



NEWS RELEASE

GCM MINING ANNOUNCES FOURTH QUARTER AND FULL YEAR 2021 RESULTS

TORONTO, CANADA, Thursday, March 31, 2022 – GCM Mining Corp. (TSX: GCM; OTCQX: TPRFF - <https://www.commodity-tv.com/ondemand/companies/profil/gran-colombia-gold-corp/>) announced today the release of its audited consolidated financial statements and accompanying management's discussion and analysis (MD&A) for the year ended December 31, 2021. All financial figures contained herein are expressed in U.S. dollars ("USD") unless otherwise noted. Non-GAAP financial performance measures in this press release are identified with "NG". For a detailed description of each of the non-GAAP measures used in this press release and a detailed reconciliation to the most directly comparable measure under IFRS, please refer to the Company's MD&A.

Lombardo Paredes, Chief Executive Officer of GCM Mining, commenting on the 2021 results, said, "In 2021, we accomplished what we set out to achieve last year. We met our production guidance for the sixth consecutive year. Our exploration program at Segovia not only replaced what we mined last year, it contributed to significant increases in our mineral reserves and resources and yielded solid results in our brownfield drilling campaign. We advanced the expansion of our Maria Dama processing plant and we commenced operations at the new polymetallic plant at Segovia. We continued to demonstrate our commitment to ESG in our operations and in the communities in which we work. We strengthened our balance sheet, and through the acquisition of the Toroparu Project in Guyana and the successful Senior Notes issuance, charted a course to grow the Company through diversification. We also returned about \$17 million to shareholders through our monthly dividends and NCIB purchases. In the year ahead, we will continue to focus on the execution of our growth plans at both of our cornerstone assets while returning value to our shareholders through our monthly dividends. On behalf of the Board and management, I would like to thank all of our people for making 2021 another successful year for GCM Mining."

Fourth Quarter and Full Year 2021 Highlights

- The Company changed its name to GCM Mining Corp. on November 29, 2021 to reflect its **strategy to grow through diversification**, expanding its operations and investments to other countries and broadening its products to include other metals beyond just gold and silver while returning value to its shareholders through its monthly dividend program.
- GCM remains committed to the health and safety of its employees, and through COMFAMA Colombia, was the first mining company in Antioquia to secure **COVID-19 vaccines** to immunize its employees and their families in 2021. The Company published its inaugural sustainability report in June 2021 which reflects a focused effort on measuring and disclosing its Environmental, Social and Governance ("ESG") priorities and performance moving forward. The next sustainability report is expected to be issued in June 2022.
- In December 2021, the Company completed an updated Mineral Resource estimate ("MRE") and preliminary economic assessment ("PEA") for its 100%-owned Toroparu Project in Guyana. In June 2021, the Company acquired all of the shares of Gold X Mining Corp ("Gold X") it did not already own and then closed a \$300 million offering in August 2021 of 6.875% Senior Unsecured Notes due 2026 (the "Senior Notes") to fund the development of the Toroparu Project, to prepay the remaining \$18.0 million balance of its Gold Notes in September and for general corporate purposes. The updated MRE for Toroparu includes 8.4 million ounces ("Mozs") of Measured & Indicated gold resource at 1.42 g/t

and 396 million pounds (“Mlbs”) of Measured & Indicated copper resource at 0.1% in 185 million tonnes of rock. The Toroparu PEA affirms the economic viability of the open pit and underground mining operations with total life-of-mine (“LOM”) gold production of 5.4 Mozs representing 88.4% of the 6.2 Mozs of gold fed to the milling circuit at an average gold grade of 1.78 g/t over the projected 24-year mine life. The Toroparu PEA also estimates a \$794 million after-tax net present value at a 5% discount rate, a 46% after-tax Internal Rate of Return and a two-year after-tax payback of the initial \$355 million capital cost of the Toroparu Project at a \$1,500 per ounce long-term gold price.

