



GRANCOLOMBIAGOLD

The leading high-grade gold producer in Colombia

Q4 and Full Year 2016 Results



Lombardo Paredes Arenas, CEO
Mike Davies, CFO

DISCLAIMER

Forward-Looking Statements

This presentation contains "forward-looking information", which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects, and, specifically, statements concerning anticipated growth in annual gold production, future cash costs and AISC, future G&A and capex, excess cash flow and sinking funds for the senior debentures and future purchases and/or redemptions of the senior debentures. 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, 2017 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.

2016 ACCOMPLISHMENTS

Exceeded Guidance

Priorities

- ✓ Completed senior debt restructuring
- ✓ Made all monthly interest payments on Senior Debentures
- ✓ Continued implementation of optimized mine plan at Segovia
- ✓ Completed 10,000m drilling program at Segovia
- ✓ Improved balance sheet by reducing working capital deficit
- ✓ Balance sheet also improved through Senior Debentures conversions
- ✓ Generated Excess Cash Flow for deposit to sinking funds for Senior Debentures and used funds to repurchase Senior Debentures for cancellation

2016 Targets

	Guidance	Actual
Gold production (ozs)	120,000 – 138,000	149,708
Cash cost/oz sold	\$700 - \$750	\$706
AISC/oz sold	\$850 - \$950	\$850

RESULTS

Highlights

4 th Quarter			Year	
2016	2015		2016	2015
40,879	30,050	Gold production (ozs)	149,708	116,857
41,357	31,090	Gold sales (ozs)	148,962	118,446
\$1,201	\$1,074	Realized gold price (\$/oz)	\$1,218	\$1,124
\$725	\$705	Cash cost (\$/oz)	\$706	\$729
\$899	\$852	AISC (\$/oz)	\$850	\$863
\$50.4M	\$33.8M	Revenue	\$184.1M	\$134.9M
\$16.5M	\$10.0M	Adjusted EBITDA ⁽¹⁾	\$66.0M	\$38.4M
(\$15.3M)	(\$19.4M)	Net income (loss)	\$3.7M	(\$13.0M)
(\$0.05)	(\$0.82)	Per share	\$0.02	(\$0.55)
\$3.4M	(\$3.0M)	Adjusted net income (loss) ⁽¹⁾	\$15.6M	(\$1.1M)
\$0.01	(\$0.12)	Per share	\$0.08	(\$0.05)

RESULTS

Production

4 th Quarter			Year	
2016	2015		2016	2015
		Gold (ozs)		
		Segovia		
9,977	5,516	Company-operated	30,174	15,867
<u>24,849</u>	<u>18,352</u>	Contract miners	<u>96,087</u>	<u>77,027</u>
34,826	23,868		126,261	92,894
<u>6,053</u>	<u>6,182</u>	Marmato Underground	<u>23,447</u>	<u>23,963</u>
<u>40,879</u>	<u>30,050</u>	Total Company	<u>149,708</u>	<u>116,857</u>
42,389	46,504	Silver (ozs)	162,169	147,817

