



NEWS RELEASE

\$8.5 Million Capital Raising Completed and New Board Appointed

Vancouver, BC – July 4, 2017: Black Dragon Gold Corp. (TSX-V:BDG) ('Black Dragon' or the 'Company') is pleased to announce that it has successfully closed a private placement to raise \$8.5 million (the 'Private Placement') from a large number of new institutional and private investors, allowing the Company to fully repay its secured debt facility and be well placed to recommence exploration activity at its high grade Salave Gold Project in the Asturias region of Spain.

The closure of the Private Placement is a significant milestone for the Company and completes its recapitalization process announced earlier this year, allowing the Company to complete the exercise of the Lionsbridge option, which retires the US\$10 million loan facility with RMB Australia Holdings Limited ("RMB") for a cash consideration of US\$3 million (plus accrued interest) and a Net Smelter Royalty of 2% on the first 800,000 ounces of Salave gold production.

The proceeds of the capital raising will be deployed to repay the RMB loan and outstanding trade creditors, recommencement of exploration activities at the Salave Gold Project and for general working capital purposes, including the costs of the private placement.

In addition to closing the private placement, the Company is also pleased to announce that it has identified and appointed a new Board of Directors to lead the Company through its next chapter. The current Board will resign effective immediately after the settlement of the loan with RMB. The loan will be settled with the proceeds of the capital raising and is scheduled for 5 July 2017. The incoming Board of Directors and management have significant experience in operating exploration and pre-development mining projects, particularly in Europe. The new Board of Directors comprises:

- Mr Jonathan Battershill as Non-Executive Chairman
- Mr Paul Cronin as Chief Executive Officer and Managing Director
- Mr Alberto Lavandeira as a Non-Executive Director
- Mr Richard Monti as a Non-Executive Director

President, CEO, Mr Brian Wesson stated:

“Lionsbridge, management and the Board of Directors would like to extend our gratitude to the Company’s shareholders, creditors and staff. The task of repairing the balance sheet, recapitalizing the Company and repairing relationships in Spain would have been impossible without the support of all involved.”

Black Dragon Gold Corp.

Suite 545, 999 Canada Place
Vancouver, BC, V6C 3E1 Canada
T- (604) 684-6264 F- (604) 684- 6242

E- info@blackdragongold.com W- www.blackdragongold.com



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Having moved the Company into a position to unlock the significant value of the Salave asset we hand over to the new management team which we have full confidence will be able to create value for shareholders.

Lionsbridge looks forward to following the Company as it progresses.”

Incoming CEO, Mr Paul Cronin said:

“I’d like to thank the previous Board for their efforts to recapitalize the business in difficult circumstances, and I look forward to working with all key stakeholders to restore shareholder value reflective of the high quality of the Salave Gold Project.

Salave is a large, high grade gold project, and I look forward to more fully exploring the potential to grow Salave in the near term, and working collaboratively with the local Asturian community on a plan to develop a long life project that we expect can deliver tremendous social benefits for the community.”

The Company has issued 155,549,824 Units for aggregate gross proceeds of \$8,555,240 as described in its press release dated 27 March, 2017. Each unit was priced at \$0.055 per unit and was comprised of one common share of the Company and one share purchase warrant entitling the holder to purchase one common share at a price of \$0.11 per share for a period of 24 months. If, during this 24 month period, the volume weighted average price (“VWAP”) of Black Dragon’s common shares is at least \$0.22 for a period of 7 consecutive trading days, Black Dragon may, at its option, accelerate the expiry date of the warrants by issuing a news release or giving written notice thereof to all holders of these warrants, and, in such case, these warrants will expire on the earlier of: (i) the 30th day after the date on which the news release or written notice is provided by Black Dragon; and (ii) the original expiry date. The securities issued are subject to a hold period expiring on 31 October, 2017.

Biographies of the incoming Board of Directors are summarised below:

Mr Jonathan Battershill (incoming Non-Executive Chairman)

- 20 years international experience in mining, business development and finance
- Mining industry experience includes senior operational and business development roles at WMC Resources Limited and mining focussed senior equity analyst roles at Hartleys, Citigroup and UBS

Mr Paul Cronin (incoming Chief Executive Officer and Managing Director)

- Resource focussed fund manager and investment banker, with considerable experience in relation to financing resource projects
- Most recently CEO and Director of ASX listed Anatolia Limited and prior to that Vice President at RMB Resources, the resources financing business of JSE listed FirstRand Limited

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Mr Alberto Lavandeira (incoming Non-Executive Director)

- Qualified mining engineer with 38 years experience operating and developing mining projects
- Currently CEO and Director of Spanish copper producer Atalaya Mining
- Previously CEO and COO of Rio Narcea Gold Mines (1995-2007), which undertook exploration drilling at Salave in 2004-2005 and developed three mines from exploration to production including El Valle in the same region as Salave, Aguablanca near Seville and Tasiast in Mauritania.

Mr Richard Monti (incoming Non-Executive Director)

- Broad experience from 30 years working in the technical, commercial, marketing and financial fields in the exploration and mining industries
- 40 “board years” of experience across 11 ASX and TSX listed companies. Currently a director of Pacifico Minerals Ltd

Hartleys Limited, an Australian stockbroking firm which assisted in managing the private placement, will be paid a finder’s fee of \$399,552.02, 9,110,990 common shares and 8,000,000 warrants exercisable at a price of \$0.11 per share for a period of 4 years from the date of issue. Argyll Winter Pty Ltd. will be paid a finder’s fee of \$10,000 and 1,373,680 Units on the same terms as the financing, Wimmer Financial LLP will be paid a finder’s fee of \$12,210 and 222,000 shares, and JJB Advisory Ltd. will be paid a finder’s fee of 290,909 Units on the same terms as the financing. The securities issued as part of the finder’s fees will also be subject to a 4 month statutory hold period expiring on October 31, 2017.

Signed "Brian Wesson"

President and Chief Executive Officer
on behalf of the Board of Directors

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FOR FURTHER INFORMATION PLEASE CONTACT:

Clyde Wesson
Vice President
Suite 545, 999 Canada Place
Vancouver, B.C., V6C 3E1
Tel: (604) 684-6264
info@blackdragongold.com
www.blackdragongold.com

About Black Dragon Gold

Black Dragon Gold “BDG” is the 100% owner of the largest undeveloped gold project in Europe, the Salave project. Salave is situated in the North of Spain in the province of Asturias. The Salave project has measured and indicated resources totalling 6.52 million Tonnes grading 4.51 g/t Au containing 944,000 ounces of gold at a 2.0 g/t cutoff grade and gold price of USD\$1,100/ounce. In addition to the current mineral resource, historical exploration work suggests there is the potential for additional mineralisation within Black Dragon’s landholdings.

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