- The Company met its annual production guidance for the sixth consecutive year in 2021. GCM's **gold production** from its Segovia Operations totaled 55,285 ounces in the fourth quarter of 2021, up 10% over the fourth quarter of 2020. This brought Segovia's total gold production in 2021 to 206,389 ounces, up 5% over 2020, and within the Company's guidance range for 2021 of between 200,000 and 220,000 ounces. Expansion of the Company's processing plant at Segovia to 2,000 tpd is expected to be fully completed by the end of the first half of 2022, lifting the Company's annual production guidance for 2022 to between 210,000 and 225,000 ounces of gold.
- GCM has added revenue diversification at its Segovia Operations through a new polymetallic recovery plant that is recovering commercial quantities of zinc and lead as well as gold and silver into concentrate from its tailings. The Company completed construction of the plant in 2021 and the concentrate production is currently being stockpiled as the Company finalizes offtake contracts for sales to commence in 2022.
- Consolidated **revenue** amounted to \$93.6 million and \$382.6 million in the fourth quarter and full year in 2021, respectively, compared with \$99.7 million and \$390.9 million in the fourth quarter and full year, respectively, in 2020. Segovia's revenue of \$93.6 million in the fourth quarter of 2021 was up 7% from the fourth quarter of 2020 reflecting a 13% increase in the volume of gold sold that was partially offset by a 5% reduction in realized gold prices. For the year, Segovia's revenue totaled \$377.5 million, up 8% compared with last year, reflecting a 5% increase in the volume of gold sold, an approximately 3% increase in realized gold prices and a \$1.7 million increase in silver revenues. Revenue in the fourth quarter and full year in 2020 also included \$12.6 million and \$42.8 million, respectively, from the Marmato Mining Assets owned by Aris Gold Corporation (“Aris”). The Company's equity position in Aris fell below 50% in February 2021 and the Company ceased consolidating the financial results of Aris.
- At the Segovia Operations, **total cash costs**^{NG} averaged \$821 per ounce in the fourth quarter of 2021, compared with \$830 per ounce in the fourth quarter of 2020, bringing the average for 2021 to \$814 per ounce compared with \$699 per ounce in 2020. The year-over-year increase in Segovia's annual total cash costs per ounce reflects an increase implemented by the Company in the third quarter of 2020 in the payment rates for material sourced from its contract miner and the small-scale miners in its Segovia title which had not changed since 2017. Including the Marmato mining operations, consolidated total cash costs were \$824 per ounce in 2021 compared with \$768 per ounce in 2020.
- **All-in sustaining costs (“AISC”)**^{NG} **per ounce sold** for the Segovia Operations were \$1,349 and \$1,196 in the fourth quarter and full year, respectively, in 2021 compared with \$1,266 and \$1,015 in the fourth quarter and full year, respectively, in 2020. The year-over-year increase in Segovia's annual AISC in 2021 reflects (i) the increased total cash costs as described above, (ii) an increase in exploration and mine geology, mine development and other sustaining capital expenditures^{NG} to a total of \$45.0 million in 2021, up from \$35.7 million in last year, (iii) an activity-driven increase in G&A and social programs expenses in 2021 compared with last year, and (iv) a \$2.3 million provision for

estimated fees related to ongoing investigations of environmental incidents that occurred between 2016 and 2018 at Segovia. Including Marmato, consolidated AISC in 2021 was \$1,207 per ounce compared with \$1,101 per ounce last year.

