

(Please note that all dollar amounts in this news release are expressed in U.S. dollars unless otherwise indicated.)

[Primero Mining Corp.](#) ("Primero" or the "Company") (TSX: P) (NYSE: PPP) today announced that the Company has entered into an agreement (the "Agreement") with [McEwen Mining Inc.](#) (NYSE: MUX) (TSX: MUX) ("McEwen") to sell its interest in the Black Fox mine and associated assets located near Timmins, Ontario, Canada (the "Transaction").

Under the terms of the Agreement, Primero will receive consideration of \$35 million, in cash, subject to certain closing adjustments. Definitive documentation is expected to be completed before the end of this month.

"The proposed transaction for the divestiture of Black Fox is consistent with our previously disclosed strategic review process to maximize value for shareholders," said Joseph Conway, President and Chief Executive Officer. "I would like to thank everyone at Black Fox for their commitment and dedication, and we wish them continued success as part of the McEwen team. We will continue to advance definitive documentation and work closely with the team at site to ensure a smooth transition."

Primero expects to use the proceeds from the Transaction to reduce the Company's total debt position. The Transaction is subject to customary closing conditions and is expected to close in the third quarter of 2017. Scotiabank acted as financial advisor to Primero.

About Primero

[Primero Mining Corp.](#) is a Canadian-based precious metals producer that owns 100% of the San Dimas gold-silver mine and the Cerro del Gallo gold-silver-copper development project in Mexico and 100% of the Black Fox mine and adjoining properties in the Township of Black River Matheson near Timmins, Ontario, Canada. Primero offers immediate exposure to un-hedged, below average cash cost gold production with a substantial resource base in politically stable jurisdictions. The Company is focused on becoming a leading intermediate gold producer by building a portfolio of high quality, low cost precious metals assets in the Americas.

Primero's website is www.primeromining.com.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This news release contains "forward-looking statements", within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation, concerning the business and operations of [Primero Mining Corp.](#) and its consolidated subsidiaries (collectively, "Primero" or the "Company"). All statements, other than statements of historical fact, are forward-looking statements. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "if approved", "forecasts", "intends", "anticipates", "believes", "in order to" or variations of such words and phrases.

Forward-looking statements in this news release include, but are not limited to, statements regarding the Company's intention to sell the Black Fox mine and associated assets, and to complete definitive documentation therefor; the amount of the estimated consideration for such sale and that the proceeds will be applied to reduce the Company's debt and the Company's intentions to become an intermediate gold producer.

The assumptions made by the Company in preparing the forward-looking information contained in this news release, which may prove to be incorrect, include, but are not limited to: the expectations and beliefs of management; the specific assumptions set forth above in this news release; that there are no significant disruptions affecting the Company's ability to complete definitive documentation and to close the transaction for the sale of the Black Fox mine and associated assets; that development at San Dimas proceeds on a basis consistent with current expectations and the Company does not change its development and exploration plans; that the exchange rate between the Canadian dollar, Mexican peso and the United States dollar remain consistent with current levels or as set out in this news release; that prices for gold and silver remain consistent with the Company's expectations; that production meets expectations; that the Company identifies higher grade veins in sufficient quantities of minable ore in the Central Block and in Sinaloa Graben; that there are no material variations in the current tax and regulatory environment; that the Company can access financing, appropriate equipment and sufficient labour; that the political environment within Mexico and Canada will continue to support the development of environmentally safe mining projects.

Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, performance or achievements of Primero to be materially different from those expressed or implied by such forward-looking statements, including: the Company may not be able to achieve planned production levels; the Company may not be able to expand production at San Dimas as anticipated or generate significant free cash flow; the Company may not be successful in completing the transaction to sell the Black Fox mine and associated assets; the Company may be required to

change its development and exploration plans with a negative impact on production; the Company may not discover mineralization in minable quantities; the exchange rate between the Canadian dollar, the Mexican peso and the United States dollar may change with an adverse impact on the Company's financial results; the Company may not be able to re-finance or extend its line of credit facility; the Company may not be able to become an intermediate gold producer by building a portfolio of high quality, low cost precious metals assets in the Americas. Certain of these factors are discussed in greater detail in Primero's registration statement on Form 40-F on file with the U.S. Securities and Exchange Commission, and its most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities and available at www.sedar.com.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. In addition, although Primero 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 as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements are made as of the date hereof and accordingly are subject to change after such date. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of our operating environment. Primero does not undertake to update any forward-looking statements that are included in this document, except in accordance with applicable securities laws.

Attachment Available:

http://www.marketwire.com/library/MwGo/2017/8/9/11G143990/PR16-17_BF_Transaction_Final-f4c5e668be57898188d4f67c87f9fb

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