

VISTA GOLD CORP
Form 10-K
February 22, 2017
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the fiscal year ended December 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from to

Commission file number: 001-9025

VISTA GOLD CORP.

(Exact Name of Registrant as Specified in its Charter)

British Columbia
(State or other jurisdiction of incorporation or organization)

98-0542444
(I.R.S. Employer Identification No.)

Suite 5, 7961 Shaffer Parkway

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Littleton, Colorado
(Address of Principal Executive Offices)

80127
(Zip Code)

(720) 981-1185

(Registrant's Telephone Number, including Area Code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares without par value	NYSE MKT

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by checkmark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part II of this Form 10-K or any amendment to the Form 10-K.

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of “Accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant’s most recently completed second fiscal quarter: \$157,621,000

The number of shares of the Registrant’s Common Stock outstanding as of February 10, 2017 was 97,786,608.

Documents incorporated by reference: To the extent herein specifically referenced in Part III, portions of the Registrant’s Definitive Proxy Statement on Schedule 14A for the 2015 Annual General Meeting of Shareholders are incorporated herein. See Part III.

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CAUTIONARY NOTE TO U.S. INVESTORS REGARDING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES AND PROVEN AND PROBABLE RESERVES

The terms “mineral reserve”, “proven mineral reserve” and “probable mineral reserve” are Canadian mining terms defined in Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) and the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) – CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the “CIM Definition Standards”). These definitions differ from the definitions in the United States Securities and Exchange Commission (“SEC”) Industry Guide 7 (“SEC Industry Guide 7”) under the United States Securities Act of 1933, as amended (the “Securities Act”). Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average metal price is used in any reserve or cash flow analysis to designate reserves, and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of a mineral deposit in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic, technical and legal feasibility. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically, technically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this report and the documents incorporated by reference herein contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

The term “mineralized material” as used in this annual report on Form 10-K, although permissible under SEC Industry Guide 7, does not indicate “reserves” by SEC Industry Guide 7 standards. We cannot be certain that any part of the mineralized material will ever be confirmed or converted into SEC Industry Guide 7 compliant “reserves”. Investors are cautioned not to assume that all or any part of the mineralized material will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

GLOSSARY

“acid rock drainage (ARD)” results from the interaction of meteoric water with oxidizing sulfide minerals.

“arsenopyrite” means an iron arsenic sulfide. It is the most common arsenic mineral and the primary ore of arsenic metal.

“assay” means to test ores or minerals by chemical or other methods for the purpose of determining the amount of valuable metals contained.

“automated sorting” means technology that separates “ore” and “waste” based on physical and/or chemical properties of the material being sorted.

“bedding” means the characteristic structure of sedimentary rock in which layers of different composition, grain size or arrangement are layered one on top of another in a sequence with oldest on the bottom and youngest at the top.

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“bismuthinite” means a mineral consisting of bismuth sulfide; it is an ore for bismuth.

“chalcopyrite” means a brass-yellow colored sulfide of copper and iron. It is a copper mineral.

“claim” means a mining title giving its holder the right to prospect, explore for and exploit minerals within a defined area.

“clastic” refers to sedimentary rock (such as shale or siltstone) or sediment. An accumulation of transported weathered debris.

“comminution” means the process in which solid materials are broken into small fragments by crushing, grinding, and other processes.

“conglomerate” refers to clastic sedimentary rock that contains rounded particles that are greater than two millimeters in diameter. The space between the pebbles is generally filled with smaller particles and/or a chemical cement that binds the rock together.

“cut-off grade” means the grade below which mineralized material will be considered waste.

“deposit” is an informal term for an accumulation of mineralized material.

“exploration stage enterprise” refers to an issuer engaged in the search for mineral deposits (reserves) which are not in either the development or production stage, per SEC Industry Guide 7. A development stage enterprise is engaged in the preparation of an established, commercially minable deposit (reserve) which is not in the production stage. A production stage enterprise is engaged in the exploitation of commercially viable mineral deposits (reserves).

“facies” means the characteristics of a rock mass that reflects its depositional environment.

“fault” means a fracture in rock along which there has been displacement of the two sides parallel to the fracture.

“feasibility study” is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of realistically assumed mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations together with any other relevant operational factors and detailed financial analysis, that are necessary to demonstrate at the time of reporting that extraction is reasonably justified or economically viable. The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a pre-feasibility study.

“felsic” is a term used to describe an igneous rock that has a large percentage of light-colored minerals such as quartz, feldspar and muscovite. Felsic rocks are generally rich in silicon and aluminum and contain only small amounts of magnesium and iron.

“ferruginous” means containing iron oxides or rust.

“foliation” means planar arrangement of structural or textural features in any rock type.

“fold” is a bend or flexure in a rock unit or series of rock units caused by crust movements.

“g Au/tonne” or “g Au/t” means grams of gold per tonne.

“galena” means a lead sulfide mineral commonly found in hydrothermal veins; it is the primary ore of lead.

“geosyncline” means a major trough or downwarp of the Earth’s crust, in which great thicknesses of sedimentary and/or volcanic rocks have accumulated.

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“granitoid” means a variety of coarse grained plutonic rock similar to granite, which are composed predominantly of feldspar or quartz.

“greywackes” means fine-grained sandstone generally characterized by its hardness, dark color and poorly sorted angular grains of quartz, feldspar and small rock fragments set in a compact, clay-fine matrix.

“heap leach” means a gold extraction method that percolates a cyanide solution through ore heaped on an impermeable pad or base.

“hornfels” refers to nonfoliated metamorphic rock that is typically formed by contact metamorphism around igneous intrusions.

“indicated mineral resource” and “indicated resource” means “indicated mineral resource” as defined by the CIM in the CIM Definition Standards and is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with sufficient confidence to allow the appropriate application of technical and economic parameters in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An indicated mineral resource has a lower level of confidence than that applying to a measured mineral resource and may only be converted to a probable mineral reserve.

“inferred mineral resource” and “inferred resource” means “inferred mineral resource” as defined by the CIM in the CIM Definition Standards and is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.

“intrusion” refers to an igneous rock body that formed from magma that forced its way into, through or between subsurface rock units.

“intrusives” refers to igneous rocks that crystallize below the earth’s surface.

“ironstone” is a sedimentary rock, either deposited directly as a ferruginous sediment or created by chemical replacement, that contains a substantial proportion of an iron compound from which iron either can be or once was smelted commercially.

“joint” means a fracture in a rock along which there has been no displacement.

“measured mineral resource” means “measured mineral resource” as defined by the CIM in the CIM Definition Standards and is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with confidence sufficient to allow the application of technical and economic parameters to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A measured mineral resource has a higher level of confidence than that applying to either an indicated mineral resource or an inferred mineral resource. It may be converted to a proven mineral reserve or to a probable mineral reserve.

“mica” any of a group of phyllosilicate minerals having similar chemical compositions and highly perfect basal cleavage.

“mineral reserve” means the economically mineable part of a measured mineral resource and/or indicated mineral resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or

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extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

“mineral resource” means a concentration or occurrence of solid material of economic interest in or on the earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

“mineralization” means the concentration of valuable minerals within a body of rock.

“mineralized material” under SEC Industry Guide 7 is a mineralized body that has been delineated by appropriately spaced drilling and/or underground sampling to support a sufficient tonnage and average grade of metal(s). Such a deposit does not qualify as a reserve until a comprehensive evaluation based upon unit cost, grade, recoveries, and other material factors conclude legal and economic feasibility. Mineralized material is equivalent to measured plus indicated mineral resources but does not include inferred mineral resources.

“mudstone” is a fine grained sedimentary rock whose original constituents were clays or muds.

“ore” means material containing minerals in such quantity, grade and chemical composition that they can be economically extracted.

“oxide” means mineralized rock in which some of the original minerals have been oxidized (i.e., combined with oxygen). Oxidation tends to make the ore more porous and permits a more complete permeation of cyanide solutions so that minute particles of gold in the interior of the minerals will be more readily dissolved.

“preliminary economic assessment” and “PEA” as defined by NI 43-101 is a study, other than a pre-feasibility study or feasibility study, that includes an economic analysis of the potential viability of mineral resources.

“preliminary feasibility study”, “PFS” and “pre-feasibility study” as defined by the CIM is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable

assumptions on the realistically assumed mining, processing, metallurgical, economic, marketing, legal, environmental, social and government considerations and the evaluation of any other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be converted to a mineral reserve at the time of reporting. A pre-feasibility study is at a lower confidence level than a feasibility study.

“probable reserves” under SEC Industry Guide 7 means reserves for which quantity and grade and/or quality are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation.

“probable mineral reserves” as defined by the CIM in the CIM Definition Standards is the economically mineable part of an indicated and, in some circumstances, a measured mineral resource. The confidence in the mining, processing, metallurgical, economic, and other relevant factors applying to a probable mineral reserve is lower than that applying to a proven mineral reserve.

“proven reserves” under SEC Industry Guide 7 means reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling and (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well established.

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“proven mineral reserves”, as defined by the CIM in the CIM Definition Standards, is the economically mineable part of a measured mineral resource. A proven mineral reserve implies a high degree of confidence in the mining, processing, metallurgical, economic and other relevant factors.

“pyrrhotite” means a bronze-colored magnetic ferrous sulfide mineral consisting of iron and sulfur.

“pyrite” means a pale brass-yellow colored iron sulfide mineral consisting of iron and sulfur.

“qualified person” as defined under NI 43-101 means an individual who (a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining; (b) has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment or any combination of these that is relevant to his or her professional degree or area of practice; (c) has experience relevant to the subject matter of the mineral project and the technical report; (d) is in good standing with a professional association; and (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that (i) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment; and (ii) requires (A) a favorable, confidential peer evaluation of the individual’s character, professional judgment, expertise and ethical fitness; or (B) a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining. Note: a professional association is a self-regulatory organization of engineers, geoscientists or both that, among other criteria, requires compliance with the professional standards of competence and ethics established by the organization and has disciplinary powers over its members.

“recovery” means that portion of the metal contained in the ore that is successfully extracted by processing and is expressed as a percentage.

“rheology” is the study of the flow of matter, primarily as it relates to solids in suspension within liquids.

“sampling” means selecting a fractional, but representative, part of a mineral deposit for analysis.

“scats” means material in a ball mill or sag mill that has become rounded and no longer susceptible to additional size reduction. Basically, this material may be rejected from the grinding circuit for additional crushing because it contributes to higher energy consumption within the mill.

“schist” is a metamorphic rock containing abundant particles of mica, characterized by strong foliation and originating from a metamorphism in which directed pressure played a significant role.

“sediment” means solid material settled from suspension in a liquid.

“sedimentary rock” means rock formed from the accumulation and consolidation of sediment, usually in layered deposits.

“shale” is a fine grained, clastic sedimentary rock composed of mud that is a mix of flakes of clay minerals and tiny fragments (silt-sized particles) or other minerals, especially quartz and calcite.

“silicified” means to become converted into or impregnated with silica.

“siltstone” is a sedimentary rock that has a grain size in the silt range, finer than sandstone and coarser than claystones.

“sphalerite” means a zinc sulfide mineral commonly found in hydrothermal veins; it is the primary ore of zinc.

“strike” when used as a noun, means the direction, course or bearing of a vein or rock formation measured on a level surface and, when used as a verb, means to take such direction, course or bearing.

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“sulfide” means a compound of sulfur and some other element. From a metallurgical perspective, sulfide rock is primary ore that has not been oxidized. Both ore and waste may contain sulfide minerals.

“tailings” means material rejected from a mill after most of the valuable minerals have been extracted.

“tonne” means a metric tonne and has the weight of 1,000 kg or 2,204.6 pounds.

“tpd” means tonnes per day.

“tuffs” are a type of rock consisting of consolidated volcanic ash ejected from vents during a volcanic eruption.

“vein” means a fissure, fault or crack in a rock filled by minerals that have traveled upwards from some deep source.

“waste” means rock lacking sufficient grade and/or other characteristics of ore.

USE OF NAMES

In this annual report on Form 10-K, unless the context otherwise requires, the terms “we”, “us”, “our”, “Vista”, “Vista Gold”, or the “Company” refer to Vista Gold Corp. and its subsidiaries.

CURRENCY

References to C\$ refer to Canadian currency, AUD or A\$ to Australian currency and USD or \$ to United States currency. All dollars amounts are expressed in thousands of dollars except references to per ounce and per share amounts.

METRIC CONVERSION TABLE

To Convert Imperial Measurement Units	To Metric Measurement Units	Multiply by
Acres	Hectares	0.4047
Feet	Meters	0.3048
Miles	Kilometers	1.6093
Tons (short)	Tonnes	0.9071
Gallons	Liters	3.785
Ounces (troy)	Grams	31.103
Ounces (troy) per ton (short)	Grams per tonne	34.286

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report, including all exhibits hereto and any documents that are incorporated by reference as set forth on the face page under “Documents incorporated by reference”, contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and forward-looking information under Canadian securities laws that are intended to be covered by the safe harbor created by such legislation. All statements, other than statements of historical facts, included in this annual report on Form 10-K, our other filings with the SEC and Canadian securities commissions and in press releases and public statements by our officers or representatives that address activities, events or developments that we expect or anticipate will or may occur in the future are forward-looking statements and forward-looking information, including, but not limited to, such things as those listed below:

- our belief that selective screening and rejecting sub-economic material could improve gold recoveries and lower process operating costs at Mt Todd;
- our expectation that we will complete additional feasibility level metallurgical studies by the third quarter of 2017;

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- our expectation that we will update the July 2014 Preliminary Feasibility Study integrating possible flow sheet changes following completion of the additional metallurgical studies;
- our expectation that we will complete the first draft of the mine management plan by the third quarter of 2017;
- our plans and available funding to continue to identify and study potential Mt Todd optimizations, project improvements and efficiencies;
- the feasibility of Mt Todd;
- our ability to sustain fixed costs (those cash expenditures necessary to ensure that we preserve our property rights and meet all of our safety, regulatory and environmental responsibilities) at \$1,400 to \$1,600 per quarter for several years;
- our expectation that we will be able to fund Mt Todd to the point of a development decision;
- the potential monetization of our non-core assets, including our mill equipment which is for sale, the Guadalupe de los Reyes gold project, and our Midas Gold Shares;
- our expectation that 2017 R&D grants from the Government of Australia, if any, will not be material;
 - our ability to provide sufficient additional information required to complete the Environmental Protection and Biodiversity Conservation Act 1999 authorization;
- estimates of future operating and financial performance;
- potential funding requirements and sources of capital, including near-term sources of additional cash;
- our expectation that the Company will continue to incur losses and will not pay dividends for the foreseeable future;
- the timing, performance and results of feasibility studies;
 - our potential entry into agreements to find, lease, purchase, option or sell mineral interests;
- plans for evaluation and advancement of Mt Todd;
- our expectation of Mt Todd's impact, including environmental and economic impacts;
- plans and estimates concerning potential project exploration and development, including the use of high pressure grinding roll crushers and access to a water supply, as well as the ability to obtain all required permits;
- our belief that we are in compliance in all material respects with applicable mining, health, safety and environmental statutes and regulations in all of the jurisdictions in which we operate;
- our belief that we maintain reasonable amounts of insurance;
- estimates of mineral reserves and mineral resources;
- our intention to seek partners to advance the Guadalupe de los Reyes project;
- our intention to improve the value of our gold projects;
- the receipt of future consideration in accordance with the contract of sale of our Long Valley claims;
- potential changes in regulations or taxation initiatives; and
 - our expectation that we will continue to be a passive foreign investment company ("PFIC").

Forward-looking statements and forward-looking information have been based upon our current business and operating plans, as approved by the Company's Board of Directors (the "Board"); our cash and other funding requirements and timing and sources thereof; results of pre-feasibility and feasibility studies, mineral resource and reserve estimates, preliminary economic assessments and exploration activities; advancements of the Company's required permitting processes; current market conditions and project development plans. The words "estimate," "plan," "anticipate,"

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“expect,” “intend,” “believe,” “will,” “may” and similar expressions are intended to identify forward-looking statements and forward-looking information. These statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause our actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements and forward-looking information. These factors include risks such as:

- our ability to raise additional capital or raise funds from the sale of non-core assets on favorable terms, if at all;
- pre-feasibility and feasibility study results and preliminary assessment results and the accuracy of estimates and assumptions on which they are based;
- resource and reserve estimate results, the accuracy of such estimates and the accuracy of sampling and subsequent assays and geologic interpretations on which they are based;
- technical and operational feasibility and the economic viability of deposits;
- our ability to obtain, renew or maintain the necessary authorizations and permits for Mt Todd, including its development plans and operating activities;
- the timing and results of a feasibility study on Mt Todd;
- delays in commencement of construction at Mt Todd;
- increased costs that affect our operations or our financial condition;
- our reliance on third parties to fulfill their obligations under agreements with us;
- whether projects not managed by us will comply with our standards or meet our objectives;
- a shortage of skilled labor, equipment and supplies;
- whether our acquisition, exploration and development activities, as well as the realization of the market value of our assets, will be commercially successful and whether any transactions we enter into will maximize the realization of the market value of our assets;
- the lack of cash dividend payments by us;
 - the success of future joint ventures, partnerships and other arrangements relating to our properties;
- industry consolidation which could result in the acquisition of a control position in the Company for less than fair value;
- perception of potential environmental impact of Mt Todd;
- known and unknown environmental and reclamation liabilities, including reclamation requirements at Mt Todd;
- our history of losses from operations;
- future water supply issues at Mt Todd;
- litigation or other legal claims;
- environmental lawsuits;
- lack of adequate insurance to cover potential liabilities;
- our ability to attract, retain and hire key personnel;
- fluctuations in the price of gold;
- volatility in our stock price;
- inherent hazards of mining exploration, development and operating activities;

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- the accuracy of calculations of mineral reserves, mineral resources and mineralized material fluctuations therein based on metal prices, and inherent vulnerability of the ore and recoverability of metal in the mining process;
- changes in environmental regulations to which our exploration and development operations are subject;
- changes in climate change regulations could result in increased operating costs;
- intense competition in the mining industry;
- potential challenges to the title to our mineral properties;
- evolving corporate governance and public disclosure regulations;
- tax initiatives on domestic and international levels;
- fluctuation in foreign currency values;
- potential review of our Australian R&D grants; and
- our likely status as a PFIC for U.S. federal tax purposes.

For a more detailed discussion of such risks and other important factors that could cause actual results to differ materially from those in such forward-looking statements and forward-looking information, please see “Item 1A. Risk Factors” below in this annual report on Form 10-K. Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that these statements will prove to be accurate as actual results and future events could differ materially from those anticipated in the statements. Except as required by law, we assume no obligation to publicly update any forward-looking statements and forward-looking information, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. BUSINESS.

Overview

Vista Gold Corp. and its subsidiaries (collectively, “Vista,” the “Company,” “we,” “our,” or “us”) are engaged in the gold mining industry. We are focused on the evaluation, acquisition, exploration and advancement of gold exploration and potential development projects, which may lead to gold production or value adding strategic transactions such as earn-in right agreements, option agreements, leases to third parties, joint venture arrangements with other mining companies, or outright sales of assets for cash and/or other consideration. We look for opportunities to improve the value of our gold projects through exploration drilling and/or technical studies focused on optimizing previous engineering work. We do not currently generate cash flows from mining operations.

The Company’s flagship asset is its 100% owned Mt Todd gold project (“Mt Todd”) in the Northern Territory (“NT”) Australia, where we are seeking approval of our final environmental authorization and evaluating potential material

process improvements in anticipation of commencing an update of our July 2014 Preliminary Feasibility Study (“PFS”).

Ultimately, a development decision at Mt Todd will depend on several factors, principally a sustainable acceptable gold price, a favorable outlook for the AUD:USD exchange rate, completion of a positive feasibility study and the availability of financing. With 60%-70% of the project capital and operating costs denominated in Australian dollars, the current AUD:USD exchange rate has a material favorable impact on the project economics, substantially mitigating the effects of the lower current USD gold price.

As one of the largest, undeveloped single-deposit gold projects in Australia, we believe Mt Todd is a highly strategic gold project with several potential paths to production. Our strong working capital position provides us flexibility and

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the assurance that we can continue to fund further optimization studies at Mt Todd, and to select a development strategy that we believe will have the best potential to maximize value for our shareholders.

Vista Gold Corp. was originally incorporated on November 28, 1983 under the name “Granges Exploration Ltd.” It amalgamated with Pecos Resources Ltd. during June 1985 and continued as Granges Exploration Ltd. In June 1989, Granges Exploration Ltd. changed its name to Granges Inc. Granges Inc. amalgamated with Hycroft Resources & Development Corporation during May 1995 and continued as Granges Inc. Effective November 1996, Da Capo Resources Ltd. and Granges, Inc. amalgamated under the name “Vista Gold Corp.” and, effective December 1997, Vista Gold continued from British Columbia to the Yukon Territory, Canada under the Business Corporations Act (Yukon Territory). On June 11, 2013, Vista Gold continued from the Yukon Territory, Canada to the Province of British Columbia, Canada under the Business Corporations Act (British Columbia). The current addresses, telephone and facsimile numbers of our offices are:

Executive Office
Suite 5 - 7961 Shaffer Parkway
Littleton, Colorado, USA 80127
Telephone: (720) 981-1185
Facsimile: (720) 981-1186

Registered and Records Office
1200 Waterfront Centre – 200 Burrard Street
Vancouver, British Columbia, Canada V7X 1T2
Telephone: (604) 687-5744
Facsimile: (604) 687-1415

Corporate Organization Chart

The name, place of incorporation, continuance or organization and percent of equity securities that we own or control as of February 15, 2017 for each of its subsidiaries is set out below.

