



ASX ANNOUNCEMENT

21 July 2023

Quarterly Activities Report to 30 June 2023

HIGHLIGHTS

- Heritage Survey clearance granted at Padbury Gold paving way for drilling programme to test the source of gold nuggets at surface along an 8km gold trend across multiple prospects
- Maiden drilling programme completed at Padbury Gold Project in the North Yilgarn Craton
- A total of 10 x 100m reverse circulation holes drilled into select prospective targets - assay results pending
- Permitting programme at flagship Salave Gold Northern Spain progressing

Black Dragon Gold (ASX:BDG; “Black Dragon” or “the Company”) is pleased to provide the following quarterly activities report for the period ending 30 June 2023.

CEO & Managing Director Gabriel Chiappini said:

“During the June quarter 2023 Black Dragon Gold had on-ground activity concentrated at its assets in Western Australia.

“Following completion of a Traditional Owner heritage survey at our Padbury Gold project in the Murchison, the Company undertook a maiden drilling programme across this permit area, which until now has never been subject to modern exploration techniques.

“In May the Company completed 10 reverse circulation holes at Padbury, drilled on significant gold anomalies identified through Black Dragon’s soil sampling conducted last year.

“The 10 RC holes drilled were completed safely, on time and on budget, with RC drill samples despatched to ALS laboratory for assaying with results pending.”

“In parallel, we have continued to de-risk, advance and progress the Environmental Impact Assessment permit for our 1.5m+ ounce high grade Salave Gold Project, to unlock the pathway to development of this large, globally significant and high-grade asset.

“We continue to receive positive feedback on the quality of our EIA from stakeholders and the regional government in Asturias, Spain.”

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



Operational update

Padbury Gold Project exploration

In late May the Company completed a maiden drilling programme at its highly prospective Padbury Gold Project EL51/1942 near Meekatharra in the Murchison region of Western Australia (refer [ASX announcement 1 June 2023](#))

Ten reverse circulation (RC) holes were located on significant gold anomalies identified through 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.

