



**SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 19, 2018**

SUPPLEMENT TO MANAGEMENT INFORMATION CIRCULAR DATED FEBRUARY 22, 2018

MARCH 28, 2018

GRAN COLOMBIA GOLD CORP.
401 Bay Street, Suite 2400, P.O. Box 15
Toronto, Ontario M5H 2Y4

SUPPLEMENT TO MANAGEMENT INFORMATION CIRCULAR

This supplement (this "**Supplement**") to the management information circular of Gran Colombia Gold Corp. (the "**Corporation**" or "**Gran Colombia**") dated February 22, 2018 (the "**Circular**") is being sent to holders (the "**Shareholders**") of common shares (the "**Shares**") in the capital of the Corporation in connection with the Special Meeting (the "**Meeting**") of Shareholders which has been postponed to April 19, 2018 at 10:00 a.m. (Toronto time) at the offices of Dentons Canada LLP, 77 King Street West, Suite 400, Toronto-Dominion Centre Toronto, ON M5K 0A1 Canada, and at all adjournments thereof, for the purposes set forth in the notice of meeting accompanying the Circular (the "**Notice of Meeting**"). This Supplement is being furnished in connection with the solicitation of proxies by management of the Corporation at the Meeting and any adjournment thereof.

This Supplement supplements, and in certain instances amends and restates, the Circular pursuant to which Shareholders are being asked to consider and vote upon an ordinary resolution (the "**Resolution**") to approve the proposed issuance of up to 152,000 units of the Corporation ("**Units**"), each Unit consisting of US\$1,000.00 principal amount of senior secured gold-linked notes due 2024 (the "**Notes**") and 124 Share purchase warrants (the "**Warrants**") of the Corporation, pursuant to a private placement, all as more fully described in the Circular (as supplemented by this Supplement). Except as otherwise set forth in this Supplement, the terms and conditions previously set forth in the Circular continue to be applicable in all respects. Capitalized terms used in this Supplement that are defined in the Circular have the respective meanings given to them in the Circular. This Supplement should be read together with the matters set forth in the Circular.

The additional and supplemental disclosure in the section of the Circular entitled "Business of the Meeting" is amended by the addition of the supplemental information in the section contained in this Supplement entitled "Business of the Meeting" in order to fully disclose the particulars of the Offering (as defined herein), which have changed since the date of the Circular. In particular, the Corporation no longer intends to use the net proceeds from the Offering to redeem the Corporation's senior unsecured convertible debentures due August 11, 2018 (the "**2018 Debentures**"), issued under the Amended and Restated Indenture dated as of August 11, 2011 and amended and restated as of January 20, 2016 between the Corporation and TSX Trust Company ("**TSX Trust**") (the "**2018 Debenture Indenture**"). See "*Business of the Meeting*".

The information contained in this Supplement is given as of March 28, 2018, except where otherwise stated. All dollar amounts in this Supplement are expressed in Canadian dollars unless otherwise indicated.

RECORD DATE

The record date for the determination of the registered Shareholders entitled to receive notice of and vote at the Meeting remains unchanged by this Supplement and has been fixed by the Board of Directors of the Corporation to be the close of business on February 20, 2018.

VOTING OF PROXIES

Together with the Notice of Meeting and the Circular, the Corporation previously provided a form of proxy ("**Form of Proxy**") (or voting instruction form) to Shareholders containing instructions regarding the manner of appointment and revocation of a proxy to vote the shares of a Shareholder that is unable to attend the meeting in person and provisions for voting, in each case with respect to the matters contained in the Circular. **Shareholders who are unable to attend the Meeting in person and who have not yet deposited a Form of Proxy (or voting instruction form) are requested to date and sign a Form of Proxy and return it to TSX Trust at 100 Adelaide Street West, Suite 301, Toronto, Ontario 4H1, by facsimile to (416) 595-9593 or on-line, as specified in the Circular, at or before 10:00 a.m. (Toronto time) on April 17, 2018, or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.**

If you have previously deposited a Form of Proxy (or voting instruction form) and you do not wish to change your proxy or vote, there is no need to re-submit a Form of Proxy (or voting instruction form).

