



ASX ANNOUNCEMENT

1 June 2023

Maiden drilling at Padbury Gold Project completed

HIGHLIGHTS

- Maiden drill programme at Padbury Gold Project in the North Yilgarn Craton WA successfully completed drilling of 10 reverse circulation holes with an average depth of 104 metres
- Initial observations from drill chip samples show sericite alteration and disseminated sulphide in granitoid with evidence of hydrothermal activity
- Drill programme designed to test for an intrusion related gold system (IRGS) targeted using soil geochemistry and within an 8km trend of surface gold occurrences
- Assay analysis underway with results expected by early August

Black Dragon Gold Corporation (ASX:BDG; 'Black Dragon' and or the 'Company') is pleased to announce it has completed its maiden drilling programme at its highly prospective Padbury Gold Project EL51/1942 near Meekatharra in the Murchison region of Western Australia.

The maiden 10 reverse circulation (RC) holes were located on significant gold anomalies identified through Black Dragon's soil sampling conducted last year (refer ASX announcement [28 November 2022](#)) and tested the potential source of gold nuggets at surface along an 8km gold trend across multiple prospects (refer Figure 1 over page).

Black Dragon CEO and Managing Director Gabriel Chiappini said:

"Our maiden drilling programme at the Padbury Gold Project was designed to test our theory that an IRGS exists sub-surface, which could be the potential source of the surface gold occurrences collected over several years by prospectors.

"I'm pleased initial results reported via our geological team confirmed drilling intersected strong and intense zones of Sericite and Silica alteration together with Disseminated Sulphides and Quartz-Carbonate Veins in Granitoid. These observations are indicative of hydrothermal activity and align with our pre-drill model that Padbury has the potential to host an IRGS mineralised structure.

"We're particularly pleased that numerous drill holes had significant displays of Sericitic Alteration caused by hydrothermal activity. The 10 RC holes drilled were completed safely, on time and on budget, with the drilling crew now demobilised from site. All RC drill samples have been despatched to ALS laboratory for assaying with results expected in the next five to eight weeks."

ABOUT BLACK DRAGON GOLD

Black Dragon Gold is the 100% owner of the 1.5m+ oz high grade Salave Gold Project, situated in the Asturias province in Northern Spain.

BOARD & MANAGEMENT

Paul Cronin
Non-Executive Chairman

Alberto Lavandeira
Non-Executive Director

Gabriel Chiappini
Managing Director

Jose Manuel Dominguez
General Manager Spain



Padbury Gold Maiden Drilling Exploration Programme

Drill chip samples were encouraging and showed zones ranging from several metres to more than 20 metres (drill width) of weak to intense sericite and silicification with disseminated sulphides in granitoid structures.

At Padbury Gold, Black Dragon is targeting an IRGS potentially analogous to De Grey Mining’s Hemi discovery at its Mallina Gold Project in the Pilbara region of WA. The observations from the Company’s maiden drilling programme align with the pre-drill geological model that indicated Padbury Gold could potentially host an IRGS mineralised structure.

All of the RC drilling samples have been transferred to ALS for assaying and the Company expects to receive final assay results in the next five to eight weeks.

The maiden drilling programme was carried out by Topdrill Ltd under exploration and geological management of OMNI GeoX Ltd with oversight from Black Dragon’s Geological Advisor, Dr Darren Holden. The RC holes were originally planned to 100 metres length, however due to evidence of alteration of geological structures some holes were extended to 108 metres (refer Drill Hole Table 1 on page 5).

Note on visual observations from drill samples

Visual geological observations presented in this release, including reference to sulphide minerals and alteration, are not a proxy for assay results. Whilst these geological observations show similarities to other mineral systems including intrusion related gold systems, they can also occur in absence of gold mineralisation. Assay results are pending completion at the laboratory.

