

DRILL PROGRAM SUMMARY AND HIGHLIGHTS

The first four phases of the drill campaign have been completed with a total of just under 90,000 metres drilled since December 2009.

The Phase 1 program consisted of nearly 3000 metres in 25 holes and was planned to confirm historical grades on the property and to step out from previous drilling. All holes intersected intervals of intense alteration and all returned gold values. All drill holes were sampled in their entirety to identify grades not only in the vein structures but also in the material between major veins.

Highlights of Phase 1 include:

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold grade g/t Au
GR-09-02	15.50	48.00	32.50	1.78
including	40.70	41.00	0.30	96.60
GR-09-05	92.00	123.00	31.00	0.92
GR-09-06	36.00	52.50	16.50	1.22
GR-09-08	17.00	68.00	51.00	0.93
GR-10-12	4.30	87.00	82.70	0.90
GR-10-13	32.20	59.95	27.75	1.27
GR-09-15	73.20	147.00	73.80	0.88
GR-10-17	3.50	102.70	99.20	0.95
including	3.50	69.00	65.50	1.21
GR-10-18	37.50	56.50	19.00	1.02
GR-10-21	3.50	69.00	65.50	0.72

GR-10-17 was the northeastern most hole drilled to that point and returned significant values with very long intervals of intense alteration. Based primarily on this hole, the 25,000 metre Phase 2 drill program initially focused on extending the known mineralization to the north and east. Due to the excellent drill results, the program was expanded to include infill drilling as well.

Listed below are some significant intervals from the Phase 2 drill program:

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold Grade (g/t Au)
GR-10-33	23.00	146.50	123.50	1.07
GR-10-41	3.65	153.00	149.35	0.83
including	54.90	130.00	75.10	1.50
GR-10-53	5.00	112.50	107.50	1.37
including	8.00	73.30	65.30	2.14
GR-10-55	86.64	304.14	217.50	0.95
including	86.64	271.43	184.79	1.06
GR-10-79	22.50	185.00	162.50	0.88
GR-10-99	3.50	87.00	83.50	0.98
GR-10-104	3.00	231.00	228.00	0.51
GR-10-108	117.58	259.28	141.70	0.70
including	184.84	259.28	74.44	1.06

GR-10-113	22.97	252.92	229.95	0.93
including	232.50	233.59	1.09	162.75
GR-10-117	3.00	201.00	198.00	0.74
including	4.60	77.50	72.90	1.02
GR-10-126	29.10	85.05	55.95	1.01
GR-10-128	3.00	116.5	113.50	0.55
including	55.5	116.5	61.00	0.81
including	60.00	61.5	1.50	15.7
GR-10-130	2.00	96.00	94.00	1.03
GR-10-138	116.00	171.50	55.50	0.77
including	116.00	125.00	9.00	2.16
GR-10-141	3.00	279.00	276.00	0.52

The results to that date, along with historical data and Gold Bullion's 30,000 tonne (2007) bulk sample, (average grade of 1.62 g/t Au), confirmed that the gold at Granada was not confined to the vein network but was also present in significant amounts in the wallrock and stringer veins between the stronger veins. Therefore, Gold Bullion Development began examining the potential for shallow open pit mining with the potential for higher-grade underground mining operations at depth along the noted vein structures.

The 50,000 metre Phase 3 drill program was subsequently completed and consisted of infill drilling with some deeper drilling to the north of the previously defined area of mineralization, used to prepare a preliminary resource calculation. Significant intervals are shown below.

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold grade g/t Au
GR-10-153	3.9	139.0	135.1	0.62
including	3.9	80.1	76.2	0.99
including	3.9	4.9	1.0	54.98
GR-10-157	45.5	116.5	71.0	1.06
including	69.0	70.0	1.0	44.8
GR-10-173	117.75	356.0	238.25	0.52
including	253.5	333.5	80.0	1.36
GR-10-189	99.5	170.4	70.9	1.06
GR-11-199	60.0	146.0	86.0	1.2
including	60.0	61.0	1.0	63.5
and including	129.75	146.0	16.25	1.86
GR-11-200	50.5	156.5	106.0	0.81
GR-11-256	75.0	173	98.0	1.21
including	139.0	168.5	29.5	2.34
GR-11-271	24.55	207.5	182.95	1.11
including	24.55	25.3	0.75	207.27
GR-11-284	18.7	186.0	167.3	0.68
including	154.8	186.0	31.2	2.85
GR-11-287	104.0	173.5	69.5	1.05
Including	110.4	111.3	0.9	30.03

