



BLACK DRAGON GOLD

ASX:BDG

**ANNUAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2024**

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Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

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Chairman's Review

Frustratingly the year was broadly uneventful until the closing months, ending in late December with the announcement of a new Asturian law on strategic investments that is trusted will unlock the nearly 5 years of permitting impasse that the Company has endured.

The Company's application for the re-zoning, from agricultural to industrial, of the land required for the planned surface infrastructure was accepted by the Tapia de Cassariego municipality in April. Seven months later the Municipality convened an extraordinary plenary session and rejected the re-zoning application. The Company's legal advisors dispute the grounds upon which the application was rejected and subsequently have challenged the decision before the High Court of Justice in Asturias. The outcome of this legal challenge will be known during 2025.

On 17 December 2024, the Principality of Asturias adopted a new law on strategic investments, the Proyectos de Interés Estratégico Regional ("PIER"). This law was drafted with the specific intent of both de-bottlenecking and accelerating economically important projects within the Principality and the Salave Gold Project fulfills all of its investment, employment and environmental pre-qualification requirements. Appropriately, the Company applied to be considered for PIER strategic status on 30 December 2024. The Company will collaborate with relevant agencies at Principality as the application is reviewed over the coming months. A final decision on the project's qualification is expected during Q2 of 2025.

For a second year in a row gold out performed virtually every other asset class, achieving 40 record highs, rising 26% in the year and closing at US\$2,607. The key drivers to this were strong central bank and retail demand in emerging markets in yet another year of significant geo-political uncertainty. As there is no clear indications in the levels of uncertainty and further with the distinct potential for US trade tariffs, and retaliatory measures by recipient nations, the short & medium term consensus for gold is highly robust.

The Company raised working capital during the year, all of the Directors participated, and I was particularly satisfied to be able to increase the number of Spanish shareholders on the registry. I believe that it is very important that we not only maintain but grow our Spanish shareholder base in any future placements.

The Company's share price performance was faltering during the first three quarters of the year, rallying in October and closing approximately three times higher than its 2024 low point. The roughly AUD\$18 million market capitalisation clearly reflects the market's uncertainty for our permitting, but most certainly does not reflect the inherent value of the Salave Gold Project. Given the distinct potential for permitting resolution in 2025 the Company commenced preparation of an updated Scoping Study in November. This Study, which will capture both the impact of inflation and the huge gold appreciation since 2019, will confirm the outstanding economic potential of the Project and serve as an important update to the already lodged application for Strategic Investment.

Another testing year for Black Dragon Gold, and I would again like to thank our loyal shareholders for their patience and perseverance. Additionally, I must acknowledge the work of the in-county management team, particularly for their excellent work in preparing the highly detailed strategic project application. My goal has not changed since I took on the role of Executive Chairman, it is to permit the Salave Gold Project.

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Company Directory

Black Dragon Gold Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia, Canada on August 20, 2007 and is classified as a junior mining issuer with the Australian Securities Exchange (“ASX”) and as a Canadian non venture issuer.

Black Dragon Gold Corporation is incorporated in British Columbia, company incorporation number BC0800267.

Black Dragon Gold Corporation is a Registered Foreign Company in Australia: ARBN 625522250.

Directors

Dominic Roberts (Executive Chairman)

Paul Cronin (Non-Executive Director)

Alberto Lavandeira (Non-Executive Director)

Gabriel Chiappini (Non-Executive Director)

Heidy Arocha (Non-Executive Director)

Company Secretary

Gabriel Chiappini

Chief Financial Officer

Amy Fink

Canadian Registered Office

1000 Cathedral Place, 925 West Georgia Street, Vancouver, BC V6C 3L2. Email: info@blackdragongold.com

Australian Registered Office

Level 1, 10 Outram Street, West Perth, WA 6005.

Auditor

BDO Audit Pty Ltd, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth Western Australia 6000

Stock Exchange Listing

Australian Securities Exchange (Code: BDG)

Australian Share Registry

Computershare Investor Services Pty Limited Level 17, 221 St Georges Terrace, Perth WA 6000 T: 1300 787 272

F: (08) 9323 2033

E: web. queries@computershare.com.au

Canadian Share Registry

Computershare Investor Services Inc. 510 Burrard St, Vancouver, BC, V6C 3B

Company Website

www.blackdragongold.com

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Directors' Report

2024 Highlights & Recent Developments

Salave Gold Project

Black Dragon Gold Corporation (Black Dragon or the Company) is the 100% owner of one of the largest undeveloped gold projects in Europe. Based on a cut-off grade of 2 grams per tonne gold, the Salave project has a Measured and Indicated Mineral Resource Estimate containing 1.21 million ounces of gold grading 4.58 grams per tonne and additional Inferred Mineral Resource of 0.35 million ounces of gold grading 3.47 grams per tonne.

Mineral Resource Classification	Million Tonnes	Au Grade	Million Ounces of Gold
Measured	1.03	5.59g/t	0.19
Indicated	7.18	4.43g/t	1.02
Total Mineral Resource Measured & Indicated	8.21	4.58g/t	1.21
Inferred	3.12	3.47g/t	0.35

Table 1

*See below for Mineral Resource Estimate details

The Company's tenure includes five Mining Concessions and associated extensions covering 662 ha and an Investigation Permit covering another 2,655 ha – refer table 2 below. Within the concession boundaries, the Company owns 109,753 m² of freehold land over the surface mineralization.

The project has had some €55 million spent on its development and resource definition. A prominent geophysical anomaly coincident with favorable geology, alteration and mineralization defines a significant gold target that prompted intense drilling campaigns by major gold companies resulting in some 69,000 metres of drilling plus extensive social, environmental and engineering studies and testwork.

The 2018 Mineral Resource Estimate ("MRE") has been reported and classified as Measured, Indicated and Inferred in accordance with CIM Definition Standards (May, 2014) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 edition) ("JORC Code") and is therefore suitable for public release. The classification level is based upon an assessment of geological understanding of the deposit, geological and grade continuity, drill-hole spacing, quality control results, search and interpolation parameters, and analysis of available density information.

