CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(UNAUDITED)

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BRIO GOLD INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS)/INCOME

	For the three months ended March 31,			
(In thousands of United States Dollars, except share and per share amounts), (unaudited)		**2018**		**2017**
Revenue from mining operations	**$**	**60,947**	$	59,499
Cost of sales excluding depletion, depreciation and amortization		**(47,482)**		(40,318)
Gross margin excluding depletion, depreciation and amortization		**13,465**		19,181
Depletion, depreciation and amortization *(Note 1)*		**(8,304)**		(10,654)
Mine operating earnings		**5,161**		8,527
Expenses				
General and administrative		**(5,125)**		(5,065)
Other operating (expense)/income *(Note 12)*		**(5,380)**		176
Operating (loss)/earnings		**(5,344)**		3,638
Foreign exchange loss		**(776)**		(1,257)
Unrealized gain/(loss) on foreign exchange hedges		**746**		(5,300)
Finance expense *(Note 13)*		**(2,719)**		(1,482)
Loss before income taxes		**(8,093)**		(4,401)
Income tax (expense)/recovery *(Note 14)*		**(637)**		7,847
Net (loss)/earnings *(Note 1)*		**(8,730)**		3,446
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Change in fair value of hedging instruments, net of tax *(Note 16)*		1,639		14,997
Total comprehensive (loss)/income	**$**	**(7,091)**	$	18,443
Net (loss)/earnings per share (basic and diluted) *(Note 15)*	**$**	**(0.07)**	$	0.03
Weighted average number of shares outstanding *(Note 15)*				
Basic		**117,556,100**		112,527,429
Diluted		**117,556,100**		118,449,925

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

BRIO GOLD INC.
CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS

(In thousands of United States Dollars), (unaudited)		As at March 31, 2018		As at December 31, 2017
Assets				
Current assets:				
Cash	**$**	**17,544**	$	19,281
Trade and other receivables *(Note 4)*		**5,318**		4,398
Inventories *(Note 5)*		**38,177**		40,560
Derivative assets *(Note 7)*		**6,401**		5,969
Other current assets *(Note 6)*		**14,510**		13,584
		81,950		83,792
Non-current assets:				
Property, plant and equipment *(Note 8)*		**519,500**		514,103
Non-current derivative assets *(Note 7)*		**1,508**		778
Deferred tax assets		**7,567**		7,447
Other non-current assets *(Note 6)*		**4,735**		5,835
Total assets	**$**	**615,260**	$	611,955
Liabilities				
Current liabilities:				
Trade and other payables *(Note 9)*	**$**	**51,575**	$	50,925
Income taxes payable		**3,892**		3,433
Short-term debt *(Note 11)*		**42,265**		13,663
Other financial liabilities		**3,900**		3,631
Other provisions and liabilities *(Note 10)*		**7,069**		2,465
		108,701		74,117
Non-current liabilities:				
Long-term debt *(Note 11)*		**47,808**		72,600
Decommissioning, restoration and similar liabilities		**37,226**		36,884
Deferred tax liabilities		**5,588**		5,588
Derivative liabilities *(Note 7)*		**—**		1,315
Other non-current provisions and liabilities *(Note 10)*		**11,262**		9,997
Total liabilities		**210,585**		200,501
Equity				
Share capital		**441,069**		440,975
Reserves		**69,078**		67,220
Deficit		**(105,472)**		(96,741)
Total equity		**404,675**		411,454
Total equity and liabilities	**$**	**615,260**	$	611,955

