



BLACK DRAGON GOLD

**BLACK DRAGON GOLD CORP.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Expressed in Canadian dollars)**

**SIX MONTHS ENDED 30 JUNE 2025**

## ***CORPORATE DIRECTORY***

Black Dragon Gold Corporation is incorporated in British Columbia, company incorporation number BC0800267

Black Dragon Gold Corporation is a Registered Foreign Company in Australia: ARBN 625522250

### **DIRECTORS**

Dominic Roberts  
*Executive Chairman*

Paul Cronin  
*Non-Executive Director*

Gabriel Chiappini  
*Non-Executive Director*

Alberto Lavandeira  
*Non-Executive Director*

Heidy Arocha  
*Non-Executive Director*

### **COMPANY SECRETARY**

Gabriel Chiappini

### **CHIEF FINANCIAL OFFICER**

Amy Fink

### **Canadian Registered Office**

1000 Cathedral Place, 925 West Georgia Street, Vancouver, BC V6C 3L2. Email: [info@blackdragongold.com](mailto:info@blackdragongold.com)

### **Australian Registered Office**

Level 1, 10 Outram Street, West Perth, WA 6005, Australia Phone: + 61 8 6102 5055

### **AUDITOR**

BDO Audit Pty Ltd  
Level 9, Mia Yellagonga Tower 2  
5 Spring Street, Perth Western Australia 6000

### **SHARE REGISTRY**

#### **Canada**

Computershare Investor Services Inc.  
510 Burrard St, Vancouver, BC, V6C 3B

#### **Australia**

Computershare Investor Services Pty  
Level 17, 221 St Georges Terrace  
Perth Western Australia, 6000  
Telephone: 1300 787 272  
Facsimile: (08) 9323 2033  
Email: [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

### **STOCK EXCHANGE LISTING**

Australian Securities Exchange (Code: BDG)

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BLACK DRAGON GOLD  
ASX: BDG

## **Directors' Report**

The directors of Black Dragon Gold Corporation ("Black Dragon" or "Company") submit herewith the financial report of Black Dragon and its subsidiaries (the "Group") for the half-year ended June 30, 2025, please refer to the directors' report below:

The following persons were directors of Black Dragon Gold Corp. during the whole of the half-year and up to the date of this report, unless otherwise stated:

### **Name**

Mr Dominic Roberts  
Mr Paul Cronin  
Mr Gabriel Chiappini  
Mr Alberto Lavandeira  
Ms Heidy Arocha (appointed January 21, 2025)

## **REVIEW OF OPERATIONS**

During the period, the Company focused on progressing the Salave Gold Project in North-West Spain, in the Asturias region with the Company continuing to support the Environmental Impact Assessment ('EIA') permitting process with continual dialogue with Spanish stakeholders. The Company will continue providing support to progress the permitting process for Salave Gold.

As announced on 31 March 2025, the Company announced the results of an updated Scoping Study ('Study') completed by Bara Consulting (UK) Ltd ('Bara') on the Salave Gold Project. This updated Study is based on the same geology/grade block model used during the Minerals Resource evaluation in 2018 (refer ASX announcement, 25 October 2018), as no further exploration results are currently available.

The 2018 Mineral Resource model was reviewed and re-reported by Bara under current assumptions and parameters underpinning reasonable chances of eventual economic extraction (RPEEE), taking into account the significant impact of both inflation and gold prices since 2018.

The Study demonstrates robust economics for an underground mining operation with a 14-year mine life plus 2 years of pre-production development and concurrent closure. This includes considerable improvements in nearly all financial production metrics with minimal impact on Project development and sustaining costs.

A substantial portion of the presently estimated resource is in either the Measured (9%) or Indicated (66%) category, sufficient to support further studies at pre-feasibility study (PFS) levels of detail.

Potential for resource extension both at depth as well as along strike through further exploration drilling has been identified. An updated assessment of mining, processing and infrastructure aspects of the Project, including costs and economic analysis, has been undertaken.

Environmental baselining work continues, and an initial EIA to meet Spanish requirements has been submitted for consideration by relevant authorities.

Additionally, the Company submitted an application to the Government of Asturias for Salave to be approved as a Strategic Project through the newly promulgated Asturian law on Strategic Investments. The Project has been independently assessed to meet all key criteria of the new law. On July 25, 2025 the Principality of Asturias SEKUENS Agency, the body charged with evaluation the Strategic Project applications, announced that the Project application will be available for public consultation for twenty working days, from July 28 until August 25, 2025.