The Mineral Resource Estimate for Salave Gold was prepared by CSA Global and noted below:

Category	Salave Mineral Resource Estimate at a 2.0 g/t Au Cut-Off Grade		
	Tonnes	Au	
	Mt	g/t	koz
Measured	1.03	5.59	185
Indicated	7.18	4.43	1,023
Measured & Indicated	8.21	4.58	1,208
Inferred	3.12	3.47	348

Table 2

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Notes:

- *Classification of the MRE was completed based on the guidelines presented by Canadian Institute for Mining (CIM -May 2014), adopted for Technical reports which adhere to the regulations defined in Canadian National Instrument 43-101 (NI 43-101).*
- *The mineral resource estimate was conducted by CSA Global of Perth Australia, with an effective date of October 22, 2018 and is posted on the ASX & SEDAR+ and the Company's website.*
- *Mineral Resources that are not Mineral Reserves do not have economic viability.*
- *A cut-off grade of 2 g/t Au has been applied when reporting the Mineral Resource.*
- *Rows and columns may not add up exactly due to rounding.*
- *The quantity and grade of the Inferred resources reported in this estimation are conceptual in nature and there has been insufficient exploration to define these Inferred resources as an Indicated and Measured resource. It is uncertain if further exploration will result in upgrading them to an Indicated or Measured category, although it is reasonably expected that the majority of the Inferred resources could be upgraded to Indicated Mineral Resources with further exploration.*
- *Since the release of the Mineral Resource Estimate, the Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource Estimate.*

The resource cut-off grade of 2.0 g/t Au was chosen to capture mineralization that is potentially amenable to underground mining, sulphide concentration, and gold recovery using off-site processing. This cut-off grade was selected based on a gold price of US\$1,300/ounce, a gold recovery of 92%, a mining cost of US\$50/tonne, a processing cost of US\$18/tonne, and a general and administration ("G&A") cost of US\$6/tonne. The reported resources occur in bodies of sufficient size and continuity to meet the requirement of having reasonable prospects for eventual economic extraction. Due to the necessity to maintain a surficial crown pillar in a potential underground operation, all material from the present surface to a depth of 40 m is not included in the Salave Resources. For full details regarding the Salave MRE please refer to the CSA Global technical report titled "Salave Gold Project Mineral Resource Update for Black Dragon Gold." on the Company's website, www.blackdragongold.com.

Several phases of metallurgical testwork have been carried out on the Salave Deposit. The most comprehensive metallurgical program consisting of bench-scale and pilot testing was managed by Ausenco Ltd. From 2005 to 2006 on two bulk samples from the Upper and Lower Zones of the Salave orebody. The results from metallurgical testwork to date indicate that the Salave mineralization is refractory and shows consistently high gold recoveries by flotation and subsequent pressure or bio oxidation of the sulphide concentrate. The Ausenco testwork demonstrated that the Salave ore is moderately hard with a bond work index ranging from 16.3 to 17.2 kWh/tonne, yields flotation recoveries ranging from 96.3 to 97.8% and subsequent recovery from pressure oxidation of the gold bearing sulphide concentrate of over 98%. The resulting overall potential gold recovery is approximately 96.5%.

During 2024 (FY24) Black Dragon continued to progress and de-risk the permitting and development of the Salave Gold Project in Northern Spain in the province of Asturias.

- **Salave Environmental Impact Assessment:** In July 2021, Black Dragon via its Spanish subsidiary, Exploraciones Mineras del Cantábrico (EMC) submitted the Environmental Impact Assessment (EIA) to the Asturian Ministry of Mines. Following the submission of the EIA, Black Dragon has been working closely with Government of the Principality of Asturias in Spain to manage and work through the public consultation period. In Q1 2022, the Company was in receipt of the public comments collated via the EIA public consultative period and in May 2022, the Company submitted its final dossier containing its reply to all the EIA public comments. Following the consultation period, the Company has had constant dialogue in response to and following up additional queries and clarifications to the EIA and public comments. During 2023 and 2024 discussions continued to occur between the Company and key stakeholders including the recently elected Asturian Regional Government, led by Spain-based General Manager Jose Dominguez. Company representatives remain in constant communication with the Asturian Regional Government to progress EIA approvals and relevant zoning changes for Salave Gold that are critical to its development pathway.

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- **Land re-zoning:** The Company's application for the re-zoning, from agricultural to industrial, of the land required for the planned surface infrastructure was accepted by the Tapia de Casariego Town Council municipality in April 2024. Seven months later the Municipality convened an extraordinary plenary session and rejected the application claiming prohibitive restrictions in the 2016 Urbanistic Plan. The Company's legal advisors dispute the grounds upon which the application was rejected and have subsequently challenged the decision before the High Court of Justice in Asturias. The outcome of this legal challenge will be known during 2025.
- **Application for Strategic Status:** On 17 December 2024, the Principality of Asturias adopted a new law on strategic investments, the Proyectos de Interés Estratégico Regional ("PIER"). This law was drafted with the specific intent of both de-bottlenecking and accelerating economically important projects within the Principality and the Salave Gold Project fulfills all of its investment, employment and environmental requirements. Appropriately, the Company applied to be considered for strategic status on 30 December 2024. The Company will collaborate with relevant agencies at Principality as the application is reviewed over the coming months. A final decision on the project's qualification is expected during Q2 of 2025.
- **Investigation Permit Sallave Extended:** In Q1 2022, the Company successfully rolled over its Sallave Investigation Permit with the Government of the Principality of Asturias for a further 3 years. The Sallave Investigation Permit allows Black Dragon the rights to align the location of the mineral resources with the investigation area, thereby retaining the exploration rights over Black Dragon's land package in a favourable geological setting outside of and contiguous to, the mining concessions that hosts the Salave Gold Deposit. During the current year, discussions have been ongoing with the Government in managing the partial transformation of the Sallave Investigation Permit into a mining concession adjacent to the current Mining Rights of the Salave Gold Project. This Permit allows the Company to conduct exploration in the adjacent area to the Salave Gold Project. The Investigation Permit IP Sallave has been extended for a further 3 years, to February 10, 2028.
- **Drilling Permit Received for Salave Gold Project:** During the first half of 2022, the Government of the Principality of Asturias issued Black Dragon's 100% owned Spanish subsidiary, Exploraciones Mineras del Cantábrico with an 18-hole drilling permit for the Salave Gold Project. The drill hole locations were based on stringent environmental selection criteria to avoid conflicts with local landowners and to comply with the Government's planning framework. This drilling campaign's main focus will be to undertake infill drilling to improve the resource classification from inferred to indicated and from indicated to measured, for mine planning and for geotechnical & metallurgical core samples as part of a definitive feasibility study.

