TSX ANNOUNCEMENT

25 OCTOBER 2018

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 & Indicated
8.21Mt @ 4.58g/t Au for 1.21 Moz

Inferred
3.12 Mt @ 3.47g/t Au for 0.35 Moz

BOARD & MANAGEMENT

Jo Battershill
Non-Executive Chairman

Paul Cronin
Managing Director & CEO

Alberto Lavandeira
Non-Executive Director

Richard Monti
Non-Executive Director

Jose Manuel Dominguez
General Manager Spain

Sean Duffy
CFO and Company Secretary

BLACK DRAGON GOLD
ASX: BDG TSXV: BDG

NEW NI 43-101 MINERAL RESOURCE ESTIMATE INCREASES RESOURCES AT SALAVE

Black Dragon Gold Corp. (ASX/TSX-V: BDG) ('Black Dragon' or the 'Company') is pleased to announce an updated NI 43-101 Mineral Resource Estimate for its Salave Gold Deposit (**'Salave'**) in northern Spain.

The updated estimate, which has been prepared in accordance with JORC, follows 2,217 metres of core drilling completed in 2018 and based on a revised interpretation of the Salave Deposit. **The updated combined Measured and Indicated Mineral Resource now totals 8.21 million tonnes grading 4.58 g/t Au, containing 1.21 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 new Mineral Resource estimate has yielded a small increase in average grade and for Salave represents a 28% increase from the 944,000 combined Measured and Indicated ounces defined in the Company's previous resource estimate at the same cut-off grade of 2.0 g/t Au, released in March 2014 and restated on 2 February 2017.

Mineral Resource Estimate for Salave at 2.0 g/t Au Cut-Off Grade[1]

Category	Tonnes	Au	
	Mt	g/t	koz
Measured	1.03	5.59	185
Indicated	7.18	4.43	1,023
Measured & Indicated	8.21	4.58	1,208
Inferred	3.12	3.47	348

1. Notes:
- Rounding may cause apparent discrepancies
- Resource estimate conducted by CSA Global of Perth Australia ("CSA") with an effective date of October 22, 2018 and will be supported by a technical report to be filed within 45 days of the date of this news release
- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability
- The quantity and grade of reported Inferred resources in this estimation are conceptual in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured resource. It is uncertain if further exploration will result in upgrading them to an Indicated or Measured resource category, although it is reasonably expected that the majority of the Inferred resources could be upgraded to Indicated Mineral Resources with further exploration

Black Dragon has initiated a Preliminary Economic Assessment **('PEA')** that will incorporate the increased new Mineral Resource and a new underground mine plan. The overall goal of the 2018 PEA is to develop an economically robust mine plan that has a minimal footprint by focusing on the highest-grade portions of Salave's updated Mineral Resource model. The Company's management is committed to and confident that we will be able to develop a mine plan that fits in with the local community's expectation of a responsible and environmentally respectful mining operation.

CEO and Managing Director of Black Dragon, Paul Cronin, commented: "*In addition to the material increase on the previous resource estimate, today's news marks yet another significant milestone in the advancement of Salave. We believe there is an excellent opportunity for further expansion of the Salave resource because the 2018 drilling program and updated resource model have identified other areas for follow-up drilling and the potential expansion of the Salave Deposit. The work completed over the past 12 months to update the historical data at Salave is proving a good investment and, with additional drilling planned for 2019, we are confident that we can further grow Salave resource base. In the meantime, our preliminary economic assessment is under way and we are looking forward to sharing the results before the end of the year.*"

Not only has the 2018 drilling confirmed and infilled areas of gold mineralization within the previous resource model, they intersected high-grade intervals of gold mineralization outside of the previous resource model, at depth and down dip to the west. The 2018 drilling was logged using oriented drill core. This information will be used to complete a detailed structural study over coming months to assist with the interpretation of the structural setting that is controlling the distribution of high-grade gold zones amenable to underground mining.

The Mineral Resource cut-off grade of 2.0 g/t Au was chosen to capture mineralization that is potentially amenable to underground mining. The reported resources occur in bodies of sufficient size and continuity to meet the requirement of having reasonable prospects for eventual economic extraction. Due to the necessity to maintain a surficial crown pillar in a potential underground operation, all material from the present surface to a depth of 40 meters is not included in the Salave resources.

Alternative cut off grades returned the following results.

	1 g/t Cut-Off Grade			2 g/t Cut-Off Grade			5 g/t Cut-Off Grade		
Category	Tonnes	Au		Tonnes	Au		Tonnes	Au	
	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
Measured	1.51	4.27	207	1.03	5.59	185	0.40	9.43	120
Indicated	13.31	3.05	1,307	7.18	4.43	1,023	1.61	9.47	489
Measured & Indicated	**14.82**	**3.18**	**1514**	**8.21**	**4.58**	**1,208**	**2.01**	**9.46**	**609**
Inferred	10.94	1.96	690	3.12	3.47	348	0.43	7.45	103

GEOLOGY AND GEOLOGICAL INTERPRETATION

The Salave Deposit consists of a series of stacked horizontal to shallow west dipping lenses of mineralization associated with altered (advanced sercitization and albitization) fracture zones within the Salave Granodiorite. The Salave Granodiorite is a large northwest-trending, approximately 500 m wide, steeply dipping sill-like intrusive body overlain by metasediments on the western flank of the deposit. The contact between the metasediments and the Salave Granodiorite trends approximately northeast and dips gently to the northwest, approximately parallel to the dip of the regional thrust faulting and the Salave Deposit. The mineralized lenses that form the Salave Deposit pinch and swell and at time these lenses appear to coalesce or are connected by steeper structures, which may act as feeders to the mineralization within the shallow dipping lenses. As you move deeper through the deposit, the lenses appear to offset and step down to the west and collectively form a tabular zone immediately below and roughly parallel to the contact with the overlying metasediments.