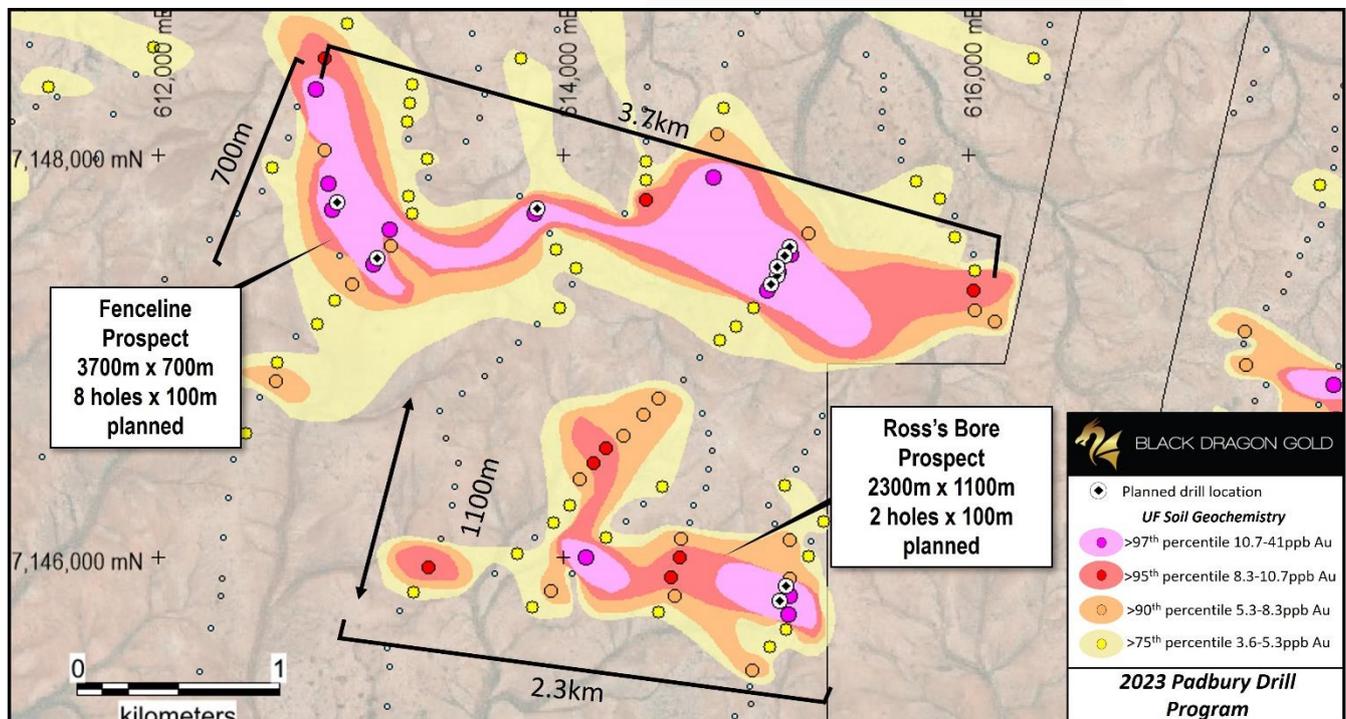


Figure 1: Drill hole locations for Padbury Gold’s maiden drilling programme overlaid against the strong gold mineralised zones identified in Black Dragon’s geo-chemistry exploration in Q4-CY22.



Forward Exploration Programme

Assay results from the drill programme are expected back from ALS Laboratories in the next five to eight weeks and, subject to the results, Black Dragon will then plan the next phase of its exploration programme.

Near term the Company is considering further exploration activities including:

1. Expanding soil geochemistry testing and analysis into the 158km² Padbury Extension tenement E51/1969 to the south-east of the primary Padbury tenement
2. Conducting regional mapping and reconnaissance for both the Padbury Gold and Ivan Well Gold projects
3. Scoping of geophysical programmes such as aeromagnetic and radiometric surveys across both project areas



Figure 2: Topdrill RC rig and OMNI GeoX field geologists mobilised on site as part of Black Dragon's maiden drilling programme at , Padbury Gold Project near Meekatharra

-Ends-



Authorised for release by CEO & Managing Director Gabriel Chiappini, for and on behalf of Black Dragon Gold

FURTHER INFORMATION

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ABOUT BLACK DRAGON GOLD

Black Dragon Gold (ASX: BDG) is an Australian company with a global portfolio of exploration assets. The Company's flagship project is Salave, one of the largest undeveloped gold projects in Europe. Salave is 100 per cent owned by the Company and situated in the North of Spain in the province of Asturias.

In 2022 the Company acquired West Australian mining explorer Marlee Gold Pty Ltd as part of its growth strategy. The deal includes the purchase of three permits with early-exploration discovering near surface gold. For more information visit www.blackdragongold.com.

ABOUT SALAVE PROJECT

The 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.

ABOUT MARLEE GOLD

Marlee Gold Pty Ltd was acquired in July 2022 to diversify the Company's exploration portfolio. Marlee Gold is the holder of three exploration licences in the North Yilgarn Craton of Western Australia, that has been underexplored but has significant regional gold and copper mines. Marlee Gold has two main projects called Padbury Gold and Ivan Well spread out of three exploration licences covering 481km². The main focus for the Marlee Gold prospects are to conduct modern exploration techniques to determine the likelihood of bedrock sourced mineralisation with a focus on gold.

