

# GGM GRANADA GOLD MINE

Corporate Presentation September 2018



THE GRANADA  
GOLD PROPERTY  
IN ROUYN - NORANDA QUÉBEC

Premier Exploration and Development  
Project on the Prolific Cadillac Trend

# Disclaimer – Cautionary Statements

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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The mineral resources estimates contained here are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from the one indicated by the drilling results and the difference may be material. The estimated resources described herein should not be interpreted as assurances of mine life or of the profitability of future operations. References to potential quantity and grade are conceptual in nature as 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. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

**Cautionary Note to United States Investors Concerning Estimates of Mineral Resources** This news release uses the terms “Measured”, “Indicated” and “Inferred” Mineral Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them and expressly prohibits U.S. registered companies from including such terms in their filings with the United States Securities and Exchange Commission. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.

The contents of this presentation have been reviewed and approved by Claude Duplessis, Eng., an independent qualified person in accordance with National Instrument 43-101. The contents are for informational purposes only and do not constitute an offer to sell or a solicitation to purchase any securities referred to herein.

# Granada Gold Deposit

- ▶ Located at the former Granada gold mine site in the heart of the famous Abitibi Greenstone Belt which has produced 160 million ounces of gold since the early 1900s
- ▶ Near term production, near term cash flow
- ▶ Mineral resource estimate, hosting 21.6Mt in-pit M&I grading 1.16 g/t Au for 808K oz Au, with another 10.4Mt underground Inferred mineral resource grading 4.56 g/t for 1.5M oz Au, with permitting for open-pit operation
- ▶ At US\$6/oz, Granada trades at a significant discount compared to peers to a mean of US\$28/oz and a median of US\$19/oz
- ▶ Experienced management team with expertise in metallurgy, milling, geology, drilling and open-pit and underground mining



# Production History and Recent Developments

- ▶ Produced over 51,476 oz Au from 181,744 tons averaging 9.7 g/t Au and 1.5 g/t Ag
  - ▶ Nearly 500 shallow holes over a small footprint were drilled in the 1980s and 1990s with encouraging results
  - ▶ In 1993 and 1994, two bulk samples totaling 87,311 tonnes grading 5.2 g/t Au from the #1 Vein
  - ▶ In 1995, a 22,095 tonne bulk sample from Vein #2 producing a grade of 3.46 g/t Au <sup>(2)</sup>
  - ▶ In 2000, roughly 2,300 ounces of gold was mined from Vein #2 <sup>(3)</sup>
  - ▶ GGM acquired Granada in 2006 and conducted bulk samples and exploration (~90,000 metres drilling)
  - ▶ Resource estimates in 2012 detailed 1.6M ounces gold M&I and 1.0M inferred<sup>(1)</sup>
  - ▶ 2012 Preliminary Economic Analysis (PEA) outlined mine production of 100,000 ounces/yr <sup>(2)</sup>
  - ▶ 2014 Preliminary Feasibility Study (PFS) published for selective, high-grade “Rolling Start” mine production of 25,000 ounces/yr <sup>(3)</sup>
  - ▶ May 2016 received final permit allowing “Rolling Start” to commence
  - ▶ 2017 Updated Resource Estimates
- Note: Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

(1) 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.

(2) NI 43-101 Technical Report Preliminary Economic Assessment (PEA) Granada Gold Project Rouyn-Noranda, Quebec, published February 4, 2013, effective Date December 21, 2012. Claude Duplessis, Eng., Gilbert Rousseau, Eng., Gaston Gagnon, Eng., and Jonathan Gagné, Eng., are the independent qualified persons in accordance with National Instrument 43-101.

(3) NI 43-101 Technical Report Prefeasibility Study (PFS) Phase I – Open Pit Granada Gold Project Rouyn-Noranda, Québec, published June 19, 2014, effective date May 6, 2014. Claude Duplessis, Eng. Gilbert Rousseau, Eng. Jonathan Gagné, Eng. Martin Stapinsky, P.Geo.,M.Sc.,Ph.D, are the independent qualified persons in accordance with National Instrument 43-101.



