

**BRIO GOLD RESPONDS TO ANNOUNCEMENT BY LEAGOLD**

TORONTO, ONTARIO, January 23, 2018 — BRIO GOLD INC. (TSX: BRIO) (“BRIO GOLD” or the “Company”) today responded to the announcement by Leagold Mining Corporation (“Leagold”) that it intends to make an offer to acquire all of the outstanding shares of Brio Gold.

The Board of Directors and the Special Committee of Brio Gold, together with their advisors, will review Leagold’s proposed offer and respond in due course. Brio Gold had previously engaged CIBC World Markets Inc. and National Bank Financial Inc., as co-financial advisors, and Davies Ward Phillips & Vineberg LLP, as legal advisor.

*Gil Clausen, Brio Gold’s President and CEO, commented, “It is not surprising that strategic interest has surfaced in Brio Gold given the high-quality assets within our portfolio and the fact that the Company is extremely undervalued. For these reasons, we must protect the interests of our shareholders and consider all alternatives to maximize shareholder value.”*

Shareholders are urged not to take any action or make any decision with regard to the Leagold offer until the Board of Directors has had the opportunity to fully review the Leagold offer and to make a recommendation as to its merits. Shareholders will be promptly notified of any recommendation of the Board of Directors through a news release and circular in accordance with applicable securities law.

**About Brio Gold**

Brio Gold is an established Canadian mining company with significant gold producing, development and exploration stage properties in Brazil. Brio Gold’s portfolio includes three operating gold mines and a fully-permitted, fully-constructed mine that was on care and maintenance and currently is in development to be re-started at the end of 2018. Brio Gold is expected to produce 205,000 to 235,000 ounces of gold in 2018 and at full run-rate is expected to produce approximately 400,000 ounces of gold annually in 2019.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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.