BRIO GOLD REPORTS FOURTH QUARTER AND YEAR END 2016 RESULTS

TORONTO, ONTARIO, February 16, 2017 — BRIO GOLD INC. (TSX:BRIO) ("BRIO GOLD" or the "Company") is pleased to announce the Company's fourth quarter and year end 2016 financial results, three year operating outlook and year end mineral reserve and mineral resource estimates. *All dollar figures are in U.S. dollars unless otherwise indicated.*

2016 Financial and Operating Highlights

- Record full year production of 189,662 ounces of gold, representing a 32% increase from 2015 and exceeding guidance range of 183,000 to 188,000 ounces of gold.
- Total cost of sales, including depletion, depreciation and amortization (DDA) of $1,099 per gold ounce sold and cost of sales excluding DDA of $752 per ounce sold.
- Cash costs(1) of $746 per ounce of gold produced and all-in sustaining costs (AISC) (1) of $985 per gold ounce produced.
- Revenues of $232.4 million, a 44% increase from 2015, on the sale of 192,524 ounces of gold
- Cash flow from operations before and after changes in working capital of $70.5 million and $70.1 million, respectively.
- Net loss of $16.9 million, or $0.37 per share.
- Adjusted EBITDA(1) of $67.4 million, or $1.47 per share.
- Positive decision made to move forward with the recommissioning of Santa Luz.
- Construction of water storage facility at the Riacho dos Machados (RDM) mine functionally completed allowing for consistent production.

2016 Mineral Reserves and Resources

- Proven and probable mineral reserves of 60.6 million tonnes averaging 1.41 g/t gold for total contained gold of 2.75 million ounces, an increase of 275% from 2015.
- Measured and indicated mineral resources of 30.0 million tonnes averaging 2.00 g/t gold for total contained gold of 1.93 million ounces.
- Inferred mineral resources of 31.5 million tonnes averaging 2.56 g/t gold for total contained gold of 2.59 million ounces.
- Further update to mineral reserves and mineral resources expected in the second quarter of 2017 with the completion of additional drilling and analysis at Santa Luz and RDM.

(1) A non-GAAP financial measure. For a reconciliation of non-GAAP financial measures, please see the end of this press release.

"2016 was a transformational year for Brio Gold as we became a standalone public company and operationally delivered against our objectives," commented Gil Clausen, President and CEO of Brio Gold. "We ended the year with record production, beating the top end of our guidance range and each of our operating mines demonstrated continued improvements. We have a solid production platform along with low risk near term growth, which is driven by our recently acquired RDM mine and our Santa Luz mine entering re-commissioning. Each of these mines are expected to add, when at full run rate, an average of over 100,000 ounces per year. 2017 will be a year for us to focus on maximizing cash flow to

allow for us to execute on our growth plans that get us to 400,000 ounces and move up the mid-tier curve."

2016 Financial Results

In thousands of U.S. Dollars (unaudited)	For the years ended December 31, 2016	2015
Revenues from operating mines	$232,356	$161,567
Gross margin before depletion, depreciation and amortization	$87,620	$55,150
Net loss	$(16,859)	$(69,418)
Adjusted earnings (loss)(1)	$(17,925)	$19,312
Adjusted EBITDA (1)	$67,379	$27,339
Cash flow from operating activities before changes in working capital	$70,470	$34,451
Cash flow from operating activities after changes in working capital	$70,086	$11,768

(1) A non-GAAP financial measure. For a reconciliation of non-GAAP measures, please see the end of this press release.

Revenues were $232.4 million on the sale of 192,524 ounces of gold compared to $161.6 million on the sale of 144,437 ounces of gold for the comparable period in 2015.

Gross margin before depletion, depreciation and amortization totalled $87.6 million for the year ended December 31, 2016 compared to $55.2 million for the year ended December 31, 2015. Overall, the increase is due to higher gold quantities sold combined with higher metal prices, all while maintaining costs to lower increases.

Net loss for the year ended December 31, 2016 was $16.9 million or $0.37 per share, compared to a net loss of $69.4 million or $4.40 per share for the year ended December 31, 2015. The net loss was due in large part to impairment charges, reorganizations costs, losses on indirect tax credits, and foreign exchange losses, all of which are excluded from the calculation of adjusted loss and are non-cash items with the exception of reorganization costs. The lower net loss when compared to the prior year was primarily from the higher gross margin before depletion, depreciation and amortization as discussed above in addition to the recording of a tax recovery in 2016 versus a tax expense in 2015. The reductions achieved in general and administrative expenses, other operating expenses, and mine related impairment charges, were offset by the impact of foreign exchange.

Adjusted loss was $17.9 million or $0.39 per share compared to an adjusted gain of $19.3 million or $1.22 per share for the same period in 2015. 2016 included a non-cash tax gain on unrealized foreign exchange losses of $31.3 million, compared to a loss of $81.2 million in 2015. Excluding this impact, adjusted earnings would have increased $75.3 million from 2015 to 2016. Adjusted EBITDA was $67.4 million or $1.47 per share compared to $27.3 million or $1.73 per share for the same period in 2015.

The Company recorded a pre-tax $14.7 million impairment charge, which is comprised of a $110.9 million impairment charge for the Pilar mine and a $96.2 million reversal for the Santa Luz mine. On an after-tax basis, the Company recorded a reversal of $1.7 million, which is comprised of a $94.5 million impairment charge for the Pilar mine and a $96.2 million reversal for the Santa Luz mine. The adjustments to these assets represent a better alignment between the book value and the realizable value of each mine, which results in the overall value of the Company's assets remaining relatively unchanged. The impairment for the Pilar mine is a result of a revised mine plan following a thorough Brio Gold management review and a change in the weighted average cost of capital assumptions used to calculate the discounted net present value of the asset. For the Santa Luz mine, reversal of the previous impairment is due to the decision to recommission the mine following a positive Technical Report, which included the reclassification of Mineral Resources into Mineral Reserves, as their ability to be mined profitably was demonstrated.