The instructions with regard to the manner of appointment and revocation of a proxy and voting set out in the Circular remain in full force and effect, except that, due to the postponement of the Meeting to April 19, 2018, the Form of Proxy may be deposited with TSX Trust at 100 Adelaide Street West, Suite 301, Toronto, Ontario 4H1, by facsimile to (416) 595-9593 or on-line, as specified in the Circular, at or before 10:00 a.m. (Toronto time) on April 17, 2018, or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.

The Form of Proxy (or voting instruction form), when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting. If amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the Form of Proxy to vote in accordance with their best judgement on such matters.

For more information with respect to the voting please refer to the Circular. In particular, for information with respect to the voting of Shares held by Non-Registered Holders, please refer to the section of the Circular entitled, "Voting by Non-Registered Shareholders".

SOLICITATION OF PROXIES

The Circular and this Supplement are provided in connection with the solicitation of proxies by the management of the Corporation. The Form of Proxy is for use at the Meeting, at the time and place set out in the Notice of Meeting.

Solicitation of proxies by management of the Corporation will be made primarily by mail but may also be made in person, by telephone, e-mail, internet, facsimile, or other means of communication by advisors, directors, officers or regular employees of the Corporation. All costs of the solicitation will be borne by the Corporation. The Corporation has engaged Kingsdale Advisors ("**Kingsdale**") as strategic shareholder advisor and proxy solicitation agent and will pay fees of approximately \$40,000 to Kingsdale for the proxy solicitation service in addition to certain out-of-pocket expenses. Shareholders can contact Kingsdale either by mail at Kingsdale Advisors, The Exchange Tower, 130 King Street West, Suite 2950, P.O. Box 361, Toronto, Ontario M5X 1E2, by toll-free telephone in North America at 1-888-518-6805 or collect call outside North America at 416-867-2272, or by e-mail at contactus@kingsdaleadvisors.com.

BUSINESS OF THE MEETING

A simple majority of votes cast, in person or by proxy, will constitute approval of matters voted on at the Meeting, unless the matter requires a special resolution, in which case a majority of 66 2/3% of the votes cast will be required. A quorum for the Meeting shall be two Shareholders present in person or represented by proxy. No business, other than the election of a chair of the Meeting and the adjournment of the Meeting, shall be transacted at the Meeting unless the requisite quorum is present at the commencement of the Meeting, in which case a quorum shall be deemed to be present during the remainder of the Meeting. If a quorum is not present within one-half hour from the time set for holding the Meeting, the Shareholders present or represented by proxy may adjourn the Meeting to the same day in the next week at the same time and place. If, at the meeting to which the Meeting was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

The Offering

At the Meeting, Shareholders will be asked to consider and, if thought advisable, approve the Resolution, the form of which is set out in Schedule A to this Supplement, to approve the proposed issuance of up to 152,000 Units, each Unit consisting of US\$1,000.00 principal amount of Notes and 124 Warrants, pursuant to a private placement, all as more fully described herein and in the Circular. The securities issuable pursuant to the Offering will be subject to statutory hold periods in accordance with applicable securities laws. Although the Resolution authorizes the issuance of up to 152,000 Units, it is currently contemplated that a maximum of 95,000 Units will be issued pursuant to the Offering, as further described herein.

The terms of the Offering were determined by arm's length negotiation between the Corporation and GMP Capital Inc., who has been retained as the sole placement agent for the Offering, in the context of, and based on, market conditions and demand from investors in respect of the Offering.

The completion of the Offering will not materially affect control of the Corporation. To the knowledge of the Corporation, no person or entity will hold in excess of 10% of the issued and outstanding Shares on a fully diluted basis, following the Offering.

Description of the Offering

On February 5, 2018, the Corporation announced that it had determined to offer for sale, on a best efforts private placement basis, up to 152,000 Units for anticipated aggregate gross proceeds of up to US\$152,000,000 (the "**Offering**").