# Prime Quebec Location on the Prolific Cadillac Trend

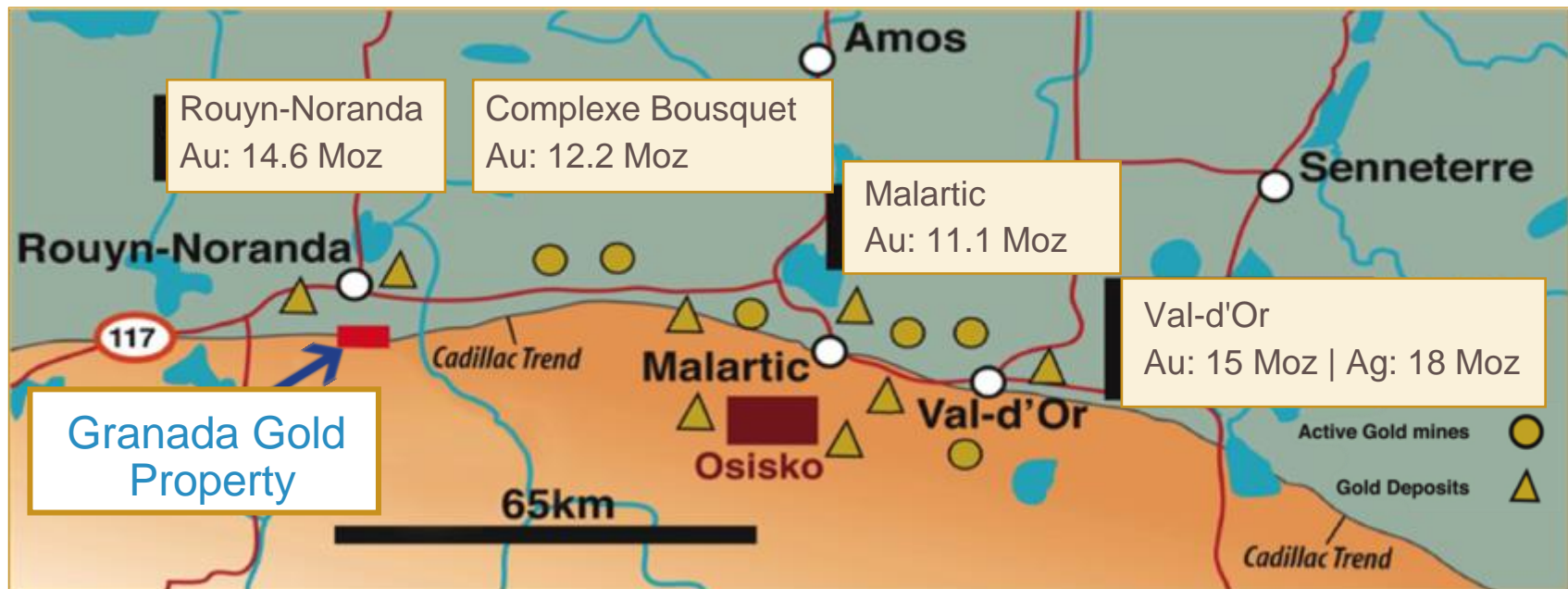


## The Best Mining Area

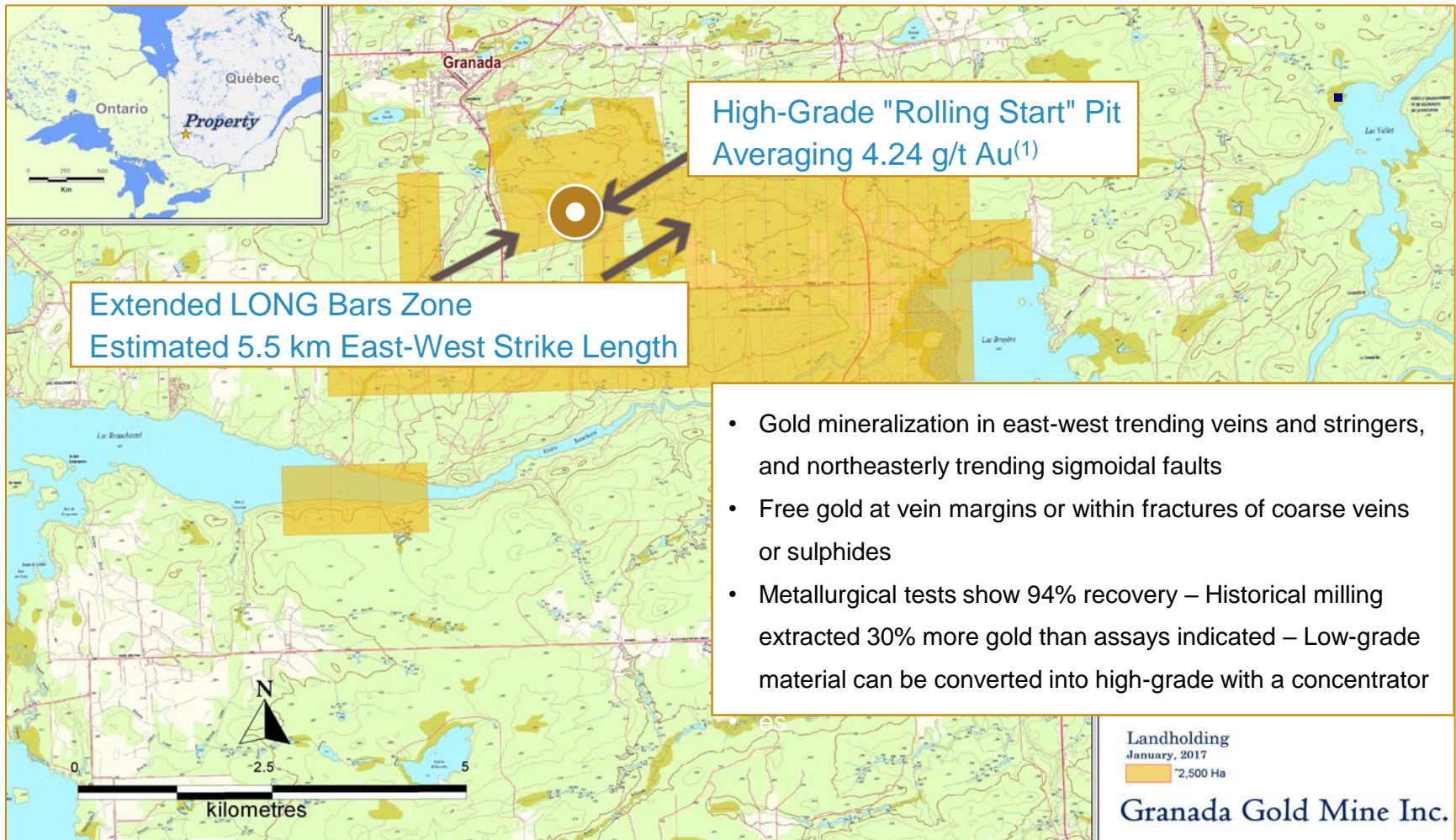
- ▶ Friendly, safe jurisdiction
- ▶ Easy access, infrastructure
- ▶ Highly prospective geology