Cash flow from operating activities before and after changes in working capital were $70.5 million and $70.1 million, respectively, compared to $34.5 million and $11.8 million in 2015, respectively.

2016 Operational Results

	For the years ended December 31,		
	2016	**2015**	**Change**
Total gold production (oz) (1)	189,662	144,098	32%
Total cost of sales per gold ounce sold	$1,099	$1,085	1%
Cost of sales excluding depletion, depreciation and amortization per gold ounce sold	$752	$737	2%
Cash cost per gold ounce produced (2,3)	$746	$718	4%
AISC per gold ounce produced (2,3)	$985	$956	3%

Notes:

(1) Production in 2016 includes the attributable ounces from RDM subsequent to the date it was acquired on April 29, 2016.
(2) The 2015 comparative cash costs per ounce produced and all-in sustaining costs per ounce produced relate only to the Fazenda Brasileiro Mine and Pilar Mine.
(3) A non-GAAP financial measure. For a reconciliation of non-GAAP measures see the end of this press release.

All of the Brio Gold mines met or exceeded production guidance for 2016. Total gold production of 189,662 ounces exceeded guidance of 183,000 to 188,000 ounces of gold, highlighted by the Fazenda Brasileiro Mine which exceeded the upper end of guidance.

The Company produced 32% more than the 144,098 ounces produced in 2015, mainly due to higher throughput in all the mines, and specifically the contribution of 31,714 ounces of production from the RDM mine, from the date it was acquired on April 2016. Gold production at Pilar recorded successive yearly increases since it completed commissioning in 2014.

Total cost of sales per ounce of gold sold was $1,099 compared to $1,085 in 2015 and cost of sales excluding depletion, depreciation and amortization was $752 compared to $737 per gold ounce sold. Total cash cost was $746 per ounce produced in 2016 compared to $718 in 2015. All-in sustaining costs per ounce of gold produced increased by 3% from $956 in 2015 to $985 in 2016. Overall, the increase in per ounce costs was primarily due to higher sustaining capital expenditures in 2016 and the RDM mine operating at less than full capacity due to a water shortage. In early 2017, a water storage facility was built at the RDM mine, which allows for consistent production.

Breakdown by Mine

Gold production (oz)	For the years ended December 31, 2016	2015	Change
Fazenda Brasileiro	70,887	60,914	16%
Pilar	87,061	83,184	5%
RDM(1)	31,714	-	-
Total Production	189,662	144,098	32%

Notes:
(1) Only include ounces produced in 2016 since the Company acquired RDM on April 29, 2016.

In the year ended December 31, 2016, the Fazenda Brasileiro mine produced a total of 70,887 ounces of gold, compared to 60,914 ounces of gold in 2015. The increase in production was due to a combination of higher throughput, higher feed grade, and higher recovery. Total cost of sales per ounce of gold sold was $949, cost of sales excluding depletion, depreciation and amortization per ounce of gold sold was $694. Cash costs per ounce produced were $689 per ounce of gold in 2016, and all-in sustaining costs per ounce produced were $918 in 2016.

The Pilar mine produced 87,061 ounces of gold for the year ended December 31, 2016 compared to 83,184 ounces in 2015. The increase in gold production was due to higher recovery and throughput. Total cost of sales per ounce of gold sold was $1,195, cost of sales excluding depletion, depreciation and amortization per ounce of gold sold was $689. Cash costs averaged $742 per ounce of gold produced and all-in sustaining costs per ounce produced were $951 in 2016.

The RDM mine produced 31,714 ounces of gold for the year ended December 31, 2016, which includes only the ounces produced since its acquisition on April 29, 2016. Total cost of sales per ounce of gold sold was $1,183, cost of sales excluding depletion, depreciation and amortization per ounce of gold sold was $1,045. Cash costs averaged $881 per ounce of gold produced and all-in sustaining costs per ounce produced were $1,001.

Fourth Quarter Highlights

Revenues from mining operations increased 30% to $59.5 million in the fourth quarter of 2016 from $45.7 million in the fourth quarter of 2015, due to a combination of higher ounces sold from the RDM mine that was acquired in 2016, and a higher gold price. Mine Operating earnings was a loss of $122.4 million in the fourth quarter of 2016, compared to a loss of $12.8 million in the fourth quarter of 2015 primarily due to an impairment of mining properties for the Pilar Mine of $110.9 million which is included in Mine Operating earnings.

Cash flow from operating activities before changes in working capital in the fourth quarter of 2016 was $20.0 million, compared to $20.7 million in the same quarter of 2015. Cash flow from operating activities after changes in working capital in the fourth quarter of 2016 was $31.2 million, compared to $29.5 million in the same quarter of 2015.

Total production in the fourth quarter of 2016 was 50,477 ounces of gold, compared to 39,279 ounces in the same period of 2015, mainly because of higher throughput in all the mines, and specifically the contribution of production from the RDM mine, which was acquired in April 2016. Production of gold at Pilar recorded successive yearly increases since it has completed commissioning.

