



BLACK DRAGON GOLD
ASX: BDG

ASX ANNOUNCEMENT

28 April 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 @ 4.27g/t Au for 1.56 Moz

BOARD & MANAGEMENT

Paul Cronin

Non-Executive Chairman

Alberto Lavandeira

Non-Executive Director

Gabriel Chiappini

Managing Director

Jose Manuel Dominguez

General Manager Spain

www.blackdragongold.com

QUARTERLY ACTIVITIES REPORT

31 MARCH 2022

HIGHLIGHTS

- Black Dragon received the EIA public consultation dossier for the Salave Gold Project from the Government of the Principality of Asturias (“Government”)
- Black Dragon granted Sallave⁽ⁱ⁾ Investigation Permit from the Government of the Principality of Asturias for an additional three years
- As part of the Investigation Permit renewal Black Dragon was conditionally granted six mining grids that have been re-purposed for the location of the project processing plant and associated above ground infrastructure
- Securities Purchase Plan completed in January 2022, raising AUD\$1.1m
- Government of the Principality of Asturias issues Black Dragon with an 18-hole drilling permit
- Board restructure with Paul Cronin appointed Non-Executive Chairman and Gabriel Chiappini appointed Managing Director

Black Dragon Gold Corp. (ASX:BDG) (“Black Dragon” or the “Company”) is pleased to provide the following Quarterly Activities Report (“QAR”) that summarises the progress made and reported during the three months ended 31 March 2022 (“Q1” or “Quarter”).

Managing Director, Gabriel Chiappini said:

“Significant progress was made during the Q1-CY22 March quarter and we are pleased to have received significant government support and collaboration with the dossier received on public responses to the Company’s EIA, an 18-hole drilling permit granted and the granting of the renewal of the Sallave Investigation Permit⁽ⁱ⁾.”

Our main focus for Q2-CY22 quarter is to prepare a detailed and fact-based response to the EIA consultative dossier for submission to the Government of the Principality of Asturias. Following the submission, we will continue to consult with all stakeholders, including the local community of Tapia de Casariego and the Government of the Principality of Asturias, to ensure they are informed as to any potential impact of the project on the environment and community.

From a Capital Management perspective, Black Dragon closed out the AUD\$1.1m Securities Purchase Plan with strong support from our existing shareholders. The additional funding allows the company to complete its EIA permitting programme, undertake a feasibility study and review new venture opportunities in precious & base metals, with a focus in Australia.”

1. SALVE GOLD PROJECT PERMITTING PROGRAMME

During the quarter the Company progressed and advanced its permitting programme through:

- (i) Receipt from the Government of the public responses to the EIA the Company submitted during 2021. Black Dragon is now finalising its dossier and responses to the public consultation feedback and will work collaboratively with the Government and Tapia de Casariego Municipality to complete and submit the dossier.
- (ii) We received an 18-hole drilling permit from the Government, with this drilling campaign's focus to undertake infill drilling to improve the resource classification from inferred to indicated and from indicated to measured, for mine planning and for geotechnical & metallurgical core samples as part of a definitive feasibility study. Any additional drilling, will be subject to the Company progressing its EIA application.
- (iii) Receipt of the renewal and granting of the Sallave⁽ⁱ⁾ Gold Investigation Permit that enables Black Dragon to undertake further exploration outside and contiguous to its current mining concessions. The new granted Investigation Permit covers 94 mining grids, approximately 2,655 hectares and expires three years from the grant date. As part of the granted extension for the Investigation Permit, the Company re-purposed some of the mining grids for locating the gold processing plant and associated surface facilities and infrastructure for the proposed Salave Gold Project.

2. WORKING CAPITAL

During the quarter, Black Dragon completed its fundraising programme by closing out its Securities Purchase Plan for AUD\$1.1m which follows on from an AUD\$2.4m Placement announced in Q4-CY21. The placement also included an AUD\$0.580m director contribution that was ratified at a shareholder meeting held on 10 January 2022. Funding received from the Placement and the Securities Purchase Plan will be directed towards advancing the permitting programme on the 1.56m/oz Salave Gold Project grading at 4.47g/t and to initiate our Feasibility Study on Salave.

