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## **GRANADA GOLD MINE BULK SAMPLE PROCESSING**

Rouyn Noranda, Q.C., March 22, 2023 - Granada Gold Mine Inc. (TSXV: GGM) (OTC: GBBFF) (Frankfurt: B6D) (the “Company” or “Granada”) is pleased to provide an update on the processing needs of, and availability to, Granada Gold Mines.

Frank J. Basa, P.Eng., President and CEO commented, “Custom processing of the bulk sample at a local gold mill is both economically viable and risk-free. The milling program is designed to ascertain the gold grade of the mineralized material. To further de-risk the processing of the bulk sample, installation of a processing facility on the Granada Gold Mine property may be warranted should custom processing costs be excessive”.

### **Bulk Sampling Processing Highlights:**

- Local gold mills, both operating and shutdown, are available in Ontario and Quebec within economic haulage distance of up to 300 kilometers. Processing capacity from 800 to 2,000 tonnes per day is available. None of those mills have an up-front gravity circuit to recover the free gold from the mineralized material from the Granada Gold Mine. The free gold potential has been shown to be up to 50 percent of the gold grade of the mineralized material from high-grade Vein One at Granada Gold Mines which was mined at 9-10 grams per tonne gold (see Exploration History section of Granada’s Mineral Resource Estimate Update, dated August 20th 2022, from Company News Release 22 August 2022).
- Custom mill modification to design and install a gravity circuit would require 6 to 12 months. Amending the existing custom mill permit would require 6 months. The total time to first processing would potentially be 6 to 12 months. Custom processing would be undertaken as a campaign in fixed lots to ensure no co-mingling of Granada mineralized material with mineralized material from other companies. Annual processing would be 200,000 tonnes per year for 3 years at a rate of 600 tonnes per day. Total mineralized material processed over the 3-year time period as a bulk sample is 600,000 tonnes (defined as a rolling start). It is estimated that 3 percent of an ore body is the empirically defined quantity required to most accurately represent the grade of that ore body. The Company is proposing that the processing of 600,000 tonnes may represent 3 percent of the open pit deposit in the 2-kilometer defined mining strike length of the 5.5 kilometer east-west mineralized structure. The original bulk sample processing program was called Rolling Start and was designed to be undertaken over a three-year period. Two milling agreements have been signed in the past 7 years. In one case, the permits were amended by Granada Gold Mine. Neither mill had the required gravity circuit and both milling agreements were eventually terminated.
- The purpose of a bulk sample is to correlate drill core data to mill grade data, to engineer a plant design, and to improve process economics. The current deposit at Granada Gold Mine, a former high-grade producer at 10 grams per tonne, is only 20 percent explored, with 97,000 meters of

drilling completed on the main deposit up to 2018. It is open at depth and along strike. An additional program of 30,000 meters of drilling was started to extend the resource to the north near the world-famous Cadillac Break where over 120 million ounces of gold have been mined in the last 90 years (Source MERN Quebec). Both drill contractors had equipment and technical problems before the drill program was stopped at 18,700 meters in 2021. The company intends to restart the drill program when a suitable drilling contractor can be engaged to complete the remainder of the 30,000 meters plus an additional 90,000-meter program. Total meters drilled would be then about 217,000 meters.

### **Qualified person**

The technical information in this news release has been reviewed and approved by Claude Duplessis, P.Eng., GoldMinds Geoservices Inc., a member of the Québec Order of Engineers, and is a qualified person in accordance with the National Instrument 43-101 standards.

### **About Granada Gold Mine Inc.**

Granada Gold Mine Inc. continues to develop and explore its 100%-owned Granada Gold Property near Rouyn-Noranda, Quebec, and is adjacent to the prolific Cadillac Break. The Company owns 14.73 square kilometers of land in a combination of mining leases and claims. The Company is currently undergoing a large drill program with 30,000 meters (2020-2021) out of 120,000 meters complete. The drills are currently paused to provide the technical team the necessary time to evaluate and assimilate existing data.

The Granada Shear Zone and the South Shear Zone contain, based on historical detailed mapping as well as from current and historical drilling, up to twenty-two mineralized structures trending east-west over five and a half kilometers. Three of these structures were mined historically from four shafts and three open pits. Historical underground grades were 8 to 10 grams per tonne gold from two shafts down to 236 meters and 498 meters with open pit grades from 3.5 to 5 grams per tonne gold.

