

ROUYN-NORANDA, QC, March 28, 2017 /CNW/ - [Granada Gold Mine Inc.](#) (TSX-V: GGM) (OTC: GBBFF) (Frankfurt: B6D) (the "Company" or "Granada") is pleased to report that Company management and geological consultants met last week at the Granada Property and two other proposed mill processing sites in nearby northern Ontario with officials from DRA Americas Inc., a subsidiary of DRA Global, pursuant to the Letter of Intent recently entered into between the Company and DRA (see March 6, 2017, news release).

The selection of a site for a planned 1,200 tonne-per-day processing mill to go along with a planned 12,000 tonne-per-day (500 tonne-per-hour) pre-concentration ore sorting facility at the Granada mine, designed by DRA to maximize annual gold production beyond what was envisioned in the June 2014 Prefeasibility Study for Granada, will be made during the upcoming quarter concurrent with a final technical and financial proposal DRA will deliver to Granada Gold.

DRA will outline terms of a potential turnkey BOOT (build, own, operate, transfer) funding solution for Granada as well as other financial options, similar to arrangements DRA and clients have carried out successfully elsewhere around the globe. DRA is active on 5 continents and has a 30-year track record of delivering innovative mining solutions on time and within budget.

The near-term proposal from DRA would be followed by an updated Granada Prefeasibility Study as the technical feasibility and economic viability of this new scenario has not yet been established.

Pre-concentration, ideally suited for Granada mineralization, can substantially reduce overall costs as it allows downstream processing to be undertaken on a richer stream of material.

Strategic Options For Mineral Processing Plant

The two northern Ontario brownfield sites under consideration for the planned 1,200 tonne-per-day mineral processing plant are in Gowganda and Temagami.

Both sites hosted past producing mines and feature excellent infrastructure as well as local First Nations support for development.

Significantly, the broader area is experiencing a major acceleration of interest in the exploration and extraction of cobalt as well as gold and silver. Establishing a new processing plant in this mining friendly district, still within easy access to the Granada deposit, may therefore allow Granada Gold to capture robust regional synergies. The Company also owns a 50% interest in the Golden Corridor section of Castle Silver Resources' 33 sq. km Castle Property hosting its flagship Silver-Cobalt Project.

Updated Granada Resource Estimate Expected Early In Q2

As a result of new discoveries made at Granada since fresh drilling began late last year, a new resource estimate for the LONG Bars Zone including the Granada "Deep" high-grade area is scheduled to be released by the end of April. The estimate is being prepared by the Company's geological consultants at Goldmines Geoservices and will be supported by a full technical report in accordance with NI-43-101 that will supersede the 2014 PFS technical report. Data from historical holes not previously used will be incorporated into the new resource model and estimate.

More results are pending from the recently completed drilling which is showing continuity of the high-grade gold vein system north of the existing pits while near-surface drilling on the western side of the property has confirmed a new mineralization model associated with intrusive dikes similar to the Canadian Malartic mine as well as the Barry and Windfall models.

Qualified Person

Frank J. Basa, P. Eng., President and Chief Executive Officer of Granada, is a 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.](#) (formerly 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 1930's 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, and has been conducting exploration drilling in order to expand the reported mineral resource for the property. Additional information is available at www.grnadagoldmine.com.

"Frank J. Basa"

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

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SOURCE [Granada Gold Mine Inc.](http://www.Granada Gold Mine Inc.)

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