## Salave MRE statement, JORC 2012 (as of 1 February 2025)

Resource classification	Tonnes (Mt)	Au grade (g/t)	Au contained metal (Moz)
Measured	1.6	3.82	0.20
Indicated	11.3	2.90	1.06
<b>Measured + Indicated</b>	<b>13.0</b>	<b>3.01</b>	<b>1.25</b>
Inferred	4.1	2.34	0.31

### Notes:

- Classification of the MRE has been set out in accordance with the requirements set out in the JORC Code (2012 Edition); for more details refer to ASX announcement 31 March 2025, Appendix 2, Technical Summary.
- The MRE tonnes and grade stated is that material that is constrained by conceptual Mine Shape Optimiser (MSO) shapes produced by incorporation of the following parameters; gold price of US\$2,405/oz<sup>1</sup>, mining recovery of 100%, mining dilution of 0%, processing recovery of 97%, mining cost of US\$55/t, processing cost of US\$25/t, general and administration (G&A) costs of US\$5/t, and a royalty of US\$2.5/t, reflecting RPEEE, and a cut-off grade of 1.45 g/t Au (at 80% payability).
- All density values were interpolated into the block model from density sampling data using Inverse Distance Weighting (IDW), raised to the second power, except for the CHL and SER domains where a single density value of 2.67 t/m<sup>3</sup> was used. The average interpolated density is 2.67 t/m<sup>3</sup>.
- Tonnes are quoted as rounded to the nearest 100,000 tonnes and contained metal to the nearest 10,000 ounces to reflect these as estimates.
- Rows and columns may not add up exactly due to rounding.
- Mineral Resources that are not Ore Reserves do not have proven economic viability.
- The quantity and grade of Inferred Resources are based on data that are insufficient to allow geological and grade continuity to be confidently interpreted such that they may be classified as Indicated or Measured Mineral Resources. Whilst it is the opinion of the Competent Person that it would be reasonable to expect that Inferred Mineral Resources might be upgraded to Indicated Mineral Resources following additional exploration, it should not be assumed that such upgrading would occur.
- The Competent Person responsible for the preparation of the MRE is Mr. Galen White, BSc. (Hons), FAusIMM, FGS.

## Corporate and Financial Position

Consolidated net liabilities at the half year-end were \$261,747 against \$1,429,536 at the close of the prior year (December 31, 2024). Total cash held at the half year-end was \$1,085,492 against \$1,444,580 at the close of the prior year (December 31, 2024).

The company is of a kind referred to ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest dollar in accordance with the instrument.

The auditor's independence declaration is included on page 21 of the half-year report.

Signed in accordance with a resolution of the board of directors.

On behalf of the Directors



**Dominic Roberts**  
Executive Chairman  
August 14, 2025

**BLACK DRAGON GOLD CORP.**

## Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

	Notes	As at June 30, 2025	Restated As at December 31, 2024 <sup>1</sup>	As at January 1, 2024
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		1,085,492	1,444,580	464,265
Receivables	3	50,934	63,953	71,191
<b>Total current assets</b>		<b>1,136,426</b>	<b>1,508,533</b>	<b>535,456</b>
<b>Non-current assets</b>				
Deposits		4,656	4,337	2,131
<b>Total non-current assets</b>		<b>4,656</b>	<b>4,337</b>	<b>2,131</b>
<b>Total assets</b>		<b>1,141,082</b>	<b>1,512,870</b>	<b>537,587</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	5,7	130,537	138,703	121,727
Unlisted options liability	9	1,272,292	2,803,703	-
<b>Total liabilities</b>		<b>1,402,829</b>	<b>2,942,406</b>	<b>121,727</b>
<b>Shareholders' equity / (deficit)</b>				
Share capital	6	28,408,292	28,091,540	27,292,949
Share premium reserve		585,355	254,665	-
Warrants		-	-	4,724,574
Share-based payments reserve		996,992	1,290,490	6,303,548
Foreign currency reserve		3,816	2,195	1,952
Deficit		(30,256,202)	(31,068,426)	(37,907,163)
<b>Total shareholders' equity / (deficit)</b>		<b>(261,747)</b>	<b>(1,429,536)</b>	<b>415,860</b>
<b>Total liabilities and shareholders' equity / (deficit)</b>		<b>1,141,082</b>	<b>1,512,870</b>	<b>537,587</b>