Segovia

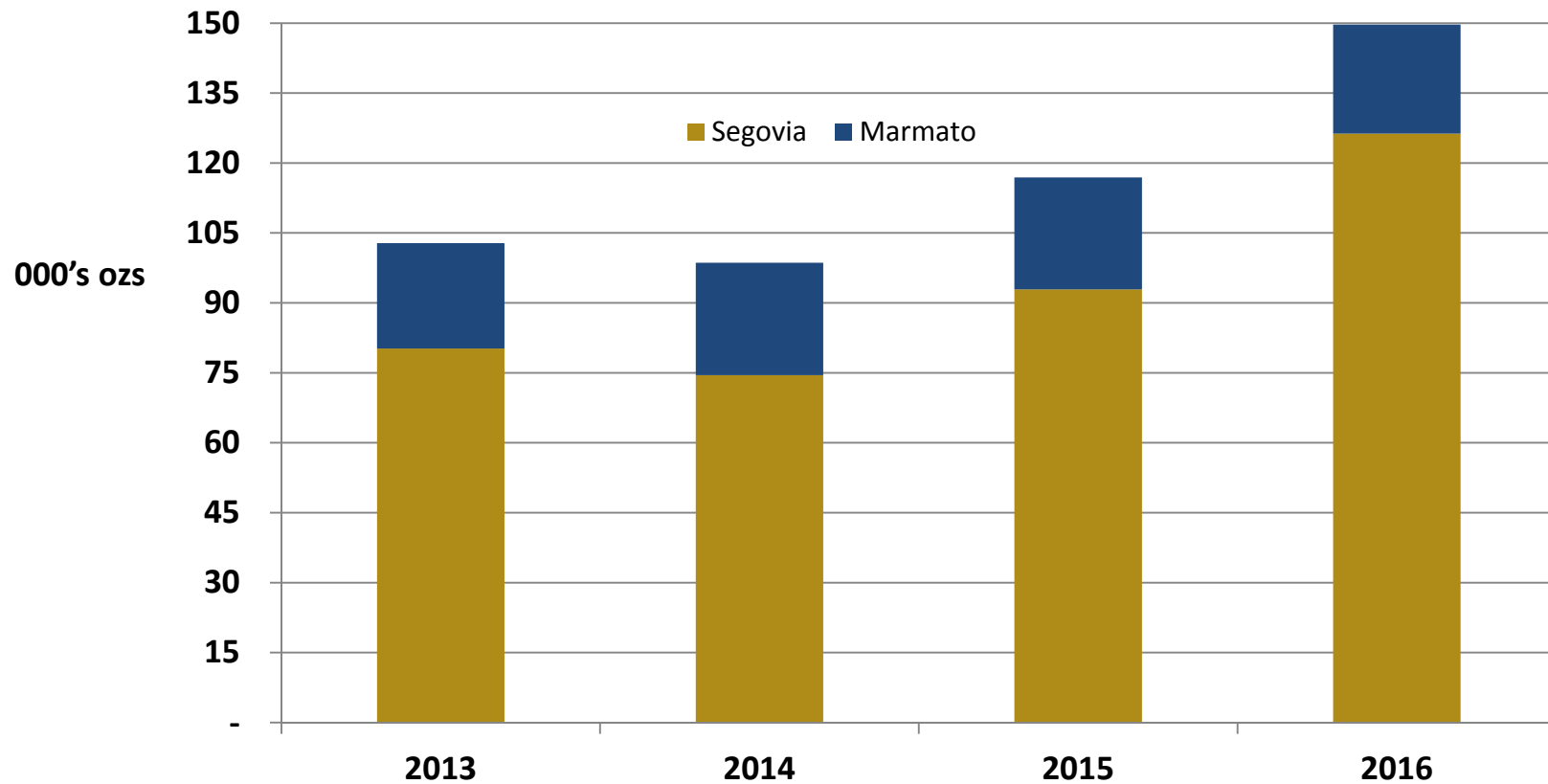
- 2016 was a record year for Segovia, up 36% over 2015. Development and modernization increased tonnes and gold production in Company-operated areas by 39% and 90%, respectively. Tonnes and gold production from contract miners increased by 31% and 25%, respectively.

Marmato Underground

- 2016 gold production was 2% lower than the prior year. Processed an average of 933 tpd, up 12% from 2015, made possible by expansion of the plant early in the year. However, lower grades and mill recovery impacted 2016 production. Mill recovery expected to improve in 2017.

