

TORONTO, Aug. 4, 2015 /CNW/ - [Guyana Goldfields Inc.](#) (TSX:GUY) (the "Company" or "GGI") is pleased to announce that first gold production has been achieved on-time and on-budget at its Aurora Gold Mine (the "Project") in Guyana, South America.

First gold production was attained through the gravity and saprolite production circuits which allowed for earlier gold production (pre-commercial production) through the processing plant. Initial start-up gold was captured by processing the lowest grade ore available and GGI is now progressing towards full saprolite circuit operation and will gradually feed the mill with higher grade material. The commissioning and startup of the hard rock crushing circuit is projected to be completed later in the third calendar quarter of 2015.

The Company expects to produce between 30,000 ounces to 50,000 ounces of gold in 2015, depending on how quickly full ramp-up is achieved, and approximately 120,000 ounces to 140,000 ounces of gold in 2016. GGI expects to issue an updated National Instrument (NI) 43-101 Technical Report Feasibility Study in the first quarter of 2016 for the Project which will reflect an extended open pit mining scenario while deferring the underground production until later in the mine life, as well as, current operating cost parameters, and an updated ore reserve metal price.

GGI is sufficiently funded to complete construction of the Aurora Gold Mine. As of June 30, 2015, the Company had approximately US\$20 million of capital expenditures remaining to complete the Aurora Gold Mine. The Company is managing its overall development budget to not exceed US\$277 million which includes the initial development costs of US\$249 million for the Project and US\$28 million in financing costs, pre-operating costs and working capital investment. The Project remains to be tracking on budget with an untouched US\$52 million overrun facility available, if needed.

GGI expects to report its interim consolidated financial statement results of the Company for the second quarter ended June 30, 2015 on or around Thursday, August 13, 2015.

Scott A. Caldwell, President and CEO, commented: "Our first gold pour is an extraordinary achievement in GGI's transition from an exploration and development company to a high grade, low cost gold producer. We would like to celebrate this significant accomplishment for all that have contributed from the Project's inception and thank our shareholders and stakeholders in supporting the development of the Project, including our Board of Directors, management team, employees and contractors as well as the lenders for the debt financing syndicate comprised of International Finance Corporation, Export Development Canada, ING Capital LLC, Caterpillar Financial Services Corporation, and The Bank of Nova Scotia. In addition, we wish to thank the Government of Guyana and local communities for their continued support through the development of the Project. The focus at the site now is to increase gold production to our target level of 50,000 ounces during the balance of this year."

About Guyana Goldfields Inc.

[Guyana Goldfields Inc.](#) is a Canadian based company, focused on the exploration and development of gold deposits in Guyana, South America. GGI is focused on the construction and development of the Aurora Gold Project scheduled for first production in mid-2015. The Aurora Gold Project has a total gold resource of 6.54 million ounces in the measured and indicated categories (62.83 million tonnes at 3.24 g/t Au) as well as an additional 1.82 million ounces in the inferred category (16.93 million tonnes at 3.34 g/t Au). For further details, please refer to the press release dated December 9, 2013 and the report entitled "NI 43-101 Technical Report, Updated Feasibility Study – Aurora Gold Project" dated January 29, 2013 available on SEDAR at www.sedar.com.

Forwarding-Looking Information

This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the estimation of mineral resources. Often, but not always, forward-looking statements can be identified by the use of words and phrases 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 are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the receipt of applicable regulatory approvals, the timing of the advance of the funds pursuant to the project loan facility to fund the development and construction of the Aurora Gold Project (the "Facility"), fulfilling all conditions precedent to the advance of funds pursuant to the Facility, general business, economic, competitive, political and social uncertainties; the actual results of exploration activities; changes in project parameters as plans continue to be refined; accidents, labour disputes and other risks of the mining industry; political instability; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the section entitled "Risk Factors" in GGI's annual information form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made

as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. 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.

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