



BLACK DRAGON GOLD
ASX: BDG

ASX ANNOUNCEMENT

3 March 2022

ABOUT BLACK DRAGON GOLD

Black Dragon Gold is the 100% owner of the Salave Gold Project, situated in the Asturias province of Northern Spain.

MINERAL RESOURCES

Measured

1.03Mt @ 5.59g/t Au for 0.19 Moz

Indicated

7.18Mt @ 4.43g/t Au for 1.02 Moz

Inferred

3.12 Mt @ 3.47g/t Au for 0.35 Moz

Total MRE M, I & I

11.33Mt @ 4.45g/t Au for 1.56 Moz

BOARD & MANAGEMENT

Paul Cronin

Non-Executive Chairman

Alberto Lavandeira

Non-Executive Director

Jo Battershill

Non-Executive Director

Gabriel Chiappini

Chief Executive Officer

Jose Manuel Dominguez

General Manager Spain

CHIEF EXECUTIVE OFFICER APPOINTED & BOARD RESTRUCTURE

HIGHLIGHTS

- **Gabriel Chiappini appointed as Chief Executive Officer to drive parallel streams for Black Dragon Gold:**
 - Strategic focus to continue permitting the world class Salave Gold Project; and
 - reviewing new ventures opportunities in precious & base metals, with a focus in Australia
- **Paul Cronin appointed Non-Executive Chairman**

Black Dragon Gold Corp. (ASX:BDG) ('Black Dragon' or the 'Company') is pleased to announce the appointment of Mr Gabriel Chiappini as Chief Executive Officer.

Gabriel has had a number of leadership roles within mining companies and has extensive capital markets' experience over a number of years including being an advisor to Cygnet Capital, Executive Chairman and having managed and assisted a number of transactions including Black Rock Mining Ltd (ASX:BKT), Invictus Energy Ltd (ASX:IVZ) and Loneer Ltd (ASX:INR). Please refer Appendix A for more information and a summary of the material terms of Gabriel's appointment.

Gabriel joined the Company in 2019 as a consulting Company Secretary and in June 2020 was appointed Chief Financial Officer and brings a wealth of corporate experience to Black Dragon.

His appointment is one of several board and management changes including Paul Cronin moving from Executive Director to Non-Executive Chairman and Jo Battershill moving from Non-Executive Chairman to Non-Executive Director.

Incoming CEO, Gabriel Chiappini said:

"Black Dragon's strategic focus and most accretive milestone is to progress the permitting of the Salave Gold Project. As part of this focus, we will continue our dialogue and co-operation with the Government of the Principality of Asturias, and the Spanish Government. We will also advance and continue developing the project via a pre-feasibility study to be undertaken following the finalisation of the Environmental Impact Assessment approvals by the Government in the Principality of Asturias in Spain.

This work will be conducted in tandem with reviewing new opportunities in the precious and base metals' segments with a bias towards an Australian project.

I look forward to working with the Board, the management team and key stakeholders as Black Dragon progresses the development of its world class Salave Gold Project and undertakes new resource opportunities."

Non-Executive Chairman, Paul Cronin said:

"I am pleased to announce Gabriel Chiappini as our Chief Executive Officer and the board looks forward to working with Gabriel to execute our strategic plan of permitting and developing our world class Salave Gold Project and to lead our new ventures team in identifying a complimentary Australian exploration asset.

Gabriel has been part of the Black Dragon executive team for approximately 3 years, and clearly understands the very real opportunity Salave presents as a world-class gold project, with ability to significantly re-rate Black Dragon once its value is unlocked through the permitting process. We have every confidence this can be achieved, and trust he's the right choice to continue driving this process."

Gabriel will on a temporary basis retain the CFO and Company Secretary roles through the transition period with a replacement CFO to be appointed shortly.

This announcement was authorised for release by the Board of Directors.

