

Brossard, Quebec / TheNewswire / April 6, 2016 - Nippon Dragon Resources Inc. (the "Corporation" or "Nippon") (TSX-V Symbol: NIP) is pleased to announce that during its annual meeting held on on March 17, 2016 (the "Meeting"), shareholders voted massively in favour of the matters presented for approval, including the adoption of an ordinary resolution of disinterested shareholders of the Corporation approving the proposed shares for debt settlement (the "Shares for Debt Settlement") previously announced on February 19, 2016 (the "Shares for Debt Resolution").

At the Meeting, shareholders of the Corporation considered certain annual resolutions being the election of directors and appointment of the auditors.

As such, the following individuals have been (re-)elected to the board of directors of Nippon to serve as directors until the next annual meeting of shareholders of the Corporation or until their respective successors are duly elected or appointed: Messrs. Donald Brisebois, Paul-A. Girard, Emile Molgat and Nikola Vukovich. PricewaterhouseCoopers LLP has been appointed as auditors of the Corporation for the current financial year to hold office until the next annual general meeting of shareholders of the Corporation.

The Board of Directors would like to thank both Messrs. Andre Savard and Yong Nam Kim for their respective contribution to the Corporation and wishes them the best with future endeavors.

Furthermore, the Board wishes to welcome Mr. Nikola Vukovich as a new director of the Corporation. Mr. Nikola Vukovich has 30 years of experience as a mining and geological engineer with specialist knowledge of geotechnical engineering, rock mechanic, environmental regulations, mining operations and equipment. He held senior engineering operating and consulting positions where he explored, evaluated, constructed, commissioned and turned over large open pit and underground mining projects. He has a solid record within the mining industry while he has executed large capital projects with major mining companies. From March 2012 until April 2015, Mr. Vukovich was director of China Goldcorp Ltd. and First Iron Group, PLC and was trying to develop project in southern Russia in Kurgan region. He was also Technical Committee Chairman providing business and technical guidelines to executive management. He lead 10,000t/day underground project development and was responsible for cost control, investor relations, marketing, presentations and capital raising.

In addition, at the Meeting, the Shares for Debt Resolution was approved by approximately 99.63% of the votes cast by the disinterested shareholders of the Corporation present in person or represented by proxy at the Meeting.

Following shareholders' approval on the Shares for Debt Resolution, the Corporation is going to enter into a shares for debt settlement agreement (the "Shares for Debt Settlement Agreement") with certain flow-through subscribers (the "Plaintiffs") pursuant to the Shares for Debt Settlement.

Under the terms of the Shares for Debt Settlement Agreement, the Corporation and the Plaintiffs have proposed to settle the proceedings instituted by the Plaintiffs (the "Proceedings"), without any admission of liability whatsoever, for an aggregate settlement amount of seven hundred and ninety-five thousand dollars (\$795,000.00) (the "Settlement Amount") by issuing common shares of the share capital of the Corporation (the "Debt Shares") at a price of \$0.07 per Debt Share (the "Debt Share Price"). The Debt Shares will be subject to a four-month hold period.

It was agreed by the parties that the Debt Share Price would be the greater of: (i) the last closing price of the Corporation's listed shares (the "Common Shares") on the date of the issuance of the press release announcing the proposed Shares for Debt Settlement, less the maximum discount of twenty-five per cent (25%) (the "Discounted Market Price"), which is a price of \$0.06 per Debt Share, and (ii) the closing price of the Common Shares on the date of the Meeting, less the Discounted Market Price, which is a price of \$0.07 per Debt Share.

The Debt Shares will be issued to each of the Plaintiffs, registered in their name, and held in trust by an escrow agent on behalf of the Plaintiffs (the "Escrow Agent"). The Escrow Agent will become an insider of the Corporation as a result of the Shares for Debt Settlement.

Upon issuance of the Debt Shares, the Settlement Amount will be definitely extinguished, and each of the Plaintiffs will give a global, final and definitive release to the Corporation regarding the Proceedings pursuant to the terms of the Shares for Debt Settlement Agreement.

The Shares for Debt Settlement is subject to the final acceptance of the TSX Venture Exchange.

Finally, the Corporation wishes to thank shareholders for the overwhelming support it has received to date. Given to the difficult financial situation of the Corporation, the support of shareholders is a resounding vote of confidence in the value of the team to well position the Corporation on the path of growth and profitability.

Nippon is active in the exploration and the development of gold resources in Quebec. The Corporation holds a gold property

with resources recognized in accordance with NI 43-101, a modular treatment plant and also an exclusive license for the Thermal Fragmentation mining method.

The company's growth strategy is based on:

- o The development of its gold deposits with the objective of producing revenue from its operations;
- o Increasing the value of its mining assets by prioritizing the exploration targets; and
- o The commercialisation and employment of its thermal fragmentation technology.

For additional information:

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