RESULTS

Gold Production

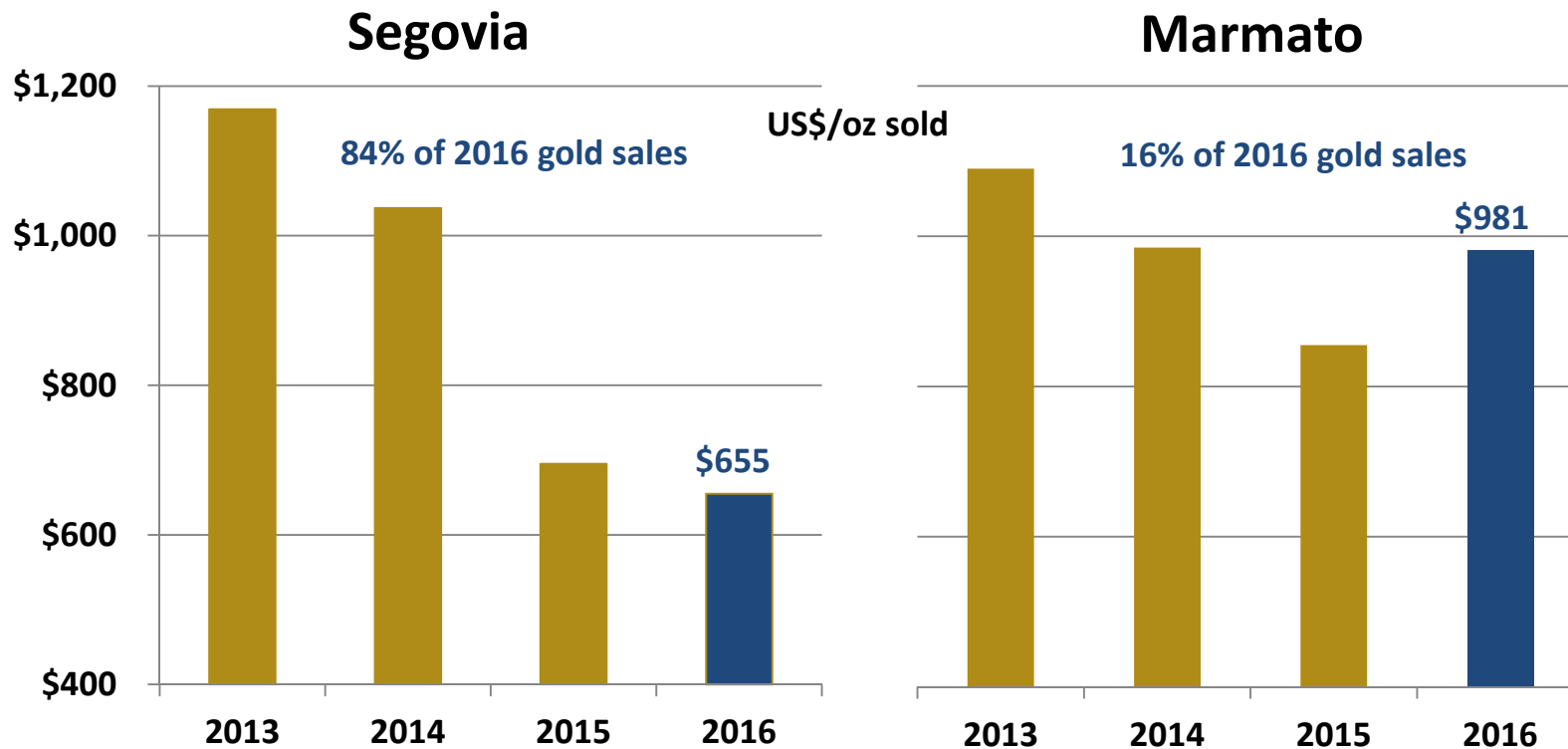


Growth in Gran Colombia's total **gold production** has been driven by the high-grade Segovia Operations. Marmato has been steady.

2017 production guidance is **150,000-160,000 ounces** of gold.