Employees

As of December 31, 2016, we had 13 full-time and no part-time employees globally. In addition, we use consultants with specific skills to assist with various aspects of our project evaluation, due diligence, corporate governance and property management.

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Geographic and Segment Information

We have one reportable segment, consisting of evaluation, acquisition and exploration activities which are focused principally in Australia. We evaluate, acquire, explore and advance gold exploration and potential development projects, which may lead to gold production or value adding strategic transactions. We reported no operating revenues during the years ended December 31, 2016, 2015 and 2014. Geographic location of mineral properties and plant and equipment is provided in Notes 4 – Mineral Properties and 5 – Plant and Equipment to our Consolidated Financial Statements under the section heading “Item 8. Financial Statements and Supplementary Data” below.

Reclamation

We generally will be required to mitigate long-term environmental impacts by stabilizing, contouring, re-sloping and re-vegetating various portions of a site after mining and mineral processing operations are completed. These reclamation efforts would be conducted in accordance with detailed plans, which must be reviewed and approved by the appropriate regulatory agencies.

The Mt Todd site was not reclaimed when the mine closed in the late 1990’s. Liability for the reclamation of the environmental conditions existing prior to Vista’s involvement with the project remains the responsibility of the NT Government until 30 days after we have provided notice to the NT Government that we intend to take over and assume the management, operation and rehabilitation of Mt Todd. Vista will not give such notice until a production decision has been made, the project is fully permitted to construct the mine, and the necessary financing for construction has been arranged.

The Province of British Columbia Ministry of Energy and Mines (“MEM”) has requested that the Company prepare and present to MEM a reclamation plan for closure and abandonment of certain mining claims in British Columbia which the Company had disposed of in 1996. Assuming no other potentially responsible parties are identified and based on preliminary estimates of the reclamation costs, we have accrued \$350. It is possible that this estimate may change.

Government Regulation

Our exploration and development activities and other property interests are subject to various national, state, provincial and local laws and regulations in the United States, Mexico, Australia, and other jurisdictions, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. We have obtained or have pending applications for those licenses, permits or other authorizations currently required to conduct our

exploration and other programs. We believe that we are in compliance in all material respects with applicable mining, health, safety and environmental statutes and regulations in all of the jurisdictions in which we operate. With the exception of the British Columbia claims noted above, management of the Company is not aware of any current orders or directions relating to us with respect to the foregoing laws and regulations.

Australia Laws

Mineral projects in the Northern Territory are subject to Australian federal and Northern Territory laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, Mt Todd would be expected to have a variety of environmental impacts should development proceed. We are required under Australian laws and regulations (federal, state and territorial) to acquire permits and other authorizations before Mt Todd can be developed and mined. In Australia, environmental legislation plays a significant role in the mining industry. Various environmental documents, such as the Mt Todd EIS, covering studies on inter alia, air, water, pollution, hazardous and toxic wastes, reclamation of mining area, etc., are required by the Northern Territory Minister for Mines & Energy and Environment and the Australian Government Minister For Sustainability, Environment, Water, Population and Communities for approval. During September 2014, the EIS for Mt Todd was approved. The Environmental Protection Agency of the Northern Territory Government (“NTEPA”) advised that it had assessed the environmental impacts of the Mt Todd gold mine and concluded that Mt Todd can proceed, subject to a number of recommendations which are outlined in the assessment report, particularly, a request for authorization under the federal Environmental

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Protection and Biodiversity Conservation Act 1999 (“EPBC”) as it relates to the Gouldian Finch. We must comply with the terms of our Authority Certificate under the Northern Territory Aboriginal Sacred Sites Act 1989 which deals with the handling of archeological material within sacred sites. We are also subject to statutory requirements under the Mining Management Act, which includes the requirement to complete a Mine Management Plan (“MMP”) before the start of mining operations. Preparation of the Mt Todd MMP is in progress.

Environmental Regulation

Our projects are subject to various federal, state and local laws and regulations governing protection of the environment. These laws are continually changing and, in general, are becoming more restrictive. Our policy is to conduct business in a way that safeguards public health and the environment. We believe that our operations are conducted in material compliance with applicable laws and regulations.

Changes to current local, state or federal laws and regulations in the jurisdictions where we operate could require additional capital expenditures and increased operating and/or reclamation costs. We are unable to predict what additional legislation, if any, might be proposed or enacted, or what additional regulatory requirements could impact the economics of our projects.

During 2016, none of our project sites had any material non-compliance occurrences with any applicable environmental regulations.

Competition

We compete with other mining companies in connection with the acquisition, exploration, financing and development of gold properties. There is competition for the limited number of gold acquisition and exploration opportunities, some of which is with other companies having substantially greater financial resources than we have. As a result, we may have difficulty acquiring attractive gold projects at reasonable prices. We use consultants and compete with other mining companies for the man hours of consulting time required to complete our studies. We also compete with other mining companies for mining engineers, geologists and other skilled personnel in the mining industry and for exploration and development services.

Gold Price History

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The price of gold is volatile and is affected by numerous factors, all of which are beyond our control, such as the sale or purchase of gold by various central banks and financial institutions, inflation, recession, fluctuation in the relative values of the U.S. dollar and foreign currencies, changes in global gold demand and political and economic conditions.

The following table presents the high, low and average afternoon fixed prices in U.S. dollars for an ounce of gold on the London Bullion Market over the past five years:

Year	High	Low	Average
2012	\$ 1,792	\$ 1,540	\$ 1,669
2013	1,694	1,192	1,411
2014	1,385	1,142	1,266
2015	1,296	1,049	1,160
2016	1,366	1,077	1,251
2017 (to February 10, 2017)	1,242	1,151	1,201

Data Source: www.kitco.com

Available Information

We make available, free of charge, on or through our Internet website, at www.vistagold.com, our annual report on Form 10-K, our quarterly reports on Form 10-Q and our current reports on Form 8-K and amendments to those reports

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filed or furnished pursuant to Section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934. Our Internet website and the information contained therein or connected thereto are not intended to be, and are not, incorporated into this annual report on Form 10-K.

ITEM 1A. RISK FACTORS.

An investment in our securities involves a high degree of risk. The risks described below are not the only ones facing the Company or otherwise associated with an investment in our securities. Additional risks not presently known to us or which we currently consider immaterial may also adversely affect our business. If any of the following risks actually occur, our business, financial condition and operating results could be materially adversely affected.

Operating Risks

We cannot be assured that Mt Todd is feasible or that a feasibility study will accurately forecast operating results.

Mt Todd is our principal asset. Our future profitability depends largely on the economic feasibility of the project. Before arranging financing for Mt Todd, we will have to complete a feasibility study. There can be no assurance that the results of the feasibility study will be positive or that such study will be completed when expected. If the Mt Todd feasibility study is favorable, and if the project can be financed, there is no assurance that actual production rates, revenues, capital and operating costs at Mt Todd will not vary unfavorably from the estimates and assumptions included in the feasibility study.

Mt Todd requires substantial capital investment and we may be unable to raise sufficient capital on favorable terms or at all.

The construction and operation of Mt Todd will require significant capital. Our ability to raise sufficient capital will depend on several factors, including a favorable feasibility study, acquisition of the requisite permits, macroeconomic conditions, and future gold prices. Uncontrollable factors such as lower gold prices, unanticipated operating or permitting challenges, perception of environmental impact, illiquidity in the debt markets or equity markets, could impede our ability to finance Mt Todd on acceptable terms, if at all.

If we decide to construct the mine at Mt Todd, we will be assuming certain reclamation obligations resulting in a material financial obligation.

The Mt Todd site was not reclaimed when the original mine closed. Although we are not currently responsible for the reclamation of these historical disturbances, we will accept full responsibility for them if and when we make a decision to finance and construct the mine and we provide 30 days' notice to NT Government of our intention to take over and assume the management, operation and rehabilitation of Mt Todd. At that time, we will be required to provide a bond in a form and amount satisfactory to the NT Government (in whose jurisdiction Mt Todd is located) that would cover the prospective expense of the reclamation of the property. In addition, the regulatory authorities may increase reclamation and bonding requirements from time to time. The satisfaction of these bonding requirements and continuing or future reclamation obligations will require a significant amount of capital.

We may not be able to get the required permits to begin construction at Mt Todd in a timely manner or at all.

Any delay in acquiring the requisite permits, or failure to receive required governmental approvals could delay or prevent the start of construction of Mt Todd. If we are unable to acquire permits to mine the property, then the project cannot be developed and operated; in addition the property will have no reserves under SEC Industry Guide 7 and NI 43-101, which would result in an impairment of the carrying value of the project.

There may be other delays in the construction of Mt Todd.

Delays in commencement of construction could result from factors such as availability and performance of engineering and construction contractors, suppliers and consultants; availability of required equipment; and availability of capital.

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Any delay in the performance of any one or more of the contractors, suppliers, consultants or other persons on which we depend, or lack of availability of required equipment, or delay or failure to receive required governmental approvals, or financing could delay or prevent commencement of construction at Mt Todd. There can be no assurance of whether or when construction at Mt Todd will start or that the necessary personnel, equipment or supplies will be available to the Company if and when construction is started.

Increased costs could impede our ability to become profitable.

Costs at any particular mining location frequently are subject to variation due to a number of factors, such as changing ore grade, changing metallurgy, and revisions to mine plans in response to the physical shape and location of the ore body. In addition, costs are affected by the price of commodities, fuel, electricity, operating supplies and labor. These costs are at times subject to volatile price movements, including increases that could make future production at Mt Todd less profitable or uneconomic. This could have a material adverse effect on our financial condition, cash flows and results of operations.

We cannot be assured that we will have an adequate water supply at Mt Todd.

Water at Mt Todd is expected to be provided from a fresh water reservoir which is fed by seasonal rains. Insufficient rainfall, or drought-like conditions in the area feeding the reservoir could limit or extinguish this water supply, and sufficient water resources may not be available leading to operations stopping until the water supply is replenished.

We could be subject to litigation or other legal claims.

Our assets or our business activities may be subject to disputes that may result in litigation or other legal claims. We may be required to respond to or defend against these claims which will divert resources away from our principal business. There can be no assurance that our defense of such claims would be successful, and we may be required to make material settlements. This could have a material adverse effect on our financial condition and cash flows, results of operations, and corporate reputation.

We rely on third parties to fulfill their obligations under agreements.

Our business strategy includes entering into agreements with third-parties (“Partners”) which may earn the right to obtain a majority interest in certain of our projects, in part by managing the respective project. Whether or not we hold

a majority interest in a respective project, our Partner(s) may: (i) have economic or business interests or goals that are inconsistent with or opposed to ours; (ii) exercise veto rights to block actions that we believe to be in the best interests of the project; (iii) take action contrary to our policies or objectives; or (iv) as a result of financial or other difficulties, be unable or unwilling to fulfill their obligations under the respective joint venture, option, earn-in right or other agreement(s), such as contributing capital for the expansion or maintenance of projects. Any one or a combination of these could result in liabilities for us and/or could adversely affect the value of the related project(s) and, by association, damage our reputation and consequently our ability to acquire or advance other projects and/or attract future Partners.

Our exploration and development interests are subject to evolving environmental regulations.

Our property and royalty interests are subject to environmental regulation. Environmental legislation is becoming more restrictive in some countries or jurisdictions in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect our interests. Currently, our property and royalty interests are subject to government environmental regulations in Australia, Indonesia, Mexico and the U.S.

We could be subject to environmental lawsuits.

Neighboring landowners and other third parties could file claims based on environmental statutes and common law for personal injury and property damage allegedly caused by the release of hazardous substances or other waste material into

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the environment on or around our properties. There can be no assurance that our defense of such claims would be successful. This could have a material adverse effect on our business prospects, financial condition, results of operation, and corporate reputation.

We may have material undisclosed environmental liabilities of which we are not aware.

Vista has been engaged in gold exploration since 1983. Since inception the Company has been involved in a large number of exploration projects in many different jurisdictions. There may be environmental liabilities associated with disturbances at any of these projects for which the Company may be identified as a probable responsible party, regardless of its level of involvement in creating the related disturbance. We may not be aware of such claims against the Company until regulators provide notice thereof. Consequently, we may have material undisclosed environmental responsibilities which could negatively affect our results of operations, cash flows and corporate reputation.

There may be challenges to our title to mineral properties.

There may be challenges to our title to our mineral properties. If there are title defects with respect to any of our properties, we may be required to compensate other persons or perhaps reduce our interest in the affected property. Also, in any such case, the investigation and resolution of title issues could divert Company resources from our core strategies.

Financial and Business Risks

A substantial or extended decline in gold prices would have a material adverse effect on the value of our assets, on our ability to raise capital and could result in lower than estimated economic returns.

The value of our assets, our ability to raise capital and our future economic returns are substantially dependent on the price of gold. The gold price fluctuates on a daily basis and is affected by numerous factors beyond our control. Factors tending to influence gold prices include:

- gold sales or leasing by governments and central banks or changes in their monetary policy, including gold inventory management and reallocation of reserves;
- speculative short positions taken by significant investors or traders in gold;

- the relative strength of the U.S. dollar;
- expectations of the future rate of inflation;
- interest rates;
- changes to economic activity in the United States, China, India and other industrialized or developing countries;
- geopolitical conflicts;
- changes in jewelry, investment or industrial demand;
- changes in supply from production, disinvestment and scrap; and
- forward sales by producers in hedging or similar transactions.

A substantial or extended decline in the gold price could:

- negatively impact our ability to raise capital on favorable terms, or at all;
- jeopardize the development of Mt Todd;
- reduce our existing estimated mineral resources and reserves by removing ores from these estimates that could not be economically processed at the lower gold price;
- reduce the potential for future revenues from gold projects in which we have an interest;
- reduce funds available to operate our business; and
- reduce the market value of our assets, including our investment in Midas Gold Shares.

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Industry consolidation could result in the acquisition of a control position in the Company for less than fair value.

Consolidation within the industry is a growing trend. As a result of the broad market and industry factors including the price of gold, we believe the current market value of our common stock does not reflect the fair value of the Company's assets. These conditions could result in the acquisition of a control position, or attempted acquisition of a control position in the Company at what we believe to be less than fair value. This could result in substantial costs to us and divert our management's attention and resources. A completed acquisition could result in realized losses of shareholder value.

We have a history of losses, and we do not expect to generate earnings from operations or pay dividends in the near term.

We are an exploration stage enterprise. As such, we devote our efforts to exploration, analysis and, if warranted, development of our projects. We do not currently produce gold and do not currently generate operating earnings from gold production. We finance our business activities principally by issuing equity and/or debt, and selling non-core assets.

We have incurred losses in all periods since 1998, except for the year ended December 31, 2011, during which we recorded non-cash net gains, and the year ended December 31, 2015 during which we recorded gains related to R&D Refunds. We expect to continue to incur losses for the foreseeable future. We have no history of paying cash dividends and we do not expect to be able to pay cash dividends or to make any similar distribution in the foreseeable future.

We may be unable to raise additional capital on favorable terms, if at all.

Our exploration and, if warranted, development activities and the construction and start-up of any mining operation require substantial amounts of capital. In order to develop Mt Todd, and/or to acquire attractive gold projects, we will have to raise additional funds from the sale of non-core assets and / or external sources. There can be no assurance that we will be successful in selling non-core assets or that additional financing will be available at all or on acceptable terms. If we cannot raise sufficient additional financing, we may have to substantially reduce or cease operations.

Our exploration and development activities or any acquisition activities may not be commercially successful.

Substantial expenditures are required to acquire gold properties, to establish mineral reserves through drilling and analysis, to develop metallurgical processes to extract metal from the ore and to develop the mining and processing

facilities and infrastructure at any site chosen for mining. We cannot be assured that any mineral reserves or mineral resources acquired, established or discovered will be in sufficient quantities to justify commercial operations or that the funds invested in them will ever be recovered.

Our business is subject to evolving corporate governance and public disclosure regulations that have increased both our compliance costs and the risk of noncompliance.

We are subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the British Columbia Securities Commission, the SEC, the TSX, the NYSE MKT, and the Financial Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity and many new requirements have been created in response to laws enacted by the United States Congress, making compliance increasingly more difficult and uncertain, which could have an adverse effect on reputation and our stock price.

We face intense competition in the mining industry.

The mining industry is intensely competitive in all of its phases. Some of our competitors are much larger, established mining companies with greater financial and technical resources than ours. We compete with other mining companies for attractive mining claims, for capital, for equipment and supplies, for outside services and for qualified managerial and technical employees. If we are unable to raise sufficient capital, we will be unable to execute exploration and

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development programs or such programs may be reduced in scope. Competition for equipment and supplies could result in shortage of necessary supplies and/or increased costs. Competition for outside services could result in increased costs, reduced quality of service and/or delays in completing services. If we cannot successfully retain or attract qualified employees, our ability to advance the development of Mt Todd, to attract necessary financing, to meet all of our environmental and regulatory responsibilities, or to take opportunities to improve our business, could be negatively affected. This could have a material adverse effect on our results of operations, cash flows, financial condition and corporate reputation.

The occurrence of events for which we are not insured may affect our cash flow and overall profitability.

We maintain insurance policies that mitigate certain risks related to our operations. This insurance is maintained in amounts that we believe to be reasonable based on the circumstances surrounding each identified risk. However, we may elect not to have insurance for certain risks because of the high premiums associated with insuring those risks or for various other reasons; in other cases, insurance may not be available for certain risks. We do not insure against political risk. Occurrence of events for which we are not insured could result in significant losses that could materially adversely affect our financial condition and our ability to fund our business.

Our stock price may be volatile and your investment in our common stock could suffer a decline in value.

Broad market and industry factors may adversely affect the price of our common stock, regardless of our actual operating performance. Factors that could cause fluctuation in the price of our common stock may include, among other things:

- changes in financial estimates by us or by any securities analysts who might cover our stock;
- stock market price and volume fluctuations of other publicly traded companies and, in particular, those that are in the mining industry;
- speculation about our business in the press or the investment community;
- conditions or trends in our industry or the economy generally;
- changes in the prices of gold;
- announcements by us or our competitors of significant acquisitions, strategic partnerships or divestitures;
- additions or departures of key personnel; and
- sales of our common stock, including sales by our directors, officers or significant stockholders.

In the past, securities class action litigation has often been instituted against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs to us and divert our management's attention and resources.

Currency fluctuations may adversely affect our costs.

We have material property interests in Australia. Most costs in Australia are incurred in the local currency. The appreciation of the Australian dollar against the U.S. dollar effectively increases our cost of doing business in Australia. This could have the effect of increasing the amount of capital required to continue to explore and develop Mt Todd, and/or reducing the pace at which it is developed.

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Our Australian Research and development (“R&D”) grants are subject to review.

The Australian R&D tax incentive program, under which we have received certain grants related to qualifying R&D programs and expenditures, is a self-assessment process, and as such, the Australian Government has the right to review our qualifying programs and related expenditures for a period of four years. If such a review were to occur, and as a result of the review and failure of a related appeal a qualified program and related expenditures were disqualified, the respective R&D grant could be recalled with penalties and interest.

The Company is likely a “passive foreign investment company,” which will likely have adverse U.S. federal income tax consequences for U.S. shareholders.

U.S. shareholders of our common shares should be aware that the Company believes it was classified as a PFIC during the taxable year ended December 31, 2016, and based on current business plans and financial projections, management believes there is a significant likelihood that the Company will be a PFIC during the current taxable year. If the Company is a PFIC for any year during a U.S. shareholder’s holding period, then such U.S. shareholder generally will be required to treat any gain realized upon a disposition of Common Shares, or any so-called “excess distribution” received on their Common Shares, as ordinary income, and to pay an interest charge on a portion of such gain or distributions, unless the shareholder makes a timely and effective “qualified electing fund” (“QEF Election”) or a “mark-to-market” election with respect to the Common Shares. A U.S. shareholder who makes a QEF Election generally must report on a current basis its share of the net capital gain and ordinary earnings for any year in which the Company is PFIC, whether or not the Company distributes any amounts to its shareholders. U.S. shareholders should be aware that there can be no assurance that the Company will satisfy record keeping requirements that apply to a QEF Election, or that the Company will supply U.S. shareholders with information that such U.S. shareholders require to report under the QEF Election rules, in event that the Company is a PFIC and a U.S. shareholder wishes to make a QEF Election. Thus, U.S. shareholders may not be able to make a QEF Election with respect to their Common Shares. A U.S. shareholder who makes the mark-to-market election generally must include as ordinary income each year the excess of the fair market value of the Common Shares over the taxpayer’s basis therein. This paragraph is qualified in its entirety by the discussion below in “Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities - “Certain U.S. Federal Income Tax Considerations.” Each U.S. shareholder should consult his or her own tax advisor regarding the U.S. federal, U.S. state and local, and foreign tax consequences of the PFIC rules and the acquisition, ownership, and disposition of Common Shares.

Industry Risks

Calculations of mineral reserves and mineral resources are estimates only and subject to uncertainty.

The estimating of mineral reserves and mineral resources is an imprecise process and the accuracy of such estimates is a function of the quantity and quality of available data, the assumptions used and judgments made in interpreting engineering and geological information and estimating future capital and operating costs. There is significant uncertainty in any reserve or resource estimate, and the economic results of mining an ore deposit may differ materially from the estimates.

Feasibility studies are estimates only and subject to uncertainty.

Feasibility studies are used to determine the economic viability of an ore deposit, as are pre-feasibility studies and preliminary economic assessments. Feasibility studies are the most detailed studies and reflect a higher level of confidence in the estimated production rates, and capital and operating costs. Generally accepted levels of confidence are plus or minus 15% for feasibility studies, plus or minus 25-30% for pre-feasibility studies and plus or minus 35-40% for preliminary economic assessments. These levels reflect the levels of confidence that exist at the time the study is completed. Subsequent changes to metal prices, foreign exchange rates (if applicable), reclamation requirements, operating and capital costs may differ materially from these estimates.

