

TORONTO, ON--(Marketwired - July 24, 2017) - [Brio Gold Inc.](#) (TSX: BRIO) ("BRIO GOLD" or the "Company") announces preliminary second quarter 2017 operating results.

Brio Gold produced 44,223 ounces of gold in the second quarter of 2017. Total cash cost was \$859 per ounce produced and consolidated all-in sustaining cost (AISC) per ounce of gold produced, was \$1,085, inclusive of corporate general and administration (G&A) costs. A summary of Brio Gold's second quarter 2017 operating results is provided below.

Q2 2017

Production (oz)

Pilar	20,287
Fazenda Brasileiro	14,092
Riacho dos Machados (RDM)	9,844
Consolidated Production	44,223

Cash cost (\$ per oz produced)

Pilar	\$831
Fazenda Brasileiro	\$892
RDM	\$869
Consolidated cash cost	\$859

AISC (\$ per oz produced)

Pilar	\$1,022
Fazenda Brasileiro	\$956
RDM	\$872
Total Mine AISC	\$968
Consolidated AISC ⁽¹⁾	\$1,085

⁽¹⁾ Consolidated AISC includes Corporate G&A costs.

Q2 Production

Production in the second quarter of 2017 at the Pilar Operation was in line with expectations and remains on track to achieve 2017 guidance of 83-88,000 ounces of gold.

At the Fazenda Brasileiro Mine, second quarter production was impacted by scheduled mill liner replacements. Ball mill one was down for two days and ball mill two was down for four days. Planned production at Fazenda Brasileiro for the year is back end weighted with grade improvements scheduled in the second half of the year. Fazenda Brasileiro is on track to achieve 2017 guidance of 65-70,000 ounces of gold.

Production at the RDM Mine was in line with expectations and is on track to achieve revised guidance. During the quarter, the mine was put on care and maintenance for 41 days, as the operations were re-organized to meet the new production plan that was announced last quarter. During this period, water was conserved while the existing small-scale mining contractor was demobilized and the Company reduced the operations manpower to conform with the revised life of mine plan. The newly built water dam and water pipeline was also successfully tested and made operational during this period. Operations were restarted under the new operating plan with the Company's currently owned larger scale equipment fleet mining ore and limited waste only. The Company will complete its analysis of the purchase or lease of a new large-scale waste mining fleet, by the end of July 2017. As part of the analysis, the Company is considering an alternative of using a new mining contractor which employs large scale mining equipment (20-25m³ excavators matched to 150-180 ton trucks). All options currently under consideration will meet the requirements of the new mine plan in terms of productivity, cost and schedule. Both the leasing option and the contractor option will eliminate the US\$43M additional capital expenditure at RDM announced in May 2017 in conjunction with the new mine plan.

The Company maintains its revised production guidance at RDM of 50-65,000 ounces. This guidance range includes the expectation that the processing plant at RDM will be down for a total of three months in 2017 as a result of the unusual drought conditions experienced earlier this year after the completion of the construction of the water storage facility near the end of the rainy season. Continuous operations at RDM is expected for the life of mine commencing in the fourth quarter of this year. The completion of the powerline and substations which will replace the diesel power generators for the operation remains on track for the second quarter of 2018.

Q2 Costs

Both cash costs and AISC in the second quarter of 2017 at the Pilar Operation and the Fazenda Brasileiro mine were in line with expectations and are on track to achieve guidance. Costs were higher year over year driven largely by strengthening of the Brazilian Real. Cash costs and AISC for the RDM mine were on track with revised guidance, and lower than the same period last year due to a reduction in stripping related to the demobilization of the contractor.

Corporate G&A costs were higher in the second quarter of 2017 over 2016 as a result of one-time costs associated with the completion of the transition of Brio Gold becoming an independent public company. These costs included technical and financial software licenses, purchase of computer hardware, one-time consulting services related to transition and other services and IT

systems. Corporate G&A costs are expected to normalize to lower levels in the second half of 2017.

Second Quarter 2017 Financial Results and Conference Call

Brio Gold will release its second quarter 2017 financial results after market close on August 1, 2017 followed by a conference call and webcast on August 2, 2017 at 10:00 am ET.

Second Quarter 2017 Conference Call:

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: 53274183

The conference call replay will be available from 1:00 p.m. ET on August 2, 2017 until 1:00 p.m. ET on August 9, 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 gold mines and a fully-permitted, fully-constructed mine that was on care and maintenance and currently is in development to be re-started in 2018. Brio Gold produced approximately 190,000 ounces of gold in 2016 and at full run-rate expects annual production to be approximately 400,000 ounces of gold.

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.

Contact

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