Gold mineralization at Salave is related to hydrothermal alteration of the host granodiorite. The highest gold grades are associated with intense albite-sericite alteration with fine-grained arsenopyrite, commonly disseminated as fine needles, pyrite and stibnite. Destruction of the original texture is a major feature of the most intensively altered and mineralized granodiorite. Quartz veins, and quartz-carbonate molybdenite-bearing veins present in the deposit do not contain gold and represent a separate mineralizing event.

Geological data has been collected in a consistent manner that has allowed the development of geological models to support the Mineral Resource estimate. Gold mineralization is strongly controlled by alteration types, which were logged for all holes.

A full model of alteration was developed, and the block model was domained accordingly.

Interpretation of the deposit mineralization was based on the current understanding of the deposit geology. Each cross section generally spaced 20 m apart was displayed in Micromine software together with drill hole traces colour-coded according to gold values. A nominal cut-off grade of 0.47 g/t Au was selected for interpretation based on the results of classical statistical analysis.

A block model constrained by the interpreted mineralized envelopes was constructed. A parent cell size of 4 m(E) x 4 m(N) x 4.5 m(RL) was adopted with standard sub-celling to 1 m(E) x 1 m(N) x 0.9 m(RL) to maintain the resolution of the mineralization and alteration domains. Samples composited to 1.5 m length were used to interpolate gold grades into the block model using Ordinary Kriging interpolation techniques. The block model was domained using alteration codes, which were grouped into eight main types. The alteration types were interpolated into the model using an indicator approach and Ordinary Kriging algorithm. Each alteration domain was estimated separately using corresponding grade composites. Block grades were validated both visually and statistically and all modelling was completed using Micromine software. Density measurements were taken from 80 holes (631 samples) and interpolated into each alteration domain of the block model. The Mineral Resource has been classified as Measured, Indicated and Inferred based in accordance with the Definition Standards of the Canadian Institute of Mining and Metallurgy (CIM) of May 10, 2014. The classification level is based upon an assessment of geological understanding of the deposit, geological and grade continuity, drill hole spacing, quality control results, search and interpolation parameters, and analysis of available density information.

SAMPLING AND SUBSAMPLING TECHNIQUES

Sampling techniques:

The 2018 drilling completed by Black Dragon Gold Corp. (BDG) consists of seven holes for 2,217 m. All core is cut (quarter core) with a diamond saw and sampled at 1.5 m intervals for assaying.

The historical drilling database contains 342 DD holes and 29 RC holes. Various sampling intervals were adopted, including 3 m, 1 m and 1.5 m. Of the 342 DD holes and 29 RC holes included in the database and completed prior to the 2018 drill program, 265 holes (250 core, 13 combination core RC and two RC holes) were used to generate the previous MRE by MDA.

The 2018 drilling is PQ to the oxide fresh rock interface (16-61m) and then HQ in fresh rock. Sampling is quarter core over 1.5 m and quarter core is sent for analysis. Both core sizes methods produced a representative sample.

Historical sampling used split core (using either hammer and chisel or diamond saw), including BQ (36.5 mm), NQ (47.5 mm), HQ (63.5 mm) and PQ (85 mm) intervals.

Diamond drilling was used in 2018 to obtain 1.5 m quarter core samples from which were pulverized to produce a 50 g charge for fire assay, and a 0.25 g charge for near total four-acid digest for (S, As, Sb).

Historical analysis spans 1970–2005 with explorers analyzing with various analytical techniques, but primarily fire assay. Confirmatory drilling completed from one explorer to another appears to confirm the general magnitude of the grades.

Subsampling techniques:

Current drilling: All core is cut in half and quartered, and quarter core is assayed. Quarter core samples were collected which is considered acceptable by the Competent/Qualified Person. Additional subsampling of quarter core is carried out to demonstrate sampling precision. A second quarter core sample has been collected as field duplicates. QAQC sampling of the quarter core is representative of the in-situ material. No results have been returned as yet to evaluate.

Historically, core was cut in half and assayed. Not all core was assayed particularly at the collar and intervals interpreted to be barren. All barren intervals were populated with 0.005 g/t gold grades. There is no record of the historical sampling of RC drilling and with the exception of two RC and 13 combination RC/core holes, the remaining RC drilling was not used in the current resource estimate. Subsampling protocols were generally consistent with historical samples taken. Each subsample is considered to be representative of the interval.

Considerable sampling for metallurgical testwork was carried out by Rio Narcea, Anglo, Newmont and Lyndex. The results confined the tenor of the drill hole grades.