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Mining companies are increasingly required to consider and provide benefits to the communities and countries in which they operate, and are subject to extensive environmental, health and safety laws and regulations.

As a result of public concern about the real or perceived detrimental effects of economic globalization and global climate impacts, businesses in general and the mining industry in particular, face increasing public scrutiny of their activities. These businesses are under pressure to demonstrate that as they seek to generate satisfactory returns on investment to shareholders, other stakeholders, including employees, governments, indigenous peoples, communities surrounding operations and the countries in which they operate, benefit and will continue to benefit from their commercial activities. The potential consequences of these pressures include reputational damage, legal suits, increased costs, increased social investment obligations, difficulty in acquiring permits, and increased taxes and royalties payable to governments and communities.

Mining exploration, development and operating activities are inherently hazardous.

Mineral exploration involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which we have direct or indirect interests will be subject to all the hazards and risks normally incidental to exploration, development and production of gold and other metals, any of which could result in work stoppages, damage to property, physical harm and possible environmental damage. The nature of these risks is such that liabilities might exceed any liability insurance policy limits. It is also possible that the liabilities and hazards might not be insurable, or, we could elect not to be insured against such liabilities due to high premium costs or other reasons, in which event, we could incur significant costs that could have a material adverse effect on our financial condition.

Regulations and pending legislation involving climate change could result in increased operating costs.

Gold production is energy intensive, resulting in a significant carbon footprint. A number of governments and/or governmental bodies have introduced or are contemplating regulatory changes in response to various climate change interest groups and the potential impact of climate change. This type of legislation and possible future legislation and increased regulation regarding climate change could impose significant costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations.

Pending initiatives involving taxation could result in increased tax and operating costs.

There is growing attention from the media and the public on perceived international tax avoidance techniques which could result in escalating rates of poverty, inequality and unemployment in host countries. Initiatives like the Base Erosion and Profit Shifting project being led by the Organization for Economic Cooperation and Development aim to reform the system of international taxation to minimize international tax avoidance techniques. This initiative and

possible future initiatives could result in increased tax expense and related compliance costs for future international mining operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES.

The following scientific and technical disclosures about Mt Todd have been reviewed and approved by Mr. John W. Rozelle, Senior Vice President of Vista. Mr. Rozelle is a qualified person as defined by NI 43-101.

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Cautionary Note to U.S. Investors: This section and other sections of this annual report on Form 10-K contain the terms “measured mineral resources,” “indicated mineral resources,” “inferred mineral resources,” “proven mineral reserves,” and “probable mineral reserves” as defined in accordance with NI 43-101. Please note the following regarding these terms:

- “Measured mineral resources” and “indicated mineral resources” – we advise U.S. investors that although these terms are recognized and required by Canadian regulations, these terms are not defined in SEC Industry Guide 7 and the SEC does not normally permit such terms to be used in reports and registration statements filed with the SEC. U.S. investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves.
- “Inferred mineral resources” – we advise U.S. investors that although this term is recognized by Canadian regulations, the SEC does not recognize it. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic, technical and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or pre-feasibility study, except in rare cases. The SEC normally only permits an issuer to report mineralization that does not constitute “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 an inferred mineral resource exists or is economically or legally minable.
- “Proven mineral reserves” and “probable mineral reserves” – The definitions of proven and probable mineral reserves used in NI 43-101 differ from the definitions for “proven reserves” and “probable reserves” as found in SEC Industry Guide 7. Accordingly, our disclosures of mineral reserves herein may not be comparable to information from U.S. companies subject to reporting and disclosure requirements of the SEC.

Please see “Cautionary Note to U.S. Investors Regarding Estimates of Measured, Indicated and Inferred Resources and Proven and Probable Reserves” above for further discussion on the differences between terms under NI 43-101 and SEC Industry Guide 7.

Cautionary Note To All Investors Concerning Economic Assessments That Include Mineral Resources: Mineral resources that are not mineral reserves have no demonstrated economic viability.

Units of measurement reported by the qualified person in compiling reports on a project vary by country, Imperial units for properties in the U.S. and metric units for properties outside the U.S. We use the units of measurement as reported by the qualified persons in their respective reports, regardless of property location, in order to correspond to those units as reported by the qualified persons.

Mt Todd Gold Project, Northern Territory, Australia

Property Description and Location

In 2006, we acquired the concession rights to Mt Todd from the Deed Administrators for Pegasus Gold Australia Pty Ltd. (“Pegasus”), NT Government and the Jawoyn Association Aboriginal Corporation (“JAAC”). In 2014, the agreement was extended through the end of 2018. Mt Todd was an operating mine in the late 1990’s, but the project had been closed due to bankruptcy and was held by these organizations. The failure of the project was primarily a result of inefficiencies in the comminution circuit, poor gold recoveries and low gold prices. We hold Mt Todd through our wholly-owned subsidiary Vista Gold Australia Pty. Ltd. (“Vista Gold Australia”).

Mt Todd is located 56 kilometers by road northwest of Katherine, NT, Australia, and approximately 250 kilometers southeast of Darwin. Access is by existing paved public roads and approximately four kilometers of paved private road. We control and maintain the private paved road.

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Gold mineralization in the Batman deposit at the project occurs in sheeted veins within silicified greywackes/shales/siltstones. The Batman deposit strikes north-northeast and dips steeply to the east. Higher grade zones of the deposit plunge to the south. The core zone is approximately 200-250 meters wide and 1.6 km long, with several hanging wall structures providing additional width to the orebody. Mineralization is open at depth as well as along strike, although the intensity of mineralization weakens to the north and south along strike.

The Mt Todd Base Case (defined below) is designed to be a conventional, large open-pit mining operation that will utilize large-scale mining equipment in a drill/blast/load/haul operation. Ore is planned to be processed in a large comminution circuit consisting of a gyratory crusher, two cone crushers, two High Pressure Grinding Roll (“HPGR”) crushers, and three ball mills as discussed in greater detail below. Vista plans to recover gold in a conventional carbon-in-pulp (“CIP”) recovery circuit.

The Mt Todd site was not reclaimed when the mine closed in the late 1990’s. Liability for the reclamation of the environmental conditions existing prior to Vista’s involvement with the project remains the responsibility of the NT Government until 30 days after we have provided notice to the NT Government that we intend to take over and assume the management operation and rehabilitation of Mt Todd. Vista will not give such notice until a production decision has been made, the project is fully permitted to construct the mine, and the necessary financing for construction has been arranged.

The area has a sub-tropical climate with a distinct wet season and dry season. The area receives most of its rainfall between the months of January and March. Temperatures are moderate, allowing for year-round mining operations. Topography is relatively flat. The tenements encompass a variety of habitats forming part of the northern Savannah woodland region, which is characterized by eucalypt woodland with tropical grass understories. Surface elevations are approximately 130 to 160 meters above sea level in the area of the previous and planned plant site and waste dump.

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Total land holdings controlled by Vista Gold Australia are approximately 140,000 hectares. A map showing the location of the mineral licenses (“MLs”) and exploration licenses (“ELs”) and a table with a list of MLs and ELs and the holding requirements follows. All of the estimated mineral resources are located within the boundaries of the MLs and substantially all of the estimated mineral resources at Mt Todd are located in the Batman deposit.

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Mt Todd Land Holdings of Vista Gold Australia

	Surface Area	Location Description	Location Date	Renewal Date	Estimated Holding Requirements Annual Rent & Admin Fees (thousands of A\$)		Annual Work Requirement (thousands of A\$)	Annual Expenditures (thousands of A\$)
070	3,982	License Block centered at approximately 188555E, 435665N	March 5, 1993	March 4, 2018	80 (due March 4) 27 (due March 4) 2 (due March 4) 109	(due)	N/A	May 3
071	1,327	License Block centered at approximately 188555E, 435665N	March 5, 1993	March 4, 2018	2 (due March 4) 109	(due)	N/A	May 3
127	80	License Block centered at approximately 188555E, 435665N	March 5, 1993	March 4, 2018	109	(due)	N/A	May 3
128	5,389	License Block centered at approximately 188555E, 435665N	March 5, 1993	March 4, 2018	109	(due)	N/A	May 3
	Surface Area (Square Km)	Location Description (UTM)	Location Date	Renewal Date	Estimated Holding Requirements Annual Rent & Admin Fees (thousands of A\$)		Annual Work Requirement (thousands of A\$)	Annual Expenditures (thousands of A\$)
21	198	Centered at approximately 806729E, 8429210N	May 3, 2011	May 2, 2017	9 (due May 2)	(due)	15	June 1, 1
22	556	Centered at approximately 189100E, 8452000N	September 16, 2013	September 15, 2017	36 (due September 16)	(due)	442	May 14
6	596	Centered at approximately 200300E, 8452000N	September 16, 2013	September 15, 2017	41 (due September 16)	(due)	132	May 14
8	187	Centered at approximately 176100E, 8428700N	May 3, 2016	May 2, 2022	3 (due May 2) 89	(due)	18	June 1, 1
	1,537				198		607	
					198		607	
					143		438	

US\$ (exchange rate of A\$1.00 = \$0.72
 December 31, 2016

The surface land in the area of the contiguous MLs and ELs (excluding EL28321) is freehold land owned by the JAAC. Because the JAAC have title to the land, such land is not part of the lands classified by the government as indigenous lands, and as a result such lands are not subject to an Indigenous Land Use Agreement. Vista has a private agreement with the JAAC for the use of and access to the land.

In the terms of our agreement with the JAAC, we must offer the JAAC the opportunity to establish a joint venture with Vista holding 90% and the JAAC holding a 10% participating interest in Mt Todd. In addition, the JAAC will be entitled to cash payments, or payment in kind, equal to 1% of the value of the annual gold production from the current MLs, and a 1% NSR royalty on other metals, subject to a minimum payment of A\$50 per year.

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We are required annually to submit a Mine Management Plan that details work to be done on the property. We have received approval for all work done on the project to date and obtained approval for the EIS. Further permitting will be required before mine development can start. The related permitting processes are relatively straight-forward and are not expected to impede to a material extent our exploration and future development plans. Any future mining will require an approved closure plan and sufficient surety bonding to fund that closure.

Following the bankruptcy of the previous operator in the 1990's, most of the processing equipment and facilities were removed from the site; but some basic infrastructure which may be of use in a future operation is still in place, including project access control point, a small shop and office, and the flotation plant building, as well as a fully functioning tailings impoundment facility that has capacity to store additional mill tailings, and a fresh water storage reservoir. In addition, a medium voltage power line supplies the site with electrical power, and a natural gas pipeline, used for power generation by the former operators, is still in place. Mt Todd is located sufficiently close to the city of Katherine and the town of Pine Creek to allow for an easy commute for workers.

Because the Mt Todd site was not reclaimed when the mine closed, the dumps and heap leach pad require ongoing care and maintenance, which we provide. Precipitation on the waste dumps, low-grade ore stockpiles and scats have resulted in acid rock drainage which is controlled to the extent possible through collection in retention ponds, storage, pH adjustment and controlled release of acidic or treated water into the Edith River when water levels were high enough, in accordance with the waste discharge license.

Water Treatment

We completed the installation of a lime silo and slaker for water treatment in 2009. The treated water was initially stored in the existing tailings impoundment facility, but the above average rainfall experienced in the 2010-2011 wet season raised the level of water in the tailings impoundment facility which resulted in the suspension of water treatment. In 2011, we started pumping water from the tailings impoundment facility into the Batman pit. Following extensive chemical and ecotoxicological testwork, in 2012 we received authorization from the NT Government to in situ treat the water stored in the Batman Pit to neutralize the acidity and to precipitate the contained metals. In February 2013, we received a waste discharge license from the NT Government that authorized the release of treated water from the Mt Todd site during the wet season in accordance with higher environmental protection standards. We have operated in compliance with the new standards. We will have to dewater substantially the entire pit before mining operations can be started.

Geology, Mineralization, and Exploration

Mt Todd is situated within the southeastern portion of the Early Proterozoic Pine Creek Geosyncline. Meta-sediments, granitoids, basic intrusives, acidic and intermediate volcanic rocks occur within this geological province. Within the

Mt Todd region, the oldest outcropping rocks are assigned to the Burrell Creek Formation. These rocks consist primarily of interbedded greywackes, siltstones, and shales of turbidite affinity, which are interspersed with the minor volcanics. The Burrell Creek Formation is overlain by interbedded greywackes, mudstones, tuffs, minor conglomerates, mafic to intermediate volcanics and banded ironstone of the Tollis Formation. The Burrell Creek Formation and Tollis Formation comprise the Finnis River Group. The Finnis River Group strata have been folded about northerly trending F1 fold axes. The folds are closed to open style and have moderate westerly dipping axial planes with some sections being overturned. A later north-south compression event resulted in east-west trending open style upright D2 folds. The Finnis River Group has been regionally metamorphosed to lower green schist facies. Late and Post Orogenic granite intrusions of the Cullen Batholith occurred from 1789 Ma to 1730 Ma, and brought about local contact metamorphism to hornblende hornfels facies.

The Batman pit geology consists of a sequence of hornfelsed interbedded greywackes and shales with minor thin beds of felsic tuff. Bedding consistently strikes at 325 degrees, dipping 40 degrees to 60 degrees to the southwest. Northerly trending sheeted quartz sulfide veins and joints striking at 0 degrees to 20 degrees and dipping 60 degrees to the east are the major controls for mineralization in the Batman pit. The veins are 1 to 100 millimeters in thickness with an average thickness of around 8 to 10 millimeters and occur in sheets with up to 20 veins per horizontal meter. These sheeted veins are the main source of gold mineralization in the Batman pit. In general, the Batman pit extends 1,600 meters in length

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by 1,100 meters in width and has been drill tested to a depth of 800 meters down-dip. The deposit is open along strike and at depth.

The mineralization within the Batman pit is directly related to the intensity of the north-south trending quartz sulfide veining. The lithological units impact on the orientation and intensity of mineralization. Sulfide minerals associated with the gold mineralization are pyrite, pyrrhotite and lesser amounts of chalcopyrite, bismuthinite and arsenopyrite. Galena and sphalerite are also present, but appear to be post-gold mineralization, and are related to calcite veining in the bedding plains and the east-west trending faults and joints. Two main styles of mineralization have been identified in the Batman pit. These are the north-south trending vein mineralization and bedding parallel mineralization.

Based on our review of the historic project files, we believe that approximately 21.4 million tonnes grading 1.05 grams gold per tonne and containing 723,795 ounces of gold were extracted between 1993 and the termination of mining in 2000. Processing was by a combination of heap leach production from oxide ore and cyanidation of sulfide ore. The remaining mineralization consists of sulfide mineralization lying below and along strike of the existing open pit, and in hanging wall structures parallel to the main zone in the existing open pit.

Preliminary Feasibility Study

An amended and restated pre-feasibility study (“PFS”) for Mt Todd pursuant to NI 43-101 was filed on SEDAR on July 9, 2014, and is entitled “NI 43-101 Technical Report - Mt Todd 50,000 tpd Preliminary Feasibility Study – Northern Territory, Australia” with an effective date of July 7, 2014. This PFS is based on the same scientific and technical data as in the May 2013 PFS.

The PFS evaluates two development scenarios including a 50,000 tpd project that develops more of the Mt Todd resource (the “Base Case”) and generates a larger Net Present Value (“NPV”) and a smaller and higher-grade 33,000 tpd project that focuses on maximizing internal rate of return and operating margins (the “Alternate Case”).

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Highlights of the 50,000 tpd Base Case include:

- estimated measured and indicated mineral resource categories of 7.40 million ounces of gold (280 million tons at 0.82 g Au/t) and estimated proven and probable mineral reserves of 5.90 million ounces of gold (223 million tonnes at 0.82 g Au/t) at a cut-off grade of 0.40 g Au/t (1);
- average annual production of 369,850 ounces of gold per year over the mine life, including average annual production of 481,316 ounces of gold per year during the first five years of operations;
- life of mine average cash costs of \$773 per ounce, including average cash costs of \$662 per ounce during the first five years of operations;
- a 13 year operating life;
- after-tax NPV_{5%} of \$591.3 million and internal rate of return of 15.9% at \$1,450 per ounce gold prices, increasing to \$876.6 million and 21.1%, respectively, at \$1,600 per ounce gold prices; and
- initial capital requirements of \$1,046 million.

Highlights of the 33,000 tpd Alternate Case include:

- estimated proven and probable mineral reserves of 3.56 million ounces of gold (124 million tonnes at 0.90 g Au/t) at a cut-off grade of 0.45 g Au/t(1);
- average annual production of 262,826 ounces of gold per year over the mine life, including average annual production of 294,502 ounces of gold per year during the first five years of operations;
- life of mine average cash costs of \$684 per ounce, including average cash costs of \$676 per ounce during the first five years of operations;
- an 11 year operating life;
- after-tax NPV_{5%} of \$440.2 million and internal rate of return of 16.9% at \$1,450 per ounce gold prices, increasing to \$615.6 million and 21.4%, respectively, at \$1,600 per ounce gold prices; and
- Initial capital requirements of \$761 million.

(1) Cautionary note to U.S. investors: Proven and probable reserves are estimated in accordance with NI 43-101 and do not constitute SEC Industry Guide 7 compliant reserves. See the section heading “Cautionary Note to United States Investors Regarding Estimates of Measured, Indicated and Inferred Resources and Proven and Probable Reserves” above.

Base Case Scenario Presented in PFS

Highlights of the PFS Base Case scenario are presented in the table below:

@ \$1,450/oz Au	Years 1-5	Life of Mine (13 years)
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Average Milled Grade (g Au/t)	1.03	0.82
Payable Gold Annual Average (000's ozs)	481	370
Payable Gold Total (000's ozs)	2,407	4,808
Gold Recovery	82.0 %	81.5 %
Cash Costs (\$/oz)	\$ 662	\$ 773
Strip Ratio (waste:ore)	2.5	2.7
Initial Capital (\$ millions)		\$ 1,046
Pre-tax NPV _{5%} (\$ millions)		\$ 1,094
After-tax NPV _{5%} (\$ millions)		\$ 591
IRR (Pre-tax/After-tax)	21.8%	/ 15.9 %
After-tax Payback (Production Years)		3.5

Note: Economics presented using \$1,450/oz gold and a flat \$1.00 USD : \$1.00 AUD exchange rate and assumes deferral of certain Northern Territory tax obligations as well as realization of equipment salvage values at the end of the mine life.

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The following table provides additional details of the Mt Todd's Base Case economics at variable gold price and Australian dollar assumptions:

After-Tax NPV _{5%} , in Millions ForEx USD/AUD	Gold Price per Ounce							
	\$1,200	\$1,300	\$1,400	\$1,450	\$1,500	\$1,600	\$1,700	\$1,800
USD\$1.10	\$ (51.4)	\$ 155.9	\$ 352.1	\$ 448.4	\$ 543.8	\$ 734.5	\$ 924.9	\$ 1,114.1
USD\$1.00	\$ 108.1	\$ 304.5	\$ 496.1	\$ 591.3	\$ 686.6	\$ 876.6	\$ 1,065.6	\$ 1,255.1
USD\$0.90	\$ 258.5	\$ 448.3	\$ 638.8	\$ 733.6	\$ 828.3	\$ 1,017.2	\$ 1,206.5	\$ 1,395.9
USD\$0.80	\$ 400.6	\$ 591.0	\$ 780.0	\$ 874.4	\$ 968.9	\$ 1,157.9	\$ 1,347.2	\$ 1,536.1

Note: Changes in Foreign Exchange rates are only applied to operating costs and not applied to either initial or sustaining capital costs.

Base Case key capital expenditures for initial and sustaining capital requirements are identified in the following table:

Capital Expenditures (\$ Millions)	Initial Capital	Sustaining Capital
Capitalized Stripping & Dewatering	\$ 57	\$ 40
Mobile Equipment	\$ 139	\$ 151
Process Facility	\$ 410	—
Tailings	\$ 20	\$ 184
Power Plant	\$ 91	—
Water Supply & Treatment	\$ 19	—
Owners Cost	\$ 203	\$ (10)
Sub-Total	\$ 938	\$ 366
Contingency	\$ 107	\$ 23
Salvage Value		\$ (124)
Mine Closure	\$ 1	\$ 94
Total Capital	\$ 1,046	\$ 359
Total Capital per payable ounce gold	\$ 218	\$ 75

Note: Amounts may not add due to rounding. The negative value in the sustaining capital category of the owners' cost line is the recapture of the cash component of the project's cash reclamation bond, which is spent as cash under the Mine Closure category.

The following table presents a breakdown of Base Case operating costs. The project includes a 76MW gas-fired power plant in the initial capital. The Base Case project consumes all power generated during the operating life.

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Self-generated power creates significant savings in operating costs compared to a grid-sourced power solution. During the four years of reclamation and closure, the PFS assumes we will continue to generate power and will sell that power into the NT electrical grid, for which there is a known market and indicative purchase rates have been provided by the government-owned utility.

Operating Cost	First 5 Years		Life of Mine Cost	
	Per tonne processed	Per ounce	Per tonne processed	Per ounce
Mining	\$ 8.18	\$ 302.30	\$ 6.95	\$ 321.88
Processing	\$ 8.71	\$ 321.47	\$ 8.78	\$ 406.86
Site General and Administrative	\$ 0.49	\$ 18.27	\$ 0.50	\$ 22.94
Jawoyn Royalty	\$ 0.39	\$ 14.50	\$ 0.31	\$ 14.50
Water Treatment	\$ 0.07	\$ 2.60	\$ 0.10	\$ 3.39
Refining Costs	\$ 0.09	\$ 3.19	\$ 0.07	\$ 3.19
Power Credit	—	—	—	—
Total Cash Costs	\$ 17.93	\$ 662.06	\$ 16.70	\$ 772.76

Note: Jawoyn Royalty and Refining Costs calculated at \$1,450 per ounce of gold. Amounts may not add due to rounding.