RESULTS

Total Cash Cost Per Ounce ⁽¹⁾



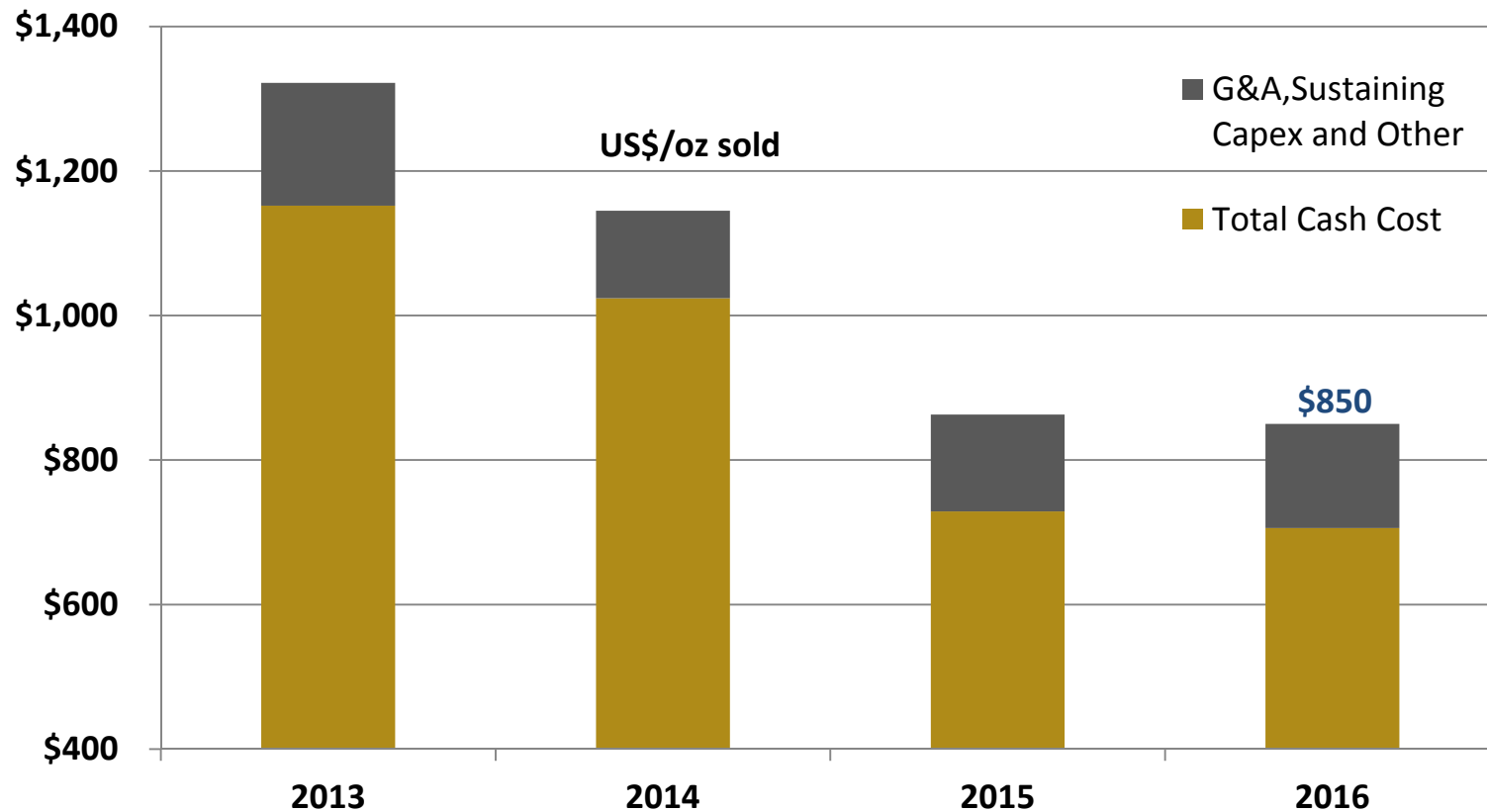
Total cash cost for the Company of \$706/oz in 2016 is down 3% from 2015.

Growth in production from the lower cost Segovia Operations (84% of total gold sales in 2016 vs 79% in 2015) was a key driver to reducing the Company's total cash cost per ounce in 2016.

Segovia's growth also helped to reduced its fixed operating costs on a per ounce basis. Marmato's total cash cost per ounce was adversely impacted by the lower grades and mill recovery in 2016.