# 50+ Million Oz Au

PRODUCED FROM ROUYN-NORANDA TO VAL-D'OR



# Granada Gold Property



(1) The "Rolling Start" is an initial phase of reduced-scale production to quantify grades and create cash flow to further expand the resource on route to larger –scale production. Source: NI 43-101 Technical Report Prefeasibility Study (PFS) Phase I – Open Pit Granada Gold Project Rouyn-Noranda, Québec, published June 19, 2014, effective date May 6, 2014. Claude Duplessis, Eng. Gilbert Rousseau, Eng. Jonathan Gagné, Eng. Martin Stapinsky, P.Geo.,M.Sc.,Ph.D, are the independent qualified persons in accordance with National Instrument 43-101.

# Granada Gold – Next Steps

## ► Feasibility Study

- Open-pit mine with a capacity of 80,000 to 100,000 oz/yr Au
- Potential to mine underground in 8-10 years
- Previous engineering reports: 2012 PEA (100,000 oz/yr), 2014 PFS (25,000 oz/yr)

## ► Exploration

- Aukeko – where 1938 bulk sample tested 240 g/t Au
- Genesis Target – Potential “heat engine” for gold mineralization
- Technical Report<sup>(1)</sup> recommends **\$21 million drill program potentially targeting 10-15million tonnes at 4 to 6 g/t** in complement of the existing mineral resources

Note: The target quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource. This amount is a projection of the intersections over the untested by drilling area on the claim to the north of the mining leases.

## ► Contract Milling

- Reviewing with Canada Cobalt Works Inc. possibility of a US\$20 million, 600 t/d mill at Castle site in Ontario that would process Granada ore while larger mill is constructed at Granada

(1) NI 43-101 Technical Report Mineral Resource Estimation Update 2017 Granada Gold Mine Inc., Rouyn-Noranda, Quebec, Canada , prepared by Goldminds Geoservices Inc., published June 30, 2017, effective date May 16, 2017. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101.