Sample sizes are considered appropriate to reasonably represent the material being tested.

DRILLING TECHNIQUES

Current (2018) drilling commenced with PQ reducing to HQ standard tube and core is orientated using a standard spear method. Historically, drill core diameter typically commenced with either HQ or NQ and all holes reduced core size at varying downhole depths. The smallest diameter at the end of hole was BQ. Core recovery from 2018 drilling is estimated using the driller's recorded depth marks against the length of the core recovered. There is no significant core loss from holes drilled in 2018. Historical drill core recovery data for 70% of the intervals has been sighted with an average recovery of 95% within a range of 80–100%.

The ground conditions are reasonable and standard single tube coring techniques results in good sample recovery. There appears to be no potential sample bias as there was no regular or excessive loss of core.

DRILL HOLE DENSITY

Drill hole density across the project (including all drilling) is approximately 20–40 m x 20–40 m closing in to better than 10 m x 10 m in places.

The data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource classifications applied.

SAMPLE ANALYSIS METHOD

BDG used ALS in Seville, Spain, a fully accredited laboratory using the following methods:

- Au-AA26 Au by fire assay and AAS (50 g pulp sample) for gold.
- PREP-31CY for sample preparation fine crushing – 70%; <2 mm, split sample – Boyd rotary splitter, pulverise 1,000 g to 85% <75 um.
- ICP 61 – near total four-acid digest for (S, As, Sb).

ESTIMATION METHODOLOGY

The MRE is based on surface drilling results using Ordinary Kriging (OK) to inform 4 m x 4 m x 4.5 m blocks. The block model was constrained by one wireframe modelled for the mineralized zone of the deposit. Sectional interpretation was carried out for all sections of the deposit. The OK interpolation was carried out separately for each alteration domain of the deposit. The alteration domains were interpolated into the model using indicator approach and OK interpolation method, using all available alteration logging. Hard boundaries were used between the interpreted mineralization and host rocks, as well as between alteration domains. The drill hole data were composited to a target length of 1.5 m based on the length analysis of raw intercepts.

Grade estimation was validated using visual inspection of interpolated block grades vs. sample data, alternative interpolation methods and swath plots.

CUT-OFF GRADE(S), INCLUDING THE BASIS FOR THE SELECTED CUT-OFF GRADE(S)

A cut-off grade of 2 g/t Au was used to report the Mineral Resources. The selected cut-off assumed underground mining method.

MINING AND METALLURGICAL METHODS AND PARAMETERS, AND OTHER MATERIAL MODIFYING FACTORS CONSIDERED TO DATE

Mining is assumed to be by underground methods. Considerable metallurgical testing of drill core has been completed on Rio Narcea, Anglo, Newmont and Lyndex core intervals. These data provide the bulk of the data verification for the deposit. All the tests reported have drill hole sample weights so that the drill hole assays can be compared to metallurgical test head assays and calculated heads.

QUALIFIED PERSONS AND COMPETENT PERSONS STATEMENT

The information in this announcement that relates to the updated Mineral Resource estimate for the Salave Gold Project is based on and fairly represents information and supporting documentation prepared by Dmitry Pertel MAIG, of CSA Global, the Independent Qualified Person as defined by National Instrument 43-101 and responsible for the updated Mineral Resource Estimate reported herein. Santiago Gonzales Nistal, EurGeol., a Qualified Person as defined by National Instrument 43-101 and consultant to Black Dragon, supervised the 2018 diamond drilling program at the Salave Gold Project, has reviewed and approved the scientific and technical disclosure in this news release. Douglas Turnbull, P.Geo. Mr Turnbull is a member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia, Canada (Engineers and Geoscientists BC), a recognised professional organisation for the purposes of the JORC Code. Douglas Turnbull is the President of Lakehead Geological Services, and a consultant to the Company. Douglas Turnbull has provided his prior written consent as to the form and context in which the updated mineral resource estimate and supporting information are presented in this announcement.

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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 an updated combined Measured and Indicated Mineral Resource of 8.21 million tonnes grading 4.58 g/t Au, containing 1.21 million ounces of gold, plus Inferred resources totalling 3.12 million tonnes grading 3.47 g/t Au, containing 348,000 ounces of gold. A full technical report summarizing the Mineral Resource estimate completed by CSA Global is in progress and will be completed and posted on SEDAR and the Company's website within 45 days. In addition to the current Mineral Resource, historical exploration work suggests there is the potential for additional mineralization within Black Dragon's landholdings.