RESULTS

All-In Sustaining Costs ⁽¹⁾



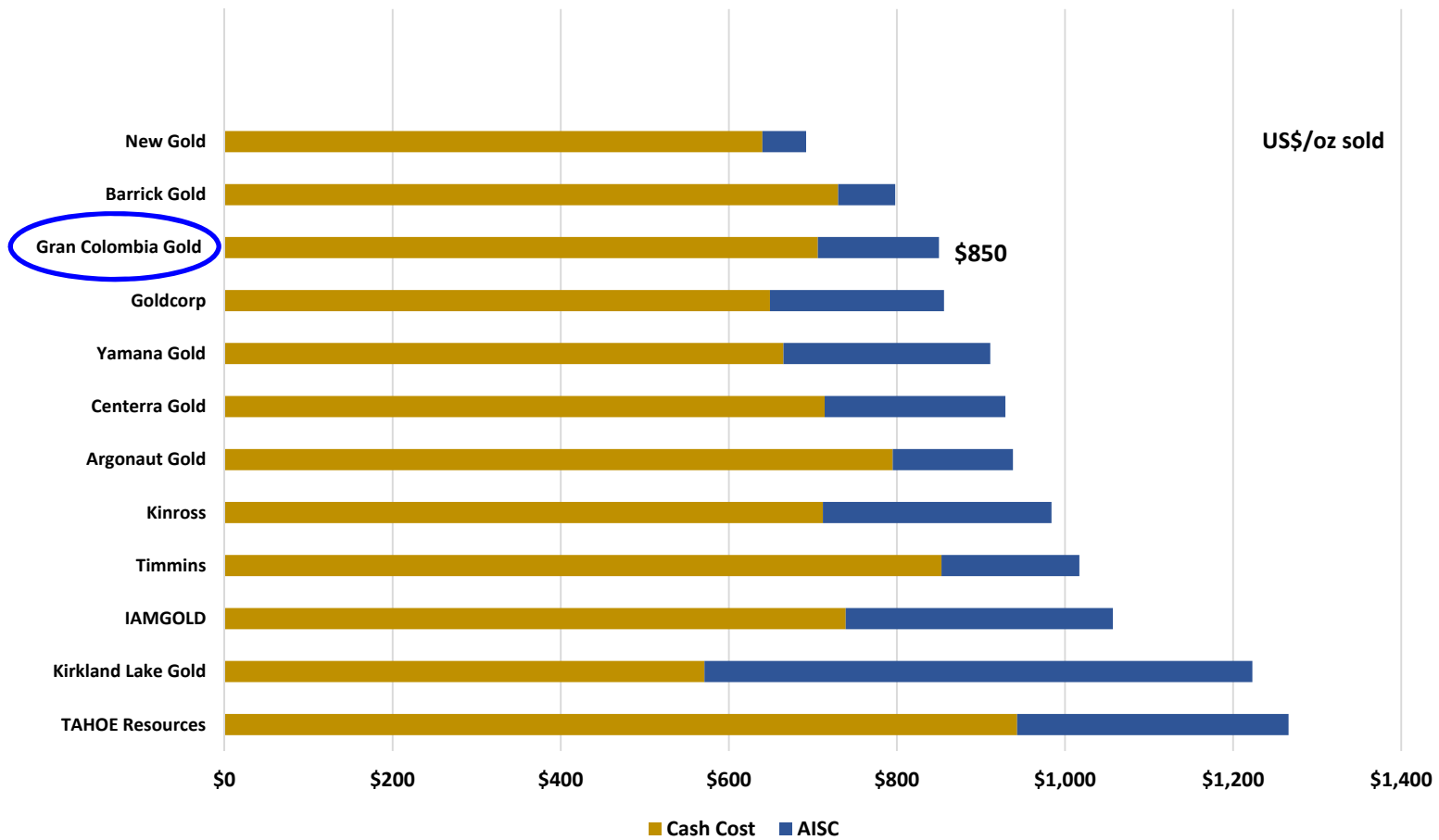
AISC averaged \$850/oz in 2016, down from \$863/oz in 2015.

Capital investment in 2016 focused on exploration, development and modernization programs at Segovia.

2017 average AISC expected to remain below \$900/oz.

