Final 2018 Drill Results Continue to Confirm Expansion Potential for Salave Gold Resource

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Black Dragon Gold Corp. (ASX: BDG, TSX-V: BDG) ("Black Dragon" or the "Company") is pleased to announce the assay results from the final two drill holes of the Company’s 2018 infill and definition drilling campaign at its wholly owned Salave Gold Project in the Asturias region in northern Spain ("Salave" or the "Project").

This press release features multimedia. View the full release here:
https://www.businesswire.com/news/home/20180924006062/en/

Figure 1: Plan Map showing 10 g/t Au blocks from MDA Mineral Resource Estimate (Photo: Business Wire)

The results from drill holes BD18-06 and 07 are significant because they have intersected high-grade mineralisation within and beyond the constraints of the current Mineral Resource model. This continues to confirm the potential for significant exploration upside to Salave’s existing measured and indicated resource of 6.52 million tonnes at 4.51 g/t Au, for 944,000 ounces of gold (see February 2, 2017 news release).

The 2018 drill campaign has not only been successful in achieving the Company’s main objective of confirming the extent and continuity of high-grade gold mineralisation at Salave, the 2018 drill programme has also extended the limits of mineralization defined by the current Mineral Resource model.

The Company anticipates that the results from the 2018 drill programme will have a positive impact on the next Mineral Resource estimate update, which is due for completion in early Q4 2018. The updated Mineral Resource update will be the basis for a Preliminary Economic Assessment ("PEA") focusing on a new underground mine plan and also planned for completion by the end of 2018.

CEO and Managing Director of Black Dragon, Paul Cronin, commented:"I am very pleased with the outcome of the 2018 drill programme at Salave. The drill hole results announced today and previously support our belief that not only the Salave deposit is open to expansion, but there are also opportunities to discover new and expand existing zones of very high grade gold mineralization within and outside of the existing resource model that will become the focus of our PEA and defining an underground mine target."

"We will immediately proceed to compile the results of the 2018 drilling and generate a revised interpretation based on these new results. The new interpretation will be the foundation of an updated Mineral Resource estimate, expected in early Q4."

Select results from diamond drill holes BD18-06 and BD18-07 include:

Hole	From (m)	To (m)	Interval (m)	Au(ppm)
BD18-06	96.75	107.50	10.75	3.28
	116.85	122.60	5.75	6.21
Including	116.85	117.90	1.05	15.80
	139.50	141.20	1.70	21.30
	151.00	157.00	6.00	4.63
	163.00	177.20	14.20	5.43
Including	170.75	172.50	1.75	14.30
	209.90	223.90	14.00	10.00
Including	209.90	212.55	2.65	10.78
Including	219.80	223.90	4.10	24.50

	230.70	235.50	4.80	16.33
Including	232.50	235.50	3.00	24.15
BD18-07	124.00	125.50	1.50	6.15
	144.50	149.00	4.50	12.70
	159.50	161.00	1.50	4.64
	164.75	188.00	23.25	29.09
Including	171.75	180.85	9.10	65.14
Including	176.00	179.35	3.35	148.03
	201.90	215.30	13.40	8.99
	228.70	231.50	2.80	13.98
	239.90	245.15	5.25	11.59

Mineralised intervals were selected to achieve a minimum grade consistent with the Mineral Resource grades deemed amenable to underground mining methods in the 2017 MDA Mineral Resource estimate. The selected intervals included above were based on 2.5 g/t Au cut-off grade, 2 metres minimum interval length and maximum continuous internal waste interval of 2 metres. Reported mineralised intervals may not represent true widths. Collar locations were surveyed in UTM coordinates based on ERTS89 datum, Zone 29N – Please see Appendix 1.

