



GRANCOLOMBIAGOLD

The leading high-grade gold producer in Colombia

Q4 and Full Year 2015 Results

March 31, 2016



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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, reduction of cash costs and AISC, future G&A and capex, interest payments on the senior debt and future purchases and/or redemptions of the senior debt. 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, 2016 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.

RESULTS

Highlights

4 th Quarter			Year	
2015	2014		2015	2014
30,050	29,043	Gold production (ozs)	116,857	98,622
31,090	28,287	Gold sales (ozs)	118,446	97,628
\$1,074	\$1,168	Realized gold price (\$/oz)	\$1,124	\$1,237
\$705	\$908	Cash cost (\$/oz)	\$729	\$1,024
\$852	\$995	AISC (\$/oz)	\$863	\$1,145
\$33.8M	\$33.5M	Revenue	\$134.9M	\$123.0M
\$10.0M	\$5.6M	Adjusted EBITDA ⁽¹⁾	\$38.4M	\$10.8M
(\$3.0M)	(\$2.7M)	Adjusted net loss ⁽¹⁾	(\$1.1M)	(\$17.9M)
(\$0.12)	(\$0.12)	Per share	(\$0.05)	(\$0.82)

RESULTS

Production

4 th Quarter			Year	
2015	2014		2015	2014
		Gold (ozs)		
		Segovia		
5,516	3,139	Company-operated	15,867	15,361
<u>18,352</u>	<u>19,288</u>	Contract miners	<u>77,027</u>	<u>59,145</u>
23,869	22,427		92,894	74,506
<u>6,182</u>	<u>6,616</u>	Marmato	<u>23,963</u>	<u>24,116</u>
<u>30,051</u>	<u>29,043</u>	Total Company	<u>116,857</u>	<u>98,622</u>
46,504	32,320	Silver (ozs)	147,817	125,855

Segovia

- FY2015 up 25% over FY2014....34% improvement in overall head grades to an average of 14.3 g/t this year. Continuing to modernize Company-operated areas while high-grade contract miners delivered 83% of total Segovia production from secondary pillar recovery.

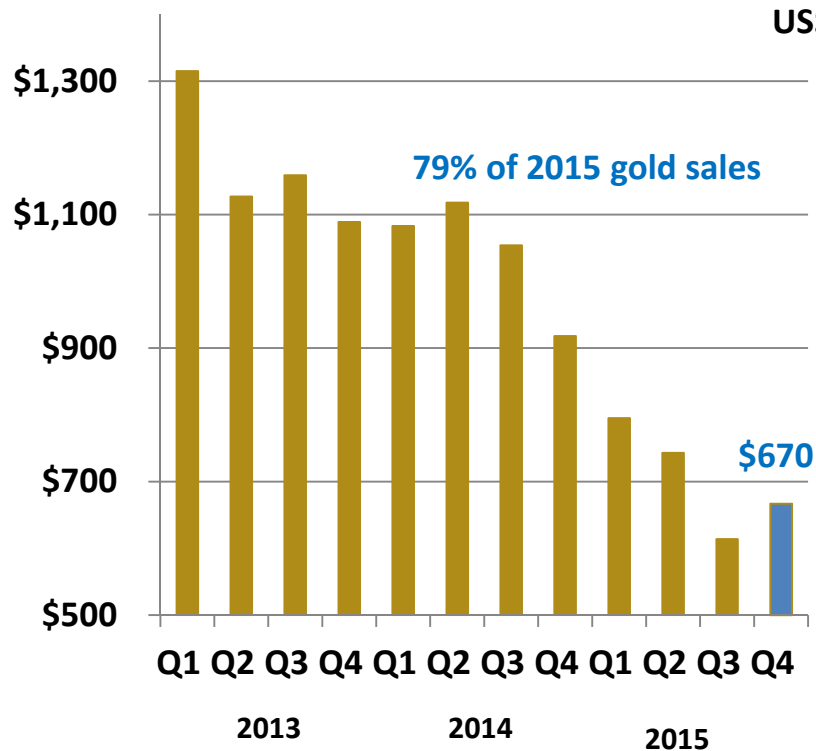
Marmato

- In 2015, invested in development of additional fronts in the mine and 10% increase in mill capacity. Met 2015 production expectations and sets stage for improved cash generation in 2016.