Total cost of sales was $1,421 per ounce of gold sold in the fourth quarter of 2016, compared to total cost of sales of $1,016 per ounce of gold sold in the fourth quarter of 2015. Cost of sales excluding depletion, depreciation and amortization was $896 per gold ounce sold in the fourth quarter of 2016, compared to $657 per gold ounce sold in the fourth quarter of 2015. Cash costs were $832 per ounce of gold produced in the fourth quarter of 2016, compared to $610 per ounce of gold produced in the same quarter of 2015. Overall, costs increased in the fourth quarter of 2016 compared to 2015, primarily due to the strengthening of the average Brazilian Real against the U.S. dollar by 14% and the inclusion of results from the relatively higher cost RDM Mine.

Fazenda Brasileiro Mine
Production in the fourth quarter of 2016 was 18,279 ounces of gold, compared to 17,953 ounces in the same period of 2015. Total cost of sales $1,074 per ounce of gold sold in the fourth quarter of 2016, compared to total cost of sales of $1,210 per ounce of gold sold in the fourth quarter of 2015. Cost of sales excluding depletion, depreciation and amortization in the fourth quarter of 2016 was $767 per gold ounce sold compared to $703 per gold ounce sold in the same period in 2015. Cash costs were $753 per ounce of gold produced in the fourth quarter of 2016, compared to $599 per ounce of gold produced in the same quarter of 2015.

Pilar Mine
Production at the Pilar mine in the fourth quarter of 2016 was 22,170 ounces of gold, compared to 21,326 ounces in the same period of 2015. Total cost of sales was $1,687 per ounce of gold sold in the fourth quarter of 2016, compared to total cost of sales of $851 per ounce of gold sold in the fourth quarter of 2015. Cost of sales excluding depletion, depreciation and amortization in the fourth quarter of 2016 was $867 per gold ounce sold compared to $599 per gold ounce sold in the same period in 2015. Cash costs were $872 per ounce of gold produced in the fourth quarter of 2016, compared to $618 per ounce of gold produced in the same quarter of 2015.

RDM Mine
In the fourth quarter of 2016, production at the RDM mine was 10,082 ounces of gold. Total cost of sales per ounce of gold was $1,494 and cost of sales excluding depletion, depreciation and amortization per ounce of gold sold was $1,223. Cash costs averaged $888 in the fourth quarter of 2016.

Development Update

The Company has made a positive decision to advance Santa Luz to the execution phase and move forward with the re-start of the operation. This decision was based on the positive results from the Technical Report for the recommissioning of Santa Luz. Brio Gold has since completed drilling to further delineate the ore body as well as additional metallurgical testwork for further optimization. The Company has commenced engineering and is currently in the process of ordering long lead items. Re-commissioning of the operation is expected in the first half of 2018.

The water storage facility at RDM is now functionally complete and is currently retaining water allowing for increased and consistent production. Production for 2017 is expected to be 75,000 to 85,000 ounces of gold. Brio Gold is also looking at further mine plan optimizations at RDM with the objective of reducing costs and maximizing cash flow. With the completion of further infill drilling, the Company expects to announce an updated mine plan along with an updated mineral reserves and mineral resources estimate in the second quarter of 2017.

2016 Mineral Reserves and Mineral Resources

Brio Gold ended 2016 with proven and probable reserves of 2.75 million ounces of gold, 275% higher than at the year end of 2015, measured and indicated resources of 1.93 million ounces of gold and inferred resources of 2.59 million ounces of gold. A summary table is provided below.

As at December 31, 2016 *(Contained gold in koz)*	**Proven & Probable Mineral Reserves**		**Measured & Indicated Mineral Resources**		**Inferred Mineral Resources**	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**
Fazenda Brasileiro	417	392	256	229	156	2,041
Pilar	450	342	704	360	1,626	91
RDM	663	-	190	-	416	-
Santa Luz	1,221	-	780	1,657	395	943
Total	**2,751**	**734**	**1,930**	**2,246**	**2,593**	**3,075**

Mineral Resources are exclusive of Mineral Reserves. See complete Mineral Reserves and Resources Table along with Notes to the Mineral Reserves and Resources Estimate at the end of this press release.

Pilar's 2016 year end proven and probable mineral reserves and measured and indicated mineral resources in contained gold ounces increased by 32% and 51%, respectively, due to the significant drilling program completed in 2016, largely driven by the potential open-pit Tres Buracos deposit.

Fazenda Brasileiro benefited from a major drilling program during 2016 that resulted in increased resources, as well as reserves. Highlights include results obtained from the relatively unexplored Canto Sequence that is in the footwall zone parallel to the traditional mine sequences.

The December 31, 2016 mineral reserves and resources estimate for RDM currently only reflects the depletion of recent production from the prior mineral reserves and resources estimate. A new updated resources model is now in progress, which will reflect the benefit of the 2016 drilling programs, as well as other model improvements. As the Company completes additional drilling and analysis at both RDM and Santa Luz in the first quarter of 2017, Brio Gold intends to publish an update to its reserves and resources estimate in the second quarter of 2017.

Outlook

The Company three-year operating outlook is provided below. The Company's 2017 production and cost guidance remains unchanged from previously announced guidance.