## Notes:

1. Restated as per Note 2 Basis of Preparation – Restatement of Comparatives.

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on August 14, 2025 and are signed on its behalf by:

/s/ **Dominic Roberts**

Dominic Roberts

Executive Chairman

/s/ **Gabriel Chiappini**

Gabriel Chiappini

Non-Executive Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**BLACK DRAGON GOLD CORP.**

Condensed Consolidated Interim Statement of Profit or Loss & Other Comprehensive Loss  
(Expressed in Canadian dollars)

		<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>EXPENSES</b>			
Consulting		164,819	157,601
Directors' fees	7	84,375	58,908
Filing fees		8,327	12,426
Foreign exchange (gain)/loss		3,122	(5,429)
General and administrative	8	184,903	144,205
Exploration and evaluation costs		78,903	13,756
Professional fees		112,011	100,242
Rent		14,251	6,578
Shareholder communications		6,835	5,176
Transfer agent		4,673	4,548
Travel and related		24,268	12,383
Gain on fair value change of unlisted options liability	9	(1,200,721)	-
Other income		-	(125,154)
Interest income		(4,492)	(1,641)
<b>Profit/(loss) before other items</b>		<b>518,726</b>	<b>(383,599)</b>
<b>Other comprehensive income</b>			
Items that may be subsequently reclassified to profit or loss			
Foreign currency translation gain/(loss)		1,621	2,159
<b>Total comprehensive income/(loss) for the period net of tax</b>		<b>520,347</b>	<b>(381,440)</b>
<b>Basic and diluted earnings/(loss) per common share (cents)</b>		<b>\$0.17</b>	<b>\$(0.18)</b>
		<b>Number</b>	<b>Number</b>
<b>Weighted average number of common shares outstanding</b>		<b>303,530,978</b>	<b>218,497,580</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**BLACK DRAGON GOLD CORP.**

Condensed Consolidated Interim Statements of Cash Flows  
(Expressed in Canadian dollars)

	<b>Six months Ended June 30, 2025 \$</b>	<b>Six months Ended June 30, 2024 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) for the period	518,726	(383,599)
Items not affecting cash:		
Interest income	(4,492)	(1,641)
Gain on fair value change of unlisted options liability	(1,200,721)	-
Foreign exchange gain	3,122	(5,429)
Change in non-cash working capital items		
Decrease / (increase) in receivables	13,019	(22,461)
(Decrease) / increase in accounts payable and accrued liabilities	(8,485)	16,583
<b>Net cash outflow used in operating activities</b>	<b>(678,831)</b>	<b>(396,547)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	4,492	1,641
<b>Net cash provided by investing activities</b>	<b>4,492</b>	<b>1,641</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Shares issued for cash, net of costs	(861)	1,165,546
Shares to be issued	268,335	-
Shares issued – options exercised	49,278	-
<b>Net cash provided by financing activities</b>	<b>316,752</b>	<b>1,165,546</b>
Effect of movement in exchange rates on cash held	(1,501)	7,588
<b>Change in cash and cash equivalents during the period</b>	<b>(359,088)</b>	<b>778,228</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>1,444,580</b>	<b>464,265</b>
<b>Cash and cash equivalents, end of period</b>	<b>1,085,492</b>	<b>1,242,493</b>
Cash paid during the period for interest	-	-
Cash paid during the period for taxes	-	-

The accompanying notes are an integral part of these condensed consolidated interim financial statements.



**BLACK DRAGON GOLD CORP.**

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity  
(Expressed in Canadian dollars)

