

TORONTO, Jan. 9, 2017 /CNW/ - [Guyana Goldfields Inc.](#) (TSX:GUY) (the "Company") is pleased to announce that gold sold for 2016 totalled 156,000 ounces at its Aurora Gold Mine ("Aurora") in Guyana, South America, achieving its upwardly revised production guidance of 140,000 ounces to 160,000 ounces in its first year of commercial production. The Company had a record fourth quarter with respect to both tonnes mined and tonnes milled resulting in 45,500 ounces sold in the period. The month of December was particularly strong with 22,800 ounces sold, a record for the year. Further details are provided in the table below.

Scott A. Caldwell, President & CEO, states, "With commissioning, ramp-up and over a year of operations successfully behind us, Aurora has proven to be a strong, high grade asset with exceptional cash flow generation. The Company has established an excellent environmental, health and safety track record to date and continues to benefit from strong relationships with the local government and communities. I would like to thank the entire team on our significant milestone of achieving production guidance for 2016 and look forward to an equally successful 2017."

		2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Gold Sold	ounces	156,000	45,500	33,300	36,600	40,500
Gold Produced	ounces	151,600	43,800	34,400	32,000	41,300
Average Realized Gold Price	US\$/ounce	1,245	1,204	1,334	1,269	1,196
Gross Revenue	US\$ mlns	194.2	54.8	44.4	46.4	48.5
Ore mined	tonnes	2,507,200	688,000	642,200	623,400	553,600
Waste mined	tonnes	5,700,900	1,899,800	1,315,100	1,076,700	1,409,300
Total Mined	tonnes	8,208,000	2,587,800	1,957,300	1,700,100	1,962,900
Strip ratio	waste:ore	2.3	2.8	2.0	1.7	2.5
Tonnes mined per day	tpd	22,400	28,100	21,300	18,700	21,600
Ore processed	tonnes	1,889,000	507,500	491,200	427,700	462,600
Tonnes processed per day	tpd	5,200	5,500	5,300	4,700	5,100
Head grade	g/t Au	2.74	2.94	2.42	2.61	3.07
Recovery	%	90.2	90.6	88.7	91.1	89.2

Outlook

The Company is well positioned financially to grow near-term production and ramp up exploration with an unaudited cash balance of approximately US\$70mln at the end of the year versus a total debt balance of US\$80mln. The Company plans to issue an updated NI 43-101 Technical Report Feasibility Study for Aurora later this month reflecting an expansion of the mill from 5,000 tpd to 8,000tpd throughput.

Exploration efforts are expected to ramp up significantly in 2017 with drilling activity to commence at both near mine targets and at the Sulfur Rose deposit (~20km north east of the Aurora Mine) in the first quarter of this year.

The Company's production and cost guidance for 2017 is provided below. Due to mine sequencing gold production is expected to be slightly higher in the second half of the year relative to the first half. Similarly, due to the timing of sustaining capital expenditures, all-in sustaining costs are expected to be higher in the first half of the year relative to the second half. The royalty cost is based on an assumed gold price of \$1,200 per ounce.

2017 Guidance	
Gold production (000's ounces)	160-180
Cost of sales (production costs, royalty and depreciation) (\$ per ounce)	\$800-\$850
Cash cost ¹ , excluding royalty (\$ per ounce)	\$500-\$550
All-in sustaining ¹ ("AISC") (\$ per ounce)	\$775-\$825

About Guyana Goldfields Inc.:

[Guyana Goldfields Inc.](#) is a Canadian based mid-tier gold producer primarily focused on the exploration, development and operation of gold deposits in Guyana, South America. The 100%-owned Aurora Gold Mine achieved commercial production January 1, 2016 and 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 report entitled "AGM Inc. Aurora Gold Project- Updated Feasibility Study" dated January 18, 2016 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 the Company'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.

¹ This is a non-GAAP measure. Refer to "Non-GAAP Performance Measures" section in latest MD&A

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