

Brigus Gold Reports Second Quarter Financial Results and Increase in 2013 Production Guidance

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HALIFAX, Aug. 12, 2013 /CNW/ - [Brigus Gold Corp.](#) ("Brigus" or the "Company") (NYSE MKT: BRD; TSX: BRD) today reported financial results for the second quarter ended June 30, 2013.

Wade Dawe, Chairman and CEO of Brigus Gold, commented: "Overall, we are pleased with Brigus' production and operating results for the second quarter. During the quarter, the Brigus team produced 23,304 ounces of gold and achieved solid operating results, despite a temporary shutdown of the Mill for 20% of the quarter. The Black Fox mine and mill are performing well and we look forward to stronger operating results and lower all-in sustaining cash costs in the third and fourth quarters."

Second Quarter 2013 Financial Highlights

- Sold 22,490 ounces of gold, a 22% increase over Q2 2012
- Decreased long-term debt by \$7.3 million
- Revenue of \$30.4 million, a 7% increase over Q2 2012
- Further reduced 2013 budgeted capital spending by \$3 million, to \$38.5 million

Second Quarter 2013 Operational Highlights

- Produced 23,304 ounces of gold, a 28% increase over Q2 2012
- Processed 154,667 tonnes of ore at 4.97 grams per tonne ("gpt") and a 94% recovery
- Completed overburden removal and commenced production from Phase 3 of the open pit
- Increased 2013 production guidance to 95,000 - 105,000 ounces of gold

Consolidated Financial Results

<i>(in thousands, except per share amounts and ounces)</i>	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Revenue from the sale of gold	\$30,401	\$28,422	\$74,229	\$54,245
Operating costs	\$32,760	\$23,736	\$61,339	\$46,079
(Loss) income from operations	\$(2,359)	\$4,686	\$12,830	\$8,166
Total net (loss) income	\$(4,741)	\$416	\$9,000	\$5,936
Basic and diluted (loss) earnings per share	\$(0.02)	\$0.00	\$0.04	\$0.03
Adjusted cash flow from operations ⁽¹⁾	\$10,956	\$11,379	\$35,318	\$20,245
Gold sales in ounces	22,490	18,419	50,308	34,452
Cash cost per ounce gold sold ⁽¹⁾	\$908	\$799	\$754	\$826
All-in sustaining cash cost per ounce of gold sold ^{(1) (2)}	\$1,365	\$1,717	\$1,220	\$1,832

(1) Adjusted cash flow from operations, cash cost per ounce gold sold and all-in sustaining cash cost per ounce of gold sold are non-GAAP measures and are not necessarily comparable to similar titled measures of other companies due to potential inconsistencies in the method of calculation. Please see the Company's Q22013 Management Discussion and Analysis for a reconciliation of these non-GAAP measures.

(2) The term "all-in sustaining cash costs per ounce" is used on a per ounce of gold sold basis. All-in sustaining cash costs per ounce commences with total cash costs and then adds sustaining capital expenditures, corporate general and administrative costs, and environmental rehabilitation costs. This measure seeks to represent the total costs of sustaining gold production from current operations. It does not include capital expenditures attributable to project or mine expansion, exploration and evaluation costs attributable to growth projects, or interest costs.

Results from Operations

<i>(in thousands, except per share amounts and ounces)</i>	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Metal Sales				

