



BLACK DRAGON GOLD

## NEWS RELEASE

### **Close of First Tranche and Financing Update**

Vancouver, BC – December 7, 2016: Black Dragon Gold Corp. (TSX-V:BDG) ('Black Dragon' or the 'Company') announces that it has closed the first tranche of financing. The Company has issued 2,310,000 Units for aggregate gross proceeds of \$127,000 of its previously announced private placement (the "Financing"), as described in its press release dated October 26, 2016. The Company anticipates the completion of a further tranche of the financing over the following week of \$270,000 and will provide further updates. The Company is completing small initial tranches in order to address short term capital requirements and ensure its ongoing diversity of holders.

#### *Financing Update*

The Company is considering alternate financing structures for the balance of the funding announced on October 26, 2016, including alternative debt instruments or significant investments from single entities. It should be noted that if it is considered prudent to complete the financing and close on subscription agreements on the terms previously announced, management reserves the right to do so.

In addition to closing the definitive agreements with RMB, as announced on November 15 2016, the Company is also considering raising sufficient capital to purchase the RMB Royalty. The balance of the funds raised will be used for fast tracking the feasibility study, finalise permitting and for general working capital purposes.

#### *Close of First Tranche*

Each unit was priced at \$0.055 per unit and was comprised of one common share of the Company and a 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.

Of the 2,310,000 Units, 1,410,000 are subject to a hold period expiring on April 7, 2017 and 900,000 are subject to a hold period expiring on April 8, 2017. At this time, the Company will pay a finder's fee of \$660 on the private placement.

**Black Dragon Gold Corp.**

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Proceeds from the private placement will be used for general working capital.

Brian Wesson commented : "Management is committed to ensuring the best value is realized by the shareholders of the Company. Although the equity raise previously announced is the most straightforward path to the planned funding and will bring significant value, we believe it is prudent to analyse other funding options that have been presented to management".

Signed "Brian Wesson"  
President and Chief Executive Officer  
on behalf of the Board of Directors

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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