On March 22, 2018, the Corporation announced that, in response to feedback from current and potential new investors, it had determined to adapt the anticipated size of the Offering and to use the proceeds thereof for refinancing the 2020 Debentures and the 2024 Debentures (each, as defined herein) through a best efforts private placement of up to 95,000 Units for anticipated aggregate gross proceeds of up to US\$95,000,000. Pursuant to the terms of the Offering, each Unit will consist of US\$1,000 principal amount of Notes and 124 Warrants. The completion of the Offering is subject to market conditions and the receipt of necessary approvals and consents, including conditional approval from the Toronto Stock Exchange (the "**TSX**") in respect of the listing of the Notes and Warrants, shareholder approval of the Resolution and the Requisite Consent (as defined herein).

Each Warrant shall have an exercise price of \$2.21 per Warrant and will entitle the holder thereof to purchase one Share at any time prior to the maturity of the Notes, giving the Warrants a six year term. The exercise price of the Warrants is \$0.006 or 0.27% above the 5-day volume weighted average price of the Shares as of January 23, 2018, the date on which the Corporation received price protection from the TSX.

The Warrants will be governed by a warrant indenture between the Corporation and TSX Trust, as warrant agent, which will contain standard anti-dilution adjustments for distributions, subdivisions, combinations, and reclassification of Shares by the Corporation.

The TSX has conditionally approved the listing of the Warrants on the TSX. Listing of the Warrants will be subject to the Corporation fulfilling all of the listing requirements of the TSX. The Corporation will take commercially reasonable efforts to satisfy all of such listing requirements.

The Notes shall have a six-year term and are non-callable for the first three years. The Notes will represent senior secured obligations of the Corporation, ranking *pari passu* with all present and future senior indebtedness of the Corporation and senior to all present and future subordinated indebtedness of the Corporation. Standard high yield covenants consistent with transactions such as the Offering will apply to the Notes. The Notes shall also provide for standard high yield optional redemption provisions. The Notes will bear interest at 8.25% per annum, paid monthly. No mandatory redemption or sinking fund rights apply to the Notes prior to maturity, although the Corporation may be required to make an offer to repurchase the Notes if there is a change of control or following certain asset sale transactions. The Notes are not convertible and no Shares are issuable pursuant to the Notes.

To facilitate quarterly amortizing payments on the Notes, the Corporation will set aside an amount of physical gold each month in a trust account (the "**Gold Trust Account**"). On a quarterly basis, the physical gold in the Gold Trust Account will be sold and the sale proceeds will be used to amortize the principal amount of the Notes based on a guaranteed floor price of US\$1,250 per ounce. The Note holders will be entitled to receive a premium on the quarterly repayments based on certain sale prices realized. The scheduled annual number of physical gold ounces to be deposited into the Gold Trust Account will vary by year, ranging from 15,000 ounces in the first year down to 10,000 ounces in the final year of the term of the Notes.

The net proceeds of the Offering will be used for: (1) the redemption in full, at par, of the Corporation's: (a) senior secured convertible debentures due January 2, 2020 (the "**2020 Debentures**"), issued under the Amended and Restated Indenture dated as of October 30, 2012 and amended and restated as of January 20, 2016 between the Corporation and TSX Trust (the "**2020 Debenture Indenture**"); and (b) the portion of 2020 Debentures of which, among other things, the maturity date was extended to January 2, 2024 (the "**2024 Debentures**"), issued under

the Supplemental Indenture dated as of May 12, 2017 between the Corporation and TSX Trust (the "**2024 Debenture Indenture**"); and (2) general corporate purposes.

The 2020 Debentures and the 2024 Debentures are listed for trading on the TSX under the symbols "GCM.DB.V" and "GCM.DB.X", respectively.