RESULTS

All-In Sustaining Costs ⁽¹⁾

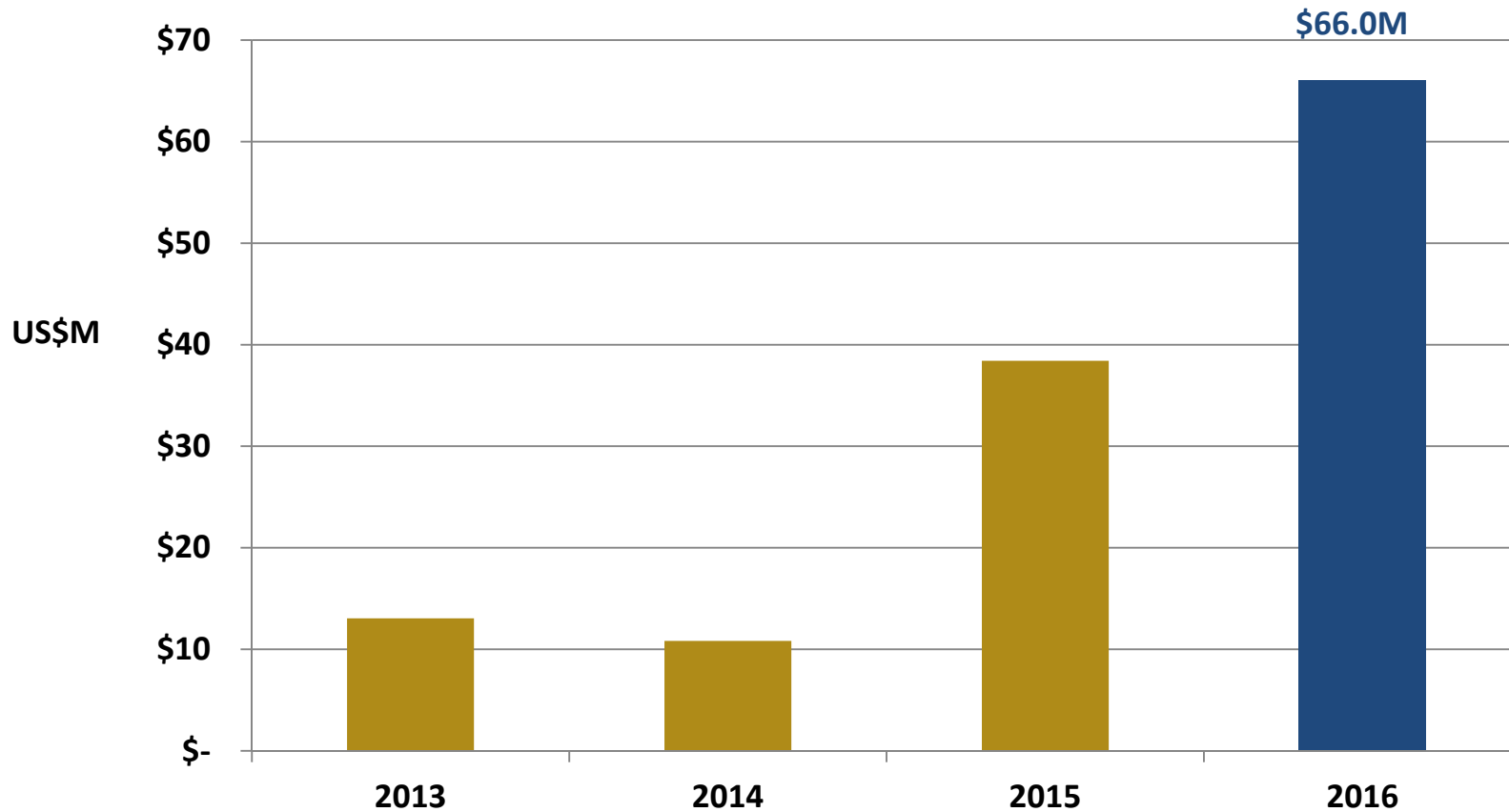


Gran Colombia's AISC is well positioned amongst industry peers.

(1) Full Year 2016 reported results per Q4 Full Year-2016 filings; AISC is a common performance measure but does not have any standardized meaning within the industry and therefore its computations may vary between companies.

RESULTS

Adjusted EBITDA ⁽¹⁾



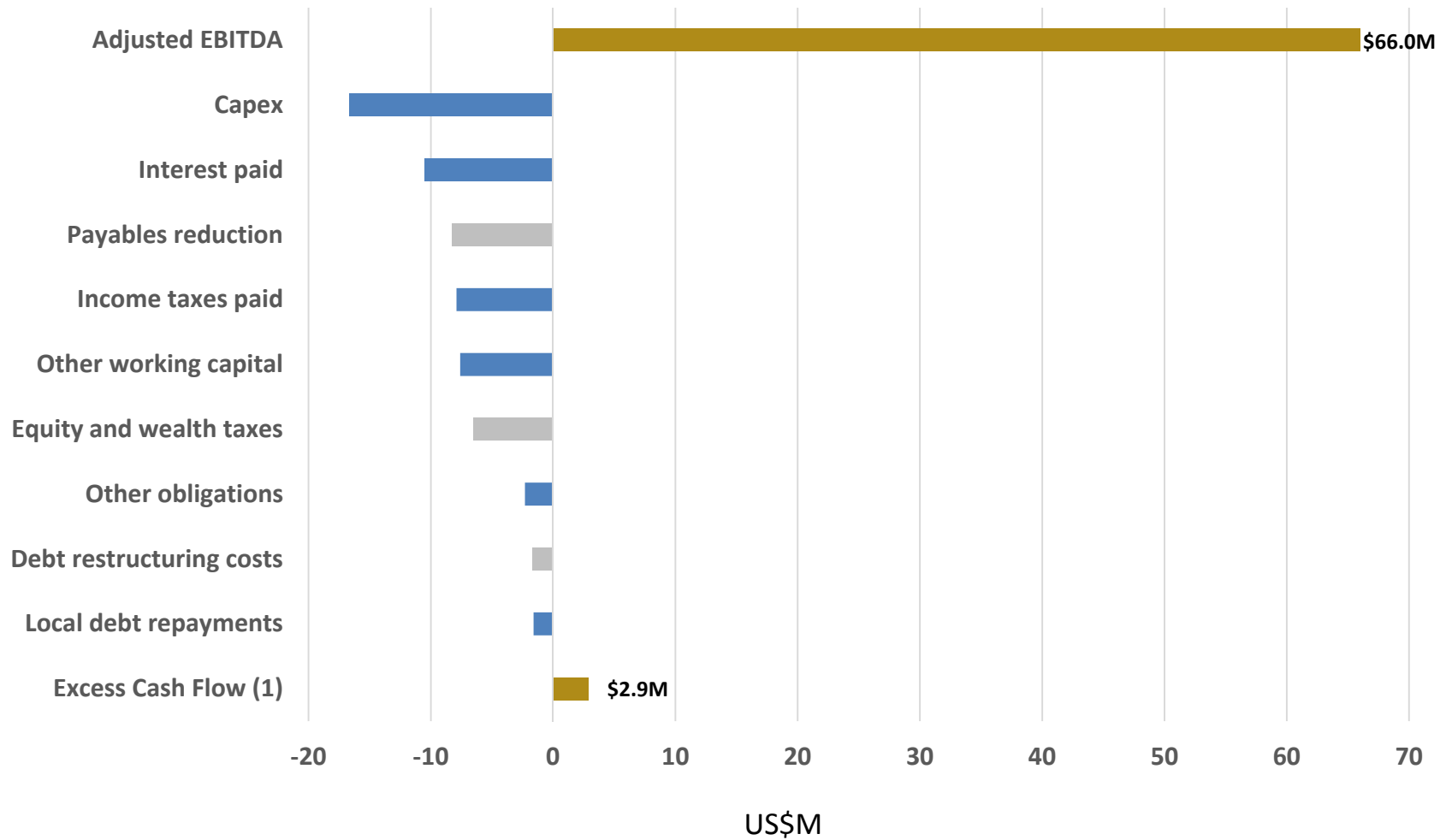
FY2016 adjusted EBITDA of \$66M is up 72% over 2015.