Gold (ounces)	22,490	18,419	50,308	34,452
Silver (ounces)	1,211	1,191	2,594	2,049
Average realized gold price (\$/ounce)	\$1,352	\$1,543	\$1,475	\$1,575
Production				
Open Pit Mine				
Ore tonnes mined	149,825	192,041	348,824	412,621
Operating waste tonnes mined	1,331,311	1,332,625	1,958,179	2,659,987
Capital stripping tonnes mined	561,659	691,635	665,105	1,444,995
Overburden tonnes mined	294,851	-	2,171,190	-
Total tonnes mined - Open Pit Mine	2,337,646	2,216,301	5,143,298	4,517,603
Underground Mine				
Ore tonnes mined	82,616	36,604	154,033	71,751
Total Tonnes Mined	2,420,262	2,252,905	5,297,331	4,589,354
Tonnes milled	154,667	178,002	338,486	358,967
Tonnes milled per day	1,700	1,956	1,870	1,972
Head grade of ore (gpt)	4.97	3.31	4.85	3.17
Recovery (%)	94%	96%	94%	96%
Gold ounces produced	23,304	18,254	49,620	35,176
Cash costs (\$/ounce)	\$908	\$799	\$754	\$826
Operating margin (\$/ounce)	\$444	\$744	\$721	\$749
All-in sustaining cash cost (\$/ounce)	\$1,365	\$1,717	\$1,220	\$1,832

Brigus is increasing production guidance from 90,000 - 100,000 to 95,000 - 105,000 ounces of gold, at a per ounce cash cost between \$650 - \$700 for 2013.

Cost management remained a focus for the Company during the quarter. Brigus has further reduced budgeted capital spending for mine development and other sustaining capital requirements from \$41.5 million to \$38.5 million for 2013. Management implemented a series of cost saving measures during the quarter including headcount reductions and price concessions from key suppliers.

All-in sustaining cash costs for the quarter were impacted by several non-routine events including the recognition of a net realizable value adjustment on the low grade ore stockpile, and a suspension of milling operations for 19 days, which resulted in the loss of approximately 40,000 tonnes of mill throughput. Excluding the impact of the net realizable value adjustment, all-in sustaining cash costs would have been \$1,280 per ounce for the quarter and \$1,184 on a year to date basis. All-in sustaining costs in Q1 2013 were \$1,103. Brigus expects all-in sustaining costs during Q3 and Q4 to be consistent with Q1 2013 results.

At quarter end, the Company's cash balance totalled \$20.9 million, compared to \$29.8 million at December 31, 2012, a decrease of \$8.9 million. Cash balances were impacted in large part by lower gold production and gold sales due to the 19 day mill shutdown and debt repayment during the quarter.

Cash provided by operating activities on a year to date basis totalled \$30.7 million, an increase of \$13.2 million compared to the same period in 2012. Improved operating cash flow is the result of higher gold production and sales in the first six months of 2013 compared to 2012.

Total liabilities decreased by \$18.6 million, from \$188.7 million as of December 31, 2012, to \$170.1 million as of June 30, 2013, and shareholder's equity increased from \$232.6 million to \$243.2 million year to date. Long-term debt decreased by \$7.3 million mainly as a result of principal payments during the quarter.

As a result of lower gold prices the carrying value of the Black Fox Mine and the net realizable value of its long term stock piled ore were evaluated. The company recorded a net realizable value adjustment of \$3.1 million on the long term stock piled ore but no adjustment was required for the Black Fox Mine.

The Company also reviewed its long-term capital requirements and is forecasting total capital spending on mine development and sustaining capital of \$20 to \$25 million for 2014. An exploration budget for 2014 will be set at a later date.

Exploration

In July 2013, the Company announced an updated independent NI 43-101 resource estimate for the 147, Contact, and Grey Fox South zones. The resource estimate included a constraining pit shell which had not been included in the previous resource estimates. Highlights include a total of 507,400 indicated ounces (255,000 relating to the underground and 252,400 relating to the open pit) and 228,600 inferred ounces (184,800 relating to the underground and 43,800 relating to the open pit). The underground and open pit cut-off grades were set at 2.84 gpt and 0.72 gpt, respectively. The 147, Contact and Grey Fox south zones all remain open for future expansion, and drilling continues.