The 2018 drill campaign consisted of seven diamond holes (BD18-01 to 07) totalling 2,117 metres, targeting the north-west quadrant of the current resource model and was designed to confirm the presence of steep structures associated with high-grade gold mineralisation and to test for possible lateral extensions of flat to shallow west-dipping stacked lenses of mineralisation defined in the Company’s current Mineral Resource model. The Company will be utilising the new information from the 2018 drill holes to update the current Salave Mineral Resource estimate, which will be used as the basis for a PEA and ongoing feasibility study of an underground mine at Salave. Previously released drill results from holes BD18-01 to BD18-05 (see April 14, 2018, and September 11 2018 news releases for full details):

Hole	From (m)	To (m)	Interval (m)	Au(ppm)
BD18-01	125.00	129.35	4.35	41.90
	146.60	167.25	20.65	5.10
Including	146.60	157.90	11.30	7.42
Including	164.10	167.25	3.15	3.64
	199.60	206.40	6.80	8.25
	217.10	226.30	9.20	4.05
Including	217.10	220.20	3.10	7.13
	305.30	317.70	12.40	25.83
Including	312.55	317.70	5.15	52.99
BD18-02	121.70	129.00	7.30	4.69
	145.40	154.30	8.90	4.10
	177.25	184.25	7.00	4.12
	218.40	249.20	30.80	7.07
Including	218.40	232.50	14.10	9.89
	272.00	275.50	3.50	5.20
	294.00	297.95	3.95	8.30
	308.50	311.50	3.00	4.77
Including	310.00	311.50	1.50	8.88
BD18-03	159.75	165.90	6.15	8.18
	195.10	199.50	4.40	3.12
Including	195.10	196.50	1.40	5.91
	208.50	220.50	12.00	2.75
	257.55	261.40	3.85	4.52
	283.65	296.25	12.60	18.09
	313.55	318.00	4.45	10.58
	339.00	343.20	4.20	52.03
BD18-04	103.50	109.50	6.00	5.91
	167.00	171.50	4.50	6.05

	183.05	220.50	37.45	6.60
Including	209.00	219.00	10.00	13.43
	243.00	255.00	12.00	6.83
	266.00	269.00	3.00	3.87
BD18-05	147.00	152.60	5.60	6.00
	174.60	191.00	16.40	5.86
Including	174.60	179.85	5.25	8.66
Including	187.10	191.00	3.90	8.35
	199.90	212.00	12.10	8.02
	220.00	222.60	2.60	9.08
	234.10	250.80	16.70	17.60
Including	234.10	240.80	6.70	30.27

Mineralised intervals were selected to achieve a minimum grade consistent with the Mineral Resource grades deemed amenable to underground mining methods in the 2017 MDA Mineral Resource estimate. The selected intervals included above were based on 2.5 g/t Au cut-off grade, 2 metres minimum interval length and maximum internal waste interval of 2 metres. Reported mineralised intervals may not represent true widths. Collar locations are UTM coordinate based on ERTS89 datum, Zone 29N – Please see Appendix 1.

The Salave Deposit consists of a series of stacked horizontal to shallow west-dipping lenses of mineralisation associated with altered (advanced sercitisation and albitisation) fracture zones within the Salave granodiorite. The Salave Granodiorite is a large north-west trending, approximately 500m wide, steeply dipping sill-like intrusive body overlain by metasediments on the western flank of the deposit. The contact between the metasediments and the Salave granodiorite trends approximately north-east and dips gently to the north-west, approximately parallel to the dip of the regional thrust faulting and the Salave Deposit. The mineralised lenses that form the Salave Deposit pinch and swell and at time these lenses appear to coalesce or are connected by steeper structures, which may act as feeders to the mineralisation within the shallow dipping lenses. At depth, the mineralised lenses appear to offset and step down to the west and collectively form a tabular zone immediately below and roughly parallel to the contact with the overlying metasediments. Results from the 2018 drilling have confirmed and infilled areas of gold mineralisation within the previous resource model and have intersected high-grade intervals of gold mineralisation outside of the current resource model, at depth and down dip to the west.