- GCM's **exploration and mine geology drill campaigns** completed a total of approximately 97,000 meters in 444 diamond drill holes at our producing mines and our high-priority brownfield targets in 2021. This led to an increase in the Company's Measured & Indicated Resources at the end of 2021 to 4.6 million tonnes ("Mt") at a grade of 11.0 g/t totalling 1.62 Mozs of gold, up 14% from last year, and its Inferred Resources to 5.3 Mt at a grade of 9.9 g/t totalling 1.70 Mozs of gold, up 41% compared to last year. The Company more than replaced the Mineral Resources it mined in 2021 representing the sixth consecutive year that it has, at a minimum, replaced the Mineral Resources mined at its Segovia Operations. El Silencio and Sandra K were the primary areas of growth within the 2021 Segovia MRE. Similarly, the Company's Mineral Reserve increased by 18% from last year to approximately 745,000 proven and probable ounces of gold based on 2.3 Mt of material at an average head grade of 10.1 g/t.
- **Adjusted EBITDA** ^{NG} amounted to \$37.4 million for the fourth quarter of 2021 compared with \$43.1 million in the fourth quarter last year. This brings the total adjusted EBITDA for 2021 to \$171.6 million compared with \$187.8 million last year. Adjusted EBITDA in the fourth quarter and full year in 2020 included \$0.8 million and \$5.4 million, respectively, from the Marmato Mining Assets.
- **Net cash provided by operating activities** in the fourth quarter of 2021 was \$27.4 million compared with \$29.5 million in the fourth quarter last year. For the full year, net cash provided by operating activities amounted to \$80.6 million compared with \$136.4 million last year reflecting the increase in income tax payments in 2021, changes in non-cash working capital items, including the impact from the delay in receiving 2021's VAT refund claims, and the reduction in adjusted EBITDA from the Segovia Operations in the current year resulting from the increase in production costs, G&A and social programs expenses.
- **Free Cash Flow** ^{NG} in the fourth quarter of 2021 was \$12.2 million compared with \$5.8 million in the fourth quarter of 2020 bringing the total Free Cash Flow for the full year to \$26.2 million compared with \$73.6 million last year, largely reflecting the decrease in net cash provided by operating activities in 2021.
- The Company's **balance sheet** benefitted from the Senior Notes financing, raising its cash position to \$323.6 million and working capital to \$317.7 million at the end of December 2021. S&P Global Ratings and Fitch Ratings have each issued B+ ratings for the Company's Senior Notes.
- The Company returned a total of \$17.0 million to shareholders in 2021 with payment of its **monthly dividends** totaling \$11.5 million and the repurchase of approximately 1.3 million shares for cancellation at a cost of \$5.5 million. The Company renewed its **NCIB** in October 2021 for another year and in the first quarter of 2022, the Company purchased an additional 0.3 million shares for cancellation.
- The Company reported **net income** of \$6.6 million (\$0.07 per share) in the fourth quarter of 2021 compared with a loss of \$51.3 million (\$0.59 per share) in the fourth quarter last year, reflecting an improvement in the loss on financial instruments and lower income tax expense which more than offset the impact of lower income from operations in the fourth quarter of 2021. For the full year, net income in 2021 amounted to \$180.0 million (\$2.25 per share) compared with a net loss of \$27.6 million (\$0.08 per share) in 2020. Net income in 2021 reflected the decrease in income from operations this year

and benefitted from the \$56.9 million gain on loss of control of Aris, the \$49.6 million gain on financial instruments (compared with the \$72.9 million loss on financial instruments last year) and the \$8.9 million gain on sale of the Zancudo Project. Net income in 2021 included Aris Transaction costs of \$9.8 million while net income in 2020 included Bluenose RTO Transaction costs of \$16.7 million.

- **Adjusted net income** ^{NG} for the fourth quarter of 2021 was \$11.7 million (\$0.12 per share), up from \$7.7 million (\$0.15 per share) in the fourth quarter last year as a reduction in income tax expense more than offset the decrease in income from operations in the fourth quarter of 2021. For the full year, adjusted net income in 2021 was \$71.6 million (\$0.87 per share) compared with \$75.9 million (\$1.28 per share) in 2020. The year-over-year decrease in adjusted net income in 2021 largely reflects the decrease in 2021's income from operations, partially offset by a reduction in income tax expense compared with last year.
- The Company added a 27% equity interest in Denarius Metals Corp. ("Denarius") to its portfolio in early 2021, giving it exposure to the **Lomero-Poyatos** polymetallic deposit located in Spain in the Iberian Pyrite Belt and to the Guia Antigua and Zancudo Projects in Colombia. Denarius commenced drilling at its Guia Antigua and Lomero Projects in 2021. At the Lomero Project, early drill results have confirmed that the massive and semi-massive sulfide zones are enriched in copper and significantly in zinc and gold and largely validate the thickness and grades of selected drill holes from previous drilling campaigns incorporated in the historic mineral resource. On March 29, 2022, GCM acquired 3.4 million shares of Denarius in a block trade on the open market at a cost of approximately \$1.3 million, increasing its equity interest to 28.6%.