JORC Table 1 Section 1 – Key Classification Criteria

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	The 2018 drilling completed by Black Dragon Gold Corp. (BDG) consists of seven holes for 2,217 m. All core is cut (quarter core) with a diamond saw and sampled at 1.5 m intervals for assaying. Two of those holes were used in the Mineral Resource estimate (MRE). The historical drilling database contains 342 DD holes and 29 RC holes. Various sampling intervals were adopted, including 3 m, 1 m and 1.5 m. Of the 342 DD holes and 29 RC holes included in the database and completed prior to the 2018 drill program, 265 holes (250 core, 13 combination core RC and two RC holes) were used to generate the current MRE by MDA. Not all the historical drilling completed on or immediately adjacent to the current property boundary is included in BDG's current drill database.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The 2018 drilling was initiated with PQ size core to variable depths to approximately 60m of the fresh rock interface (16-61m) and then HQ size core in fresh rock. Samples consisted of quarter core over predominantly 1 to 2 m lengths (average sample length of 1.33m). All core was cut along oriented core markings (producing one half and two quarter core lengths) with a diamond saw into various lengths depending on lithology and alteration contacts determined by the drill site geologist. All drill core was sampled and the average sample length for the 2018 drilling was 1.33 m. Historical sampling used split core (using either hammer and chisel or diamond saw), including BQ (36.5 mm), NQ (47.5 mm), HQ (63.5 mm) and PQ (85 mm) intervals.
	Aspects of the determination of mineralization that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.	Diamond drilling was used in 2018 to obtain 1.5 m quarter core samples from which was pulverised to produce a 50 g charge for fire assay, and a 0.25 g charge for near total four-acid digest for (S, As, Sb). Historical analysis spans 1970–2005 with explorers analysing with various analytical techniques, but primarily fire assay. Quite a bit of confirmatory drilling completed from one explorer to another appears to confirm the general magnitude of the grades. Several periods of metallurgical testwork by previous explorers indicate grades slightly higher than drillhole grades. Refer to the 2017 MDA technical report on the BDG website.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Current (2018) drilling commenced with PQ reducing to HQ standard tube and core is orientated using a standard spear method. Historically, drill core diameter typically commenced with either HQ or NQ and all holes reduced core size at varying downhole depths. The smallest diameter at the end of hole was BQ. Limited records of shallow reverse circulation (RC) drilling indicate that they mainly failed due to the high-water table. These are not included in the MRE.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Core recovery from 2018 drilling is estimated using the driller's recorded depth marks against the length of the core recovered. So far there is no significant core loss from the holes completed in 2018. Historical drill core recovery data for 70% of the intervals has been sighted with an average recovery of 95% within a range of 80–100%. Most companies record geotechnical parameters and some companies completed geotechnical holes.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The ground conditions are reasonable and standard single tube coring techniques results in good sample recovery.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	There appears to be no potential sample bias as there was no regular or excessive loss of core.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Photos were taken of the drill core, both dry and wet, in 2018 before core cutting. The whole drill core is orientated and logged including fracture orientation, recovery, rock quality designation (RQD), geology and mineralogy. Drill core is stored at BDG's warehouse. The data is believed to be of an appropriate level of detail to support resource estimation. Core recovery data was recorded for approximately 70% of the historical drilling. Specific geotechnical drilling has been completed by various explorers. Various mining studies (including metallurgy) and resource estimates have been completed with three NI 43-101 compliant technical reports completed on behalf of BDG, including two by MDA (2014 and 2017) and a PEA by Golder (2011). 335 historical holes were logged for lithology and alteration, 81 holed had geotechnical/RQD data and 135 holes had structural logging.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Current diamond core geological logging is qualitative. Geotechnical data is quantitative. Historical diamond core geological logging is qualitative in nature. Geotechnical data is quantitative.
	The total length and percentage of the relevant intersections logged.	Current drill core is all logged. Historical core was logged for alteration for 335 holes.
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Current drilling: All core is cut in half and quartered, and quarter core is assayed. Historically, core was cut in half and assayed. Not all core was assayed particularly at the collar and intervals interpreted to be barren. All barren intervals were populated with zero gold grades.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Current drilling: All sampled material is core. There is no record of the historical sampling of RC drilling and with the exception of two RC and 13 combination RC/core holes, the remaining RC drilling was not used by Black Dragon to generate the current resource estimate.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Current drilling: Quarter core samples were collected which is considered acceptable by the Competent Person. Historical drilling: Astur and Gold Fields used diamond saw to cut core in two halves, Rio Tinto used mechanical splitter. One half was sampled, and the second half was stored. Rio

Criteria	JORC Code explanation	Commentary
		Narcea sampled the whole drill core. Lyndex, Anglo and Newmont cut the core longitudinally and sent halves for assay.
	Quality control procedures adopted for all subsampling stages to maximize representivity of samples.	Current drilling: Additional subsampling of quarter core is carried out to demonstrate sampling precision. Historical drilling: Subsampling protocols were generally consistent with historical samples taken. Each subsample is considered to be representative of the interval.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	Current drilling: A second quarter core sample has been collected as field duplicates and inserted into the sample stream at a rate of one in every thirty samples. QAQC sampling of the quarter core is representative of the in-situ material. All duplicate analyses were reviewed and show acceptable precision and variability. Historical drilling: Considerable sampling for metallurgical testwork was carried out by Rio Narcea, Anglo, Newmont and Lyndex. The results confined the tenor of the drillhole grades.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes area considered appropriate to reasonably represent the material being tested.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Recent drilling: BDG is used ALS in Laboratory Group ("ALS") in Spain and Ireland. ALS is an ISO 17025-2005 accredited and internationally recognized analytical services provider. ALS utilized the following methods: • Au-AA26 Au by fire assay and AAS (50 g pulp sample) for gold • PREP-31CY for sample preparation fine crushing – 70%; <2 mm, split sample – Boyd rotary splitter, pulverise 1,000 g to 85% <75 um • Ore Grade Au_AA26 by fire assay and AAS (50 gm pulp sample) for gold • ICP 61 – near total four-acid digest for (S, As, Sb). The techniques are considered total. Historical assays for drill core were assayed by the following companies and techniques as summarised by MDA: • 1970–1971 Northgate/IMEBESA (34 holes): Method unknown • 1971–1972 Rio Tinto (10 holes): Fusion Cupellation/AAS (partial) • 1976 Gold Fields (eight holes): Fire assay. • 1981–1989 Anglo (121 holes): Fire assay. Total method. • 1988 Oromet (20 holes): Unknown method. • 1990–1991 Newmont (32 holes): Fire assay. Total method. • 1996–1997 Lyndex (23 holes): Fire assay. Total method. • 2004–2005 Rio Narcea (77 holes): Fire assay. Total method • 2011–2013 Astur (20 holes): Fire assay. Total method. Various comparative analysis of results from Northgate/IMEBESA, Rio Tinto and Goldfields show discrepancies in assay results. Out of 2,816 intervals, 32 discrepancies were reported by MDA. CSA Global estimated

