint of Midas Gold’s proposed PRO.
4. **Bailey Tunnel (Figure 6)** – The Bailey Tunnel was constructed in the early 1940s to divert the EFSFSR around the Yellow Pine Pit and into Sugar Creek to facilitate open pit mining operations. The tunnel was no longer used after the mid-1950s, following cessation of open pit mining activities. The Bailey Tunnel is on Midas Gold patented land, and is within the footprint of Midas Gold’s proposed PRO.
5. **DMEA Adit and Waste Rock Dump (Figure 7)** – The Defense Minerals Exploration Administration (DMEA) Adit and Waste Rock Dump are mining-related disturbances resulting from underground exploration activities during the 1950s. The adit and dump are located on USFS managed land, and are not within the footprint of the Midas Gold PRO.
6. **Bonanza Adit (Figure 8)** – The Bonanza Adit area is a mining-related disturbance in the Sugar Creek drainage resulting from underground exploration activities during the 1930s and 1940s. The Bonanza Adit area is located on USFS managed land, and is not within the footprint of the Midas Gold PRO.
7. **Cinnabar Tunnel (Figure 9)** – The Cinnabar Tunnel is a mining-related disturbance resulting from underground exploration activities during the late 1920s and early 1930s. The Tunnel is located on USFS managed land; the tunnel portal is within the footprint of the Midas Gold PRO.
8. **Meadow Creek Adit (Figure 10)** – The Meadow Creek Adit and associated waste rock dumps are mining-related disturbances that resulted from underground mining activities from the 1920s through the 1940s. The adit and waste rock dumps are located on Midas Gold controlled patented land, and are within the footprint of Midas Gold’s proposed PRO.

This RI/FS SOW is attached to and is incorporated into the Settlement Agreement and Administrative Order on Consent (AOC) for the Site. Technical work described in this

SOW is intended to provide more information to the Respondent for the purpose of implementing the AOC and is not intended to change the meaning of any AOC language. This SOW is also consistent with both the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. § 9601 et seq., and the National Oil and Hazardous Substances Pollution Contingency Plan, commonly called the National Contingency Plan (NCP), 40 CFR 300. The AOC and this SOW are hereafter referred to interchangeably as the “AOC.” Any discrepancies between the AOC and this SOW are unintended, and whenever necessary, the AOC will control any interpretive disputes.

Scope

The specific RI/FS activities to be conducted at the Site are set forth in six separate tasks.

Task 1 – Scoping

Task 2 – Community Relations

Task 3 – Site Characterization

Task 4 – Treatability Studies

Task 5 – Feasibility Study

Task 6 – Detailed Analysis of Remedial Alternatives

Oversight

Work conducted under the AOC is intended to satisfy the legal requirements for the RI/FS established under both Section 104(a)(1) of CERCLA and Idaho's Environmental Protection & Health Act, Idaho Code §§ 39-101 to 39-130; the Hazardous Waste Management Act of Idaho, Idaho Code §§ 39-4401 to 39-4432; and Idaho's Water Quality Act, Idaho Code §§ 39-3601 et seq. As such, oversight of the Respondent's Work conducted under the SOW will be carried out by EPA, the USFS, and the IDEQ (the Agencies) in a manner to assure the satisfaction of all federal and state requirements. The Respondent shall support the Agencies' initiation and conduct of activities related to the implementation of oversight activities.

Respondent shall submit all documents or deliverables required as part of this SOW to EPA, for EPA's review and approval. All work products submitted to EPA are subject to EPA approval, including but not limited to, submissions specified in the Work Plan(s) or Settlement Agreement and additional work products that may be required under Work Plan modifications. Respondent shall ensure that all plans, reports, and records are comprehensive, accurate, and consistent in content and format with the NCP and relevant EPA guidance.

Throughout the process of developing the RI/FS, the Respondent shall prepare and submit Quarterly Progress Reports to EPA to aid in project planning. These reports must document the status of all work products under development. These reports shall describe the actions and decisions taken, and problems encountered during the previous quarter, and activities scheduled during the upcoming reporting period. Progress reports shall also summarize the

extent to which the procedures and dates set forth in the AOC and the Work Plan are being met. These reports shall be submitted according to the Schedule included as Attachment E.

Schedule

Refer to Attachment E for the primary and potential secondary deliverables and associated schedules.

Guidance

The Respondent shall conduct the RI/FS, and produce technical reports that are in accordance with the AOC, SOW, the Guidance for Conducting Remedial Investigations and Feasibility Studies Under CERCLA (RI/FS Guidance) (U.S. EPA, Office of Emergency and Remedial Response, October 1988), and any other guidance relevant to conducting an RI/FS. A list of the pertinent guidance documents is included at the end on this SOW. Attachments A, B, C, and D include suggested document formats for the Work Plan, Sampling and Analysis Plan, RI Report, and FS Report, respectively. The RI/FS guidance describes the required report contents.

Roles and Responsibilities

The Respondent shall furnish all necessary personnel, materials, and services needed, or incidental to, performing the RI/FS, except as otherwise specified in the AOC. At the completion of the RI/FS, EPA will be responsible for the selection of a Site remedy and will document this selection in a Record of Decision (ROD).

Remedy Requirements

The remedial action alternative selected by the EPA will meet the cleanup standards specified in Section 121 of CERCLA. That is, the selected remedial action will be protective of human health and the environment, will be in compliance with, or include a waiver of, applicable or relevant and appropriate requirements (ARARs) of other laws, will be cost-effective, will utilize permanent solutions and alternative treatment technologies or resource recovery technologies, to the maximum extent practicable, and will address the statutory preference for treatment as a principal element. The final RI/FS report including the baseline risk assessment (BLRA), as adopted by the EPA, will, with the administrative record, form the basis for the selection of the Site's remedy and will provide the information necessary to support the development of the ROD.

TASK 1 - SCOPING

Scoping is the initial planning process of the RI/FS. Respondent shall document the specific project scope in the RI/FS Work Plan. During the scoping process, the Site-specific objectives of the RI/FS, including the identification of potential preliminary remediation goals (PRGs) will be proposed by the Respondent and approved by EPA. In addition to developing the Site-specific objectives of the RI/FS, Respondent shall define a

general project management approach for the Site, which shall be documented by the Respondent in a draft Work Plan. Because the Work required to perform an RI/FS is not fully known at the outset and is phased in accordance with a Site's complexity and the amount of available information, it may be necessary to modify the Work Plan during the RI/FS to satisfy the objectives of the study. When scoping the specific aspects of this project, Respondent shall meet with EPA either in person or telephonically to discuss all project planning decisions and special concerns associated with the Site.

The following activities shall be performed by the Respondent as a function of the project planning process.

a. Site Background

The Respondent shall gather, analyze, and present existing Site background information and shall conduct a work session to assist in planning the scope of the RI/FS.

Collect and analyze existing data and document the need for additional data

Before planning RI/FS activities, all existing Site data shall be thoroughly compiled and reviewed by the Respondent. Historical data shall be submitted electronically according to EPA Region 10 specifications. The Respondent shall refer to Table 2-1 of the RI/FS Guidance for a comprehensive list of data collection information sources. Specifically, this must include presently available data relating to the varieties and quantities of hazardous substances at the Site, and past disposal practices. This must also include results from any previous sampling events that may have been conducted. Only data that is determined by EPA to be of appropriate type and quality to support specific intended uses shall be utilized in the RI/FS. This includes data utilized to develop the BLRA, to identify additional data needs to better characterize the Site, to better define potential applicable or relevant and appropriate requirements (ARARs), and to develop a range of preliminarily identified remedial alternatives. Data Quality Objectives (DQOs) shall be established, subject to EPA's approval, which shall be used to assess the usefulness of existing data and to direct future data gathering efforts. Decisions regarding the necessary data needs and DQOs will be made by EPA. Guidance on systematic planning using the data quality objectives process (EPA QA/G-4). Washington, D.C.: 121. <http://www.epa.gov/quality/qs-docs/g4-final.pdf>, U.S. EPA (2006)

Conduct site visit

The Respondent and EPA shall conduct a Site visit during the project scoping phase to assist in developing a conceptual understanding of sources and areas of contamination as well as potential exposure pathways and receptors at the Site. During the Site visit the Respondent shall observe the Site's physiography, hydrology, geology, and demographics, as well as natural resource, ecological, and cultural resources. This information shall be utilized to better scope the project and to determine the extent of additional data necessary to characterize the Site, better define potential ARARs, and assist in identifying potential remedial alternatives.

b. Project Planning

Once the Respondent has collected and analyzed existing data and conducted a Site visit, the specific project scope shall be planned. Project planning activities include those tasks described below, as well as identifying data needs, developing a work plan, designing a data collection program, and identifying health and safety protocols. The Respondent shall meet with EPA's Remedial Project Manager (RPM) regarding the following activities and before drafting the scoping deliverables listed below.

Preliminary conceptual site model

Information on the waste sources, pathways, receptors, cultural resources, and other information concerning the Site is used to develop a conceptual understanding of the Site which helps to evaluate potential risks to human health and the environment. The Conceptual Site Model (CSM) should include known and suspected sources of contamination, types of contamination and affected media/resources, known and potential routes of migration, and known or potential human and environmental receptors. This effort, in addition to assisting in identification of locations where sampling is necessary, will also assist in the identification of potential remedial technologies. Additional information for evaluating exposure concerns through the use of a CSM is provided in the DQO Guidance. The CSM must be updated as new information becomes available.

The preliminary CSM associated with the ecological risk assessment (ERA) must include species and their habitats that could be impacted by Site-related contamination based on information generated from a historical review and a cultural resource audit and will show the relationships among species and potential exposure pathways. The Respondent shall provide assistance to the RPM in collecting this information as requested. If information is not provided to the Respondent within the timeframe specified by EPA, the RPM will notify the Respondent in writing either to proceed with the preparation of the RI/FS Work Plan without the information or to delay its submittal pending receipt of the information. The preliminary CSM for the human health risk assessment (HHRA) must identify potential receptor populations and potential exposure pathways.

Refine and document preliminary remedial action objectives and alternatives

Once existing Site information has been analyzed and an understanding of the potential Site risks have been determined, the Respondent shall review and, if necessary, refine the Remedial Action Objectives (RAOs) that have been identified by EPA for each actually or potentially contaminated medium. The revised RAOs must be documented in a technical memorandum and subject to EPA's approval. The Respondent shall then identify a preliminary comprehensive range of potential remedial action alternatives and associated technologies. The range of potential alternatives shall encompass, where appropriate, alternatives in which treatment

significantly reduces the toxicity, mobility, or volume of the waste; alternatives that involve containment with little or no treatment; and a no-action alternative.

Document the need for treatability studies

Respondent shall conduct bench and/or pilot studies as necessary to determine the suitability of various remedial technologies to Site conditions and problems. Technologies that may be suitable to the Site should be identified as early as possible to determine whether there is a need to conduct treatability studies to better estimate costs and performance capabilities. Should treatability studies be determined to be necessary, a testing plan identifying the types and goals of the studies, the level of effort needed, a schedule for completion, and the data management guidelines should be submitted to EPA for review and approval. Upon EPA approval, a test facility and any necessary equipment, vendors, and analytical services will be procured by the contractor.

When the treatability studies are completed, Respondent shall evaluate the results to assess the technologies with respect to the goals identified in the test plan. A report summarizing the testing program and its results shall be prepared by the Respondent and presented in the final RI/FS report. The Respondent shall implement all management and quality control review activities for this task. If remedial actions involving treatment have been identified by the Respondent or EPA, treatability studies shall be required, except where the Respondent can demonstrate to the satisfaction of EPA that they are not needed. Where treatability studies are needed, initial treatability testing activities (such as research and study design) should be planned to occur concurrently with Site characterization activities.

Begin preliminary identification of potential ARARs

The Respondent shall conduct a preliminary identification of potential ARARs (chemical-specific, location-specific, and action-specific) to assist in the refinement of the RAOs and the initial identification of remedial alternatives. ARAR identification will continue as Site conditions, contaminants, and remedial action alternatives are better defined.

c. Scoping Deliverables

At the conclusion of the project planning phase, the Respondent shall submit an RI/FS Work Plan, a Sampling and Analysis Plan (SAP) consisting of a Field Sampling Plan (FSP) and Quality Assurance Project Plan (QAPP), and a Site Health and Safety Plan (HASP). These plans must be reviewed and approved by EPA prior to the initiation of field activities.

RI/FS Work Plan

A Work Plan documenting the decisions and evaluations completed during the scoping process shall be submitted to the RPM for review and approval. The Work

Plan will take in to consideration for the timing and scope of potential mining and processing activities associated with the PRO. This could include a phased approach to focus on issues of most concern or requiring early action. The Work Plan shall be developed in conjunction with the SAP and the Site HASP, although each plan may be delivered under separate cover. The Work Plan shall include a comprehensive description of the work to be performed, including the methodologies to be utilized, as well as a corresponding schedule for completion. In addition, the Work Plan shall include the rationale for performing the required activities. Specifically, the Work Plan must present a statement of the problem(s) and potential problem(s) posed by the Site and the objectives of the RI/FS. Furthermore, the plan must include a Site background summary setting forth the Site description including the geographic location of the Site, and to the extent possible, a description of the Site's physiography, hydrology, hydrogeology, geology, demographics, ecological, cultural, and natural resource features; a synopsis of the Site history and a description of previous responses that have been conducted at the Site by local, state, federal, or private parties; and a summary of the existing data in terms of physical and chemical characteristics of the contaminants identified, and their distribution among the environmental media at the Site. In addition, the plan must include a description of the Respondent's Site management strategy developed during scoping and a preliminary identification of remedial alternatives and data needs for evaluation of remedial alternatives. The plan must reflect coordination with treatability study requirements, if treatability studies are initiated. It must include a process for and manner of identifying potential ARARs (chemical-specific, location-specific, and action-specific).

Finally, the major part of the Work Plan is a detailed description of the tasks to be performed, information needed for each task and for the BLRA, information to be produced during and at the conclusion of each task, and a description of the work products that will be submitted to the RPM. This includes the deliverables set forth in the remainder of this SOW; a schedule for each of the required activities which is consistent with the RI/FS guidance; and a project management plan, including a data management plan (e.g., requirements for project management systems and software, minimum data requirements, data format and backup data management), monthly reports to the RPM and meetings and presentations to EPA and the Support Agencies at the conclusion of each major phase of the RI/FS. The Respondent must refer to Appendix B of the RI/FS Guidance for a comprehensive description of the contents of the required Work Plan, and a suggested format can be found in Attachment A.

Sampling and Analysis Plan

The Respondent shall prepare a SAP to ensure that sample collection and analytical activities are conducted in accordance with technically acceptable protocols and that the data meet DQOs. The SAP provides a mechanism for planning field activities and consists of a FSP and a QAPP. A suggested format for the SAP (inclusive of the FSP and QAPP) is provided in Attachment B. The SAP, FSP, and

QAPP shall be prepared in accordance with EPA DQO guidance documents (EPA 2000, 2002a, 2002b, and 2006).

The FSP must define in detail the sampling and data-gathering methods that will be used on the project. It must include sampling objectives, sample location and frequency, sampling equipment and procedures, and sample handling and analysis. The QAPP must describe the project objectives and organization, functional activities, and quality assurance and quality control (QA/QC) protocols that will be used to achieve the desired DQOs. The DQOs shall, at a minimum, reflect use of analytic methods to identify contamination and remediate contamination consistent with the levels for remedial action objectives identified in the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), pages 51425-26 and 51433 (December 21, 1988). The QAPP shall be prepared in accordance with requirements in EPA QA/R-5 *EPA Requirements for Quality Assurance Project Plans* (latest draft or revision) and EPA QA/G-5 *EPA Guidance for Quality Assurance Project Plans* (latest draft or revision) and specifically should contain the twenty-four elements specified in Table 1 – List of QA Project Plan Elements, EPA QA/G-4HW *Data Quality Objectives Process for Hazardous Waste Site Investigations*, and EPA QA/G-4 *Guidance for the Data Quality Objective Process*. All sampling and analyses performed pursuant to this SOW shall conform to EPA direction, approval, and guidance regarding sampling, QA/QC, data validation, and chain-of-custody procedures. In addition, the QAPP must address the following: sampling procedures; sample custody; analytical procedures; data reduction, validation, and reporting; and personnel qualifications.

Field personnel must be trained and conduct work in accordance with EPA and OSHA requirements and guidance. The Respondent shall demonstrate, in advance and to the satisfaction of EPA, that each laboratory they may use is qualified to conduct the proposed work. This includes use of methods and analytical protocols for the chemicals of concern in the media of interest within detection and quantification limits consistent with both QA/QC procedures and DQOs approved in the QAPP for the Site by EPA. The laboratory must have and follow an approved QA program. If a laboratory not in the Contract Laboratory Program (CLP) is selected, methods consistent with CLP methods that would be used at this Site for the purposes proposed and QA/QC procedures approved by EPA will be used. If the laboratory is not in the CLP program, a laboratory QA program must be submitted for EPA's review and approval. EPA may require that the Respondent submit detailed information to demonstrate that the laboratory is qualified to conduct the work, including information on personnel qualifications, equipment, and material specifications. The Respondent shall provide assurances that EPA has access to laboratory personnel, equipment, and records for sample collection, transportation, and analysis.