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The 50,000 tpd Base Case mine plan contains 209.5 million tonnes of material mined from the Batman open pit plus 13.4 million tonnes of material from the existing heap leach pad that is processed through the mill at the end of the mine life. Together, 222.8 million tonnes of material containing 5.901 million ounces of gold at an average grade of 0.82 g Au/t are processed over the 13 year operating life. Total gold recovered is expected to be 4.808 million ounces. Average annual gold production over the life of mine is 369,850 ounces, averaging 481,316 ounces during the first five years of operations, with 580,472 ounces produced in the first year of operations. Commercial production would begin following two years of construction and commissioning.

The following table highlights the Base Case production schedule:

Years	Ore Mined (kt)	Waste mined (kt)	Strip Ratio (W:O)	Milled Ore (kt)	Milled Grade (g Au/t)	Contained Ounces (kozs)	Mill Production (kozs)
(1)	11,764	24,761	2.1	—	—	—	—
1	28,101	33,803	1.2	17,799	1.24	708	580
2	20,983	55,290	2.6	17,750	0.92	525	430
3	23,941	78,227	3.3	17,750	1.07	613	502
4	18,285	71,608	3.9	17,750	0.82	471	386
5	29,066	58,329	2.0	17,799	1.08	620	508
6	7,561	71,279	9.4	17,750	0.71	408	334
7	4,777	54,405	11.4	17,750	0.55	312	256
8	7,078	45,482	6.4	17,750	0.53	301	247
9	10,700	38,710	3.6	17,799	0.57	325	266
10	24,331	27,864	1.1	17,750	0.83	473	388
11	22,861	2,592	0.1	17,750	1.14	653	535
12	—	—	—	17,750	0.57	324	258
13	—	—	—	9,659	0.54	168	117
Total	209,451	562,349	2.7	222,805	0.82	5,901	4,808

Note: Amounts may not add due to rounding. Total milled ore includes material from the heap leach pad that is processed at the end of the mine life.

The table below illustrates the updated mineral reserve and resource estimate for the Project. The effective date of the Batman deposit mineral resource estimate is March 18, 2013. The effective date of the heap leach resource estimate is May 29, 2013.

Mt Todd Mineral Reserves, Base Case (50,000 tpd) 0.40 g Au/t cut-off. Mineral reserves calculated at \$1,360 per ounce of gold

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Batman Deposit			Heap Leach Pad			Quigleys Deposit			Total	
Tonnes (000s)	Grade (gAu/t)	Contained Ounces	Tonnes (000s)	Grade (g Au/t)	Contained Ounces	Tonnes (000s)	Grade (g/t)	Contained Ounces	Tonnes (000s)	Grade (g Au/t)
72,495	0.88	2,057	—	—	—	—	—	—	72,495	0.88
16,955	0.82	3,612	13,354	0.54	232	—	—	—	150,309	0.80
9,451	0.84	5,669	13,354	0.54	232	—	—	—	222,805	0.82

Mt Todd Mineral Resources Base Case (50,000 tpd)

	Batman Deposit			Heap Leach Pad			Quigleys Deposit			Total	
	Tonnes (000s)	Grade (g Au/t)	Contained Ounces	Tonnes (000s)	Grade (g Au/t)	Contained Ounces	Tonnes (000s)	Grade (g Au/t)	Contained Ounces	Tonnes (000s)	Grade (g Au/t)
Measured	77,793	0.88	2,193	—	—	—	571	0.98	18	78,364	0.88
Indicated	201,792	0.80	5,209	13,354	0.54	232	6,868	1	181	220,794	0.80
Total	279,585	0.82	7,401	13,354	0.54	232	7,439	0.83	199	300,878	0.82
Inferred	72,458	0.74	1,729	—	—	—	11,767	0.85	320	84,225	0.74

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Note: Measured and indicated resources include proven and probable reserves. Batman and Quigleys resources are estimated at a 0.40g Au/t cut-off grade. Heap leach resources are the average grade of the heap, no cut-off applied. Economic analysis conducted on proven and probable mineral reserves.

Cautionary note to U.S. investors: Proven and probable reserves are estimated in accordance with NI 43-101 and do not constitute SEC Industry Guide 7 compliant reserves see the section heading "Cautionary Note to United States Investors Regarding Estimates of Measured, Indicated and Inferred Resources and Proven and Probable Reserves" above.

Alternative Case Scenario Presented in PFS

The key differences between the Base Case and the alternative case include:

- a 33,000 tpd processing facility versus a 50,000 tpd facility in the Base Case with associated lower mining rates and a smaller fleet; and
- an ultimate pit design based on a reserve pit shell of \$925/oz versus \$1,360/oz in the Base Case and the application of a higher cut-off grade (0.45g Au/t versus 0.40g Au/t).

Highlights of the PFS alternative case scenario are presented in the table below:

@ \$1,450/oz Au	Years 1-5	Life of Mine (11 years)
Average Milled Grade (g Au/t)	0.95	0.90
Payable Gold Annual Average (000's ozs)	295	263
Payable Gold Total (000's ozs)	1,473	2,891
Gold Recovery	82.0 %	81.2 %
Cash Costs (\$/oz)	\$ 676	\$ 684
Strip Ratio (waste:ore)	2.1	2
Initial Capital (\$ millions)		\$ 761
Pre-tax NPV _{5%} (\$ millions)		\$ 777
After-tax NPV _{5%} (\$ millions)		\$ 440
IRR (Pre-tax/After-tax)		22.1 % / 16.9 %
After-tax Payback (Production Years)		3.2

Note: Economics presented using \$1,450/oz gold and a flat \$1.00 USD : \$1.00 AUD exchange rate and assumes deferral of certain Northern Territory tax obligations as well as realization of equipment salvage values at the end of the mine life.

The following table provides additional details of the project's alternative case economics at variable gold price and Australian dollar assumptions:

After-Tax NPV _{5%} , in Millions ForEx USD/AUD	Gold Price per Ounce							
	\$1,200	\$1,300	\$1,400	\$1,450	\$1,500	\$1,600	\$1,700	\$1,800
USD\$1.10	\$ 58.5	\$ 187.2	\$ 305.1	\$ 363.2	\$ 421.5	\$ 538.2	\$ 655.5	\$ 773.2
USD\$1.00	\$ 146.4	\$ 265.6	\$ 381.9	\$ 440.2	\$ 498.5	\$ 615.6	\$ 733.2	\$ 850.9
USD\$0.90	\$ 225.6	\$ 342.4	\$ 458.8	\$ 517.1	\$ 575.8	\$ 693.2	\$ 810.9	\$ 928.6
USD\$0.80	\$ 303.3	\$ 419.3	\$ 535.9	\$ 594.6	\$ 653.2	\$ 770.9	\$ 888.6	\$ 1,006.3

Note: Changes in Foreign Exchange rates are only applied to operating costs and not applied to either initial or sustaining capital costs.

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Alternate Case key capital expenditures for initial and sustaining capital requirement are identified in the table below:

Capital Expenditures (\$ Millions)	Initial Capital	Sustaining Capital
Capitalized Stripping & Dewatering	\$ 24	\$ 38
Mobile Equipment	\$ 77	\$ 73
Process Facility	\$ 310	—
Tailings	\$ 19	\$ 86
Power Plant	\$ 64	—
Water Supply & Treatment	\$ 11	—
Owners Cost	\$ 75	\$ (14)
Sub-Total	\$ 680	\$ 183
Contingency	\$ 80	\$ 11
Salvage Value	—	\$ (77)
Mine Closure	\$ 1	\$ 94
Total Capital	\$ 761	\$ 211
Total Capital per payable ounce gold	\$ 263	\$ 73

Note: Amounts may not add due to rounding. The negative value in the sustaining capital category of the owners' cost line is the recapture of the cash component of the project's cash reclamation bond, which is spent as cash under the Mine Closure category.

The following table presents a breakdown of Alternate Case operating costs. The Alternate Case project includes a 58MW gas-fired power plant in initial capital. During the operating life, the power plant generates excess power and Vista has assumed a power credit against operating costs. Additionally, during the four years of reclamation and closure, Vista intends to generate and sell power into the NT electrical grid, for which there is a known market and indicative purchase rates have been provided by the government-owned utility.

Operating Cost	First 5 Years		Life of Mine Cost	
	Per tonne processed	Per ounce	Per tonne processed	Per ounce
Mining	\$ 6.55	\$ 260.99	\$ 5.49	\$ 234.75
Processing	9.37	373.32	9.51	406.86
Site General and Administrative	0.74	29.42	0.74	31.63
Jawoyn Royalty	0.36	14.5	0.34	4.5
Water Treatment	0.08	3.17	0.11	3.55
Refining Costs	0.08	3.19	0.07	3.19
Power Credit	(0.23)	(15.99)	(0.23)	(10.05)
Total Cash Costs	\$ 16.97	\$ 675.61	\$ 15.99	\$ 684.43

Note: Jawoyn Royalty and Refining Costs calculated at \$1,450 per ounce of gold. Amounts may not add due to rounding.

The 33,000 tpd Alternate Case mine plan contains 110.4 million tonnes of material mined from the Batman open pit plus 13.4 million tonnes of material from the existing heap leach pad that is processed through the mill at the end of the mine life. Together, 123.7 million tonnes of material containing 3.562 million ounces of gold at an average grade of 0.90 g Au/t are processed over the 11 year operating life. Total gold recovered is expected to be 2.891 million ounces. Average annual gold production over the life of mine is 262,826 ounces, averaging 294,502 ounces during the first five years of operations, with 417,166 ounces produced in the first year of operations. Commercial production would begin following two years of construction and commissioning.

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The table below highlights the Alternate Case production schedule:

Years	Ore Mined (kt)	Waste mined (kt)	Strip Ratio (W:O)	Milled Ore (kt)	Milled Grade (g Au/t)	Contained Ounces (kcozs)	Mill Production (kcozs)
(1)	3,407	8,483	2.5	—	—	—	—
1	16,872	23,714	1.4	11,747	1.35	509	417
2	12,013	23,611	2.0	11,715	0.86	323	265
3	17,775	22,960	1.3	11,715	1.16	438	359
4	4,921	35,191	7.2	11,715	0.63	237	194
5	10,331	24,062	2.3	11,747	0.77	289	237
6	17,311	23,934	1.4	11,715	1.17	442	361
7	2,681	31,629	11.8	11,715	0.65	245	201
8	8,501	22,889	2.7	11,715	0.73	277	227
9	12,597	6,209	0.5	11,747	0.99	375	308
10	3,964	49	—	11,715	0.83	314	244
11	—	—	—	6,482	0.54	113	79
Total	110,374	222,732	2.0	123,728	0.90	3,562	2,891

Note: Amounts may not add due to rounding. Total milled ore includes material from the heap leach pad that is processed at the end of the mine life.

Metallurgy, Processing and Infrastructure

Our metallurgical test work programs support: (1) ore hardness estimates at the Batman deposit that are consistent and do not change at depth; (2) the selection of HPGR technology as part of the comminution circuit; (3) estimated gold recovery rates based on optimized grind size and leach conditions; and (4) the processing of material from the historic heap leach pad at the end of the proposed mine life.

Ore Hardness

Samples used for the test work program were sourced from eight holes from the Company's 2010 and 2011 drilling program that were oriented to intersect the main Batman deposit beneath the existing pit and are believed to be representative of the material within the limits of the preliminary feasibility pit.

Twenty of the samples were subjected to Bond ball mill work index (“BW_i”) tests, the SMC Test (drop-weight and specific gravity tests) as well as Compressive Strength Tests and Crushing Work Index tests. The results of the BW_i tests show an average BW_i value of 25 kWh/t with a maximum value of 28.2 kWh/t and a minimum value of 23.6 kWh/t.

The results of this test work support two main conclusions: (1) that the hardness of ore at the Batman deposit is relatively constant; and (2) that ore at the Batman deposit does not change at depth.

This test work validates the Company’s prior test work and supports Vista's comminution circuit design, which is designed to crush and grind material with an average BW_i of 26.2 kWh/t, a 5% factor of safety above the average BW_i and closer to the 75th percentile of BW_i test results.

HPGR Selection

The proposed Base Case comminution circuit incorporates the use of a large gyratory crusher and two large cone crushers for the primary and secondary stages, respectively, and contemplates the use of two HPGRs as the third-stage of the crushing circuit. Much of our test work has focused on evaluating and confirming the use of HPGRs.

Initially, we ran a series of parallel tests comparing a semi-autogenous grinding (“SAG”)/ball mill circuit with an HPGR crushing and ball mill circuit. Based on the test work completed, HPGR technology was selected. Industry experience

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has shown HPGRs to produce micro-fracturing in particles that reduce the overall particle strength and generate a greater distribution of fine material in the ball mill feed, reducing downstream ball mill energy requirements. The material at the Batman deposit consists of silicified greywackes/shales/siltstones and test work has shown the HPGRs tend to fracture material at the Batman deposit along the bedding planes more than micro-fracturing. The result, however, is consistent with other industry HPGR applications in that the HPGR product produces a lower BWi feed for the ball mills. The test results indicate the SAG mill circuit produced a product with an average BWi of 26.4 kWh/t compared to the HPGR crushed product with an average BWi of 24.8 kWh/t, a reduction of over 6%.

Additionally, material crushed in the HPGR test resulted in approximately 10% of the HPGR product being fine enough to by-pass the ball mills entirely and proceed straight to the leach circuit. Vista has incorporated this HPGR advantage in its comminution circuit design.

The test work also assessed the difference in power requirements between a primary/SAG/ball mill circuit, a conventional 3-stage crush/ball mill circuit, and a 3-stage HPGR/ball mill circuit to generate a P80 passing 90 μm product. The assessment concluded that the 3-stage HPGR/ball mill circuit has a significantly lower specific energy requirement than the primary/SAG/ball mill option and that a finer grind size can be achieved with the HPGR crushed material compared to conventionally crushed material ground for the same period of time.

This test work also confirms our prior test work and supports our comminution circuit design. The use of HPGRs is anticipated to (a) produce a product that can be ground more efficiently (lower BWi) in the ball mills; and (b) reduce energy requirements when compared to a SAG mill design.

Gold Recoveries

Our focus was to solve the high reagent consumption, poor gold recovery and copper leaching issues encountered by previous operators. Historic core samples indicated the presence of cyanide soluble secondary copper mineralization (chalcocite and bornite) in material at the Batman deposit, and as such, our initial focus was to develop a flowsheet that incorporated the production of a copper concentrate.

However, our drill programs from 2007–2012 indicated a significant change in the mineralogy of material in the Batman deposit with depth, with copper mineralogy changing from cyanide soluble secondary copper to non-cyanide soluble primary copper mineralization (chalcopyrite). The change in mineralogy occurs at approximately 40 meters below the existing surface and the majority of the ore containing cyanide soluble secondary copper was mined by previous operators. As a result, more than 96% of material at the Batman deposit contains low-to-non-cyanide soluble primary copper mineralization. Therefore, our recovery circuit has been simplified and focuses only on recovering gold from material at the Batman deposit through a conventional CIP circuit.

The remainder of our test work relating to gold recovery focused on optimal grind size, pre-conditioning of ore with lime (to reduce cyanide consumption), the identification of a reagent to suppress copper leaching (lead nitrate was selected), and optimal cyanide concentration.

After determining the optimal leach conditions, 99 samples covering a range of head grades from throughout the Batman deposit were subjected to leach tests resulting in gold extraction between 75% and 85%, with an average of 81.7%, net of solution losses. Cyanide consumption was estimated at 0.77kg/t and lime consumption was estimated at 0.91kg/t.

This test work validates our prior recovery estimates (82%), indicates minimal gold recovery variability throughout the Batman deposit, and supports Vista's recovery plant design utilizing a conventional, industry-proven, CIP circuit.

Existing Heap Leach Pad

In addition to analysis of freshly-mined material from the Batman deposit, Vista has analyzed the potential to process nearly 13.4 million tonnes of material on the existing heap leach pad at Mt Todd. The original Mt Todd started as a heap leach operation with historic records indicating that the average grade of material placed on the pad was 0.96 g

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Au/t. Although the material was partially leached in the mid-1990s, Vista has drilled 24 air-rotary holes into the heap leach pad and assayed 361 samples, and created a 3D resource model that has an average grade of 0.54 g Au/t.

Initial evaluation efforts focused on re-starting the heap leach pad. Bottle roll and column tests were completed, both of which supported the leachability of the material with gold recovery rates around 35%. However, poor in situ permeability rates caused Vista to ultimately abandon plans to re-start the heap.

We subsequently submitted two heap leach variability composites and two drill hole composites from the leach pad for CIP cyanidation leach test work. The samples were ground to the size of 80% passing (P80) passing 90 µm and pre-treated with lime and 100g/t of lead nitrate to suppress copper leaching. The material was then leached for 24 hours. These results support recovery rates of 70% for this material when processed through the CIP plant.

The PFS assumes that the existing heap leach pad will be left in place and processed through the mill at the end of mine life. This ultimately reduces the scope of related reclamation by limiting the scope of reclamation to the pad liner only.

Infrastructure

Because Mt Todd was an operating mine, infrastructure exists that reduces initial capital expenditure and significantly reduces capital risk related to infrastructure construction, which has been a major source of capital overruns in the mining industry over the last decade. Existing mining infrastructure items include:

- an existing tailings storage facility that is expected to contain the initial 62 million tonnes of material processed with two operating raises of the embankment;
- an existing fresh water storage reservoir that will receive a two-meter dam raise and will harvest stormwater sufficient to provide process water for year-round operations for a 50,000 tpd operation;
- a natural gas pipeline at site that can supply sufficient natural gas to meet the project's energy requirements which, coupled with the planned power generating plant, would save considerably on project operating costs compared to grid-supplied power;
- a paved road to site;
- current electrical connection to the NT electric grid; and
- reduced earthworks costs due to the process plant location being the same as the previous process plant, which has already been cleared and graded.

Other benefits of Mt Todd's NT location include:

- the Stuart highway – the main North / South highway in the NT is less than 15km from the project site;
- rail line parallel to the Stuart highway; and
- the regional center of Katherine (population approximately 12,000) less than 60 km from site and the NT capital of Darwin less than 300 km from the project site, which has port access.

Permitting

In June 2013, we completed and submitted an initial EIS to the NTEPA for review. This submission started concurrent agency review and public consultation periods, the latter of which completed during August 2013. Following closure of the public consultation and agency review periods, the NTEPA provided a consolidated set of comments to us, which we responded to in a final EIS which was submitted for approval during November 2013. During September 2014, the EIS was approved. In its formal notification to us (the “Assessment Report”), the NTEPA has advised that it has assessed the environmental impacts of the Mt Todd gold mine and concluded that it can proceed, subject to a number of recommendations which are outlined in the Assessment Report. The NTEPA Assessment Report includes 28 recommendations which are to be addressed as part of the MMP. Four of these recommendations must be addressed under the EPBC Act as they relate directly to the Gouldian Finch. See ‘2016 Programs and 2017 Plans’ below.

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Exploration Potential

Based on airborne geophysical survey data, we have identified five magnetic targets within our controlled land holdings surrounding the Batman pit. The targets are distinct magnetic highs located within sedimentary rocks that should have a low magnetic signature. These features are similar to those at Mt Todd, which, as a result of the included pyrrhotite, exhibits a strong magnetic high.

Mineralization at the Quigleys deposit is interpreted to occur within a series of mineralized shears that strike north northwest and dip 30 to 35 degrees to the west. The main shear extends for nearly one kilometer along the strike and has been drilled to a vertical depth of 230 meters. The mineral resource estimate has been defined by 632 drill holes drilled by Pegasus and Billiton Australia Gold Pty. Ltd. in the late 1980s through the mid-1990s. Tetra Tech reviewed the integrity of the drill-hole database and developed a computer model to estimate and classify the estimated mineral resources. The model reflected Tetra Tech's geological interpretation of the deposit, which constrained the mineralization to the shear zones using geological information and assays from 49,178 samples obtained from the drilling. Lower grade, erratic mineralization in the hanging wall of the shears has not been included in the mineral resource estimate.

Sampling and assaying was done under the supervision of prior operators in conjunction with evaluation of the Batman pit and are discussed in the PFS, as part of the overall project sampling and assaying methodology.

Based on Tetra Tech's resource analysis, at a cut-off grade of 0.50 g Au/t, under SEC Industry Guide 7 guidelines, mineralized material for the Quigleys deposit is estimated at 6,076,000 tonnes grading 0.92 g Au/t. Under CIM Definition Standards, at the same cut-off grade of 0.50 g Au/t, measured mineral resources are estimated at 511,000 tonnes grading 1.04 g Au/t, indicated mineral resources are estimated at 5,565,000 tonnes grading 0.91 g Au/t and inferred mineral resources are estimated at 9,416,000 tonnes grading 0.95 g Au/t. Cautionary Note to U.S. Investors: see the section heading "Cautionary Note to United States Investors Regarding Estimates of Measured, Indicated and Inferred Resources and Proven and Probable Reserves" above.

2016 Programs and 2017 Plans

In the fourth quarter of 2015, we submitted a request for authorization under the EPBC as it relates to the Gouldian Finch. The Australian Commonwealth Department of Environment (the "DoE") subsequently requested additional information from us as part of their review. We responded to the requests and were subsequently advised that additional information was required. After a process of active dialog and the discovery/analysis of additional data we have submitted the information that we believe satisfies the request for additional information. The DoE review and approval process has resumed and we are waiting for notification of a final outcome.

