

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Brio Gold Inc.
22 Adelaide Street West, Suite 2020, Toronto, Ontario M5H 0A9

Item 2 Date of Material Change

December 23, 2016.

Item 3 News Release

A news release was disseminated on December 23, 2016 by Canada NewsWire (CNW Group) and filed on the System for Electronic Document Analysis and Retrieval (SEDAR). A copy of the news release is attached hereto as Schedule "A".

Item 4 Summary of Material Change

On December 23, 2016, Brio Gold Inc. ("**Brio**") announced the closing of the offering of purchase rights previously announced by Yamana Gold Inc. ("**Yamana**") and related transactions pursuant to which Yamana has transferred common shares of Brio. Brio also announced the execution of a Credit Agreement with National Bank Financial Markets and Canadian Imperial Bank of Commerce, as co-lead arrangers, and National Bank of Canada, Canadian Imperial Bank of Commerce, Export Development Canada and Société Générale, as lenders, which provides a US\$75 million revolving term senior secured credit facility. For further details, see the news release dated December 23, 2016, a copy of which is attached hereto as Schedule "A".

Item 5 Full Description of Material Change

See the attached news release.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

This Report is not being filed on a confidential basis.

Item 7 Omitted Information

None.

Item 8 Executive Officer

For further information, please contact:

Letitia Wong
Vice President, Corporate Development
Telephone: +1 (416) 847-1849
Email: Letitia.wong@briogoldinc.com

Item 9 Date of Report

January 3, 2017.

SCHEDULE "A"
NEWS RELEASE

See attached.

BRIO GOLD BECOMES STANDALONE PUBLIC COMPANY WITH CLOSING OF PURCHASE RIGHTS OFFERING

TORONTO, ONTARIO, December 23, 2016 — BRIO GOLD INC. (“BRIO GOLD” or the “Company”) is pleased to herein announce the closing of the offering of purchase rights (the “Purchase Rights”) previously announced by Yamana Gold Inc. (“Yamana”) and related transactions pursuant to which Yamana has transferred common shares (“Brio Shares”) of Brio Gold. A total of 17,324,507 Brio Shares owned by Yamana were transferred pursuant to the transactions at a price of C\$3.25 per Brio Share for aggregate proceeds of C\$56,304,648 to Yamana. The Purchase Rights expired on December 21, 2016.

As a result of the completion of these transactions, Brio Gold is now a standalone public company. While Yamana continues to be a significant shareholder of Brio Gold, holding approximately 85% of the issued and outstanding Brio Shares, Brio Gold will be managed by a separate management and an independent board of directors.

Gil Clausen, President and CEO of Brio Gold, commented, “This is a transformational transaction for Brio Gold and we are excited to be a standalone public company. We have sustainable gold production from three high quality mines in Brazil and an impressive growth profile within our current portfolio. We continue to optimize our existing operations and expect increased production year over year as our Riachos dos Machados mine ramps up production in 2017. We expect further growth as we execute on the development plans for the recommissioning of our Santa Luz project, which has begun with the ordering of long lead time items. Brio Gold provides a unique investment opportunity and we look forward to realizing value for our new shareholders.”

The Brio Shares have been approved for listing on the TSX and are expected to commence trading under the trading symbol “BRIO” on December 28, 2016.

Each of CIBC World Markets Inc., National Bank Financial Inc., Canaccord Genuity Corp. and Cormark Securities Inc. acted in connection with the Purchase Rights and related transactions.

CST Trust Company acted as the Purchase Rights Agent and Laurel Hill Advisory Group acted as the Information Agent.

The Company is also pleased to announce that it has executed a Credit Agreement with National Bank Financial Markets and Canadian Imperial Bank of Commerce, as co-lead arrangers, and National Bank of Canada, Canadian Imperial Bank of Commerce, Export Development Canada and Société Générale, as lenders (the “Credit Agreement”), which provides a US\$75 million revolving term senior secured credit facility. Drawing under the Credit Agreement is subject to the satisfaction of certain customary conditions precedent.

About Brio Gold

Brio Gold is a Canadian mining company formed in 2014 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 currently expects to produce 178,000 to 188,000 ounces of gold in 2016 and at full run-rate expects annual production to be approximately 400,000 ounces of gold.

FOR FURTHER INFORMATION PLEASE CONTACT:

Letitia Wong
Vice President, Corporate Development
Telephone: +1 (416) 847-1849
Email: Letitia.wong@briogoldinc.com

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This news release contains "forward-looking statements" and "forward-looking information" under applicable Canadian securities legislation within the meaning of the United States Private Securities Litigation Reform Act of 1995 with respect to Yamana. Forward-looking information includes, but is not limited to information with respect to expectations regarding the anticipated use of proceeds from the Offering and the Additional Distribution, the expected effects of the Offering and the Additional Distribution on Yamana, the trading of the Brio Shares on the TSX, the business plans, statements or information relating to the anticipated development activities of the Company, and expectations for other economic and business factors. 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. 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 may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See the "Risk Factors" section of Brio Gold's Final Prospectus dated November 17, 2016, which is available on SEDAR (www.sedar.com). 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 plans and objectives and may not be appropriate for other purposes.