Production (koz)	**2017E**	**2018E**	**2019E**
Fazenda Brasileiro	65-70	67-72	67-72
Pilar	83-88	88-93	100-105
RDM	75-85	100-105	115-120
Santa Luz	-	100-110	115-120
Consolidated Brio Gold	**223-243**	**355-380**	**397-417**

Total COS [1,2] per ounce	**2017E**	**2018E**	**2019E**
Fazenda Brasileiro	$980-$1,000	$1,010-$1,030	$1,045-$1,065
Pilar	$1,000-$1,020	$980-$1,000	$920-$940
RDM	$1,010-$1,030	$855-$875	$775-$795
Santa Luz	-	$835-$855	$1,070-$1090
Consolidated Brio Gold	**$995-$1,015**	**$910-$930**	**$945-$965**

Cash Costs [1,2]	**2017E**	**2018E**	**2019E**
Fazenda Brasileiro	$740-$760	$740-$760	$740-$760
Pilar	$740-$760	$665-$685	$625-$645
RDM	$910-$930	$710-$730	$610-$630
Santa Luz	-	$525-$545	$755-$775
Consolidated Brio Gold	**$800-$820**	**$650-$670**	**$680-$700**
AISC [1,2]	**2017E**	**2018E**	**2019E**
Fazenda Brasileiro	$910-$930	$910-$930	$910-$930
Pilar	$940-$960	$960-$980	$875-$895
RDM	$990-$1,010	$770-$790	$790-$810
Santa Luz	-	$530-$550	$760-$780
Consolidated Brio Gold	**$1,080-$1,100**	**$805-$825**	**$855-$875**

Notes:

(1) All guidance for values of costs per gold ounce sold or produced assume a Brazilian *Real* to U.S. Dollar exchange rate of 3.50. Furthermore, the value for cost of sales excluding depletion, depreciation and amortization per gold ounce sold is expected to be equal to the cash cost per gold ounce produced, as it is anticipated that sales will be the same as production.

(2) A non-GAAP financial measure. For a reconciliation of non-GAAP measures, please see the end of this press release.

AISC for 2017 includes certain non-recurring sustaining capital cost items at the Fazenda Brasileiro mine, the Pilar Mine and the RDM Mine. Non-recurring sustaining capital cost items include: 1) the replacement of the mine fleet at the Fazenda Brasileiro Mine, which is expected to result in productivity and cost benefits going forward; 2) accelerated development at the Pilar Mine as well as the purchase of low profile equipment (fan drill and dozers) to improve the mining method and reduce dilution with the objective of improvements in grade and production; and 3) the rebuilding of the equipment fleet at the RDM mine as well as the replacing of the electrical generators currently used on site for power. Pilar's AISC increases in 2018 as the Company begins development of the open pit Tres Buracos deposit, which is expected to contribute to production in 2019. As a result, production at Pilar increases with lower costs.

The Company expects general and administrative (G&A) expenses in 2017 to be approximately $65 per ounce, which reflects several one-time costs associated with the transition of Brio Gold becoming an independent public company. Going forward, G&A costs are expected to be approximately $30 per ounce.

In 2018 and 2019, following these non-recurring costs as well as the re-start of Santa Luz, Brio Gold expects cash costs and AISC to significantly improve. Cash costs in 2018 expected to decrease to $650 to

$670 per ounce and $680 to $700 per ounce in 2019. AISC is expected to decrease to $805 to $825 per ounce in 2018 and $855 to $875 per ounce in 2019.

Cost guidance for 2017 is based on a BRL to USD exchange rate of 3.50. The Company has put hedging arrangements in place for 2017 and 2018 covering R$672 million of forward rate contracts at a rate of R$3.55 to US$1.00, and R$672 million of zero-cost collars with average call and put strike prices of R$3.30 and R$3.90, respectively.

The exploration program in 2017 continues to focus on Mineral Reserves and Mineral Resources expansion, while also continuing with regional exploration. Total planned exploration expenditures for 2017 are $6.7 million with planned exploration drilling of approximately 124,900 meters.

In 2017, the Company will continue to advance the Santa Luz Mine towards recommissioning. The Santa Luz Mine's 2016 Technical Report estimates a ten-year mine life with average annual production of approximately 114,000 ounces of gold for the first seven years. The Santa Luz Mine is expected to re-start operations in the first half of 2018 and produce approximately 130,000 ounces of gold in its first full year of production. With the re-start of the Santa Luz Mine, the Company's average annual run-rate production is expected to be approximately 400,000 ounces of gold.

Conference Call and Webcast

A conference call and webcast to discuss Brio Gold's fourth quarter and full year 2016 financial and operating results will be held on Friday, February 17, 2017 at 10:00 am Eastern Time.

Fourth Quarter and Full Year 2016 Conference Call Information:
Toll Free (North America): 1-(844) 543-5236
International: 1-(703) 318-2218
Webcast: www.briogoldinc.com

Conference Call REPLAY:
Toll Free (North America): 1-(855) 859-2056
Toronto Local and International: 1-(404) 537-3406
Conference ID: 62179615

The conference call replay will be available from 1:00 p.m. ET on February 17, 2017 until 1:00 p.m. ET on February 24, 2017.

About Brio Gold

Brio Gold is a new Canadian mining company with significant gold producing, development and exploration stage properties in Brazil. Brio Gold's portfolio includes three operating mines and a gold project, which is a fully-permitted, fully-constructed mine that is currently on care and maintenance and is expected to be re-started in 2018. Brio Gold produced 189,662 ounces of gold in 2016 and at full run-rate expects annual production to be approximately 400,000 ounces of gold.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This news release contains or incorporates by reference "forward-looking statements" and "forward-looking information" under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to information with respect to the Company's strategy, plans or future financial or operating performance, the outcome of the legal matters involving the damages assessments and any related enforcement proceedings. Forward-looking statements are characterized by words such as "plan," "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the Company's expectations in connection with the production and exploration, development and expansion plans at the Company's projects discussed herein being met, the impact of proposed optimizations at the Company's projects, the impact of the proposed new mining law in Brazil, and the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating metal prices (such as gold and silver), currency exchange rates (such as the Brazilian real versus the United States dollar), the impact of inflation, possible variations in ore grade or recovery rates, changes in the Company's hedging program, changes in accounting policies, changes in mineral resources and mineral reserves, risks related to asset disposition, risks related to metal purchase agreements, risks related to acquisitions, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, unanticipated costs and expenses, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, final pricing for concentrate sales, unanticipated results of future studies, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, permitting timelines, government regulation and the risk of government expropriation or nationalization of mining operations, risks related to relying on local advisors and consultants in foreign jurisdictions, environmental risks, unanticipated reclamation expenses, risks relating to joint venture operations, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending and outstanding litigation and labour disputes, risks related to enforcing legal rights in foreign jurisdictions, as well as those risk factors discussed or referred to herein. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking statements. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company's plans and objectives and may not be appropriate for other purposes.