3. BOARD & MANAGEMENT RESTRUCTURE

During the quarter, Black Dragon restructured its board by way of appointment of Mr Paul Cronin as Non-Executive Chairman (from Executive Director), appointment of Mr Gabriel Chiappini as Managing Director and the appointment of Ms Amy Fink as Chief Financial Officer. The Company expressed its gratitude to Mr Jo Battershill who resigned during the quarter as the Company's Non-Executive Chairman.

4. RELATED PARTY COSTS

During the period, the Company paid a total of CAD\$81 thousand to directors as a related party cost. This outflow related to director fees and for direct reimbursement of overheads relating to office costs and staff.

5. ANNUAL REPORT

The Company released its 2021 Annual Report on 30 March 2022 and it is available on the Company's website <https://www.blackdragongold.com/>

6. TENEMENT HOLDING

In accordance with ASX Listing Rule 5.3.3 please find below the Company's tenements as at 31 March 2022.

Concession Name	Registration Number	Area (Ha)	Date Granted	Expiration Date
Dos Amigos	24.371	41.99	Sep 10, 1941	Oct 10, 2045
Salave	25.380	67.98	April 10, 1945	Oct 10, 2045
Figueras	29.500	212.02	Jan 25, 1977	Jan 25, 2037
<i>Demasia</i>		92.55		
Ampliación a Figueras	29.969	10.99	Nov 9, 1988	Nov 9, 2048
<i>Demasia</i>		68.85		
Segunda Ampliación a Figueras	28.820	100.04	Sept 16, 1981	Sept 16, 2041
<i>Demasia</i>		67.55		
Subtotal		661.97		
Investigation Permit Name	Registration Number	Area (Ha)	Date Granted	Expiration Date
Salave	30.812	2.655	April 2022	Extended for further 3 years
Total		3,316.97		

Authorised by and for further information please contact Gabriel Chiappini, Managing Director of Black Dragon Gold gabriel.chiappini@blackdragongold.com

- ENDS -

Footnote

- (i) ***Naming Convention:*** Black Dragon's Mining rights are grouped into the 'Salave' Gold Project for concessions or mineral extraction rights. The Investigation Permit is called 'Sallave' with a different area and different rights applied to its use. There is a subtle spelling difference applied by the Asturian Ministry of Mines between the Salave mining concessions for mineral rights (spelt with 1 'l') compared to the Sallave Investigation Permit right (spelt with 2 'll')

Gabriel Chiappini
 Managing Director
 Black Dragon Gold
 M: +61 417 717 480
gabriel.chiappini@blackdragongold.com

Emma Chetwynd Stapylton
 Investor Relations (Europe)
 Black Dragon Gold
 M: +44 (0)7515 357842
emma.chetwyndstapylton@blackdragongold.com

Josh Nyman
 Investor Relations (Australia)
 Spoke Corporate
 M: +61 413 243 440
josh@spokecorporate.com

ABOUT BLACK DRAGON GOLD

Black Dragon Gold (ASX: 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 0.35 million 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.

COMPETENT PERSON STATEMENTS

The information in this announcement that relates to exploration results for the Salave Project is based on and fairly represents information and supporting documentation reviewed and approved by Douglas Turnbull, P. Geo. Mr. Turnbull is a consultant to Black Dragon Gold and a Qualified Professional Geoscientist recognized by the Association of Professional Engineers and Geoscientists of British Columbia, a recognized professional organization for the purposes of the JORC code. Mr. Turnbull has provided his prior written consent as to the form and context in which the exploration results and supporting information are presented in this announcement.

FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current planned exploration activities; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays or any inability in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

BLACK DRAGON GOLD CORP.

ABN

625 522 250

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows		Current quarter CAD\$'000	Year to date (3 months) CAD\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(114)	(114)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(101)	(101)
	(e) administration and corporate costs	(257)	(257)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(472)	(472)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-



Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter CAD\$'000	Year to date (3 months) CAD\$'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,544	1,544
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,544	1,544

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,014	2,014
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(472)	(472)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-



Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter CAD\$'000	Year to date (3 months) CAD\$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,544	1,544
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	Cash and cash equivalents at end of period	3,088	3,088

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter CAD\$'000	Previous quarter CAD\$'000
5.1 Bank balances	3,088	2,014
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,088	2,014

6. Payments to related parties of the entity and their associates	Current quarter CAD\$'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	81
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.



Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end CAD\$'000	Amount drawn at quarter end CAD\$'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	CAD\$'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(472)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(472)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,088
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,088
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.5 times
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	



Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2022

Authorised by:

Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.