



2875 Ave Granada
Rouyn Noranda, Québec J9Y 1Y1
Tel : 819-797-4144 / Fax: 819-792-2306

June 4, 2018

GRANADA GOLD MINE STARTS EXPLORATION PROGRAM ON EASTERN EXTENSION OF LONG BARS ZONE AT AUKEKO

Granada Gold Mine (TSX.V: GGM) ("Granada Gold" or the "Company") announces that it has completed an initial trench program at its Aukeko property, immediately adjacent to its flagship gold property, the Granada Mine, in the province of Quebec, Canada.

Under the supervision of GoldMinds Geoservices Inc., two trenches have been completed, totaling 300 metres in length with a width of around 1.5 metres (trench 1 of 90 metres length and trench 2 of 210 metres length). The main goal of the trenching program is to intersect the East-West extension of the extended LONG Bars zone of gold mineralization and to prepare targets for the upcoming diamond drilling program.

"This trenching program is a substantive advance for Granada in shaping management's understanding of our resource. The results of the trenches' samples will be used as a guide for the next step of the exploration to capture the unexplored eastern extension of the mineralized structures, also called the LONG Bars zone," stated Frank J. Basa P.Eng., President and Chief Executive Officer of Granada Gold Mine.

About Aukeko

Historical exploration of the Aukeko mine property was undertaken in the late 1930s, when a shaft was sunk to 13 metres and extensive trenching was undertaken on surface. Considerable detailed mapping at that time identified several auriferous structures within a 500-metre wide, east-west trending zone with shearing, alteration, and quartz veining along with numerous porphyry intrusions. Of significance is the "Auk Shear" zone where the Aukeko Shaft was sunk in conjunction with stripping and trenching in the same vicinity. This zone was mapped over a 1 kilometre length with an average width of 50 metres. The Auk Shear zone was the location of the Bert Vein where 3 bulk samples were reportedly taken in 1938 from a trench approximately 50-to-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) GM52851).

The Aukeko gold mine is part of the east-west trending structure on the Granada Gold Mine property. It is 2 kilometres east from the extended LONG Bars zone where over 120,000 metres of drilling has been undertaken to date, including historical drilling from the 1990s. A further 1.9

kilometres east is the Austin-Rouyn Mine. The potential strike length on the property is 5.5 kilometres, beginning at the westernmost drill hole near the historical Granada shafts and extending eastward to the historical Austin Rouyn shaft where grab samples in 1940 showed up to 6.57 ounces of gold per short ton (225.2 grams per tonne) (from public files with MERN (Ministère d'Énergie et Ressources Naturelles) GM52851). Grab samples are selected samples and are not necessarily representative of the mineralization hosted on the property. Note that there are two cross-cutting intrusive dykes of undefined width within that strike length. The potential strike length is conceptual in nature as there has been insufficient exploration to define the full length of the mineralized material and it is uncertain if further exploration will do so.

Qualified Person

Merouane Rachidi, P. Geo., 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 1930s 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 in comparison to the earlier 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.granadagoldmine.com.

For further information, please contact:

Frank J. Basa, P. Eng., President and CEO at 1-819-797-4144 or
Wayne Cheveldayoff, Corporate Communications, at 416-710-2410 or waynecheveldayoff@gmail.com

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.