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## **GRANADA GOLD PRE-CONCENTRATION TEST WORK SHOWS POTENTIAL TO INCREASE IN-SITU HISTORICAL RESOURCE ESTIMATE AND GOLD GRADE**

**June 28, 2021**, Rouyn Noranda, Quebec, Granada Gold Mine Inc. (TSXV: GGM) (OTC: GBBFF) (Frankfurt: B6D) (the “Company” or “Granada”) is pleased to announce positive pre-concentration test work performed at Gekko in Australia on low-grade, mineralized waste material from the 500-tonne bulk sample recently taken from the Granada Gold Mine deposit.

Preliminary results indicate that pre-concentration prior to milling has the potential to increase the gold grade by 251 percent with a 47.4 percent gold recovery for the low-grade mineralized waste material.

In addition, the testing showed the calculated head grade of the Granada sample to be 36.4 percent higher than the assayed grade, which, if applied to Granada’s historical in-situ mineral resource, would result in a corresponding significant increase in resources.

“The test work was performed in Australia where it is an accepted practice to pre-concentrate low-grade ores on a commercial plant scale prior to milling. At the two operational plants visited in Australia, the upgrading of low-grade ore before milling and leaching had the result of lowering capital requirements for the construction of the processing facilities and in turn, reducing the processing cost per ounce,” said Frank J. Basa, P.Eng., President and CEO.

“The test work we performed at Gekko is very encouraging because it highlights two important characteristics of the Granada Deposit. First, it indicates the potential for pre-concentration to improve the economics of the Granada deposit through the upgrading of lower-grade mineralized waste material that would not otherwise be milled or included in resource estimates. The concentrate produced by the testing had an average grade of 1.16 g/t gold, which was more than three times higher than the 0.33 g/t assayed grade of the test sample. The type of lower-grade material we tested is currently not included in Granada’s historical in-situ mineral resource estimate where the cut-off grades are 0.4 g/t gold.

“Second, the test work showed that the calculated head grade of the sample (0.45 g/t Au) was 36.4 percent higher than the assayed head grade (0.33 g/t Au). This is because the assayed grade often does not capture the native gold component occurring in the Granada deposit which has a content of up to 50 percent native gold. This test result confirms Granada historical mining operational data obtained from past gold production and indicates that the Granada in-situ historical mineralized resource has the potential to increase the amount of resource ounces.” Mr. Basa stated.

### **Pre-concentration Test Results Highlights:**

The combined test results from three gravity concentration processes carried out on a low-grade sample indicate that the Granada Gold sample is amenable to pre-concentration via the Gekko IPJ (InLine Pressure Jig). The concentrate produced by the three combined tests had an average grade of 1.16 g/t gold, which was 251 percent higher than the 0.33 g/t assayed grade of the test sample. The concentrate amount was 18.2 percent of the sample size but with 47.1 percent recovery of the gold.

Test work was carried out on a 100 kg sample of Granada Gold waste mineralized material to determine amenability of the sample to pre-concentration via the Gekko InLine Pressure Jig. Amenability was determined through three gravity concentration processes. (1) DMS (dense media separation) Viking testing (45.6 percent of the gold could be recovered into 24.8 percent of the test feed mass. Given an assayed test feed grade of 0.45 g/t gold, the corresponding concentrated grade equated to 1.30 g/t gold, giving a gold grade increase in value of 290 percent). (2) DMS Cyclone testing (69.9 percent of the gold could be recovered into 23.0 percent of the test feed mass. Given a test feed grade of 0.22 g/t gold, the corresponding concentrate grade equated to 0.78 g/t gold, giving a gold grade increase in value of 350 percent), and (3) **Single Stage gravity table recovered 64.9 percent of the gold into 15.5 percent of the sample mass.** Given a test feed grade of 0.79 g/t Au, the corresponding concentrate grade equated to 3.29 g/t gold, giving a gold grade increase in value of 420 percent). Recoveries achieved through the DMS and tabling test work are directly scalable to recoveries expected from a plant scale InLine Pressure Jig.

### **Potential Increase in Historical In-Situ Mineral Resource Estimate**

The Granada in-situ historical mineralized resource has the potential to be upgraded to a higher grade and contain an increased amount of resource ounces based on the 36.4 percent difference between assayed grade (0.33 g/t Au) and calculated grade (0.45 g/t Au) recorded in the testing. The table below shows the potential increase in gold ounces if this 36.4 percent difference were to be applied to the in-situ historical mineralized resource.