In early 2016, we retained a team of industry experts to review the key areas of the project, concentrating on metallurgical recovery, process engineering and plant design, pit slope rock mechanics, mine plans and scheduling, and the gas-fired power plant, and to make recommendations that may lead to improved project economics. No material flaws in any of these areas were identified by the team, although recommendations for potential incremental improvements and efficiencies were proposed and will be followed up in due course.

In late 2016, we completed preliminary process area optimization studies that indicated that selectively screening and rejecting sub-economic, coarse crusher product prior to grinding could be expected to produce higher gold recoveries and lower process area operating costs. These results were encouraging and warranted additional metallurgical test work. Accordingly, in December 2016, we initiated a drill program to generate approximately 18-20 tonnes of PQ (3.75 inch diameter) core from the Batman deposit, which was completed in January 2017. The core will be used to complete additional feasibility-level metallurgical studies (automated sorting, fine grinding, gold recovery and rheology/tailings classification), with completion of these studies expected by the third quarter of 2017. Confirmation of the preliminary test work could support material improvements to the economics of the Mt Todd gold project without significant alterations to the current flow sheet. An update of the PFS, which would integrate these potential flow sheet alterations and the associated economic benefits, will likely follow completion of these studies. We also plan to complete a first

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draft of the mine management plan (“MMP”) by the third quarter of 2017. The MMP is essentially the plan of operations, and is one of the final remaining major permits.

Mt Todd is without known mineral reserves under SEC Industry Guide 7.

Guadalupe de los Reyes Gold/Silver Project, Sinaloa, Mexico

During April 2014, Minera Gold Stake S.A. de C.V. (“MGS”), Vista’s wholly-owned subsidiary, entered into a definitive option agreement (the “Option Agreement”) to option a 70% interest in the Guadalupe de los Reyes gold/silver project in Sinaloa, Mexico to Great Panther Silver Limited (formerly Cangold Limited) (“Great Panther”) for consideration of \$5,000 in five payments over a three-year period, with payments totaling \$1,000 in the first year (\$500 received in 2014 and \$496 net of legal costs was received in March 2015), \$1,500 due in February 2016 (postponed from January 2016) and \$2,500 due in January 2017. The Option Agreement provided that all cash payments are non-refundable and optional to Great Panther, and in the event Great Panther failed to pay any of the required amounts on the scheduled dates or failed to comply with its other obligations, the Option Agreement would terminate and Great Panther would have no interest in the Guadalupe de los Reyes gold/silver project.

On February 25, 2016 Vista received notification from Great Panther that it was terminating the Option Agreement and the \$1,500 option payment due in February 2016 was not made. Pursuant to the terms of the Option Agreement, Vista retained all amounts paid by Great Panther and 100% of the Guadalupe de los Reyes gold/silver project.

We do not consider Guadalupe de los Reyes gold/silver project a material project. We intend to seek partners to advance the project.

Guadalupe de los Reyes is without known mineral reserves under SEC Industry Guide 7.

Long Valley Gold Project, California

We acquired the Long Valley gold project in January 2003. The property consists of 95 contiguous, unpatented mining claims that cover an area of approximately 1,963 acres. The surface rights covering the area of the claims are owned by the U.S. government, and are subject to a surface grazing lease. The project is subject to a 1% NSR royalty.

Because of other priorities, we have no immediate plans for developing the Long Valley gold project, and it is considered an immaterial project to the Company at this time. The Long Valley gold project is without known mineral reserves under SEC Industry Guide 7.

ITEM 3. LEGAL PROCEEDINGS.

We are not aware of any material pending litigation or of any proceedings known to be contemplated by governmental authorities that are, or would be, likely to have a material adverse effect upon us or our operations, taken as a whole. There are no known material proceedings pursuant to which any of our directors, officers or affiliates or any owner of record or beneficial owner of more than 5% of our securities or any associate of any such director, officer or security holder is a party adverse to us or has a material interest adverse to us.

ITEM 4. MINE SAFETY DISCLOSURES.

We consider health, safety and environmental stewardship to be a core value for the Company.

Pursuant to Section 1503(a) of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act of 2011 (the "Dodd-Frank Act"), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities under the regulation of the Federal Mine Safety and Health Administration ("MSHA") under the United States Federal Mine Safety and Health Act of 1977 (the "Mine Act"). During the fiscal year ended December 31, 2016, our U.S

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exploration properties were not subject to regulation by the MSHA under the Mine Act and consequently no disclosure is required under Section 1503(a) of the Dodd-Frank Act.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Price Range of Common Shares

The common shares of Vista Gold are listed on the NYSE MKT. The following table sets out the reported high and low sale prices on the NYSE MKT for the periods indicated as reported by the exchange.

	NYSE MKT	
	High	Low
2015		
1st quarter	\$ 0.45	\$ 0.28
2nd quarter	0.40	0.30
3rd quarter	0.33	0.24
4th quarter	0.37	0.26
2016		
1st quarter	0.60	0.27
2nd quarter	2.09	0.44
3rd quarter	2.05	0.87
4th quarter	1.14	0.80
2017		
1st quarter (through February 10, 2017)	1.24	0.90

On February 10, 2017, the last reported sale price of the common shares of Vista Gold on the NYSE MKT was \$1.19, there were 97,786,608 Common Shares issued and outstanding, and we had approximately 302 registered shareholders of record.

Dividends

We have never paid cash dividends. The declaration and payment of future dividends, if any, will be determined by our Board and will depend on our earnings, financial condition, future cash requirements and other relevant factors.

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Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out information relating to the Company's equity compensation plans as at December 31, 2016. The Corporation's equity compensation plans as of December 31, 2016 were the Stock Option Plan and the LTIP. Equity compensation under these plans has been granted to directors, officers, employees and consultants of the Company.

Plan Category	Number of securities to be issued upon exercise/conversion of outstanding options and rights (a)	Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future grants under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	4,212,887	1.05	5,565,774
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	4,212,887	1.05	5,565,774

As of December 31, 2016, 2,668,387 RSUs are outstanding under the LTIP and 1,544,500 options are outstanding under the Stock Option Plan to acquire 4,212,887 Common Shares.

See "Part III Item 11. Executive Compensation" for additional information relating to our equity compensation plan.

Stock Performance Graph

The following graph compares the yearly percentage change in the Company's cumulative total shareholder return on its Common Shares with the cumulative total return of the S&P 500 and the NYSE ARCA Gold Bugs Index for the last five financial years. This performance chart assumes that \$100 was invested on December 31, 2011, in (i) the Company's Common Shares at the closing price of the Common Shares on December 31, 2011; (ii) the S&P 500; and the NYSE ARCA Gold Bugs Index.

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	12/31/2011	12/30/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016
Vista Gold Corp.	\$ 100	\$ 128.45	\$ 112.97	\$ 15.90	\$ 11.72	\$ 40.17
S&P 500	\$ 100	\$ 113.41	\$ 146.98	\$ 163.72	\$ 162.53	\$ 178.02
NYSE ARCA Gold Bugs Index	\$ 100	\$ 89.07	\$ 39.64	\$ 32.89	\$ 22.29	\$ 36.55

Exchange Controls

There are no governmental laws, decrees or regulations in Canada that restrict the export or import of capital, including foreign exchange controls, or that affect the remittance of dividends, interest or other payments to non-resident holders of the securities of Vista, other than Canadian withholding tax. See “Certain Canadian Federal Income Tax Considerations for U.S. Residents” below.

Certain Canadian Federal Income Tax Considerations for U.S. Residents

The following summarizes certain Canadian federal income tax consequences generally applicable under the Income Tax Act (Canada) and the regulations enacted thereunder (collectively, the “Canadian Tax Act”) and the Canada-United States Income Tax Convention (1980) (the “Convention”) to the holding and disposition of Common Shares.

Comment is restricted to holders of Common Shares each of whom, at all material times for the purposes of the Canadian Tax Act and the Convention, (i) is resident solely in the United States, (ii) is entitled to the benefits of the Convention, (iii) holds all Common Shares as capital property, (iii) holds no Common Shares that are “taxable Canadian property” (as defined in the Canadian Tax Act) of the holder, (iv) deals at arm’s length with and is not affiliated with Vista Gold, (v) does not and is not deemed to use or hold any Common Shares in a business carried on in Canada, and (vi) is not an insurer that carries on business in Canada and elsewhere (each such holder, a “U.S. Resident Holder”).

Certain U.S.-resident entities that are fiscally transparent for United States federal income tax purposes (including limited liability companies) may not in all circumstances be regarded by the Canada Revenue Agency (the “CRA”) as entitled to the benefits of the Convention. Members of or holders of an interest in such an entity that holds Common Shares should consult their own tax advisers regarding the extent, if any, to which the CRA will extend the benefits of

the Convention to the entity in respect of its Common Shares.

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Generally, a holder's Common Shares will be considered to be capital property of the holder provided that the holder is not a trader or dealer in securities, did not acquire, hold or dispose of the Common Shares in one or more transactions considered to be an adventure or concern in the nature of trade (i.e. speculation), and does not hold the Common Shares as inventory in the course of carrying on a business.

Generally, a holder's Common Shares will not constitute "taxable Canadian property" of the holder at a particular time at which the Common Shares are listed on a "designated stock exchange" (which currently includes the TSX) unless both of the following conditions are true:

- (i) the holder or any one or more persons with whom the holder does not deal at arm's length owned, alone or in any combination, 25% or more of the issued shares of any class of the capital stock of Vista Gold at any time in the 60 months preceding the particular time; and
- (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from, or from any combination of, real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Canadian Tax Act), "timber resource properties" (as so defined), or options or interests therein, at any time in the 60 months preceding the particular time.

This summary is based on the current provisions of the Canadian Tax Act and the Convention in effect on the date hereof, all specific proposals to amend the Canadian Tax Act and Convention publicly announced by or on behalf of the Minister of Finance (Canada) on or before the date hereof, and the current published administrative and assessing policies of the CRA. It is assumed that all such amendments will be enacted as currently proposed, and that there will be no other material change to any applicable law or administrative or assessing practice, although no assurance can be given in these respects. Except as otherwise expressly provided, this summary does not take into account any provincial, territorial or foreign tax considerations, which may differ materially from those set out herein.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations, and is not intended to be and should not be construed as legal or tax advice to any particular U.S. Resident Holder. U.S. Resident Holders are urged to consult their own tax advisers for advice with respect to their particular circumstances. The discussion below is qualified accordingly.

A U.S. Resident Holder who disposes or is deemed to dispose of one or more Common Shares generally should not thereby incur any liability for Canadian federal income tax in respect of any capital gain arising as a consequence of the disposition.

A U.S. Resident Holder to whom Vista Gold pays or is deemed to pay a dividend on the holder's Common Shares will be subject to Canadian withholding tax, and Vista Gold will be required to withhold the tax from the dividend and

remit it to the CRA for the holder's account. The rate of withholding tax under the Canadian Tax Act is 25% of the gross amount of the dividend, but should generally be reduced under the Convention to 15% (or, if the U.S. Resident Holder owns at least 10% of the voting stock of Vista Gold, 5%) of the gross amount of the dividend.

Certain United States Federal Income Tax Considerations for U.S. Residents

There may be material tax consequences to U.S. Residents in relation to an acquisition or disposition of Common Shares or other securities of the Company. U.S. Residents should consult their own legal, accounting and tax advisors regarding such tax consequences under United States, state, local or foreign tax law regarding the acquisition or disposition of our Common Shares or other securities, in particular, the tax consequences of the Company likely being a "passive foreign investment company" (commonly known as a "PFIC") within the meaning of Section 1297 of the United States Internal Revenue Code. See the section "Item 1A. – Risk Factors - The Company is likely a "passive foreign investment company", which will likely have adverse U.S. federal income tax consequences for U.S. shareholders" above.

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Unregistered Sales of Equity Securities

None.

Repurchase of Securities

During 2016, neither Vista nor any affiliate of Vista repurchased Common Shares of Vista registered under Section 12 of the Exchange Act.

ITEM 6. SELECTED FINANCIAL DATA

	Years Ended December 31,				
	2016	2015	2014	2013	2012
Results of operations					
Net income/(loss)	\$ (3,133)	\$ 1,011	\$ (18,926)	\$ (59,488)	\$ (70,656)
Basic income/(loss) per share	(0.04)	0.01	(0.23)	(0.73)	(0.95)
Diluted income/(loss) per share	(0.04)	0.01	(0.23)	(0.73)	(0.95)
Financial position					
Working capital	28,438	14,399	8,619	8,622	60,342
Total assets	41,608	27,868	28,026	53,094	133,065
Long-term debt and non-current liabilities	—	—	—	8,859	635
Shareholders' equity	40,525	27,065	25,283	43,013	101,343

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis should be read in conjunction with our consolidated financial statements for the three years ended December 31, 2016, and the related notes thereto, which have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including, but not limited to,

those set forth under the section heading “Item 1A. Risk Factors” above and elsewhere in this annual report on Form 10-K. See section heading “Note Regarding Forward-Looking Statements” above.

All dollar amounts stated herein are in U.S. dollars in thousands, except per share amounts and per warrant amounts unless specified otherwise. References to C\$ refer to Canadian currency, AUD or A\$ to Australian currency, and USD or \$ to United States currency.

Overview

Vista Gold Corp. and its subsidiaries (collectively, “Vista,” the “Company,” “we,” “our,” or “us”) are engaged in the gold mining industry. We are focused on the evaluation, acquisition, exploration and advancement of gold exploration and potential development projects, which may lead to gold production or value adding strategic transactions such as earn-in right agreements, option agreements, leases to third parties, joint venture arrangements with other mining companies, or outright sales of assets for cash and/or other consideration. We look for opportunities to improve the value of our gold projects through exploration drilling and/or technical studies focused on optimizing previous engineering work. We do not currently generate cash flows from mining operations.

The Company’s flagship asset is its 100% owned Mt Todd gold project (“Mt Todd”) in the Northern Territory (“NT”) Australia, where we are seeking approval of our final environmental authorization and evaluating potential material process improvements in anticipation of commencing an update of our July 2014 Preliminary Feasibility Study (“PFS”).

Ultimately, a development decision at Mt Todd will depend on several factors, principally a sustainable acceptable gold price, a favorable outlook for the AUD:USD exchange rate, completion of a positive feasibility study and the availability

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of financing. With 60%-70% of the project capital and operating costs denominated in Australian dollars, the current AUD:USD exchange rate has a material favorable impact on the project economics, substantially mitigating the effects of the lower current USD gold price.

As one of the largest, undeveloped single-deposit gold projects in Australia, we believe Mt Todd is a highly strategic gold project with several potential paths to production. Our strong working capital position provides us flexibility and the assurance that we can continue to fund further optimization studies at Mt Todd, and to select a development strategy that we believe will have the best potential to maximize value for our shareholders.

Significant Developments in 2016

Mt Todd

In late 2016, we completed preliminary Mt Todd process area optimization studies that indicated that selective screening and rejecting sub-economic, coarse crusher product prior to grinding could be expected to produce higher gold recoveries and lower process area operating costs.

See the section heading “Item 2. Properties – Mt Todd Gold Project, Northern Territory, Australia” above.

Corporate

In 2016, the Company received a total of \$1,295 Research & Development (“R&D”) Tax Incentive refunds, net of costs to prepare and file. These amounts were paid under the Australian Government’s R&D Tax Incentive Program, a program designed to encourage industry to engage in R&D activities that benefit Australia; and relate to costs we incurred during the 2014 and 2015 fiscal years for qualifying R&D programs. This R&D Tax Incentive program is a self-assessment process, and as such, the Australian Government has the right to review the qualifying programs and expenditures for a period of four years.

During August 2016, we closed a public offering of 12,362,500 units (the “Units”), which included 1,612,500 Units issued pursuant to the full exercise of the underwriters’ over-allotment option, for net proceeds of approximately \$15,883 (the “2016 Offering”). Each Unit consisted of one common share in the capital of the Company (“Common Share”) and one-half of one Common Share purchase warrant (each full warrant, a “2016 Warrant”). A total of 6,514,625 2016 Warrants were issued, including 333,375 broker warrants issued to the underwriters. Each 2016 Warrant entitles

the holder thereof to purchase one Common Share at a price of \$1.92 per Common Share (subject to adjustment in certain circumstances) and is exercisable for a period of 36 months from the closing of the 2016 Offering.

Results from Operations

Summary

Through 2016, we continued to effectively execute a strategy of strict cost control while completing selected discretionary programs that are expected to add value to Mt Todd. As a result of an equity financing completed in 2016, we believe we are well funded and do not have any debt.

Consolidated net loss for the year ended December 31, 2016 was \$3,133 or \$0.04 per basic share. Consolidated net income for the year ended December 31, 2015 was \$1,011 or \$0.01 per basic share. Consolidated net loss for the year ended December 31, 2014 was \$18,926 or \$0.23 per basic share. The principal components of our 2016 net income and these year-over-year changes are discussed below.

Exploration, property evaluation and holding costs

Exploration, property evaluation and holding costs, including fixed cash costs, cash discretionary programs, and non-cash stock-based compensation, were \$4,303, \$4,265 and \$3,991 during the years ended December 31, 2016, 2015, and 2014, respectively. These costs are predominantly associated with Mt Todd. 2016, 2015 and 2014 fixed costs (those

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cash expenditures necessary to ensure that we preserve our property rights and meet all of our safety, regulatory and environmental responsibilities) were substantially unchanged year-to-year, consistent with our expectations.

During 2016 we completed approximately \$400 in discretionary programs consisting mainly of permitting, engineering and project optimization studies. During 2015 we completed discretionary proof-of-concept drilling programs on the exploration and mineral licenses at a total cost of approximately \$650.

Included in the 2016, 2015 and 2014 costs is non-cash stock-based compensation of \$193, \$244 and \$251, respectively.

The weaker Australian dollar in 2015 compared to 2014 resulted in a U.S. dollar cost reduction of approximately \$642.

Included in the 2016 costs is the provision for environmental liability of \$350, see Note 15 to the Consolidated Financial Statements for further discussion.

Corporate administration

Corporate administration costs, including fixed cash costs, cash discretionary programs, and non-cash stock-based compensation, were \$2,944, \$3,888 and \$3,798 for the years ended December 31, 2016, 2015, and 2014 respectively. Several marginal cost reductions were realized in 2016. Discretionary programs totaling approximately \$145 and \$520 are included in the 2016 and 2015 costs, respectively; there were no similar programs in 2014. The 2014 cost included \$148 of severance costs resulting from the 2013 staff reductions; there were no severance costs in 2016 or 2015.

Included in the 2016, 2015 and 2014 costs is non-cash stock-based compensation of \$454, \$573 and \$875, respectively.

Gain on disposal of mineral property

Utah claims

During the first quarter of 2016, we sold our unpatented mining claims located in Utah for \$150 and a 2% net smelter return royalty on any future production from said claims. This resulted in a realized gain of \$150.

Los Cardones

In October 2013, we sold our 100% debt and equity participation in the Los Cardones gold project located in Baja California Sur, Mexico (“Los Cardones Sale”) to Investure Group, S.A. de C.V. (“Investure”) and RPG Structrued Finance S.a.R.L. (together, the “Purchasers”) for a total of \$13,000 (\$7,000 of which was paid in October 2013 and \$6,000 was originally payable January 2014 (the “Subsequent Payment”) subject to the Purchasers’ option to elect to not make the Subsequent Payment). In 2014, the due date for the Subsequent Payment was extended to January 30, 2015 for additional consideration of \$500 payable. In October 2014, Investure announced that the Los Cardones gold project, had been suspended because the conditions for its development were not favorable at that time, which introduced substantial doubt that the Subsequent Payment would be made. After making this announcement, there were no apparent significant favorable changes to incentivize Investure to lift the suspension. In January 2015, we agreed to amend the payment terms (the “Amendment”) of the Los Cardones Sale. Under the Amendment, the Company received a payment of \$2,994 net of legal costs from the Purchasers as full and final payment for 100% of the Company’s interest in the project, which resulted in a realized gain of \$1,958.

There were no similar transactions during the year ended December 31, 2014.

Write-down value-added tax receivable

For the year ended December 31, 2015, we incurred a non-cash write-down associated with value-added tax (“VAT”) receivable in Mexico of \$572. The Mexican tax authorities have denied our claim for the VAT recovery; we are contesting their position. No similar write-down occurred during the years ended December 31, 2016 or 2014.

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Write-down of Amayapampa interest

In December 2014, the owner of the Amayapampa gold project completed the sale of 100% of the project to a private investor. Accordingly, at that time, we evaluated the carrying value of our interest in Amayapampa. Given the frequency of ownership changes over the past several years, the conditions in the gold market, and the political climate in Bolivia, we concluded that there was no more than a remote possibility that the Amayapampa project would be successfully developed and operated within the foreseeable future; and an impairment amount equal to the \$4,813 carrying value was included in our Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) for the year ended December 31, 2014. There were no similar charges for the year ended December 31, 2016 or 2015.

Write-down of mineral properties

During 2014, we completed a review of the permitting process and probable impediments to developing the Long Valley gold project, and concluded that the permitting process could consume significant resources and last for a protracted period of time. Accordingly, we determined that we would not advance the project. As a result, an impairment amount equal to the \$750 carrying value was taken for the year ended December 31, 2014. There were no similar charges for the years ended December 31, 2016 or 2015.

Non-operating income and expenses

Gain/(loss) on Other Investments

Gain/(loss) on other investments was \$3,196, \$(1,593) and \$(4,112) for the years ended December 31, 2016, 2015 and 2014, respectively. These amounts are the result of changes in fair value of our Midas Gold Shares. The 2015 loss includes a realized loss of \$348 on the sale of 8,000,000 Midas Gold Shares; the 2014 loss is net of a realized gain of \$155 on the sale of 16,000,000 Midas Gold Shares. There were no similar sales during the year ended December 31, 2016.