Contractual commitments, contingencies *(Notes 19 and 20).*

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

BRIO GOLD INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

		For the three months ended March 31,		
(In thousands of United States Dollars), (unaudited)		**2018**		**2017**
Operating activities				
Loss before income tax expense	**$**	**(8,093)**	$	(4,401)
Adjustments to reconcile loss before income taxes to operating cash flows:				
Depletion, depreciation and amortization *(Note 1)*		**8,304**		10,654
Foreign exchange loss		**776**		1,257
Unrealized (gain)/loss on hedges		**(746)**		5,300
Finance expense *(Note 13)*		**2,719**		1,482
Other non-cash operating expenses/(income) *(Note 17b)*		**1,701**		(2,739)
Advance metal sales *(Note 10)*		**5,350**		4,425
Decommissioning, restoration and similar liabilities paid		**(118)**		(404)
Income taxes paid		**(258)**		(88)
Cash flows from operating activities before net change in working capital	**$**	**9,635**	$	15,486
Net change in working capital *(Note 17a)*		**3,318**		(19,531)
Cash flows from operating activities	**$**	**12,953**	$	(4,045)
Investing activities				
Property, plant and equipment expenditures		**(16,814)**		(18,811)
Cash flows used in investing activities	**$**	**(16,814)**	$	(18,811)
Financing activities				
Proceeds from debt *(Note 17c)*	**$**	**6,500**	$	35,000
Repayments of debt *(Note 17c)*		**(3,000)**		—
Interest and other finance expenses paid *(Note 17c)*		**(1,324)**		(2,075)
Cash flows from financing activities	**$**	**2,176**	$	32,925
Effect of foreign exchange on cash		**(52)**		(475)
(Decrease)/increase in cash	**$**	**(1,737)**	$	9,594
Cash, beginning of period	**$**	**19,281**	$	7,014
Cash, end of period	**$**	**17,544**	$	16,608

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

BRIO GOLD INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(In thousands of United States Dollars), (unaudited)	Equity reserves	Hedging reserves	Total reserves	Share capital	Deficit	Total equity
Balance as at January 1, 2017	**$ 70,367**	**$ 308**	**$ 70,675**	**$ 427,858**	**$ (75,741)**	**$ 422,792**
Net earnings	—	—	—	—	3,446	**3,446**
Change in fair value of hedging instruments, net of tax		14,997	**14,997**			**14,997**
Transactions with owners:						
Restricted share units	1,742	—	**1,742**	—	—	**1,742**
Balance as at March 31, 2017	**$ 72,109**	**$ 15,305**	**$ 87,414**	**$ 427,858**	**$ (72,295)**	**$ 442,977**
Balance as at January 1, 2018	**$ 62,919**	**$ 4,301**	**$ 67,220**	**$ 440,975**	**$ (96,742)**	**$ 411,453**
Net loss	—	—	—	—	(8,730)	**(8,730)**
Change in fair value of hedging instruments, net of tax	—	1,639	**1,639**	—	—	**1,639**
Transactions with owners:						
Restricted shares	—	—	—	94	—	**94**
Restricted share units	139	—	**139**	—	—	**139**
Share options	80	—	**80**	—	—	**80**
Balance as at March 31, 2018	**$ 63,138**	**$ 5,940**	**$ 69,078**	**$ 441,069**	**$ (105,472)**	**$ 404,675**

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

1. BASIS OF PREPARATION AND PRESENTATION

These Condensed Consolidated Interim Financial Statements of Brio Gold Inc. (the "Company" or "Brio"), including comparative figures, have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34") using the accounting principles consistent with International Financial Reporting Standards ("IFRS"). These Condensed Consolidated Interim Financial Statements do not include all disclosures required by IFRS for annual consolidated financial statements and accordingly should be read in conjunction with the Company's Annual Audited Consolidated Financial Statements for the year ended December 31, 2017 prepared in accordance with IFRS. These Condensed Consolidated Interim Financial Statements were authorized for issuance by the Board of Directors of the Company on May 14, 2018.

These Condensed Consolidated Interim Financial Statements have been prepared on the basis of and using the accounting policies, methods of computation and presentation consistent with those applied and disclosed in *Notes 3* and *5* to the Company's Annual Audited Consolidated Financial Statements for the year ended December 31, 2017 except for IFRS 9 and IFRS 15.

In preparing the Condensed Consolidated Interim Financial Statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period end. Critical accounting estimates represent estimates that are uncertain and for which changes in those estimates could materially impact the Company's Condensed Consolidated Financial Statements. Actual future outcomes may differ from present estimates. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

The critical judgments and key sources of estimation uncertainties in the application of accounting policies during the three months ended March 31, 2018 are the same as those disclosed in *Note 4* to the Company's Annual Audited Consolidated Financial Statements for the year ended December 31, 2017.