Potential Target Analytes

The following list of chemicals include the initial Chemicals of Potential Concern (COPCs). The initial COPC list includes, but is not limited to, the analytes listed

below. The Respondent shall review this list for surface water, groundwater, sediments, soils, and vegetation analytes relative to ARARs, preliminary remediation goals (PRGs), screening levels, Site-specific risk assessment data needs, treatability study data needs, feasibility study data needs, and other potential performance standards. All metal analytes (aqueous) shall be analyzed for total and dissolved constituents unless otherwise approved by EPA. Analytes may be added and/or removed from further consideration or monitored at varying frequencies based upon Site-specific factors such as dry or wet year hydrologic cycles as approved or otherwise directed by EPA.

Chemicals/Analytes of Potential Concern for Surface Water

The preliminary COPC list is shown below. These COPCs will be screened in the initial data compilation and review process to identify the COPC list for surface water sampling stations during the first high flow (spring runoff) and the first low flow (fall) sampling events conducted following signing of the AOC. The spring runoff sampling event shall be conducted as close as possible to the peak of the spring runoff hydrograph. A minimum of two storm event sampling events shall be conducted.

Laboratory Analyses

- Alkalinity
- Aluminum
- Antimony
- Arsenic
- Barium
- Beryllium
- Boron
- Cadmium
- Calcium
- Chloride
- Chromium (III)
- Chromium (VI)
- Cobalt
- Copper
- Hardness
- Iron
- Lead
- Magnesium
- Manganese
- Mercury
- Molybdenum
- Nickel
- Nitrogen, total Kjeldahl
- Phosphorus
- Potassium
- Selenium

- Silver
- Sodium
- Sulphate
- Thallium
- Tungsten
- Total Dissolved Solids
- Total Organic Carbon
- Total Suspended Solids
- Uranium
- Vanadium
- Zinc

Field Analyses

- Conductivity
- Dissolved Oxygen
- Flow
- pH
- Temperature

The Respondent shall review the results of the first year's surface water sampling, shall compare the analytical results for each of the COPCs against the screening levels, and shall recommend COPCs to be eliminated from the above list for subsequent surface water sampling events. Upon approval by EPA, the COPCs eliminated by this process do not need to be included in the analyses for subsequent surface water sampling events.

Chemicals/Analytes of Potential Concern for Sediments:

The preliminary COPC list is shown below. These COPCs will be screened in the initial data compilation and review process to identify the COPC list for sediment sampling stations.

Laboratory Analyses

- Antimony
- Arsenic
- Cadmium
- Chromium
- Copper
- Lead
- Manganese
- Mercury
- Nickel
- Selenium
- Silver
- Tungsten
- Vanadium
- Zinc

Chemicals/Analytes of Potential Concern for Soils/Waste Rock:

The preliminary COPC list is shown below. These COPCs will be screened in the initial data compilation and review process to identify the COPC list for soils/waste rock sampling.

Laboratory Analyses

- Antimony
- Arsenic
- Boron
- Cadmium
- Chromium
- Cobalt
- Copper
- Lead
- Manganese
- Mercury
- Molybdenum
- Nickel
- Selenium
- Silver
- Thallium
- Tungsten
- Uranium
- Vanadium
- Zinc

Chemicals/Analytes of Potential Concern for Vegetation:

The preliminary COPC list is shown below. These COPCs will be screened in the initial data compilation and review process to identify the COPC list for vegetation sampling stations.

Laboratory Analyses

- Antimony
- Arsenic
- Boron
- Cadmium
- Chromium
- Cobalt
- Copper
- Lead
- Manganese
- Mercury
- Molybdenum
- Nickel
- Selenium

- Silver
- Thallium
- Tungsten
- Vanadium
- Zinc

Chemicals/Analytes of Potential Concern for Groundwater

The preliminary COPC list is shown below. These COPCs will be screened in the initial data compilation and review process to identify the COPC list for groundwater sampling stations and shall be sampled at a minimum during the first high flow (spring runoff) and the first low flow (fall) sampling events conducted following signing of the AOC. The spring runoff sampling event shall be conducted as close as possible to the peak of the spring runoff hydrograph and the low flow sampling shall be conducted at all groundwater sampling stations as close as possible to the low point of the surface water flow hydrograph.

Laboratory Analyses

- Alkalinity
- Aluminum
- Antimony
- Arsenic
- Barium
- Beryllium
- Cadmium
- Calcium
- Chloride
- Chromium III
- Chromium VI
- Cobalt
- Copper
- Hardness
- Iron
- Magnesium
- Manganese
- Mercury
- Molybdenum
- Nickel
- Nitrate/nitrite as N
- Nitrogen (TKN)
- Orthophosphate
- Potassium
- Selenium
- Silver
- Sodium
- Sulfate
- Thallium

- Total Dissolved Solids
- Total Suspended Solids
- Total Organic Carbon
- Tungsten
- Uranium
- Vanadium
- Zinc

Field Analyses

- Conductivity
- Dissolved Oxygen or ORP
- Ferric Iron
- Ferrous Iron
- Nitrite
- pH
- Temperature

The Respondent shall review the results of the first year's groundwater sampling, shall compare the analytical results for each of the COPCs against the screening levels, and shall recommend COPCs to be eliminated from the above list for subsequent groundwater sampling events. Upon approval by EPA, the COPCs eliminated by this process do not need to be included in the analyses for subsequent groundwater sampling events.

Site Health and Safety Plan

A HASP shall be prepared in conformance with the Respondent's health and safety program, and in compliance with OSHA regulations and protocols. It should be noted that EPA does not "approve" the Respondent's health and safety plan, but rather EPA reviews it to ensure that all necessary elements are included, and that the plan provides for the protection of human health and the environment.

TASK 2 - COMMUNITY RELATIONS

The development and implementation of community relations activities are the responsibility of EPA. The critical community relations planning steps performed by EPA include conducting community interviews and developing a community relations plan. Although implementation of the community relations plan is the responsibility of EPA, the Respondent may assist by providing information regarding the Site's history, participating in public meetings, and preparing fact sheets for distribution to the general public. In addition, the Respondent shall establish a community information repository, at or near the City of McCall, to house one copy of the administrative record. The extent of community relations activities involvement by potentially responsible parties (PRPs) is left to the discretion of EPA. The Respondent's community relations responsibilities, if any, are specified in the community relations plan. Any PRP-conducted community relations activities will be subject to oversight by EPA.

TASK 3 - SITE CHARACTERIZATION

As part of the RI, the Respondent shall perform the activities described in this task, including the preparation of a Site characterization summary and a RI report. The overall objective of Site characterization is to describe areas of a Site that may pose a threat to human health or the environment. This is accomplished by first determining a Site's physiography, geology, and hydrology/hydrogeology. Surface and subsurface pathways of migration must be defined. The Respondent shall identify the sources of contamination and define the nature, extent, and volume of the sources of contamination, including their physical and chemical constituents as well as their background concentrations at incremental locations in the affected media. The Respondent shall also investigate the extent of migration of this contamination as well as its volume and any changes in its physical or chemical characteristics, to provide for a comprehensive understanding of the nature and extent of contamination at the Site. Using this information, contaminant fate and transport is then determined and projected.

During this phase of the RI/FS, the Work Plan, SAP, and HASP are implemented. Field data are collected and analyzed to provide the information required to accomplish the objectives of the study. The Respondent shall notify the RPM at least two weeks in advance of the field work regarding the planned dates for field activities, including ecological field surveys, field layout of the sampling grid, excavation, installation of wells, initiating sampling, installation and calibration of equipment, pump tests, and initiation of analysis and other field investigation activities. The Respondent shall demonstrate that the laboratory and type of laboratory analyses that will be utilized during Site characterization meet the specific QA/QC requirements and the DQOs of the Site investigation as specified in the SAP. In view of the unknown Site conditions, activities are often iterative, and to satisfy the objectives of the RI/FS, it may be necessary for the Respondent to supplement the work specified in the initial Work Plan. In addition to the deliverables below, the Respondent shall provide a monthly progress report and participate in weekly meetings or conference calls at major points in the RI/FS.

a. Field Investigation

The field investigation shall include the gathering of data to define Site physical and biological characteristics, sources of contamination, and the nature and extent of contamination at the Site. These activities shall be performed by the Respondent in accordance with the Work Plan and SAP. At a minimum, this shall address the following:

Implement and document field support activities

The Respondent shall initiate field support activities following approval of the Work Plan and SAP. Field support activities may include obtaining access to the Site, scheduling, and procuring equipment, office space, laboratory services, and/or contractors. The Respondent shall notify the RPM at least two weeks prior to initiating field support activities so that EPA may adequately schedule oversight

tasks. The Respondent shall also notify the RPM upon completion of field support activities.

Investigate and define site physical and biological characteristics

The Respondent shall collect data on the physical and biological characteristics of the Site and its surrounding areas, including the physiography, geology, and hydrology, and specific physical characteristics identified in the work plan. This information must be ascertained through a combination of physical measurements, observations, and sampling efforts, and will be utilized to define potential transport pathways and human, cultural, and ecological receptor populations. In defining the Site's physical characteristics, the Respondent shall also obtain sufficient engineering data (such as the effects of contaminated media weathering and ground and surface water contaminant loading) to aid in the projection of contaminant fate and transport, and the development and screening of remedial action alternatives, including information to assess treatment technologies.

Define sources of contamination

The Respondent shall locate each source of contamination and define the areal extent and depth of contamination associated with each source in all media. The physical characteristics and chemical constituents and their concentrations must be determined for all known and discovered sources of contamination. The Respondent shall conduct sufficient sampling to define the boundaries of the contaminant sources consistent with the QAPP and DQOs.

Defining the source of contamination must include analyzing the potential for contaminant release (e.g., long term leaching from soil), contaminant mobility and persistence over time, and characteristics important for evaluating remedial actions, including information to assess treatment technologies.

Delineate the nature and extent of contamination

The Respondent shall gather information to delineate the nature and extent of contamination as a final step during the field investigation. To describe the nature and extent of contamination, the Respondent must utilize the information and site physical and biological characteristics and sources of contamination to give a preliminary estimate of the contaminants that may have migrated. The Respondent shall then implement an iterative monitoring program and any study program identified in the work plan or SAP such that by using analytical techniques sufficient to detect and quantify the concentration of contaminants, the migration of contaminants through the various media at the Site can be determined. In addition, the Respondent shall gather data for calculations of contaminant fate and transport. This process must be continued until the area and depth of contamination are known. This information will be used to determine the level of risk presented by the Site and to help develop appropriate remedial action alternatives for evaluation.

b. Data Analyses**Evaluate Site characteristics**

The Respondent shall analyze and evaluate the data to describe: (1) Site physical and biological characteristics; (2) contaminant source characteristics; (3) nature and extent of contamination; and (4) contaminant fate and transport. Results of the Site physical characteristics, source characteristics, and extent of contamination analyses are utilized in the analysis of contaminant fate and transport. The evaluation must include the actual and potential magnitude of releases from the sources, and horizontal and vertical spread of contamination as well as mobility and persistence of contaminants. Where modeling is appropriate, such models shall be identified to EPA in a technical memorandum prior to their use. All data and programming, including any proprietary programs, shall be made available to EPA together with a sensitivity analysis. The RI data shall be presented in a format (i.e., computer disc or equivalent) to facilitate the preparation of the BLRA. The validated data, along with QA/QC information and data validation summaries, shall be submitted in electronic format within 90 calendar days from the date of collection of the last sample from each sampling event. The Respondent shall then collect any data required to address data gaps identified by EPA as needed to complete the BLRA. This evaluation shall also provide information relevant to Site characteristics necessary to evaluate the need for remedial action in the BLRA and to aid in the development and evaluation of remedial alternatives. Analyses of data collected for Site characterization must meet the DQOs developed in the QA/QC plan stated in the SAP (or as revised during the RI).

c. Data Management Procedures

The Respondent shall consistently document the quality and validity of field and laboratory data compiled during the RI.

Document field activities

Information gathered during Site characterization shall be consistently documented and adequately recorded by the Respondent in well-maintained field logs and laboratory reports. The method(s) of documentation must be specified in the work plan and/or the SAP. Field logs must be utilized to document observations, measurements, and significant events that have occurred during field activities. Laboratory reports must document sample custody, analytical responsibility, analytical results, adherence to prescribed protocols, nonconformity events, corrective measures, and/or data deficiencies.

Maintain sample management and tracking

The Respondent shall maintain field reports, sample shipment records, analytical results, and QA/QC reports to ensure that only validated analytical data are reported and utilized in the development and evaluation of remedial alternatives. Analytical results developed under the Work Plan must not be included in any Site

characterization reports unless accompanied by or cross-referenced to a corresponding QA/QC report. In addition, the Respondent shall establish a data security system to safeguard chain-of-custody forms and other project records to prevent loss, damage, or alteration of project documentation.

Data validation management

All validated data shall be made available to EPA in electronic format. The validated data, along with QA/QC information and data validation summaries, shall be submitted in electronic format within 90 calendar days from the date of collection of the last sample from each sampling event. Field and validated analytical data results for all media sampled shall be submitted to EPA by uploading the data to the Water Quality Exchange (WQX) using the Central Data Exchange (CDX). Field and laboratory samples must include information on the sampling locations which will also be submitted to WQX via CDX. (See www.epa.gov/storet/wqx.html)

d. Site Characterization Deliverables

The Respondent shall prepare the preliminary Site characterization summary and the RI report.

Data Summary Reports

After completing each annual field season's sampling and analysis (i.e., at the end of the field season each calendar year), the Respondent shall prepare a concise Site characterization Data Summary Report (DSR). This report must review the investigative activities that have taken place and describe and display Site data documenting the location and characteristics of surface and subsurface features and contamination at the Site, including the affected media, locations, types, physical state, concentrations of contaminants and quantities. In addition, reports shall document the location, dimensions, physical condition and varying concentrations of each contaminant for each source and the extent of contaminant migration through each of the affected media. Each DSR must also evaluate data gaps and identify additional and/or modified sampling and analysis that shall be included in modifications to the SAP for each subsequent field season. If acceptable to EPA, the DSR following the final field season of data collection can be eliminated as a separate deliverable, and the information collected during the final field season can be presented in the RI report.

Remedial Investigation Report (RI)

The Respondent shall prepare and submit a draft RI report to the RPM for review and approval. This report shall summarize results of field activities to characterize the Site, sources of contamination, nature and extent of contamination, and the fate and transport of contaminants. The Respondent shall refer to the RI/FS Guidance for an outline of the report format and contents, and a suggested format for the RI

report can be found in Attachment C. Following comment by EPA, the Respondent shall prepare a final RI report satisfactorily addressing the comments.

Baseline Risk Assessment (BLRA)

The Respondent shall conduct a BLRA to assess the potential human health, and environmental risks posed by the Site in the absence of any remedial action, but will consider implementation of the PRO. This effort will involve four components: contaminant identification, exposure assessment, toxicity assessment, and risk characterization.

Contaminant Identification – The Respondent shall review available information on all hazardous substances present at the Site and identify the major contaminants of concern. Contaminants of concern should be selected based on their intrinsic toxicological properties because they are present in large quantities, and/or because they are currently in, or potentially may migrate into, critical exposure pathways (e.g., drinking water).

Exposure Assessment – The Respondent shall identify actual or potential exposure pathways, characterize potentially exposed populations, and evaluate the actual or potential extent of exposure.

Toxicity Assessment – The Respondent shall provide a toxicity assessment of those chemicals found to be of concern during Site investigation activities. This will involve an assessment of the types of adverse health or environmental effects associated with chemical exposures, the relationship between magnitude of exposures and adverse effects, and the related uncertainties for contaminant toxicity, (e.g., weight of evidence for a chemical’s carcinogenicity). EPA has prepared chemical screening tables with updated toxicity values and Preliminary Remediation Goals for various land uses available from: <https://www.epa.gov/risk/regional-screening-levels-rsls-generic-tables>

Risk Characterization – The Respondent shall integrate information developed during the exposure and toxicity assessments to characterize the current or potential risk to human health and/or the environment posed by the Site. This characterization should identify the potential for adverse health or environmental effects for the chemicals of concern and identify any uncertainties associated with contaminant(s), toxicity(ies), and /or exposure assumptions.

