

ASX ANNOUNCEMENT

31 January 2024

Quarterly Activities Report to 31 December 2023

Black Dragon Gold keeps gold options open

HIGHLIGHTS

- Dominic Roberts appointed as Executive Chairman to complete the permitting of the Salave gold project
- Strategic review of WA projects and potential acquisition opportunities continues
- Relationships strengthened as Salave Gold Project planning moved forward
- Continued discipline & management of working capital

Black Dragon Gold (ASX:BDG; “Black Dragon” or “the Company”) is pleased to provide the following quarterly activities report for the period ending 31 December 2023.

Operational update

Salave Gold Project in northern Spain

During the quarter, Black Dragon continued to progress its 1.5m+ oz Salave high grade gold project in Asturias, northern Spain.

Discussions continued to occur between the Company and key stakeholders including the recently elected Asturian Regional Government, led by Spain-based General Manager Jose Dominguez.

Company representatives remain in constant communication with the Asturian Regional Government to progress EIA approvals and relevant zoning changes for Salave Gold that are critical to its development pathway.

Executive Chairman, Dominic Roberts, said:

“With wider geo-political events and the increased focus by the European Union on its requirement to achieve a higher degree of resource security, we believe these to be both assessed as being favourable to the mining sentiment across the continent, and to 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

Dominic Roberts
Executive Chairman

Alberto Lavandeira
Non-Executive Director

Gabriel Chiappini
Non-Executive Director

Paul Cronin
Non-Executive Director

WA exploration review

During the quarter, no further activity was conducted at either the Padbury Gold Project or the Ivan Well Project near Meekatharra and Wiluna respectively as a strategic review of the assets is carried out.

Assay results from a 10-hole drilling campaign at Padbury Gold completed in the September 2023 quarter yielded low-level anomalous gold and laboratory XRF analysis indicated the presence of multi-element anomalous silver, copper and sulphur.

Linkage between historic mineralising activity and extensive gold nugget occurrences at surface across the Padbury site are yet to be explained and as such the Company decided not to undertake any immediate further exploration activity.

Black Dragon continues taking a responsible fiscal approach while looking at potential exploration activity for the 100 per cent-owned Padbury Gold Extension (E51/1969) and Ivan Well (E69/3818) exploration licences.

Any future exploration activity planning or decisions will be made in close consultation with the Company's geology adviser Dr Darren Holden, who is also involved in the strategic review process.

Corporate update

During the two previous quarters the Company made collective remuneration changes across Board and management level that will save the Company circa AU\$170,000 per annum based on current exchange rates.

These changes were itemised in the previous September 2023 Quarterly Activities Report, released to the ASX

As announced to the ASX on [22 November 2023](#), Dominic Roberts was appointed Executive Chairman of the Company with Paul Cronin and Gabriel Chiappini both retained as Non-Executive Directors.

Mr Roberts has worked in the European mining sector for more than 15 years, permitting and building a number of underground mining operations, most notably Adriatic Metals PLC's (ASX:ADT) world-class Vares silver mine.

He also serves as an industry adviser to the European Union on critical raw materials policy and has run a private mining company in the Balkan region.

The board continues to seek and action operational savings where practicable, while examining potential vending or acquisition opportunities that would provide accretive value to shareholders and the Company.

Related party costs

During the quarter, the Company paid a total of CAD\$60k 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 31 December 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	Extended for further 3 years
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.

In 2022 the Company acquired Australian mineral 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.

Appendix 5B

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

Name of entity

BLACK DRAGON GOLD CORP.

ABN

625 522 250

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows		Current quarter CAD\$'000	Year to date (12 months) CAD\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(145)	(496)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(37)	(228)
	(e) administration and corporate costs	(65)	(554)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	5
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	(245)	(1,273)
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 (12 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	692	1,777
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(245)	(1,273)
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 (12 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	17	(40)
4.6	Cash and cash equivalents at end of period	464	464

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	464	692
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)	464	692

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	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		



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

7.	Financing facilities <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>	Total facility amount at quarter end CAD\$'000	Amount drawn at quarter end CAD\$'000
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)	(225)
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)	(225)
8.4	Cash and cash equivalents at quarter end (item 4.6)	464
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	464
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) <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>	2 times
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: No, it will be less as the current quarter included costs of approx. \$200k for the 1,000m of RC drilling exploration at Padbury Gold. The company is also reducing overheads	
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: At the appropriate time the Company is confident of raising sufficient funds for working capital	

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: Yes on normal business and going concern

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: 31 January 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.