- The calculated head grade for gold showed an increase of 33 percent over the assayed head grade, indicating the potential exists for a significant increase in the resource
- Overall recovery of 97.2 percent on gold from conventional gravity and flotation concentration
- Base gold grade increased to 4.86 g/t gold by gravity and flotation concentration
- The amenability of the mineralized material to concentration both increases the resource size while reducing all-in mining cash costs
- Moving forward with the Gold Royalty concept, a gold dividend will be attached to the current common shares

VANCOUVER, May 7, 2015 /CNW/ - Gold Bullion Development Corp. (TSX-V: GBB) (OTCPINK: GBBFF) (the Company or "Gold Bullion") has received excellent metallurgical test work results in advance of the Rolling Start to gold production at the Granada Gold Mine project in Rouyn-Noranda, Quebec. Work was done on what the Company has determined is the existing base grade of the gold deposit. The base grade is defined as the lowest consistent grade of the mineralized zone when all material is mined with a low waste to ore ratio.

The assayed and calculated head grade ranged between 0.45 and 0.60 g/t gold. The calculated gold head grade is 33 percent higher than the assayed head grade and lends credence to the 30 percent historical increase in the grade consistent with and documented when the mine was producing in the 1930's. At that time, the assayed mine grade mill feed was compared to the production grade calculated from the poured gold bar ounces with over margin improvement of 30%.

These latest test results show the highest overall gravity and flotation concentrate achieved was 97.2 percent at a mass yield of 11.2 percent to produce a gold grade of 4.86 grams per tonne from the base grade of 0.45 g/t gold in the mineralized zone. It is now believed that reducing mass yield by flotation via a more environmentally friendly process can increase the upgrade ratio. Cyanide leaching of the concentrate resulted in a gold recovery rate of 90.6 percent. This test work was conducted by Gekko Systems Limited in Ballarat, Australia on a single composite 260-kilogram mineralized drill core samples from Granada Mine property.

According to Frank J. Basa, CEO, "The results of this test work are significant and it is now clear the project benefits from increasing its size due to the amenability of the mineralized material to simple concentration thereby lowering reagent consumption and due to a low waste to ore ratio that will reduce overall operating costs. The Granada Gold Mine is one of the largest, most advanced undeveloped gold deposits in the Abitibi region that lends itself to staged development."

The Granada Mine is located on the prolific Cadillac trend with property drilling to date consisting of 88,467 meters in 424 holes plus historical drill results of 30,655 meters in 481 holes. The current NI 43-101 measured and indicated resources of the Granada Mine property total 1,605,000 ounces of gold contained in 47,475,000 tonnes grading 1.05 g/t gold with a cut-off grade of 0.4 g/t and with an inferred resource of 1,033,000 ounces gold in 29,975,000 tonnes grading 1.07 g/t gold. The NI 43-101 figures were released in the Company's Preliminary Economic Assessment (PEA) on February 4, 2013, effective December 21, 2012 and are exclusive of the historical drill hole data.

Work Program Going Forward

The Company's geological consultants have been directed to calculate resource estimates at 0.7 and 1.5 g/t gold respectively. Both revised resource estimate updates will include the historical holes after which a model will be developed for the new resource to maximize the advantage offered by the custom milling available in the region.

Royalty Shares Update

The Company is proposing to grant an NSR (net smelter return) of 1 percent per 1 million ounces of the resource, to be attached to existing common shares of the Company, pro-rated to the current shareholdings. It has been determined that attaching a gold dividend to the existing shares with the same parameters is the best option for shareholders. The Company plans to cap the NSR at 3 percent but should the resource exceed 3 million gold ounces in all categories a windfall clause will be added whereby shareholders will be entitled to exceed the 3 percent NSR cap depending on future conditions pertaining to the eventual resource size or if market conditions warrant under any circumstance.

The Company intends to implement the NSR prior to production so it will be available at such time as gold production commences. Under the current resource estimates at 1 g/t gold, the number of gold ounces that existing common shareholders are entitled to is 69,900 ounces of gold. This works out to 0.232 ounces per 1,000 shares in the case of 69,600 ounces based on 300 million shares outstanding over the entirety of the mining project as supported by the current resource.

The Company intends to calculate two revised mineral resource estimates for measured-indicated and inferred which will be prepared by an independent QP and may include the filing of a technical report in accordance with NI 43-101, each at a different grade and is reviewing regional valuations for NSR's currently in place. Due to currency swings and gold price fluctuations the Company has not yet put a valuation on the gold that shareholders are entitled to.

The Company will hold a special meeting of shareholders to seek approval to amend the articles of the Company in order to

allow for the NSR as well as to consider a share consolidation to better access low risk funding for the development of the Granada Mine property. Additional information will be provided in the near future.

The transactions are subject to approval by shareholders and regulatory authorities including the TSX Venture Exchange.

Qualified Person

The technical information in this news release was prepared under the supervision of Mr. Frank J. Basa, P. Eng., Gold Bullion's President and CEO, who is a member of the Ontario Association of Professional Engineers and a "Qualified Person" in accordance with National Instrument 43-101.

About Gold Bullion Development Corp.

Gold Bullion Development Corp. is a TSX Venture-listed junior natural resource company focusing on the exploration and development of its Granada Property located on the prolific Cadillac Trend near Rouyn-Noranda, Québec. Near term gold mining operations will focus on high grade near surface material that will be trucked to Iamgold's nearby processing facility. The project economics remain robust with all in cash costs forecast at US $797 prior to the drop in fuel prices. Should the project proceed to the next level of assessment and ultimately to development and long term production which will act as a share price catalysts. Additional information on the Company is available by visiting the website at www.GoldBullionDevelopmentCorp.com and on SEDAR.com.

"Frank J. Basa"

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

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.

SOURCE Gold Bullion Development Corp.

Contact
Frank J. Basa, P. Eng., President and CEO at 1-819-797-4144