TORONTO, Sept. 12, 2013 /PRNewswire/ - Gran Colombia Gold Corp. (TSX: GCM, OTC:TPRFF) announced today that it produced a total 9,988 ounces of gold and 15,273 ounces of silver in August 2013 from its underground mining operations at Segovia and Marmato in Colombia. This brings year-to-date total production to 70,939 ounces of gold and 104,475 ounces of silver.

Serafino Iacono, Executive Co-Chairman of Gran Colombia, commenting on the production update, said, "Over the last six months, we have averaged 9,270 ounces of gold, keeping us on track to meet our 2013 production guidance of 110,000 ounces of gold. At Segovia, we continue to make the necessary adjustments in our business model to reduce all-in sustaining costs, which are expected to be below $1,150 per ounce by the fourth quarter of this year."

In early August, the company took further steps to reduce its all-in sustaining cost at Segovia through a workforce reduction at the lower grade company-operated mines and decreased the tonnages processed from these mining areas in August by about 50% to focus effort on the ongoing mine development program to access higher grade areas later in the fourth quarter. Concurrently, the company increased processing of tonnages from the higher-grade contract mining operators by about 11 percent. As a result, total tonnes processed in August at the Maria Dama plant fell to 760 tonnes per day (tpd) and head grades increased by about 37 percent to 11.6 grams per tonne (g/t). In late August, the Maria Dama plant reduced operations over a five-day period to complete certain annual maintenance procedures, including replacement of the mill liners, without any adverse impact on total gold production in the month, which amounted to 8,105 ounces. This brings Segovia's year-to-date total production to 56,333 ounces of gold.

Processing 809 tpd at an average head grade of 2.7 g/t, the Marmato underground mine continued at a steady pace in August, producing 1,883 ounces of gold. Year-to-date gold production at Marmato amounted to 14,606 ounces of gold.

About Gran Colombia Gold

Gran Colombia is a Canadian-based gold and silver exploration, development and production company with its primary focus in Colombia. Gran Colombia is currently the largest underground gold and silver producer in Colombia with several underground mines in operation at its Segovia and Marmato Operations. In addition, Gran Colombia is advancing a project to develop a large-scale, gold and silver mine at its Marmato operations.

Additional information on Gran Colombia Gold can be found on the company's website at www.grancolombiagold.com and by reviewing the company's page on SEDAR at www.sedar.com.

This news release 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 and reduction of cash costs. 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 26, 2013 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.

SOURCE Gran Colombia Gold Corp.