As announced by the Corporation on March 22, 2017, the Corporation no longer intends to use the net proceeds from the Offering to redeem the 2018 Debentures. The 2018 Debenture Indenture includes certain negative covenants that would preclude the Corporation from refinancing the 2020 Debentures and the 2024 Debentures. As such, the Corporation will seek consent from the holders of the 2018 Debentures to amend the 2018 Debenture Indenture to permit the Offering. If Gran Colombia receives the requisite consent from holders representing at least 66 2/3% of the aggregate outstanding principal amount of 2018 Debentures (the "**Requisite Consent**"), the Corporation will: (i) increase the annual interest rate on the 2018 Debentures from 1% to 5% effective from the day immediately following the closing of the Offering; and (ii) permit a holder of the 2018 Debentures to exchange all of such holder's outstanding principal amount of 2018 Debentures concurrent with the closing of the Offering (the "**Special Conversion Opportunity**") for a cash payment equal to 19% of such holder's principal amount of 2018 Debentures and the remaining 81% of such holder's principal amount of 2018 Debentures settled through the issuance of Shares at a deemed price of US\$1.95 per Share, being the conversion price prescribed under the 2018 Debenture Indenture.

Notwithstanding the foregoing and the Corporation's current expectation that a maximum of 95,000 Units will be issued pursuant to the Offering, if the Resolution is approved at the Meeting the Corporation will be authorized to issue up to 152,000 Units pursuant to the Offering.

Background and Reasons for the Offering

On January 8, 2016, the Corporation received final approval from the Supreme Court of British Columbia for the comprehensive restructuring (the "**Debt Restructuring**") of its US\$78,632,000 aggregate principal amount of senior unsecured silver-linked notes (the "**Silver-Linked Notes**") and its US\$100,000,000 aggregate principal amount of secured gold-linked notes (which included 10 Share purchase warrants of the Corporation for each US\$1,000 principal amount) (the "**Gold-Linked Notes**"). Pursuant to the Debt Restructuring, effective January 20, 2016, the Corporation exchanged its Silver-Linked Notes and Gold-Linked Notes, together with all accrued and unpaid interest plus a restructuring fee in the amount of 2% of the principal amount of such notes, for the 2018 Debentures and the 2020 Debentures, respectively.

On May 12, 2017, the Corporation announced that holders of 77.4% of the total principal amount of the Corporation's issued and outstanding 2020 Debentures consented to the Corporation's proposal to amend the 2020 Debenture Indenture to provide holders with the option to extend the maturity date of their 2020 Debentures to January 2, 2024. Holders of US\$47.0 million of the 2020 Debentures elected to extend their 2020 Debentures to 2024 pursuant to the 2024 Debenture Indenture, which provided for the issuance of the 2024 Debentures. The effective date of such extension was May 31, 2017.

The table below summarizes the Corporation's capital structure as of March 28, 2018:

Security	Issued and Outstanding as of March 28, 2018
Shares (TSX: GCM)	23,672,389
2018 Debentures (TSX: GCM.DB.U)	US\$43,985,301 principal amount convertible at a conversion price of US\$1.95 into approximately 22,556,564 Shares ¹
2020 Debentures (TSX: GCM.DB.V)	US\$48,022,940 principal amount convertible at a conversion price of US\$1.95 into approximately 24,627,148 Shares

Security	Issued and Outstanding as of March 28, 2018
2024 Debentures (TSX: GCM.DB.X)	US\$43,330,953 principal amount convertible at a conversion price of US\$1.95 into approximately 22,221,001 Shares
2019 Warrants (TSX: GCM.WT.A)	Warrants to purchase 280,795 Shares, with each fifteen (15) warrants entitling the holder thereof to purchase one (1) whole Share, at an exercise price of \$48.75 per Share expiring March 18, 2019
Stock Options	1,839,659 stock options at an exercise price of \$2.55 per Share expiring in 2021 and 2022 47,000 stock options at an exercise price of \$27.60 per Share expiring in 2019

Note:

- (1) Assuming the Corporation obtains the Requisite Consent, the 2018 Debentures will be convertible at a conversion price of US\$1.95 into a range of approximately 18,270,817 to 22,556,564 Shares (depending on the number of holders of the 2018 Debentures that exercise the Special Conversion Opportunity).

Following the Debt Restructuring, while the Corporation's adjusted EBITDA and Excess Cash Flow¹ substantially improved, the Corporation experienced dilution overhang as a result of the convertible feature of the 2020 Debentures and the 2024 Debentures. As a result, the Corporation has proposed the Offering in order to simplify its capital structure, to keep a tighter level of debt on the Corporation's balance sheet and to enhance Shareholder value by capping the potential dilution to existing Shareholders, through exercise of the Warrants, at up to approximately 11.8 million additional Shares (assuming the issuance of 95,000 Units pursuant to the Offering) compared to up to approximately 46.8 million additional Shares issuable under the 2020 Debentures and the 2024 Debentures. The terms and covenants of the new Notes also provide the Corporation with improved operating flexibility to execute on its strategy and business plans.