Criteria	JORC Code explanation	Commentary
		that IMEBESA holes have an impact over the MRE not exceeding 3%, thus it was decided to use those holes in the MRE. Goldfields was the first company to implement QAQC and showed results lower than control samples. Lyndex and Rio Narcea had QAQC processes in place, but no comments are recorded on the performance. Notably coarse gold is mentioned by Gold Fields and they completed screen fire assays. Significant metallurgical testwork was completed using drill core from Rio Narcea, Anglo, Newmont and Lyndex, testwork indicated the calculated (metallurgical) head grade is slightly higher than the drillhole assay average grade, possibly due to coarse gold. Samples are considered a partial digestion when using an aqua regia digest and total when using fire assay.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Geophysical tools were not used in the MRE.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Recent drilling: QAQC procedures included the insertion of certified reference materials (CRMs) and blank material for each sample batch at 5% of samples sent. An umpire laboratory, AGQ, located in Seville, Spain was used as an umpire laboratory for approximately 100 samples. All QA/QC data was reviewed and yielded acceptable levels of precision and accuracy. No batches failed QA/QC analyses. Historical drilling: As described above. Drilling commenced in 1970s with various owners of the property. QAQC commenced with Gold Fields in 1976 and onwards. There were some difficulties in replicating results, however the metallurgical testwork provides an overall level of accuracy in the results.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The 2018 drill campaign was supervised by Santiago Gonzales Nistal, EurGeol., a Qualified Person as defined by National Instrument 43-101, a Competent Person as defined by JORC and a consultant to Black Dragon Gold Corp. A CSA Global representative visited the property in February 2018 and inspected the current drilling and some of the historical collars. MDA and RPA/Golder have completed NI 43-101 compliant reports including site visits by independent personal. MDA personnel visited the site twice in 2016 and inspected the site.
	The use of twinned holes.	The 2018 drill campaign in filled areas of tightly spaced historic drilling which allowed for verification of mineralized zones intersected by historical drilling.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	The data gathering process is manual log (including typically geology, lithology, geotechnical, etc), followed by input in electronic Microsoft Excel format and finally direct transfer to the drillhole database. Data verification was performed off site and backup is kept off site. The samples are packed and palletised for transport by courier.

Criteria	JORC Code explanation	Commentary
		Historical core is wrapped and stored on a hole-by-hole basis at the site and clearly labelled. Historical data is stored in a digital database.
	Discuss any adjustment to assay data.	No adjustments were necessary.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Current drilling hole collars are surveyed by trained surveyors using Total Station and Differential GPS. The same certified topographic surveyor (TOPCAD) that was used in the past was contracted to survey the 2018 drilling. Downhole survey is completed by using a Maxibor device which takes readings every 5 m downhole. Historical drill collars have been recorded for all drillholes, except for Northgate and these holes are not included in the current resource estimate completed by CSA Global. Commercial or professional surveys are only recorded for Rio Narcea and Astur. Prior to Rio Narcea the survey method has not been recorded. Most holes are vertical and downhole survey is completed by various downhole surveying techniques. Four drillhole collars were located by CSA Global staff during a site visit in February 2018.
	Specification of the grid system used.	The grid system used is UTM-29, European datum 1950 or more recently the ETRS89 datum.
	Quality and adequacy of topographic control.	The topographic surface of the deposit was generated by TOPCAD surveyors and is based on surveyed drill collars and 1:50,000 topographic mapping.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Exploration results are not being reported.
	Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Drillhole density across the project (including all drilling) is approximately 20–40 m x 20–40 m closing in to better than 10 m x 10 m in places. The data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource classifications applied.
	Whether sample compositing has been applied.	Sample length compositing to 1.5 m was applied to both historical and 2018 drilling.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The current drilling program is located on historical drillhole locations with angled drillholes between -65° and -75°. The generally flat to shallow dipping nature of the mineralization with occasional vertical structures is well established and the drill orientation is suitable. Historical drilling was generally vertical and suitable given the geometry of the mineralization, though may have underestimated or missed vertical structures, which was addressed in the current drilling.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Recent diamond drilling at various orientations is not expected to reveal any bias regarding the orientation of the mineralized horizons. This drilling is in progress and further information will be based on results. Historical drilling may have missed or mis-stated the vertical structures
Sample security	*The measures taken to ensure sample security.*	The samples are being transported by courier packed and palletised. Historical core is palletised and locked in a warehouse.