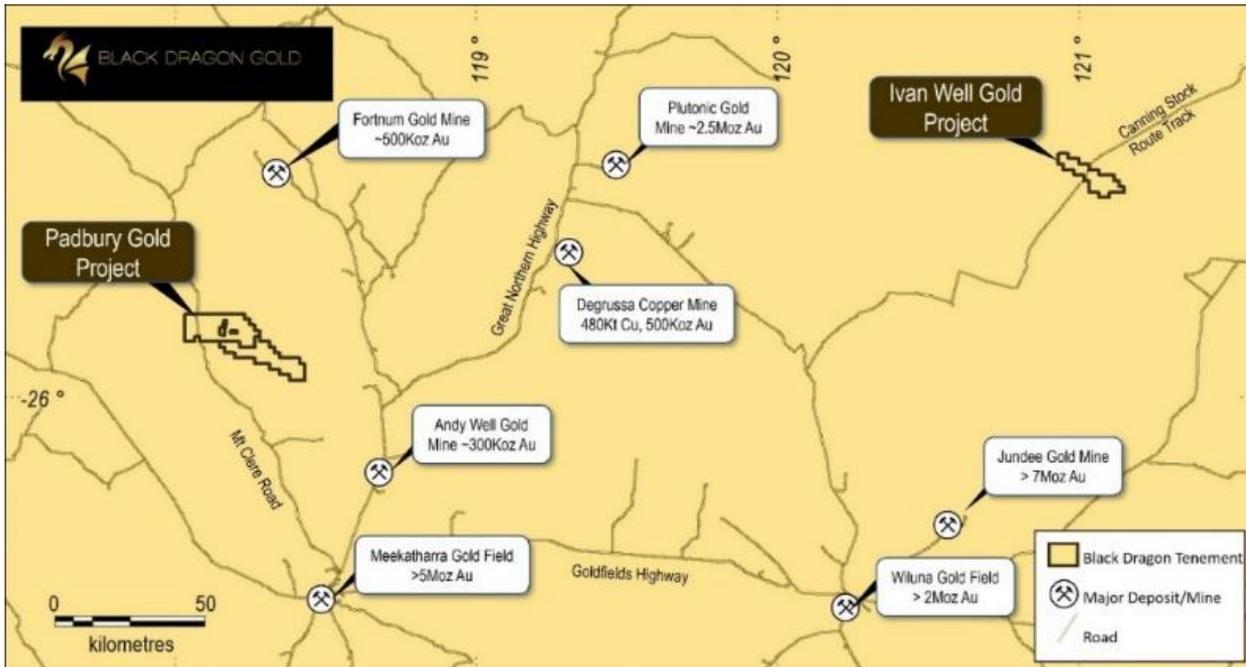


Figure 3: Regional location map

COMPETENT PERSON’S STATEMENT

The information in this report that relates to mineral exploration from the Padbury Gold Project or is otherwise scientific or technical in nature, is based on information compiled and reviewed by Dr Darren Holden who is an advisor to the Company. Dr Holden is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (JORC code) and a qualified person under Canadian National Instrument 43-101. Dr Holden has reviewed the information herein and consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

DRILL HOLE DETAILS

| HOLE ID | EASTING | NORTHING | RL | DRILL-HOLE LENGTH | AZI | DIP |
|---------|---------|----------|-----|-------------------|-----|-----|
| PPRC001 | 615118 | 7147544 | 503 | 102 | 210 | -60 |
| PPRC002 | 615090 | 7147504 | 483 | 108 | 210 | -60 |
| PPRC003 | 615053 | 7147446 | 496 | 108 | 210 | -60 |
| PPRC004 | 615053 | 7147402 | 487 | 102 | 210 | -60 |
| PPRC005 | 615028 | 7147357 | 487 | 108 | 210 | -60 |
| PPRC006 | 613080 | 7147489 | 488 | 102 | 210 | -60 |
| PPRC007 | 612883 | 7147769 | 485 | 102 | 210 | -60 |
| PPRC008 | 615097 | 7145856 | 493 | 102 | 210 | -60 |
| PPRC009 | 615066 | 7145786 | 489 | 102 | 210 | -60 |
| PPRC010 | 613871 | 7147733 | 495 | 102 | 210 | -60 |

Table 1: Drill hole details for the Padbury Gold Project.