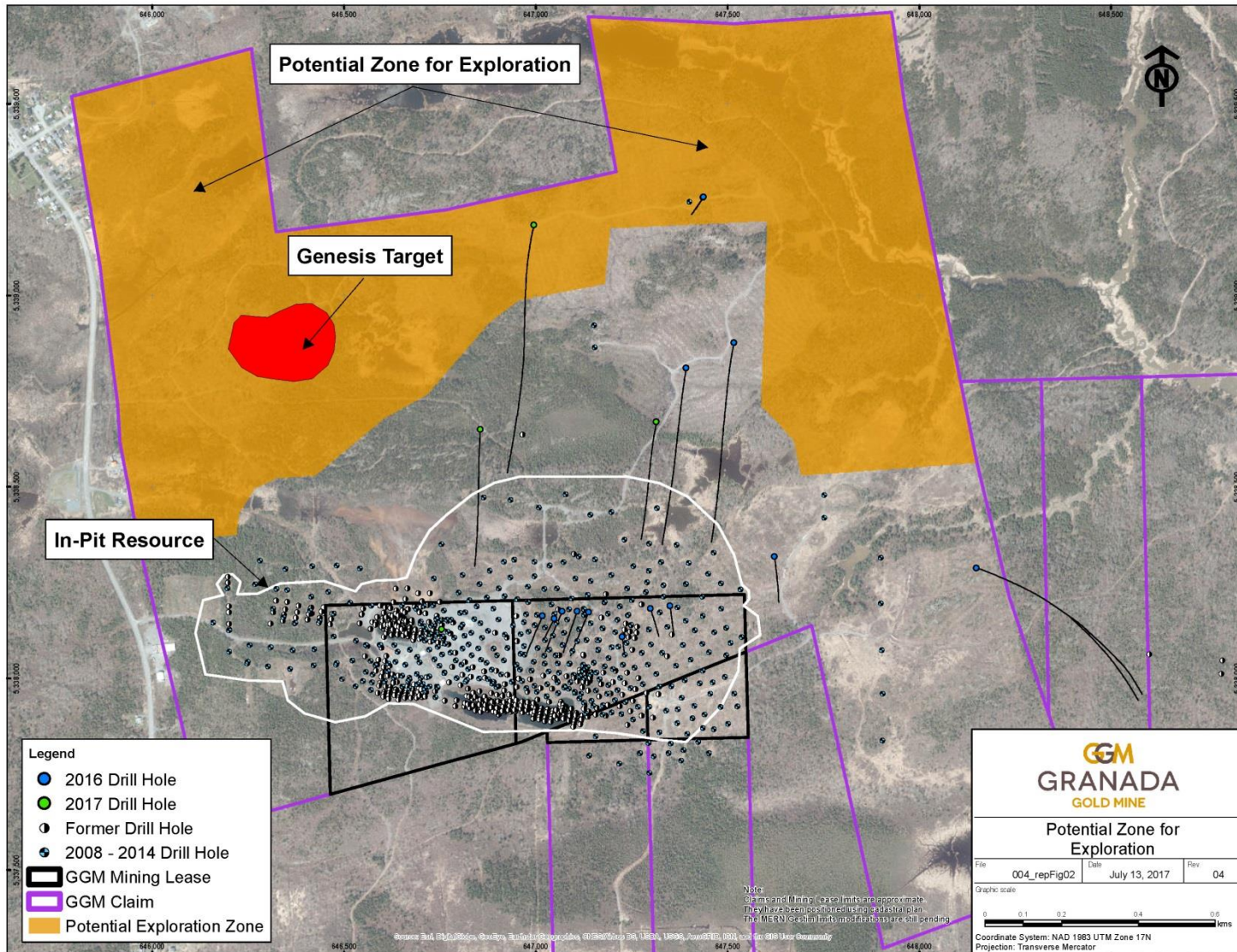
# Granada Gold – 2018 Trenching at Aukeko

- ▶ **Former Aukeko mine site on Granada property is highly prospective for exploration**
- ▶ **1938 bulk sample tested 240 g/t Au<sup>(1)</sup>**
- ▶ **Exploration permit obtained in November 2017**
- ▶ **2018 exploration objective at Aukeko**
  - Expand exploration of extended LONG Bars zone on strike going east to test the remainder of the unexplored mineralized structures
  - Begin with trenching to map vein structure and identify targets for future drilling
- ▶ **Trenching results to date**
  - Visible gold and 8.49 g/t Au over 0.5m, 20m NNW from Aukeko shaft
  - Located historical shaft and adit
  - Completed 140 km of drone-based MAG survey at spacing of 50 and locally 25m
  - Trenching program extended to identify extension of mineralized structures and any new structures with gold mineralization

(1) See Granada Gold news releases published April 18, June 4, July 10 and August 23, 2018 for details. 1938 bulk sample test result is from public files with MERN (Ministere d'Energie et Ressources Naturelles GM52851).