Criteria	JORC Code explanation	Commentary
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits have been undertaken.

JORC 2012 Table 1 Section 2 – Key Classification Criteria

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	BDG owns 100% of the Salave gold deposit through its wholly owned Spanish subsidiary Exploraciones Mineras del Cantabrico SL (EMC). The BDG tenure includes five mining concessions and associated extensions covering 662 Ha and an investigation permit covering another 2,765 Ha. BDG currently has five Mining Concessions and an Investigation Permit detailed in the January 2017 "Amended Technical Report on the Salave Gold Project" by MDA on the Company's website. A Mining Concession entitles the holder to develop resources located within the concession area, except those already reserved by the State. An Investigation permit gives the holder the right to carry out, within the indicated perimeter and for a specific term (a maximum of three years), studies and work aimed at demonstrating and defining resources and the right, once defined, to be granted for mining those resources. The term of an Investigation permit may be renewed by the Regional Ministry of Economy and Employment for three years and, exceptionally, for successive periods. The BDG Investigation permit expired in February of 2017 and is currently under application for extension and is pending a response from the respective authority. The Salave gold deposit and mineral resources as currently defined is situated completely within the confines of the Company's Mining concessions and is therefore not impacted by a renewal of the Investigation permit. The Mining Concessions and Investigation permit are subject to restrictions defined by the Plan de Ordenacion del Litoral de Asturias (POLA) which does not allow any surface activity within 500 metres of the coast line of the Bay of Biscay. The Salave Project is subject to a royalty agreement with SPG Royalties Inc. described in the January 2017 Amended Technical Report on the Salave Gold Project by MDA on the Company's website.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	No impediments are known at the time of reporting.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration activities commenced in 1967 with several periods of exploration and mining studies prior to BDG (originally named Dagilev Capital Corp., renamed Astur Gold Corporation in 2010, renamed Black Dragon Gold Corp. in 2016) taking ownership of the project in 2010. A significant amount of drilling has been undertaken on or immediately

Criteria	JORC Code explanation	Commentary
		adjacent to the current property boundary during this period totalling 484 drill holes for 69,585m completed. The first drilling commenced with Northgate/IMBESA in 1970 and continued with various owners until 2005 BDG commenced the 2018 drill program in January 2018, the first to be undertaken since 2013.
Geology	*Deposit type, geological setting and style of mineralization.*	The Salave Gold Deposit is hosted mainly by the strongly altered Salave Granodiorite at its western boundary, close to the contact with the Los Cabos Sedimentary Sequence. Most of the gold mineralization has been delineated within an area of approximately 500 m wide, 780 m long, and tested to 420 m deep. Gold mineralization occurs in a series of stacked, north to northwest trending, shallowly southwest dipping irregular lenses related to faults and fracture zones that are parallel to the contact of the intrusive and metasedimentary rocks. The faults and fracture zones appear to be related to one or more vertical structures some of which contain high-grade gold mineralization. These structures may play an important role as conduits and opening shallow dipping structures with subsequent deposition of hydrothermal solutions. Gold mineralization at Salave is related to hydrothermal alteration of the host granodiorite. The highest gold grades are associated with intense albite-sericite alteration with fine-grained arsenopyrite, commonly disseminated as fine needles, pyrite and stibnite. Destruction of the original texture is a major feature of the most intensively altered and mineralized granodiorite. Quartz veins, and quartz-carbonate molybdenite-bearing veins present in the deposit do not contain gold and represent a separate mineralizing event.
Drillhole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *Easting and northing of the drillhole collar* • *Elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* • *Dip and azimuth of the hole* • *Downhole length and interception depth* • *Hole length.*	Exploration results are not being reported.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Exploration results are not being reported.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Exploration results are not being reported.

Criteria	JORC Code explanation	Commentary
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Exploration results are not being reported.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Exploration results are not being reported.
Relationship between mineralization widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Exploration results are not being reported.
	If the geometry of the mineralization with respect to the drillhole angle is known, its nature should be reported.	Exploration results are not being reported.
	If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').	Exploration results are not being reported.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Relevant maps and diagrams are included in the body of the report.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Exploration results are not being reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Several programs of metallurgical test work, geotechnical studies and resource estimations have been completed by previous explorers and are considered to be not within the scope of this news release. In 2013 Astur Gold engaged a Structural Geological consultant to complete a structural analyses based on observations and measurement of oriented core data from 6 historical drill holes. Details of this work are summarized in the 2017 MDA technical report on the Company's website.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	BDG intends to complete a detailed structural interpretation utilizing the historic and 2018 drilling. BDG is also considering further surface exploration work which may include mapping, soil geochemical surveys and airborne geophysical surveys.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Diagrams were used for the MRE and included: • Geological maps. • Geological cross-sections.