Brio Gold December 31, 2016 Mineral Reserve and Resource Estimate

	Proven and Probable Mineral Reserves (December 31, 2016)								
	Proven			Probable			Proven and Probable		
Mine	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)
Fazenda Brasileiro									
Open Pit	-	-	-	364	1.99	23	364	1.99	23
Underground	4,836	2.06	320	1,421	1.62	74	6,257	1.96	394
Total Fazenda Brasileiro	**4,836**	**2.06**	**320**	**1,785**	**1.70**	**97**	**6,621**	**1.96**	**417**
Pilar									
Open Pit	-	-	-	3,439	1.07	118	3,439	1.07	118
Underground	1,892	2.30	140	3,250	1.84	192	5,142	2.01	332
Total Pilar	**1,892**	**2.30**	**140**	**6,689**	**1.44**	**310**	**8,582**	**1.63**	**450**
RDM									
Open Pit	-	-	-	15,902	1.19	608	15,902	1.19	608
Underground	-	-	-	2,791	0.61	55	2,791	0.61	55
Total RDM	**-**	**-**	**-**	**18,693**	**1.10**	**663**	**18,693**	**1.10**	**663**
Santa Luz									
Open Pit	22,354	1.50	1,081	2,267	1.11	81	24,621	1.47	1,162
Underground	-	-	-	2,059	0.89	59	2,059	0.89	59
Total Santa Luz	**22,354**	**1.50**	**1,081**	**4,326**	**1.01**	**140**	**26,679**	**1.42**	**1,221**
TOTAL BRIO GOLD	**29,082**	**1.65**	**1,541**	**31,493**	**1.20**	**1,210**	**60,575**	**1.41**	**2,751**

	Measured and Indicated Mineral Resources (December 31, 2016)								
	Measured			Indicated			Measured and Indicated		
Mine	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)
Fazenda Brasileiro									
Open Pit	578	2.56	48	2	1.45	0	580	2.56	48
Underground	1,624	3.58	187	208	3.16	21	1,832	3.53	208
Total Fazenda Brasileiro	**2,202**	**3.32**	**235**	**210**	**3.14**	**21**	**2,412**	**3.30**	**256**
Pilar									
Open Pit	-	-	-	2,545	1.10	90	2,545	1.10	90
Underground	1,225	4.05	159	4,456	3.17	455	5,681	3.36	614
Total Pilar	**1,225**	**4.05**	**159**	**7,001**	**2.42**	**545**	**8,226**	**2.66**	**704**
RDM									
Open Pit	43	1.54	2	6,864	0.84	185	6,907	0.84	187
Underground	-	-	-	43	1.54	2	43	1.54	3
Total RDM	**43**	**1.54**	**2**	**6,907**	**0.84**	**188**	**6,950**	**0.85**	**190**
Santa Luz									
Open Pit	4,259	1.32	181	434	1.14	16	4,693	1.30	197
Underground	125	1.96	8	7,630	2.34	575	7,755	2.34	583
Total Santa Luz	**4,384**	**1.34**	**189**	**8,064**	**2.28**	**591**	**12,448**	**1.95**	**780**
TOTAL BRIO GOLD	**7,854**	**2.32**	**585**	**22,182**	**1.89**	**1,345**	**30,036**	**2.00**	**1,929**

Mine	Inferred		
	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)
Fazenda Brasileiro			
Open Pit	2	3.06	0
Underground	2,549	1.91	156
Total Fazenda Brasileiro	**2,551**	**1.91**	**156**
Pilar			
Open Pit	107	0.93	3
Underground	14,365	3.51	1,623
Total Pilar	**14,472**	**3.50**	**1,626**
RDM			
Open Pit	3,306	1.12	119
Underground	5,252	1.76	297
Total RDM	**8,558**	**1.51**	**416**
Santa Luz			
Open Pit	400	1.53	20
Underground	5,500	2.10	375
Total Santa Luz	**5,900**	**2.07**	**395**
TOTAL BRIO GOLD	**31,481**	**2.56**	**2,594**