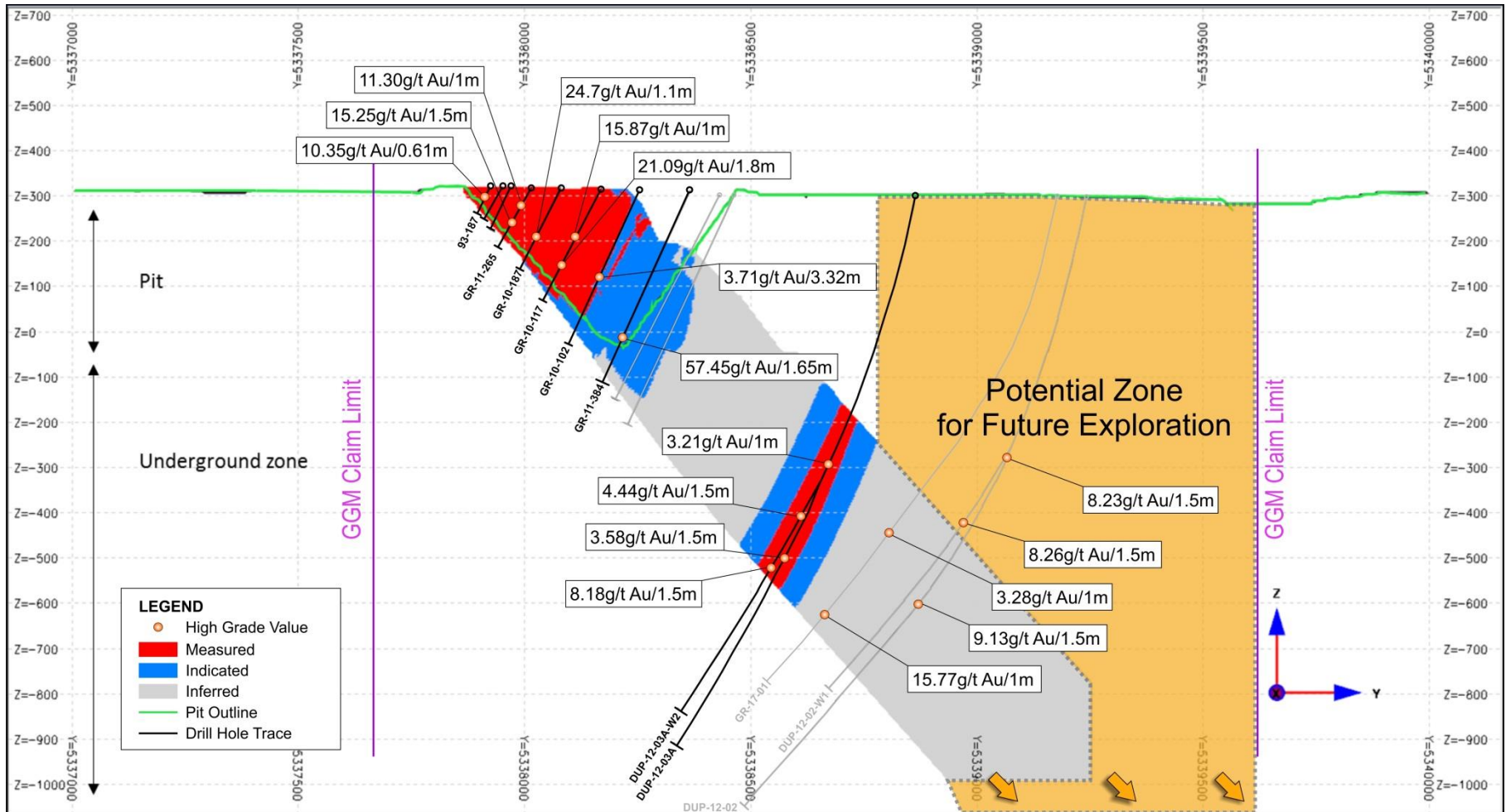
# Granada Overview Map



# Cross-Section: Block Resource by Classification

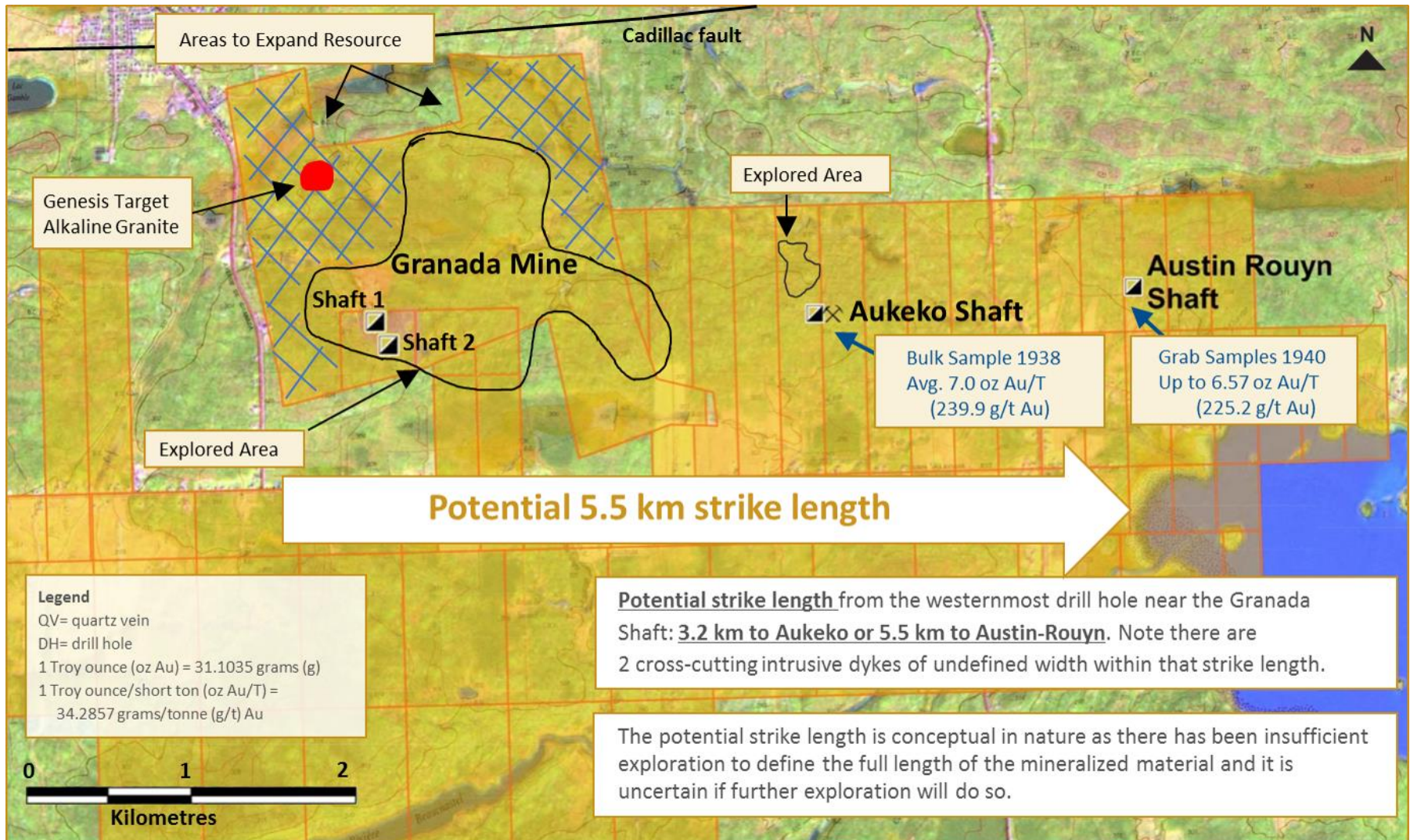
Showing High-Grade Intercepts and Prospective Zone for Future Exploration