JORC 2012 Table 1 Section 3 – Key Classification Criteria

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td rowspan="2">Database integrity</td><td>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</td><td>One combined database was provided for the MRE – drillholes for 371 historical holes and seven recent holes (2018).
All drillholes were logged, and logging transferred to electronic log books. All drillhole collar, downhole survey, alteration and geological data are stored in common databases in Microsoft Access and Micromine. The 2018 database is updated at the project site as the new data become available. A database copy is stored at BDG main office. All the database changes are strictly regulated by in-house instructions.</td></tr>
<tr><td>Data validation procedures used.</td><td>The following error checks were carried out during the final database creation:
• Missing collar coordinates.
• Missing values in fields FROM and TO.
• Cases when FROM values equal or exceed TO ones (FROM≥TO).
• Data availability. The data availability was checked for each drillhole in the tables:
– Collar coordinates
– Sampling data
– Downhole survey data
– Lithological and alteration characteristics.
• Duplicate drillhole numbers in the table of the drillhole collar coordinates.
• Duplicate sampling intervals.
• Duplicate downhole measurement data.
• Duplicate intervals of the lithological column.
• Sample “overlapping” (when the sample TO value exceeds FROM value of the next sample).
• Negative-grade samples.</td></tr>
<tr><td rowspan="2">Site visits</td><td>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</td><td>Dr Belinda van Lente, an employee of CSA Global, visited the Salave Gold Project, located in Spain, over three days from 19 to 21 February 2018.
The site visit was required for the purposes of inspection, ground truthing, review of activities, and collection of information and data.</td></tr>
<tr><td>If no site visits have been undertaken, indicate why this is the case.</td><td>Not applicable.</td></tr>
<tr><td>Geological interpretation</td><td>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</td><td>Geological data has been collected in a consistent manner that has allowed the development of geological models to support the Mineral Resource estimate. Gold mineralization is strongly controlled by alteration types, which were logged for all holes.
A full model of alteration was developed, and the block model was domained accordingly.
Interpretation of the deposit mineralization was based on the current understanding of the deposit geology. Each cross section generally spaced 20 m apart was displayed in Micromine software together with drillhole traces colour-</td></tr>
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<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>coded according to gold values. A nominal cut-off grade of 0.47 g/t Au was selected for interpretation based on the results of classical statistical analysis.</td></tr>
<tr><td></td><td>Nature of the data used and of any assumptions made.</td><td>Interpretation was based on sampling results of drillholes, which were sampled at 1.5 m intervals (average). Drillhole grade composites were generated to assist with interpretation. All composites were based on 0.47 g/t Au cut-off grade.</td></tr>
<tr><td></td><td>The effect, if any, of alternative interpretations on Mineral Resource estimation.</td><td>No alternative interpretations were adopted.</td></tr>
<tr><td></td><td>The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.</td><td>Gold cut-off grade was mainly used to interpret the mineralized bodies. All internal waste was included into the interpreted mineralized bodies.</td></tr>
<tr><td>Dimensions</td><td>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</td><td>The strike length of the mineralized zone is about 780 m. Width is up to 500 m, plunging about 15° to the northwest, traced down dip to 420 m. The zone is close to the surface.</td></tr>
<tr><td>Estimation and modelling techniques</td><td>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen, include a description of computer software and parameters used</td><td>The MRE is based on surface drilling results using Ordinary Kriging (OK) to inform 4 m x 4 m x 4.5 m blocks. The block model was constrained by one wireframe modelled for the mineralized zone of the deposit. Sectional interpretation was carried out for all sections of the deposit. The OK interpolation was carried out separately for each alteration domain of the deposit. The alteration domains were interpolated into the model using indicator approach and OK interpolation method, using all available alteration logging

Hard boundaries were used between the interpreted mineralization and host rocks, as well as between alteration domains. The drillhole data were composited to a target length of 1.5 m based on the length analysis of raw intercepts.

Interpolation parameters were as follows:
<table>
<tr><td>Interpolation method</td><td colspan="4">OK</td></tr>
<tr><td>Search radii</td><td>Less or equal to 1/3 of semi-variogram ranges</td><td>Less or equal to 2/3 of semi-variogram ranges</td><td>Less of equal to semi-variogram ranges</td><td>Greater than semi-variogram ranges</td></tr>
<tr><td>Minimum no. of samples</td><td>3</td><td>3</td><td>3</td><td>1</td></tr>
<tr><td>Maximum no. of samples</td><td>12</td><td>12</td><td>12</td><td>12</td></tr>
<tr><td>Minimum number of drillholes or trenches</td><td>2</td><td>2</td><td>2</td><td>1</td></tr>
</table>
</td></tr>
<tr><td></td><td>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</td><td>Previous JORC-compliant Mineral Resources were estimated by MDA, and the estimate was available for review.

No current mining is occurring at the Salave Deposit.

