

Granada Gold Drills 8.39 g/t Gold Over 6 Meters at Granada Project Below Pit-Constrained Resources

ROUYN NORANDA, QC, Jan. 8, 2019 /CNW/ - Granada Gold Mine (TSX.V: GGM) ("Granada Gold" or the "Company") is pleased to report final drill results from its Fall 2018 drill program at its Granada gold project along the Cadillac Trend in Northern Quebec. The program successfully identified new significant gold intersections at depth below the recently-updated Pit-Constrained gold resources as well as at a new, previously-untested area northwest of the Pit-Constrained resources.

Drill Highlights

- **8.39 g/t Au** over 6 meters in hole GR-18-03;
 - Including **12.41 g/t Au** over **4.0** meters.
 - Including **45.7 g/t Au** over **1.0** meter.
- **5.45 g/g Au** over 4 meters in hole GR-18-04;
 - Including **13.7 g/t Au** over **1.5** meters.
 - Including **37.3 g/t Au** over **0.5** meter.
- **8.15 g/t Au** over 3 meters in hole GR-18-01
 - Including **23.3 g/t Au** over **1.0** meter.

Frank J. Basa, President and CEO, stated: "These drill results show that there is growth potential at our Granada gold project, both below and along strike with our existing gold resources, as well as at new target areas elsewhere on our property. We are optimistic about our 2019 activities given our recent progress in better defining our Pit-Constrained resources and our early successes with new target generation."

In December 2018, the Company announced an updated resource estimate on the LONG-BARS Zone at the Granada gold project (see Press Release, December 12, 2018 for details). The Pit-Constrained mineral resources include the following:

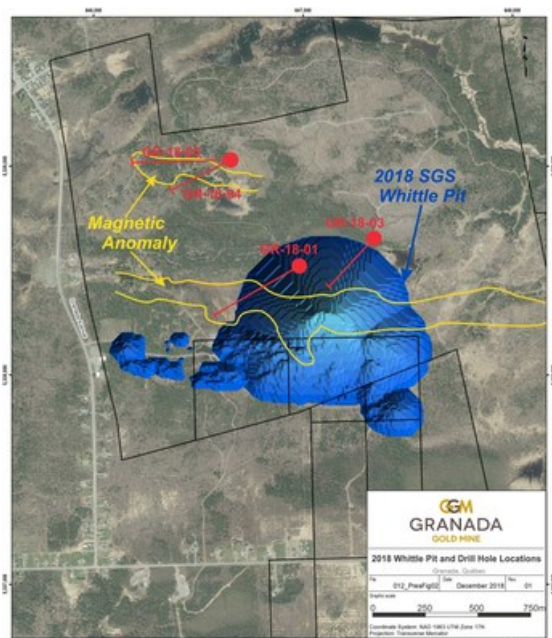
Measured Resources: 464,000 ounces of gold (12.8 Mt @ 1.13 g/t Au)

Indicated Resources: 349,000 ounces of gold (9.6 Mt @ 1.13 g/t Au)

Inferred Resources: 455,000 ounces of gold (6.9 Mt @ 2.04 g/t Au)

In late Fall 2018, Granada Gold completed a 4 hole drill program totaling 2,889m. The holes tested magnetic anomalies from two areas (See Figure 1 below): 1) down-dip continuity of gold mineralization at depth below the Pit-Constrained resources, and 2) a magnetic anomaly roughly 500 m northwest of the Pit-Constrained resources, identified in the magnetometer survey completed in August 2018 (press release October 9, 2018).

Holes GR-18-01 and GR-18-03 targeted the down-dip extension of gold mineralization below the Pit-Constrained resources. Hole GR-18-03 intersected multiple gold-bearing quartz veins between 564 m and 680 m downhole, exhibiting similar character to the veins typically exposed at surface within the stripped area. Hole GR-18-01 intersected a high-grade zone at around 270 meters from surface, associated with a silicified zone with disseminated pyrite within the conglomerate unit.



Location of drill holes reported here, 2018 Whittle Pit, and Magnetic Anomalies (CNW Group/Granada Gold Mine Inc.)

Drill holes GR-18-04 and GR-18-05 tested a new magnetic anomaly in the North-West part of the property, outside the known resource envelope. Hole GR-18-04 confirms the presence of a new gold-bearing area northwest of the Pit-Constrained resources, hosted in a strong reddish (hematised), silicified conglomerate with disseminated sulfides and visible gold (VG). More exploration is needed to better understand this untested area, which the Company's geologists believe may be important in the origins of the Granada gold deposit.

Selected Drill Hole Assay Results

Hole Name	From (m)	To (m)	Length (m)	Au g/t	Type
GR-18-01	365.00	368.00	3.00	8.15	FA
including	366.00	367.00	1.00	23.30	FA
GR-18-01	551.00	552.00	1.00	3.75	FA
GR-18-01	495.00	500.00	5.00	1.10	FA
GR-18-01	517.00	520.00	3.00	1.75	FA
GR-18-01	525.00	528.00	3.00	2.30	SM
including	525.00	526.00	1.00	4.12	SM
GR-18-03	572.00	578.00	6.00	8.39	FA
including	573.00	577.00	4.00	12.42	FA
including	573.00	574.00	1.00	45.70	FA
GR-18-03	564.00	570.00	6.00	1.05	FA
including	569.00	570.00	1.00	3.32	FA
GR-18-03	613.00	614.00	1.00	1.09	FA
GR-18-03	686.00	687.00	1.00	1.36	FA
GR-18-04	660.00	664.00	4.00	5.45	SM
including	662.00	663.50	1.50	13.70	SM
including	662.50	663.00	0.50	37.30	SM
GR-18-04	367.00	368.00	1.00	1.48	FA

Core length, not capped FA=Standard Fire assay, SM Screen Metallic 1kg

The drill cores were partially analyzed based on the lithology, veins, and the presence of the mineralization.

QA/QC

Core samples were logged by GoldMinds geologists then cut in half using a rock saw at the Granada site by Technominex technicians. Standards and blanks were inserted in the sequence at every 20 samples. Standard preparation was completed at ALS Rouyn-Noranda with gold analysis conducted in Val d'Or while multi element assays were completed in Vancouver. For the highly mineralized intervals, a special preparation with screen metallic of 1 kg was used due to the

presence of visible gold within the core. The standards and blanks are in line with expected values and allow for the public disclosure of these analytical results.

Qualified Persons

Merouane Rachidi P. Geo., Ph.D., a geological, environmental and mining consultant and Claude Duplessis, P. Eng., of GoldMinds Geoservices Inc., are qualified persons in accordance with National Instrument 43-101. Both have both reviewed and approved the contents of this news release.

About Granada Gold Mine Inc.

Granada Gold Mine Inc. is continuing to develop 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 at 10 grams per tonne gold in the 1930's before a fire destroyed the surface buildings. Approximately 120,000 meters of drilling has been completed to date on the property, focused mainly on the extended LONGBARS zone which trends 2 kilometers east west over a potential 5.5 kilometers mineralized structure. The highly prolific Cadillac Trend, the source of 50 million plus ounces of gold production in the past century, cuts right through the north part of the Granada property on a line running from Val-d'Or to Rouyn-Noranda Quebec.

The Company is in possession of all permits required to commence the initial mining phase known as the "Rolling Start" to production with stripping underway. Exploration drilling is ongoing with the goal of increasing the mineral resource at Granada. 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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CNW 07:30e 08-JAN-19