Mineral Reserve and Resource Reporting Notes

1. Metal Prices, Cut-off Grade		
Mine	Mineral Reserves	Mineral Resources
Fazenda Brasileiro	\$1,200/oz gold price; 1.22 g/t Au cut-off for Underground and 0.5 g/t Au for Open Pit. A minimum mining width of 3.0 meters was used for underground design. Metallurgical recovery of 87%.	\$1,500/oz pit; 0.4 g/t Au cut-off for Open Pit and 1.00 g/t Au for Underground.
Pilar	\$1,200/oz gold; 1.24 g/t Au cut-off for Pilar and 1.01 g/t Au for Maria Lázara, 0.62 g/t Au for Tres Buracos (open pit). A minimum mining width of 1.0 metre for Pilar and 1.4 metre for Maria Lázara. Metallurgical recovery of 95%.	\$1,500/oz pit; 2.0 g/t Au cut-off for Underground and 0.5 g/t Au for Open Pit.
RDM	\$1,250/oz gold price. Cut-off grades: 0.3 g/t Au for oxide, 0.4 g/t Au for transition, and 0.4 g/t for fresh rock. Metallurgical recovery of 90%.	\$1,500 Pit. 0.35 g/t Au cut-off for Open Pit and 1.0 g/t Au Underground.
Santa Luz	\$1,250/oz gold price; cut-off grades for Dacite 0.49 g/t Au, for low carbonaceous (CARL) 0.63 g/t Au and for high carbonaceous (CARH) 0.65 g/t Au. Metallurgical recovery of 90% for dacite ore, 81% for CARL ore and 78% for CARH ore.	\$1,500/oz pit; cut-ff grades for open pit 0.5 g/t Au and 1.5 g/t Au cut-off for C1 Underground high grade ore.

2. Qualified Persons		
Mine	Mineral Reserves	Mineral Resources
Fazenda Brasileiro	Luiz Pignatari, Registered Member of Chilean Mining Commission, Independent Consultant	Emerson Ricardo Re, MSc, AusIMM CP Geo, Registered Member of Chilean Mining Commission, Corporate Director of Mineral Resources, Brio Gold Inc. Carlos Henrique Barbosa Pires, AusIMM CP Geo, Mineral Resources Coordinator, Brio Gold Inc
Pilar	Luiz Pignatari, Registered Member of Chilean Mining Commission, Independent Consultant	Emerson Ricardo Re, MSc, AusIMM CP Geo, Registered Member of Chilean Mining Commission, Corporate Director of Mineral Resources, Brio Gold Inc. Jorge Augusto Basilio Fernandes, AusIMM CP Geo, Mineral Resources Coordinator, Brio Gold Inc.
RDM	Luiz Pignatari, Registered Member of Chilean Mining Commission, Independent Consultant	Emerson Ricardo Re, MSc, AusIMM CP Geo, Registered Member of Chilean Mining Commission, Corporate Director of Mineral Resources, Brio Gold Inc. Jorge Augusto Basilio Fernandes, AusIMM CP Geo, Mineral Resources Coordinator, Brio Gold Inc.
Santa Luz	Stuart E. Collins, P.E., SME Registered Member; Principal Mine Engineer; Roscoe Postle Associates	Mark B. Mathisen, CPG-11648 SME Registered Member. Senior Geologist, Roscoe Postle Associates

Non-GAAP FINANCIAL MEASURES

The Company has included certain non-GAAP financial measures including cash costs per ounce of gold produced, all-in sustaining costs per ounce of gold produced, adjusted earnings (loss), and adjusted EBITDA to supplement its consolidated financial statements, which are presented in accordance with IFRS. The term IFRS and generally accepted accounting principles (“GAAP”) are used interchangeably throughout this press release.

The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash Costs

The Company uses the non-GAAP financial measure “cash costs” on a per ounce of gold produced basis because it believes this measure provides investors and analysts with useful information about the Company’s underlying cash costs of operations and is a relevant metric used to understand the Company’s operating profitability, and ability to generate cash flow. Cash costs figures are calculated based on the standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard remains the generally accepted standard of reporting cash costs of production in North America. Adoption of the standard is voluntary and the cost measures presented herein may not be comparable to other similarly titled measures of other companies.

Cash costs include mine site operating costs such as mining, processing, administration, production taxes and royalties, which are not based on sales or taxable income calculations, but are exclusive of amortization, reclamation, capital, development, and exploration costs. Cash costs per ounce of gold produced are calculated on a weighted average basis.

The term “cash costs” has no standard meaning and therefore, the Company’s definitions are unlikely to be comparable to similar measures presented by other companies and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS and is not necessarily indicative of operating costs, operating profit or cash flows presented under IFRS.

All-in-Sustaining Costs

The Company uses the non-GAAP financial measure “all-in-sustaining costs”, also referred to as “AISC”, on a per ounce of gold produced basis because it believes this measure provides investors with useful information about the Company’s underlying cash costs of operations, after deducting certain non-discretionary items such as sustaining capital expenditures, exploration expenses and certain general and administrative costs and is a relevant metric used to understand the Company’s operating profitability, and ability to general cash flow. All-in-sustaining costs are based on cash costs, including cost components of mine sustaining capital expenditures and exploration and evaluation expense. All-in-sustaining costs for a mine do not include capital expenditures attributable to projects or mine expansions, exploration and evaluation costs attributable to growth projects, Brio Gold corporate general and administrative expenses, Yamana general and administrative expenses allocated to Brio Gold or stock-based compensation, income tax payments, financing costs and dividend payments. Consequently, this measure is not representative of all of the Company’s cash expenditures. In addition, the calculation of all-in-sustaining costs does not include depletion, depreciation and amortization expense as it does not reflect the impact of expenditures incurred in prior periods. The term “all-in-sustaining costs” has no standard meaning and therefore, the Company’s definitions are unlikely to be comparable to similar measures presented by other companies and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS and is not necessarily indicative of operating costs, operating profit or cash flows presented under IFRS.