The most recent NI 43-101 mineral resource estimate of the Salave deposit, originally completed by Mine Development Associates ("MDA") in 2014 and updated in January 2017 (see February 2, 2017 news release), modelled sub-vertical mineralized structures in addition to the broad lenses of shallow dipping mineralisation and recommended further drilling to understand and define the orientation of these vertical features. To date only a limited amount of angled drill holes have been completed. The 2018 drilling consisted entirely of angled holes at various orientations and was logged using oriented drill core. This information will be used to complete a detailed structural study in Q4 2018 that will assist the resources modelling process and enhance our understanding of the structural setting that is controlling the distribution of high-grade gold zones within the Salave deposit.

The objective of the 2018 drilling programme was designed to accomplish the following:

- Confirm the orientation of high grade gold mineralisation intersected in numerous drill holes during previous diamond drilling programmes.
- Provide information on the orientation of structures that potentially control the orientation of gold mineralisation at Salave.
- Confirm the gold tenor and intersection lengths of previous diamond drill holes.

- Provide additional structural and geotechnical data for ongoing project development studies.

We are confident that these objectives have been achieved, in addition to identifying new areas of mineralisation, that open the deposit to the NW, SE and at depth. We look forward to additional drilling on the property continuing to expand the Salave resource.

METHODOLOGY AND QA/QC

The analytical work reported on herein was performed by ALS Laboratory Group. SL ("ALS") in, Spain and Ireland. ALS is an ISO 17025:2005 accredited and internationally recognised analytical services provider. All drill core was logged and sampled at its core storage facility in Tapia de Casariego. Sample intervals varied from 0.85 to 2.05 metres and all core was split and one half quartered by saw and quarter core samples were shipped to ALS in Seville. Samples were crushed and pulverised at ALS and a 50 gm sample was analysed for gold by Fire Assay method and AA finish. In specific cases where high grade mineralization was encountered, a second larger split (15g) of the original pulp was re analysed using a concentrate Fire Assay and Gravimetric Finish at ALS Global in North Vancouver, Canada. This method is completed in duplicate, with corrections for impurities and run in smaller batches than the routine assay grade Fire Assay. Samples were also analysed by four acid ICP-AES for arsenic, antimony and sulphur. The Company follows industry standard procedures for the work carried out on the Salave Gold Project with a quality assurance/quality control (QA/QC) program. Blank, duplicate and standard samples were inserted into the sample sequence sent to the laboratory for analysis. Additionally, 99 sample pulp duplicates were selected from all drill holes completed 2018 and sent to AGQ Laboratories in Seville Spain ("AGQ") an ISO 17025:2005 accredited laboratory for verification of the ALS analyses. Black Dragon detected no significant QA/QC issues during review of the data.

QUALIFIED PERSONS

Santiago Gonzales Nistal, EurGeol., a Qualified Person as defined by National Instrument 43-101 and consultant to Black Dragon, supervised the diamond drilling program at the Salave Gold Project and reviewed, verified and compiled the data reported herein. Douglas Turnbull, P.Geo., a Qualified Person as defined by National Instrument 43-101 and consultant to Black Dragon has reviewed and approved the scientific and technical disclosure in this news release.

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ABOUT BLACK DRAGON GOLD

Black Dragon Gold Corp. (ASX/TSXV: BDG) is the 100% owner of one of the largest undeveloped gold projects 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. For more information on the Salave project, please refer to the technical report "Amended Technical Report on the Salave Gold Project, Asturias Region, Spain" dated October 7, 2016, as amended January 31, 2017, located on the Company’s website at www.blackdragongold.com and filed on SEDAR. In addition to the current Mineral Resource, historical exploration work suggests there is potential for further mineralisation within Black Dragon's landholdings.