TASK 4 - TREATABILITY STUDIES

If potential remedial actions involving treatment have been identified by Respondent or EPA, Respondent shall conduct treatability studies except where Respondent can demonstrate to the satisfaction of EPA that they are not needed. The following activities shall be performed by the Respondent to support all treatability studies.

a. Determination of Candidate Technologies and of Need for Testing

The Respondent shall identify in a technical memorandum, subject to EPA review and approval, candidate technologies for a treatability studies program during project planning (Task 1). The listing of candidate technologies must cover the range of technologies required for the development and analysis of alternatives (Task 5 and 6) The specific data requirements for the testing program will be determined and refined during site characterization and the development and screening of remedial alternatives (Tasks 3, 5, and 6).

Conduct literature survey and determine the need for treatability testing

The Respondent shall conduct a literature survey to gather information of performance, relative costs, applicability, removal efficiencies, operation and maintenance (O&M) requirements, and implementability of candidate technologies. If practical candidate technologies have not been sufficiently demonstrated or cannot be adequately evaluated for this Site based on available information, treatability testing must be conducted. Where it is determined by EPA that treatability testing is required, and unless the Respondent can demonstrate to EPA's satisfaction that it is not needed, the Respondent shall submit a SOW to the RPM outlining the steps and data necessary to evaluate and initiate the treatability testing program.

Evaluation of treatability studies

Once a decision has been made to perform treatability studies, the Respondent and EPA will decide the types of treatability testing to utilize (e.g., bench and/or pilot). Because of the time required to design, fabricate, and install pilot scale equipment as well as perform testing for various operating conditions, the decision to perform pilot testing should be made as early in the process as possible to minimize potential delays of the FS. To assure that a treatability testing program is completed on time, and with accurate results, the Respondent shall either submit to the RPM a treatability testing work plan or an amendment to the original Site work plan for EPA's review and approval.

b. Treatability Testing and Deliverables

The deliverables that are required, in addition to the memorandum identifying candidate technologies, where treatability testing is conducted, include a work plan, a sampling and analysis plan, and a final treatability evaluation report. EPA may also require a treatability study health and safety plan, where appropriate.

Treatability testing work plan

The Respondent shall prepare a treatability testing work plan or amendment to the original Site Work Plan for EPA's review and approval, describing the Site background, remedial technology(ies) to be tested, test objectives, experimental procedures, treatability conditions to be tested, measurements of performance,

analytical methods, data management and analysis, health and safety, and residual waste management. The DQOs for treatability testing must be documented as well. If pilot scale treatability testing is to be performed, the pilot scale work plan will describe pilot plant installation and start-up, pilot plant operation and maintenance procedures, operating conditions to be tested, a sampling plan to determine pilot plant performance, and a detailed health and safety plan. If testing is to be performed off-site, permitting requirements must be addressed.

Treatability study SAP

If the original QAPP or FSP does not address activities to be performed during the treatability tests, a separate treatability study SAP or amendment to the original Site SAP must be prepared by the Respondent for EPA's review and approval. Task 1, Item c. of this statement of work provides additional information on the requirements of the SAP.

Treatability study HASP

If the original HASP is not adequate for defining the activities to be performed during the treatment tests, a separate or amended HASP must be developed by the Respondent. Task 1, Item c, of this SOW provides additional information on the requirements of the health and safety plan. EPA does not "approve" the treatability study HASP.

Treatability study evaluation report

Following completion of treatability testing, the Respondent shall analyze and interpret the testing results in a technical report to EPA. Depending on the sequence of activities, this report may be a part of the RI/FS report or a separate deliverable. The report must evaluate each technology's effectiveness, implementability, cost, and actual results as compared with predicted results. The report must also evaluate full scale application of the technology, including a sensitivity analysis identifying the key parameters affecting full-scale operation.

TASK 5 - FEASIBILITY STUDY

The Feasibility Study is comprised of two primary activities: (1) the development and screening of alternatives, and (2) the detailed analysis of alternatives. The alternatives surviving the screening process will be subject to the detailed analysis process. The FS Report must document the results of these two components of FS. Interim deliverables associated with these activities will be identified in the RI/FS Work Plan. The RI and FS are interactive and will be conducted concurrently, to the extent practicable, in a manner that allows information and data collected during the RI to influence the development of remedial alternatives during the FS, which in turn affect additional information and data needs and the scope of any necessary treatability studies and risk assessments.

a. Remedial Alternative Development

The Respondent shall develop and evaluate a range of appropriate waste management options that, at a minimum, will remediate or control any contaminated media (soil, surface water, ground water, sediments) remaining at the Site, as deemed necessary in the RI to ensure protection of human health and the environment and comply with ARARs, concurrent with the RI site characterization task.

A range of remedial alternatives must be developed to identify and provide a variety of waste management options which then can be evaluated. This range of alternatives must include, as appropriate, options in which treatment is used to reduce the toxicity, mobility, or volume of wastes, but which varies in the types of treatment, the amount treated, and the manner in which long-term residuals or untreated wastes are managed. Options involving containment with little or no treatment must be included, as well as options involving both treatment and containment, and a no-action alternative. The following activities shall be performed by the Respondent during the development of remedial alternatives.

Refine and document remedial action objectives

Based on the BLRA, the Respondent shall review, and if necessary, modify the Site-specific remedial action objectives (RAOs) and the list of applicable preliminary remediation goals (PRGs). The modified PRGs shall be documented in a technical memorandum that will be reviewed and approved by EPA. These modified PRGs must specify the contaminants and media of interest, exposure pathways and receptors, and an acceptable contaminant level or range of levels (at particular locations for each exposure route).

Develop general response actions

The Respondent shall develop a range of general response actions for each medium of interest addressing containment, treatment, excavation, pumping, or any other actions, singly or in combination, that may be utilized to satisfy the remedial action objectives for the Site.

Identify areas or volumes of media

The Respondent shall identify volumes and/or areas of media to which general response actions might be applied, taking into account the requirements for protectiveness as identified in the RAOs and the chemical and physical characterization of the Site.

Identify, screen, and document remedial technologies

The Respondent shall identify and evaluate potential remedial technologies applicable to each general response action. The Respondent shall identify various alternatives for implementing each remedial technology. These alternatives must

be evaluated and screened based upon their effectiveness, implementability, and cost factors. Generally, this screening is only necessary when there are many feasible alternatives available for detailed analysis. If necessary, the screening of alternatives shall be conducted to assure that only the alternatives with the most favorable composite evaluation of all factors are retained for further analysis. As appropriate, the screening must preserve the range of treatment and containment alternatives that was initially developed insuring that the alternatives will meet RAOs, ARARs and all other identified performance standards. The range of remaining alternatives must include options that use treatment technologies and permanent solutions to the maximum extent practicable. The Respondent shall prepare a technical memorandum summarizing the results and reasoning employed in screening and arraying alternatives that remain after screening. In addition, a description of the remedial technology alternatives which were eliminated from further consideration as well as the reasons for eliminating the alternatives must be included in the memorandum.

Assemble and document alternatives

The Respondent shall assemble selected representative technologies into a range of alternatives for each affected medium or operable unit. Together, all of the alternatives will represent treatment and containment combinations that will address either all of the Site or operable units. A summary of the assembled alternatives and their related action-specific ARARs must be prepared for EPA by the Respondent for inclusion in a technical memorandum.

TASK 6 - DETAILED ANALYSIS OF REMEDIAL ALTERNATIVES

The detailed analysis of alternatives shall be conducted by the Respondent to provide EPA with the information needed to allow for the selection of a Site remedy. This analysis is the final task to be performed by the Respondent during the FS.

a. Detailed Analysis of Alternatives

The Respondent shall conduct a detailed analysis of alternatives which must consist of an analysis of each option against a set of nine evaluation criteria and a comparative analysis of all options using the same evaluation criteria as a basis for comparison. EPA has developed the nine evaluation criteria to address the statutory requirements and preferences of CERCLA

Apply nine criteria and document analysis

The Respondent shall apply nine evaluation criteria to the assembled remedial alternatives to ensure that the selected remedial alternative will be protective of human health and the environment; will be in compliance with, or include a waiver of, ARARs; will be cost-effective; will utilize permanent solutions and alternative treatment technologies, or resource recovery technologies, to the maximum extent practicable; and will address the statutory preference for treatment as a principal

element. The evaluation criteria include: (1) overall protection of human health and the environment; (2) compliance with ARARs; (3) long-term effectiveness and permanence; (4) reduction of toxicity, mobility, or volume; (5) short-term effectiveness; (6) implementability; (7) costs; (8) state (or support agency) acceptance; and (9) community acceptance. (Note: Criteria 8 and 9 are considered after the RI/FS report has been released to the general public). For each alternative, the Respondent must provide: (1) a description of the alternative that outlines the waste management strategy involved and identifies the key ARARs associated with each alternative; and (2) a discussion of the individual criterion assessment.

Compare alternatives against each other and document the comparison of alternatives

The Respondent shall perform a comparative analysis between the remedial alternatives. That is, each alternative must be compared against the others using the evaluation criteria as a basis of comparison. Identification and selection of the preferred alternative are reserved by EPA. The Respondent shall prepare a technical memorandum summarizing the results of the comparative analysis.

b. Detailed Analysis Deliverables

In addition to the technical memorandum summarizing the results of the comparative analysis, the Respondent shall submit a draft FS report to the RPM for review and approval. Once EPA's comments have been addressed by the Respondent to the satisfaction of EPA, the final FS report may be bound with the final RI report.

Feasibility Study report

The Respondent shall submit a draft FS report for EPA and the Support Agencies' review and comment. This report, as ultimately adopted or amended by EPA, provides a basis for remedy selection by EPA, and documents the development and analysis of remedial alternatives. The Respondent shall refer to the RI/FS Guidance for an outline of the report format and the required report content, and a suggested format for the report can be found in Attachment D. The Respondent shall prepare a final FS report which satisfactorily addresses the comments.

REFERENCES FOR CITATION

The following list, although not comprehensive, comprises many of the regulations and guidance documents that apply to the RI/FS process.

The (revised) National Oil and Hazardous Substance Pollution Contingency Plan (NCP).

"Guidance for Conducting Remedial Investigations and Feasibility Studies Under CERCLA", U.S. EPA, Office of Emergency and Remedial Response, October 1988, OSWER Directive No. 9355.3-01.

"Guidance on Oversight of Potentially Responsible Party Remedial Investigations and Feasibility Studies", U.S. EPA, Office of Waste Programs Enforcement, OSWER Directive No. 9835.3.

"Interim Guidance on Potentially Responsible Party Participation in Remedial Investigation and Feasibility Studies", U.S. EPA, Office of Waste Programs Enforcement, Appendix A to OSWER Directive No. 9355.3-01.

"A Compendium of Superfund Field Operations Methods", Two Volumes, U.S. EPA, Office of Emergency and Remedial Response, EPA/540/P-87/001a, August 1987, OSWER Directive No. 9355.0-14.

U.S. EPA, NEIC Policies and Procedures Manual", May 1978, revised November 1984, EPA -330/9-78-991-R.

"Data Quality Objectives for Remedial Response Activities", U.S. EPA, Office of Emergency and Remedial Response and Office of Waste Programs Enforcement, EPA/540/G-87/003, March 1987, OSWER Directive No. 9335.0-7B.

"Guidelines and Specifications for the Lead Agency(ies) Quality Assurance Project Plans", U.S. EPA, Office of Research and Development, Cincinnati, Ohio, QAMS-004/80, December 29, 1980.

"QA/R-5 EPA Requirements for Quality Assurance Project Plans (latest draft or revision) and EPA QA/G-5 EPA Guidance for Quality Assurance Project Plans (latest draft or revision), EPA QA/G-4HW Data Quality Objectives Process for Hazardous Waste Site Studies, and EPA QA/G-4 Guidance for the Data Quality Objective Process"

"Interim Guidelines and Specifications for the Lead Agency(ies) Quality Assurance Project Plans", U.S. EPA, Office of Emergency and Remedial Response, QAMS-005/80, December 1980.

"Users Guide to the Lead Agency(ies) Contract Laboratory Program, U.S. EPA, Sample Management Office, August 1982.

"Interim Guidance on Compliance with Applicable or Relevant and Appropriate Requirements", U.S. EPA, Office of Emergency and Remedial Response, July 9, 1987, OSWER Directive No. 9234.0-05.

"CERCLA Compliance with Other Laws Manual", Two Volumes, U.S. EPA, Office of Emergency and Remedial Response, August 1988 (draft), OSWER Directive No. 9234.1-01 and -02.

"Guidance on Remedial Actions for Contaminated Groundwater at Superfund Sites", U.S. EPA, Office of Emergency and Remedial Response, (draft), OSWER Directive No. 9283.1-2.

"Draft Guidance on the Lead Agency(ies) Superfund Decision Documents", U.S. EPA, Office of Emergency and Remedial Response, March 1988, OSWER Directive No. 9355.3-02.

"Risk Assessment Guidance for Superfund--Volume I, Human Health Evaluation Manual (Part A)", December 1989, EPA/540/1-89/002.

"Risk Assessment Guidance for Superfund--Volume II Environmental Evaluation Manual", March 1989, EPA /540/1-89/001.

"Guidance for Data Usability in Risk Assessment", October 1990, EPA /540/G-90/008.
"Performance of Risk Assessments in Remedial Investigation/ Feasibility Studies (RI/FSs) Conducted by Potentially Responsible Parties (PRPs)", August 28, 1990, OSWER Directive No. 9835.15.

"Role of the Baseline Risk Assessment in Superfund Remedy Selection Decisions", April 22, 1991, OSWER Directive No. 9355.0-30.

"Health and Safety Requirements of Employees Employed in Field Activities", U.S. EPA, Office of Emergency and Remedial Response, July 12, 1981, EPA Order No. 1440.2.

OSHA Regulations in 29 CFR 1910.120 (Federal Register 45654, December 19, 1986).

"Interim guidance on Administrative Records for Selection of CERCLA Response Actions", U.S. EPA, Office of Waste Programs Enforcement, March 1, 1989, OSWER Directive No. 9833.3A.

"Community Relations in Superfund: A Handbook", U.S. EPA, Office of Emergency and Remedial Response, June 1988, OSWER Directive No. 9320.0-03B.

"Community Relations During Enforcement Activities and Development of the Administrative Record", U.S. EPA, Office of Waste Programs Enforcement, November 1988, OSWER Directive No. 9836.0-1A.

Attachments

Attachment A – Suggested RI/FS Work Plan Format

Executive Summary

1. Introduction
2. Site Background and Setting
3. Initial Evaluation
 - Types and volumes of waste present
 - Potential pathways of contaminant migration/preliminary public health and environmental impacts
 - Preliminary identification of operable units
 - Preliminary identification of response objectives and remedial action alternatives
4. Work Plan Rationale
 - DQO needs
 - Work Plan approach
5. RI/FS Tasks
6. Cost and Key Assumptions
7. Schedule
8. Project Management
 - Staffing
 - Coordination
9. References

Appendices

Attachment B – Suggested Format for SAP (FSP and QAPP)

FSP

1. Site Background
2. Sampling Objectives
3. Sample Location and Frequency
4. Sample Designation
5. Sampling Equipment and Procedures
6. Sample Handling and Analysis

QAPP

Project Management

- A1 Title and Approval Sheet
- A2 Table of Contents
- A2 Distribution List
- A4 Project/Task Organization
- A5 Problem Definition/Background
- A6 Project/Task Description
- A7 Quality Objectives and Criteria
- A8 Special Training/Certifications
- A9 Documentation and Records

Data Generation and Acquisition

- B1 Sampling Process Design (Experimental Design)
- B2 Sampling Methods
- B3 Sample Handling and Custody
- B4 Analytical Methods
- B5 Quality Control
- B6 Instrument/Equipment Testing, Inspection, and Maintenance
- B7 Instrument/Equipment Calibration and Frequency
- B8 Inspection/Acceptance of Supplies and Consumables
- B9 Non-direct Measurements
- B10 Data Management

Assessment and Oversight

C1 Assessments and Response Actions

C2 Reports to Management

Data Validation and Usability

- D1 Data Review, Verification, and Validation
- D2 Verification and Validation Methods
- D3 Reconciliation with User Requirements

Attachment C – Suggested RI Report Format

Executive Summary

1. Introduction
 - 1.1 Purpose of Report
 - 1.2 Site Background
 - 1.2.1 Site Description
 - 1.2.2 Site History
 - 1.2.3 Previous Investigations
 - 1.3 Report Organization
2. Study Area Investigation
 - 2.1 Includes field activities associated with site characterization. These may include physical and chemical monitoring of some, but not necessarily all, of the following:
 - 2.1.1 Surface Features (topographic mapping, etc.) (natural and manmade features)
 - 2.1.2 Contaminant Source Investigations
 - 2.1.3 Meteorological Investigations
 - 2.1.4 Surface-Water and Sediment Investigations
 - 2.1.5 Geological Investigations
 - 2.1.6 Soil and Vadose Zone Investigations
 - 2.1.7 Ground-Water Investigations
 - 2.1.8 Human Population Surveys
 - 2.1.9 Ecological Investigations
 - 2.2 If technical memoranda documenting field activities were prepared, they may be included in an appendix and summarized in this report chapter
3. Physical Characteristics of the Study Area
 - 3.1 Includes results of field activities to determine physical characteristics. These may include some, but not necessarily all, of the following:
 - 3.1.1 Surface Features
 - 3.1.2 Meteorology
 - 3.1.3 Surface-Water Hydrology
 - 3.1.4 Geology
 - 3.1.5 Soils
 - 3.1.6 Hydrogeology
 - 3.1.7 Demography and Land Use
 - 3.1.8 Ecology
4. Nature and Extent of Contamination

