Gran Colombia Reports Second Quarter and First Half 2020 Gold Production; Announces Details for the Forthcoming Second Quarter 2020 Results Webcast

17.07.2020 | GlobeNewswire

TORONTO, July 17, 2020 - Gran Colombia Gold Corp. (TSX: GCM; OTCQX: TPRFF) announced today that it produced a total of 17,497 ounces of gold in June 2020 bringing the total for the second quarter of 2020 to 48,228 ounces compared with 57,882 ounces in the second quarter of 2019. For the first half of 2020, the Company has produced a total of 104,475 ounces of gold compared with 118,483 ounces in the first half of last year. The second quarter and first half 2020 production results reflect the impact on the Company’s operations of the COVID-19 national quarantine in Colombia invoked on March 25, 2020 and which remains in effect. The Company is continuing to operate at both Segovia and Marmato and expects to update its 2020 annual production guidance when it reports its mid-year financial results in August.

Lombardo Paredes, Chief Executive Officer of Gran Colombia, commenting on the Company’s second quarter production results, said, “We are fortunate that we have been able to operate at both Segovia and Marmato in the midst of the COVID-19 situation during the second quarter of this year. It probably goes without saying, but COVID-19 has definitely changed how we do things. We have adapted our operating procedures to ensure our people remain healthy and safe and we have supported the communities in which we operate. At Segovia, we have been more successful in keeping our production levels in May and June closer to normal and expect we will continue to do so if conditions remain as they are now. At Marmato, it has been more challenging getting access to workers during the national quarantine. We are slowly seeing improvements and expect to make better progress in our operations and the execution of our mine optimization activities in the second half of the year. At June 30, 2020, after paying income tax instalments of approximately $32 million in the second quarter, Gran Colombia’s cash position stood at approximately US$73 million and Caldas Gold had a cash position of approximately US$14 million. Gold prices are positively impacting our revenues and both companies remain well financed to advance progress on their core business objectives during the COVID-19 situation.”

The Segovia Operations processed an average of 1,274 tonnes per day (“tpd”) in June 2020 with an average head grade of 14.5 g/t resulting in gold production of 16,062 ounces. This brought Segovia’s total production for the second quarter of 2020 to 44,377 ounces compared with 51,625 ounces in the second quarter of 2019, largely reflecting the lower gold production in the early stages of the national quarantine which limited Segovia’s access to its workers during the first half of April. During this period, the Company used its lower grade stockpile to complement the feed to the Maria Dama processing plant in lieu of higher grade material that normally would have been sourced from the Company mines. Head grades improved in May and June resulting in an average of 13.9 g/t for the second quarter of 2020 compared to an average of 16.8 g/t in the second quarter last year. For the first half of 2020, the Segovia Operations produced a total of 94,723 ounces of gold compared with 106,011 ounces in the first half last year. Overall, the Segovia Operations processed an average of 1,247 tpd in the first half of 2020 at an average head grade of 14.4 g/t compared with 1,143 tpd at an average head grade of 17.8 g/t in the first half last year.

At the Marmato Operations, which are owned by Caldas Gold Corp. (TSX-V: CGC), the plant processed an average of 682 tpd in June at an average grade of 2.5 g/t resulting in gold production of 1,435 ounces, up 18% from April and May as Caldas Gold started to see an increase in workers. This brought Marmato’s total gold production for the second quarter and first half of 2020 to 3,851 ounces and 9,752 ounces, respectively, compared with 6,257 ounces and 12,472 ounces, respectively, in the second quarter and first half of 2019.

Second Quarter and First Half 2020 Results Webcast

Gran Colombia also announced today that it will release its financial results for the second quarter and first half of 2020 after market close on Thursday, August 13, 2020 and will host a conference call and webcast, on Friday, August 14, 2020 at 10:00 a.m. Eastern Time to discuss the results.

Webcast and call-in details are as follows:

Live Event link:	https://edge.media-server.com/mmc/p/oc7986ix
International:	1 (514) 841-2157
North America Toll Free:	1 (866) 215-5508
Colombia Toll Free:	01 800 9 156 924
Conference ID:	49825338

A replay of the webcast will be available at www.grancolombiagold.com from Monday, August 17, 2020 until Friday, September 18, 2020.

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 high-grade Segovia Operations. Gran Colombia owns approximately 58% of Caldas Gold Corp., a Canadian mining company currently advancing a major expansion and modernization of its underground mining operations at its Marmato Project in Colombia. Gran Colombia’s project pipeline includes its Zancudo Project in Colombia together with an approximately 20% equity interest in Gold X Mining Corp. (TSXV: GLDX) (Guyana – Toroparu) and an approximately 20% equity interest in Western Atlas Resources Inc. (“Western Atlas”) (TSX-V: WA) (Nunavut – Meadowbank).

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 30, 2020 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