Reason for Shareholder Approval

In connection with the Offering, the Corporation expects to issue Warrants, which are exercisable into up to 11,780,000 Shares, assuming that 95,000 Units are issued, or up to 18,848,000 Shares, if 152,000 Units are issued, representing approximately 49.76% and 76.62% of the issued and outstanding Shares on a non-diluted basis, respectively. Pursuant to Section 607(g)(i) of the TSX Company Manual, a listed company is generally required to obtain shareholder approval in connection with a private placement where the aggregate number of securities issuable exceeds 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the transaction where the price per security is less than the market price.

As a result, in order for the Corporation to obtain TSX approval for the Offering, the Offering must be approved by a majority vote of the Shareholders.

¹ As such terms are defined in the Corporation's MD&A for the nine months ended September 30, 2017

Insider Participation

Insider participation in the Offering is expected to represent approximately 4.69%, as a group, of the issued and outstanding Shares on a non-diluted basis prior to giving effect to the Offering based on the issued and outstanding Shares on March 28, 2018. The following table sets out the identity of the insiders participating in the Offering, the nature of their relationship with the Corporation and the number of Shares issuable to such insiders pursuant to the Offering.

Name and Position	Number of Shares issuable pursuant to the Offering	Percentage of the issued and outstanding Shares⁽¹⁾
Serafino Iacono Executive Co-Chairman and Director	916,236	3.87%
Miguel de la Campa Executive Co-Chairman and Director	129,144	0.55%
Hernan Martinez Director	45,260	0.19%
Jaime Perez Branger Director	19,372	0.08%
Total	1,110,012	4.69%

Note:

(1) Prior to giving effect to the Offering and on a non-diluted basis based on the issued and outstanding Shares on March 28, 2018.

Recommendation of the Board

The Board of Directors of the Corporation has unanimously determined that the Offering is in the best interests of the Corporation and recommends that Shareholders vote FOR the Resolution to be considered at the Meeting, the form of which is set out in Schedule A to this Supplement.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

This solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia and applicable Canadian securities laws. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation. Shareholders should be aware that disclosure requirements under Canadian securities laws differ from the disclosure requirements under United States securities laws.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information about the Corporation is provided in the Corporation's comparative financial statements and management discussion and analysis for its most recently completed financial year ended December 31, 2016. Shareholders of the Corporation may request copies of the Corporation's financial statements and management discussion and analysis by contacting the Secretary of the Corporation at the Corporation's head office at 401 Bay Street, Suite 2400, Toronto, Ontario, M5H 2Y4 or by phone at (416) 360-4653.

DIRECTORS' APPROVAL

The directors of the Corporation have approved the contents and the sending of this Supplement.

DATED at Toronto, Ontario, this 28th day of March, 2018.

"Lombardo Paredes Arenas"

Lombardo Paredes Arenas
Chief Executive Officer

SCHEDULE A

BE IT RESOLVED THAT:

1. Gran Colombia Gold Corp. (the "**Corporation**") is hereby authorized to issue up to 152,000 units of the Corporation ("**Units**"), each Unit consisting of US\$1,000.00 principal amount of senior secured gold-linked notes and 124 common share purchase warrants, pursuant to a private placement, all as more particularly described in the management information circular dated February 22, 2018.
2. Notwithstanding that this resolution has been duly passed by the holders of the common shares in the capital of the Corporation, the directors of the Corporation are hereby authorized and empowered, if they decide not to proceed with the aforementioned resolution, to revoke this resolution at any time prior to giving effect thereto, without further notice to or approval of the shareholders of the Corporation.
3. The directors and officers of the Corporation or any one or more of them be and they are hereby authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to the true intent of this resolution.

QUESTIONS? NEED HELP VOTING?

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