	Share Capital		Warrants	Share based payments reserve \$	Foreign currency translation reserve \$	Deficit \$	Total \$
	Number	Amount					
		\$	\$	\$	\$	\$	\$
<b>Balance December 31, 2023</b>	<b>200,670,055</b>	<b>27,292,949</b>	<b>4,724,574</b>	<b>6,303,548</b>	<b>1,952</b>	<b>(37,907,163)</b>	<b>415,860</b>
Reclassification of expired reserve	-	-	(4,724,574)	(5,360,080)	-	10,084,654	-
Loss for the period	-	-	-	-	-	(383,599)	(383,599)
Foreign currency translation reserve	-	-	-	-	2,159	-	2,159
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,159</b>	<b>(383,599)</b>	<b>(381,440)</b>
<b>Transactions with owners in their capacity as owners:</b>							
Shares issued (net of costs) (note 6)	66,847,620	1,165,546	-	-	-	-	1,165,546
<b>Balance June 30, 2024</b>	<b>267,517,675</b>	<b>28,458,495</b>	<b>-</b>	<b>943,468</b>	<b>4,111</b>	<b>(28,206,108)</b>	<b>1,199,966</b>
	Share Capital		Share premium reserve <sup>1</sup>	Share based payments reserve \$	Foreign currency translation reserve \$	Deficit <sup>1</sup> \$	Total \$
	Number	Amount					
		\$	\$	\$	\$	\$	\$
Balance December 31, 2024 as originally presented	301,882,728	28,091,540	-	1,290,490	2,195	(31,753,112)	(2,368,887)
Restatement <sup>1</sup>	-	-	254,665	-	-	684,686	939,351
<b>Balance December 31, 2024</b>	<b>301,882,728</b>	<b>28,091,540</b>	<b>254,665</b>	<b>1,290,490</b>	<b>2,195</b>	<b>(31,068,426)</b>	<b>(1,429,536)</b>
Reclassification of expired reserve	-	-	-	(293,498)	-	293,498	-
Gain for the period	-	-	-	-	-	518,726	518,726
Foreign currency translation reserve	-	-	-	-	1,621	-	1,621
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(293,498)</b>	<b>1,621</b>	<b>812,224</b>	<b>520,347</b>
<b>Transactions with owners in their capacity as owners:</b>							
Shares issued (net of costs) (note 6)	1,833,333	48,417	77,083	-	-	-	125,500
Shares to be issued (note 6)	10,000,000	268,335	253,607	-	-	-	521,942
<b>Balance June 30, 2025</b>	<b>313,716,061</b>	<b>28,408,292</b>	<b>585,355</b>	<b>996,992</b>	<b>3,816</b>	<b>(30,256,202)</b>	<b>(261,747)</b>

Note: Restated as per Note 2 Basis of Preparation – Restatement of Comparatives.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**BLACK DRAGON GOLD CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Black Dragon Gold Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia on August 20, 2007 and is classified as a junior mining issuer with the Australian Securities Exchange (the “ASX”). The Company’s head office address is Level 1, 10 Outram Street, West Perth, Western Australia 6005. The registered and records office address is 1000 Cathedral Place, 925 West Georgia Street, Vancouver, BC V6C 3L2. The legal form of the Company is limited by shares.

The Group recorded a gain of \$518,726 (6 months ended June 30, 2024: loss of \$383,599) in the period and had a net liability position of \$261,747 at the balance sheet date (December 31, 2024: \$1,429,536 net liability). The Company had operating cash outflows of \$678,831 for the period (6 months ended June 30, 2024: \$396,547 operating outflows).

These condensed consolidated interim financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. If financing cannot be obtained, the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Therefore, there is a material uncertainty that may cast significant doubt about the Group’s ability to continue as a going concern.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realisable value of its assets may be materially less than the amounts recorded in these financial statements.

The condensed consolidated interim financial statements for the six months ended June 30, 2025 do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

**2. MATERIAL ACCOUNTING POLICIES****Basis of presentation**

These condensed consolidated interim financial statements for the six months ended June 30, 2025, are prepared in accordance with International Accounting Standards (“IAS 34”), Interim Financial Reporting. These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of application as the Company’s most recent annual audited consolidated financial statements. These condensed consolidated interim financial statements do not include all information and disclosures required in audited consolidated financial statements and should be read in conjunction with the Company’s December 31, 2024, audited consolidated financial statements.

**Restatement of comparatives**

The Company identified an error and has determined to restate the fair value of the unlisted options liability as at December 31, 2024. The restatement of the unlisted options liability is necessary to align the financial statements with the requirements of *IFRS 9 / IAS32*, which mandates that the unlisted options liability be measured at fair value. The restatement will impact the financial statements with the following adjustments:

- The loss on fair value change of options liability for the year ended December 31, 2024 from \$2,573,774 to \$1,889,088.
- The share premium reserve as at December 31, 2024 from nil to \$254,665.
- The unlisted options liability as at December 31, 2024 from \$3,743,054 to \$2,803,703.