Appendix 1 - Drill Summary

Hole	Easting	Northing	Elev (m)	Azimuth	Dip	EOH (m)	From (m)	To (m)	Interval (m)	Au(ppm)
BD18-01	668317	4825867	40	260	-75	352	98.75	103.50	4.75	3.54
							125.00	129.35	4.35	41.90

					146.60	167.25	20.65	5.10
				Including	146.60	157.90	11.30	7.42
				Including	164.10	167.25	3.15	3.64
					176.80	178.15	1.35	4.48
					199.60	206.40	6.80	8.25
					217.10	226.30	9.20	4.05
				Including	217.10	220.20	3.10	7.13
					223.60	226.30	2.70	4.94
					305.30	317.70	12.40	25.83
				Including	312.55	317.70	5.15	52.99
BD18-02	668317	4825865	40	230	-70 323	121.70	129.00	7.30	4.69
						145.40	154.30	8.90	4.10
						177.25	184.25	7.00	4.12
						195.25	198.50	3.25	7.47
						218.40	249.20	30.80	7.07
					Including	218.40	232.50	14.10	9.89
						272.00	275.50	3.50	5.20
						279.50	283.40	3.90	4.44
						294.00	297.95	3.95	8.30
						308.50	311.50	3.00	4.77
					Including	310.00	311.50	1.50	8.88
BD18-03	668319	4825865	40	210	-75 356	150.35	151.90	1.55	5.74
						159.75	165.90	6.15	8.18
						195.10	199.50	4.40	3.12
					Including	195.10	196.50	1.40	5.91
						208.50	220.50	12.00	2.75
						257.55	261.40	3.85	4.52
						265.50	267.00	1.50	11.25
						283.65	296.25	12.60	18.09
						313.55	318.00	4.45	10.58
						339.00	343.20	4.20	52.03
BD18-04	668316	4825870	41	180	-65 296	103.50	109.50	6.00	5.91
						167.00	171.50	4.50	6.05
						183.05	220.50	37.45	6.60
					including	209.00	219.00	10.00	13.43
						243.00	255.00	12.00	6.83
						266.00	269.00	3.00	3.87
BD18-05	668230	4825802	40	50	-75 323	147.00	152.60	5.60	6.00
						174.60	191.00	16.40	5.86
					including	174.60	179.85	5.25	8.66
					including	187.10	191.00	3.90	8.35
						199.90	212.00	12.10	8.02
						220.00	222.60	2.60	9.08
						234.10	250.80	16.70	17.60
					including	234.10	240.80	6.70	30.27
BD18-06	668225	4825799	40	90	-65 275	96.75	107.50	10.75	3.28
						116.85	122.60	5.75	6.21
					Including	116.85	117.90	1.05	15.80
						139.50	141.20	1.70	21.30
						151.00	157.00	6.00	4.63
						163.00	177.20	14.20	5.43
					Including	170.75	172.50	1.75	14.30
						209.90	223.90	14.00	10.00
					Including	209.90	212.55	2.65	10.78
					Including	219.80	223.90	4.10	24.50
						230.70	235.50	4.80	16.33
					Including	232.50	235.50	3.00	24.15
BD18-07	668224	4825799	40	30	-75 292	124.00	125.50	1.50	6.15

	144.50	149.00	4.50	12.70
	159.50	161.00	1.50	4.64
	164.75	188.00	23.25	29.09
Including	171.75	180.85	9.10	65.14
Including	176.00	179.35	3.35	148.03
	201.90	215.30	13.40	8.99
	228.70	231.50	2.80	13.98
	239.90	245.15	5.25	11.59

Appendix 2 – JORC Table

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation
	● Nature and quality of sampling (e.g. cut channels, random ch standard measurement tools appropriate to the minerals unc sondes, or handheld XRF instruments, etc.). These example meaning of sampling.
Sampling techniques	● Include reference to measures taken to ensure sample repre any measurement tools or systems used.
	● Aspects of the determination of mineralisation that are Mater ‘industry standard’ work has been done this w ‘reverse circulation drilling was used to obtain 1 m sa produce a 30 g charge for fire assay’). In other cases as where there is coarse gold that has inherent sampling pro mineralisation types (e.g. submarine nodules) may warrant c
Drilling techniques	● Drill type (e.g. core, reverse circulation, open-hole hammer, and details (e.g. core diameter, triple or standard tube, depth type, whether core is oriented and if so, by what method, etc
	● Method of recording and assessing core and chip sample re
Drill sample recovery	● Measures taken to maximise sample recovery and ensure re
	● Whether a relationship exists between sample recovery and occurred due to preferential loss/gain of fine/coarse material