### **Mineral Resource Estimate**

On August 20, 2022 the Company released an updated NI 43-101 technical report supporting the resource estimate update for the Granada Gold project (Please see July 6, 2022 news release) reporting that the Granada deposit contains an updated mineral resource, at a base case cut-off grade of 0.55 grams per tonne gold for pit constrained mineral resources within a conceptual pit shell and at a base case cut-off grade of 2.5 grams per tonne for underground mineral resources within reasonably mineable volumes, of 543,000 ounces of gold (8,220,000 tonnes at an average grade of 2.05 grams per tonne gold in the Measured and Indicated category, and 456,000 ounces of gold (3,010,000 tonnes at an average grade of 4.71 grams per tonne) in the Inferred category. Please see Table 1 below for full details. Report reference: Granada Gold Project Mineral Resource Estimate Update, Rouyn-Noranda, Quebec, Canada authored by Yann Camus, P.Eng. and Maxime Dupéré, B.Sc., P.Geo., SGS Canada Inc. dated August 20th, 2022 and with an effective date of June 23rd, 2022.

Table 1: Mineral Resource Estimate Showing Tonnes, Average Grade, and Gold Ounces

Cut-Off (g/t Au)	Classification	Type	Tonnes	Au (g/t)	Gold Ounces
0.55 / 2.5	Measured <sup>1</sup>	InPit+UG	4,900,000	1.70	269,000
	Indicated	InPit+UG	3,320,000	2.57	274,000
	<b>Measured &amp; Indicated</b>	<b>InPit+UG</b>	<b>8,220,000</b>	<b>2.05</b>	<b>543,000</b>
	Inferred	InPit+UG	3,010,000	4.71	456,000

- (1) *The 1930-1935 production was removed from these numbers (164,816 tonnes at 9.7 g/t Au / 51,400 ounces Au).*
- (2) *The Independent QP for this resources statement is Yann Camus, P.Eng., SGS Canada Inc.*
- (3) *The effective date is June 23<sup>rd</sup>, 2022.*
- (4) *CIM (2014) definitions were followed for Mineral Resources.*
- (5) *Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to a Measured and Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*
- (6) *No economic evaluation of the resources has been produced.*
- (7) *All figures are rounded to reflect the relative accuracy of the estimate. Totals may not add due to rounding*
- (8) *Composites have been capped where appropriate. The 2.5 m composites were capped at 21 g/t Au in the thin rich veins and at 7 g/t Au in the low-grade volumes.*
- (9) *Cut-off grades are based on a gold price of US\$1,700 per ounce, a foreign exchange rate of US\$0.78 for CA\$1, a processing gold recovery of 93%.*
- (10) *Pit constrained mineral resources are reported at a cut-off grade of 0.55 g/t Au within a conceptual pit shell*
- (11) *Underground mineral resources are reported at a cut-off grade of 2.5 g/t Au within reasonably mineable volumes.*
- (12) *A fixed specific gravity value of 2.78 g/cm<sup>3</sup> was used to estimate the tonnage from block model volumes*
- (13) *There are no mineral reserves on the Property.*
- (14) *The deepest resources reported are at a depth of 990 m.*
- (15) *SGS is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issues that could materially affect the mineral resource estimate.*
- (16) *The results from the pit optimization are used solely for the purpose of testing the “reasonable prospects for economic extraction” by an open pit and do not represent an attempt to estimate mineral reserves. There are no mineral reserves on the Property. The results are used as a guide to assist in the preparation of a mineral resource statement and to select an appropriate resource reporting cut-off grade.*

The property includes the former Granada Gold underground mine which produced more than 50,000 ounces of gold at 10 grams per tonne gold in the 1930's from two shafts before a fire destroyed the surface buildings. In the 1990s, Granada Resources extracted a bulk sample (Pit #1) of 87,311 tonnes grading 5.17 g/t Au. They also extracted a bulk sample (Pit # 2) of 22,095 tonnes grading 3.46 g/t Au.

“Frank J. Basa”  
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*Chief Executive Officer*

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