Growth in gold production and improved gold prices while controlling cash costs were the keys to Gran Colombia's adjusted EBITDA growth in 2016.

RESULTS

Excess Cash Flow

Full Year 2016



(1) As defined in the Indentures (available on the Company's web site) for the 2018 and 2020 Debentures.

RESULTS

Balance Sheet

	December 2016	December 2015
Adjusted working capital deficit *		
Cash	\$2.8M	\$3.0M
Accounts receivable	\$11.4M	\$6.2M
Accounts payable and accrued liabilities	(\$16.6M)	(\$25.3M)
Equity and wealth taxes payable	-	(\$5.5M)
Income taxes payable	(\$6.1M)	(\$1.1M)
Mining titles and compensation agreements payable	(\$11.0M)	(\$11.5M)
Inventories and other items, net	\$9.2M	\$9.1M
	(\$10.3M)	(\$25.1M)
Total short and long-term debt		
Local debt, net of cash in trust	\$1.4M	\$2.9M
2018 and 2020 Debentures **	\$84.6M	-
Cash in trust for 2018 and 2020 Debentures	(\$0.5M)	-
Gold and Silver Notes ***	-	\$100.7M
	\$85.5M	\$103.6M

RESULTS

Capital Structure

	TSX Symbol	Exercise Price	12-31-2015	1-20-2016 Exchange Date	3-30-2017	Fully Diluted Shares
Common shares	GCM		23.7M	113.6M	306.8M	306.8M
2018 Debentures *	GCM.DB.U	US\$0.13	N/A **	\$71.2M	\$46.0M	353.8M
2020 Debentures *	GCM.DB.V	US\$0.13	N/A ***	\$104.0M	\$101.2M	778.5M
						1,439.1M
Warrants	GCM.WT.A Unlisted	CA\$3.25 CA\$18.75	4.2M 1.0M	4.2M 1.0M	4.2M 1.0M	
Options		CA\$0.17 CA\$1.84			11.9M 0.7M	

Gran Colombia launched **Normal Course Issuer Bids** on July 21, 2016 to repurchase the **2018 and 2020 Debentures** on the open market for cancellation.

To date, Gran Colombia has **repurchased and cancelled a total of \$2.9M principal amount of debentures**, reducing its fully diluted shares by 22.4M.

On March 6, 2017, announced **proposals for 1:15 share consolidation** and voluntary **extension of 2020 Debentures to 2024**.

* Amounts shown above for the Senior Convertible Debentures are at Face Value.