### **Comparison of Potential Ounces of Gold between Assayed and Calculated Grades**

Type	Category	Au (g/t)	Gold Ounces Assayed <sup>1</sup>	Gold Ounces Calculated <sup>2</sup>	Gold Ounces Increase
In Situ	Measured	1.02	946,000	1,287,000	+341,000
	Indicated	1.09	659,000	898,900	+239,900
	<b>Measured+Indicated</b>		<b>1,605,000</b>	<b>2,185,900</b>	<b>+580,900</b>
	Inferred	1.07	1,033,000	1,405,000	+372,000

1. Assayed

2. Potential calculated increase of 36.4 percent

The original 43-101 historical in-situ Mineral Resource estimate was as follows: Measured of 946,000 ounces gold at 1.02 grams per tonne; Indicated of 659,000 ounces gold at 1.09 grams per tonne; and Inferred of 1,033,000 ounces gold at 1.07 grams per tonne. A cut-off grade 0.4 grams per tonne gold was used. (SGS NI 43-101 Technical Report PEA Granada Gold Project, February 4<sup>th</sup> 2013 by J. Gagné, G. Gagnon, C. Duplessis, G. Rousseau).

### **Details of Revised Resource Calculation**

The company may undertake a review of historical drill data to generate an updated revised in-situ resource. All drill data below 1.0 g/t gold may be considered. In addition, lowering the cut-off grade below 0.4 g/t gold may be considered for a potential increase in the updated resource.

### **Qualified person**

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

### **Quality Control and Reporting Protocols**

All NQ core assays reported were obtained by either 1-kilogram screen fire assay or standard 50-gram fire-assaying-AA (Atomic Absorption) finish or gravimetric finish at (i) ALS Laboratories in Val d'Or, Québec, Thunder Bay, Ontario, Sudbury, Ontario or Vancouver, British Columbia. The screen assay method is selected by the geologist when samples contain visible gold. The drill program, Quality Assurance/Quality Control ("QA/QC") and interpretation of results is performed by qualified persons employing a QA/QC program consistent with NI 43-101 and industry best practices. Standards and blanks are included with every 20 samples for QA/QC purposes for this program in addition to the lab QA/QC.

### About Granada Gold Mine Inc.

Granada Gold Mine Inc. continues to develop the Granada Gold Property, including 2 fully permitted Mining Leases (BM-852 and BM-813), near Rouyn-Noranda, Quebec. Approximately 140,000 meters of drilling has been completed to date on the property, focused mainly on the extended LONG Bars zone which trends 2 kilometers east-west over a potential 5.5 kilometers of mineralized structure. The highly prolific Cadillac Break, the source of more than 75 million plus ounces of gold production in the past century, cuts through the north part of the Granada property, but is not necessarily indicative of mineralization hosted on the company's property.

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 m and 498 m with open pit grades from 3.5 to 5 grams per tonne gold.

### Updated Mineral Resource

The updated resource at the Company's Granada Gold project in Rouyn-Noranda, Quebec was estimated by SGS Canada and outlined in a January 29, 2021 news release. The final report was filed March 15, 2021 with an Effective date of December 15, 2020. The 43-101 Technical Report is titled: Granada Gold Project Mineral Resource Estimate Update, Rouyn-Noranda, Quebec, Canada authored by Yann Camus, P.Eng. and Maxime Dupéré, B.Sc, géo. Both of SGS Canada Inc.

### Updated Mineral Resource Estimate Base Case with Details Between the Open Pit Portion and the Underground Portion

Type	Category	Tonnes	Au (g/t)	Gold Ounces
In Pit	Measured <sup>1</sup>	3,756,000	1.89	228,000
	Indicated	1,357,000	2.55	111,000
	<b>Measured+Indicated</b>	<b>5,113,000</b>	<b>2.06</b>	<b>339,000</b>
	Inferred	34,000	11.29	12,000
Underground	Measured	37,000	4.22	5,000
	Indicated	807,000	4.02	104,000
	<b>Measured+Indicated</b>	<b>844,000</b>	<b>4.03</b>	<b>109,000</b>
	Inferred	1,244,000	6.33	253,000

1. Cut-off grades are based on a gold price of US\$1,600 per ounce, a foreign exchange rate of US\$0.76 for CA\$1, a gold recovery of 93 percent
2. Pit constrained mineral resources are reported at a cut-off grade of 0.9 g/t Au within a conceptual pit shell
3. Underground mineral resources are reported at a cut-off grade of 3.0 g/t Au within reasonably mineable volumes

The Company is in possession of all mining permits required to commence the initial mining phase, known as the "Rolling Start", which allows the company to mine up to 550 tonnes per day. Additional information is available at [www.granadagoldmine.com](http://www.granadagoldmine.com).

"Frank J. Basa"

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

**For further information, please contact:**

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