Looking West





# Granada Exploration Targets and Strike Length



# Granada Mineral Resource 2017 Estimate <sup>(1)</sup>

Updated NI 43-101 Estimate Published May 16, 2017

Mineral Resource confirmed by ~122,000 metres of drilling

CATEGORY	TONNAGE	AU G/T	AU OZ
Measured in-pit constrained	17,068,500	1.14	625,000
Indicated in-pit constrained	4,507,000	1.26	182,700
<b>Total M+I</b>	<b>21,575,500</b>	<b>1.16</b>	<b>807,700</b>
<b>Inferred Underground</b>	<b>10,386,500</b>	<b>4.56</b>	<b>1,523,800</b>

- Measured and Indicated open-pit constrained at 0.39 g/t Au cut-off (\$21.30 per tonne).
- Inferred underground north of open-pit at 1.5 g/t Au cut-off (\$81.99 per tonne).
- Resource estimate by GoldMinds Geoservices Inc. The database used for this estimate includes drill results obtained from drill programs in 2009, 2010, 2011, 2012, 2016 and 2017, trenches of 2014 and 2015, plus many of the historic holes (drilled in the 1900s) where sufficiently long sections of the core had been analyzed.

Note: Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

(1) Source: Granada Gold Mine News Release May 16, 2017 entitled Granada Gold Outlines Robust Open-Pit and High-Grade Underground Resources at Granada. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101. Also, NI 43-101 Technical Report Mineral Resource Estimation Update 2017 Granada Gold Mine Inc., Rouyn-Noranda, Quebec, Canada, prepared by Goldminds Geoservices Inc., published June 30, 2017, effective date May 16, 2017. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101.



# Granada Block Model Resource Estimate 2017 vs 2012 <sup>(1)</sup>

The **233% increase in the Inferred category** is attributed to new information obtained from Granada Gold drilling in 2016 and 2017

<b>Granada Global Classified Block Model</b>						
Granada in situ Comparative, 2017 vs. 2012 (0.40 g/t cut-off)						
	2017			2012		
Category	Tonnage	Au g/t	Au oz.	Tonnage	Au g/t	Au oz.
Measured	22,585,000	1.09	791,500	28,735,000	1.02	946,000
Indicated	20,019,000	1.15	742,600	18,740,000	1.09	659,000
<b>Total M+I</b>	<b>42,605,000</b>	<b>1.12</b>	<b>1,534,000</b>	<b>47,475,000</b>	<b>1.05</b>	<b>1,605,000</b>
<b>Inferred</b>	<b>81,691,000</b>	<b>1.31</b>	<b>3,436,400</b>	<b>29,975,000</b>	<b>1.07</b>	<b>1,033,000</b>

Note: Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

(1) Source: Granada Gold Mine News Release May 16, 2017 entitled Granada Gold Outlines Robust Open-Pit and High-Grade Underground Resources at Granada. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101. Also, NI 43-101 Technical Report Mineral Resource Estimation Update 2017 Granada Gold Mine Inc., Rouyn-Noranda, Quebec, Canada, prepared by Goldminds Geoservices Inc., published June 30, 2017, effective date May 16, 2017. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101.

