Granada Gold Mine Announces Filing of NI 43-101 Technical Report for the Granada Gold Project, Quebec, with Updated High-Grade Mineral Resource Estimate

written by Raj Shah | March 16, 2021

March 16, 2021 (Source) – Granada Gold Mine Inc. (TSXV: GGM) (the "Company" or "Granada") is pleased to announce the filing on SEDAR (www.sedar.com) of a technical report for its Granada Gold Project. The report, dated March 15, 2021, is entitled "Technical Report on the Granada Gold Project Mineral Resource Estimate Update, Rouyn-Noranda, Quebec, Canada." The report can also be found on the Company's website at www.granadagoldmine.com and provides an updated High-Grade Mineral Resource Estimate of the Granada Gold Deposit using narrow, rich, vein modelling and both open pit and underground resources and revised pit optimization parameters which are based on the possibility of off-site custom milling ore rather than constructing and using an on-site mill.

The report was prepared in accordance with the regulations laid out in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI-43-101") by Yann Camus P.Eng. and Maxime Dupéré, géo., of SGS Canada Inc., who are independent "Qualified Persons" as defined by NI 43-101. The report supports, and provides greater detail about, the technical basis and scientific rationale of the updated resource estimate initially announced in a Company press release on January 29, 2021. The

updated MRE focused on using a scenario with higher cut-off grades than that used in the 2019 MRE. Gold price used is 1600 US$/oz.

The report concludes

There is an opportunity on the Project to extend known mineralization at depth and along strike on the Property.

The Authors consider that the Granada deposit contains a significant open pit and underground Mineral Resource that is associated with a well-defined gold mineralized trend and model. The current Mineral Resource Estimate Update has shown that the Deposit can likely be mined by conventional open pit and underground mining methods with a scenario of off-site custom milling rather than constructing and using an on-site mill. Deeper drilling recently completed also demonstrates that the Property has the potential for a significant underground resource.

The Authors consider the Property to have significant potential for delineation of additional Mineral Resources and that further exploration is warranted. Granada Gold's intentions are to continue to drill the Deposit in 2021 and plan to direct their exploration efforts towards resource growth, with a focus on extending the limits of known mineralization along strike and at depth, as well as infill drill the existing deposit in order to convert portions of Inferred mineral resources into Indicated or Measured.

Given the prospective nature of the Property, it is the Author's opinion that the Property merits further exploration and that a proposed plan for further work is justified. A proposed work program by SGS will help advance the Deposit towards a pre-development stage and will provide key inputs required to evaluate the economic viability of a mining project (open pit

and underground) at a pre-feasibility study level.

SGS is recommending Granada Gold conduct further exploration, subject to funding and any other matters which may cause the proposed exploration program to be altered in the normal course of its business activities or alterations which may affect the program as a result of exploration activities themselves. For 2021, a total of 45,000 m of drilling is proposed to continue to focus on expanding and extending mineral resources, upgrading existing Inferred resources as well as exploring the Deposit at depth.

The total cost of the recommended work program is estimated at C$10,775,000 (Table 1).

Table 1 Recommended 2021 Work Program for the Granada Deposit

Item	Cost in CAD$
Resource Expansion Drilling and Resource Classification improvement 2021 (Open Pit; <500 m depth) 15,000 m	$2,250,000
Resource Identification Drilling (Underground; > 500 m depth) drilling 20,000 to 30,000 m	$6,000,000
Assays/Geochemistry	$1,400,000
Additional Metallurgical Testing	$250,000
Continued geotechnical studies for improved pit optimization parameters	$150,000
Environmental Baseline Studies	$150,000
Updated Resource Estimate	$75,000
Pre-feasibility Study and Related Studies	$500,000
Total:	**$10,775,000**

Qualified person

The technical information in this news release has been prepared by Yann Camus, P.Eng., independent qualified person of SGS and was 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.

About Granada Gold Mine Inc.

Granada Gold Mine Inc. continues to develop the Granada Gold Property near Rouyn-Noranda, Quebec. Approximately 120,000 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.

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[1]	3,756,000	1.89	228,000
	Indicated	1,357,000	2.55	111,000
	Measured+Indicated	**5,113,000**	**2.06**	**339,000**
	Inferred	34,000	11.29	12,000
Underground	Measured	37,000	4.22	5,000
	Indicated	807,000	4.02	104,000
	Measured+Indicated	**844,000**	**4.03**	**109,000**
	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%*
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.

“Frank J. Basa”

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

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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.