In the fourth quarter of 2017, an error in the calculation of depletion and depreciation was detected and corrected for in the Audited Consolidated Financial Statements for the year ended December 31, 2017. The non-cash correction resulted in the following restatement of financial results for the quarter ended March 31, 2017.

Brio Gold Consolidated

(In thousands of U.S. dollars)		**Q1 2017**
Impact on net (loss) earnings		
Net earnings before revision	$	2,417
Revision to depletion, depreciation and amortization	$	2,712
Revision to income tax expense		(1,683)
Revision to net earnings	$	1,029
Revised net earnings	$	3,446

Net earnings and depletion, depreciation and amortization amounts shown in operating activities on the statement of cash flows for the three months ended March 31, 2017 have also been updated with the net impact of $nil.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Certain pronouncements have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning on or after January 1, 2018. Pronouncements that are not applicable to the Company have been excluded from this note.

(a) IFRS 15 Revenue from Contracts with Customers ("IFRS 15") - The Standard became effective on January 1, 2018 for all entities. The Company has completed the assessment of the impact of adopting IFRS 15. The Company generates revenue mainly from selling precious metals. Typical for the mining industry, each metal sale transaction is stand-alone and without multiple element arrangements. The point in the sales transactions where revenue is recognized are concluded to be essentially the same for precious metal streams under IFRS 15 and IAS 18 Revenue. The adoption of IFRS 15 did not have a significant impact on the Company's Condensed Consolidated Interim Financial Statements.

(b) IFRS 9 Financial Instruments ("IFRS 9") - The Standard became effective on January 1, 2018 and provides a revised model for recognition and measurement of financial instruments and a single, forward-looking 'expected loss' impairment model. IFRS 9 also includes a substantially reformed approach to hedge accounting. The Company has completed an assessment of the adopting IFRS 9 and notes no significant impact on the Company's financial position nor its financial performance.

(c) IFRS 16 Leases - The standard is effective for annual reporting periods beginning January 1, 2019 for public entities. The Company is assessing the impact on the adoption of this Standard.

3. FAIR VALUE MEASUREMENT

Fair Value of Financial Instruments

The Company's financial instruments include cash and cash equivalents, trade and other receivables, advances and deposits, trade and other payables, long-term debt and derivative assets. The carrying values of cash and cash equivalents, trade and other receivables, advances and deposits, and trade and other payables approximate their fair values due to the relatively short-term nature of these instruments. Fair values of derivatives were based on market closing prices at period end, on published and observable market prices for similar instruments and on inputs derived principally from or collaborated by observable market data or other means.

There were no material differences between the carrying value and fair value of non-current financial assets and liabilities, including long-term debt. The debt is subject to a floating interest rate, and therefore the carrying value of $75 million approximates the fair value. See *Note 11 Debt* for a summary of the debt's terms.

The Company assesses its financial instruments and non-financial contracts on a regular basis to determine the existence of any embedded derivatives which would be required to be accounted for separately at fair value and to ensure that any embedded derivatives are accounted for in accordance with the Company's policy. As at March 31, 2018, there were no embedded derivatives requiring separate accounting.

The Company's sales are predominantly denominated in United States Dollars. The Company is primarily exposed to currency fluctuations relative to the United States Dollar as most of the Company's operating costs and capital expenditures are denominated in foreign currencies; predominately the Brazilian Real and the Canadian Dollar. Monetary assets denominated in foreign currencies are also exposed to foreign currency fluctuations. These potential currency fluctuations could have a significant impact on production costs and affect the Company's earnings and financial condition.

