Guyana Goldfields Inc. Announces Second Quarter 2019 Operating Results; on Track for Annual Guidance

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Second Quarter 2019 Summary

- Second quarter gold production of 37,300 ounces amounting to 74,000 ounces of gold produced in the first half o on track to achieve the 2019 production guidance range of 145,000 to 160,000 ounces of gold.
- Mining rate averaged 57,710 tonnes per day, a 45% increase in the mining rate compared to the previous year.
- Record quarterly mill performance of 7,815 tonnes per day and a 10% increase from the previous year.
- Underground exploration decline was resumed and advanced 164 metres during the second quarter.
- Exploration drilling at Mad Kiss hole MKD 187 drilled into the central mineralized zone returned an average of 6.1 grams per tonne gold over a core interval of 301.4 metres starting from 14.1 metres downhole.
- Strong balance sheet with an unaudited cash balance of approximately US$38.9 million at June 30, 2019 and no outstanding debt.

TORONTO, July 11, 2019 - Guyana Goldfields Inc. (TSX:GUY) (the "Company") announces its operating results for the second quarter 2019 from its Aurora Gold Mine ("Aurora") in Guyana, South America. Full operational and financial results will be released after-market on Tuesday, July 30, 2019 with a conference call held on Wednesday, July 31, 20 10:00 am ET to discuss the results.

Suresh Kalathil, SVP and COO, states, "Cost reduction plans initiated this quarter focussed on diesel and reagent consumption reduction as part of our operational optimization efforts to further reduce costs and improve operating efficiencies. We look forward to continuing a mutually beneficial working relationship with all contractors and employee Aurora while collaboratively working towards achieving enhanced economies of scale on a cost per unit basis within de operating metrics. The Aurora mill is back up to full capacity following the work stoppage from last week and we contin demonstrate best practices in health and safety with over 2 million-person hours without a lost time injury."

Key Production Statistics		Q2 2019	Q2 2018	Change
Gold Sold	ounces ('000s)	38.3	31.7	20.8%
Gold Produced[1]	ounces ('000s)	38.3	31.3	22.4%
Average Realized Gold Price	US$/ounce	1,325	1,300	2.0%
Gross Revenue (Unaudited)	US$ mlns	50.7	41.2	23.1%
Ore Mined	t ('000s)	547	467	17.1%
Waste Mined	t ('000s)	4,705	3,148	49.5%
Total Mined	t ('000s)	5,251	3,614	45.3%
Strip Ratio	waste:ore	8.6	6.7	28.4%
Tonnes Mined per Day	tpd	57,710	39,700	45.4%
Ore Processed	t ('000s)	711	646	10.1%
Tonnes Processed per Day	tpd	7,815	7,100	10.1%
Head Grade	g/t Au	1.81	1.65	9.70%
Recovery	%	90.2	91.4	-1.31%

[1] Gold Produced defined as recovered ounces of gold
* Numbers may not add due to rounding

Balance Sheet

The Company's balance sheet remains strong with an unaudited cash balance of approximately US$38.9 million at June 30, 2019 and no outstanding debt. Management believes the Company has sufficient cashflow to fund its working capital and underground capex requirements, however, the Company is reviewing various debt facility alternatives to provide operational flexibility and mitigate risk of any potential cost overruns related to the underground development.

Underground Exploration Decline Update

Work on the underground exploration decline resumed in the second quarter. The contractor completed and reinforced the collar at the Mad Kiss portal and advanced the exploration decline approximately 164 metres. In order to fulfill the scope of the early works phase, the decline will be extended to 200 metres.

The Company's permit allows for test mining of up to 350,000 tonnes that could potentially provide supplemental mill feed during the development period and further unlock value at Aurora. In addition, the underground exploration ramp will allow the Company access in the fourth quarter to perform infill drilling at depth to delineate exploration targets and potentially add mineral resources, as well as convert mineral resources to mineral reserves and further unlock value by potentially prolonging the mine life at Aurora.

The Company is finalizing the review of bids received for the extended underground exploration development decline contract with the target of final award in the third quarter of 2019.

Exploration

The Company is continuing its near mine exploration efforts and has an active drill campaign utilizing two surface drill rigs to test down plunge extensions of the high-grade mineralization reported in late 2018. The Company allocated US$6.8 million in 2019 for additional surface brownfield drilling, initial underground exploration drilling and the resumption of greenfield exploration for a combined total of approximately 30,000 metres.

Two diamond drills were in operation during the second quarter completing 18 holes totaling 5,059 metres bringing the total for the year to 52 holes and 13,001 metres drilled. Drilling was completed at Mad Kiss, North Aleck Hill and commenced at East Walcott. A complete list of the results received during the second quarter will be presented in the forthcoming Management's & Discussion Analysis for the second quarter of 2019.

Drilling at East Walcott targeted the depth extension to recently modeled ore shoots extending beneath the Rory's Knoll pit. Through the end of the quarter, a deep parent hole test had been completed intersecting multiple zones of intense veined silica-pyrite mineralization. Assay results from this work are pending.

Conference Call

A conference call will be held on Wednesday, July 31, 2019 at 10:00 am ET to discuss second quarter 2019 operational and financial results.

A webcast will be available on the Company's website for 90 days following the call or through the following link: https://event.on24.com/wcc/r/2037994/B492E6770C1E4D80EFA8D76110964488

Conference Call Details:
Date: Wednesday, July 31, 2019
Time: 10:00 am ET
Conference ID: 92200450
Dial-In Numbers:
North America Toll-Free: 888-390-0605
International: 416-764-8609

A recorded playback of the call will be available until Wednesday, August 7, 2019 by dialing: 1-888-390-0541 or 416-764-8677 and entering the call back passcode 200450.

Unless stated otherwise herein, all scientific and technical data contained in this press release has been reviewed, approved and verified by Mr. Ron Stewart (P.Geo) who is a qualified person for the purposes of NI 43-101 and is a member of the Association of Professional Geoscientists of Ontario. Mr. Stewart serves as Senior Vice President of Technical Services and Corporate Development for the Company.

About Guyana Goldfields Inc.:
Guyana Goldfields Inc. is a Canadian based mid-tier gold producer primarily focused on the exploration, development and operation of gold deposits in Guyana, South America.

Forwarding-Looking Information

This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to unaudited financial results, optimization work, and underground exploration decline timeline. Often, but not always, forward-looking statements can be identified by the use of words and phrases 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 are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the receipt of applicable regulatory approvals, general business, economic, competitive, political and social uncertainties; the actual results of exploration activities; changes in project parameters as plans continue to be refined; accidents, labour disputes and other risks of the mining industry; political instability; as well as those factors discussed in the section entitled "Risk Factors" in the Company's annual information form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. 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.

SOURCE Guyana Goldfields Inc.

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