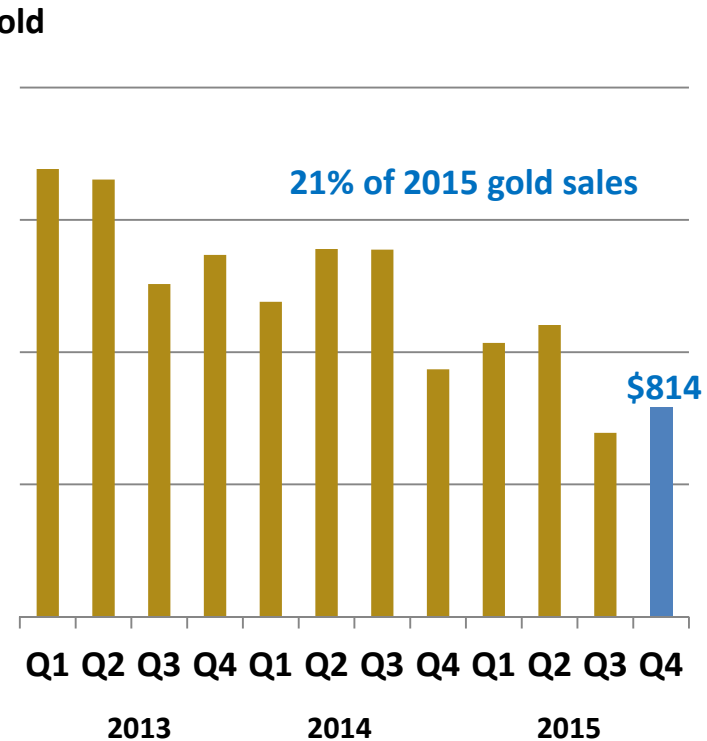
RESULTS

Cash Cost Per Ounce

Segovia



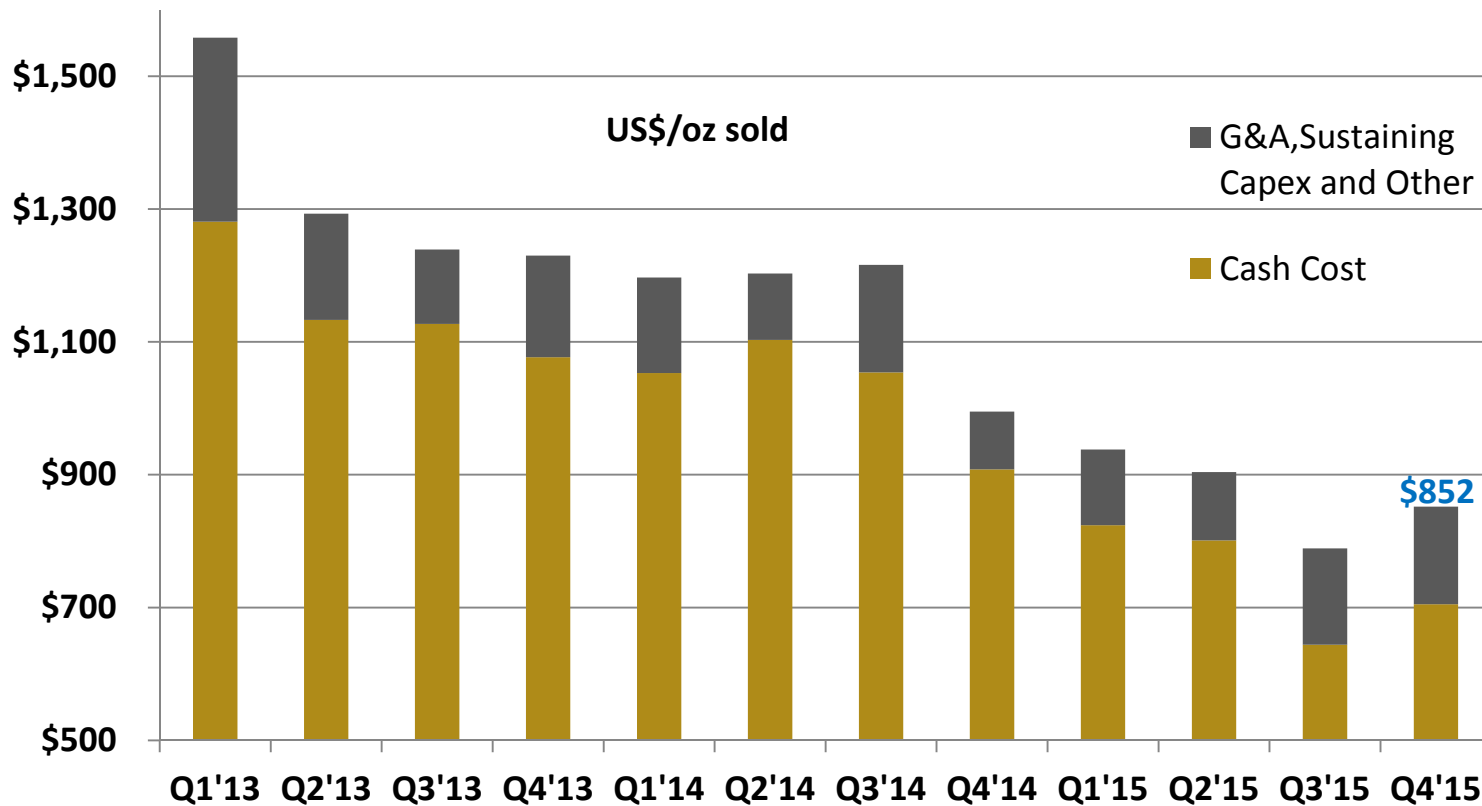
Marmato



- Q4-2015 total cash cost for the Company was **\$705/oz**, down 22% from Q4-2014.
- Colombian peso devaluation, Q1-2015 reduction in Segovia contract miner rate and improved production reducing fixed costs on a per ounce basis have been the key drivers to improvements in 2015 total cash cost per ounce at Segovia and the Company average.
- Q4-2015 Segovia cash cost includes \$89/oz of costs related to Q1-2014 workforce reduction.

RESULTS

All-In Sustaining Costs



Reductions in cash costs and G&A since the beginning of 2013 have been the key to our success in reducing AISC to the **current level below \$900/oz.**

RESULTS

Impairment Charges

2015		2014	
Segovia Operations \$37.3M	<ul style="list-style-type: none"> Recoverable amount impacted by reduction in long-term gold price assumption to \$1,200 from \$1,300 last year 	Segovia Operations \$16.7M	<ul style="list-style-type: none"> Recoverable amount impacted by increases in Colombian tax rates enacted in December 2014
Marmato Project \$3.8M	<ul style="list-style-type: none"> Cancelled contracts in process to acquire certain titles in open pit area Immaterial impact on total resource 		
Total \$41.3M	\$27.2M After Tax \$1.15/share	Total \$16.7M	\$16.7M After Tax \$0.70/share

RESULTS

Balance Sheet

	December 2015	December 2014
Adjusted working capital deficit *		
Cash	\$3.0M	\$0.8M
Accounts receivable	\$6.2M	\$13.1M
Accounts payable	(\$25.3M)	(\$37.5M)
Equity and wealth taxes payable	(\$5.5M)	(\$6.8M)
Other items, net	(\$3.5M)	\$2.6M
	<hr/> (\$25.1M)	<hr/> (\$27.8M)
Total short and long-term debt		
Colombian bank debt due 2017	\$2.1M	\$4.4M
Finance leases due 2018	\$0.9M	\$1.5M
\$100M Gold and \$78.6M Silver Notes **	\$100.7M	\$114.3M
	<hr/> \$105.7M	<hr/> \$120.2M