- 4.1 Presents the results of Site characterization, both natural and chemical components and contaminants in some, but not necessarily all, of the following media:
 - 4.1.1 Sources (lagoons, sludges, tanks, etc.)
 - 4.1.2 Soils and Vadose Zone
 - 4.1.3 Ground Water
 - 4.1.4 Surface Water and Sediments
 - 4.1.5 Air
5. Contaminant Fate and Transport
 - 5.1 Potential Routes of Migration (i.e., air, groundwater, etc.)
 - 5.2 Contaminant Persistence
 - 5.2.1 If they are applicable (i.e., for organic contaminants), describe estimated persistence in the study area environment and physical, chemical, and/or biological factors of importance for the media of interest
 - 5.3 Contaminant Migration
 - 5.3.1 Discuss factors affecting contaminant migration for the media of important (e.g., sorption onto soils, solubility in water, movement of ground water, etc.)
 - 5.3.2 Discuss modeling methods and results, if applicable
6. Baseline Risk Assessment
 - 6.1 Human Health Evaluation
 - 6.1.1 Exposure Assessment
 - 6.1.2 Toxicity Assessment
 - 6.1.3 Risk Characterization
 - 6.2 Environmental Evaluation
7. Summary and Conclusions
 - 7.1 Summary
 - 7.1.1 Nature and Extent of Contamination
 - 7.1.2 Fate and Transport
 - 7.1.3 Risk Assessment
 - 7.2 Conclusions
 - 7.2.1 Data Limitations and Recommendations for Future Work
 - 7.2.2 Recommended Remedial Action Objectives

Appendices

- A. Technical Memorandum on Field Activities (if available)
- B. Analytical Data and QA/QC Evaluation Results
- C. Risk Assessment Methods

Attachment D – Suggested Format for Feasibility Study Report

Executive Summary

1. Introduction
 - 1.1 Purpose and Organization Report
 - 1.2 Background Information (Summarized from RI Report)
 - 1.2.1 Site Description
 - 1.2.2 Site History
 - 1.2.3 Nature and Extent of Contamination
 - 1.2.4 Contaminant Fate and Transport
 - 1.2.5 Baseline Risk Assessment
2. Identification and Screening of Technologies
 - 2.1 Introduction
 - 2.2 Remedial Action Objectives – Presents the development of remedial action objectives for each medium of interest (i.e., ground water, soil, surface water, air, etc.) For each medium, the following should be discussed:
 - Contaminants of interest
 - Allowable exposure based on risk assessment (including ARARs)Development of remediation goals
 - 2.3 General Response Actions – For each medium of interest, describes the estimation of areas or volumes to which treatment, containment, or exposure technologies may be applied.
 - 2.4 Identification and Screening of Technology Types and Process Options – For each medium of interest, describe:
 - 2.4.1 Identification and Screening of Technologies
 - 2.4.2 Evaluation of Technologies and Selection of Representative Technologies
3. Development and Screening of Alternatives
 - 3.1 Development of Alternatives – Describes rationale for combination of technologies/media into alternatives. Note: This discussion may be by medium or for the Site as a whole.
 - 3.2 Screening of Alternatives (if conducted)
 - 3.2.1 Introduction
 - 3.2.2 Alternative 1
 - 3.2.2.1 Description
 - 3.2.2.2 Evaluation
 - 3.2.2 Alternative 2
 - 3.2.2.1 Description
 - 3.2.2.2 Evaluation
 - 3.2.3 Alternative 3

3.2.3.1 Description

3.2.3.2 Evaluation

4. Detailed Analysis of Alternatives

4.1 Introduction

4.2 Individual Analysis of Alternatives

4.2.1 Alternative 1

4.2.1.1 Description

4.2.1.2 Evaluation

4.2.2 Alternative 2

4.2.2.1 Description

4.2.2.2 Evaluation

4.2.3 Alternative 3

4.2.3.1 Description

4.2.3.2 Evaluation

4.3 Comparative Analysis

Attachment E – Stibnite Mine Remedial Investigation and Feasibility Study (RI/FS) Statement of Work (SOW) Schedule

RI/FS Work Plan/Sampling and Analysis Plan (WP/SAP):

- Draft due within 120 days after the Effective Date of the Settlement Agreement/CO.
- Final Work Plan due within 90 days of receipt of consolidated Agency comments.

Data Summary Reports (DSRs):

- Draft DSRs due within 120 days completion of each season’s field work or within 90 days of the receipt of final laboratory data, whichever is earlier. Within 5 days of the completion of each season’s field work, Respondent shall provide written notification to EPA identifying the completion date. Within 5 days of the receipt of final laboratory data for the preceding field season, Respondent shall provide written notification to EPA identifying the receipt date of final laboratory data.
- Final DSRs due within 30 days of receipt of consolidated Agency comments.

Remedial Investigation Report (RI):

- Submit draft RI within 120 days after receipt of laboratory data from the final field season. Within 5 days of receipt of final laboratory data, Respondent shall provide written notification to EPA identifying receipt date of final laboratory data.
- Final RI due within 60 days of receipt of consolidated Agency comments.

Baseline Risk Assessment Report (BLRA):

- Submit draft BLRA within 60 days after submittal of Final RI.
- Final BLRA due within 60 days of receipt of consolidated Agency comments.

Feasibility Study (FS):

- Submit draft FS within 120 days after submittal of BLRA Report.
- Final FS due within 90 days of receipt of consolidated Agency comments.

Data Validation Summaries (DVSs):

- DVSs due within 120 days from the date of collection of the last sample from each sampling event. Within 5 days of the completion of each season’s field work, Respondent shall provide written notification to EPA identifying the date of collection of the last sample from each sampling event.

Interim Deliverables

- Draft Interim Deliverables (i.e., Technical Memoranda for Treatability Studies Preliminary Remedial Goals, Remedial Action Objectives, etc.) as identified in the SOW, or as required by EPA, shall be due within 30 days receipt of notice by Respondent that said Deliverable is required.
- Final Interim Deliverables due within 60 days of receipt of consolidated Agency comments.

Quarterly Progress Reports

- Quarterly Progress Reports shall be due 15 days after the end of the previous calendar quarter.

¹Documents may initially be released as “draft final” pending final resolution of issues.