# Granada's Market Valuation

## TSXV-listed companies REVITALIZING FORMER MINES on the Cadillac Trend

	Share Price <sup>(1)</sup>	Market Cap <sup>(1)(3)</sup>
Integra Gold Corp. (TSXV: ICG)	Acquired	\$590 million
Falco Resources Ltd. (TSXV: FPC)	\$0.45	\$82 million
Granada Gold Mine Inc. (TSXV: GGM)	\$0.15	\$9 million

**GGM'S GOLD** at Granada is currently **UNDERVALUED** by the market

- ▶ Granada's market value per ounce of in-situ gold resource <sup>(2)</sup> = **C\$4.50/oz (US\$3.50/oz)**
- ▶ Integra's acquisition value per ounce of in-situ gold resource<sup>(3)</sup> = **C\$117/oz (US\$92/oz)**
- ▶ Bloomberg Intelligence<sup>(4)</sup>: 133 gold mining transactions in Q2 2016 – average paid was **US\$64/oz** of gold equivalent in the ground,
- ▶ Cipher Research <sup>(5)</sup>: 253 gold deposits acquired from 1990-2013, median value paid was **US\$40/oz** for gold in the ground

Source:

- (1) Share prices and market capitalization as calculated and published by TMXmoney.com as of September 18, 2018. Exchange rate US\$1 = C\$1.30.
- (2) Granada's gold resource defined as in-pit constrained Measured and Indicated Resource of 807,700 ounces plus underground Inferred Resource of 1.523 million ounces, as stated in the Company's May 16, 2017 news release announcing updated 2017 resource estimates. Claude Duplessis, Eng. and Gilbert Rousseau, Eng. is the independent qualified persons accordance with NI 43-101.
- (3) Integra's in-situ gold resource calculated from resource data provided by Integra for its Lamaque and Sigma properties in its June 14, 2017 news release totaling 1.9 million Indicated and 3.1 million Inferred Resource. Integra was acquired by Eldorado Gold for valuation of C\$590 million at the time of the acquisition announcement May 14, 2017.
- (4) Bloomberg article July 31, 2016 "Gold's \$50 billion M&A Spree Builds as Rally Boosts Values".
- (5) Kitco.com Commentary June 3, 2015 "The real value of gold in the ground". Cipher's calculations include all categories of NI 43-101 qualified resource estimates: measured, indicated and inferred resources.

# Market Valuation Comparisons

## Recent acquisitions in area of the Abitibi Greenstone Belt

### 2017: Integra Gold acquired by Eldorado Gold for C\$590 million<sup>(1)</sup>

- ❑ Main acquired asset: past-producing Sigma and Lamaque mine and mill complex near Val D'Or, Quebec
- ❑ The historic Sigma Mine resource at a 3.0 g/t gold Au cut-off base case consists of 890,900 Au Inferred ounces at an average grade of 4.8 g/t Au (5,733,000 tonnes).<sup>(2)</sup>
- ❑ The Lamaque Project resource at a 3.0 g/t cut-off base case consists of 1,917,443 Indicated Au ounces grading 6.78 g/t Au (8,413,248 tonnes) and 2,233,104 Inferred Au ounces grading 5.20 g/t Au (12,863,903 tonnes).<sup>(2)</sup>

### 2012: Trelawny Mining acquired by IAMGOLD for C\$608 million<sup>(3)(4)</sup>

- ❑ Main acquired asset: Cote Lake gold property north of Sudbury, Ontario
- ❑ Total Measured and Indicated Resource 5,204,000 oz Au @ 0.9 g/t<sup>(4)</sup>
- ❑ Inferred Resource 797,000 oz Au @ 0.6 g/t<sup>(4)</sup>

**The Granada Deposit is significantly UNDERVALUED**

Sources: (1) Integra Gold Corp. news release May 14, 2017. (2) Integra Gold Corp. news release June 14, 2017. (3) Globe and Mail article on the Trelawny acquisition April 27, 2012. (4) IAMGOLD corporate presentation dated June 20, 2017 to RBC Capital Markets' Global Mining and Materials Conference. In the presentation, on page 16, IAMGOLD cites a valuation of C\$650 million for the Cote Gold Project based on Sumitomo's recent purchase of a 30% undivided interest in the project for C\$195 million.