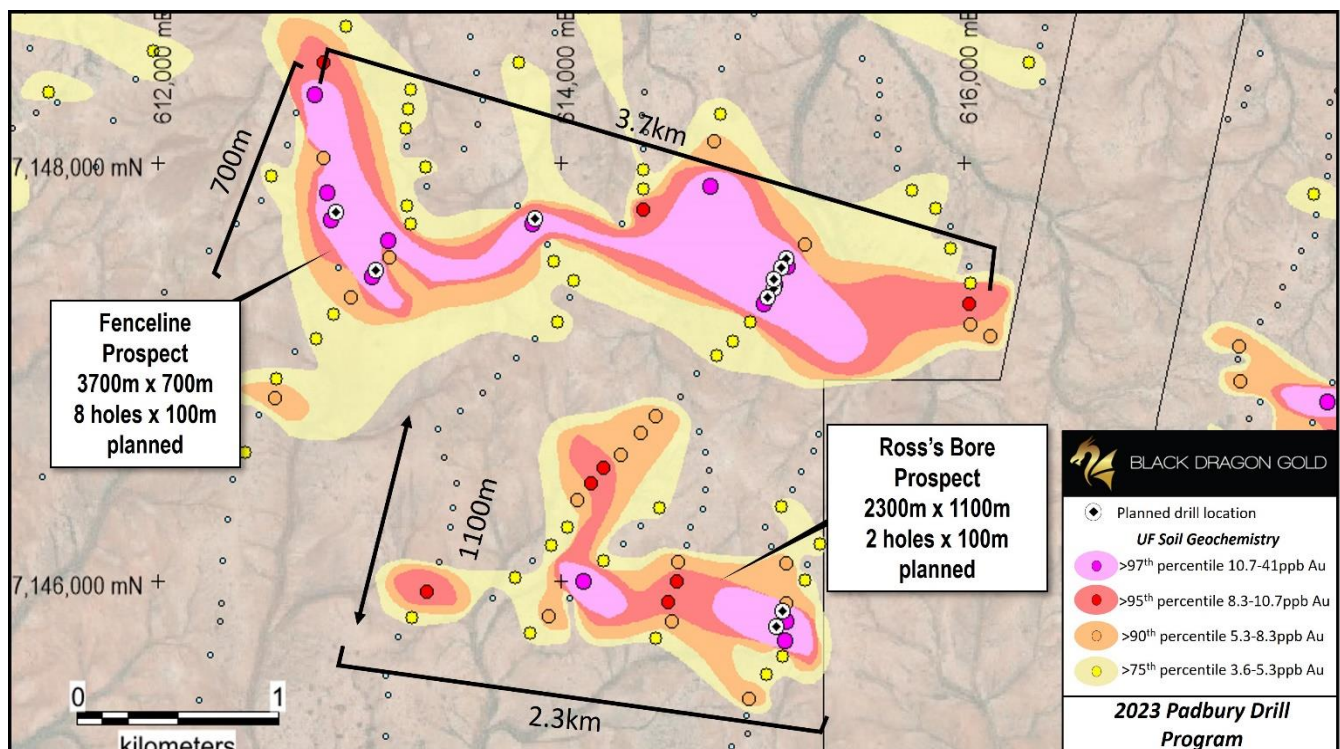


Figure 1: Figure 1: Drill hole locations for Padbury Gold's maiden drilling programme overlaid against the strong gold mineralised zones identified in Black Dragon's geo-chemistry exploration in Q4-CY22

Forward Exploration Programme

Beyond quarter's end and 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 aeromagnetism and radiometrics across both project areas



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

Salave Gold Project continues to be de-risked

During the quarter, Black Dragon continued to advance and de-risk its high grade 1.5m+ oz Salave Gold Project in Asturias, northern Spain. Post EIA dialogue continued between the Company and key stakeholders, including the Asturian Regional Government.

During May regional elections were held in Asturias with a regional government yet to be constituted. It is anticipated an Asturian Regional Government will be formed in late July.

In late May, a national general election was declared to be held on 23 July 2023, with the Company anticipating further dialogue to occur on the Company's EIA with relevant stakeholders from both levels of government.

Related party costs

During the quarter, the Company paid a total of CAD\$58,000 thousand to related parties for Director fees and salaries.



Tenement holding

In accordance with ASX Listing Rule 5.3.3, the Company's tenements as at 30 June 2023 are listed below.

Spain

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
Sallave	30.812	2,655	April 2022	25 February 2025
Total		3,316.97		

Australia

Concession Name	Licence Number	Square Kms	Date Granted	Expiration Date
Padbury Gold	E51/1942	216	16 July 2020	15 July 2025
Padbury Gold Extension	E51/1969	167	12 July 2021	11 July 2026
Ivan Well	E69/3818	115	1 March 2022	28 February 2027

- ENDS -

Approved for release by the Black Dragon Gold Board of Directors



FURTHER INFORMATION

Shareholders contact

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ABOUT BLACK DRAGON GOLD

Black Dragon Gold Corp. (ASX:BDG) is an exploration 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 located in the North of Spain in the province of Asturias.

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

ABOUT SALAVE PROJECT

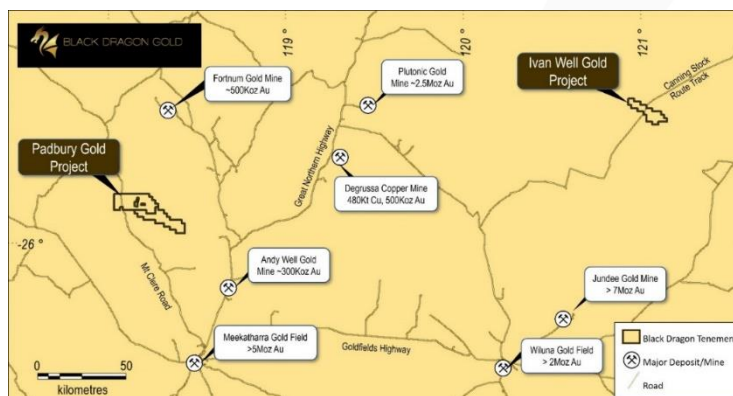
The project has a Measured Mineral Resource of 1.03 million tonnes grading 5.59 g/t Au, containing 0.19 million ounces of gold; an Indicated Mineral Resource of 7.18 million tonnes grading 4.43 g/t Au, containing 1.02 million ounces of gold, plus Inferred Resources totalling 3.12 million tonnes grading 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 owner of 3 exploration licences in the North Yilgarn Craton of Western Australia, that has been underexplored but has significant regional gold and copper regional mines. Marlee Gold has 2 main projects called Padbury Gold and Ivan Well spread out of 3 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.



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")

30 June 2023

Consolidated statement of cash flows		Current quarter CAD\$'000	Year to date (6 months) CAD\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(116)	(163)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(43)	(113)
	(e) administration and corporate costs	(140)	(303)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	2
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	(298)	(577)
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 (6 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)	-	-
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	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,474	1,777
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(298)	(577)
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 (6 months) CAD\$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(32)	(56)
4.6	Cash and cash equivalents at end of period	1,144	1,144

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	1,144	1,474
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)	1,144	1,474

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	58
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)	(298)
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)	(298)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,144
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,144
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.84 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: 21 July 2023

Authorised by:

Gabriel Chiappini

Managing Director & Company Secretary (for and on behalf of the 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.