Research and development grant

During the year ended December 31, 2016 and 2015, the Company received Research & Development (“R&D”) Tax Incentive payments totaling \$1,295 and \$10,220, respectively, net of costs to prepare and file. These amounts were paid under the Australian Government’s R&D Tax Incentive Program, a program designed to encourage industry to

engage in R&D activities that benefit Australia; and relate to costs we incurred during the 2012, 2013, 2014 and 2015 fiscal years for qualifying R&D programs.

This R&D Tax Incentive program is a self-assessment process, and as such, the Australian Government has the right to review the qualifying programs and expenditures for a period of four years.

There were no similar grants for the year ended December 31, 2014.

Financial Position, Liquidity and Capital Resources

Operating Activities

Net cash provided by/(used in) operating activities was \$(5,024), \$3,009 and \$(7,058) for the years ended December 31, 2016, 2015, and 2014, respectively. These amounts in 2016 and 2015 include grants totaling \$1,295 and \$10,220, net of costs to prepare and file, respectively, from the Government of Australia related to research and development expenditures we incurred in 2012 through 2015. Other factors that contributed to the positive year-over-year change are discussed in “Results from Operations” above.

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Investing Activities

Net cash of \$9,872 for the year ended December 31, 2016 was primarily used for the purchase of short-term investments comprised of U.S. Government Treasury bills and notes, net of redemptions.

Cash provided by investing activities for the year ended December 31, 2015 was comprised of proceeds received from the Los Cardones Sale (defined in “Note 4 of the Consolidated Financial Statements” below) of \$2,994 net of legal costs, the Guadalupe de los Reyes Option Agreement (defined in “Item 2: Properties” above) of \$496 net of legal costs, and the sale of 8,000,000 Midas Gold Shares for net proceeds of \$2,772. \$11,990 was used to purchase short-term investments comprised of U.S. and Australian Government Treasury bills, net of redemptions.

Net cash provided by investing activities of \$11,641 for the year ended December 31, 2014 was primarily due to the sale of 16,000,000 Midas Gold Shares for net proceeds of \$10,560 and \$1,028 received from the Los Cardones sale and the Guadalupe de los Reyes Option Agreement.

Financing Activities

Net cash of \$15,898 was provided by financing activities, \$15,883 of which, was provided by the 2016 Offering and \$15 of which was provided by the exercise of stock options.

There were no cash transactions from financing activities during year ended December 31, 2015.

Net cash used in financing activities was \$6,344 for the year ended December 31, 2014 was a result of the repayment of a loan facility entered into in 2013.

Liquidity and Capital Resources

Cash flows generated during the year ended December 31, 2016 included net proceeds of \$15,883 from the 2016 Offering and the receipt of grants totaling \$1,295, net of costs to prepare and file, from the Government of Australia related to the R&D Tax Incentive for qualifying R&D expenditures we incurred in 2014 and 2015. Our cash and short-term investments as of December 31, 2016 increased to \$23,879 from \$12,892 at December 31, 2015; and our

net working capital increased to \$28,438 as at December 31, 2016 from \$14,399 at December 31, 2015 due mainly to these transactions.

With the completion of our the 2016 Offering, we believe we are well funded, with sufficient working capital to cover our fixed costs (those cash expenditures necessary to ensure that we preserve our property rights and meet all of our safety, regulatory and environmental responsibilities), which are expected to average \$1,400 to \$1,600 per quarter, for several years (depending on the timing and scope of discretionary and permitting programs); to continue to execute selected discretionary programs intended to optimize and add value to Mt Todd; and to complete all of the critical milestones, including permitting, necessary to advance the Mt Todd project to the point of a development decision.

Potential future sources of non-dilutive financing include the sale of our used mill equipment and other non-core assets such as Guadalupe de los Reyes (described in “Item 2: Properties” above); and, depending on market conditions, the sale of some or all of our remaining common shares of Midas Gold Corp. (“Midas Gold Shares”). R&D grants from the Government of Australia, if any, are not expected to be material in 2017.

The continuing long-term viability of the Company is dependent upon our ability to secure sufficient funding and ultimately to generate future profits from operations or sales of assets. The underlying value and recoverability of the amounts shown as mineral properties and plant and equipment in our Consolidated Balance Sheets are dependent on our ability to fund exploration and development activities that could lead to profitable production or proceeds from the disposition of these assets.

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Fair Value Accounting

The following table sets forth the Company's assets measured at fair value by level within the fair value hierarchy. As required by accounting guidance, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value at December 31, 2016		
	Total	Level 1	Level 3
Marketable securities	\$ 109	\$ 109	\$ —
Other investments (Midas Gold Shares)	4,994	4,994	—
Used mill equipment (non-recurring)	6,500	—	6,500

	Fair value at December 31, 2015		
	Total	Level 1	Level 3
Marketable securities	\$ 61	\$ 61	—
Other investments (Midas Gold Shares)	1,798	1,798	—
Used mill equipment (non-recurring)	6,500	—	6,500

Our marketable securities and investment in Midas Gold Shares are classified as Level 1 of the fair value hierarchy as they are valued at quoted market prices in an active market. Marketable securities are included in other current assets on the Consolidated Balance Sheets for each period presented.

The mill equipment is classified as Level 3 of the fair value hierarchy as its value at December 31, 2016 and 2015 was based on an independent third party valuation. The mill equipment is included in plant and equipment on the Consolidated Balance Sheets for each period presented.

There were no transfers between levels nor were there any changes in valuation techniques in 2016.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements required to be disclosed in this annual report on Form 10-K.

Contractual Obligations

During November 2015, we entered into a two-year lease agreement to store our used mill equipment. Monthly rent for the term of the lease is C\$18 (\$13).

Summary of Quarterly Results

	4th quarter	3rd quarter	2nd quarter	1st quarter
2016				
Revenue	\$ —	\$ —	\$ —	\$ —
Net income/(loss)	(1,973)	(2,083)	1,637	(714)
Basic income/(loss) per share	(0.03)	(0.02)	0.02	(0.01)
2015				
Revenue	—	—	—	—
Net income/(loss)	(2,167)	536	3,589	(947)
Basic income/(loss) per share	(0.03)	0.01	0.04	(0.01)

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Critical Accounting Policies and Recent Accounting Pronouncements

Critical accounting policies

Use of Estimates

The Company's Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). The preparation of the Company's Consolidated Financial Statements requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions are: the fair value and accounting treatment of financial instruments including marketable securities; useful lives of assets for asset depreciation purposes; valuation allowances for deferred tax assets; the fair value and accounting treatment of stock-based compensation; the provision for environmental liabilities; and asset impairments (including impairments long-lived assets and investments). The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will likely differ from the amounts estimated in these financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and government securities with maturities of three months or less when purchased. Because of the short maturity of these investments, the carrying amounts approximate their fair value

Foreign Currency Transactions

Our functional currency is the U.S. dollar. Gains and losses resulting from foreign currency transactions denominated in currency other than the functional currency are recorded at the approximate rate of exchange at the transaction date in other expense. For each of the years ended December 31, 2016 and 2015, we recorded insignificant net foreign currency gains/(losses).

Short-term Investments

Short-term investments consist of securities with original maturity dates greater than ninety days and less than one year. These securities are typically United States and Australian government treasury bills and/or notes. Australian dollar denominated treasury bills may result in currency risk associated with fluctuation in exchange rates. Short-term investments are recorded at amortized cost and are classified as debt securities held-to-maturity as the Company has the intention and ability to hold these instruments until their original maturity date at the time of purchase.

Mineral Properties

Mineral property acquisition costs, including directly related costs, are capitalized when incurred, and mineral property exploration costs are expensed as incurred. When we determine that a mineral property can be economically developed in accordance with U.S. GAAP and SEC Industry Guide 7 reserves are established, the costs then incurred to develop such property will be capitalized. Capitalized costs will be depleted using the units-of-production method over the estimated life of the proven and probable reserves. If mineral properties are subsequently abandoned or impaired, any undepleted costs will be charged to loss in that period.

The recoverability of the carrying values of our mineral properties is dependent upon economic reserves being discovered or developed on the properties, permitting, financing, start-up, and commercial production from, or the sale/lease of, or other strategic transactions related to these properties. Development and/or start-up of any of these projects will depend on, among other things, management's ability to raise additional capital for these purposes.

We assess the carrying cost of our mineral properties for impairment whenever information or circumstances indicate the potential for impairment. This would include events and circumstances such as our inability to obtain all the necessary

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permits, changes in the legal status of our mineral properties, government actions, the results of exploration activities and technical evaluations and changes in economic conditions, including the price of gold and other commodities or input prices. Such evaluations compare estimated future net cash flows with our carrying costs and future obligations on an undiscounted basis. If it is determined that the estimated future undiscounted cash flows are less than the carrying value of the property, a write-down to the estimated fair value will then be reported in our Consolidated Statement of Income/(Loss) and Comprehensive Income/(Loss) for the period. Where estimates of future net cash flows are not determinable and where other conditions indicate the potential for impairment, management uses available market information and/or third party valuation experts to assess if the carrying value can be recovered and to estimate fair value.

Impairment

Carrying values of long-lived assets, other than mineral properties, are evaluated for impairment at such time that information becomes available indicating that the carrying value may not be recoverable. If it is determined that the fair value is less than the carrying value an impairment charge equal to the difference between the fair value and the carrying value will be recorded in our Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss).

Stock-Based Compensation

Under our stock option and long-term equity incentive plans, stock incentive options and restricted stock units may be granted to executives, employees, consultants and non-employee directors. Compensation expense for such grants is recorded in the Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) as a component of Exploration, property evaluation and holding costs and Corporate administration, with a corresponding increase to Common shares in the Consolidated Balance Sheets. The fair values of the options are calculated using the Black-Scholes option pricing model and forfeiture rates are based on historic trends and future projections, as appropriate. The fair value of restricted stock units is based on the closing price of our common shares on the grant date and forfeiture rates are based on historic trends and future projections, as appropriate. The expense is based on the fair values of the grant on the grant date and is recognized over the vesting period specified for each grant.

Financial Instruments

Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures (“ASC 820”) of the Financial Accounting Standards Board (“FASB”) requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument’s categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data by correlation or other means.
- Level 3 – Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable.

Our financial instruments include cash and cash equivalents, marketable securities, short-term investments, accounts payable and certain other current assets and liabilities. Due to the short-term nature of our cash and cash equivalents, short-term investments, accounts payable and certain other current assets and liabilities, we believe that their carrying amounts approximate fair value. Our marketable securities are classified as available-for-sale. Accordingly, these securities are carried at fair value, which is based upon quoted market prices in an active market and included in Level 1

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of the fair value hierarchy. Our other investments, comprised of Midas Gold Shares, is accounted for using the fair value option based on quoted market prices in an active market and is included in Level 1 of the fair value hierarchy.

Research and Development (“R&D”) Grants

The Company has received Research and Development Tax Incentive payments from the Australian Government. The Company’s activities in Australia do not generate revenue subject to Australian income tax. Consequently, the R&D Tax Incentive payment is considered a government grant, as opposed to an income tax refund. Grants are recognized when there is reasonable assurance that the grant will be received and that conditions attached to the grant have been met.

Recent accounting pronouncements

Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting (Accounting Standard Update 2016-09)

In March 2016, the Financial Accounting Standards Board issued guidance related to accounting for stock-based compensation which is intended to improve the accounting for employee share-based payments and which affects all organizations that issue share-based payment awards to their employees. Several aspects of the accounting for share-based payment award transactions are simplified, including: (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows. For public companies, the amendments are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted for any organization in any interim or annual period. For the year ended December 31, 2016, we adopted this guidance which did not have a material impact on our financial statements.

ITEM 7A QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We operate in the gold mining industry. We are focused on the evaluation, acquisition, exploration and advancement of gold exploration and potential development projects, which may lead to gold production or value adding strategic transactions such as earn-in right agreements, option agreements, leases to third parties, joint venture arrangements with other mining companies, or outright sales of assets for cash and/or other consideration. The value of our properties, as well as our investment in Midas Gold shares, is closely related to the price of gold, and changes in the price of gold could affect the value of, and/or our ability to generate revenue from, these assets.

Gold prices may fluctuate widely from time to time and are affected by numerous factors, including: expectations with respect to the rate of inflation, exchange rates, interest rates, global and regional political and economic circumstances and governmental policies, including those with respect to gold holdings by central banks. The demand for and supply of gold affect gold prices, but not necessarily in the same manner as demand and supply affect the prices of other commodities. The supply of gold consists of a combination of new mine production and existing stocks of bullion and fabricated gold held by governments, public and private financial institutions, industrial organizations and private individuals. The demand for gold primarily consists of jewelry and investments. Additionally, hedging activities by producers, consumers, financial institutions and individuals can affect gold supply and demand. Because of these dynamics, it is extremely difficult to predict the future market value of gold with any certainty.

Our principal gold project is located in Australia, consequently we are subject to Australian dollar currency fluctuations. We do not engage in currency hedging to offset any risk of currency fluctuations.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Management's Report on Internal Control Over Financial Reporting

The management of Vista Gold Corp. (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's board of directors (the "Board"), management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting at December 31, 2016. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission Internal Control-Integrated Framework in 2013. Based upon its assessment, management concluded that, at December 31, 2016, the Company's internal control over financial reporting was effective.

The effectiveness of the Company's assessment of internal control over financial reporting at December 31, 2016 has been audited by EKS&H LLLP, an independent registered public accounting firm, as stated in their report which appears herein.

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Report of Independent Registered Public Accounting Firm

Board of Directors and Shareholders

Vista Gold Corp.

Littleton, Colorado

We have audited the accompanying consolidated balance sheets of Vista Gold Corp. and subsidiaries (the “Company”) as of December 31, 2016 and 2015, and the related consolidated statements of income (loss) and comprehensive income (loss), shareholders’ equity, and cash flows for each of the years in the three-year period ended December 31, 2016, 2015, and 2014. We have also audited the Company’s internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). The Company’s management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on the Company’s internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Vista Gold Corp. and subsidiaries as of December 31, 2016 and 2015, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”).

EKS&H LLLP

February 22, 2017

Denver, Colorado

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VISTA GOLD CORP.

CONSOLIDATED BALANCE SHEETS

(Dollar amounts in U.S. dollars and in thousands, except shares)

	December 31, 2016	December 31, 2015
Assets:		
Current assets:		
Cash and cash equivalents	\$ 1,904	\$ 902
Short-term investments (Note 3)	21,975	11,990
Other investments, at fair value (Note 3)	4,994	1,798
Other current assets	648	512
Total current assets	29,521	15,202
Non-current assets:		
Mineral properties (Note 4)	3,874	3,874
Plant and equipment, net (Note 5)	8,213	8,792
Total non-current assets	12,087	12,666
Total assets	\$ 41,608	\$ 27,868
Liabilities and Shareholders' Equity:		
Current liabilities:		
Accounts payable	\$ 252	\$ 115
Accrued liabilities and other	481	688
Provision for environmental liability (Note 15)	350	-
Total current liabilities	1,083	803
Total liabilities	1,083	803
Commitments and contingencies – (Note 8)		
Shareholders' equity:		
Common shares, no par value - unlimited shares authorized; shares outstanding: 2016 - 97,786,608 and 2015 - 82,883,562 (Note 6)	455,443	438,900
Accumulated other comprehensive income/(loss)	15	(35)
Accumulated deficit	(414,933)	(411,800)
Total shareholders' equity	40,525	27,065
Total liabilities and shareholders' equity	\$ 41,608	\$ 27,868
Approved by the Board of Directors		

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/s/ Tracy A. Stevenson	/s/ John M. Clark
Tracy A. Stevenson	John M. Clark
Director	Director

The accompanying notes are an integral part of these consolidated financial statements.

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VISTA GOLD CORP.

CONSOLIDATED STATEMENTS OF INCOME/(LOSS) AND COMPREHENSIVE INCOME/(LOSS)

(Dollar amounts in U.S. dollars and in thousands, except share and per share data)

	Years Ended December 31,		
	2016	2015	2014
Operating expense:			
Exploration, property evaluation and holding costs	\$ (4,303)	\$ (4,265)	\$ (3,991)
Corporate administration	(2,944)	(3,888)	(3,798)
Depreciation and amortization	(618)	(694)	(863)
Gain on disposal of mineral property, net (Note 4)	150	1,958	—
Write-down of mineral property (Note 4)	—	—	(750)
Write-down of Amayapampa interest (Note 9)	—	—	(4,813)
Write-down of value-added tax receivable	—	(572)	—
Total operating expense	(7,715)	(7,461)	(14,215)
Non-operating income/(expense):			
Gain on sale of marketable securities	—	12	24
Gain/(loss) on other investments (Note 3)	3,196	(1,593)	(4,112)
Write-down of marketable securities and long-term investments	—	—	(138)
Research and development grant, net (Note 10)	1,295	10,220	—
Interest income	57	31	10
Interest expense	—	—	(78)
Other income/(expense)	34	(198)	(417)
Total non-operating income/(expense)	4,582	8,472	(4,711)
Net income/(loss)	\$ (3,133)	\$ 1,011	\$ (18,926)
Other comprehensive income/(loss):			
Unrealized fair value increase/(decrease) on available-for-sale securities	50	(46)	70
Comprehensive income/(loss)	\$ (3,083)	\$ 965	\$ (18,856)
Basic:			
Weighted average number of shares outstanding	89,064,260	82,571,182	82,294,331
Net income/(loss) per share	\$ (0.04)	\$ 0.01	\$ (0.23)
Diluted:			
Weighted average number of shares outstanding	89,064,260	83,755,080	82,294,331
Net income/(loss) per share	\$ (0.04)	\$ 0.01	\$ (0.23)

The accompanying notes are an integral part of these consolidated financial statements.

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VISTA GOLD CORP.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(Dollar amounts in U.S. dollars and in thousands, except share amounts)

	Common shares	Amount	Accumulated deficit	Accumulated other comprehensive income/(loss)	Total shareholders' equity
Balances at December 31, 2013	82,275,217	\$ 436,957	\$ (393,885)	\$ (59)	\$ 43,013
Shares issued (RSUs vested)	115,000	—	—	—	—
Stock-based compensation	—	1,126	—	—	1,126
Other comprehensive loss	—	—	—	70	70
Net loss	—	—	(18,926)	—	(18,926)
Balances at December 31, 2014	82,390,217	\$ 438,083	\$ (412,811)	\$ 11	\$ 25,283
Shares issued (RSUs vested)	493,345	—	—	—	—
Stock-based compensation	—	817	—	—	817
Other comprehensive loss	—	—	—	(46)	(46)
Net income	—	—	1,011	—	1,011
Balances at December 31, 2015	82,883,562	\$ 438,900	\$ (411,800)	\$ (35)	\$ 27,065
Units issued (net of offering costs of \$1,425)(Note 6)	12,362,500	15,883	—	—	15,883
Shares issued (RSUs vested/options exercised)	2,540,546	15	—	—	15
Stock-based compensation	—	645	—	—	645
Other comprehensive income	—	—	—	50	50
Net loss	—	—	(3,133)	—	(3,133)
Balances at December 31, 2016	97,786,608	\$ 455,443	\$ (414,933)	\$ 15	\$ 40,525

The accompanying notes are an integral part of these consolidated financial statements.

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VISTA GOLD CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollar amounts in U.S. dollars and in thousands)

	Year ended December 31,		
	2016	2015	2014
Cash flows from operating activities:			
Net income/(loss) for the period	\$ (3,133)	\$ 1,011	\$ (18,926)
Adjustments to reconcile net income/(loss) for the period to net provided by/(cash used) in operations:			
Depreciation and amortization	618	694	863
Stock-based compensation	645	817	1,126
Gain on disposal of marketable securities	—	(12)	(24)
Write-down of marketable securities and long-term investments	—	—	138
Gain on disposal of mineral property	(150)	(1,958)	—
Write-down of value-added tax receivable	—	572	—
Write-down of non-current assets	—	—	5,563
(Gain)/loss on other investments	(3,196)	1,593	4,112
Other non-cash items	—	—	(162)
Change in working capital account items:			
Other current assets	(88)	316	492
Provision for environmental liability	350	—	—
Accounts payable, accrued liabilities and other	(70)	(24)	(240)
Net cash provided by/(used in) operating activities	(5,024)	3,009	(7,058)
Cash flows from investing activities:			
Proceeds from sales of marketable securities	—	41	60
Proceeds from sale of other investments, net	—	2,772	10,560
Acquisition of short-term investments, net of dispositions	(9,985)	(11,990)	—
Additions to plant and equipment	(37)	(134)	(7)
Proceeds from option/sale agreements, net	150	3,490	1,028
Net cash provided by/(used) in investing activities	(9,872)	(5,821)	11,641
Cash flows from financing activities:			
Proceeds from equity financings, net	15,883	—	—
Repayment of debt	—	—	(6,344)
Proceeds from exercise of stock options	15	—	—
Net cash provided by/(used in) financing activities	15,898	—	(6,344)
Net increase/(decrease) in cash and cash equivalents	1,002	(2,812)	(1,761)
Cash and cash equivalents, beginning of period	902	3,714	5,475
Cash and cash equivalents, end of period	\$ 1,904	\$ 902	\$ 3,714

Supplemental cash flow information – Note 12

The accompanying notes are an integral part of these consolidated financial statements.