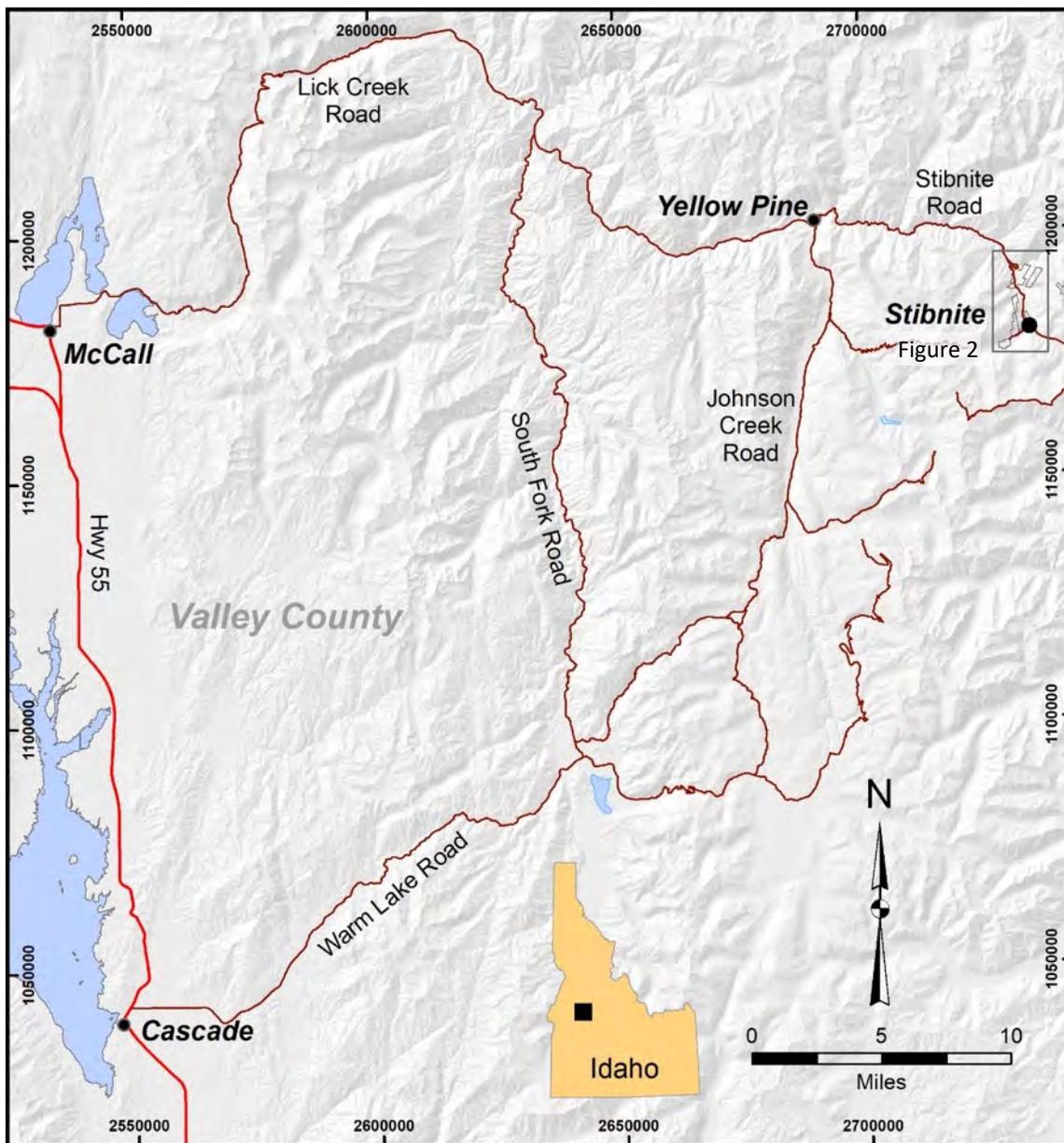


Figure 1 – Site Location

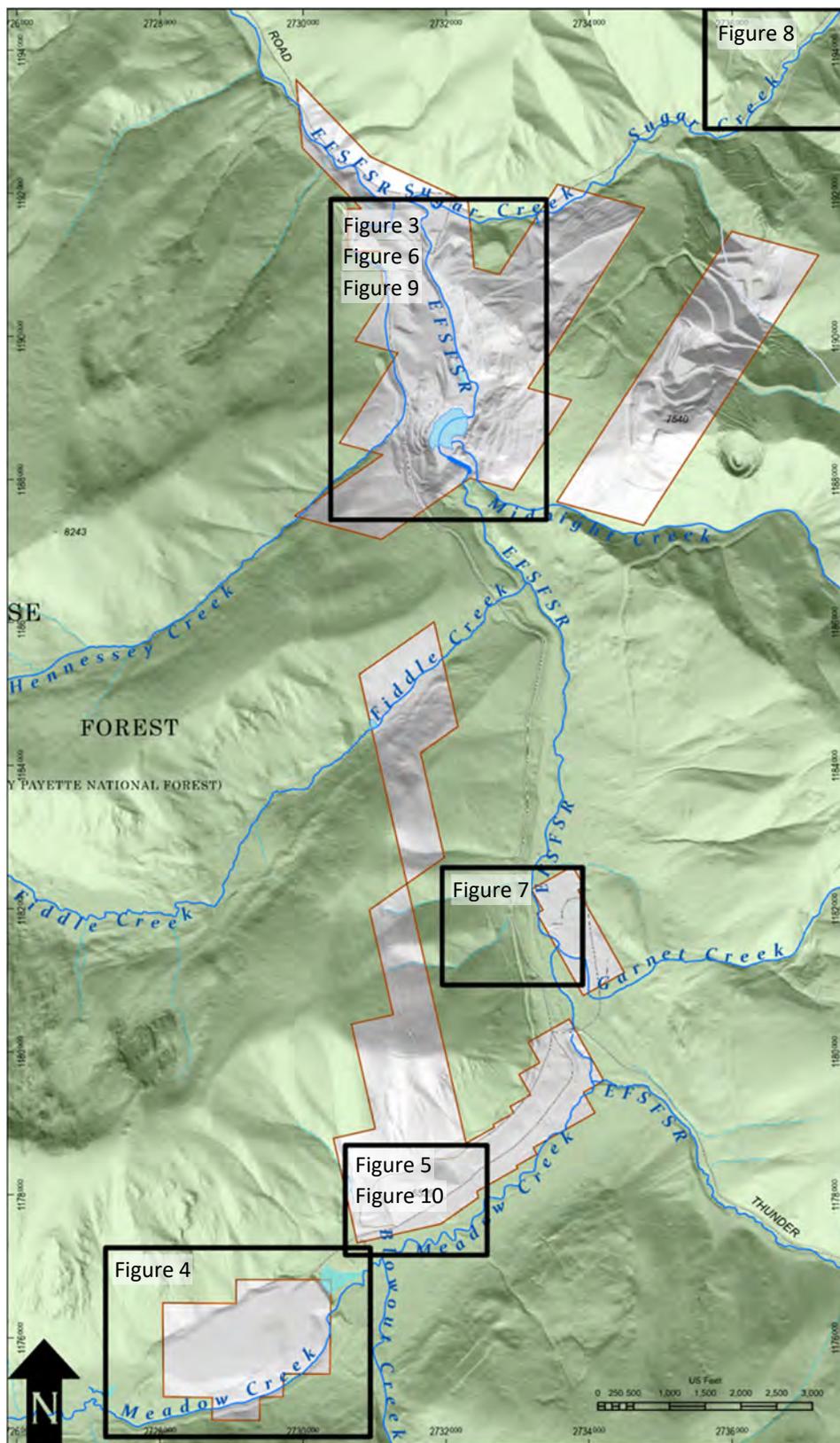


Figure 2 – Stibnite Mine Site

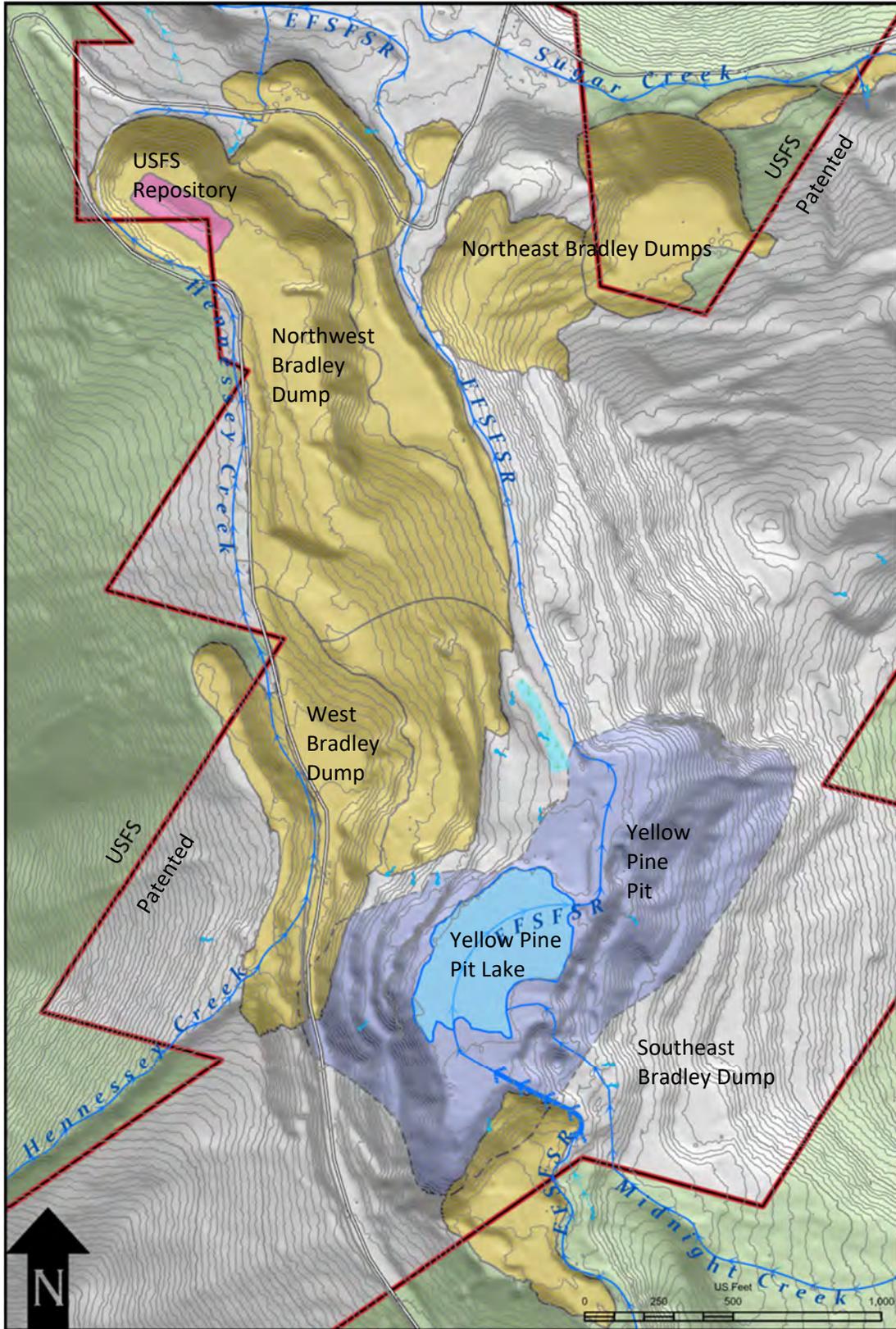


Figure 3 –Yellow Pine Pit

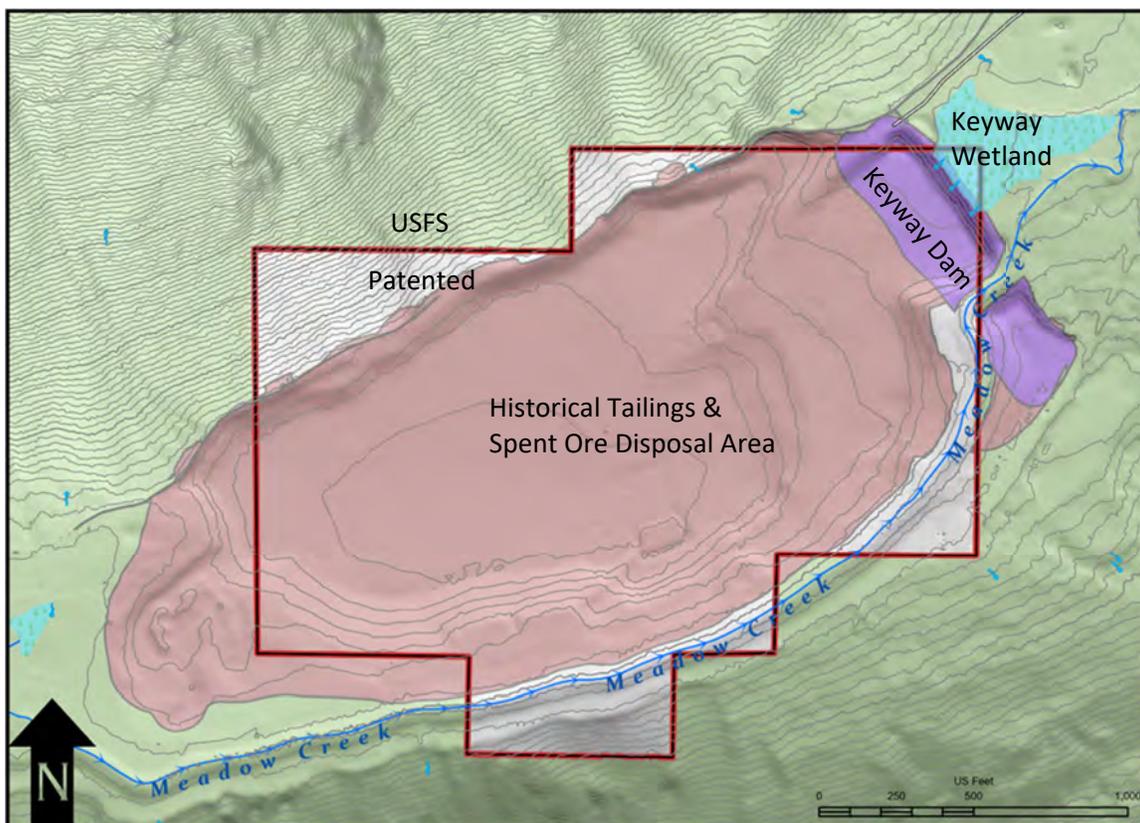


Figure 4 – Historical Tailings and Spent Ore Disposal Area

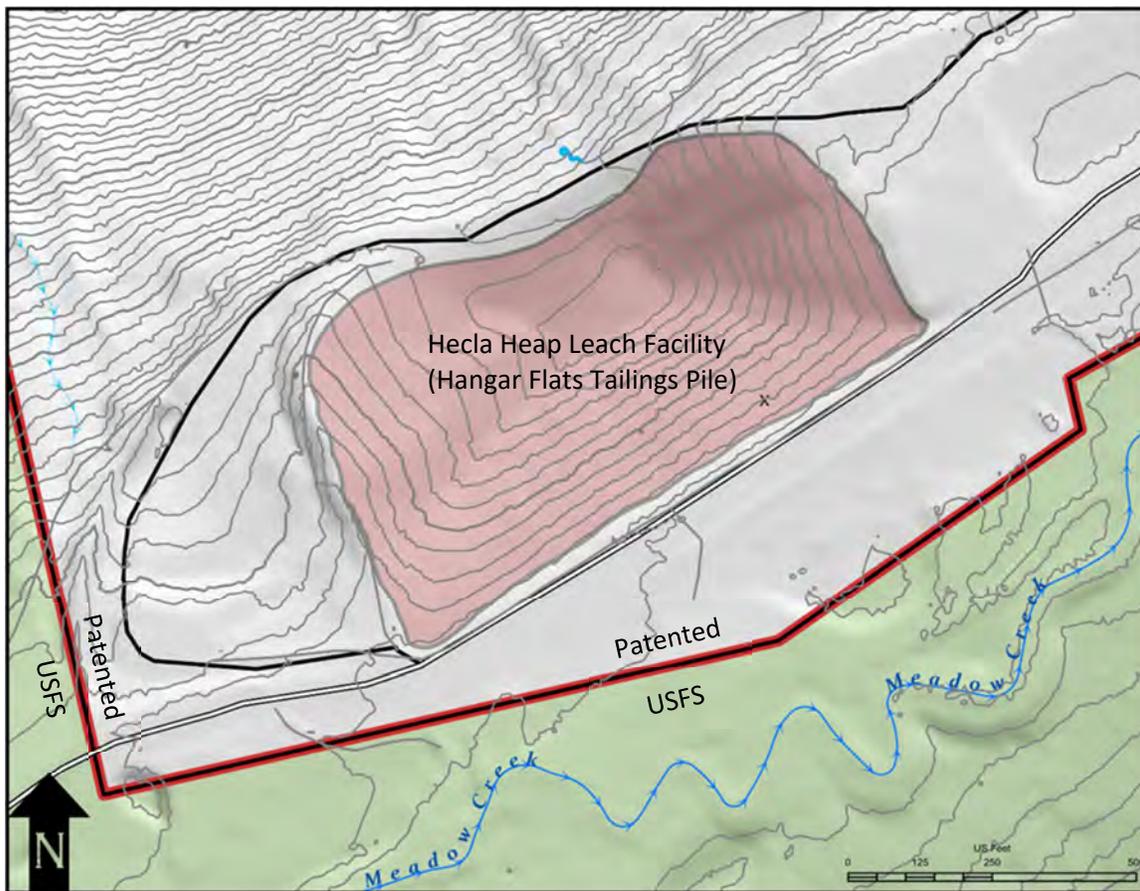


Figure 5 – Hecla Heap Leach Facility

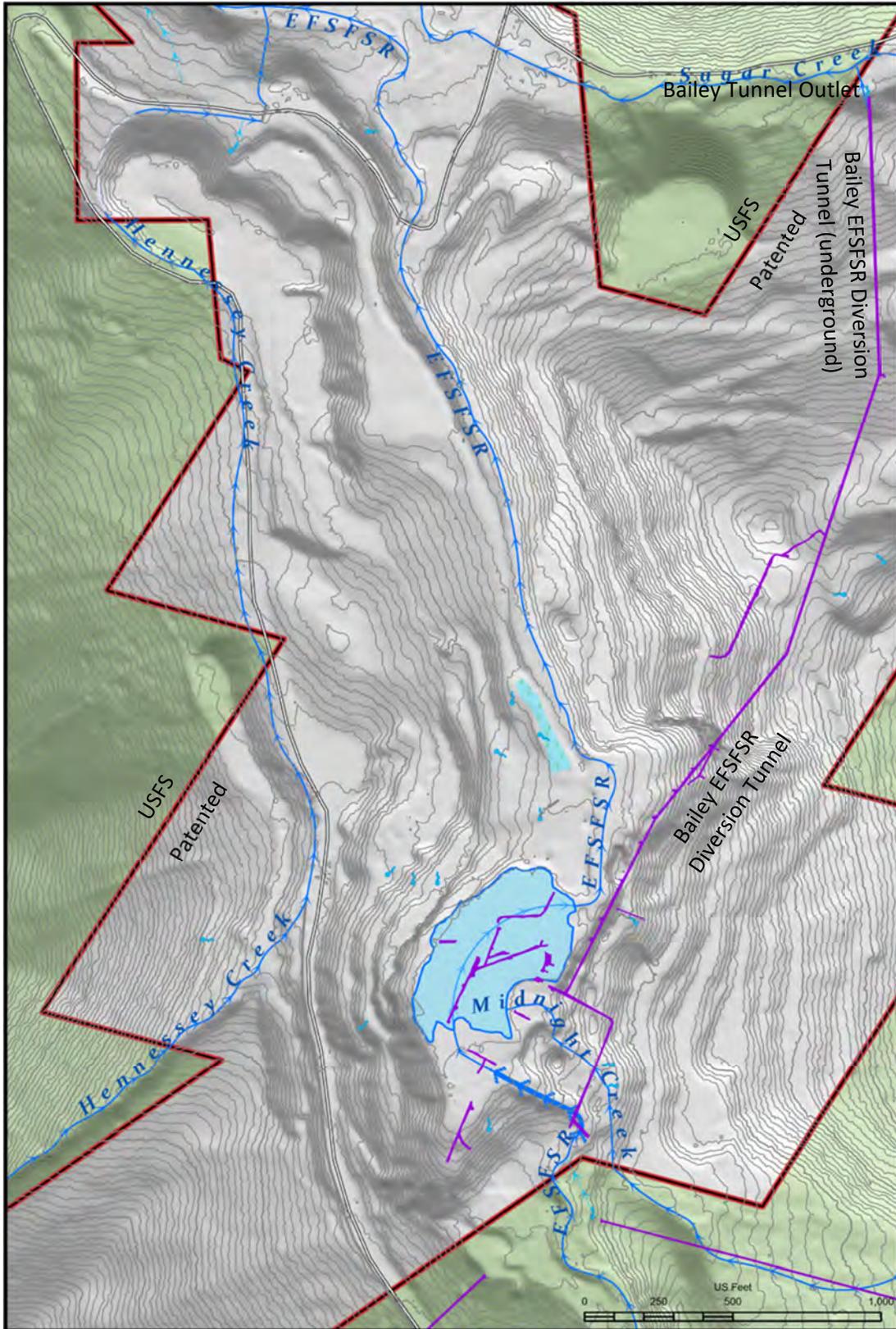


Figure 6 – Bailey Tunnel

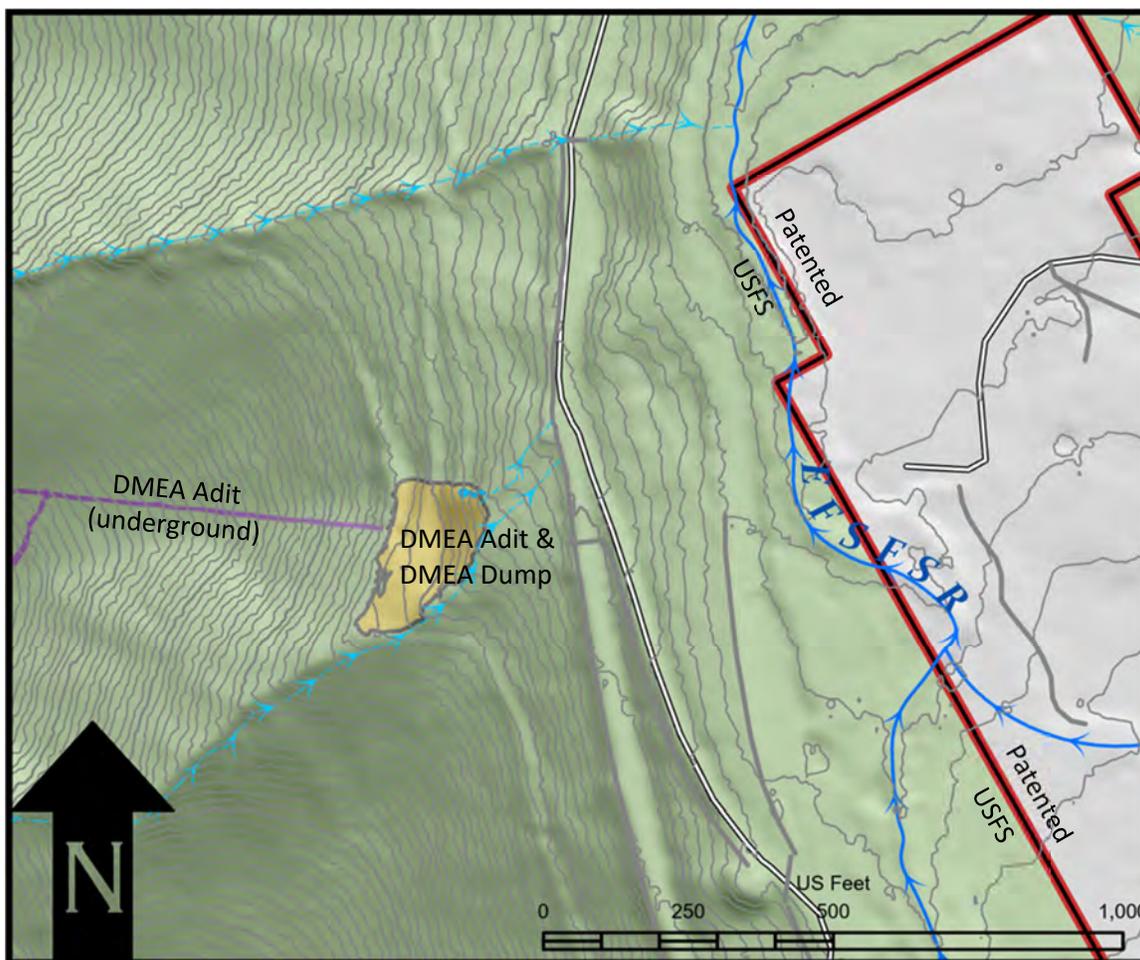


Figure 7 – Defense Minerals Exploration Administration Adit and Waste Rock Dump

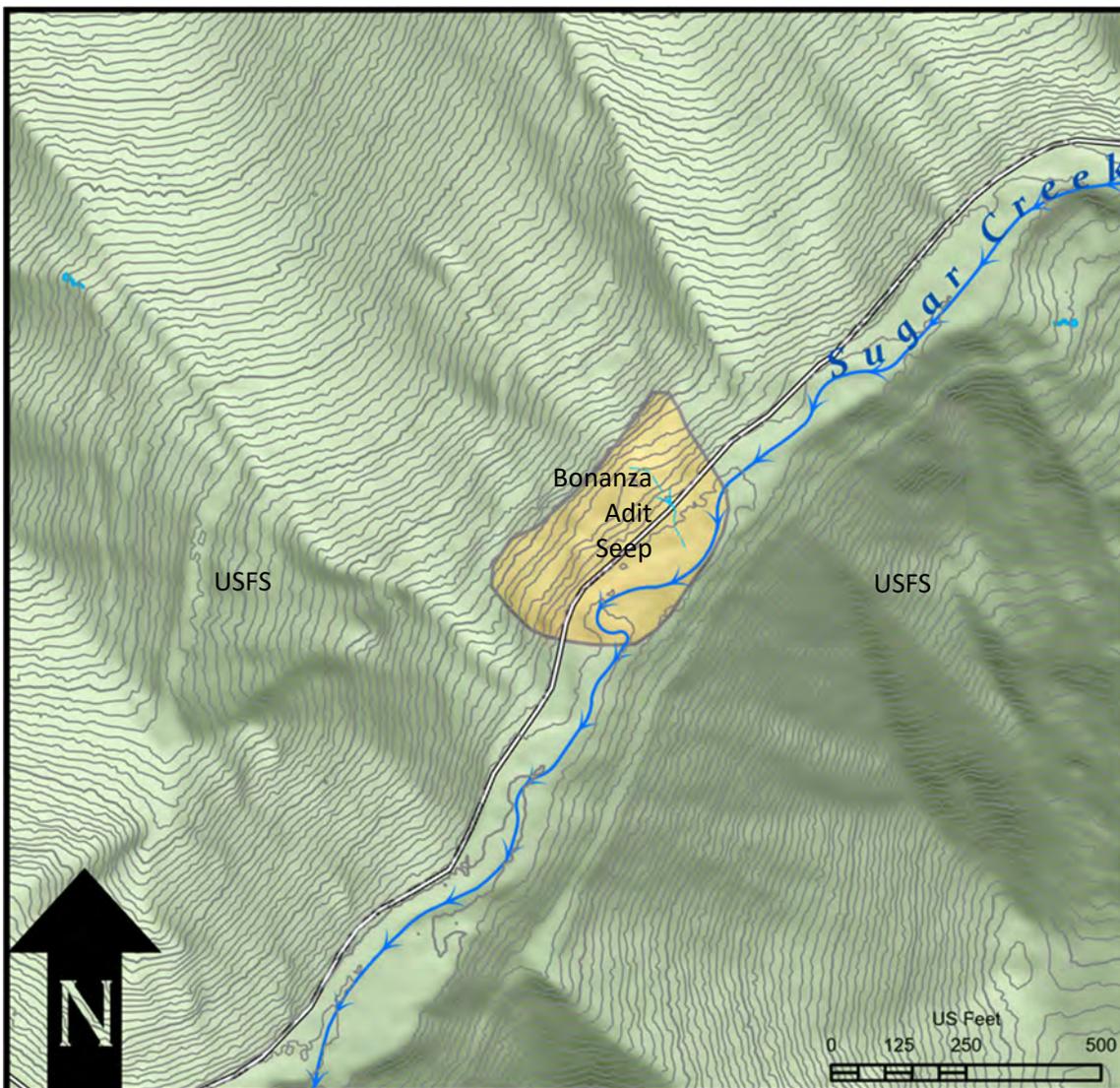


Figure 8 – Bonanza Adit

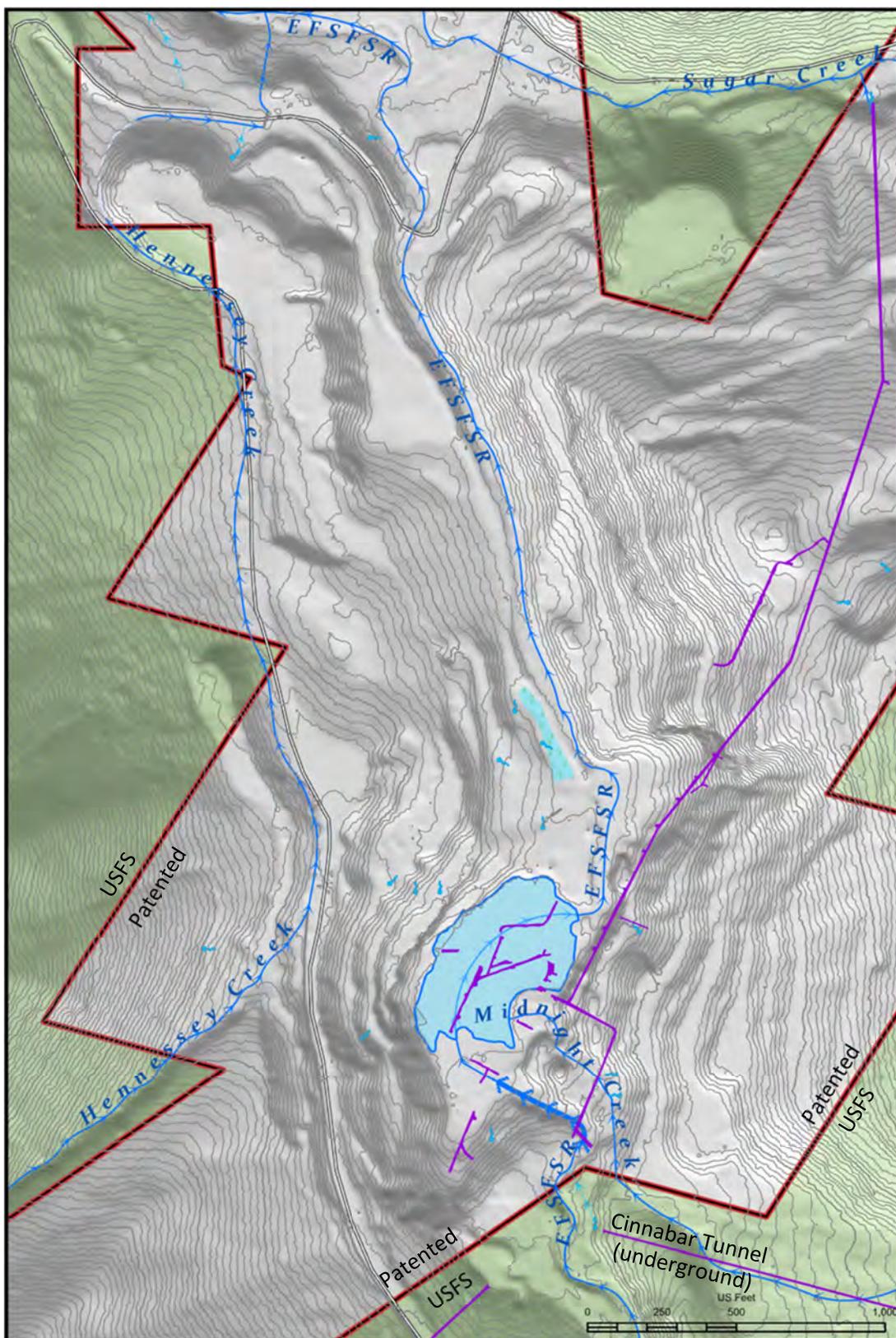


Figure 9 – Cinnabar Tunnel

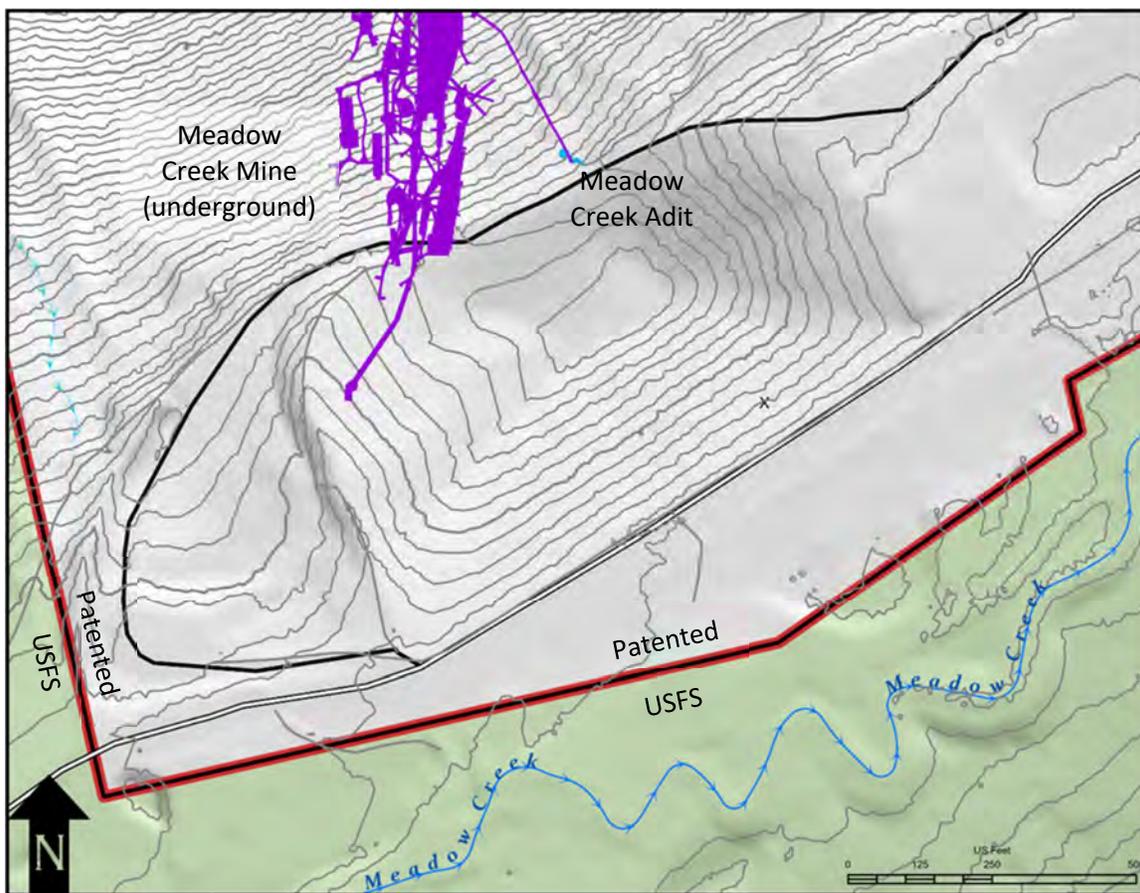


Figure 10 – Meadow Creek Adit

EXHIBIT 2

February 28, 2019, Letter from Bradley Marten of Marten Law,
counsel for Midas Gold, to Elizabeth McKenna, US EPA, Region 10



MARTEN LAW

February 28, 2019

Ms. Elizabeth McKenna
Assistant Regional Counsel
Environmental Protection Agency
Region 10
Park Place Building
1200 6th Avenue
Seattle, WA 98101

Re: Submittal of Supplemental Groundwater Data; Stibnite Gold Project

Dear Ms. McKenna:

On behalf of Midas Gold Idaho, Inc., I am writing to bring to the attention of the Environmental Protection Agency, Region 10 (“EPA”) the results of recent groundwater sampling at the Stibnite Gold Project (“SGP” or “Project”). Midas Gold Idaho, Inc. and its corporate parent, Midas Gold Corporation (collectively, “Midas Gold” or “Company”) are, jointly, a bona fide prospective purchaser (“BFPP”) under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, codified as amended at 42 U.S.C §§ 9601-9675 (“CERCLA”) with respect to their patented private lands on the Project Site acquired pursuant the 1872 Mining Law.¹ BFPP status is an exclusion from liability under CERCLA, and Midas is providing this information consistent with CERCLA § 101(40) to maintain that status.

EPA should have already received from the Payette National Forest (“PNF”), the SGP National Environmental Policy Act (“NEPA”) lead agency, sampling results showing elevated levels of arsenic and antimony in groundwater at the SGP Project Site. This information has been gathered since 2012 in connection with Midas Gold’s baseline characterization of the Site and in support of the NEPA review of the Plan of Restoration and Operations (“PRO”) for the Stibnite Mine. I understand that Senior Management of Midas Gold met with you and others at EPA on December 17, 2018 and provided you a briefing that discussed SGP Site water quality as well as outlining the reasonable steps the Company is and has been taking on the Site pursuant to CERCLA.

In compliance with CERCLA § 101(40)(B), Midas Gold exercised all appropriate inquiry prior to perfecting title to its patented private lands on the Project Site. However, CERCLA requires that in order to maintain BFPP status, landowners must fulfill

1. Idaho Gold Resources Company, LLC and Stibnite Gold Company (a wholly owned subsidiary of Idaho Gold Resources Company, LLC), control patented and unpatented millsite and lode claims at the SGP. Idaho Gold Resources Company, LLC is a wholly owned subsidiary of Midas Gold Corporation. Midas Gold Idaho, Inc. provides management services to Idaho Gold Resources Company, LLC and Stibnite Gold Company and will operate the Project on their behalf.

Ms. Elizabeth McKenna

February 28, 2019

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continuing obligations, including exercising appropriate care and providing notice with respect to discovered hazardous substances and providing full cooperation, assistance and access to persons authorized to conduct response actions or natural resource restoration at a facility. CERCLA §§ 101(40)(C)-(E). Midas Gold has been, and is presently, complying with these continuing obligations under CERCLA to maintain its BFPP status and attendant liability protection and fully comply with the law.

EPA Region 10 is a signatory to FS Agreement No. 2017-0412-Stibnite Gold-MU-02a (August 2017) (“Joint Review Agreement”) and is thus a cooperating agency for the Stibnite Gold Project Environmental Impact Statement under NEPA. EPA entered into Joint Review Agreement under its various authority under the Clean Air Act and Clean Water Act, see Joint Review Agreement at page 3.

On June 30, 2017, as a part of the Stibnite Gold Project permitting process and NEPA review, Midas Gold provided the PNF information from water quality monitoring from 2012 through Q2 2016 indicating elevated arsenic and antimony levels in groundwater beneath the Project Site. A copy of that electronic correspondence is enclosed as Attachment A. Pursuant to NEPA information sharing protocols, the PNF was obligated to provide a copy of this information to EPA Region 10 as well as the other cooperating agencies, which obligation we assume they completed.