Selected Financial Information

	Fourth Quarter		Year		
	2021	2020	2021	2020	2019
Operating data					
Gold produced (ounces) ⁽¹⁾	55,285	57,265	208,817	220,194	239,991
Gold sold (ounces)	51,716	52,478	210,042	220,890	233,866
Average realized gold price (\$/oz sold) ⁽²⁾	\$ 1,782	\$ 1,875	\$ 1,794	\$ 1,751	\$ 1,381
Total cash costs (\$/oz sold) ⁽²⁾	821	904	824	768	661
AISC (\$/oz sold) ⁽²⁾	1,349	1,382	1,207	1,101	916
Financial data (\$000's, except per share amounts)					
Revenue	\$ 93,623	\$ 99,673	\$ 382,611	\$ 390,921	\$ 326,480
Adjusted EBITDA ⁽²⁾	37,368	43,076	171,623	187,764	146,675
Impairment charge	-	-	-	-	(175,989)
Net income (loss)	6,606	(51,275)	179,968	(27,571)	(131,164)
Per share - basic	0.07	(0.59)	2.25	(0.08)	(2.65)
Per share - diluted	0.07	(0.59)	1.59	(0.08)	(2.65)
Adjusted net income ⁽²⁾	11,710	7,703	71,568	75,942	60,460
Per share - basic ⁽²⁾	0.12	0.15	0.87	1.28	1.22
Per share - diluted ⁽²⁾	0.11	0.13	0.77	1.09	1.04
Net cash provided by operating activities	27,413	29,494	80,554	136,378	104,340
Free cash flow ⁽²⁾	12,209	5,828	26,207	73,579	61,675

(1) Includes production from the Marmato Project up to February 4, 2021, the date of loss of control of Aris.

(2) Refer to "Non-IFRS Measures" in the Company's MD&A.

	December 31,		
	2021	2020	2019
Balance sheet (\$'000's):			
Cash and cash equivalents	\$ 323,565	\$ 122,508	\$ 84,239
Gold Bullion ⁽¹⁾	4,479	-	-
Senior Notes ⁽²⁾	300,000	-	-
Gold Notes, including current portion – principal amount outstanding ⁽³⁾	-	35,525	68,750
Convertible Debentures – principal amount outstanding ⁽⁴⁾	CA18,000	CA20,000	CA20,000
Aris Gold Notes, including current portion – principal amount outstanding ⁽⁵⁾	-	73,066	-

- (1) Commencing the third quarter of 2021, the Company is maintaining a portion of its liquidity in gold bullion. As at December 31, 2021, the Company had 2,500 ounces in its gold bullion account.
- (2) The Senior Notes were issued in August 2021 and are recorded in the Financial Statements at amortized cost. At December 31, 2021, the carrying amount of the Senior Notes outstanding, including accrued interest of \$8.1 million, was \$294.8 million.
- (3) The Gold Notes were recorded in the Financial Statements at fair value and were fully redeemed in September 2021. At December 31, 2020 and 2019, the carrying amounts of the Gold Notes outstanding was \$38.5 million and 69.0 million, respectively.
- (4) The Convertible Debentures are recorded in the Financial Statements at fair value. At December 31, 2021, 2020 and 2019, the carrying amounts of the Convertible Debentures outstanding were \$19.5 million, \$28.4 million and \$21.1 million, respectively.
- (5) The Aris Gold Notes were issued in August 2020 and were recorded in the Financial Statements at fair value. At December 31, 2020, the carrying amount of the Aris Gold Notes outstanding was \$73.2 million. The Aris Gold Notes were non-recourse to the Company and were derecognized on February 4, 2021, the date of loss of control of Aris.

Outlook

After pivoting its focus in 2021 to implement a strategy for growth through diversification, GCM's outlook for 2022 is centered around its two cornerstone assets, the Segovia Operations in Colombia and the Toroparu Project in Guyana.

At Segovia, the Company has produced a total of 33,658 ounces in the first two months of 2022, up from 30,415 ounces in the first two months of 2021, and its trailing 12-months' total gold production at the end of February 2022 stood at 209,632 ounces, up about 1.6% over 2021. The expansion of the Maria Dama plant from 1,500 to 2,000 tpd is essentially complete, except for the expansion of the crushing facility that is expected to be completed in the second quarter this year. GCM expects that it will operate the expanded plant at about 85% to 95% of capacity in the second half of 2022, increasing its expected annual production for 2022 to between 210,000 and 225,000 ounces of gold.

GCM spent a total of \$45.0 million for sustaining capital expenditures ^{NG}, including mine exploration and development, and another \$10.9 million on non-sustaining capital expenditures ^{NG}, including brownfield exploration, Maria Dama plant expansion and completion of the new polymetallic plant. For 2022, GCM has committed to undertake another robust diamond drilling campaign that will comprise approximately 91,000 meters with up to 52,000 meters of in-mine and near-mine drilling and 15,000 meters of underground in-fill drilling at its four producing mines together with 24,000 meters of brownfield drilling at its high-priority targets within the other 24 known veins it is not currently mining in its Segovia mining title. The Company expects that its sustaining capital expenditures ^{NG} in 2022 may range between \$50 million to \$55 million, including the planned drilling at its four producing mines. Non-sustaining capital expenditures ^{NG} in 2022 are expected to total up to \$10 million, including the brownfield drilling campaign and expenditures to complete the Maria Dama plant expansion, to upgrade and automate certain components in the polymetallic plant and construct additional warehouse space, to commence construction of its new solar generation project and to implement a new ERP system in the Segovia Operations.

