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## GRANADA CLOSES PRIVATE PLACEMENT

**October 18, 2018** – Granada Gold Mine Inc. (TSXV: GGM) (the “Company” or “Granada”) is pleased to announce that further to its news release dated October 9, 2018 the Company has closed its private placement financing raising gross proceeds of \$441,321. The Company has issued 2,942,140 units at a price of \$0.15 per unit. Each unit comprises one common share and one share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.18 per share for a period of three years from closing, subject to TSX Venture Exchange approval.

All securities issued in connection with the private placement are subject to a four-month and a day hold period expiring on February 19, 2019, in accordance with applicable Securities Laws.

The proceeds of the Private Placement will be used for surface exploration, trenching, and historical resampling of drill core on the Company’s Granada Gold Property in Québec and for general working capital purposes.

An insider of the Company purchased a total of 525,474 units under the Private Placement, which is considered a related party transaction within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company relied on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(a) and 5.7(a), respectively, of MI 61-101 in respect of such insider participation. No new insiders and no control persons were created in connection with the private placement.

### **About Granada Gold Mine Inc.**

Granada Gold Mine Inc. 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 1930s before a fire destroyed the surface buildings. The highly prolific Cadillac Trend, which 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, cuts through the north part of the property.

An updated Mineral Resource Estimate and revised Block Model dated June 30, 2017, with effective date of May 16, 2017, includes the first material estimate of high-grade gold resources discovered in zones at depth immediately north of the LONG Bars Zone open-pit deposit.

An initial Inferred underground resource of **10,386,500** tonnes grading **4.56 g/t Au** at a cut-off grade of **1.5 g/t (1.5 million oz. Au)** has been outlined along **600** metres of strike, north of the original near-surface discovery at Granada. Open-pit-constrained resources have **625,000** ounces Measured at **1.14 g/t Au** and

**182,700** ounces Indicated at **1.26** g/t Au with a cut-off grade of 0.39 g/t Au (**807,700** ounces M&I at **1.16** g/t Au) representing a major increase in Block Model estimates for Granada vs. 2012 Block Model.

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.granadagoldmine.com](http://www.granadagoldmine.com).

The Company has signed a provisional milling agreement with Canada Cobalt Works (TSX-V: CCW) to process an initial 600,000-to-2,000,000 tonnes of mineralized material at a grade of 4.5 g/t Au. Canada Cobalt Works has retained the engineering firm Wood Group to undertake the necessary studies to obtain the required permits to install a 600-tonne-per-day mill at the Castle mine site in Gowganda, Ontario.

As well, Granada Gold has selected Ausenco Limited to commence a feasibility study for the development of a producing mine with a capacity of 80,000-to-100,000 ounces of gold per year at its 100-percent-owned Granada property, located in Quebec in the town of Rouyn-Noranda.

“Frank J. Basa”

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

**For further information, please contact:**

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