Granada Gold Mine Gets 10 Year Extension on Mining Lease BM 852 at the Granada Mine Property and Takes 500 Tonne Bulk Sample

written by Raj Shah | June 16, 2021

June 16, 2021 (Source) – Granada Gold Mine Inc. (TSXV: GGM) (the "Company" or "Granada") is pleased to announce that Mining Lease BM852 which is 24.8 hectares, was renewed for another 10 years till 2030. This Lease is part of the current resource and is part of the past-producing underground mine which was mined at a grade of 9.7 grams per tonne gold. The renewal keeps the current 26 permits in good standing for mining and shipping to a custom mill and allows the taking of bulk samples of up to 500 tonnes.

The extension required the closure plan to be revised and triggered an increase in financial assurances which was completed and paid. Another revised closure plan with revised bond will be necessary once Granada property goes into production.

Bulk Sample Highlight:

- A 500-tonne bulk sample of mineralized material and 900 tonnes of waste (low grade) were taken where diamond drill hole GR-19-A intersected 11.45 grams per tonne gold from 0 to 33 meters down hole (refer to Jan. 9, 2020, news release). A subsequent 1,220-kilogram mineralized material (blasted rock) sample was taken over a 3-metre strike length and returned 55.6 grams per tonne native gold

(refer to Sept. 11, 2020, news release).

- A 100-kilogram mineralized material sample was sent to GEKKO in Australia to evaluate the amenability of upgrading using in-line pressure jigs. The company has visited GEKKO in Australia, and two plant installations using in-line pressure jigs, and found that using them to pre-concentrate the low-grade mineralized material may be viable for the Granada Mine Property. GEKKO has processed the material and has submitted a report on the findings of the testwork. The company is interpreting the results presently and is expecting to update the shareholders with a news release shortly.

- The 500-tonne bulk sample, obtained by drilling and blasting with rubber mats, has been crushed to smaller than 4 inches with a crusher set-up on the boom of the excavator and the company is currently looking to further process the mineralized material to get an overall assay. The bulk sample excavation site has been refilled and levelled for safety reasons.

Frank J. Basa, P.Eng., President and CEO: “Based on results from this bulk sample and the GEKKO pre-concentration test results, the company may rethink the resource grades and return to the original 43-101 historical in-situ Mineral Resources of 946,000 ounces gold at 1.02 grams per tonne Measured, 659,000 ounces gold at 1.09 grams per tonne Indicated and 1,033,000 ounces gold at 1.07 grams per tonne Inferred. A cut-off grade 0.4 grams per tonne gold was used”. (SGS NI 43-101 Technical Report PEA Granada Gold Project, February 4th 2013 by J. Gagné, G. Gagnon, C. Duplessis, G. Rousseau).

Qualified person

The technical information in this news release has been 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 140,000 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. The final report was filed March 15, 2021 with an Effective date of December 15, 2020. The 43-101 Technical Report is titled: Granada Gold Project Mineral Resource Estimate Update, Rouyn-Noranda, Quebec, Canada authored by Yann Camus, P.Eng. and Maxime Dupéré, B.Sc.,

géo. Both of SGS Canada Inc.

Updated Mineral Resource Estimate Base Case with Details Between the High-Grade (COG above 0.9 g/t) Pit-constrained 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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SOURCE Granada Gold Mine Inc.

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Related Links

https://www.granadagoldmine.com/