Gran Colombia Gold’s Production Increases 7% to 174,754 oz in the First Nine Months of 2019 With Steady Performance in the Third Quarter

10.10.2019 | GlobeNewswire

Cash Balance Improves to US$63 Million at the End of September

TORONTO, Oct. 10, 2019 - Gran Colombia Gold Corp. (TSX: GCM; OTCQX: TPRFF) announced today that it produced a total of 19,395 ounces of gold in September bringing the total for the third quarter of 2019 to 56,271 ounces compared with 57,163 ounces in the third quarter of 2018. For the first nine months of 2019, the Company produced a total of 174,754 ounces of gold, up 7% over the first nine months last year. This brings Gran Colombia’s trailing 12 months’ total gold production at the end of September 2019 to 230,014 ounces, up 6% over 2018’s annual production.

Lombardo Paredes, Chief Executive Officer of Gran Colombia, commenting on the Company’s latest production results, said, “Our third quarter production continued to be steady as we incorporated our expanded plant capacity at Maria Dama and opened up new areas within our company mines through our ongoing development programs at Segovia. Based on our results to date, and expectations for the remainder of the year, we remain well positioned to meet our full year production guidance of between 225,000 and 240,000 ounces for 2019. Our solid operating performance and better spot gold prices in the third quarter of 2019 positively impacted our free cash flow and balance sheet, raising our cash balance at the end of September to US$63 million, up from US$51 million at the end of the second quarter. The aggregate principal amount of our Gold Notes outstanding decreased to US$73.6 million at the end of September and we have CA$20 million of convertible debentures currently outstanding.”

The Segovia Operations produced 17,211 ounces of gold in September bringing the total for the third quarter of 2019 to 50,050 ounces compared with 50,698 ounces in the third quarter of 2018. Utilizing its expanded mill capacity at Segovia, Gran Colombia processed an average of 1,314 tonnes per day (“tpd”) at its Segovia Operations in the third quarter of 2019, up from an average of 1,038 tpd in the third quarter last year. The expansion of the mill capacity to 1,500 tpd was completed in July and the new filter press has been commissioned at the El Chocho tailings storage facility. The Company initially used lower grade stockpile material to feed the expanded plant while it prepared additional areas in its mines to feed the plant going forward. Segovia’s head grades averaged 14.3 g/t in the third quarter of 2019 and the Company expects that with these new mining areas now in operation, Segovia’s head grades will continue to average between 14 and 15 g/t over the balance of the year. For the first nine months of 2019, the Segovia Operations produced a total of 156,061 ounces of gold, up 8% over the first nine months last year. Overall, the Company processed an average of 1,200 tpd at Segovia at an average head grade of 16.5 g/t in the first nine months of 2019 compared with an average of 994 tpd at an average head grade of 17.1 g/t in the first nine months last year. Segovia’s trailing 12 months’ total gold production at the end of September 2019 increased to 204,870 ounces, up 6% over 2018’s annual production. The Company continues to expect that Segovia will produce between 201,000 and 214,000 ounces of gold in 2019.

At the Marmato Operations, September’s gold production of 2,184 ounces brings its total production for the third quarter of 2019 to 6,221 ounces compared with 6,465 ounces in the third quarter of 2018. For the first nine months of 2019, Marmato produced a total of 18,693 ounces of gold, up 1% over the first nine months last year. With Marmato’s trailing 12 months’ total gold production at the end of September 2019 amounting to 25,144 ounces, the Company continues to expect that Marmato will produce between 24,000 and 26,000 ounces of gold in 2019.

About Gran Colombia Gold Corp.

Gran Colombia is a Canadian-based mid-tier gold producer with its primary focus in Colombia where it is currently the largest underground gold and silver producer with several mines in operation at its Segovia and Marmato Operations. Gran Colombia is continuing to focus on exploration, expansion and modernization activities at its high-grade Segovia Operations and, through a spin out transaction with Bluenose Gold Corp. announced on October 7, 2019, Gran Colombia is progressing toward a major expansion and modernization of its underground mining operations at the Marmato Project.

Additional information on Gran Colombia can be found on its website at www.grancolombiagold.com and by reviewing its profile on SEDAR at www.sedar.com.

Cautionary Statement on Forward-Looking Information:

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to production guidance and anticipated business plans or strategies. 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 27, 2019 which is available for view on SEDAR at 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.

For Further Information, Contact:
Mike Davies
Chief Financial Officer
(416) 360-4653
investorrelations@grancolombiagold.com