Reconciliation of total cost of sales to cash costs and all-in-sustaining costs, consolidated and per mine (Based on Consolidated Financial Statements unless otherwise noted)

	For the year ended December 31, 2016			
(In thousands of U.S. dollars)	**Total Consolidated**	**Pilar Mine**	**Fazenda Brasileiro Mine**	**RDM Mine**
Cost of sales excluding depletion, depreciation and amortization	$144,736	$59,337	$51,052	$34,346
Depletion, depreciation and amortization	66,818	43,573	18,702	4,544
Total cost of sales	211,554	102,910	69,754	38,890
Depletion, depreciation and amortization	(66,818)	(43,573)	(18,702)	(4,544)
Adjustments:				
Inventory movement and adjustments(1)	(3,355)	5,262	(2,211)	(6,406)
Cash costs	**141,381**	**64,600**	**48,841**	**27,940**
General and administrative expenses attributable to all-in sustaining costs	13,262	259	253	66
Stock based compensation	(6,968)	—	—	—
Sustaining capital expenditures	39,090	17,932	15,980	3,740
Exploration and evaluation expense	53	5	—	—
All-in-sustaining costs	**$186,818**	**$82,795**	**$65,074**	**$31,746**
Total cost of sales per gold ounce sold	$1,099	$1,195	$949	$1,183
Cost of sales excluding depletion, depreciation and amortization per gold ounce sold	752	689	694	1,045
Cash cost per gold ounce produced	**$746**	**$742**	**$689**	**$881**
All-in-sustaining costs per ounce produced	**$985**	**$951**	**$918**	**$1,001**
Gold ounces sold during the period (oz.)	192,524	86,126	73,517	32,881
Gold ounces produced during the period (oz.)	189,662	87,061	70,887	31,714

(1) Inventory movement and adjustment represent the difference between the costs of production (which are based on ounces produced) and the cost of sales (which is based on ounces sold). The timing difference between the units sold and the costs of those units requires an adjustment to reflect the nature of the underlying metric.

	For the year ended December 31, 2015			
(In thousands of U.S. dollars)	**Total Consolidated**	**Pilar Mine**	**Fazenda Brasileiro**	**RDM Mine**
Cost of sales excluding depletion, depreciation and amortization	$106,417	$ 59,990	$46,427	—
Depletion, depreciation and amortization	50,342	20,489	29,853	—
Total cost of sales	156,759	80,479	76,280	—
Depletion, depreciation and amortization	(50,342)	(20,489)	(29,853)	—
Adjustments:				—
Inventory movement and adjustments(1)	(2,977)	(347)	(2,630)	—
Cash costs	**$103,440**	**$59,643**	**$43,797**	—
General and administrative expenses attributable to all-in sustaining	15,794	247	499	—
Stock based compensation	(4,645)	—	—	—
Sustaining capital expenditures	22,547	11,732	10,815	—
Exploration and evaluation expense	583	2	—	—
All-in-sustaining costs	**$137,719**	**$71,624**	**$55,111**	—
				—

Total cost of sales per gold ounce sold	$1,085	$966	$1,247	—
Cost of sales excluding depletion, depreciation and amortization per gold ounce sold	737	720	759	—
Cash cost per gold ounce produced	718	717	719	—
All-in-sustaining costs per ounce produced	$956	$861	$905	
Gold ounces sold during the period (oz.)	144,437	83,287	61,150	—
Gold ounces produced during the period (oz.)	144,098	83,184	60,914	—

(1) Inventory movement and adjustment represent the difference between the costs of production (which are based on ounces produced) and the cost of sales (which is based on ounces sold). The timing difference between the units sold and the costs of those units requires an adjustment to reflect the nature of the underlying metric.

Adjusted Earnings or Loss

The Company uses the non-GAAP financial measure "Adjusted earnings or loss" because it believes this measure provides useful information to investors to evaluate the Company's performance by excluding certain cash and non cash charges. The presentation of Adjusted earnings or loss is not meant to be a substitute for net earnings or loss or net earnings or loss per share presented in accordance with IFRS, but rather should be evaluated in conjunction with such IFRS measures. Adjusted earnings or loss is calculated as net earnings excluding (a) share based payments, (b) unrealized foreign exchange (gains) losses related to revaluation of deferred income tax asset and liability on non monetary items, (c) unrealized foreign exchange (gains) losses related to other items, (d) impairment losses and reversals, (e) deferred income tax expense (recovery) on the translation of foreign currency inter corporate debt, (f) periodic tax adjustments to historical deferred income tax balances relating to changes in enacted tax rates and (g) non-cash provisions and any other non recurring adjustments. Non-recurring adjustments from unusual events or circumstances are reviewed from time to time based on materiality and the nature of the event or circumstance. Earnings adjustments for the comparative period reflect continuing operations.

The terms "Adjusted earnings or loss" have no standardized meaning prescribed by IFRS and therefore the Company's definitions are unlikely to be comparable to similar measures presented by other companies.

Reconciliation of Net Loss to Adjusted Earnings or Loss (Based on Consolidated Financial Statements unless otherwise noted)

	For the years ended December 31,	
(In thousands of U.S. dollars)	**2016**	**2015**
Net Loss	$ (16,859)	$ (69,418)
Adjustments:		
Impairment of mineral properties	14,659	20,077
Foreign exchange (loss)/gain	9,239	(26,727)
Legal provisions	1,078	18,999
Loss (Gain) on indirect tax credits	6,978	(6,966)
Reorganization costs	6,608	—
Non-cash tax effect on unrealized foreign exchange (gains) losses and	(31,346)	81,200
Stock based compensation	6,968	4,645
Tax impact of adjustments	(20,836)	(15,304)
Other	5,586	12,806
Adjusted (loss) earnings	**$ (17,925)**	**$ 19,312**

Adjusted EBITDA

The Company uses the non-GAAP financial measure "Adjusted EBITDA" because it believes it provides investors with useful information to evaluate its performance and understand its ability to service and/or incur indebtedness.