The Company will continue to maintain an open and responsive relationship with the Asturian Government. Subject to permitting success and funding the Company does intend to expand its Salave exploration programme to identify new zones of mineralization and undertake infill drilling.

Spanish Operating Environment & In-Country Management Team

The Salave Gold Project is in Spain and is subject to governmental, political, economic, and other uncertainties, including, but not limited to, expropriation of property, changes in mining policies or the personnel administering them. The Company's operations may also be adversely affected by laws and policies of Canada (Salave Gold Project) and Australia (with regards to Marlee Gold Project) affecting foreign trade, taxation and investment.

In the event of a dispute arising in connection with the Company's operations in Spain, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgements in such other jurisdictions. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.

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Accordingly, the Company's exploration, development and production activities in Spain could be substantially affected by factors beyond the Company's control, any of which could have a material adverse effect on the Company.

The Company may in the future acquire additional mineral properties and operations outside of Spain, which expansion may present challenges and risks that the Company has not faced in the past, any of which could adversely affect the results of operations and/or financial condition of the Company. Any material adverse changes in government policies or legislation of Spain, Canada, Australia or any other country that the Company has economic interests may affect the viability and profitability of the Company.

The Company's activities will involve mineral exploration and mining and regulatory approval of its activities may generate public controversy. Political and social pressures and adverse publicity could lead to delays in the approval of, and increased expenses for, the Company's activities. The nature of the Company's business attracts a high level of public and media interest and, in the event of any resultant adverse publicity; the Company's reputation may be harmed.

The Spanish team is led by our General Manager, Mr Jose Manuel Dominguez, who is a mining engineer with more than 30 years of experience across various projects in Spain, Portugal and Italy, including as a general manager for Luzenac Europe (part of the Rio Tinto Group) from 1999 to 2006, a general manager for Rio Tinto Minerals Spain (part of the Rio Tinto Group) from 2006 to 2011 and a general manager of Imerys Talc Ital (part of the Imerys Group) from 2014 to 2016.

Marlee Gold Project divestment and update

During 2024, the Company successfully negotiated the 100% sale of its Padbury Gold assets located in the North Yilgarn Craton near Meekatharra to Parbo Resources. Tenements sold were Padbury Gold (E51/1942) and Padbury Gold Extension (E51/1969). Cash consideration of AUD\$150,000 (excluding GST) was received during the current year. The Company retains the 115km² Ivan Well tenement (E69/3818) further north-east towards Wiluna in the northern Goldfields, which still offers early-stage exploration potential for untested gold anomalism. The Company continues taking a responsible fiscal approach while looking at potential exploration activity for the 100 per cent-owned Ivan Well (E69/3818) exploration license.

Shares issued

On March 13, 2024, the Company announced the successful completion of a private placement, raising AUD\$1.2m (CAD\$1.1m) to fund a range of activities associated with de-risking and progressing the flagship Salave Gold Project. The Company issued 66,847,620 new fully paid shares at an offer price of AUD\$0.02 per New Share (the 'Placement'). Participants in the Placement received one (1) free attaching option for each one (1) New Share allocated, exercisable at AUD\$0.03 and expiring June 14, 2027 ('Attaching Option').

Settlement of the Placement was split into 2 tranches, with tranche 1 falling within the Company's available listing rule 7.1 placement capacity, with 25,097,620 tranche 1 shares, in the form of Chess Depositary interests in the Company, issued on March 22, 2024. Tranche 2 was subject to shareholder approval at the EGM held on June 6, 2024, and covered off on the director participation in the placement of 16,000,000 shares, in the form of Chess Depositary interests in the Company, 100% of the free attaching options and the balance of the shares from the placement not allotted in Tranche 1.

On November 1, 2024, the Company completed a private placement to certain high net worth Spanish investors, issuing 28,481,720 CDI's at AUD\$0.025 per CDI, raising CAD\$648,092. Participants in the Placement received one (1) free attaching option for each one (1) New Share allocated, exercisable at AUD\$0.03 and expiring June 14, 2027 ('Attaching Option').

Also during November 2024, 5,883,333 options with an exercise price of AUD\$0.03 and expiry date of June 14, 2027, were converted to fully paid shares, raising CAD\$161,974.

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Black Dragon Gold's Key Principles

The Company has the following key principles:

- demonstrate a commitment to health, safety, security, sustainability and environment at all locations and maintain a safe, healthy work environment;
- ensure adequate resources are allocated to health, safety, security, sustainability and environmental performance;
- comply with local laws relating to health, safety, security, sustainability and environment as well as embrace international laws and best practice, where possible;
- respect for human rights and social and cultural rights including the rights of indigenous and vulnerable people; promote where possible, local communities through procurement and employment practice;
- and ensure that proper management systems for health, safety, security, sustainability and environment are in place through training, information sharing and continuous monitoring

Result for FY24

During the year ended December 31, 2024 (the "current year"), the Company recorded net loss of \$4,031,646 compared to a net loss of \$1,501,196 during the year ended December 31, 2023 (the "comparative year"). The significant variances resulted from the following:

- *General and Administrative expenses:* during the current year, the Company incurred \$241,488 of general and administrative expenses compared to \$413,039 in the comparative year. The variance is largely due to a focus on cost cutting measures by management.
- *Professional fees:* during the current year, the Company incurred \$180,634 of professional fees, compared to \$90,876 during the comparative year. The increase is due to costs associated with the land re-zoning application submission for the Salave Project during 2024, and general consultants engaged to promote the project.
- *Exploration and evaluation costs:* project spend for the current year was \$141,632 (2023: \$357,221).
- *Share-based compensation:* during the current year, the Company incurred \$448,065 share-based payments expense (2023: \$246,287). Refer to Note 6 for details.
- *Loss on fair value change of option liability:* \$2,573,774 loss on fair value change of derivative liability associated with listed options issued during the current year (2023: \$145,083 ss). Refer Note 9 for details.