- ENDS -

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ABOUT BLACK DRAGON GOLD

Black Dragon Gold "BDG" is the 100% owner of one of the largest undeveloped gold projects in Europe, the Salave project. Salave is situated in the North of Spain in the province of Asturias. The Salave project has a Measured Mineral Resource of 1.03 million tonnes grading 5.59 g/t Au, containing 0.19 million ounces of gold; an Indicated Mineral Resource of 7.18 million tonnes grading 4.43 g/t Au, containing 1.02 million ounces of gold, plus Inferred Resources totalling 3.12 million tonnes grading 3.47 g/t Au, containing 348,000 ounces of gold. The information in this announcement that relates to the Mineral Resource estimate for the Salave project was first released by the Company in its news release entitled 'New NI 43-101 Mineral Resource Estimate Increases Resources at Salave' dated 25 October 2018. Black Dragon confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the previous announcement continue to apply and have not materially changed.

A full technical report summarising the Mineral Resource estimate completed by CSA Global is available on the Company's web site (www.blackdragongold.com) and posted on SEDAR. In addition to the current Mineral Resource, historical exploration work suggests there is the potential for additional mineralisation within Black Dragon's landholdings.

Appendix A

Summary of Experience

Gabriel Chiappini

Mr Chiappini is a Chartered Accountant and member of both the Chartered Accountants Australia & New Zealand (CA ANZ) & Australian Institute of Company Directors. Gabriel has more than 20 years' experience working in key strategic roles including, Executive Chairperson, Director, Chief Financial Officer and Company Secretary roles both in public and private companies.

Mr Chiappini has provided advice and services on equity raisings exceeding AU\$500m and assisted his clients with both divestment and acquisition strategies. Some of Gabriel's ASX experience includes:

- Founding & current Director of Black Rock Mining (ASX: BKT), a Graphite development company with the Mahenge Graphite Project in Tanzania (current market capitalisation \$200m);
- Founding & current Director of Zimbabwean oil and gas developer, Invictus Energy Limited (ASX: IVZ – current market capitalisation \$90m);
- Instrumental as a director of Loneer Ltd (ASX:INR), helping with the acquisition of and development of the Rhyolite Ridge Lithium-Boron Project in Nevada – current market capitalisation AUD\$1,050m;
- Part of the pre-IPO team to list Adriatic Metals plc (ASX:ADT) on the ASX and LSE;
- A founding Executive Chairman of robotic solutions company FBR Limited (ASX: FBR) having taken FBR from pre-IPO to a market value of in excess of AUD\$270m;
- Key executive at Avita Medical's Spray on Skin Co, now quoted on NASDAQ; and
- Former Director of Scotgold Resources Ltd (AIM:SGZ).

Summary of Key Terms & Conditions of CEO Agreement

Commencement Date:	1 March 2022
Term:	Mr Chiappini's engagement as Chief Executive Officer will continue until terminated in accordance with the Agreement.
Base salary	A\$250,000 per annum
Review	The terms of the appointment, including the remuneration, will be reviewed after an initial three-month period. All subsequent reviews will be on an annual basis.
Long-term incentive	Within 5 business days of the Commencement Date, the Company must issue 5 million performance rights to Mr Chiappini (or his nominees). Such issue is pursuant to ASX Listing Rule 7.1. The terms and conditions of the performance rights are attached at Appendix B.
Short-term incentive	The Board may at its absolute discretion and subject to compliance with the Corporations Act and ASX Listing Rules award a short-term

	incentive bonus to Mr Chiappini. No terms of any such incentive bonus have yet been agreed.
Termination	<p>Company or Executive initiated termination by notice: 6 months' notice in writing. A payment in lieu of notice may be made at the Company's discretion.</p> <p>Company initiated termination for illness: 3 months' notice in writing. A payment in lieu of notice may be made at the Company's discretion.</p> <p>Summary termination: Immediate termination upon the provision of notice in writing. No entitlement to a notice period or termination payment (except for any entitlements accrued as at the termination date).</p>

Appendix B

Terms & Conditions of Performance Rights

The following terms and conditions apply to each of the Performance Rights:

1. **(Milestones)** The Performance Rights have the following milestones attached to them (each referred to as a **Milestone**):

Class	Milestone	Milestone Date	Number of Performance Rights	Number of Shares on conversion of Performance Rights
Class A	The volume weighted average price of Shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded, exceeding \$0.10	3 years from issue date	1,500,000	1,500,000
Class B	The volume weighted average price of Shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded, exceeding \$0.15	3 years from issue date	1,500,000	1,500,000
Class C	The volume weighted average price of Shares on ASX over 20 consecutive dates on which Shares are traded, exceeding \$0.20	3 years from issue date	2,000,000	2,000,000

2. **(Vesting)** Subject to the satisfaction of the Milestone, the Company will notify the Holder in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the relevant Milestone has been satisfied.
3. **(Termination)** If Gabriel Chiappini ceases to be employed or otherwise engaged by the Company or any of its subsidiaries, any Performance Rights which have not yet vested will lapse on the effective date of termination, unless:
 - a. Mr Chiappini is a "Good Leaver" (as defined below); or
 - b. the Board otherwise exercises its sole discretion to permit the holder to retain the Performance Rights.

