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Granada Gold Mine Corporate Update

March 16, 2018 – Granada Gold Mine Inc. (TSX-V: GGM) (OTCPK: GBBFF) (Frankfurt: B6D) (the "Company" or "Granada") provides a corporate update and review of plans for 2018 on the 100% owned Granada Gold Property situated along the prolific Cadillac Trend in Quebec, Canada.

Mr. Frank Basa, President and CEO stated, “2017 was a year of progress with key milestones achieved amidst an enhancement of the goals for the Company, including a resource update, tighter share structure, financings and excellent drill results. The potential 5.5 km strike length of the high-grade gold vein structure identified at Granada remains 80% unexplored.”

Mr. Frank Basa, President and CEO further stated, “the company will proceed in 2018 with a bankable Feasibility Study for a new mill at Granada Gold Mine with a production capacity of 80,000 to 100,000 ounces of gold per year.”

2017 Highlights

- Successful deep drill program intersected **14.5 g/t gold** over 4 metres at 880 metres down hole (Press Release January, 18, 2017). The drill results support the extension of gold mineralization 350 metres east of DUP-12-03A-W2 and 450 metres down dip from GR-11-257. Both of these holes, drilled in the 2009-2012 period, intersected the high-grade vein system.
- Identified new, high-priority, untested area now referred to as the “Genesis Target” that includes a large granite intrusion and intense shearing immediately south of the Cadillac fault (Press Release, May 16, 2017).
- A \$21 Million drill program developed to outline 10 to 15 million tonnes of higher-grade gold at grades between 4 and 6 grams per tonne.
- Revised 43-101 Mineral Resource Estimation Update (Issue date June 30, 2017 with effective date of May 16, 2017, from GoldMinds Geoservices Inc.) featuring robust open pit and a high-grade underground gold resource at Granada representing a 200% increase over the original 2012 block model. The high-grade, underground maiden resource is located immediately north of near-surface deposit with **1.5 million** ounces of gold averaging **4.56 g/t** gold Inferred at a cut-off of 1.5 g/t Au. The open-pit constrained resources are **625,000** ounces Measured at **1.14 g/t** gold with **182,700** ounces Indicated @ **1.26 g/t** gold at a cut-off of 0.39 g/t Au for **807,700** ounces M&I @ **1.16 g/t** Au (Press Release May 16, 2017).

- Permits for work at Aukeko were obtained in November 2017. The Bert Vein, within the Auk Shear is where 3 bulk samples were reported to have been taken in 1938 from a trench approximately 50 -150 metres east of the Aukeko Shaft that averaged a grade of 7.0 ounces gold per ton (**240.0 grams per tonne**) (from public files with MERN (Ministère d'Énergie et Ressources Naturelles).
- Signed a provisional milling agreement with Canada Cobalt Works, to undertake the processing of 579,000 tonnes of ore at 4.24 g/t gold with the option for up to 2 million tonnes total of mineralized material from the Granada mine over three years.
- Closed a non-brokered, flow-through private placement for gross proceeds of \$700,000 and a \$250,000 debt financing.
- Paid out the second of four annual dividends to Granada shareholders with the distribution of 2,500,000 units on a pro rata basis of Canada Cobalt Works. Each unit comprised one common share in the capital of Canada Cobalt and one common share purchase warrant, with each warrant entitling the holder to acquire one common share of Canada Cobalt on or before September 15, 2017 at an exercise price of \$0.10 per common share.
- Created "Voluntary Follow Up Committee" to address all stakeholders around Granada Gold Mine.
- Maintained a good relationship with local recreational clubs and provided trail maintenance on the property for recreational use.
- Continued with the annual waste rock charity donation to a local children charity.

2018 Highlights and Targets

- Over-subscribed private placement for a total of \$2 million
- Planning a trenching and drill program at Aukeko spring 2018
- Targeting deep drill program at the Genesis Target.
- Short list and select an engineering firm for the Feasibility Study to produce 80,000 to 100,000 ounces per year.
- Third dividend distribution of Canada Cobalt Works units to Granada shareholders with the distribution of 2,500,000 units on a pro rata basis of Canada Cobalt Works. Each unit comprised one common share in the capital of Canada Cobalt and one common share purchase warrant, with each warrant entitling the holder to acquire one common share of Canada Cobalt on or before September 15, 2018 at an exercise price of \$0.10 per common share..

Claude Duplessis, P. Eng., of Goldminds Geoservices Inc., a geological, environmental and mining consultant, is an independent qualified person in accordance with National Instrument 43-101, and has reviewed and approved the contents of this news release.

About Granada Gold Mine Inc.

Granada Gold Mine Inc. is developing the Granada Gold Property near Rouyn-Noranda, Quebec. The property includes the former Granada gold mine which produced more than 50,000 ounces of gold in the 1930's before a fire destroyed the surface buildings. The highly prolific Cadillac Trend, which has been the source of more than 50 million ounces of gold produced in the past century on a line running from Val-d'Or to Rouyn-Noranda, cuts through the north part of the property.

An updated Mineral Resource Estimate and revised Block Model dated June 30, 2017, with effective date of May 16, 2017, includes the first material estimate of high-grade gold resources discovered in zones at depth immediately north of the LONG Bars Zone open-pit deposit.

An initial Inferred underground resource of **10,386,500** tonnes grading **4.56** g/t Au at a cut-off grade of **1.5** g/t (**1.5** million oz. Au) has been outlined along **600** meters of strike, north of the original near-surface

discovery at Granada. Open-pit-constrained resources have **625,000** ounces Measured at **1.14** g/t Au and **182,700** ounces Indicated at **1.26** g/t Au with a cut-off grade of 0.39 g/t Au (**807,700** ounces M&I at **1.16** g/t Au) representing a major increase in Block Model estimates for Granada vs. 2012 Block Model.

The Company has obtained all necessary permits for the initial mining phase known as the “Rolling Start” for which stripping has already begun, and has been conducting exploration drilling in order to expand the reported mineral resource for the property. Additional information is available at www.grnadagoldmine.com.

“Frank J. Basa”

Frank J. Basa P. Eng.
President and Chief Executive Officer

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