Subsequent Events

On January 7, 2025, 1,083,333 unlisted options with an exercise price of AUD\$0.03 and expiry of June 14, 2027 were exercised.

On February 6, 2025, 750,000 unlisted options with an exercise price of AUD\$0.03 and expiry of June 14, 2027 were exercised.

Ms Arocha was appointed as Non-Executive Director on January 21, 2025.

There were no other material subsequent events to December 31, 2024.

Dominic Roberts

Dominic Roberts
Executive Chairman
March 14, 2025

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Tenement Portfolio

Salave Gold Project

Black Dragon Gold owns 100% of the Salave gold deposit through its wholly owned Spanish subsidiary, EMC. The Black Dragon Gold tenure includes five Mining Concessions and associated extensions covering 662 ha and an Investigation Permit covering another 2,655 ha (Table 3) and (Figure 1).

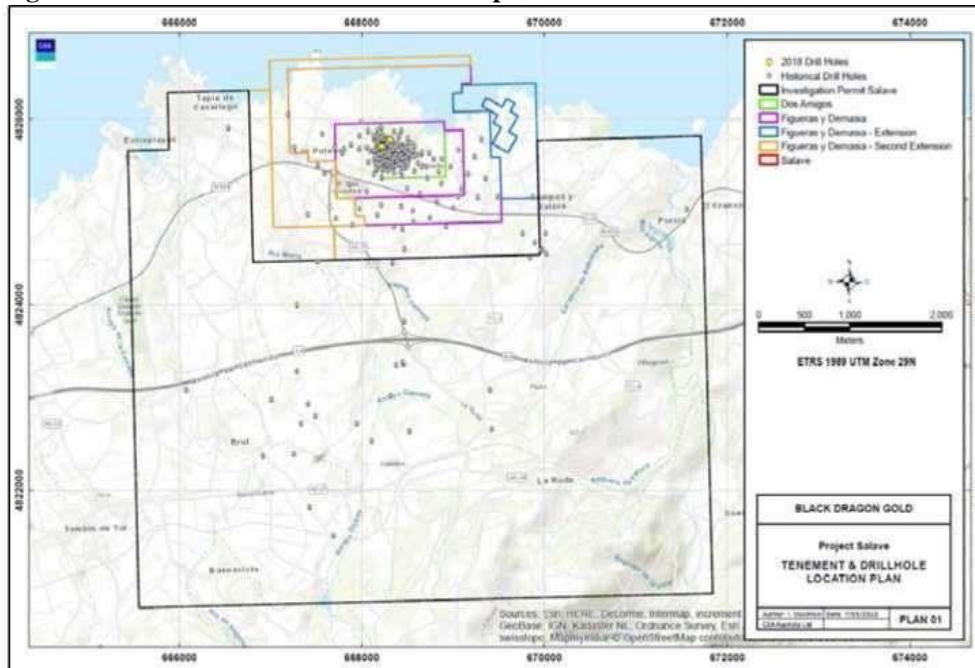
An Investigation Permit gives the holder the right to carry out, within the indicated perimeter and for a specific term (a maximum of three years), studies and work aimed at demonstrating and defining resources and the right, once defined, to be granted a permit for mining them. The term of an Investigation Permit may be renewed by the Regional Ministry of Economy and Employment for three years and, exceptionally, for successive periods.

A Mining Concession entitles its holder to develop resources located within the concession area, except those already reserved by the State. Under Spanish regulations, ownership of the land is independent of ownership of the mineral rights.

Table 3: Black Dragon Gold’s Concessions - Salave Gold Project, Spain

Concession/Investigation Permit name	Registration no.	Area (ha)	Date granted	Expiration date
Concessions				
Dos Amigos	24.371	41.99	10 Sep 1941	10 Oct 2045
Salave	25.380	67.98	10 Apr 1945	10 Oct 2045
Figueras	29.500	212.02	25 Jan 1977	25 Jan 2037
Demasia		92.55		
Ampliacion de Figueras	29.969	10.99	9 Nov 1988	9 Nov 2048
Demasia		68.85		
Segunda Ampliacion de Figueras	29.820	100.04	16 Sep 1981	16 Sep 2041
Demasia		67.55		
TOTAL		661.97		
Investigation Permit IP Sallave	30.812	2,655	Apr 2022	10 Feb 2028

Figure 1: Tenement and drill-hole location plan



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Marlee Gold Project

Black Dragon Gold is the 100% owner of 1 exploration permits via Marlee Gold Pty Ltd comprising 115km² in the North Yilgarn Craton in Western Australia. During 2024, the Company successfully negotiated the 100% sale of its Padbury Gold assets located in the North Yilgarn Craton near Meekatharra to Parbo Resources. Tenements sold were Padbury Gold (E51/1942) and Padbury Gold Extension (E51/1969).