Valuation Techniques

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The derivative related assets and liabilities are the Company's only financial assets and financial liabilities that are measured at fair value on a recurring basis which uses Level 2 inputs. The fair value of derivative instruments is determined using either present value techniques or option pricing models that utilize a variety of inputs that are a combination of quoted prices and market-corroborated inputs. The Company continues to monitor the potential impact of financial markets fluctuations and will adjust its derivative contracts for credit risk based upon the credit default swap spread for each of the counterparties as warranted. See *Note 7 Derivative Assets and Liabilities* for a summary of the fair value of the derivative assets and liabilities.

4. TRADE AND OTHER RECEIVABLES

	As at March 31, 2018	**As at December 31, 2017**
Trade receivable	**$ 329**	$ 87
Receivable from sale of tax credits	**2,032**	1,415
Receivable from energy sales	**622**	588
Receivable from hedge contracts	**746**	724
Receivables from Brio Gold executive officer and from Yamana Gold Inc.	**1,589**	1,584
	$ 5,318	$ 4,398

There is no provision of doubtful accounts in the periods presented.

5. INVENTORIES

	As at March 31, 2018	**As at December 31, 2017**
Product inventories	**$ 217**	$ 3,461
Metal in circuit and gold in process	**8,001**	6,137
Ore stockpiles	**9,112**	9,240
Materials and supplies	**20,847**	21,722
	$ 38,177	$ 40,560

The amount of inventories recognized as an expense for the three months ended March 31, 2018 was $47.5 million (2017 - $40.3 million) and is included in cost of sales excluding depletion, depreciation and amortization. The provision to adjust inventory to net realizable value for the three months ended March 31, 2018 was $1.9 million (2017 - $nil) and is included in cost of sales excluding depletion, depreciation and amortization.

6. OTHER ASSETS

	As at March 31, 2018	As at December 31, 2017
Tax credits receivable	**$ 8,845**	$ 7,030
Advances to suppliers	**8,027**	9,975
Income taxes recoverable	**1,409**	1,349
Other long-term advances	**964**	1,065
	$ 19,245	$ 19,419
Current	**$ 14,510**	$ 13,584
Non-current	**4,735**	5,835
	$ 19,245	$ 19,419

7. DERIVATIVE ASSETS AND LIABILITIES

i. Currency hedge

On various dates in 2017 and 2016, the Company entered into forward and collar contracts to manage the foreign exchange exposure of the operating and capital expenditures associated with its Brazilian operations. Refer to Note 9(i) of the audited *Consolidated Financial Statements as at December 31, 2017 and 2016 and for the Years Ended December 31, 2017 and 2016* for details of the currency forward and collar contracts entered.

ii. Gold price hedge

During the three months ended March 31, 2018, the Company entered into gold forward contracts at an average fixed price of $1,336 per ounce for 14 months (from February 2018 to March 2019) and total 39,000 ounces. The Company also entered into a zero-cost collar contract, where gold puts will be purchased and calls will be sold with average put and call strike prices of US $1,300 and $1,400 per ounce, respectively, for 2,000 ounces per month. These purchases and sales will be made for 12 months (from April 2018 to March 2019) and total 24,000 ounces.

The Company tests the hedges' effectiveness quarterly, on a prospective basis as the Company is no longer required to test for effectiveness on a retrospective basis as a result of the adoption of IFRS 9. The Company recognizes the effective unrealized changes in fair value within OCI and the ineffective changes in fair value within earnings along with the related tax impact. At settlement, the realized changes are accounted for at trade date. However, the settlement gain or loss is allocated to the operating mines' revenue in proportion to the number of ounces sold at each mine.

The following table summarizes the fair value of derivative assets and liabilities:

	As at March 31, 2018	As at December 31, 2017
Currency contracts		
Forwards	**$ 6,046**	$ 3,889
Collars	**1,870**	1,500
Commodity contracts		
Forwards	**134**	—
Collars	**(141)**	43
	$ 7,909	$ 5,432
Current portion of derivative assets	**$ 6,401**	$ 5,969
Non-current portion of derivative assets	**1,508**	778
Non-current portion of derivative liabilities	**—**	(1,315)
	$ 7,909	$ 5,432