**BLACK DRAGON GOLD CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

**3. RECEIVABLES**

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Value-added tax receivable	28,234	42,394
GST receivable	1,124	1,297
Other receivables	21,576	20,262
Total	<b>50,934</b>	<b>63,953</b>

**4. EXPLORATION AND EVALUATION COSTS**

Although the Company has taken steps to verify title to its mineral property in which it has an interest, these procedures do not guarantee the Company's title. Its property may be subject to prior agreements or transfers and title may be affected by undetected defects. Further, we make judgements for properties where concessions terms have expired, and a renewal application has been made and is awaiting approval. We use judgement as to whether the concession renewal application is probable to be received, but ultimately this is beyond our control. If a renewal application is not approved, we could lose rights to those concessions.

**Salave Gold Property**

The Salave Project is comprised of 30-year-term mining concessions over the resource area in the province of Asturias, Spain.

The Company's application for the re-zoning, from agricultural to industrial, of the land required for the planned surface infrastructure was accepted by the Tapia de Cassariego municipality in April 2024. Seven months later the Municipality convened an extraordinary plenary session and rejected the application. The Company's legal advisors dispute the grounds upon which the application was rejected and subsequently have challenged the decision before the High Court of Justice in Asturias. The outcome of this legal challenge will be known during the later part of 2025.

On December 17, 2024, the Principality of Asturias adopted a new law on strategic investments, the Proyectos de Interés Estratégico Regional ("PIER"). This law was drafted with the specific intent of both de-bottlenecking and accelerating economically important projects within the Principality and the Salave Gold Project fulfills all of its investment, employment and environmental requirements. Appropriately, the Company applied to be considered for strategic status on December 30, 2024. The Company will collaborate with relevant agencies at Principality as the application is reviewed. On July 25, 2025 the Principality of Asturias SEKUENS Agency, the body charged with evaluation the Strategic Project applications, announced that the Project application will be available for public consultation for twenty working days, from July 28 until August 25, 2025.

**Marlee Gold Project**

The Company's Australian asset is the 115km<sup>2</sup> Ivan Well tenement (E69/3818) further north-east towards Wiluna in the northern Goldfields, which offers early-stage exploration potential for untested gold anomalism.

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Accounts payables	118,037	117,528
Accrued liabilities	12,500	21,175
Total	<b>130,537</b>	<b>138,703</b>

**BLACK DRAGON GOLD CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

**6. SHARE CAPITAL AND RESERVES***Authorized:*

Unlimited number of common shares without par value.

**Shares****Issued during the six months ended June 30, 2025**

During the current period, 1,833,333 options with an exercise price of \$0.03 (AUD\$0.03), and expiry date of June 14, 2027, were converted to fully paid shares, raising CAD\$49,278.

**Issued during the six months ended June 30, 2024**

During the prior period, the Company completed a private placement, raising CAD\$1,165,546 (net of costs) to fund a range of activities associated with de-risking and progressing the flagship Salave Gold Project. The Company issued 66,847,620 fully paid shares ('New Share') at an offer price of AUD\$0.02 per share (the 'Placement'). Participants in the Placement also received one (1) free attaching option for each one (1) New Share allocated, exercisable at \$0.03 (AUD\$0.03) and expiring on June 14, 2027 ('Attaching Option').

A summary of the Company's share capital as at June 30, 2025 and December 31, 2024 is as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Shares on issue	32,059,673	31,742,060
Issuance costs	(3,651,381)	(3,650,520)
<b>Total share capital</b>	<b>28,408,292</b>	<b>28,091,540</b>
<i>Reconciliation of movement in issued capital</i>		
	Number of shares	\$
<b>Balance as at December 31, 2023</b>	<b>200,670,055</b>	<b>27,292,949</b>
Shares issued (tranche #1)	25,097,620	445,499
Shares issued (tranche #2)	41,750,000	759,403
Shares issued	28,481,720	648,094
Shares issued upon exercise of options	5,883,333	161,974
Share issuance costs	-	(47,099)
Unlisted option liability (Note 9)	-	(1,169,280)
<b>Balance as at December 31, 2024</b>	<b>301,882,728</b>	<b>28,091,540</b>
Shares issued upon exercise of options	1,833,333	49,278
Shares to be issued <sup>1</sup>	10,000,000	268,335
Share issuance costs	-	(861)
<b>Balance as at June 30, 2025</b>	<b>313,716,061</b>	<b>28,408,292</b>

<sup>1</sup> On 26 June 2025, the Company received \$268,334 (AUD\$300,000) from Non-Executive director Paul Cronin for the exercise of 10,000,000 options. The options were exercisable at \$0.03 (AUD\$0.03) each and have an expiry date of 14 June 2027. The shares were issued on July 2, 2025.