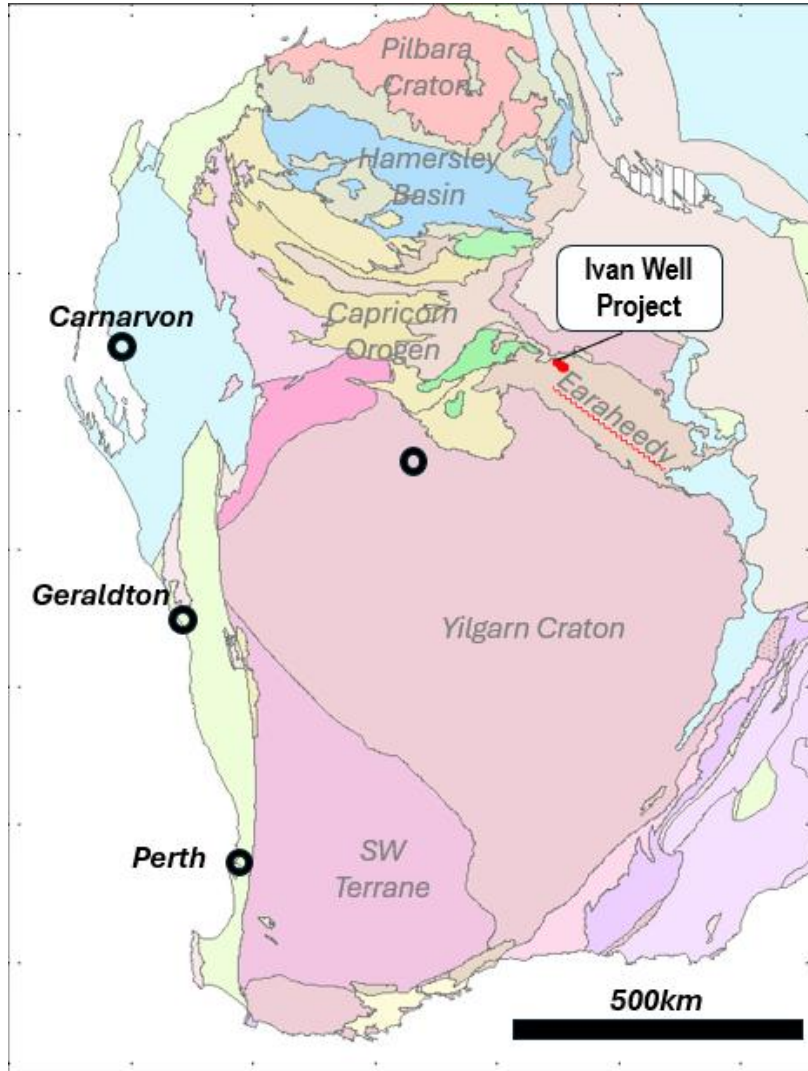


Figure 2: Marlee Gold Project- Ivan Well in Western Australia. Background map is the Geological Survey of Western Australia's (GSWA) Tectonic Elements map (1:10M)

Concession Name	Licence Number	Square Kms	Date Granted	Expiration Date
Ivan Well	E69/3818	115	1 March 2022	28 February 2027

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Competent Persons Statement

The Technical Information disclosed in this Annual Report has been reviewed and approved by Douglas Turnbull, P.Geo., a Qualified Person as defined under National Instrument 43-101 and a Competent Person for the purposes of JORC 2012. Mr Turnbull is a Professional Geologist and a member of the Association of Professional Geoscientists of Ontario. Mr Turnbull is a consultant to Black Dragon and has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Turnbull consents to the inclusion in this report of the matters based on that information in the form and context in which it appears.

Key Performance Indicators

The near term and primary performance indicators for Black Dragon are related to its exploration activities and include:

- (i) Efficiently managing the exploration programme and increasing the current mineralised footprint and increasing Black Dragon’s current JORC resource base;
- (ii) Advancing the permitting status for Salave Gold Project on a pathway towards exploitation;
- (iii) Continued exploration on nearby prospects to define further drill targets with the intent of making additional mineral discoveries,
- (iv) Advancing the exploration programme on the recently acquired Marlee Gold projects in Western Australia and;
- (v) Progressing the technical study elements for Salave, culminating in the completion of a Definitive Feasibility Study and Environmental and Social Impact Assessment (“ESIA”), both critical steps in making progress towards obtaining the necessary permits required for the development of the Salave Deposit.

Directors & Key Management

Dominic Roberts –Executive Chairman

Mr Roberts is an experienced and highly effective project leader, with a track record of permitting and commissioning underground mines. For more than fifteen years Mr Roberts has worked exclusively in the European mining sector.

Prior to joining Black Dragon Gold Mr Roberts was Head of Corporate Affairs at Adriatic Metals where his collaboration with both government and regulatory authorities led to the rapid and successful permitting of the world-class Vares silver mine.

Paul Cronin – Non-Executive Director

Paul Cronin is a unique resource finance specialist, with significant experience in equity, debt and mergers and acquisitions within the sector. Mr Cronin was Vice President at the highly regarded resource fund, RMB Resources where he originated, structured and managed several debt and equity investments on behalf of the fund. Until August 2024, he was Managing Director & CEO of Adriatic Metals, one of the UK’s fastest growing base and precious development companies, where he has personally overseen a paradigm shift in the manner in which junior mining companies interface and benefit their local communities. Mr. Cronin has nearly 20 years of commodity trading, funds management and junior mining development experience. giving him an invaluable insight into the inner workings of capital markets serving the mining industry.

Mr. Cronin is also a Non-Executive Director of ASX listed Taruga Minerals Limited and until August 2024, LSE/ASX listed Adriatic Metals plc.

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Alberto Lavandeira - Non-Executive Director

Alberto Lavandeira has over 43 years' experience operating and developing mining projects. Former Chief Executive Officer, President and COO of Rio Narcea Gold Mines (1995-2007), which built three mines including Aguablanca. Director of Samref Overseas S.A (2007-2014) - involved in the development of the Mutanda Copper-Cobalt Mine in the DRC. Mr. Lavandeira is currently Chief Executive Officer and Managing Director of AIM and TSX listed Atalaya Mining plc.

Gabriel Chiappini – Non-Executive Director & Company Secretary

Mr Chiappini was appointed as Black Dragon's Managing Director effective 18 March 2022, and resigned from this role on 22 November 2023. Mr Chiappini retained his role as Non-Executive Director and Company Secretary. Mr Chiappini is a Chartered Accountant and member of the Chartered Accountants Australia & New Zealand (CA ANZ) & Australian Institute of Company Directors. Gabriel has more than 24 years' experience working in key strategic roles including, Executive Chairperson, Director, Chief Financial Officer and Company Secretary roles both in public and private companies. Mr Chiappini has provided advice and services on equity raisings exceeding AU\$500m and assisted his clients with both divestment and acquisition strategies. Some of Gabriel's ASX experience includes:

- Founding Director of Black Rock Mining (ASX: BKT), a Graphite development company with the Mahenge Graphite Project in Tanzania (current market capitalisation \$200m);
- Founding & current Director of Zimbabwean oil and gas developer, Invictus Energy Limited;
- Instrumental as a director of Ioneer Ltd (ASX:INR), helping with the acquisition of and development of the Rhyolite Ridge Lithium-Boron Project in Nevada – current market capitalisation AUD\$1,050m;
- Part of the pre-IPO team to list Adriatic Metals plc (ASX:ADT) on the ASX and LSE;
- A founding Executive Chairman of robotic solutions company FBR Limited (ASX: FBR) having taken FBR from pre-IPO to a market value of in excess of AUD\$270m;
- Key executive at Avita Medical's Spray on Skin Co, now quoted on NASDAQ; and
- Former Director of Scotgold Resources Ltd (AIM:SGZ).