8. PROPERTY, PLANT AND EQUIPMENT

	Mining property costs subject to depletion	Mining property costs not subject to depletion *(ii)*	Land, building, plant and equipment *(i)(ii)*	Total
Cost, January 1, 2017	$ 403,873	$ 658,501	$ 275,828	$ 1,338,202
Additions	18,516	32,534	29,399	80,449
Transfers, reclassification and other non-cash movements	(601)	458	143	—
Change in decommissioning, restoration and similar liabilities	—	(4,784)	—	(4,784)
Disposals	—	—	(6,061)	(6,061)
Cost, December 31, 2017	**$ 421,788**	**$ 686,709**	**$ 299,309**	**$ 1,407,806**
Additions	8,593	4,373	3,748	16,714
Transfers, reclassifications and other non-cash movements	373	(588)	(864)	(1,079)
Change in decommissioning, restoration and similar liabilities	—	(318)	—	(318)
Disposals	—	—	(1,129)	(1,129)
Cost, March 31, 2018	**$ 430,754**	**$ 690,176**	**$ 301,064**	**$ 1,421,994**
Accumulated depreciation and impairment, January 1, 2017	$ 281,218	$ 491,781	$ 83,457	$ 856,456
Depreciation for the period	14,965	—	23,107	38,072
Disposals	—	—	(825)	(825)
Accumulated depreciation and impairment, December 31, 2017	**$ 296,183**	**$ 491,781**	**$ 105,739**	**$ 893,703**
Depreciation for the period	3,223	—	5,015	8,238
Disposals	2	1,095	(544)	553
Accumulated depreciation and impairment, March 31, 2018	**$ 299,408**	**$ 492,876**	**$ 110,210**	**$ 902,494**
Carrying value, December 31, 2017	$ 125,605	$ 194,928	$ 193,570	$ 514,103
Carrying value, March 31, 2018	**$ 131,346**	**$ 197,300**	**$ 190,854**	**$ 519,500**

(i) Included in land, building, plant and equipment is $6.8 million of land which is not subject to depreciation (as at December 31, 2017 - $3.2 million).

(ii) Balance includes amounts related to C1 Santa Luz for $150.9 million (as at December 31, 2017 - $146.4 million) which are not subject to depreciation as the mine is currently in development for recommissioning.

9. TRADE AND OTHER PAYABLES

		As at March 31, 2018		As at December 31, 2017
Trade payables	**$**	**34,189**	$	33,664
Salary and other employee-related payables		**16,487**		15,927
Other payables		**899**		1,334
	$	**51,575**	$	50,925

10. OTHER PROVISIONS AND LIABILITIES

		As at March 31, 2018		As at December 31, 2017
Unearned revenue from advance metal sales *(i)*	**$**	**5,350**		—
Current portion of decommissioning, restoration and similar liabilities		**434**	$	1,152
Legal provisions		**8,992**		8,288
Other taxes payable		**3,555**		3,022
	$	**18,331**	$	12,462
Current	**$**	**7,069**	$	2,465
Non-current		**11,262**		9,997
	$	**18,331**	$	12,462

(i) Relates to payment received from gold sales to be delivered at a future date. The arrangement is subject to an interest rate of LIBOR plus 5.75% per annum.

11. DEBT

As at March 31, 2018, the Company has a total of $22 million of available financing through credit facilities with Brazilian banks as part of an Advance on Export Exchange Contracts program ("ACC"). This arrangement is subject to an average interest rate of 4% per annum. As at March 31, 2018, the Company has $17.2 million outstanding on this credit facility and the amount will be repaid within 12 months from March 31, 2018.

As at March 31, 2018, Brio has fully drawn on the $75 million senior debt credit facility. The interest charged on the debt credit facility is based on a pricing grid that varies with the Company's leverage and is currently at a rate of LIBOR + 4.25%. The Company incurred $3.4 million of deferred financing fees and $1.3 million of amortization on these deferred financing fees since inception. The deferred financing fees are classified as a reduction to long-term debt on the balance sheet and amortized to finance expense over the term of the loan. The debt credit facility has the following repayment terms: $25 million and $50 million due in 10 months and 23 months from March 31, 2018, respectively. This resulted in $25 million of long-term debt as at December 31, 2017 reclassified to short-term as at March 31, 2018. Upon closing of the plan of arrangement with Leagold Mining Corporation ("Leagold"), the credit facility becomes payable immediately. Refer to *Note 21 Subsequent Events* for a description of the new debt and equity financing that Leagold received on May 2, 2018.