**Stock options**

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants, to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock at the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

**BLACK DRAGON GOLD CORP.**

## Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

A summary of the status of the Company's stock options as at June 30, 2025; June 30, 2024 and December 31, 2024 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding December 31, 2023	11,893,332	\$0.18
Free-attaching options issued	66,847,620	\$0.03 (AUD\$0.03)
<b>Outstanding June 30, 2024</b>	<b>78,740,952</b>	<b>\$0.10</b>
Options granted to Directors	20,000,000	\$0.06 AUD\$0.07
Expired	(5,160,000)	\$0.09 AUD\$0.096
Exercised	(5,883,333)	\$0.03 AUD\$0.03
<b>Outstanding, December 31, 2024</b>	<b>87,697,619</b>	<b>\$0.05</b>
Exercised	(11,833,333)	\$0.03 AUD\$0.03
<b>Outstanding, June 30, 2025</b>	<b>75,864,286</b>	<b>\$0.05</b>

**Details of stock options granted during the six months ended June 30, 2025**

There were no options issued in the current period.

**Details of stock options exercised during the six months ended June 30, 2025**

During the current period, 1,833,333 options with an exercise price of \$0.03 (AUD\$0.03), and expiry date of June 14, 2027, were converted to fully paid shares, raising CAD\$49,278.

On 26 June 2025, the Company received \$268,334 (AUD\$300,000) from Non-Executive director Paul Cronin for the exercise of 10,000,000 options. The options were exercisable at \$0.03 (AUD\$0.03) each and have an expiry date of 14 June 2027. The shares were issued on July 2, 2025.

As at June 30, 2025 the following incentive stock options are outstanding:

Expiry Date	Number of Options Outstanding	Exercise Price	Number of Options Exercisable
September 24, 2027	5,983,333	\$0.24	5,983,333
October 22, 2027	416,666	\$0.24	416,666
February 7, 2028	333,333	\$0.33	333,333
June 14, 2027	49,130,954	\$0.03	49,130,954
January 8, 2028 <sup>1</sup>	20,000,000	\$0.06 (AUD\$0.07)	20,000,000
<b>Total</b>	<b>75,864,286</b>		<b>75,864,286</b>

<sup>1</sup> Granted, not yet issued

During the six months ended June 30, 2025, the Company recognized \$Nil (2024 - \$Nil) of share-based compensation expense in relation to stock options.

**BLACK DRAGON GOLD CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

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**Performance Rights****Performance Rights granted or expired during the six months ended June 30, 2025**

There were no performance rights issued during the current period.

During the current period the following performance rights expired, unvested:

- As part of Gabriel Chiappini's Chief Executive Officer appointment in March 2022, he was issued with a long-term incentive plan comprising of the issue of 5,000,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:
  - Tranche A: 1,500,000 performance rights convert to shares upon the Company's volume weighted average price of shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded exceeding \$0.09 (AUD\$0.10);
  - Tranche B: 1,500,000 performance rights convert to shares upon the Company's volume weighted average price of shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded exceeding \$0.13 (AUD\$0.15); and
  - Tranche C: 2,000,000 performance rights convert to shares upon the Company's volume weighted average price of shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded exceeding \$0.18 (AUD\$0.20).

Each milestone has a 3-year milestone conversion date. On March 3, 2025 the performance rights expired, unvested.

- On December 20, 2024, at a Special Meeting of Shareholders, two consultants of the Company were granted 250,000 Class A performance rights and 250,000 Class B performance rights, each. The performance rights convert into ordinary shares upon the achievement of the following share price milestone hurdles:
  - 500,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project; and
  - 500,000 Class B performance rights convert to shares upon issuance of the Tapia Urban Planning & Modification Permit in relation to the Company's Salave Gold Project

Each milestone has a milestone conversion date of June 30, 2025. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$40,427. During the current period, the Company recognised \$nil of share-based compensation expense, as the likelihood of vesting is less than probable. On June 30, 2025 all of the performance rights expired unvested.