Consistent with Midas Gold’s ongoing assessment of the current Site conditions, the Company has just completed the latest Water Quality Summary Report supplementing previously-provided data which is now inclusive of data collected through the remainder of 2016 and all of 2017. That report is enclosed as Attachment B. We will also be transmitting this report to PNF through the customary NEPA information sharing protocols with the understanding it will be distributed to the cooperating agencies, including EPA. A Water Quality Summary Report for calendar year 2018 is nearing completion and will be provided to PNF soon as well.

The most current Water Quality Summary Report includes measurements of elevated arsenic and antimony in ground and surface water sampling locations across the Site. One alluvial monitoring well (MWH-A19) has measured particularly high arsenic concentrations; typically ranging from 3,000 to 6,000 µg/L and as high as 7,520 µg/L from a sample gathered in Q2 2017. By comparison, the arsenic concentration measured in the East Fork of the South Fork of the Salmon River (“EFSFSR”) near this location (site YP-SR-04) during the same quarterly monitoring period was measured at 48.4 µg/L.

It is unclear why these elevated arsenic levels were measured at MWH-A19, but its location is downgradient of a legacy Forest Service constructed repository for hazardous material that is adjacent to the EFSFSR. Other potential sources of the elevated arsenic and antimony in ground and surface water at the Site may also include naturally occurring, *in situ* mineralized rock, as well as development rock, spent ore, and milled tailings from historical mining operations. The latter were deposited primarily during World War II and the Korean War era.

Ms. Elizabeth McKenna

February 28, 2019

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Under Midas Gold's continuing CERCLA legal obligations and, more importantly, its dedication to the proper stewardship of the Site and surrounding area, Midas Gold has and will continue to provide full cooperation, assistance, and access to persons who are authorized to conduct response actions or natural resource restoration on the Stibnite Gold Project Site pursuant to CERCLA § 101(40)(E). Midas Gold remains committed to providing EPA Region 10 whatever additional information or assistance that the agency might find helpful in evaluating the information the Company is providing.

As you are aware, Midas Gold's PRO contains a comprehensive plan for the removal, remediation, reclamation and restoration of legacy contamination and addressing of legacy impacts across much of the Site.

Please give me a call if you have any questions about this letter. We continue to appreciate your involvement in the Midas Gold project.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley M. Marten", with a long horizontal line extending to the right.

Bradley M. Marten

cc: Jim Wertz
Lynne Hood

EXHIBIT 3

June 13, 2019, Letter from Elizabeth McKenna, US EPA, Region 10, to Bradley Marten of Marten Law, counsel for Midas Gold



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue, Suite 155
Seattle, WA 98101-3188

OFFICE OF
REGIONAL COUNSEL

June 13, 2019

Midas Gold Idaho, Inc.
P.O. Box 429
13181 Hwy 55
Donnelly, ID 83615

VIA ELECTRONIC MAIL ONLY

Re: Stibnite Mine

Dear Brad,

On April 30, 2019, Midas Gold Corporation provided the Environmental Protection Agency Region 10 (EPA) and the Idaho Department of Environmental Quality (IDEQ) with a proposed settlement agreement to undertake a limited initial investigation into existing contamination at the Forest Service Smelter Waste Cell and the Defense Minerals Exploration Administration Dump (DMEA Dump) at the Stibnite Mine Site (Site). This letter pertains to the technical proposal set forth in the statement of work attached to the proposed settlement agreement. As we have discussed, if the government agencies and Midas can agree on the appropriate technical work to be done, we will need to discuss restructuring the agreement so that terms reflect EPA's standard administrative orders on consent. In addition, Midas has not yet substantiated its claim that it is a bona fide prospective purchaser.

On May 17, 2019, Midas met with EPA and IDEQ to explain its technical proposal to the agencies. Midas stated that the goal of performing the work proposed is to discover the sources of elevated levels of arsenic, antimony, and mercury in ground water and/or surface water at the Site. During the meeting, EPA and IDEQ agreed to evaluate the proposal to determine whether the work was appropriate.

