TORONTO, April 11, 2017 /CNW/ - Guyana Goldfields Inc. (TSX:GUY) (the "Company" or "GGI") is pleased to announce that gold production from mining operations totalled 40,921 ounces at its Aurora Gold Mine ("Aurora") in Guyana, South America for the first quarter ended Mar 31, 2017, which was in-line with annual production guidance of 160,000 – 180,000 ounces of gold for the year.

In the first quarter ended March 31, 2017, the mill processed an average of 6,698 tonnes per day ("tpd") of ore at an average head grade of 2.44 grams per tonne gold with gold recoveries averaging 89.5%. Year to date, the Company has mined a total of 602,807 tonnes of ore which was fed to the mill and 2,389,664 tonnes of waste. Due to mine sequencing, gold production is expected to be slightly higher in the second half of the year relative to the first half.

The Company continues to have an excellent health, safety and environmental track record with over 3,000,000 employee hours worked without a lost time incident.

Further cost efficiencies were achieved in the quarter with the onset of transition from rental equipment to Company-owned equipment as well as the move to bulk emulsion explosives. The first phase of the mill expansion, which is expected to increase the current processing facility from 5,600 tpd to 8,000 tpd, is well underway with the mobilization of the EPCM team at Aurora and the start of bulk excavation works. The first phase of the mill expansion is expected to be completed in the first quarter of 2018.

Exploration has initiated with a focus on brownfield targets near the Aurora mill. Drilling and trenching are ongoing at North West Aleck Hill within the Aurora mining area, as well as, soil samples were completed at the lower Gold Creek target located approximately 5km east from the Aurora mill. Exploration success in finding saprolitic ore on these targets has the potential to extend open pit production and defer the second phase of the mill expansion.

Scott A. Caldwell, President & CEO, states, "Aurora continues to perform strongly and delivered a solid first quarter of production despite mining through the rainy season. Exploration activities have kicked off this quarter with the hope of discovering further saprolite ore to feed the Aurora mill, while the Company proceeds to grow near-term production and capacity through the mill expansion".

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 6.25 million ounces in the measured and indicated categories (59.73 million tonnes at 3.25 g/t Au) as well as an additional 1.79 million ounces in the inferred category (16.58 million tonnes at 3.79 g/t Au). For further details, please refer to the report entitled "Independent Technical Report Updated Feasibility Study, Aurora Gold Mine Project, Republic of Guyana" dated February 2, 2017 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.

SOURCE Guyana Goldfields Inc.

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