The Company has the following externally imposed financial covenants on its senior debt credit facility:

- leverage ratio of less than or equal to 3:1,
- interest service coverage ratio of greater than or equal to 4:1,
- tangible net worth of greater than or equal to 80% of total adjusted equity, and
- liquidity of greater than or equal to $15 million.

As at March 31, 2018 and December 31, 2017, the Company met all of its externally imposed financial covenants.

12. OTHER OPERATING EXPENSE/(INCOME)

	For the three months ended March 31,	
	2018	**2017**
Legal provisions	**$ 743**	$ 165
Business transaction costs *(i)*	**4,067**	848
Provisions/(recoveries) on indirect tax credits	**459**	(3,031)
Care and maintenance of Santa Luz	**—**	1,726
Other	**111**	116
Other operating expense/(income)	**$ 5,380**	$ (176)

(i) For the three months ended March 31, 2018, relates to professional services resulting from the plan of arrangement with Leagold.

13. FINANCE EXPENSE

	For the three months ended March 31,	
	2018	**2017**
Accretion	**$ 878**	$ 1,153
Bank, financing fees and other	**600**	185
Interest expense on long-term debt	**1,241**	144
Finance expense	**$ 2,719**	$ 1,482

14. INCOME TAXES

The following table reconciles income taxes calculated at statutory rates with the income tax expense in the Condensed Consolidated Interim Statements of Operations:

	For the three months ended March 31,	
(In thousands of United States Dollars)	**2018**	**2017**
Loss before income taxes	**$ (8,093)**	$ (4,401)
Canadian statutory tax rate	**26.5%**	26.5%
Expected income tax recovery	**$ (2,145)**	$ (1,166)
Impact of lower foreign tax rates *(i)*	**(3,854)**	(3,136)
Permanent differences	**5,722**	(1,169)
Unrecognized deferred tax assets	**2,042**	3,924
Tax effect of translation in foreign operations	**(442)**	3,251
Unrealized foreign exchange on non-monetary assets	**(1,101)**	(9,337)
Withholding taxes	**432**	486
Other	**(17)**	(700)
Income tax expense/(recovery)	**$ 637**	$ (7,847)
Income tax expense/(recovery) is represented by:		
Current income tax expense	**$ 758**	$ 1,194
Deferred income tax recovery	**(121)**	(9,041)
Total income tax expense/(recovery)	**$ 637**	$ (7,847)

(i) The Company operates in multiple foreign tax jurisdictions that have tax rates that differ from the statutory rate.

15. (LOSS)/EARNINGS PER SHARE

(In thousands of United States Dollars, except per share and number of shares are shown in full)	For the three months ended March 31,	
	2018	**2017**
Weighted average number of common and restricted shares- basic	**117,556,100**	112,527,429
Weighted average number of dilutive deferred share units, restricted share units, and share options *(i)*	**—**	5,922,496
Weighted average number of common and restricted shares - diluted	**117,556,100**	118,449,925
Net (loss)/earnings attributable to Brio Gold equity holders	**$ (8,730)**	$ 3,446
Net (loss)/earnings per share attributable to Brio Gold equity holders - basic and diluted	**$ (0.07)**	$ 0.03

(i) The following securities were anti-dilutive for the three months ended March 31, 2018:

Potential number of common shares attributable to:	**For the three months ended March 31, 2018**
Share options	1,159,018
Restricted share units	990,824
Deferred share units	121,808

