

**Form 51 – 102F3**

**Material Change Report**

1. **Name and Address of Company**

Granada Gold Mine Inc.  
2875 avenue Granada  
Rouyn – Noranda, Québec  
J9Y 1Y1

2. **Date of Material Change**

July 13, 2020.

3. **News Release**

Granada Gold Mine Inc. (“**Granada Gold**”) issued a news release with respect to the material change described herein via Cision on July 13, 2020.

4. **Summary of Material Change**

Granada Gold has completed a sale to Canada Silver Cobalt Works Inc. (“**Canada Silver Cobalt**”) of a back-in option on five mining leases forming part of the Castle Silver Cobalt Mine property in Ontario.

5. **Full Description of Material Change**

5.1 **Full Description of Material Change**

Granada Gold has completed a sale to Canada Silver Cobalt of a back-in option on five mining leases forming part of the Castle Silver Cobalt Mine property in Ontario.

In payment, Canada Silver Cobalt issued 2,941,000 common shares to Granada Gold at a deemed price of \$0.51 per share, for total deemed consideration of approximately \$1,500,000. Each of the shares was accompanied by one common share purchase warrant. Each warrant will entitle Granada Gold to acquire one additional common share of Canada Silver Cobalt for \$0.55 for a period of five years. The shares and warrants issued by Canada Silver Cobalt are subject to a four-month hold period under applicable securities regulations and the policies of the TSX Venture Exchange.

Under the policies of the TSX Venture Exchange, Canada Silver Cobalt is a “Non Arm’s Length Party” to Granada Gold in that Frank Basa, Jacques Monette, Robert Setter and Dianne Tookenay, each of whom is a director and/or officer of Granada Gold, are also directors and/or officers of Canada Silver Cobalt. In determining the sale price, Granada Gold relied, among other things, on a valuation opinion dated May 13, 2020 prepared by Watts, Griffis and McOuat Limited of Toronto. The sale of the back-in option is not a “related party transaction” under *Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions*.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**7. Omitted Information**

Not applicable.

**8. Executive Officer**

The executive officer who can answer questions regarding this report is Mr. Frank Basa, President and Chief Executive Officer of Granada Gold. Mr. Basa can be reached at (819) 797-4144.

**9. Date of Report**

July 15, 2020.