** Replaced the Silver Notes due 2018.

*** Replaced the Gold Notes due 2017.

2017 OUTLOOK

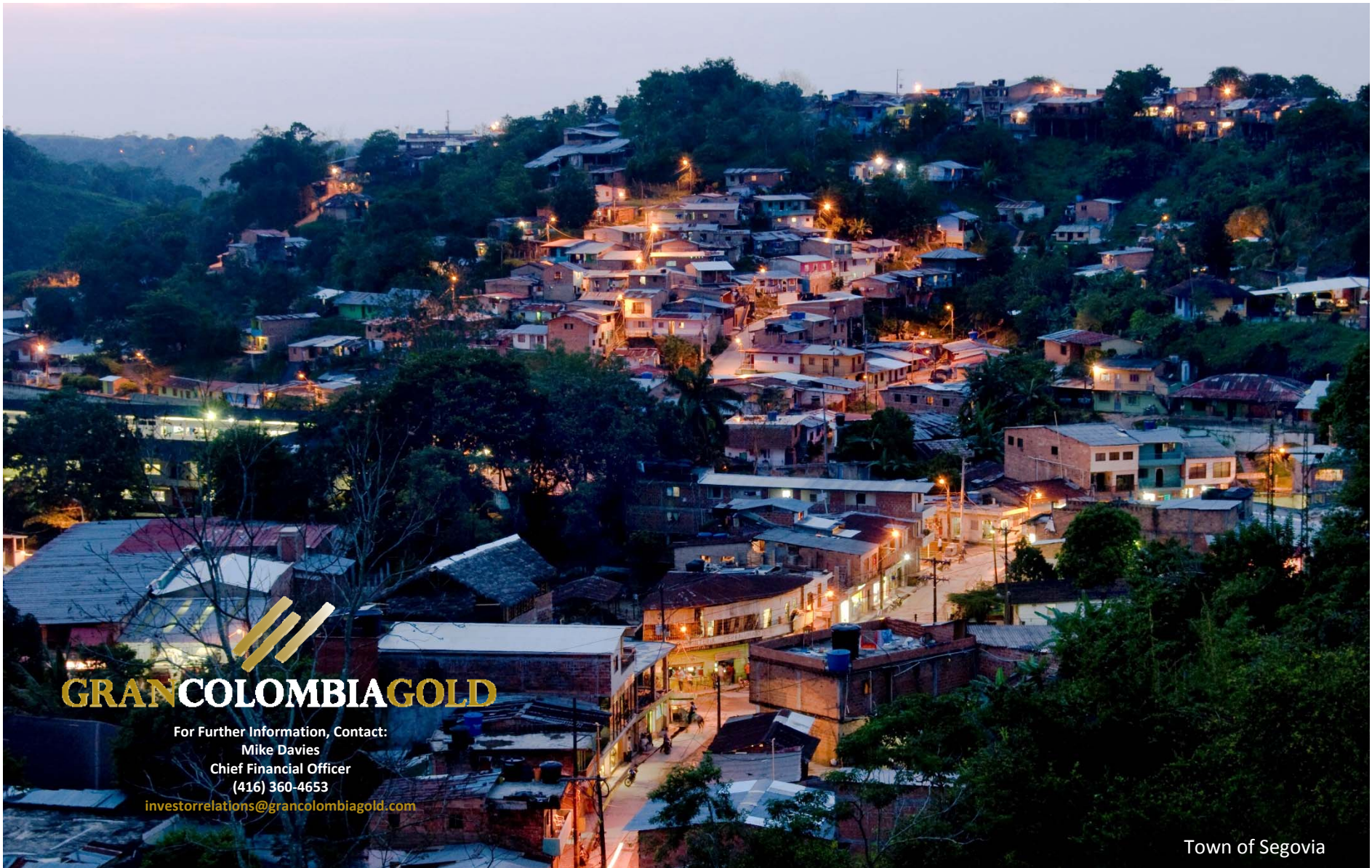
Guidance

Priorities

1. Improve capital structure: share consolidation and debt extension.
2. Generate Excess Cash Flow = 10% of principal amount of Senior Debentures.
3. Continue implementation of optimized mine plan at Segovia:
 - Continue development and mechanization at Providencia and El Silencio;
 - Additional upgrades at Maria Dama and tailings storage expansion;
4. 20,000m drilling program at Segovia; and
5. Update mineral resource estimates at Segovia and Marmato Underground.

2017 Targets

	2016 Actual	2017 Guidance
Gold production (ozs)	149,708	150,000 – 160,000
Cash cost/oz sold	\$706	< \$720
AISC/oz sold	\$850	< \$900



GRANCOLOMBIAGOLD

For Further Information, Contact:

Mike Davies

Chief Financial Officer

(416) 360-4653

investorrelations@grancolembiagold.com

Town of Segovia