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1. Nature of Operations

Vista Gold Corp. and its subsidiaries (collectively, “Vista,” the “Company,” “we,” “our,” or “us”) operate in the gold mining industry. We are focused on the evaluation, acquisition, exploration and advancement of gold exploration and potential development projects, which may lead to gold production or value adding strategic transactions such as earn-in right agreements, option agreements, leases to third parties, joint venture arrangements with other mining companies, or outright sales of assets for cash and/or other consideration. We look for opportunities to improve the value of our gold projects through exploration drilling and/or technical studies focused on optimizing previous engineering work.

Our principal asset is our flagship Mt Todd gold project (“Mt Todd”) in Northern Territory, Australia where we are concluding test work to optimize the process flowsheet, seeking approval of our final environmental authorization and commencing an update of our preliminary feasibility study. We also hold 4.4% of the outstanding common shares in the capital of Midas Gold Corp. (“Midas Gold Shares”), non-core projects in Mexico and the United States, and royalty interests in Indonesia.

2. Significant Accounting Policies

Principles of Consolidation

The Consolidated Financial Statements include the accounts of Vista Gold Corp. and more-than-50%-owned subsidiaries that it controls and entities over which control is achieved through means other than voting rights. All significant intercompany balances and transactions have been eliminated. The Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”).

Use of Estimates

The preparation of the Company’s Consolidated Financial Statements requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions are: the fair value and accounting treatment of financial instruments including marketable securities; useful lives of assets for asset depreciation purposes; valuation allowances for deferred tax assets; the fair value and accounting treatment of stock-based compensation; the provision for environmental liabilities; and asset impairments (including impairments long-lived assets and investments). The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will likely differ

from the amounts estimated in these financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and government securities with maturities of three months or less when purchased. Because of the short maturity of these investments, the carrying amounts approximate their fair value.

Foreign Currency Transactions

Our functional currency is the U.S. dollar. Gains and losses resulting from foreign currency transactions denominated in currency other than the functional currency are recorded at the approximate rate of exchange at the transaction date in other expense. For each of the years ended December 31, 2016, 2015 and 2014, we recorded insignificant net foreign currency gains/(losses).

Short-term Investment

Short-term investments consist of securities with original maturity dates greater than ninety days and less than one year. These securities are typically United States and Australian government treasury bills and/or notes. Australian dollar denominated treasury bills may result in currency risk associated with fluctuation in exchanges rates.

Short-term

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investments are recorded at amortized cost and are classified as debt securities held-to-maturity as the Company has the intention and ability to hold these instruments until their original maturity date at the time of purchase.

Mineral Properties

Mineral property acquisition costs, including directly related costs, are capitalized when incurred, and mineral property exploration costs are expensed as incurred. When we determine that a mineral property can be economically developed in accordance with U.S. GAAP and SEC Industry Guide 7 reserves are established, the costs then incurred to develop such property will be capitalized. Capitalized costs will be depleted using the units-of-production method over the estimated life of the proven and probable reserves. If mineral properties are subsequently abandoned or impaired, any undepleted costs will be charged to loss in that period.

The recoverability of the carrying values of our mineral properties is dependent upon economic reserves being discovered or developed on the properties, permitting, financing, start-up, and commercial production from, or the sale/lease of, or other strategic transactions related to these properties. Development and/or start-up of any of these projects will depend on, among other things, management's ability to raise additional capital for these purposes.

We assess the carrying cost of our mineral properties for impairment whenever information or circumstances indicate the potential for impairment. This would include events and circumstances such as our inability to obtain all the necessary permits, changes in the legal status of our mineral properties, government actions, the results of exploration activities and technical evaluations and changes in economic conditions, including the price of gold and other commodities or input prices. Such evaluations compare estimated future net cash flows with our carrying costs and future obligations on an undiscounted basis. If it is determined that the estimated future undiscounted cash flows are less than the carrying value of the property, a write-down to the estimated fair value will then be reported in our Consolidated Statement of Income/(Loss) and Comprehensive Income/(Loss) for the period. Where estimates of future net cash flows are not determinable and where other conditions indicate the potential for impairment, management uses available market information and/or third party valuation experts to assess if the carrying value can be recovered and to estimate fair value.

Impairment

Carrying values of long-lived assets, other than mineral properties, are evaluated for impairment at such time that information becomes available indicating that the carrying value may not be recoverable. If it is determined that the fair value is less than the carrying value an impairment charge equal to the difference between the fair value and the carrying value will be recorded in our Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss).

Stock-Based Compensation

Under our stock option and long-term equity incentive plans, stock incentive options and restricted stock units may be granted to executives, employees, consultants and non-employee directors. Compensation expense for such grants is recorded in the Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) as a component of Exploration, property evaluation and holding costs and Corporate administration, with a corresponding increase to Common shares in the Consolidated Balance Sheets. The fair values of the options are calculated using the Black-Scholes option pricing model and forfeiture rates are based on historic trends and future projections, as appropriate. The fair value of restricted stock units is based on the closing price of our common shares on the grant date and forfeiture rates are based on historic trends and future projections, as appropriate. The expense is based on the fair values of the grant on the grant date and is recognized over the vesting period specified for each grant.

Financial Instruments

Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures (“ASC 820”) of the Financial Accounting Standards Board (“FASB”) requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument’s

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categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data by correlation or other means.
- Level 3 – Prices or valuation techniques requiring inputs that are both significant to the fair value measurement and unobservable.

Our financial instruments include cash and cash equivalents, marketable securities, short-term investments, accounts payable and certain other current assets and liabilities. Due to the short-term nature of our cash and cash equivalents, short-term investments, accounts payable and certain other current assets and liabilities, we believe that their carrying amounts approximate fair value. Our marketable securities are classified as available-for-sale. Accordingly, these securities are carried at fair value, which is based upon quoted market prices in an active market and included in Level 1 of the fair value hierarchy. Our other investments, comprised of Midas Gold Shares, is accounted for using the fair value option based on quoted market prices in an active market and is included in Level 1 of the fair value hierarchy.

Research and Development (“R&D”) Grants

The Company has received Research and Development Tax Incentive payments from the Australian Government. Accounting practice generally refers to International Accounting Standard 20 “Accounting for Government Grants and Disclosure of Government Assistance” (“IAS 20”) to determine the most appropriate accounting for payments of this type. The Company’s activities in Australia do not generate revenue subject to Australian income tax. Consequently, under IAS 20, the R&D Tax Incentive payment is considered a government grant, as opposed to an income tax refund. Grants are recognized when there is reasonable assurance that the grant will be received and that conditions attached to the grant have been met.

Recent accounting pronouncements

Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting (Accounting Standard Update 2016-09)

In March 2016, the Financial Accounting Standards Board issued guidance related to accounting for stock-based compensation which is intended to improve the accounting for employee share-based payments and which affects all organizations that issue share-based payment awards to their employees. Several aspects of the accounting for share-based payment award transactions are simplified, including: (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows. For public companies, the amendments are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted for any organization in any interim or annual period. For the year ended December 31, 2016, we adopted this guidance which did not have a material impact on our financial statements.

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3. Other Investments

Short-term investments

As of December 31, 2016 and 2015, the amortized cost basis of our short-term investments was \$21,975 and \$11,990, respectively. The amortized cost basis approximates fair value at December 31, 2016 and 2015. Short-term investments at December 31, 2016 are comprised of U.S. government treasury bills and/or notes, while short-term investments at December 31, 2015 were comprised of U.S. government and Australian treasury bills and/or notes, all of which have maturity dates greater than 90 days but less than one year.

Other investments - Midas Gold Shares

During February 2014, we sold 16,000,000 Midas Gold Shares at a price of C\$0.80 (\$0.73) per Midas Gold Share for net proceeds of \$10,560 reducing the total of our Midas Gold Shares to 15,802,615 or approximately 11.2% of the outstanding Midas Gold Shares outstanding, on a non-dilutive basis, at that time. This sale resulted in a realized gain on other investments of \$155 based on the realized value at the time of the sale compared to the fair value of the Midas Gold Shares at December 31, 2013, net of costs to sell.

During March 2015, we sold 8,000,000 Midas Gold Shares, at a price of C\$0.46 (\$0.36) per Midas Gold Share, for net proceeds of \$2,772, reducing the total Midas Gold Shares we own to 7,802,615 or approximately 4.4% of the Midas Gold Shares outstanding, on a non-dilutive basis. This sale resulted in a realized loss on other investments of \$348 based on the realized value at the time of the sale compared to the fair value of the Midas Gold Shares at December 31, 2014, net of costs to sell.

Upon initial recognition of its investment in the Midas Gold Shares, Vista elected to apply the fair value option, and as such, the investment is recorded at fair value in the Consolidated Balance Sheets. Subsequent changes in fair value are recorded in the Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) in the period in which they occur.

The following table summarizes our investment in Midas Gold Shares as at December 31, 2016 and 2015.

December 31, 2016	December 31, 2015
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Fair value at beginning of period	\$ 1,798	\$ 6,163
Sale of Midas Gold Shares, net of costs to sell	—	(2,772)
Gain/(loss) during the period	3,196	(1,593)
Fair value at end of period	\$ 4,994	\$ 1,798
Midas Gold Shares held at the end of the period	7,802,615	7,802,615

4. Mineral Properties

	At December 31, 2016	At December 31, 2015
Mt Todd, Australia	\$ 2,146	\$ 2,146
Guadalupe de los Reyes, Mexico	1,728	1,728
	\$ 3,874	\$ 3,874

Guadalupe de los Reyes

During April 2014, Minera Gold Stake S.A. de C.V. (“MGS”), Vista’s wholly-owned subsidiary, entered into a definitive option agreement (the “Option Agreement”) to option a 70% interest in the Guadalupe de los Reyes gold/silver project in Sinaloa, Mexico to Great Panther Silver Limited (formerly Cangold Limited) (“Great Panther”) for consideration of \$5,000 in five payments over a three-year period, with payments totaling \$1,000 in the first year (\$500 received in 2014 and \$496 net of legal costs was received in March 2015), \$1,500 due in February 2016 (postponed from January 2016) and \$2,500 due in January 2017. The Option Agreement provided that all cash payments are non-

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refundable and optional to Great Panther, and in the event Great Panther failed to pay any of the required amounts on the scheduled dates or failed to comply with its other obligations, the Option Agreement would terminate and Great Panther would have no interest in the Guadalupe de los Reyes gold/silver project.

On February 25, 2016 Vista received notification from Great Panther that it was terminating the Option Agreement and the \$1,500 option payment due in February 2016 was not made. Pursuant to the terms of the Option Agreement, Vista retains all amounts already paid by Great Panther and 100% of the Guadalupe de los Reyes gold/silver project.

Although the termination of the Option Agreement indicates the potential for impairment of the carrying value of Guadalupe de los Reyes mineral property, our review has concluded that the \$1,728 carrying value should not be impaired considering the quantity of mineral resources contained in the concessions, and the strategic value that these resources represent.

Los Cardones

In October 2013, we sold our 100% debt and equity participation in the Los Cardones gold project located in Baja California Sur, Mexico (“Los Cardones Sale”) to Investure and RPG Structured Finance S.a.R.L. (the “Purchasers”) for a total of \$13,000 (\$7,000 of which was paid in October 2013 and \$6,000 was originally payable January 2014 (the “Subsequent Payment”) subject to the Purchasers’ option to elect to not make the Subsequent Payment). In 2014, the due date for the Subsequent Payment was extended to January 30, 2015 for additional consideration of \$500. In October 2014, Investure announced that the Los Cardones gold project, had been suspended because the conditions for its development were not favorable at that time, which introduced substantial doubt that the Subsequent Payment would be made. After making this announcement, there were no apparent significant favorable changes to incentivize Investure to lift the suspension. In January 2015, we agreed to amend the payment terms (the “Amendment”) of the Los Cardones Sale. Under the Amendment, the Company received a payment of \$2,994 net of legal costs from the Purchasers as final payment for 100% of the Company’s interest in the project. This resulted in a realized gain of approximately \$1,958.

Long Valley

We acquired the Long Valley gold project in 2003. During 2014, we completed a review of the permitting process and probable impediments to developing the project, and concluded that the permitting process could consume significant resources and last for a protracted period of time. Accordingly, we do not plan to advance this project in the foreseeable future. As a result, an impairment amount equal to the \$750 carrying value has been included in our Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) for the year ended December 31, 2014.

Utah Claims

During 2016 we sold unpatented mining claims located in Utah for \$150 and a 2% net smelter return royalty on any future production from said claims. This resulted in a realized gain of \$150.

5. Plant and Equipment

	December 31, 2016			December 31, 2015		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Mt Todd, Australia	\$ 5,654	\$ 3,944	\$ 1,710	\$ 5,617	\$ 3,346	\$ 2,271
Guadalupe de los Reyes, Mexico	14	11	3	17	9	8
Corporate, United States	333	333	—	403	390	13
Used mill equipment, Canada	6,500	—	6,500	6,500	—	6,500
	\$ 12,501	\$ 4,288	\$ 8,213	\$ 12,537	\$ 3,745	\$ 8,792

We continue to actively market the used mill equipment, however, we do not classify it as 'held for sale' on our balance sheet as of December 31, 2016 or 2015 as we do not have reasonable assurance that the mill equipment will sell within 12 months. We are not currently depreciating the used mill equipment as we continue to market it and it is not in use.

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6. Common Shares

Public Offering, August 2016

During August 2016, we closed a public offering of 12,362,500 units (the “Units”), which included 1,612,500 Units issued pursuant to the full exercise of the underwriters’ over-allotment option, for net proceeds of \$15,883 (the “2016 Offering”). Each Unit consisted of one common share in the capital of the Company (“Common Share”) and one-half of one Common Share purchase warrant (each full warrant, a “2016 Warrant”). A total of 6,514,625 2016 Warrants were issued, including 333,375 broker warrants issued to the underwriters. Each 2016 Warrant entitles the holder thereof to purchase one Common Share at a price of \$1.92 per Common Share (subject to adjustment in certain circumstances) and is exercisable for a period of 36 months from the closing of the 2016 Offering. The 2016 Warrants, which are classified as equity, had a fair value of \$3,320 at the time of the 2016 Offering. The fair value of 2016 Warrants was estimated at the grant date using the Black-Scholes option pricing model using the following assumptions: 1) expected volatility of 89%, 2) risk-free rate of 0.86%, 3) expected life of 3 years, and 4) stock price on the issue date of \$1.13 per Common Share.

Other Share Issuances

During the years ended December 31, 2016, 2015 and 2014, we issued 2,540,546, 493,345 and 115,000 common shares, respectively, in connection with the vesting of RSUs and/or stock option exercises.

Warrants

Warrant activity is summarized in the following table:

	Warrants outstanding	Weighted average exercise price per share	Weighted average remaining life (yrs.)	Intrinsic value
As of December 31, 2013	19,977,743	\$ 4.63	1.6	\$ —
Expired (issued as part of equity financing completed in 2012)	(4,757,941)			
As of December 31, 2014	15,219,802	\$ 5.00	0.8	\$ —
	(15,219,802)			

Expired (issued as part of equity financing completed in 2010)

As of December 31, 2015	—	\$ —	—	\$ —
Issued	6,514,625	1.92	2.6	—
As of December 31, 2016	6,514,625	\$ 1.92	2.6	\$ —

Stock-Based Compensation

Under our Stock Option Plan (the “Plan”) and our Long-Term Equity Incentive Plan (the “LTIP”), we may grant options and/or RSUs or restricted stock awards to our directors, officers, employees and consultants. The combined maximum number of our Common Shares that may be reserved for issuance under the Plan and the LTIP is a variable number equal to 10% of the issued and outstanding Common Shares on a non-diluted basis. Options and RSUs under the Plan and LTIP, respectively, are granted from time to time at the discretion of the Board, with vesting periods and other terms as determined by the Board. Stock-based compensation expense for the years ended December 31, 2016, 2015 and 2014 is as follows:

	Year Ended December 31,		
	2016	2015	2014
Stock options	\$ 23	\$ 8	\$ 160
Restricted stock units	622	809	966
	\$ 645	\$ 817	\$ 1,126

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As of December 31, 2016, stock options and RSUs had unrecognized compensation expense of \$39 and \$582, respectively, which is expected to be recognized over a weighted average period of 1.23 and 1.4 years, respectively.

Stock Options

A summary of option activity under the Plan as of December 31, 2016, 2015 and 2014 and changes during the period then ended is set forth in the following table:

	Number of options	Weighted average exercise price per option	Weighted average remaining contractual term	Aggregate intrinsic value
Outstanding - December 31, 2013	2,882,500	\$ 1.79	3.07	\$ 54
Granted	175,000	0.52		—
Cancelled/Forfeited	(125,000)	3.16		—
Expired	(675,000)	1.85		—
Outstanding - December 31, 2014	2,257,500	1.60	3.02	—
Outstanding - December 31, 2015	2,257,500	1.60	2.02	—
Granted	50,000	1.11		—
Exercised	(65,500)	0.39		42
Expired	(697,500)	2.91		—
Outstanding - December 31, 2016	1,544,500	\$ 1.05	1.79	\$ 626
Exercisable - December 31, 2016	1,248,250	\$ 1.18	1.64	\$ 480

A summary of our unvested stock options as of December 31, 2016, 2015 and 2014 and changes during the period then ended is set forth in the following table:

	Number of options	Weighted average grant-date fair value per option	Weighted average remaining amortization period (Years)
Unvested - December 31, 2013	738,750	\$ 0.22	4.99
Granted	175,000	0.30	
Vested	(667,500)	0.24	

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Unvested - December 31, 2014	246,250	0.22	3.99
Unvested - December 31, 2015	246,250	0.22	3.00
Granted	50,000	0.69	
Unvested - December 31, 2016	296,250	0.49	1.23

The fair value of stock options granted during the years ended December 31, 2016 and 2014 (no stock options were granted for the year ended December 31, 2015) to employees, directors and consultants was estimated at the grant date using the Black-Scholes option pricing model using the following assumptions:

	Year Ended December 31,		
	2016	2015	2014
Expected volatility	77.68 %	— %	69.17 %
Risk-free interest rate	1.12 %	— %	1.75 %
Expected life (years)	5	—	5
Dividend yield	N/A	—	N/A
Forfeiture assumption	0 %	— %	10 %

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Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Expected price volatility is based on the historical volatility of our common shares. Changes in the subjective input assumptions can materially affect the fair value estimate. The expected term of the options granted represents the period of time that the options granted are expected to be outstanding. The risk-free rate for the periods within the contractual term of the option is based on the U.S. Treasury yield curve in effect at the date of grant.

Restricted Stock Units

The following table summarizes the RSU activity under the LTIP as of December 31, 2016, 2015 and 2014 and changes during the years then ended:

	Number of units	Weighted average grant-date fair value per unit
Unvested - December 31, 2013	2,594,464	\$ 2.00
Cancelled/forfeited	(865,635)	3.42
Vested	(115,000)	3.84
Granted	2,079,000	0.46
Unvested - December 31, 2014	3,692,829	\$ 0.74
Cancelled/forfeited	(841,038)	0.73
Vested	(493,345)	1.62
Granted	1,727,000	0.27
Unvested - December 31, 2015	4,085,446	\$ 0.44
Vested	(2,475,046)	0.32
Granted	1,057,987	0.84
Unvested - December 31, 2016	2,668,387	\$ 0.49

A portion of the RSU awards vest on a fixed future date provided the recipient continues to be affiliated with Vista on that date. Other RSU awards vest subject to certain performance and market criteria, including the accomplishment of certain corporate objectives and the Company's share price performance. The vesting period for all RSUs is at least one year.

Weighted Average Common Shares

At December 31,		
2016	2015	2014

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Basic common shares	89,064,260	82,571,182	82,294,331
Effect of dilutive stock-based awards	—	1,183,898	—
Diluted common shares	89,064,260	83,755,080	82,294,331

Stock options to purchase 1,544,500 common shares, unvested RSUs representing 2,668,387 common shares and 6,514,625 warrants were outstanding at December 31, 2016 but were not included in the computation of diluted weighted average common shares outstanding because their effect would have been anti-dilutive. Stock options to purchase 2,257,500 common shares and unvested RSUs representing 2,901,548 common shares were outstanding at December 31, 2015 but were not included in the computation of diluted weighted average common shares outstanding because their effect would have been anti-dilutive. Stock options to purchase 2,257,500 common shares, unvested RSUs representing 3,692,829 common shares, and warrants to purchase 15,219,802 common shares were outstanding at December 31, 2014 but were not included in the computation of diluted weighted average common shares outstanding because their effect would have been anti-dilutive.

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7. Accumulated Other Comprehensive Income/(Loss)

	Accumulated other comprehensive income/(loss)	Accumulated other comprehensive income/(loss), net of tax
As of December 31, 2014	\$ 11	\$ 10
Other comprehensive loss due to change in fair market value of marketable securities during period before reclassifications	(34)	(29)
Reclassifications due to realization of gain on sale of marketable securities (1)	(12)	(10)
As of December 31, 2015	\$ (35)	\$ (29)
Other comprehensive gain due to change in fair market value of marketable securities during period	50	43
As of December 31, 2016	\$ 15	\$ 14

(1) Reclassified to gain/(loss) on sale of marketable securities on the Consolidated Statement of Income/(Loss) and Comprehensive Income/(Loss).

8. Commitments and Contingencies

Our exploration and development activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. As such, the future expenditures that may be required for compliance with these laws and regulations cannot be predicted. We conduct our operations to minimize effects on the environment and believe our operations are in compliance with applicable laws and regulations in all material respects. During May 2015, we settled a contract dispute for \$295.

Under our agreement with the Jawoyn Association Aboriginal Corporation (the "JAAC"), we must offer the JAAC the opportunity to establish a joint venture with Vista holding 90% and the JAAC holding a 10% participating interest in Mt Todd. In addition, the JAAC will be entitled to an annual cash payment, or payment in kind, equal to 1% of the value of the annual gold production from the current mining licenses, and a 1% NSR royalty on other metals, subject to a minimum payment of A\$50 per year.