Heidy Arocha – Non-Executive Director

Ms Arocha was appointed as Non-Executive Director on January 21, 2025. Ms Arocha is a practicing Spanish lawyer with more than 25 years' experience specializing in public and corporate law and is fluent in both Spanish and English.

Over the past 15 years she has held a range of roles with public and private international gold mining companies, including 7 years as Director of Legal and External Affairs for Canadian company Kinross Gold Corporation (NYSE:KGC / TSX:K). During her tenure at Kinross Ms Arocha worked extensively across Spain, Ghana and Mauritania.

Ms Arocha has also acted as a consulting lawyer to a range of mining companies. This currently includes providing general advisory and counsel to Asante Gold Corporation (CSE:ASE / GSEASG / FSE:1A9 / USOTC:ASGOF), one of the largest gold miners in Ghana.

Prior to working in the resources sector, Ms Arocha has had experience in the construction industry and associated Spanish permitting processes, during her appointment as President of the Builder's Association of Las Palma and international business through her role as General Manager of the American Chamber of Commerce in the Canary Islands.

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Additional Key Management Personnel

Jose Manuel Dominguez - General Manager in Spain

Jose Manuel Dominguez is a mining engineer with more than 30 years of experience across various projects in Spain, Portugal and Italy, including as a general manager for Luzenac Europe (part of the Rio Tinto Group) from 1999 to 2006, a general manager for Rio Tinto Minerals Spain (part of the Rio Tinto Group) from 2006 to 2011 and a general manager of Imerys Talc Ital (part of the Imerys Group) from 2014 to 2016.

Dr Darren Holden – Exploration and Geology Advisor

Dr Holden is a geologist and experienced director of 25 years of worldwide experience in mineral discovery and mineral exploration technologies. Dr Holden is currently a Chairman of OD6 Metals Ltd (ASX:OD6), Non-Executive Director of Aurumin Limited (ASX: AUN). He has previously been a director of ABM Resources NL (ASX:PRX), an alternative director of Todd River Resources Limited (ASX:TRT) and Clancy Exploration Limited (ASX:CLY).

Currently, Dr Holden runs GeoSpy Pty Ltd, a private mineral exploration advisory business with clients in Western Australia New South Wales, British Columbia and Fiji. He is a member in good standing of the Australian Institute of Mining and Metallurgy.

Amy Fink – Chief Financial Officer

Ms Fink was appointed as the Company's CFO during March 2022 and is an experienced Chartered Accountant with a professional career spanning 18 years across EY Australia, publicly listed companies, large private companies. Roles Ms Fink has fulfilled during her career include Financial Controller, Chief Financial Officer and Company Secretary, bringing a strong skillset to the Company. Responsibilities have included financial compliance and reporting, company secretarial duties, capital raisings, budgeting and forecasting, cash flow management, investor relations, executive and board reporting, as well as external and internal auditing.

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

Directors' Report

The Directors present their annual report with the statutory financial statements of the Group for the year ended December 31, 2024.

This report should be read in conjunction with the Report on pages 3 to 14.

1. Board of Directors and Officers of the company

The names of the Directors who held office during the financial year and to the date of this report were:

Director Name	Position	Appointed	Resigned
Dominic Roberts	Executive Chairman	22 November 2023	-
Paul Cronin	Non-Executive Director	10 July 2017	-
Alberto Lavandeira	Non-Executive Director	10 July 2017	-
Gabriel Chiappini	Non-Executive Director	18 March 2022	-
Heidy Arocha	Non-Executive Director	21 January 2025	-

2. Results

The Group realised a loss after tax for the year of \$4,031,646 (2023 loss of \$1,501,196).

3. Going Concern

The Group incurred a loss of \$4,031,646 (2023 loss of \$1,501,196) in the period and had a net liability position of \$2,368,887 at the balance sheet date (2023: \$415,860 net assets). The Company had operating cash outflows of \$963,995 in the year (2023: \$1,270,659).

The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. There is a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the financial statements.

The consolidated financial statements for the year ended December 31, 2024 do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

4. Dividend

As the company is focusing on the development of Salave Gold Project and exploration of the Marlee Gold Project and not yet in production, the Company is not able to declare a dividend for the year ended 31 December 2024 (2023: \$nil).

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

5. Directors' indemnity insurance

The Company has arranged appropriate Directors' and Officers' insurance to indemnify the Directors against liability in respect of proceedings brought about by third parties. Such provisions remain in place at the date of this report.

6. Financial risk management objectives

The Group's financial risk management objectives and policies and exposures to risk are outlined in Note 10 to the financial statements.

7. Rounding of amounts and presentational Currency

Amounts in the Directors Report and the accompanying financial report have been rounded to the nearest thousand dollars, or in certain cases to the nearest dollar, unless otherwise expressly stated. The Group financial statements are presented in Canadian Dollars ("\$" or "CAD\$") which is the Group's presentational currency.

On behalf of the Board

Dominic Roberts

Dominic Roberts
Executive Chairman
March 14, 2025

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

Corporate Governance Statement

The Board of Directors of Black Dragon Gold is responsible for establishing the corporate governance framework of the group having regard to the ASX Corporate Governance Council published guidelines. The Board guides and monitors the business and affairs of the group on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board has adopted a corporate governance manual, based upon ASX Corporate Governance Council's Principles and Recommendations - 4th Edition. The board considers the Corporate Governance Manual to be suitable for the Company, given the size, history and current strategy of the Company.

The Company's Corporate Governance Manual together with the Appendix 4G 'Key to Disclosures Corporate Governance Council Principles and Recommendations', have been approved by the Board and can be located on the Company's website at <https://www.blackdragongold.com/downloads/corpgovernance-files-/bdg-corporategovernance-manual-final-2024.pdf>

Remuneration policy for Executives and Management

Given the size of the company, the Articles, and the board structure at December 31, 2024 the company had not established a separate Remuneration and Nominations Committee with relevant matters being considered by the full Board of the Company.