- On December 20, 2024, Executive Chairman, Domonic Roberts was issued 5,000,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:
  - 2,500,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project; and
  - 2,500,000 Class B performance rights convert to shares upon issuance of upon issuance of the Tapia Urban Planning & Modification Permit in relation to the Company's Salave Gold Project

Each milestone has a June 30, 2025 milestone conversion date. As at June 30, 2025 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$202,136 and will be recognized over the estimated vesting period. During the current year, the Company recognised \$ nil of share-based compensation expense, as the likelihood of vesting is less than probable. On June 30, 2025 all of the performance rights expired unvested.

**BLACK DRAGON GOLD CORP.**

## Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

- On December 20, 2024, General Manager, Jose Dominguez was issued 5,750,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:
  - 5,750,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project

The milestone has a June 30, 2025 milestone conversion date. As at June 30, 2025 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$232,456 and will be recognised over the estimated vesting period. During the current period, the Company recognised \$nil of share-based compensation expense, as the likelihood of vesting is less than probable. On June 30, 2025 the performance rights expired unvested.

**7. RELATED PARTY TRANSACTIONS**

The Company considers personnel with the authority and responsibility for planning, directing and controlling the activities of the Company to be key management personnel.

*Transactions with key management personnel*

The following amounts were incurred with respect of key management personnel being the Chief Executive Officer, Directors, and the Chief Financial Officer of the Company:

	<b>Six Months ended June 30, 2025</b>	<b>Six Months ended June 30, 2024</b>
Management and consulting fees – Chief Executive Officer, Executive Chairman and Company Secretary	111,203	106,288
Directors' fees	84,375	58,908
Management and consulting fees – Chief Financial Officer	34,890	34,816
Wages and salary	51,569	48,775
<b>Total short-term employee benefits</b>	<b>282,037</b>	<b>248,787</b>
Share-based payments	-	-
<b>TOTAL</b>	<b>282,037</b>	<b>248,787</b>

As at June 30, 2025, included in accounts payable and accrued liabilities for unpaid standard directors' fees is \$nil (December 31, 2024: \$nil) that is due to directors, officers and companies controlled by directors or officers.

The Company has an agreement with Invictus Energy Ltd ('Invictus'), an entity related to Mr Gabriel Chiappini, whereby the Company rents one office and one car bay at a cost of \$1,184 (AUD\$1,326) plus GST from Invictus per calendar month. The arrangement is for no fixed term and can be cancelled by either party by providing one months notice. Mr Chiappini is a Non-Executive Director and Company Secretary of Invictus.

**8. GENERAL AND ADMINISTRATIVE**

	<b>Six Months ended June 30, 2025</b>	<b>Six Months ended June 30, 2024</b>
Public relations and marketing	90,195	62,904
Employee related costs	54,505	51,479
Other general and administrative costs	40,203	29,822
<b>Total</b>	<b>184,903</b>	<b>144,205</b>

**BLACK DRAGON GOLD CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

**9. OPTIONS LIABILITY**

In the prior year, the Company issued unlisted options with an exercise price in Australian dollars. As the functional currency of the Company is the Canadian dollar, the listed options issued as part of the financings completed during the year, are classified and accounted for as an unlisted options liability. As at June 30, 2025 the fair value of these unlisted options was \$1,272,292 (December 31, 2024: \$2,803,703). The fair value of these unlisted options on initial grant date was \$1,169,280, valued using the Black-Scholes Pricing model with the following assumptions:

Risk-free interest rate	3.65%
Expected life of listed options	3.25 years
Expected annualized volatility	100%
Expected dividend	Nil

The change in fair value resulted in a gain of \$1,200,721 and is recognisable in the Condensed Consolidated Interim Statement of Profit or Loss & Other Comprehensive Loss for the half year ended June 30, 2025 (June 30, 2024: \$nil).

**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Fair value

The inputs used in making fair value measurements are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- Level 3 - Inputs that are not based on observable market data.

The carrying value of receivables and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments. Cash and cash equivalents are measured at fair value using Level 1 inputs.

Other than the listed options liability, the Company does not carry any financial instruments at FVTPL.