The Company defines Adjusted EBITDA as net loss, before income tax recovery (expense), depletion, depreciation and amortization, impairment and reversals of mining properties, interest expense, share-based compensation, and non-recurring provisions and other adjustments.

The term "Adjusted EBITDA" has no standard meaning and therefore, the Company's definitions are unlikely to be comparable to similar measures presented by other companies and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS and is not necessarily indicative of operating costs, operating profit or cash flows presented under IFRS.

Reconciliation of Net Loss to Adjusted EBITDA (Based on Consolidated Financial Statements unless otherwise noted)

	For the years ended December 31,	
	2016	**2015**
Net Loss	$ (16,859)	$ (69,418)
Adjustments:		
Income tax (recovery) expense	(23,279)	36,387
Depletion, depreciation and amortization	66,818	50,342
Foreign exchange (loss)/gain	9,239	(26,727)
Impairment of mineral properties	14,659	20,077
Bank, Financing Fees and other	2,797	—
Loss (Gain) on indirect tax credits	6,978	(6,966)
Legal provisions	1,078	18,999
Stock based compensation	6,968	4,645
Unrealized gain on foreign exchange hedges	(1,020)	—
Adjusted EBITDA	**$ 67,379**	**$ 27,339**

Consolidated Income Statement (Unaudited)

For the years ended December 31,		
(In thousands of United States Dollars)	**2016**	**2015**
Revenues from mining operations	$ 232,356	$ 161,567
Cost of sales excluding depletion, depreciation and amortization	(144,736)	(106,417)
Gross margin excluding depletion, depreciation and amortization	**87,620**	**55,150**
Depletion, depreciation and amortization	(66,818)	(50,342)
Impairment of operating mineral properties	(110,876)	(12,717)
Mine operating loss	**(90,074)**	**(7,909)**
Expenses:		
General and administrative	(13,262)	(15,794)
Reversal of impairment /(impairment) of non-operating mineral properties	96,217	(7,360)
Other operating expenses	(18,500)	(25,423)
Operating loss	**(25,619)**	**(56,486)**
Foreign exchange (loss) /gain	(9,239)	26,727
Finance expense	(5,280)	(3,272)
Loss before income taxes	**(40,138)**	**(33,031)**

Income tax recovery / (expense)	23,279	(36,387)
Net loss	**(16,859)**	**(69,418)**
Other comprehensive income from change in fair value of hedging instruments	308	—
Total comprehensive loss	**(16,551)**	**(69,418)**
Weighted average number of shares outstanding	45,878,479	15,773,980
Net loss per share (basic and diluted)	$ (0.37)	$ (4.40)

Consolidated Cash Flow (Unaudited)

For the years ended December 31,		
(In thousands of United States Dollars)	**2016**	**2015**
Operating activities:		
Loss before income tax expense	**$ (40,138)**	**$ (33,031)**
Adjustments to reconcile loss before income taxes to net operating cash flows:		
Depletion, depreciation and amortization	66,818	50,342
Foreign exchange (gain)/loss)	9,239	(26,727)
Finance expense	5,280	3,272
Net impairment of mineral properties	14,659	20,077
Other non-cash operating expenses	19,667	26,419
Decommissioning, restoration and similar liabilities paid	(2,128)	(988)
Income taxes paid	(2,927)	(4,913)
Cash flows from operating activities before net change in working capital	**70,470**	**34,451**
Net change in working capital	(384)	(22,683)
Cash flows from operating activities	**70,086**	**11,768**
Investing activities:		
Acquisition of RDM Mine	(51,362)	(6,000)
Property, plant and equipment expenditures	(67,981)	(32,433)
Cash flows used in investing activities	**(119,343)**	**(38,433)**
Financing activities:		
Increase in Yamana's net investment	—	31,586
Receipt of loan from Yamana	51,361	—
Cash flows from financing activities	**51,361**	**31,586**
Effect of foreign exchange on cash	944	(955)
Increase in cash and cash at end of year	**3,048**	**3,966**
Cash, beginning of year	3,966	—
Cash, end of year	**7,014**	**3,966**

Consolidated Balance Sheet (Unaudited)

As at December 31,		
(In thousands of United States Dollars)	**2016**	**2015**
Assets		
Current assets:		
Cash	$ 7,014	$ 3,966
Trade and other receivables	154	6,921
Inventories	29,620	24,180
Derivative related assets	1,328	—
Other current assets	12,777	6,800
	50,893	**41,867**
Non-current assets:		
Property, plant and equipment	481,746	428,129
Deferred tax assets	6,167	—
Other non-current financial assets	—	6,000
Other non-current assets	2,893	4,186
Total assets	**$ 541,699**	**$ 480,182**
Liabilities		
Current liabilities:		
Trade and other payables	$ 56,066	$ 32,676
Income taxes payable	2,998	2,220
Other financial liabilities	1,414	699
Other provisions and liabilities	5,244	11,034
	65,722	**46,629**
Non-current liabilities:		
Decommissioning, restoration and similar liabilities	36,871	20,919
Deferred income tax liabilities	11,413	39,004
Other non-current provisions and liabilities	4,901	1,363
Total liabilities	**118,907**	**107,915**
Equity		
Share capital	427,858	367,750
Reserve	70,675	63,399
Deficit	(75,741)	(58,882)
Total equity	**422,792**	**372,267**
Total equity and liabilities	**$ 541,699**	**$ 480,182**