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold grade g/t Au
and including	122.5	123.0	0.5	38.75
and including	129.75	146.0	16.25	1.86
and including	172.6	173.5	0.9	15.79
GR-11-294	19.0	130.0	111.0	0.87
including	73.5	109.5	36.0	2.42
GR-11-358	149.0	339.65	190.65	0.39
including	149.0	150.5	1.5	6.38
and including	165.5	167.0	1.5	3.86
and including	237.0	246.0	9.0	0.86
and including	271.5	279.0	7.5	2.61
and including	328.0	339.65	11.65	0.80
GR-11-390	285.0	541.5	256.5	0.44
including	340.0	350.5	10.5	2.92
and including	480.0	541.5	61.5	0.86
including	480.0	484.5	4.5	4.52
and including	532.5	541.5	9.0	2.81
GR-11-260	382.50	386.39	3.89	4.87
GR-11-350	16.5	114.0	97.5	0.86
and	207.5	300.0	92.5	0.56
including	236.0	239.0	3.0	9.62
and including	297.0	300.0	3.0	2.97
GR-11-393	164.5	465.5	301.0	0.31
including	164.5	167.5	3.0	2.52
and including	273.5	278.0	4.5	2.10
and including	296.0	299.5	3.5	2.05
and including	318.0	321.8	3.8	2.81
and including	427.5	433.0	5.5	3.62
GR-11-257	165.5	211.5	46.0	2.25
including	189.5	211.5	22.0	4.42
and	312.0	323.5	11.5	0.41
GR-11-264	347.0	353.0	6.0	3.31
GR-11-303	9.5	137.0	127.5	0.66
including	9.5	43.0	33.5	1.77
and including	68.5	98.0	29.5	0.57
GR-11-304A	229.5	240.0	10.5	0.60
and	290.0	300.0	10.0	1.30
and	316.5	326.0	9.5	0.64
GR-11-310	15.0	44.23	29.23	15.61
including	21.0	26.0	5.0	88.97
including	22.0	23.0	1.0	443.78
GR-11-311	54.5	86.5	32.0	2.49

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold grade g/t Au
including	65.5	73.0	7.5	9.44
and	157.0	180.5	23.5	0.74
including	157.0	169.0	12.0	1.17
GR-11-326	4.5	22.0	17.5	2.78
including	11.4	15.5	4.1	11.16
GR-11-345	227.5	243.0	15.5	0.45
and	333.5	336.5	3.0	4.45
GR-11-368	184.0	205.15	21.15	1.72
including	201.0	205.15	4.15	7.89
GR-11-377	261.0	349.5	88.5	0.62
including	261.0	267.0	6.0	1.79
and including	325.0	331.5	6.5	3.56
and including	345.0	349.5	4.5	1.05
GR-11-377	427.5	431.0	3.5	3.72
GR-11-384	309.0	351.0	42.0	0.44
and	422.5	428.5	6.0	18.25
GR-11-394	302.5	319.5	17.0	1.23
including	302.5	307.0	4.5	3.28
GR-11-394	516.0	519.0	3.0	2.58

Most Phase 3 drill holes were planned to intercept the north-dipping vein structures at high angles. No intersections shown in the above three tables are actual true width.

SGS Canada Inc. - Geostat was hired to replace the previous geological consultant in November 2011 and completed the logging and sampling left from Phase 3 drilling while concurrently running a new deep hole drill program at the north end of the Granada property.

Phase 4 drilling was started and completed in 2012. Phase 4 included the Northern Deep Hole program and the western extension holes for a total of 10,906 metres (End of Hole sums) in 17 holes with the actual metres drilled coming in at 8,353 metres due to depth of wedges in hole. Two deep holes with several wedges in each were collared near the northern edge of the property which allowed for multiple pierce points through the mineralized structures at depth and to the north of previously defined mineralization. In addition, another 15 shorter holes were drilled to the west of the known mineralized LONG Bars zone resulting in extending the zone another 175 metres to the west.

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold grade g/t Au
GR-12-400	30.0	115.5	85.5	0.45
including	30.0	31.5	1.5	6.39
and	61.5	64.5	3.0	3.41
and	114.0	115.5	1.5	2.49
GR-12-412	15.0	97.5	82.5	0.58

Drill Hole	From (m)	To (m)	Interval (m)	Weighted Gold grade g/t Au
including	15.0	19.5	4.5	8.39
and	94.5	97.5	3.0	1.46
GR-12-413	4.5	114.0	109.5	0.55
GR-12-414-R	7.5	36.0	28.5	0.92
GR-12-436	264.0	267.0	3.0	4.01
GR-12-438	10.0	12.0	2.0	0.57
and	57.0	60.0	3.0	0.80
and	85.5	88.5	3.0	1.17
DUP-12-02	607.5	610.5	3.0	4.15
DUP-12-02	992.5	995.5	3.0	4.58
DUP-12-02W1	784.5	787.5	3.0	4.19
including	784.5	786.0	1.5	8.26
DUP-12-03A	906.0	909.0	3.0	2.07
DUP-12-03AW1	904.5	907.5	3.0	0.82
DUP-12-03AW2	660.0	663.0	3.0	4.12
and	786.0	789.0	3.0	2.34
and	814.5	817.5	3.0	2.04
and	906.0	909.0	3.0	1.40
DUP-12-03AW2	1218.0	1221.0	3.0	4.11
Including	1218.0	1219.5	1.5	8.18