The only known past production of gold from the Salave project dates from Roman times, but the mined volumes and grades are not available.</td></tr>
<tr><td></td><td>The assumptions made regarding recovery of by-products.</td><td>No by-products are assumed at this stage.</td></tr>
<tr><td></td><td>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</td><td>No deleterious elements, affecting metallurgical processing, have been identified at the deposit at this study phase.</td></tr>
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<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</td><td>The optimal parent cell size was selected in the course of block modelling. The linear parent cell dimensions along X- and Y-axes were 4 m x 4 m. The vertical parent cell dimension was 4.5 m. Block grades were interpolated using parent cell estimation. Nominal drill spacing was about 20 m x 20 m, but a denser exploration grid exists with 10 m x 10 m grid.</td></tr>
<tr><td></td><td>Any assumptions behind modelling of selective mining units.</td><td>It was assumed that a 4 m x 4 m x 4.5 m parent cell approximately reflects SMU for underground mining.</td></tr>
<tr><td></td><td>Any assumptions about correlation between variables</td><td>No assumptions about correlation between variables were made.</td></tr>
<tr><td></td><td>Description of how the geological interpretation was used to control the resource estimates.</td><td>Geological interpretation was based on a nominal cut-off grade of 0.47 g/t Au.</td></tr>
<tr><td></td><td>Discussion of basis for using or not using grade cutting or capping.</td><td>Top-cutting was applied separately for each alteration domain based on the results of the classical statistical analysis:
<table>
<tr><th>Domain</th><th>Au (g/t)</th></tr>
<tr><td>OX</td><td>-</td></tr>
<tr><td>AS</td><td>100</td></tr>
<tr><td>CL</td><td>31</td></tr>
<tr><td>FR</td><td>21</td></tr>
<tr><td>MT</td><td>24</td></tr>
<tr><td>SE</td><td>-</td></tr>
<tr><td>TH</td><td>16</td></tr>
<tr><td>AB</td><td>19</td></tr>
</table></td></tr>
<tr><td></td><td>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</td><td>Grade estimation was validated using visual inspection of interpolated block grades vs. sample data, alternative interpolation methods and swath plots.</td></tr>
<tr><td>Moisture</td><td>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</td><td>Moisture was not considered in the density assignment and all tonnage estimates are based on dry tonnes.</td></tr>
<tr><td>Cut-off parameters</td><td>The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>A cut-off grade of 2 g/t Au was used to report the Mineral Resources. The selected cut-off assumed underground mining method.</td></tr>
<tr><td>Mining factors or assumptions</td><td>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</td><td>Mining is assumed to be by underground methods.</td></tr>
<tr><td>Metallurgical factors or assumptions</td><td>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the</td><td>Considerable metallurgical testing of drill core has been completed on Rio Narcea, Anglo, Newmont and Lyndex core intervals. These data provide the bulk of the data verification for the deposit. All the tests reported have drillhole sample weights so that the drillhole assays can be compared to metallurgical test head assays and calculated heads.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered, this should be reported with an explanation of the environmental assumptions made.*	The project is considered as an underground project as part of the consideration of reducing the environmental footprint. Waste dumps and tailings facility options have been considered in relation to protected areas.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	The available database for bulk density includes 396 measurements from historical drilling and 68 measurements from the 2018 exploration program. Bulk density was systematically measured by Gold Fields, Anglo American, Newmont, Rio Narcea and BDG. Density measurements were completed using conventional the water immersion method.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	Samples were weighted both in air and in water. Bulk density was calculated using standard method – from sample weight, its weight in water and volume.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	The average measured density was 2.67 t/m^3, which was directly assigned to two alteration domains ("chloritization" and "sericitisation"). All other alteration domains had bulk density values directly interpolated from available density measurements.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	Definitions for Mineral Resource classification categories are consistent with those defined in the JORC Code. Following the review of all the factors, the following approach was adopted: • Measured Resources: Block grade interpolated from a minimum of three composites derived from a minimum of two holes, whose average distance to the block does not exceed 10 m. • Indicated Resources: It was decided that Indicated Mineral Resources be assigned to blocks which were explored with the drill density not exceeding approximately 20 m x 20 m with at least two mineralization intersections. Geological structures are relatively well understood and interpreted.

Criteria	JORC Code explanation	Commentary
		• Inferred Resources: Inferred Mineral Resources are model blocks lying outside the Indicated wireframes, which still display reasonable strike continuity and down dip extension, based on the current drillhole intersections.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	Data quality, grade continuity, structural continuity and drill spacing were assessed by CSA Global to form an opinion regarding resource confidence.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The classification reflects the Competent Person's view of the deposit.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	The Mineral Resource block model was peer reviewed internally by a Principal Resource Geologist employed by CSA Global and the conclusion was made that the procedures used to estimate and classify the Mineral Resource are appropriate.
Discussion of relative accuracy/ confidence	*Where appropriate, a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	Industry standard modelling techniques were used, including but not limited to: • Classical statistical analysis, cut-off selection • Interpretation of mineralized zone and wireframing • Top-cutting and interval compositing • Domaining of the model using alteration logging • Geostatistical analysis (which resulted in semi-variograms with about 80 m ranges along strike and 56 m down dip) • Block modelling and grade interpolation techniques • Model classification, validation and reporting. The relative accuracy of the estimate is reflected in the classification of the deposit.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The estimate is related to the global estimate of the deposit suitable for subsequent scoping and PFS study or further exploration at the deposit.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No historical production data is available for comparison with the MRE. The Mineral Resource accuracy is communicated through the classification assigned to various parts of the deposit.