After the meeting, EPA invited the United States Forest Service (USFS) to participate in the technical discussions with EPA and IDEQ because the proposed investigatory work involves USFS land. (For the same reason, USFS will need to be a signatory to any final agreement.) We have collectively evaluated the proposal and have concerns that the investigatory work will not achieve the stated purpose. The agencies do not believe that the USFS-constructed repository on the Northwest Bradley Waste Rock Dump is a significant source of the elevated arsenic concentrations measured in monitoring well MWH-A19. The repository was constructed on an elevated portion of the dump that does not contact groundwater. In addition, the repository was constructed with a low-permeability Geosynthetic Clay Liner (GCL) cover to minimize infiltration and percolation through the materials. Groundwater elevation contour data provided by Midas Gold indicates a northerly flow direction, such that MWH-A19 may not be directly downgradient from the repository. Finally, the downgradient monitoring well SRK-GM-03S shows no similarly elevated arsenic or selenium concentrations, which would be expected if the repository were a significant groundwater contaminant source.

As we discussed during the May 17th meeting, the agencies do not believe that Midas Gold's exploration soil sampling data are appropriate for determining background concentrations of metals in surface soils. Midas Gold collected samples from 0–16 inches below ground surface (bgs), with an average and median depth of 9 and 12 inches bgs, respectively. This exceeds the recommended 0–6 inches bgs sampling depth for assessing risk to human health and wildlife. The agencies recommend using the data sets presented in the 1998 Stibnite Site Characterization Report to establish site-specific background concentrations for mineralized and non-mineralized areas. Analysis of the Woodward-Clyde samples indicate an average of 6.99 ppm arsenic for non-mineralized areas. This is consistent with regional norms. The mineralized areas have an average of 87.51 ppm arsenic.

The agencies have discussed other potential projects that may be more successful in achieving the goal of determining the sources of arsenic, antimony and mercury. For instance, additional groundwater, storm event surface water, and sediment samples near the Bradley Waste Rock Dumps, the Keyway Wetland, Upper Wetland, and stream channels of the East Fork South Fork Salmon River, and tributaries upstream of the Sugar Creek confluence would be important work to perform to understand the sources of contamination. We would be happy to discuss in more detail what options the agencies have considered as alternatives to the investigatory work proposed by Midas Gold. Please let me know if you and your client are interested in meeting to have further technical discussions.

Best regards,



Elizabeth McKenna

cc: Lisa O'Hara, Deputy Attorney General IDEQ
Gary Fremerman, USDA OGC

EXHIBIT 4

April 30, 2019, Email from Merisa A. Moeller of Marten Law, on behalf of Midas Gold, to
Elizabeth McKenna, US EPA, Region 10

Message

From: Merissa A. Moeller [mmoeller@martenlaw.com]
Sent: 4/30/2019 7:18:37 PM
To: McKenna, Elizabeth [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=859179a8cb0547bc974dc0241e973d37-McKenna, Elizabeth]; Lisa.Carlson@deq.idaho.gov
CC: L. Michael Bogert [mbogert@midasgoldinc.com]; Laurel Sayer [lsayer@midasgoldinc.com]; Terry T. Uhling [tuhling@martenlaw.com]; Bradley M. Marten [bmarten@martenlaw.com]
Subject: Midas Gold - Draft VCO / AOC
Attachments: Midas Gold - Draft VCO - AOC 04.30.19.docx

Elizabeth and Lisa –

On behalf of Midas Gold, I am transmitting the attached draft Voluntary Consent Order / Administrative Order on Consent. This draft is intended to frame initial discussions regarding Midas's proposal for limited investigation into historical mining contamination at the Stibnite Mining District. We look forward to your comments.

Sincerely,

Merissa A. Moeller

.....
D - 503 . 241 . 2647
T - 503 . 243 . 2200
E - mmoeller@martenlaw.com

[Bio - LinkedIn](#)
martenlaw.com
1050 SW Sixth Ave, Suite 2150
Portland, OR 97204

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EXHIBIT 5

Midas Gold “Condensed Consolidated Interim Financial Statements for the Six and Three Months Ended June 30, 2019 and 2018 (Unaudited, expressed in US Dollars)”



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX AND THREE MONTHS ENDED JUNE 30, 2019 AND 2018**
(Unaudited, expressed in US Dollars)

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION****As at June 30, 2019 and December 31, 2018****(Unaudited, Expressed in US dollars)**

	<u>Notes</u>	<u>June 30, 2019</u>	<u>December 31, 2018</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$ 32,828,086	\$ 29,886,558
Receivables		60,581	264,047
Prepaid expenses		558,492	270,161
		<u>\$ 33,447,159</u>	<u>\$ 30,420,766</u>
NON-CURRENT ASSETS			
Buildings and equipment		\$ 315,781	\$ 396,881
Right-of-use assets	3	284,508	-
Exploration and evaluation assets		71,132,883	71,132,883
		<u>\$ 71,733,172</u>	<u>\$ 71,529,764</u>
TOTAL ASSETS		<u>\$ 105,180,331</u>	<u>\$ 101,950,530</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables		\$ 3,168,581	\$ 2,921,175
Warrant derivative ⁽ⁱ⁾	4	130,592	454,819
Lease liabilities	3	85,028	-
		<u>\$ 3,384,201</u>	<u>\$ 3,375,994</u>
NON-CURRENT LIABILITIES			
Convertible notes	5	\$ 25,733,452	\$ 23,433,664
Convertible note derivative ⁽ⁱⁱ⁾	6	27,454,720	48,479,797
Non-current lease liabilities	3	211,448	-
		<u>\$ 53,399,620</u>	<u>\$ 71,913,461</u>
TOTAL LIABILITIES		<u>\$ 56,783,821</u>	<u>\$ 75,289,455</u>
EQUITY			
Share capital	7	\$ 283,156,808	\$ 267,595,776
Equity reserve	7	25,240,699	24,394,532
Deficit		(260,000,997)	(265,329,233)
TOTAL EQUITY		<u>\$ 48,396,510</u>	<u>\$ 26,661,075</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 105,180,331</u>	<u>\$ 101,950,530</u>

Commitments – Notes 3 and 12

Footnotes:

- (i) *The warrant derivative is valued at fair value in accordance with International Financial Reporting Standards (“IFRS”). There are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants. See Note 4.*
- (ii) *The Convertible Note Derivative is valued at fair value in accordance with IFRS. There are no circumstances in which the Corporation would be required to pay cash upon conversion of the Convertible Notes. See Note 6.*

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET (INCOME)/LOSS AND COMPREHENSIVE (INCOME)/LOSS****For the three and six months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)**

	Notes	Three Months Ended		Six Months Ended	
		June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
EXPENSES					
Consulting		\$ 38,643	\$ 3,217	\$ 38,643	\$ 39,643
Corporate salaries and benefits		245,483	147,955	448,280	234,252
Depreciation		58,698	79,445	125,203	157,520
Directors' fees		33,465	32,234	62,414	64,799
Exploration and evaluation	8	6,150,128	6,479,128	11,740,783	12,282,427
Office and administrative		(6,059)	7,727	55,462	80,905
Professional fees		83,957	48,254	146,883	66,860
Share based compensation	7	372,595	297,701	1,141,473	805,167
Shareholder and regulatory		123,617	98,371	233,789	204,642
Travel and related costs		80,294	106,164	114,436	130,816
OPERATING LOSS		<u>\$ 7,180,821</u>	<u>\$ 7,300,196</u>	<u>\$ 14,107,366</u>	<u>\$ 14,067,031</u>
OTHER (INCOME) EXPENSES					
Change in fair value of warrant derivative ⁽ⁱ⁾	4	\$ (155,231)	\$ (26,152)	\$ (324,227)	\$ 285,230
Change in fair value of convertible note derivative ⁽ⁱⁱ⁾	6	(14,228,614)	1,701,676	(22,637,383)	26,270,610
Finance costs	9	659,032	613,090	1,308,360	1,222,876
Foreign exchange loss/(gain)		1,320,033	(1,571,741)	2,501,729	(3,452,161)
Interest income		(127,631)	(145,585)	(284,081)	(193,786)
Total other (income)/expenses		<u>\$ (12,532,411)</u>	<u>\$ 571,288</u>	<u>\$ (19,435,602)</u>	<u>\$ 24,132,769</u>
NET (INCOME)/LOSS AND COMPREHENSIVE (INCOME)/LOSS		<u>\$ (5,351,590)</u>	<u>\$ 7,871,484</u>	<u>\$ (5,328,236)</u>	<u>\$ 38,199,800</u>
NET (INCOME)/LOSS PER SHARE, BASIC AND DILUTED		<u>\$ (0.02)</u>	<u>\$ 0.04</u>	<u>\$ (0.02)</u>	<u>\$ 0.19</u>
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING, BASIC AND DILUTED		<u>241,031,224</u>	<u>210,551,761</u>	<u>238,372,615</u>	<u>198,421,249</u>

Footnotes:

- (i) *The warrant derivative is valued at fair value in accordance with IFRS. There are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants. See Note 4.*
- (ii) *The Convertible Note Derivative is valued at fair value in accordance with IFRS. There are no circumstances in which the Corporation would be required to pay cash upon conversion of the Convertible Notes. See Note 6.*

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**

For the six months ended June 30, 2019 and 2018

(Unaudited, expressed in US dollars except for number of shares)

	Note	Share Capital		Equity Reserve	Deficit	Total
		Shares	Amount			
BALANCE, January 1, 2018		186,356,265	\$ 228,787,138	\$ 23,635,064	\$ (218,041,248)	\$ 34,380,953
Share based compensation	7	-	-	772,943	-	772,943
Private placement	7	46,551,731	38,065,907	-	-	38,065,907
Share issue cost	7	-	(542,635)	-	-	(542,635)
Exercise of options	7	1,702,743	1,183,200	(451,634)	-	731,566
Net loss and comprehensive loss for the period		-	-	-	(38,199,800)	(38,199,800)
BALANCE, June 30, 2018		<u>234,610,739</u>	<u>\$ 267,493,610</u>	<u>\$ 23,956,373</u>	<u>\$ (256,241,048)</u>	<u>\$ 35,208,934</u>
BALANCE, January 1, 2019		234,812,690	\$ 267,595,776	\$ 24,394,532	\$ (265,329,233)	\$ 26,661,075
Share based compensation	7	-	-	1,166,237	-	1,166,237
Public offering	7	33,200,000	14,929,176	-	-	14,929,176
Share issue cost	7	-	(844,832)	-	-	(844,832)
Share based payments	7	1,500,000	877,500	-	-	877,500
Share issued through Stock Appreciation Rights		137,383	-	(122,188)	-	(122,188)
Exercise of options		831,700	599,188	(197,882)	-	401,306
Net profit and comprehensive profit for the period		-	-	-	5,328,236	5,328,236
BALANCE, June 30, 2019		<u>270,481,773</u>	<u>\$ 283,156,808</u>	<u>\$ 25,240,699</u>	<u>\$ (260,000,997)</u>	<u>\$ 48,396,510</u>

Midas Gold Corp.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS****For the three and six months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)**

	Notes	Three Months Ended		Six Months Ended	
		June 30,	June 30,	June 30, 2019	June 30,
		2019	2018		2018
OPERATING ACTIVITIES:					
Net profit/(loss)		\$ 5,351,590	\$ (7,871,484)	\$ 5,328,236	\$ (38,199,800)
Adjustments for:					
Share based compensation	7	372,595	297,701	1,166,237	805,167
Share based payments	7	877,500	-	877,500	-
Depreciation		58,698	79,445	125,203	157,520
Accretion and interest expense	3,5,9	659,032	613,090	1,308,360	1,222,876
Change in fair value of warrant derivative	4	(155,231)	(26,152)	(324,227)	285,230
Change in fair value of convertible note derivative	6	(14,228,614)	1,701,676	(22,637,383)	26,270,610
Unrealized foreign exchange gain/(loss)		1,370,225	(1,600,465)	2,570,555	(3,443,262)
Interest income		(127,631)	(145,585)	(284,081)	(193,786)
Changes in:					
Trade and other receivables		(36,145)	(13,331)	(37,836)	(9,217)
Prepaid expenses		(278,141)	(128,006)	(288,330)	(178,996)
Trade and other payables		(88,041)	801,802	247,407	(252,250)
Net cash used in operating activities		<u>\$ (6,224,163)</u>	<u>\$ (6,291,309)</u>	<u>\$ (11,948,359)</u>	<u>\$ (13,535,908)</u>
INVESTING ACTIVITIES:					
Purchase of buildings and equipment		\$ (20,456)	\$ (38,704)	\$ (20,456)	\$ (85,813)
Interest received		386,852	84,490	525,381	147,525
Net cash provided by investing activities		<u>\$ 366,396</u>	<u>\$ 45,786</u>	<u>\$ 504,925</u>	<u>\$ 61,712</u>
FINANCING ACTIVITIES:					
Proceeds from issuance of common shares through financing		\$ 14,929,176	\$ 38,065,907	\$ 14,929,176	\$ 38,065,907
Payment of transaction costs on issuance of common shares through financing		(844,832)	(542,635)	(844,832)	(542,635)
Proceeds from issuance of common shares through exercise of options		-	320,148	279,117	699,341
Interest paid on Convertible Notes	5	-	-	(18,727)	(19,276)
Payment of lease liabilities	3	(2,538)	-	(19,793)	-
Net cash provided by financing activities		<u>\$ 14,081,806</u>	<u>\$ 37,843,420</u>	<u>\$ 14,324,941</u>	<u>\$ 38,203,337</u>
Effect of foreign exchange on cash and cash equivalents		40,136	(26,523)	60,021	(98,468)
Net increase in cash and cash equivalents		8,264,175	31,571,374	2,941,528	24,630,673
Cash and cash equivalents, beginning of period		24,563,911	11,974,722	29,886,558	18,915,423
Cash and cash equivalents, end of period		<u>\$ 32,828,086</u>	<u>\$ 43,546,096</u>	<u>\$ 32,828,086</u>	<u>\$ 43,546,096</u>
Cash		\$ 8,796,611	\$ 2,575,287	\$ 8,796,611	\$ 2,575,287
Investment savings		16,417,733	27,424,000	16,417,733	27,424,000
GIC and term deposits		7,613,742	13,546,809	7,613,742	13,546,809
Total cash and cash equivalents		<u>\$ 32,828,086</u>	<u>\$ 43,546,096</u>	<u>\$ 32,828,086</u>	<u>\$ 43,546,096</u>

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)**

1. Nature of Operations

Midas Gold Corp. (“the Corporation” or “Midas Gold”) was incorporated on February 22, 2011 under the Business Corporations Act of British Columbia. The Corporation was organized to locate, acquire, develop and restore mineral properties located principally in the Stibnite – Yellow Pine mining district in Valley County, Idaho. The Corporation’s principal asset is the Stibnite Gold Project (“Stibnite Gold Project” or the “Project”). The Corporation currently operates in one segment, mineral exploration in the United States. The corporate office of Midas Gold is located at 890-999 West Hastings Street, Vancouver, BC, V6C 2W2, Canada.

2. Basis of Preparation*a. Statement of Compliance*

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* (“IAS 34”), using accounting policies that are consistent with the International Financial Reporting Standards (“IFRS”).

b. Basis of Presentation

The preparation of these condensed consolidated interim financial statements is based on the accounting policies consistent with those applied to the consolidated financial statements of Midas Gold for the year ended December 31, 2018, except for those discussed herein and further detailed in Note 3 related to the implementation of IFRS 16.

These condensed consolidated interim financial statements do not include all information required for full financial statements and should be read in conjunction with the consolidated financial statements of Midas Gold for the year ended December 31, 2018. There have been no changes in judgments or estimates since December 31, 2018.

These condensed consolidated interim financial statements for the three and six-month periods ended June 30, 2019 and 2018 were approved and authorized for issue by the board of directors on August 9, 2019. All “\$” dollars included herein are United States Dollars, unless specifically stated as “C\$” which are Canadian Dollars.

c. Adoption of New Accounting Standards

The Corporation applied IFRS 16 with a date of initial application of January 1, 2019 using the modified retrospective approach, under which the cumulative effect of initial application, if any, is recognized in retained earnings at January 1, 2019. The details of the changes in accounting policies are disclosed below.

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset (a right-to-use, or “ROU” asset) for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- The Corporation has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)**

2. Basis of Preparation (continued)

- The Corporation has the right to direct the use of the asset. The Corporation has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Corporation has the right to direct the use of the asset if either:
 - o The Corporation has the right to operate the asset; or
 - o The Corporation designed the asset in a way that predetermines how and for what purpose it will be used.

If a contract is deemed to be, or contains, a lease, the Corporation recognizes an ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The Corporation has elected not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement, as a practical expedient permissible under IFRS 16.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The ROU asset is presented as a separate line in the consolidated statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate. Both the current and non-current lease liability are presented as separate lines in the consolidated statement of financial position.

Lease payments to be included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Corporation is reasonably certain to exercise, lease payments in an optional renewal if the Corporation is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Corporation is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option.

