

Vancouver, British Columbia--(Newsfile Corp. - April 25, 2016) - [Golden Dawn Minerals Inc.](#) (TSXV: GOM) (FSE: 3G8A) (the "Company" or "Golden Dawn") reports that it has completed the second of three phases of the option agreement with [Huakan International Mining Inc.](#), announced April 12, 2016, which can be viewed here:  
<http://www.goldendawnminerals.com/golden-dawn-signs-option-agreement-with-huakan-and-solicits-secured-debenture-funding-for>

To complete the second phase of the option agreement the Company has issued one million units each consisting of one common share and one share purchase warrant which may be exercised at a price of \$0.20 cents per share for a period of two years from the date of issuance, as well as \$30,000 cash. For complete details of the Huakan option agreement outlined in the previously signed LOI, please see news release dated February 24, 2016 here:  
<http://www.goldendawnminerals.com/golden-dawn-signs-loi-with-huakan-mining-international-inc-to-acquire-greenwood-gold-project>

The Company is financing the Greenwood acquisition consisting of a 200 t/day mill expandable to 400 t/d, all associated buildings, including a 400,000 tonne tailings facility, all real property and property rights, mineral claims comprising the Lexington-Grenoble and Golden Crown mines, all equipment, supplies, vehicles, permits, reports documents, and other associated assets, primarily, by way of a debt financing, the terms of which are below.

## TERM SHEET SECURED DEBENTURE WITH GOLD CONVERSION OPTION

Issuer: [Golden Dawn Minerals Inc.](#) (the "Company")

Offering: Special Warrants at a price of USD \$100.00 per Special Warrant (with a minimum of 75 subscribers each holding at \$1,000 in Debentures) up to a maximum of USD \$10,000,000.00 of Special Warrants.

Spc. Warrants: Each Special Warrant is comprised of one Debenture with a face value of USD \$100 and 100 Units (at a deemed price of CDN. \$0.15 per Unit).

Units: Each Unit is comprised of 1 Common Share and 1 share purchase Warrant with each Warrant exercisable at any time for a Common Share of the Company at a price of CDN \$0.40 per Common Share for a period of 2 years after the date of issuance.

Security: The Debentures shall be secured by all of the Greenwood assets which will be 100% owned by the Company, post-completion of the third and final phase of the option agreement. The security consists of the Lexington and Golden Crown Mines and all mineral claims, the processing mill, all ancillary equipment, real estate and all claims of the Greenwood Gold Project.

Maturity: 5 years from the date of issuance of the Debentures.

Coupon: 8% per annum, paid semi-annually from the date of issuance of the Debentures.

Price: USD \$100.00 per Special Warrant.

Listing: The Company will use its best efforts to list the \$100 Debentures on the TSXV within 6 months of the date of issuance of the Debentures.

Escrow: Investors will deposit the proceeds from the Offering in escrow with a law firm. The escrowed funds will be held by such law firm and only be released upon presentation of appropriate invoices as proof of expenditures on the Greenwood properties for the development of the mineral claims, equipment purchases, operating expenditures, and administrative, regulatory and disclosure expenditures.

Gold Repayment Option:

Debenture holders will have a right to require repayment of their principal amount of the Debentures in gold. This repayment option will be available at any time after 36 months from the date of issuance of the Debentures for those debenture holders who hold at least 800 Debentures of \$100 face value equalling USD\$80,000, to be repurchased by the Company. Such Debentures shall be repurchased at a price equal to USD \$1295.00 per ounce or USD \$41,774.20 per kilogram of 99.9% registered gold. This option is valid until the date of the maturity of the Debenture.

It is expected the first tranche of the Offering will close by May 31<sup>st</sup>, 2016 and the second tranche by July 15<sup>th</sup>, 2016, for up to US \$10,000,000 accumulative.

The Debenture financing is subject to TSXV approval.

On behalf of the Board of Directors:  
GOLDEN DAWN MINERALS INC.

"Wolf Wiese"  
Wolf Wiese  
Chief Executive Officer

For further information, please contact:  
Corporate Communications  
604-221-8936  
[allinfo@goldendawnminerals.com](mailto:allinfo@goldendawnminerals.com)

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