* Excludes current portion of short and long-term debt

** At fair value plus accrued and unpaid interest; exchanged in 2016 for 2018 and 2020 Debentures

DEBT RESTRUCTURING

January 20, 2016

US\$100M Gold Notes

2020 Debentures (TSX: GCM.DB.V)

- Maturity – January 2, 2020
- Coupon – 6% cash, paid monthly
- Convertible – holder option – US\$0.13/ share
- Redeemable/ open market repurchases permitted
- At Maturity – settle in cash
- Senior secured, no changes to ranking, security or covenants

US\$78.6M Silver Notes

2018 Debentures (TSX: GCM.DB.U)

- Maturity – August 31, 2022
- Coupon – 1% cash, paid monthly
- Convertible – holder option – US\$0.13/ share
- Redeemable/ open market repurchases permitted
- At Maturity – Company option to settle in shares or in shares/cash if price < US\$0.13/share
- Senior unsecured, no changes to covenants or events of default

New Sinking Fund

- 100% of Excess Free Cash Flow
- 75% for 2020 Debentures, 25% for 2018 Debentures
- To fund redemptions, repurchases, maturity

Capital Structure

	TSX Symbol	Exercise Price	December 31, 2015	January 20, 2016	March 30, 2016
Common shares	GCM		23,703,281	113,568,310	125,528,369
Gold notes	Unlisted		\$100,000,000	Nil	Nil
2020 Debentures	GCM.DB.V	US\$0.13	N/A	\$103,992,350	\$103,494,350
Silver notes	GCM.NT.U		\$78,632,000	Nil	Nil
2018 Debentures	GCM.DB.U	US\$0.13	N/A	\$71,168,174	\$70,111,366
Warrants	GCM.WT.A Unlisted	CA\$3.25 CA\$18.75	4,211,918 1,000,000	4,211,918 1,000,000	4,211,918 1,000,000
Options		CA\$1.84 to CA\$40.00	896,936	896,936	891,936

Amounts shown above for Notes and Debentures are at Face Value.

Governance

Board of Directors

Board expanded in Q1-2016 following Debt Restructuring

- **Serafino Iacono** Executive Co-Chairman
- **Miguel de La Campa** Executive Co-Chairman
- **Robert Metcalfe *** Lead Independent Director; Lawyer
- **Mark Ashcroft *** Mining executive; Professional Engineer
- **Jaime Perez Branger *** Managing Director, Blue Pacific
- **Ed Couch *** Investor
- **Rodney Lamond *** Mining executive; Professional Mining Engineer
- **Ian Mann *** Resource sector fund manager
- **Hernan Martinez *** Former Colombian Minister of Mines and Energy
- **Mark Wellings *** Mining executive; Professional Engineer

* Independent

2016 OUTLOOK

Priorities

1. Monthly interest payments on 2018 and 2020 Debentures
2. Continue implementation of optimized mine plan at Segovia
Primary focus on development and mechanization at Providencia
Secondary focus on development and mechanization at El Silencio
3. Improve balance sheet by reducing working capital deficit
4. Excess free cash flow → sinking fund for 2018/2020 Debentures

Targets

Total gold production – 120,000 to 138,000 ozs

Segovia – 96,000 to 110,000 ozs

Marmato – 24,000 to 28,000 ozs

Cash cost - \$700 to \$750 per oz

G&A - \$5.5M to \$6M = \$40 to \$50 per oz


Sustaining capex - \$125 to \$170 per oz

Environmental fee - \$6 per oz

AISC - \$850 to \$950 per oz




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