16. OTHER COMPREHENSIVE INCOME

	For the three months ended March 31,	
	2018	**2017**
Net change in fair value of hedging instruments		
Change in fair value - currency hedge	**$ 4,849**	$ 24,893
Change in fair value - gold hedge	**(2)**	—
Reclassification of realized gains from currency hedge recorded in cost of sales	**(1,960)**	(3,265)
Reclassification of realized gains from currency hedge capitalized to property, plant and equipment	**(742)**	(1,113)
Reclassification of realized gains from gold hedge capitalized to revenue	**(47)**	—
Tax impact	**(459)**	(5,518)
Other comprehensive income	**$ 1,639**	$ 14,997

17. SUPPLEMENTARY CASH FLOW INFORMATION

(a) Net Change in Non-Cash Working Capital

	For the three months ended March 31,	
	2018	**2017**
Net (increase)/decrease in:		
Trade and other receivables	**$ (915)**	$ (1,590)
Inventories	**475**	(3,961)
Derivative assets	**(432)**	(12,876)
Other current assets	**(534)**	6,658
Net increase/(decrease) in:		
Trade payable and other payables	**897**	(9,897)
Other current liabilities	**3,827**	2,135
Net change in non-cash working capital	**$ 3,318**	$ (19,531)

(b) Other Non-Cash Operating Expense/(Income)

	For the three months ended March 31, 2018	2017
Provisions/(recoveries) on indirect tax credits	$ **459**	$ (3,031)
Legal provisions	**743**	165
Provisions/(recoveries) to adjust inventory to net realizable value	**1,907**	(1,376)
Share based compensation	**220**	1,742
Other	**(1,628)**	(239)
Other non-cash operating expense/(income)	$ **1,701**	$ (2,739)

(c) Change in Liabilities Arising from Financing Activities

	Long-term debt	Short-term debt	Trade and other payables
Balance as at December 31, 2017	$ **72,600**	$ **13,663**	$ **50,925**
Cash flows: Proceeds from the Advance on Export Exchange Contracts	—	6,500	—
Cash flows: Repayments of the Advance on Export Exchange Contracts	—	(3,000)	—
Cash flows: Interest and other financing fees paid	(83)	—	(1,241)
Non-cash: Interest accruals	—	102	169
Non-cash: Amortization cost of debt	291	—	—
Non-cash: Reclassification and other	(25,000)	25,000	1,722
Balance as at March 31, 2018	$ **47,808**	$ **42,265**	$ **51,575**

18. OPERATING SEGMENTS

The Company, which produces primarily gold, and to a lesser extent silver, bases its operating segments on the way information is reported and used by the Chief Operating Decision Makers ("CODM"). The Company has four reportable operating segments as shown below. Property, plant and equipment referred to below consist of land, buildings, equipment, mining properties subject to depletion and mining properties not subject to depletion which include assets under construction and exploration and evaluation costs.

As at March 31, 2018	**Fazenda Brasileiro**	**C1 Santa Luz**	**Pilar**	**Mineração Riacho dos Machados**	**Corporate and Others**	**Total**
Property, plant and equipment	$ **71,209**	$ **150,895**	$ **212,097**	$ **83,864**	$ **1,435**	$ **519,500**
Non-current assets	$ **79,568**	$ **150,887**	$ **216,341**	$ **83,571**	$ **2,943**	$ **533,310**
Total assets	$ **92,349**	$ **162,464**	$ **226,861**	$ **105,144**	$ **28,442**	$ **615,260**
Total liabilities	$ **42,470**	$ **22,152**	$ **31,413**	$ **27,840**	$ **86,710**	$ **210,585**

As at December 31, 2017	**Fazenda Brasileiro**	**C1 Santa Luz**	**Pilar**	**Mineração Riacho dos Machados *(i)***	**Corporate and Others**	**Total**
Property, plant and equipment	$ 71,060	$ 146,377	$ 210,150	$ 82,531	$ 3,985	$ 514,103
Non-current assets	$ 79,522	$ 146,496	$ 214,636	$ 82,748	$ 4,761	$ 528,163
Total assets	$ 92,558	$ 157,419	$ 228,404	$ 103,449	$ 30,125	$ 611,955
Total liabilities	$ (40,635)	$ (24,189)	$ (29,097)	$ (27,101)	$ (79,479)	$ (200,501)

