

TORONTO, ON--(Marketwired - March 16, 2017) - [Gran Colombia Gold Corp.](#) (TSX: GCM) announced today that it has signed an option agreement with [IAMGold Corp.](#) (TSX: IMG) for the exploration and potential purchase of an interest in the Company's Zancudo Project.

The Zancudo Project is located in the Titiribá mining district of Antioquia, about 27 km south of Medellín, and comprises a historical gold mine, the Independencia Mine, in the Middle Cauca Gold Belt that had produced about 130,000 ounces of gold with recovered grades of 14.6 g/t Au and 108.4 g/t Ag. The Independencia Mine exploited an epithermal to mesothermal, intermediate sulphidation type vein system that was exploited over 3.5 km with known depths of over 900m. Gran Colombia had completed a 14,000m drilling program at the Zancudo Project in 2011 and 2012 that focused on defining new potential resources by following the strike and shallow dip extensions of the Santa Catalina and Manto Antiguo structures that represent the extension to the south of what was mined in the historical Independencia Mine. Following the gold price collapse in 2013, the Company halted further exploration at the project to focus on the expansion and modernization of its high-grade producing Segovia Operations.

Under the agreement, IAMGOLD has been granted an option to acquire an initial undivided 65% interest (the "First Option") in the Zancudo Project by incurring an aggregate of US\$10 million of mineral exploration expenditures over a six-year period, subject to meeting specified annual work commitments during the First Option period, of which the first US\$1 million to be incurred within the first year is a firm commitment and IAMGOLD has the right to cease its obligations at any time thereafter.

IAMGOLD has also been granted an additional option (the "Second Option") to acquire a further 5% undivided interest for an aggregate 70% undivided interest in the Zancudo Project by completing a feasibility study within three years after exercising the First Option.

Upon exercise of the First Option or the Second Option, as the case may be, the parties will form a joint venture to hold the Zancudo Project, to advance the exploration and, if feasible, to advance the development and mining of any commercially exploitable ore body.

About Gran Colombia Gold Corp.

Gran Colombia is a Canadian-based gold and silver exploration, development and production company with its primary focus in Colombia. Gran Colombia is currently the largest underground gold and silver producer in Colombia with several underground mines in operation at its Segovia and Marmato Operations. Gran Colombia is in the midst of an expansion and modernization project at its Segovia Operations.

*Additional information on Gran Colombia can be found on its website at [www.grancolombiagold.com](http://www.grancolombiagold.com) and by reviewing its profile on SEDAR at [www.sedar.com](http://www.sedar.com).*

Cautionary Statement on Forward-Looking Information:

*This news release contains "forward-looking information". Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Gran Colombia to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in the Company's Annual Information Form dated as of March 30, 2016, which is available for view on SEDAR at [www.sedar.com](http://www.sedar.com). Forward-looking statements contained herein are made as of the date of this press release and Gran Colombia disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.*

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