	● Whether core and chip samples have been geologically and support appropriate Mineral Resource estimation, mining stu
Logging	
	● Whether logging is qualitative or quantitative in nature. Core
	● The total length and percentage of the relevant intersections
	● If core, whether cut or sawn and whether quarter, half or all c
	● If non-core, whether riffled, tube sampled, rotary split, etc. ar
	● For all sample types, the nature, quality and appropriateness
Subsampling techniques and sample preparation	
	● Quality control procedures adopted for all subsampling stage
	● Measures taken to ensure that the sampling is representative for instance results for field duplicate/second-half sampling.
	● Whether sample sizes are appropriate to the grain size of the

- The nature, quality and appropriateness of the assaying and
  the technique is considered partial or total.

Quality of assay data and laboratory tests

- For geophysical tools, spectrometers, handheld XRF instrum
  determining the analysis including instrument make and mod
  applied and their derivation, etc.

- Nature of quality control procedures adopted (e.g. standards
  checks) and whether acceptable levels of accuracy (i.e. lack
  established.

	● The verification of significant intersections by either indepen
Verification of sampling and assaying	● The use of twinned holes.
	● Documentation of primary data, data entry procedures, data electronic) protocols.
	● Discuss any adjustment to assay data.
	● Accuracy and quality of surveys used to locate drillholes (col workings and other locations used in Mineral Resource estim
Location of data points	● Specification of the grid system used.
	● Quality and adequacy of topographic control.
	● Data spacing for reporting of Exploration Results.
Data spacing and distribution	● Whether the data spacing, and distribution is sufficient to est continuity appropriate for the Mineral Resource and Ore Res classifications applied.
	● Whether sample compositing has been applied.

	● Whether the orientation of sampling achieves unbiased samp which this is known, considering the deposit type.
Orientation of data in relation to geological structure	
	● If the relationship between the drilling orientation and the ori considered to have introduced a sampling bias, this should b
Sample security	● The measures taken to ensure sample security.
Audits or reviews	● The results of any audits or reviews of sampling techniques a

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation

Mineral tenement and land tenure status	● Type, reference name/number, location and ow parties such as joint ventures, partnerships, ove wilderness or national park and environmental s
	● The security of the tenure held at the time of re licence to operate in the area.
Exploration done by other parties	● Acknowledgment and appraisal of exploration b
Geology	● Deposit type, geological setting and style of mi

Drillhole information	● A summary of all information material to the und of the following information for all Material drillh ● easting and northing of the drillhole collar ● elevation or RL (Reduced Level – ● dip and azimuth of the hole ● downhole length and interception depth ● hole length. ● If the exclusion of this information is justified on exclusion does not detract from the understand explain why this is the case.
Data aggregation methods	● In reporting Exploration Results, weighting aver truncations (e.g. cutting of high grades) and cut ● Where aggregate intercepts incorporate short le grade results, the procedure used for such aggr such aggregations should be shown in detail. ● The assumptions used for any reporting of meta
Relationship between mineralisation widths and intercept lengths	● These relationships are particularly important in ● If the geometry of the mineralisation with respe reported. ● If it is not known and only the downhole lengths effect (e.g. ‘downhole length, true width
Diagrams	● Appropriate maps and sections (with scales) an significant discovery being reported These shou collar locations and appropriate sectional views
Balanced reporting	● Where comprehensive reporting of all Explorati both low and high grades and/or widths should Results.

Other substantive exploration data	● Other exploration data, if meaningful and mater geological observations; geophysical survey res size and method of treatment; metallurgical test characteristics; potential deleterious or contami
Further work	● The nature and scale of planned further work (e large-scale step-out drilling). ● Diagrams clearly highlighting the areas of possi interpretations and future drilling areas, provide

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