Any vested Performance Rights will be unaffected by the termination.

Mr Chiappini will be a "Good Leaver" if he ceases to be employed or otherwise engaged by the Company or any of its subsidiaries in any circumstances other than as follows:

- a. where the consultancy agreement is terminated by the Company as a "summary termination"; or
 - b. where the consultancy is terminated by the Consultant "without cause" in circumstances other than as agreed with the Company prior to the provision of such notice.
4. **(Exercise)** Any time between receipt of a Vesting Notice and the Expiry Date (as defined in clause 5 below), the Holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary. The Holder is not required to pay a fee to exercise the Performance Rights.
5. **(Expiry Date)** The Performance Rights will expire and lapse on the first to occur of the following:
- a. a Milestone not being satisfied by 5.00pm (Perth time) on the Milestone Date specified in clause 1; and
 - b. 5.00pm (Perth time) on the date which is 5 years after the date of issue of the Performance Rights,
- (Expiry Date).**
6. **(Transfer)** The Performance Rights are not transferable.
7. **(Entitlements and bonus issues)** Subject always to the rights under clause 8, Holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
8. **(Reorganisation of capital)** In the event that the issued capital of the Company is reconstructed, all the Holder's rights will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the Holder's economic and other rights are not diminished or terminated.
9. **(Voting rights)** A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
10. **(Dividend rights)** A Performance Right does not entitle the Holder to any dividends.
11. **(Return of capital rights)** The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
12. **(Rights on winding up)** The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

13. **(Change in control)** If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share.

A Change of Control Event occurs when:

- a. **takeover bid:** the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that takeover bid has become unconditional; or
- b. **scheme of arrangement:** the announcement by the Company that the Company's shareholders (**Shareholders**) have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.

14. **(Takeovers prohibition):**

- a. the issue of Shares on exercise of the Performance Rights is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
- b. the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Performance Rights.

15. **(Issue of Shares)**

As soon as practicable after the later of the following:

- a. the Company receives a Notice of Exercise or the Performance Rights convert under clause 13; and
- b. when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- c. issue the Shares specified in the Notice of Exercise;
- d. give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent required); and
- e. if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.

If the Company is unable to deliver a notice under clause 15.d or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Shares issued on exercise of the Performance Rights may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

It is acknowledged that any Shares or other securities issued on conversion of Performance Rights will be subject to any applicable hold periods under applicable law, including applicable Canadian securities laws.

16. **(Ranking)** All Shares issued upon the conversion of Performance Rights will upon issue rank pari passu in all respects with other Shares.
17. **(Quotation)** Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will apply for quotation in accordance with clause 15.e.
18. **(No other rights)** A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
19. **(Amendments required by ASX)** The terms of the Performance Rights may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.

Further and in addition to the above, the Company confirms the following:

- a. The Company will make an announcement on the ASX market announcements platform immediately upon the satisfaction of any Milestones, the conversion of any of the Performance Rights and the expiry of any of the Performance Rights;
- b. The terms and conditions of the Performance Rights, including without limitation the relevant Milestones that have to be satisfied before each Performance Right is converted into a Share, are not to be changed without the prior approval of ASX and the Company's Shareholders.
- c. Upon conversion of the Performance Rights into Shares, the Company will apply to the ASX for quotation of the Shares within the requisite time period;
- d. The Company will disclose the following in each annual report, annual audited financial accounts, half-yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:
 - e. the number of Performance Rights on issue during the relevant period;
 - f. a summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary Shares into which they are convertible and the relevant Milestones;
 - g. whether any of the Performance Rights were converted or cancelled during that period; and
 - h. whether any Milestones were met during the period.