JORC CODE, 2012 EDITION

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|------------------------------|---|---|
| Sampling techniques | <ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (eg '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 mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> | <ul style="list-style-type: none"> • Reverse circulation drilling undertaken. • Drill samples collected every metre in duplicate, with the 'A' sample for assay and the remaining 'B' sample retained for future reference. Samples are approximately 3kg. • Samples are in transit to the laboratory. |
| Drilling techniques | <ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</i> | <ul style="list-style-type: none"> • Reverse circulation drilling with splitter to collect samples |
| Drill sample recovery | <ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> | <ul style="list-style-type: none"> • Drill sample recovery has not been reported. |



| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| Logging | <ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> | <ul style="list-style-type: none"> • Chip samples have been logged for rock-type, alteration type, veins, and sulphide minerals. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> | <ul style="list-style-type: none"> • Two samples collected from a splitter from each metre of drilling. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> | <ul style="list-style-type: none"> • Assay results are pending, though it is proposed to assay with Au-ICP21 method for low-level detection of fire assay for gold using ALS Laboratories. Pulps are to be retained for XRF analysis for multi-element indicators. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical</i> | <ul style="list-style-type: none"> • No assaying reported in this release |



| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| | <p>and electronic) protocols.</p> <ul style="list-style-type: none"> • Discuss any adjustment to assay data. | |
| Location of data points | <ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. | <ul style="list-style-type: none"> • Collar locations collected with hand-held GPS to accuracy of +- 5m. • Grid System MGA94 Z50 • No topographic control, as all samples at natural land surface. |
| Data spacing and distribution | <ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied. | <ul style="list-style-type: none"> • Collar locations as noted in Table 1 and on the map in the body of this release. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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. | <ul style="list-style-type: none"> • Drill holes drilled at 210 deg Azimuth and -60 dip to optimise intersection of both WNW-ESE and N-S structures at appropriate angle. |
| Sample security | <ul style="list-style-type: none"> • The measures taken to ensure sample security. | <ul style="list-style-type: none"> • Samples are bagged and sealed on site and sent for staging at Omni Geox's storage facility before transferral to the laboratory. |
| Audits or reviews | <ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> • No audits undertaken. |

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> • 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. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a | <ul style="list-style-type: none"> • E51/1942 is 100% held by a wholly owned subsidiary of Black Dragon Gold Corp. • P51/3158 is owned by a private individual with an option to purchase (100%) held by a wholly owned subsidiary of Black Dragon. • Marlee Minerals and associates retains a 1.5% NSR Royalty on the project. |



| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| Exploration done by other parties | <p><i>licence to operate in the area.</i></p> <ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> | <ul style="list-style-type: none"> The Company purchased the project from Marlee Minerals PL via the acquisition of subsidiary Marlee Gold PL. Exploration professionals at Marlee Gold had compiled regional exploration data from historic WAMEX archives, and compiled a series of gold occurrences from prospectors identified gold flakes and nuggets (refer company announcement 6 July 2022). |
| Geology | <ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> | <ul style="list-style-type: none"> The Padbury Gold Project is hosted in granitoids on the northern Yilgarn Margin. Mineralisation targets are currently inferred to related to WNW-ESE to NW-SE to N-S structures |
| Drill hole Information | <ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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.</i> | <ul style="list-style-type: none"> Collar and survey at collar are reported in this release. Downhole survey was completed at the end of hole, with no significant deviation of drilling recorded. Drill collars surveyed with hand-held GPS with +/- 5m accuracy. |
| Data aggregation methods | <ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | <ul style="list-style-type: none"> No aggregation methods or assay results reported in this release. |



| Criteria | JORC Code explanation | Commentary |
|---|--|--|
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> | <ul style="list-style-type: none"> • No mineralisation reported in this release |
| Diagrams | <ul style="list-style-type: none"> • <i>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 drill hole collar locations and appropriate sectional views.</i> | <ul style="list-style-type: none"> • A map of drill collars included in this release |
| Balanced reporting | <ul style="list-style-type: none"> • <i>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.</i> | <ul style="list-style-type: none"> • No results reported. |
| Other substantive exploration data | <ul style="list-style-type: none"> • <i>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.</i> | <ul style="list-style-type: none"> • Reference, in the body of the release, to previous results released by the Company. Refer releases dated 28 November 2022 (geochemistry soil results); 6 July 2022 (acquisition of project and background information) |
| Further work | <ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | <ul style="list-style-type: none"> • Further working is dependent on results, but may included extended geochemistry work, airborne geophysics and further drilling. |