The Directors have responsibility for the appointment and performance assessment of the Chief Executive Officer (or CEO equivalent) and Chief Financial Officer, Company Secretary, other senior executives and terms and conditions including remuneration and approving the Company's remuneration and rewards framework. When considering the remuneration policy for the Company's Executives and Management the Board will consider performance and achievement in line with the Company's objectives and ensure the interests of shareholders and stakeholders are enhanced. The Board will perform an annual review to ensure a strong link between performance and reward is made and will form part of the annual remuneration review.

Share options and Performance Rights

The Company has adopted a company share option plan (Plan). The Plan forms what the Board considers to be an important element of the Company's total remuneration strategy for its officers and staff. There were 20 million share options granted during the year to Directors. There were 5 million performance rights issued to Executive Chairman, Mr Dominic Roberts, 5.75 million performance rights issued to General Manager, Mr Jose Dominguez and 1 million performance rights issued to consultants of the Company.

Remuneration policy for Non-Executive Directors

The Directors have responsibility to review, monitor and make recommendations to the Board regarding the orientation and education of directors which includes an annual review of the directors' compensation program.

The Company Articles provide that each Director is entitled to such remuneration from the Company as the Directors decide. The remuneration of the Non- Executive Directors must not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the proposed increase has been given to Shareholders in the notice convening the meeting. During 2024 there was the following change to the Non-Executive Directors' remuneration packages or fees;

- Executive Chairman, Dominic Roberts annual fee was £100,000 (CAD\$175,176).
- Non-Executive Chairman, Paul Cronin's monthly fee was £2,083 (CAD\$3,766).
- Non-Executive Director, Alberto Lavandeira's monthly fee was £1,667 (CAD\$3,014).
- Non-Executive Director and Company Secretary, Gabriel Chiappini's annual fee was AUD\$90,000 (CAD\$81,400).

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

Directors' remuneration

The remuneration of the Non-Executive Directors is determined by the Board as a whole, based on a review of current practices in other equivalent companies. The Non-Executive Directors each have service agreements that are reviewed annually by the Board.

The Company paid the following remuneration to each Director during the year:

2024	Salary/Fee	Long term benefit¹	Total
	CAD\$	CAD\$	CAD\$
Dominic Roberts	175,176	112,017	287,193
Paul Cronin	43,757	112,016	155,773
Gabriel Chiappini	81,400	112,016	193,416
Albero Lavandeira	35,272	112,016	147,288
	335,605	448,065	783,670

¹ Long term benefit relates to share based payments expense. Refer to Note 6 for details.

The annual Directors fees at December 31, 2024, is as follows:

	Salary/Fee
Dominic Roberts – Executive Chairman	CAD\$175,176 (€100,000)
Paul Cronin – Non-Executive Director	CAD\$43,757 (€25,000)
Gabriel Chiappini – Non-Executive Director	CAD\$81,400 (AUD\$90,000)
Alberto Lavandeira – Non-Executive Director	CAD\$35,272 (EUR20,000)
	CAD\$335,605

Directors' Share options

Options held by Directors during the current year are as follows:

Name of Director Non-Executive and Executive	Total options issued and vested as at 31 December 2023	Options granted & vested during 2024¹	Other changes	Expired	Total Options Vested as at 31 December 2024
Dominic Roberts	-	5,000,000	1,750,000	-	6,750,000
Paul Cronin	2,553,334	5,000,000	10,000,000	(1,500,000)	16,053,334
Gabriel Chiappini	1,000,000	5,000,000	1,750,000	(1,000,000)	6,750,000
Alberto Lavandeira	1,100,000	5,000,000	2,500,000	(660,000)	7,940,000
TOTAL	4,653,334	20,000,000	16,000,000	(3,160,000)	37,493,334

¹ On December 20, 2024, 20 million unlisted options were granted to Directors (note 6). The options have an exercise price of AUD\$0.07 and an expiry date of January 8, 2028. The options vested immediately upon grant and were valued at \$448,065 using the Black-Scholes option pricing model with the following assumptions:

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

Stock price	AUD\$0.045
Risk-free interest rate	3.92%
Expected volatility	100%
Expected life (years)	3
Expected dividend	nil

Directors' Performance Rights

In addition to the fees above, the Company has issued the following performance rights to Directors:

Name of Director Non-Executive and Executive	Total performance rights 31 December 2023	Performance rights granted during 2024	Expired	Total performance rights as at 31 December 2024
Dominic Roberts	5,000,000	5,000,000	(5,000,000)	5,000,000
Gabriel Chiappini	5,000,000	-	-	5,000,000

As part of Gabriel Chiappini's Chief Executive Officer appointment in March 2022, he was issued with a long-term incentive plan comprising of the issue of 5,000,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:

- Tranche A: 1,500,000 performance rights convert to shares upon the Company's volume weighted average price of shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded exceeding AUD\$0.10;
- Tranche B: 1,500,000 performance rights convert to shares upon the Company's volume weighted average price of shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded exceeding AUD\$0.15; and
- Tranche C: 2,000,000 performance rights convert to shares upon the Company's volume weighted average price of shares on ASX over 20 consecutive dates on which the Company's fully paid ordinary shares are traded exceeding AUD\$0.20.

Each milestone has a 3-year milestone conversion date. As at December 31, 2024 none of the performance rights have vested.