In 2021, GCM completed the updated MRE and a PEA for the development of the Toroparu Project. The Company also commenced various pre-construction activities in 2021, including hiring of the project team and key contractors, preparation of the camp facilities, revamping of the local airstrip to enhance logistics

and access to the site, design and civil works related to the camp, road and water management, electrical network design, permitting, design of its initial ESG initiatives and various studies associated with environmental matters at the project site. Following completion of the PEA, the Company immediately commenced activities, including additional infill drilling, to advance the studies for the project to prepare a preliminary feasibility study (“PFS”). The Company is in the midst of a competitive bid process and plans to incorporate a change to contract mining in the PFS that is now expected to be finalized early in the third quarter of 2022, at which point formal construction of the project is expected to commence. The final mining license is also expected to be received in mid-2022. In light of the various pre-construction activities underway, the Company continues to anticipate that production will commence from the Toroparu Project in early 2024.

The Company remains committed to its dividend program at the current monthly rate of CA\$0.015 per share and expects to continue to repurchase common shares, within certain price ranges, for cancellation under its NCIB to support continued value creation for its shareholders.

On March 21, 2022, the Company announced it has subscribed to a \$35 million 7.5% convertible senior unsecured debenture (the “Aris Debenture”) to be issued by a wholly-owned subsidiary of Aris to pay a portion of the purchase price for the acquisition, through a joint venture company, of a 20% ownership interest (the “Acquisition”) in the Soto Norte gold project in Colombia. The issuance of the Aris Debenture is conditional upon closing of the Acquisition by Aris, expected to occur in April 2022, and is subject to the approval of the TSX. The ability of the Company to fully execute its conversion rights under the Aris Debenture is subject to disinterested Aris shareholder approval at its next annual meeting of shareholders.

Fourth Quarter 2021 Results Webcast

As a reminder, GCM Mining will host a conference call and webcast on Friday, April 1, 2022 at 9:00 a.m. Eastern Time to discuss the results.

Webcast and call-in details are as follows:

Live Event link:	https://edge.media-server.com/mmc/p/rizkrutc
Canada/ International Toll:	1 (647) 484-8332 PIN: 21424747#
Canada Toll Free:	1 (866) 455-3403 PIN: 21424747#
United States Toll:	1 (404) 400-0571 PIN: 21424747#
United States Toll Free:	1 (866) 374-5140 PIN: 21424747#
Colombia Toll:	+57 601 485-0348 PIN: 21424747#
Conference ID:	EV00133198

A replay of the webcast will be available at www.gcm-mining.com from Friday, April 1, 2022 until Friday, April 29, 2022.

About GCM Mining Corp.

GCM Mining is a mid-tier gold producer with a proven track record of mine building and operating in Latin America. In Colombia, the Company is the leading high-grade underground gold and silver producer with several mines in operation at Segovia Operations. Segovia produced 206,000 ounces of gold in 2021. In Guyana, the Company is advancing its fully funded Toroparu Project, one of the largest undeveloped gold/copper projects in the Americas, which is expected to commence production of more than 200,000 ounces of gold annually in 2024. GCM Mining pays a monthly dividend to its shareholders and has equity interests in Aris Gold Corporation (44%; TSX: ARIS; Colombia – Marmato), Denarius Metals Corp. (28.6%;

TSXV: DSLV; Spain – Lomero-Poyatos and Colombia – Guia Antigua, Zancudo) and Western Atlas Resources Inc. (26%; TSX-V: WA: Nunavut – Meadowbank).

Additional information on GCM Mining can be found on its website at www.gcm-mining.com and by reviewing its profile on SEDAR at www.sedar.com.

Cautionary Statement on Forward-Looking Information:

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to the continuation of operations during the COVID-19 situation, production guidance, future capital expenditures, closing of the Aris Debenture and related approvals and other anticipated business plans or strategies. 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 GCM Mining 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 31, 2022 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 GCM Mining 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.

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