

ROUYN-NORANDA, QC, Dec. 2, 2016 /CNW/ - [Gold Bullion Development Corp.](#) (TSX-V: GBB) (OTCPINK: GBBFF) (Frankfurt B6D) (the "Company" or "Gold Bullion") today announced that it has commenced an 8,000-metre deep-hole diamond drilling program targeting a significant expansion of mineral resources in the northern part of the Granada gold property.

The first two drill holes of this program will test the Granada vein system north of the existing pits at a depth of up to 1,200 metres downhole length (approximately 850 metres vertical depth). Drilling will be in areas that had not been previously included in reported mineral resources.

The deep-hole drilling will be in the sector of three previously reported drilled holes which had indicated gold intercepts as follows (all downhole lengths):

- DUP12-02 intersected 9.13 g/t over 1.5 m at 992.5m
- DUP12-03W2 intersected 8.13 g/t over 1.0m at 661.5m
- GR-11-241 intersected 3.31 over 3m at 283m.

The planned two drill holes of the program that started this week will be 275m east of DUP12-03AW2, 200m south of DUP-12-02, and 215m north of GR-11-241.

Other holes have been scheduled to similarly fill the gap in resource knowledge at depth in other areas to the north of the existing pits, with a minimum of two holes per set-up. The drilling is expected to take three months.

Gold Bullion carried out extensive drilling at Granada, including two deep holes, between 2009 and 2012 to establish a mineral resource for the deposit. The company then paused drilling to complete a preliminary feasibility study and permitting work for the initial mining phase known as the "Rolling Start".

In September 2016, Gold Bullion resumed exploration drilling with a 2,500-metre program which was completed in October. Preliminary results were published in a news release November 9, 2016 which can be viewed at <http://www.goldbulliondevelopmentcorp.com/documents/press-releases/2016-11-09%20GBB%20NR%20drill%20results.pdf>

The Company plans to continue drilling for the next two years with a target of almost doubling the size of the deposit. The potential 5.5 km strike length identified on the property still remains approximately 80% unexplored.

As part of the new exploration program, Gold Bullion is targeting a pit-constrained target of 88 to 93 million tonnes at 1 gram per tonne gold plus another 10 to 20 million tonnes at 3 grams per tonne gold underground. The potential quantity and grade reported as targeted exploration target is conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Based on almost 90,000 metres of drilling, the existing 2012 resource estimate for the Granada property is as follows: measured and indicated resource is 1,605,000 ounces of gold (47.475 million tonnes grading 1.05 g/t Au), and inferred resource is 1,033,000 ounces gold (29.975 million tonnes grading 1.07 g/t Au) using a cut-off grade of 0.40 g/t. This estimate is contained in NI 43-101 Technical Report Granada gold project Resource estimate update Rouyn Noranda, Abitibi, Quebec, published January 3, 2013 with effective date of November 15, 2012. Claude Duplessis, Eng., and Gilbert Rousseau, Eng., are the independent qualified persons in accordance with National Instrument 43-101.

The 8,000-metre exploration program focuses on sections of the Granada property that were not included in the 2012 resource estimate. Therefore, the drilling results, if successful, could potentially add to the numbers previously reported.

In addition, an updated resource estimate when it is published in 2017 in a new 43-101 technical report would also include 400 historical holes that were drilled prior to the Company's acquisition of the property in 2006, as sufficiently long sections of the core from the historical holes have been analyzed in work done since the publication of the 2012 resource estimate.

In 2014, the Company published a plan to initially mine and process high-grade, open-pit ore to produce approximately 25,000 ounces per year over three years. This "Rolling Start" initial phase of reduced-scale mining with ore to be shipped for processing at local mills was outlined in NI 43-101 Technical Report Prefeasibility Study (PFS) Phase I – Open Pit Granada Gold Project Rouyn-Noranda, Quebec, published June 19, 2014, effective date May 6, 2014. Claude Duplessis, Eng., Gilbert Rousseau, Eng., Jonathan Gagne, Eng., and Martin Stapinsky, P.Geo., M.Sc., Ph.D. are the qualified persons in accordance with National Instrument 43-101.

The Company obtained all required permits to begin mining in May 2016 and has begun stripping and site preparation. The Company plans to continue engineering and feasibility work in support of its longer term goal of building its own processing mill and producing 100,000 ounces of gold per year at Granada.

Qualified Person

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 approved the contents of this news release.

About Gold Bullion Development Corp.

[Gold Bullion Development Corp.](#) 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 cuts through the north part of the property. The Cadillac Trend 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.

The Company has obtained all necessary permits for the initial mining phase known as the "Rolling Start" for which stripping has already begun. Additional information is available at www.goldbulliondevelopmentcorp.com.

"Frank J. Basa"

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

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SOURCE [Gold Bullion Development Corp.](#)

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