Financial instruments measured at fair value on the consolidated statements of financial position are summarized in levels of fair value hierarchy as follows:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>As at June 30, 2025</b>				
Cash and cash equivalents	1,085,492	-	-	<b>1,085,492</b>
Unlisted option liability	-	1,272,292	-	<b>1,272,292</b>
<b>As at June 30, 2024</b>				
Cash and cash equivalents	1,444,580	-	-	<b>1,444,580</b>

The Company has exposure to the following risks from its use of financial instruments:

*Credit risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's cash and cash equivalents are held at large financial institutions and it believes it has no significant credit risk. The Company's receivables are due from the Government of Canada, Government of Spain, and Government of Australia, and are therefore considered to have no significant credit risk.



**BLACK DRAGON GOLD CORP.**

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Six Months Ended June 30, 2025

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*Liquidity risk*

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities. As at June 30, 2025, the Company had current assets of \$1,136,426 to settle current liabilities of \$130,537 (excluding the unlisted options liability) which either have contractual maturities of less than 30 days and are subject to normal trade terms or are due on demand. The Company is exposed to liquidity risk.

*Market risk*

Market risk is the risk of loss that may arise from changes in market factors, such as interest rates and foreign exchange rates.

*a) Interest rate risk*

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its bank accounts. The income earned on the bank accounts are subject to the movements in interest rates. The Company has cash balances and no-interest bearing debt, therefore, interest rate risk is nominal.

*b) Foreign currency risk*

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations, exploration and administrative expenses in Spain by using Euros converted from its Canadian bank accounts. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

Based on the Company's Euro, AUD, USD, and GBP denominated financial instruments at June 30, 2025, a 10% change in exchange rates between the Canadian dollar, Euro, AUD, USD, and GBP would result in a change of \$33,000 in foreign exchange gain or loss.

**11. CAPITAL MANAGEMENT**

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital, which is unchanged from 2022, is to maintain adequate levels of funding to support the development of its business and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing, selling assets, and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, high liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the year. The Company will need to raise additional capital by obtaining equity financing, selling assets and incurring debt to develop its business.

The Company is not subject to any capital restrictions.

**12. SEGMENT INFORMATION**

The Company primarily operates in one reportable operating segment, being the acquisition, exploration of exploration and evaluation assets located in Spain and Australia.

**13. SUBSEQUENT EVENTS**

On July 2, 2025, 14,250,000 CDIs were issued upon the exercise of options by Directors of the Company. The options had an expiry date of June 14, 2027 and were exercisable at \$0.03 (AUD\$0.03). \$268,334 (AUD\$300,000) was received prior to June 30, 2025, and \$114,050 (AUD\$127,485) was received early July 2025.

There were no other subsequent events to report post June 30, 2025.

**BLACK DRAGON GOLD CORP.**  
Directors' Declaration

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In the opinion of the Directors:

- (a) The financial statements and notes set out on pages 6 to 17:
  - (i) Comply with Accounting Standards IAS 34 Interim Financial Reporting;
  - (ii) Give a true and fair view of the consolidated entity's financial position as at June 30, 2025 and of its performance for the six months ended on that date; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors

On behalf of the Directors



**Dominic Roberts**  
Executive Chairman  
August 14, 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Black Dragon Gold Corp.

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Black Dragon Gold Corp. (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated interim statement of financial position as at 30 June 2025, the condensed consolidated interim statement of profit or loss and other comprehensive income, the condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the half-year then ended, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year financial report of the Group does not present fairly, in all material respects, the financial position of the Group as at 30 June 2025, and of its financial performance and its cash flows for the half-year ended on that date, in accordance with the IAS 34 *Interim Financial Reporting*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect to this matter.

#### Responsibility of management for the financial report

Management of the Group is responsible for the preparation and fair presentation of the half-year financial report in accordance with IAS 34 *Interim Financial Reporting* and for such internal control as the management determine is necessary to enable the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error.



### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year period financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year financial report does not present fairly, in all material respects, the financial position of the Group as at 30 June 2025 and of its financial performance and its cash flows for the half-year ended on that date, accordance with IAS 34 Interim Financial Reporting.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit Pty Ltd**

BDO

A handwritten signature in dark ink, appearing to read 'J Prue', is written below the printed name.

**Jarrad Prue**

**Director**

Perth, 14 August 2025



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**DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF BLACK DRAGON GOLD CORP.**

As lead auditor for the review of Black Dragon Gold Corp. for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Black Dragon Gold Corp. and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Prue', is written in a cursive style.

**Jarrad Prue**  
**Director**

**BDO Audit Pty Ltd**  
Perth  
14 August 2025