Mine plans aimed to achieve production goal of 100,000 oz/yr gold within 3-5 years

► 2017 'Rolling Start' Plan:

Initial-phase, open-pit, selective high-grade mining – as per PFS<sup>(1)</sup>

- 25,000 oz/yr gold production for 3 years in “Rolling Start” mining 550 tonnes/day
- All-in Sustaining Cost (AISC) of US\$797/oz (excludes cost of financing)
- Capex: C\$6.7 million
- Average grade 4.24 g/t
- All permits received as of May 2016
- First Nations Agreements in place
- Some stripping has been conducted
- Mill negotiations underway

(1) The “Rolling Start” is an initial phase of reduced-scale production to quantify grades and create cash flow to further expand the resource on route to larger –scale production. Source: NI 43-101 Technical Report Prefeasibility Study (PFS) Phase I – Open Pit Granada Gold Project Rouyn-Noranda, Québec, published June 19, 2014, effective date May 6, 2014. Claude Duplessis, Eng. Gilbert Rousseau, Eng. Jonathan Gagné, Eng. Martin Stapinsky, P.Geo.,M.Sc.,Ph.D, are the independent qualified persons in accordance with National Instrument 43-101.



# Granada Goals – Plans - Catalysts

**Development Plans:** Evaluate options for GGM to design/build its own mill<sup>(2)</sup>

- ▶ Carry out Feasibility Study for a new mill at Granada producing 100,000 oz/yr Au
- ▶ Memorandum of understanding signed with Canada Cobalt Works whereby CCW is undertaking a study to install a 600 t/d gravity flotation plant at one of its northern Ontario properties
- ▶ The CCW mill to process 579,000 tonnes of Granada ore at 4.24 g/t Au (as per 2014 PFS) with an option for another 2 million tonnes of mineralized material over 3 yrs

**Exploration Targets:**<sup>(1)</sup>

- ▶ High-grade Aukeko Mine site where bulk samples in 1938 averaged 240 g/t Au; 1<sup>st</sup> trenching program complete, additional trenching underway, drilling to follow
- ▶ Genesis Target, potential source of in-situ gold in northwest section of LONG Bars Zone
- ▶ Deep holes at depth in area north of surface in-pit resources
- ▶ Infill drilling to convert Inferred Resource to Measured or Indicated Resource
- ▶ 80% of strike length yet to be explored

(1) Granada Gold Mine News Release May 16, 2017 entitled Granada Gold Outlines Robust Open-Pit and High-Grade Underground Resources at Granada. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101. Also, NI 43-101 Technical Report Mineral Resource Estimation Update 2017 Granada Gold Mine Inc., Rouyn-Noranda, Quebec, Canada, prepared by Goldminds Geoservices Inc., published June 30, 2017, effective date May 16, 2017. Claude Duplessis, Eng. is the independent qualified person in accordance with National Instrument 43-101. See also exploration goal details in January 18, 2017 news release and for Aukeko details news releases published November 22, 2017 and April 18, June 4, July 10 and August 23, 2018..

(2) See September 8, 2017 news release. Claude Duplessis, Ing., is the independent qualified person in accordance with National Instrument 43-101.

# GGM Shareholders to Benefit from Dividends

- ▶ **2.5 million shares** of cobalt-silver company Canada Cobalt Works Inc. (TSXV: CCW), along with 2.5 million warrants, to be distributed to GGM shareholders in 2019
- ▶ 7.5 million were distributed in the past three years and the remaining 2.5 million are expected to be distributed on February 27, 2019
- ▶ **Warrants** allow GGM shareholders to purchase CCW shares at \$0.10/share for a year from date of issue
- ▶ CCW shares-warrants are being paid to GGM as part of spin-off of cobalt-silver properties to CCW
- ▶ **3% net smelter royalty (NSR)** to be paid as gold or cash dividend to shareholders after Granada production begins
- ▶ **1% NSR** Granada holds on properties owned by Canada Cobalt Works to be paid out as cash dividends to GGM shareholders<sup>(2)</sup>



(1) See company news release issued April 1, 2016. . (2) See company news release issued August 10, 2015.

# Share Structure

Share Price <sup>(1)</sup>	\$0.15
Market Cap	\$9,000,000
Shares Issued and Outstanding	58,804,073
Warrants Outstanding	16,197,974
Options Outstanding	5,714,875
Fully Diluted	80,717,922
Ownership by insiders	3.2% of shares 6.3% fully diluted

**52 WEEK LOW AND HIGH \$0.15 - \$0.42**

(1) As of September 18, 2018.

# Management & Directors

## **Frank J. Basa, P.Eng, President, CEO & Chairman**

- 30 years of experience in mine development, milling and hydro-metallurgical engineering specializing in precious metals.

## **Claude Duplessis, Eng, Project Geological Engineer, GoldMinds Geoservices Inc.**

- 25 years of global experience in mine planning and geological exploration.

## **Thomas P. Devlin, Director, Chief Financial Officer**

- Granada Gold Mine's CFO since January, 2009, with over 40 years of accounting and management experience in the investment and junior resource industries.

## **Tina Whyte, Corporate Secretary**

- Over 25 years of global experience in mine planning and geological exploration.

## **Jacques F. Monet, Director**

## **Dianne Tookenay, Director**

## **Robert Setter, Director**



# Contact Information



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