Segment Operating Earnings/(Loss)

For the three months ended March 31, 2018	Fazenda Brasileiro	C1 Santa Luz	Pilar	Mineração Riacho dos Machados	Corporate and Others	Total
Total segment revenue	$ 20,932	$ —	$ 16,914	$ 23,101	$ —	$ 60,947
Cost of sales excluding depletion, depreciation, and amortization	(13,734)	—	(14,236)	(19,512)	—	(47,482)
Depletion, depreciation and amortization	(2,723)	—	(4,629)	(810)	(142)	(8,304)
Mine operating earnings/(loss)	$ 4,475	$ —	$ (1,951)	$ 2,779	$ (142)	$ 5,161
Other expenses *(i)*						(13,254)
Loss before income taxes						$ (8,093)
Capital expenditures	$ 2,665	$ 4,201	$ 5,861	$ 3,933	$ 154	$ 16,814

For the three months ended March 31, 2017	Fazenda Brasileiro	C1 Santa Luz	Pilar	Mineração Riacho dos Machados	Corporate and Others	Total
Total segment revenue	$ 16,655	$ —	$ 24,538	$ 18,306	$ —	$ 59,499
Cost of sales excluding depletion, depreciation, and amortization	(9,861)	—	(15,883)	(14,574)	—	(40,318)
Depletion, depreciation and amortization	(1,641)	—	(6,920)	(2,093)	—	(10,654)
Mine operating earnings	$ 5,153	$ —	$ 1,735	$ 1,639	$ —	$ 8,527
Other expenses *(i)*						(12,928)
Loss before income taxes						$ (4,401)
Capital expenditures	$ 2,976	$ 1,063	$ 6,543	$ 7,666	$ 563	$ 18,811

(i) Other expenses for the three months ended March 31, 2018 are comprised of general and administrative expense of $5.1 million (2017 - $5.1 million), other operating expense of $5.4 million (2017 - income of $0.2 million), foreign exchange loss of $0.8 million (2017 - $1.3 million), unrealized gain on hedge contracts of $0.7 million (2017 - loss of $5.3 million), and finance expense of $2.7 million (2017 - $1.5 million).

19. CONTRACTUAL COMMITMENTS

Mine Operating/Construction and Service Contracts

	As at March 31, 2018	As at December 31, 2017
Within 1 year	$ 117,401	$ 100,061
Between 1 to 3 years	117,575	114,981
Between 3 to 5 years	39,971	45,560
After 5 years	651	48
	$ 275,598	$ 260,650

20. CONTINGENCIES

Due to the size, complexity and nature of the Company's operations, various legal and tax matters arise in the ordinary course of business. The Company accrues for such items when a liability is both probable and the amount can be reasonably estimated. In the opinion of management, these matters will not have a material effect on the Condensed Consolidated Interim Financial Statements of the Company.

21. SUBSEQUENT EVENTS

On April 17, 2018, the Company obtained a final order from the Ontario Superior Court of Justice approving its previously announced plan of arrangement (the “Arrangement”) with Leagold Mining Corporation (“Leagold”), whereby Leagold will acquire all of the issued and outstanding shares of Brio Gold pursuant to the arrangement agreement dated February 15, 2018. Receipt of the final order follows the Company’s special meeting of shareholders held on April 12, 2018, where the special resolution approving the Arrangement was approved by 99.99% of the votes casted. On closing of the Arrangement, Brio Gold shareholders will receive, for each Brio Gold common share held, 0.922 of a Leagold common share and 0.4 of a Leagold share purchase warrant, with each full share purchase warrant being exercisable to acquire one common share of Leagold at a price of CAD $3.70 for a period of two years from the closing of the Arrangement. Subject to the receipt of all approvals, the Arrangement is expected to be completed in the second quarter of 2018. On May 2, 2018, Leagold announced new debt and equity financing that is planned to be used to fully repay the $75 million senior debt credit facility and the drawn amounts of the $22 million of available credit facilities with Brazilian banks. The repayment is planned to occur after the closing of the plan of arrangement with Leagold and Brio.

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