The Black Fox orebody remains open at depth and along strike and includes gold reserves to a maximum depth of 500 metres. Orebodies in the region, along the Destor Porcupine Fault, often extend to depths of more than 1,000 metres. The Company is currently reviewing the results of the underground drilling program performed in Q4 2012 and Q1 2013 to develop plans for further drilling in 2014.

Second Quarter Webcast and Conference Call

A webcast and conference call will be held, Monday August 12 at noon Atlantic Time (11:00 a.m. Eastern Time). Analysts and other interested parties wanting to participate in the call should dial 1-877-407-8133 (international 201-689-8040) at least 10 minutes prior to the start of the call. No pass code is required. The teleconference will be recorded. If you are unable to join the teleconference live, you can dial for playback, toll-free at 1-877-660-6853 (international 201-612-7415), please use conference ID 417707. The event will be archived and available for replay until midnight on August 26, 2013. The teleconference will also be accompanied by a presentation made available on the Company's website at www.brigusgold.com

This release should be read in conjunction with Brigus' 2013 second quarter Financial Statements and Management's Discussion and Analysis report at www.brigusgold.com. Brigus' unaudited 2013 second quarter Financial Statements and Management's Discussion and Analysis have been filed with Canadian securities regulators (available at www.sedar.com) and with the U.S Securities and Exchange Commission (available at www.sec.gov). Brigus shareholders may obtain a copy of the financial documents free of charge upon request to the Company.

About Brigus Gold

[Brigus](#) is a growing gold producer committed to maximizing shareholder value through a strategy of efficient production, targeted exploration and select acquisitions. The Company operates the wholly owned Black Fox Mine and Mill in the Timmins Gold District of Ontario, Canada. The Black Fox Complex encompasses the Black Fox Mine and adjoining properties in the Township of Black River‐Matheson, Ontario, Canada. Brigus also owns the Goldfields Project located near Uranium City, Saskatchewan, Canada, which hosts the Box and Athona gold deposits. In the Dominican Republic, Brigus has signed an agreement to sell its remaining interests in three mineral exploration projects. In Mexico, Brigus owns the Ixhuatan Project located in the state of Chiapas.

Cautionary Note to U.S. Investors Concerning Estimates of Mineral Resources

This news release uses the term mineral "resources". The Company advises U.S. investors that while these terms are defined in and required by Canadian regulations, these terms are not defined terms under the U.S. Securities and Exchange Commission ("SEC") Industry Guide 7 and are generally not permitted to be used in reports and registration statements filed with the SEC. The SEC generally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in‐place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

Cautionary and Forward‐Looking Statements

Statements contained in this news release, which are not historical facts, are forward‐looking statements that involve risk, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward‐looking statements. All statements regarding the ability of the Company to achieve its production, total cash costs, steady state annual production and mining rate estimates; estimated average gold grades for the open pit and underground operations; increase in gold production; increase in profitability; exploration drill results and resource additions, are forward‐looking statements and estimates that involve various risks and uncertainties. This forward‐looking statements include, or may be based upon, estimates, forecasts, and statements as to management's expectations with respect to, among other things, the outcome of legal proceedings, the issue of permits, the size and quality of the Company's mineral resources, progress in development of

mineral properties, future production and sales volumes, capital and mine production costs, demand and market outlook for metals, future metal prices and treatment and refining charges, and the financial results of the Company.

Important factors that could cause actual results to differ materially from these forward‐looking statements include environmental risks and other factors disclosed under the heading "Risk Factors" in Brigus' most recent Annual Information Form and Management Discussion and Analysis filed under the Company's name at www.sedar.com and annual report on Form 40F filed with the United States Securities and Exchange Commission at www.sec.gov as well as elsewhere in Brigus' documents filed from time to time with the Toronto Stock Exchange, the NYSE Amex Equities, the United States Securities and Exchange Commission and other regulatory authorities. All forward‐looking statements included in this news release are based on information available to the Company on the date hereof. The Company assumes no obligation to update any forward‐looking statements, except as required by applicable securities laws.

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