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****2. Basis of Preparation (continued)**

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Corporation has elected not to recognize ROU assets and lease liabilities for leases of low-value assets and short-term leases that have a lease term of less than 12 months and where extension clauses within the original contract have been fully utilized. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

In the comparative period, assets held under leases were all classified as operating leases under IAS 17 and were not recognized in the Corporation's statement of financial position. Payments made under operating leases were recognized in profit or loss on a straight-line basis over the term of the lease. There were no leases in place at the prior year end that would not qualify for the exemptions permissible for short-term leases and leases of low-value assets under IFRS 16.

3. Leases

The Corporation leases building space for the Corporate office in Vancouver, BC, and for the U.S. subsidiaries in Donnelly, ID and has identified these leases to have ROU assets. As at June 30, 2019, these are the only leases identified to have ROU assets. The Corporation is utilizing an incremental borrowing rate of 10% for calculating lease liabilities and ROU assets.

ROU Assets

		Property
Balance, January 1, 2019	\$	-
Additions		308,510
Depreciation charge for the period		(24,002)
Balance, June 30, 2019	\$	284,508

Lease Liabilities

		June 30, 2019
Maturity analysis – contractual undiscounted cash flows		
Less than one year	\$	109,960
One to five years		233,278
Total undiscounted lease liabilities at June 30, 2019	\$	343,238
Lease liabilities included in the statement of financial position at June 30, 2019		
Current		85,028
Non-Current		211,448

Amounts recognized in profit and loss

		June 30, 2019
Depreciation expense of ROU assets	\$	(24,002)
Expenses relating to short-term leases		(90,702)
Expenses relating to leases of low-value assets		(7,261)
Interest on lease liabilities		(7,759)

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****3. Leases (continued)**

Payments made during the period for leases where the Corporation has elected to not recognize ROU assets and lease liabilities are recognized in the statement of net loss and comprehensive loss are presented in the table above.

Amounts recognized in the statement of cash flows

	June 30, 2019
Total payments on lease liability	\$ (19,793)
Principal on leases	(12,034)
Interest expense	(7,759)

4. Warrant Derivative

In May 2013, the Corporation issued to Franco Nevada Corporation ("Franco") 2,000,000 share purchase warrants ("Franco Warrants"). The Franco Warrants are exercisable into 2,000,000 common shares of the Corporation at C\$1.23 per warrant. The Franco Warrants contain a mandatory conversion feature which requires Franco to exercise 100% of the outstanding warrants if, at any time, the volume weighted average trading price of Midas Gold's common shares is equal to or greater than C\$3.23 for a period of 30 consecutive trading days. The Franco Warrants expire on May 9, 2023.

The exercise price of the Franco warrants is denominated in Canadian dollars; however, the functional currency of the Corporation is the US Dollar. As a result of this difference in currencies, the proceeds that will be received by the Corporation are not fixed and will vary based on foreign exchange rates and the warrants are a derivative and are required to be recognized and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as a non-cash gain or loss in the consolidated statement of net loss and comprehensive loss. Upon exercise, the holders will pay the Corporation the respective exercise price for each warrant exercised in exchange for one common share of Midas Gold and the fair value at the date of exercise and the associated non-cash liability will be reclassified to share capital. The non-cash liability associated with any warrants that expire unexercised will be recorded as a gain in the consolidated statement of net loss and comprehensive loss. There are no circumstances in which the Corporation would be required to pay any cash upon exercise or expiry of the warrants.

A reconciliation of the change in fair values of the derivative is below:

	Fair Value of Warrant Derivative	
Balance, December 31, 2018	\$	454,819
Change in fair value of warrant derivative		(324,227)
Balance, June 30, 2019	\$	130,592

The fair value of the warrants was calculated using the Black-Scholes valuation model. The weighted average inputs used in the Black-Scholes valuation model are:

	June 30, 2019	December 31, 2018
Fair value of related warrants outstanding	\$0.07	\$0.23
Risk-free interest rate	1.5%	1.9%
Expected term (in years)	1.9	2.4
Expected share price volatility	60%	65%

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****5. Convertible Notes**

On March 17, 2016, the Corporation issued unsecured convertible notes (the "Convertible Notes") for gross proceeds of \$38.5 million (C\$50.0 million). The Convertible Notes bear interest at a rate of 0.05% per annum, payable annually in cash or common shares (at the Corporation's election) or added to the principal and payable on maturity, and have a maturity date of March 17, 2023. On the maturity date, the outstanding principal amount of the Convertible Notes is due and payable in cash unless converted in advance of that date. The holders of the Convertible Notes may convert any portion of their Convertible Notes at any time prior to the maturity date into common shares of the Corporation at a price of C\$0.3541 per share. If there is an equity financing completed at 95% of C\$0.3541, or below, the conversion price is adjusted downward. The Convertible Notes can be redeemed by the Corporation after four years with not more than 60-days written notice and not less than 30-days written notice when the Corporation's common shares reach a price of C\$0.7082 or higher. Following the notice of redemption, but prior to the redemption date, the holders may convert their Convertible Notes to be redeemed into common shares at the then-current conversion price.

During March of 2019, the third annual interest payment was made to noteholders in cash, in the amount of \$18,727.

The Convertible Notes are deemed to contain an embedded derivative ("Convertible Note Derivative") relating to the conversion option. The Convertible Note Derivative was valued upon initial recognition at fair value using partial differential equation methods at \$19.8 million (Note 6). At inception, the gross proceeds of the Convertible Notes were reduced by the estimated fair value of the Convertible Note Derivative (\$19.8 million) and the transaction costs related to the Convertible Notes (\$0.4 million) resulting in a balance of \$18.3 million. The Convertible Notes are measured at amortized cost and will be accreted to maturity over the term using the effective interest method. The expected value of the Convertible Notes at maturity is \$38.1 million (C\$49.9 million) based on the exchange rate at June 30, 2019 (2018 - \$36.6 million (C\$49.9 million)).

The components of the Convertible Notes are summarized as follows:

	Convertible Notes
Balance, December 31, 2018	\$ 23,433,664
Accretion and Interest Expense	1,300,601
Interest Payments	(18,727)
Foreign exchange adjustments	1,017,914
Balance, June 30, 2019	\$ 25,733,452

6. Convertible Note Derivative

The Convertible Note Derivative related to the Convertible Notes (Note 5) was valued upon initial recognition at fair value of \$19.8 million using partial differential equation methods and is subsequently re-measured at fair value at each period end through the consolidated statement of net loss and comprehensive loss. The components of the Convertible Note Derivative are summarized as follows:

	Convertible Note Derivative
Balance, December 31, 2018	\$ 48,479,797
Fair value adjustment	(22,637,383)
Foreign exchange adjustments	1,612,306
Balance, June 30, 2019	\$ 27,454,720

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****6. Convertible Note Derivative (continued)**

Upon conversion of the Convertible Notes, the fair value of the Convertible Note Derivative and the carrying value of the Convertible Notes will be reclassified to share capital. There are no circumstances in which the Corporation would be required to pay any cash upon conversion of the Convertible Notes.

The fair value of the Convertible Note Derivative was calculated using partial differential equation methods. The inputs used in the valuation model include the following, with a change in share price having the most significant impact on the valuation:

	June 30, 2019	December 31, 2018
Risk-free interest rate	1.4%	1.9%
Expected term (in years)	3.7	4.2
Share Price	C\$0.63	C\$0.96
Credit Spread	10%	10%
Implied discount on share price	37% - 26%	37% - 26%
Expected share price volatility	61%	56%

7. Share Capital*a. Authorized*

Unlimited number of common shares without par value.

Unlimited number of first preferred shares without par value.

Unlimited number of second preferred shares without par value.

b. Common Shares

On June 19, 2019, the Corporation issued 33,200,000 shares at a price of C\$0.60 per common share, for gross proceeds of \$14.9 million (C\$19.9 million) with transaction costs of \$0.8 million (C\$1.1 million). The net proceeds of the issuance were \$14.1 million (C\$18.8 million).

On April 16, 2019, the Corporation issued 1,500,000 common shares in the capital of the Company, valued at \$877,500, to launch the Stibnite Foundation in Idaho. These grants to the Stibnite Foundation were made in accordance with the Company's ongoing annual and milestone funding obligations pursuant to the terms of the Community Agreement.

c. Share purchase options

Under the terms of the Corporation's Stock Option Plan, the maximum number of shares reserved for issuance under the Plan is 10% of the issued shares on a rolling basis. Options may be exercisable over periods as determined by the Board of Directors of the Corporation and the exercise price shall not be less than the five-day weighted-average share price on the day preceding the award date, subject to regulatory approval. All stock options granted are subject to vesting, with one quarter vesting upon issuance and one quarter vesting on each anniversary from the date of grant.

A summary of share purchase option activity within the Corporation's share-based compensation plan for the year ended December 31, 2018 and six months ended June 30, 2019 is as follows:

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****7. Share Capital (continued)**

	Number of Options	Weighted Average Exercise Price (C\$)
Balance, December 31, 2017	13,930,750	\$ 0.68
Options granted	5,220,000	0.72
Options expired/terminated	(655,000)	0.82
Options exercised	(1,811,675)	0.56
Balance December 31, 2018	16,684,075	\$ 0.70
Options granted	4,365,000	0.96
Options expired/terminated	(945,875)	0.67
Options exercised	(831,700)	0.52
Balance, June 30, 2019	19,271,500	\$ 0.77

The Corporation's Stock Option Plan includes a Stock Appreciation Rights ("SAR") clause which allows individuals the option to terminate vested options and receive shares in lieu of the benefits which would have been received had the options been exercised. During the three and six months ended June 30, 2019, nil and 402,500 (2018 – nil and 65,000) options, respectively, were terminated under the SAR clause and nil and 137,383 (2018 – nil and 37,818) shares, respectively, were issued in lieu of a cash benefit. The total number of shares issued during the three and six months ended June 30, 2019, through the exercise of options and under the SAR clause was nil and 969,083 (2018 – 763,243 and 1,702,743), respectively. During the three and six months ended June 30, 2019, nil and 489,750 options expired (2018 – nil and 10,000), respectively.

The number of outstanding options represents 7.1% of the issued and outstanding shares at June 30, 2019. During the three and six months ended June 30, 2019, the Corporation's total share-based compensation was \$372,595 and \$1,141,473, respectively (2018 - \$297,701 and \$805,167). This is comprised of \$372,595 and \$1,166,237, respectively, in periodic stock based compensation related to options granted (2018 - \$277,704 and \$785,169, respectively) and nil and \$(24,764), respectively, related to SAR activity (2018 – nil and \$19,998).

The fair value of options granted is estimated at the time of the grant using the Black-Scholes option pricing model. The weighted average inputs used in the Black-Scholes option pricing model are:

	Six Months Ended	
	June 30, 2019	June 30, 2018
Fair value options granted	C\$0.61	C\$0.36
Risk-free interest rate	1.8%	2.0%
Expected term (in years)	5.0	5.0
Expected share price volatility	64%	65%
Expected dividend yield	-	-
Expected forfeiture	5%	5%

An analysis of outstanding share purchase options as at June 30, 2019 is as follows:

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****7. Share Capital (continued)**

Range of Exercise Prices (C\$)	Options Outstanding			Options Exercisable		
	Number	Weighted Average Exercise Price (C\$)	Weighted Average Remaining Contractual Life (Years)	Number	Weighted Average Exercise Price (C\$)	Weighted Average Remaining Contractual Life (Years)
\$0.31 - \$0.46	2,897,625	\$0.40	1.0	2,897,625	\$0.40	1.0
\$0.59 - \$0.72	4,960,125	\$0.62	3.1	3,083,250	\$0.63	2.7
\$0.82 - \$0.89	5,268,750	\$0.88	2.7	3,691,563	\$0.88	2.5
\$0.91 - \$0.98	6,145,000	\$0.96	4.3	1,347,500	\$0.97	4.3
\$0.31 - \$0.98	19,271,500	\$0.77	3.0	11,019,938	\$0.69	2.4

d. Warrants

There was a total of 2,000,000 Franco Nevada warrants outstanding as of both December 31, 2018 and June 30, 2019.

8. Exploration and Evaluation Expenditures

The Corporation's exploration and evaluation expenditures at the Stibnite Gold Project for the three and six months ended June 30, 2019 and 2018 were as follows:

	Three Months Ended		Six Months Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Exploration and Evaluation Expenditures				
Consulting and labor cost	1,379,945	1,462,437	2,515,617	2,621,602
Drilling	-	270,868	-	458,360
Field office and drilling support	470,650	707,809	860,971	1,132,670
Engineering	350,069	1,191,190	1,239,901	2,540,030
Permitting	2,813,632	2,153,219	5,512,557	4,205,945
Environmental and reclamation	-	546,501	-	1,063,944
Legal and sustainability	1,135,832	147,104	1,611,737	259,876
Exploration and Evaluation Expense	\$ 6,150,128	\$ 6,479,128	\$ 11,740,783	\$ 12,282,427

9. Finance Costs

The Corporation's finance costs for the three and six months ended June 30, 2019 and 2018 were as follows:

	Three Months Ended		Six Months Ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Finance costs				
Accretion	652,106	608,255	1,291,285	1,213,160
Interest expense on Convertible Notes	4,669	4,835	9,316	9,716
Interest expense on leases	2,257	-	7,759	-
	\$ 659,032	\$ 613,090	\$ 1,308,360	\$ 1,222,876

Midas Gold Corp.**Notes to Condensed Consolidated Interim Financial Statements****For the six and three months ended June 30, 2019 and 2018****(Unaudited, expressed in US dollars)****10. Financial Instruments**

The Corporation classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

The three levels of the fair value hierarchy are:

Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 – Values based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.

Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

At June 30, 2019 and December 31, 2018, the levels in the Fair Value hierarchy into which the Corporation's financial assets and liabilities are measured and recognized on the balance sheet at fair value are categorized as follows:

				June 30, 2019
	Level 1	Level 2	Level 3	
Convertible Note Derivative (Note 6)	\$ -	\$ -	\$ -	27,454,720
Warrant Derivative (Note 4)	-	-	-	130,592
	\$ -	\$ -	\$ -	<u>27,585,312</u>

				December 31, 2018
	Level 1	Level 2	Level 3	
Convertible Note Derivative (Note 6)	\$ -	\$ -	\$ -	48,479,797
Warrant Derivative (Note 4)	-	-	-	454,819
	\$ -	\$ -	\$ -	<u>48,934,616</u>

11. Segmented Information

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

	June 30, 2019	December 31, 2018
Assets by geographic segment, at cost		
Canada		
Current assets	\$ 32,495,399	\$ 29,852,503
Non-current assets	126,471	20,878
	<u>32,621,870</u>	<u>29,873,381</u>
United States		
Current assets	951,762	568,264
Non-current assets	71,606,700	71,508,885
	<u>72,558,462</u>	<u>72,077,149</u>
	<u>\$ 105,180,331</u>	<u>\$ 101,950,530</u>

Midas Gold Corp.

Notes to Condensed Consolidated Interim Financial Statements

For the six and three months ended June 30, 2019 and 2018

(Unaudited, expressed in US dollars)

12. Commitments

a. Mining Claim Assessments

The Corporation currently holds mining claims on which it has an annual assessment obligation of \$250,470 to maintain the claims in good standing. The Corporation is committed to these payments indefinitely. Related to the Mining Claim Assessments is a \$335,000 bond related to the Corporation's exploration activities.

The Corporation is obligated to make option payments on mineral claims comprising the Cinnabar prospect, which is part of the Project, in order to maintain an option to purchase to obtain title to these claims. As at June 30, 2019, the remaining option payments due on the Cinnabar property are \$120,000, which will be paid over the next three years. The agreement includes an option to extend up to 20 years.

b. Stibnite Foundation

Upon formation of the Stibnite Foundation on February 26, 2019, the Corporation became contractually liable for certain future payments to the Foundation based on several triggering events, including receipt of a positive Record of Decision, receipt of all permits and approvals necessary for commencement of construction, commencement of construction, commencement of commercial production, and commencement of the final reclamation phase. These payments could begin as early as Q4 2020 based on the current permitting schedule and range from \$0.1 million to \$1 million (upon commencement of final reclamation phase) in cash and 1.5 million in shares. During commercial production, the Corporation will make payments to the Stibnite Foundation equal to 1% of Total Comprehensive Income less debt repayments or a minimum of \$0.5 million.

The Foundation will support projects that benefit the communities surrounding the Stibnite Gold Project and was created through the establishment of the Community Agreement between Midas Gold Idaho and eight communities and counties throughout the West Central Mountains region of Idaho.

13. Subsequent Events

Subsequent to June 30, 2019, the Corporation granted 95,000 stock options with an exercise price of C\$0.63 that will expire in five years from the date of grant.

Subsequent to June 30, 2019, the Corporation announced that the Nez Perce Tribe initiated legal action, by filing suit in federal court, against the Corporation and its subsidiaries, related to alleged water quality impacts related to historical mining activity undertaken prior to Midas Gold's involvement in the Project. Midas Gold plans to vigorously defend the lawsuit.