During November 2015, we entered into a two-year lease agreement to store our used mill equipment. Monthly rent for the term of the lease is C\$18 (\$13).

9. Amayapampa Interest

In December 2014, the owner of the Amayapampa gold project completed the sale of 100% of the project to a private investor. Accordingly, we evaluated the carrying value of our interest in Amayapampa, comprised of a right to receive an NSR royalty on future gold production, if any, plus certain additional cash payments if the project successfully starts commercial production. Given the frequency of ownership changes over the past several years, the conditions in gold market, and the political climate in Bolivia, we concluded that there was no more than a remote possibility that the Amayapampa project will be successfully developed and operated within the foreseeable future and that the asset was fully impaired, an impairment amount equal to the \$4,813 carrying value was included in our Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) for the year ended December 31, 2014.

10. Research and Development Grant

The Company received Research & Development (“R&D”) Tax Incentive refunds, net of costs to prepare and file, paid under the Australian Government’s R&D Tax Incentive Program, a program designed to encourage industry to engage in R&D activities that benefit Australia. These refunds are related to costs we incurred during the 2012 through 2015 fiscal years for qualifying R&D programs. The R&D Tax Incentive Program is a self-assessment process, and as such, the Australian Government has the right to audit the qualifying programs and expenditures for a period of four years. If such a review were to occur, and as a result of the review and failure of a related appeal a qualified program and related

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expenditures were disqualified, the respective R&D grant could be recalled with penalties and interest. As of December 31, 2016, the Australian Government has not requested a review.

11. Fair Value Accounting

The following table sets forth the Company's assets measured at fair value by level within the fair value hierarchy. As required by accounting guidance, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value at December 31, 2016		
	Total	Level 1	Level 3
Marketable securities	\$ 109	\$ 109	\$ —
Other investments (Midas Gold Shares)	4,994	4,994	—
Used mill equipment (non-recurring)	6,500	—	6,500

	Fair value at December 31, 2015		
	Total	Level 1	Level 3
Marketable securities	\$ 61	\$ 61	\$ —
Other investments (Midas Gold Shares)	1,798	1,798	—
Used mill equipment (non-recurring)	6,500	—	6,500

Our marketable securities and investment in Midas Gold Shares are classified as Level 1 of the fair value hierarchy as they are valued at quoted market prices in an active market. Marketable securities are included in other current assets on the Consolidated Balance Sheets for each period presented.

The mill equipment is classified as Level 3 of the fair value hierarchy as its value at December 31, 2016 and 2015 was based on an independent third party valuation. The mill equipment is included in plant and equipment on the Consolidated Balance Sheets for each period presented.

There were no transfers between levels nor were there any changes in valuation methods in 2016.

12. Supplemental Cash Flow Information and Material Non-Cash Transactions

As of December 31, 2016, 2015 and 2014, all of our cash was held in liquid bank deposits and/or government treasury bills in the Unites States and Australia.

There were no significant non-cash transactions for the year ended December 31, 2016, 2015 or 2014.

During the years ended December 31, 2014, we paid interest associated with the 2013 Facility of \$78.

13. Income Taxes

The Company's U.S. and foreign source income/(loss) is as follows:

	Years ended December 31,		
	2016	2015	2014
U.S.	\$ 1,219	\$ (3,297)	\$ (6,705)
Canada	(1,395)	(121)	(7,750)
Other Foreign	(2,957)	4,429	(4,471)
	\$ (3,133)	\$ 1,011	\$ (18,926)

During the years ended December 31, 2016, 2015 and 2014, the Company has recognized 'nil' current and deferred income tax expense or benefit in each of the US, Canadian, and other foreign jurisdictions, due to full valuation allowances within each jurisdiction.

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Rate Reconciliation

A reconciliation of the combined income taxes at the statutory rates and the Company's effective income tax benefit is as follows:

	Years ended December 31,		
	2016	2015	2014
Income taxed at statutory rates	\$ (1,226)	\$ 392	\$ (7,314)
Increase (decrease) in taxes from:			
Stock-based compensation	(382)	32	41
Other adjustments	15	27	5
Adjustment due to capital transactions		(119)	—
R&D grant	5,936	5,366	—
Prior year provision to actual adjustments	(4,269)	(2,894)	(4,511)
Differences in tax rates	524	(368)	541
Effect of foreign exchange	379	350	276
Expiration of NOLs	-	231	189
Change in valuation allowance	(977)	(3,017)	10,773
Income tax (benefit)/expense	\$ —	\$ —	\$ —

Deferred Taxes

Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The significant components of our deferred tax assets and liabilities as at December 31 are as follows:

	December 31,		
	2016	2015	2014
Deferred income tax assets			
Excess tax basis over book basis of property, plant and equipment	\$ 7,773	\$ 7,785	\$ 7,893
Marketable securities	713	862	798
Operating loss carryforwards	27,943	26,464	35,001
Capital loss carryforwards	13,469	13,463	10,212
Other	1,783	2,725	2,891
Total future tax assets	51,681	51,299	56,795
Valuation allowance for future tax assets	(50,209)	(50,816)	(54,397)
	1,472	483	2,398
Deferred income tax liabilities			

Other investments	1,472	483	1,916
Amayapampa disposal consideration	—	—	482
	1,472	483	2,398
Total Deferred Taxes	\$ —	\$ —	\$ —

Valuation Allowance on Canadian and Foreign Tax Assets

We establish a valuation allowance against the future income tax assets if, based on available information, it is more likely than not that all of the assets will not be realized. The valuation allowance of \$50,209, \$50,816, and \$54,397 at December 31, 2016, 2015 and 2014, respectively, relates mainly to net operating loss carryforwards, in Canada and other foreign tax jurisdictions, where the utilization of such attributes is not more likely than not. The Company continually assesses both positive and negative evidence to determine whether it is more likely than not that deferred tax assets can be realized prior to their expiration.

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Loss Carryforwards

The Company has available income tax losses of \$67,822, which may be carried forward and applied against future taxable income when earned.

The losses expire as follows:

	Noncapital Canada (1)	U.S.	Mexico	Barbados	Total
2016	\$ —	\$ —	\$ —	\$ (2)	\$ (2)
2017	—	—	—	(1)	(1)
2018	—	—	—	(6)	(6)
2019	—	—	—	(20)	(20)
2020	—	—	—	(42)	(42)
2021	—	—	—	(20)	(20)
2022	—	—	(5,511)	(31)	(5,542)
2023	—	—	(302)	(23)	(325)
2024	—	—	—	(4)	(4)
2025	—	—	—	(6)	(6)
2026	(1,027)	—	—	—	(1,027)
2027	(847)	(1,287)	—	—	(2,134)
2028	(5,245)	(1,719)	—	—	(6,964)
2029	(4,022)	(1,970)	—	—	(5,992)
2030	(5,032)	(1,827)	—	—	(6,859)
2031	(3,806)	(3,407)	—	—	(7,213)
2032	(6,397)	(2,323)	—	—	(8,720)
2033	(6,076)	(3,098)	—	—	(9,174)
2034	(4,420)	(2,824)	—	—	(7,244)
2035	(3,729)	—	—	—	(3,729)
2036	(2,798)	—	—	—	(2,798)
	\$ (43,399)	\$ (18,455)	\$ (5,813)	\$ (155)	\$ (67,822)

(1) Canadian capital loss carryforwards of \$55,367 and Australian NOLs of \$25,909, which do not expire and are therefore not included above.

During 2016, an income tax benefit and the corresponding valuation allowance of \$370 related to share-issuance cost was recorded directly to equity.

Accounting for uncertainty in taxes

Accounting Standards Codification Topic 740 guidance requires that the Company evaluate all income tax positions taken, and recognize a liability for any uncertain tax positions that are not more likely than not to be sustained by the tax authorities. As of December 31, 2016, the Company believes it has no liability for unrecognized tax positions. If the Company were to determine there were any uncertain tax positions, the Company would recognize the liability and related interest and penalties within income tax expense.

Tax statute of limitations

The Company files income tax returns in Canada, U.S. federal and state jurisdictions and other foreign jurisdictions. There are currently no tax examinations underway for these jurisdictions. Furthermore, the Company is no longer subject to Canadian tax examinations by the Canadian Revenue Authority for years ended on or before December 31, 2013 or U.S. federal income tax examinations by the Internal Revenue Service for years ended on or before December 31, 2013. Some U.S. state and other foreign jurisdictions are still subject for tax examination for years ended on or before December 31, 2012.

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Although certain tax years are closed under the statute of limitations, tax authorities can still adjust losses being carried forward into open years.

14. Geographic and Segment information

The Company has one reportable operating segment, consisting of evaluation, acquisition, and exploration activities. We evaluate, acquire, explore and advance gold exploration and potential development projects, which may lead to gold production or value adding strategic transactions. These activities are currently focused principally in Australia. We reported no revenues during the years ended December 31, 2016, 2015 and 2014. Geographic location of mineral properties and plant and equipment is provided in Notes 4 and 5, respectively.

15. Provision for Environmental Liability

The Province of British Columbia Ministry of Energy and Mines (“MEM”) has requested that the Company prepare and present to MEM a reclamation plan for closure and abandonment of certain mining claims in British Columbia which the Company had disposed of in 1996. Assuming no other potentially responsible parties are identified and based on preliminary estimates of the reclamation costs, we have accrued \$350 on an undiscounted basis, which has been included in Exploration, property evaluation and holding costs. It is possible that this estimate may change.

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures.

At the end of the period covered by this annual report on Form 10-K for the fiscal year ended December 31, 2016, an evaluation was carried out under the supervision of and with the participation of our management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of the design and operations of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act). Based on that evaluation, the CEO and the CFO have concluded that as of the end of the period covered by this annual report, our disclosure controls and procedures were effective in ensuring that: (i) information required to be disclosed by us in reports that we file or submit to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

Internal Control over Financial Reporting.

Management’s Report on Internal Control over Financial Reporting.

Management’s report on internal control over financial reporting and the attestation report on management’s assessment are included in “Item 8 Financial Statements and Supplementary Data” herein.

Attestation Report of the Registered Public Accounting Firm.

EKS&H's attestation report on our internal control over financial reporting is included as part of "Item 8. Financial Statements and Supplementary Data" herein.

Changes in Internal Controls.

There has been no change in our internal control over financial reporting during the quarter ended December 31, 2016 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Information concerning our executive officers, directors, Audit Committee, corporate governance, compliance with Section 16(a) of the Exchange Act and Code of Ethics is contained in our definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934 for the 2017 Annual Meeting of Stockholders (the "Proxy Statement") and is incorporated herein by reference.

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Code of Business Conduct and Ethics

We have a code of business conduct and ethics (the “Code of Ethics”) that applies to all of our employees, officers and directors of the Company and its affiliated entities. The Code of Ethics is available on our website at www.vistagold.com and we will post any amendments to, or waivers, from, including an implicit waiver, the Code of Ethics on that website.

ITEM 11. EXECUTIVE COMPENSATION.

Information relating to executive compensation will be contained in the Proxy Statement and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Information relating to security ownership of certain beneficial owners of our common shares, our equity compensation plans and the security ownership of our management will be contained in the Proxy Statement and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Information concerning this item will be contained in the Proxy Statement and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Information concerning this item will be contained in the Proxy Statement and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

Documents Filed as Part of Report

Financial Statements

The following Consolidated Financial Statements of the Company are filed as part of this report:

1. Report of Independent Registered Public Accounting Firm.
2. Report of Independent Registered Public Accounting Firm.
3. Consolidated Balance Sheets – At December 31, 2016 and 2015.
4. Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) – Years ended December 31, 2016, 2015 and 2014.
5. Consolidated Statements of Cash Flows – Years ended December 31, 2016, 2015 and 2014.
6. Consolidated Statements of Shareholders' Equity – Years ended December 31, 2016, 2015 and 2014.
7. Notes to Consolidated Financial Statements.

See “Item 8. Financial Statements and Supplementary Data”.

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Financial Statement Schedules

No other financial statement schedules are filed as part of this report because such schedules are not applicable or the required information is shown in the Consolidated Financial Statements or notes thereto. See “Item 8. Financial Statements and Supplementary Data”.

Exhibits

The following exhibits are filed as part of this report:

Exhibit Number	Description
3.01	Certificate of Continuation, previously filed as Exhibit 3.1 to the Company’s Form 8-K dated June 12, 2013 and incorporated by reference herein (File No. 1-9025)
3.02	Notice of Articles, previously filed as Exhibit 3.2 to the Company’s Form 8-K dated June 12, 2013 and incorporated herein by reference (File No. 1-9025)
3.03	Articles, previously filed as Exhibit 3.3 to the Company’s Form 8-K dated June 12, 2013 and incorporated herein by reference (File No. 1-9025)
4.01	Warrant Indenture dated August 8, 2016, previously filed as Exhibit 4.1 to the Company’s Form 8-K dated August 8, 2016 and incorporated herein by reference (File No. 1-9025)
10.01*	Amended Stock Option Plan of Vista Gold filed as Appendix F to the Company’s Proxy Statement on March 20, 2015 and incorporated herein by reference (File No. 1-9025)
10.02*	Amended Long Term Equity Incentive Plan of Vista Gold filed as Appendix E to the Company’s Proxy Statement on March 20, 2015 and incorporated herein by reference (File No. 1-9025)
10.03	Agreement, dated March 1, 2006, among the Northern Territory of Australia, Vista Gold Australia Pty. Ltd. and Vista Gold Corp. filed as Exhibit 10.24 to the Company’s Annual Report on Form 8-K, dated February 28, 2006 and incorporated herein by reference (File No. 1-9025)
10.04	Earn-In Right Agreement, dated February 7, 2012, filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K dated February 13, 2012 and incorporated herein by reference (File No. 1-9025)
10.05*	Employment Agreement with John F. Engele, filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K dated June 1, 2012 and incorporated herein by reference (File No. 1-9025)
10.06*	Employment Agreement with John W. Rozelle, filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K dated August 6, 2012 and incorporated herein by reference (File No. 1-9025)
10.07*	Amended Employment Agreement of John F. Engele, dated November 1, 2012, previously filed as Exhibit 10.13 to the Company’s Form 10-K dated March 14, 2013 and incorporated herein by reference (File No. 1-9025)
10.08*	Amended Employment Agreement of Fred Earnest, dated November 1, 2012 previously filed as Exhibit 10.14 to the Company’s Form 10-K dated March 14, 2013 and incorporated herein by reference (File No.

- 1-9025)
- 10.09* Amended Employment Agreement of John W. Rozelle, dated November 1, 2012 previously filed as Exhibit 10.15 to the Company's Form 10-K dated March 14, 2013 and incorporated herein by reference (File No. 1-9025)
- 10.10 Credit Agreement between the Company and Sprott Resource Lending Partnership, dated March 28, 2013, previously filed as Exhibit 10.1 to the Corporation's Form 8-K dated April 2, 2013 and incorporated herein by reference (File No. 1-9025)
- 10.11 General Security Agreement between the Company and Sprott Resource Lending Partnership, dated March 28, 2013, previously filed as Exhibit 10.2 to the Corporation's Form 8-K dated April 2, 2013 and incorporated herein by reference (File No. 1-9025)
- 10.12 Credit Agreement Modification Agreement, previously filed as Exhibit 10.1 to the Company's Form 8-K dated September 26, 2013 and incorporated herein by reference (File No. 1-9025)
- 10.13 Terms of Agreement – Los Cardones Project, previously filed as Exhibit 10.1 to the Company's Form 8-K dated October 8, 2013 and incorporated herein by reference (File No. 1-9025)

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- 10.14 Share Purchase Agreement between the Company and Investure dated October 16, 2013, previously filed as Exhibit 10.13 to the Corporation's Form 10-K dated March 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.15 Termination of Trust Agreement dated October 16, 2013, previously filed as Exhibit 10.14 to the Company's Form 10-K dated March 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.16 Debt Transfer Agreement dated October 16, 2013, previously filed as Exhibit 10.15 to the Company's Form 10-K dated March 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.17 Termination Agreement between Investure Group, S.A. de C.V., Desarrollos Zapal Holdings Corp., Granges Inc., Desarrollos Zapal, S.A. de C.V. and Vista Gold Corp., dated October 18, 2013, , previously filed as Exhibit 10.16 to the Company's Form 10-K dated March 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.18 Share Pledge Agreement between the Company and Sprott Resource Lending Partnership dated November 8, 2013, previously filed as Exhibit 10.17 to the Company's Form 10-K dated March 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.19 Share Pledge Agreement between the Vista Gold US Inc and Sprott Resource Lending Partnership dated November 8, 2013, previously filed as Exhibit 10.18 to the Company's Form 10-K dated March 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.20 Amendment Agreement, previously filed as Exhibit 10.1 to the Company's Form 8-K dated February 4, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.21 Agency Agreement between the Company and a certain agent relating to the sale of shares of Midas Gold Corp. dated February 5, 2014, previously filed as Exhibit 10.2 to the Company's Form 10-Q dated May 2, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.22 Finder's Fee Agreement between the Company and a certain finder relating to the sale of shares of Midas Gold Corp. dated February 14, 2014, previously filed as Exhibit 10.3 to the Corporation's Form 10-Q dated May 2, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.23* Earnest Amendment Agreement, dated March 12, 2014, previously filed as Exhibit 10.1 to the Company's Form 8-K dated March 14, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.24* Engele Amendment Agreement, dated March 12, 2014, previously filed as Exhibit 10.2 to the Company's Form 8-K dated March 14, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.25 Option Agreement – Guadalupe de los Reyes filed as Exhibit 10.1 to the Company's Form 8-K dated April 17, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.26 Second Amending Agreement between the Company and RPG Structured Finance S.á.R.L, previously filed as Exhibit 10.1 to the Company's Form 8-K dated July 31, 2014 and incorporated herein by reference (File No. 1-9025)
- 10.27 Third Amending Agreement between the Company and RPG Structured Finance S.á.R.L, previously filed as Exhibit 10.1 to the Company's Form 8-K dated February 2, 2015 and incorporated herein by reference (File No. 1-9025)
- 10.27 Agency Agreement with Haywood Securities Inc. dated February 24, 2015, previously filed as Exhibit 10.1 to the Company's Form 8-K dated March 2, 2015 and incorporated herein by reference (File No. 1-9025)
- 10.29 Finders Agreement with Global Market Development LLC, dated February 25, 2015, previously filed as Exhibit 10.2 to the Company's Form 8-K dated March 2, 2015 and incorporated herein by reference (File No. 1-9025)
- 10.30* Earnest Amendment Agreement dated January 1, 2016, previously filed as Exhibit 10.30 to the Company's Form 10-K dated February 26, 2016 and incorporated herein by reference (File No. 1-9025)
- 10.31* Engele Amendment Agreement dated January 1, 2016, previously filed as Exhibit 10.30 to the Company's Form 10-K dated February 26, 2016 and incorporated herein by reference (File No. 1-9025)
- 10.32*

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Rozelle Amendment Agreement dated January 1, 2016, previously filed as Exhibit 10.30 to the Company's Form 10-K dated February 26, 2016 and incorporated herein by reference (File No. 1-9025)

- 21 Subsidiaries of the Corporation
- 23.1 Consent of EKS&H LLLP, Denver, Independent Registered Public Accounting Firm
- 23.2 Consent of Tetra Tech, Inc.

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	Consent of Rex Bryan
23.3	
23.4	Consent of Thomas Dyer
23.5	Consent of Jackie Blumberg
23.6	Consent of Deepak Malhotra
23.7	Consent of Benjamin Johnson
23.8	Consent of Nick Michael
23.9	Consent of David Richers
23.10	Consent of Keith Thompson
23.11	Consent of Lachlan Walker
23.12	Consent of Anthony Clark
23.13	Consent of John Rozelle
24	Powers of Attorney
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS(1)	XBRL Instance Document
101.SCH(1)	XBRL Taxonomy Extension – Schema
101.CAL(1)	XBRL Taxonomy Extension – Calculations
101.DEF(1)	XBRL Taxonomy Extension – Definitions
101.LAB(1)	XBRL Taxonomy Extension – Labels
101.PRE(1)	XBRL Taxonomy Extension – Presentations

* Management Contract or Compensatory Plan

1. Submitted Electronically Herewith. Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Statements of Income/(Loss) and Comprehensive Income/(Loss) for the years ended December 31, 2016, 2015 and 2014, (ii) Consolidated Balance Sheets at December 31, 2016 and 2015, (iii) Consolidated Statements of Cash Flows for the years ended December 31, 2016, 2015 and 2014, and (iv) Notes to Consolidated Financial Statements.

ITEM 16. FORM 10-K SUMMARY

None.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VISTA GOLD CORP.

(Registrant)

Dated: February 22, 2017 By: /s/ Frederick H. Earnest
Frederick H. Earnest,
Chief Executive Officer

Dated: February 22, 2017 By: /s/ John F. Engele
John F. Engele
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Dated: February 22, 2017 By: /s/ Frederick H. Earnest
Frederick H. Earnest,
Chief Executive Officer
(Principal Executive Officer)

Dated: February 22, 2017 By: /s/ John F. Engele
John F. Engele
Chief Financial Officer
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Capacity	Date
/s/ Frederick H. Earnest	Director	February 22, 2017

Frederick H. Earnest
*

Director February 22, 2017

John M. Clark
*

Director February 22, 2017

C. Thomas Ogryzlo
*

Director February 22, 2017

Tracy Stevenson
*

Director February 22, 2017

W. Durand Eppler
*

Director February 22, 2017

Michael B. Richings
* By: /s/ Frederick H. Earnest

Frederick H. Earnest, Attorney-in-Fact
Pursuant to Power of Attorney filed as Exhibit 24 herewith.