The fair value of the performance rights is \$293,499. During the current period, the Company recognized \$nil of share-based compensation expense in respect of these performance rights (2023: \$293,499). The total fair value of the performance rights has been expensed as the milestones are market-based in nature. The performance rights were valued using the Trinomial Pricing Model, with the following inputs used:

Tranche	A	B	C
Number of performance rights	1,500,000	1,500,000	2,000,000
Grant date	3 March 2022	3 March 2022	3 March 2022
Expiry date	3 March 2025	3 March 2025	3 March 2025
Risk-free rate	1.499%	1.499%	1.499%
VWAP barrier	AUD\$0.10	AUD\$0.15	AUD\$0.20
Stock volatility	90%	90%	90%
Share price at grant date	AUD\$0.08	AUD\$0.08	AUD\$0.08
Exercise price	\$nil	\$nil	\$nil
Fair value per right (AUD\$)	AUD\$0.072	AUD\$0.064	AUD\$0.057
Fair value per right (CAD\$)	CAD\$0.067	CAD\$0.059	CAD\$0.052

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

Executive Chairman Mr Domonic Roberts was awarded an incentive plan comprising of the issue of 5,000,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:

- 2,500,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project; and
- 2,500,000 Class B performance rights convert to shares upon issuance of upon issuance of the Tapia Urban Planning & Modification Permit in relation to the Company's Salave Gold Project

Each milestone has a June 30, 2025 milestone conversion date. As at December 31, 2024 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is \$202,136 and will be recognized over the estimated vesting period. During the current year, the Company recognized \$nil of share-based compensation expense, as the likelihood of vesting is less than probable.

During December 2024, Dominic Roberts had 5,000,000 performance rights, originally awarded upon his appointment, expire unvested.

Directors' Shares

Shares held by Directors during the current year is as follows:

Name of Director Non-Executive and Executive	Total shares held as at 31 December 2023	Shares acquired during 2024	Other changes	Total shares held as at 31 December 2024
Dominic Roberts	-	1,750,000	-	1,750,000
Paul Cronin	13,025,427	10,000,000	-	23,025,427
Gabriel Chiappini	1,414,035	1,750,000	-	3,164,035
Alberto Lavandeira	2,976,598	2,500,000	-	5,476,598
TOTAL	17,416,060	16,000,000	-	33,416,060

Directors' Interests

The Directors' interests in shares and other securities in Black Dragon Gold as at December 31, 2024 are set out below:

Name of Director Non-Executive and Executive	Number of ordinary Shares 31 December 2024	Number of options 31 December 2024	Number of performance rights 31 December 2024
Dominic Roberts	1,750,000	6,750,000	5,000,000
Paul Cronin	23,025,427	16,053,334	-
Alberto Lavandeira	5,476,598	6,750,000	-
Gabriel Chiappini	3,164,035	7,940,000	5,000,000
TOTAL	33,416,060	37,493,334	10,000,000

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

Directors Responsibilities Statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and applicable Canadian Company law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Canada governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Dominic Roberts

Dominic Roberts
Executive Chairman
March 14, 2025

Black Dragon Gold Corp.

Annual report for the year ended December 31, 2024

**BLACK DRAGON GOLD CORP.
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)**

**FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023**

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INDEPENDENT AUDITOR'S REPORT

To the members of Black Dragon Gold Corp.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Black Dragon Gold Corp. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at 31 December 2024 and 2023, and the consolidated statements of loss and comprehensive loss, consolidated statement in changes of shareholders' equity and consolidated statement of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Accounting for share-based payments

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 6, the Group has recognised a share-based payment expense in the Consolidated Statement of Loss and Comprehensive Loss for the year ended 31 December 2024 due to the issue of a number of equity instruments to Directors.</p> <p>Share-based payments is a key audit matter as the accounting can be complex and requires judgement and the use of assumptions regarding their recognition and measurement.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Reviewing market announcements and board minutes to consider management’s assessment that all new equity instruments granted during the year have been accounted for; • Reviewing relevant supporting documentation to obtain an understanding of the contractual nature and terms and conditions of the share-based payment arrangements; • Considering whether the Group used an appropriate model in valuing the equity instruments; • Recalculating estimated fair value of the equity instruments using a relevant valuation methodology, and assessed the valuations inputs; • Evaluating management’s assumptions used in the calculation; • Engaging auditor’s internal experts to review valuation models and inputs used where considered necessary; • Assessing the allocation of the share-based payment expense over management’s expected vesting period; and • Assessing the adequacy of the related disclosures in Note 6.

Other information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jarrad Prue.

BDO Audit Pty Ltd

BDO


Jarrad Prue

Director

Perth, 14 March 2025

BLACK DRAGON GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)
AS AT

	Notes	December 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents		1,444,580	464,265
Receivables	3	63,953	71,191
Total current assets		1,508,533	535,456
Non-current assets			
Deposits	3	4,337	2,131
Total non-current assets		4,337	2,131
Total assets		1,512,870	537,587
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	5	138,703	121,727
Unlisted options liability	9	3,743,054	-
Total liabilities		3,881,757	121,727
Shareholders' equity			
Share capital	6	28,091,540	27,292,949
Warrants		-	4,724,574
Reserves	6	1,290,490	6,303,548
Foreign currency reserve		2,195	1,952
Deficit		(31,753,112)	(37,907,163)
Total shareholders' equity		(2,368,887)	415,860
Total liabilities and shareholders' equity		1,512,870	\$537,587

Nature of operations and going concern (Note 1)

These consolidated financial statements were approved for issue by the Board of Directors on March 14, 2025 and are signed on its behalf by:

/s/ Dominic Roberts

Dominic Roberts
Executive Chairman

/s/ Gabriel Chiappini

Gabriel Chiappini
Managing Director

The accompanying notes are an integral part of these consolidated financial statements.

BLACK DRAGON GOLD CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
YEARS ENDED

	Notes	December 31, 2024	December 31, 2023
EXPENSES			
Consulting		319,992	298,624
Directors' fees	8	119,729	99,540
Exploration and evaluation costs	4	141,632	357,221
Filing fees		32,955	36,575
Foreign exchange loss / (gain)		30,175	49,503
General and administrative		241,488	413,039
Professional fees		180,634	90,876
Rent		12,406	16,496
Shareholder communications		16,432	15,933
Share-based compensation	6, 8	448,065	246,287
Transfer agent		8,416	5,440
Travel and related		38,820	21,673
Interest income		(6,372)	(4,928)
Other income	4	(126,500)	-
Loss/(gain) on fair value change of options liability	9	2,573,774	(145,083)
Loss before income tax		4,031,646	1,501,196
Income tax expense		-	-
Net loss		4,031,646	1,501,196
Other comprehensive loss			
Items that may be subsequently reclassified to profit or loss			
Foreign currency translation (gain)		(243)	(2,524)
Comprehensive loss for the year, net of tax		4,031,403	1,498,672
Basic and diluted loss per common share (cents)	16	(1.62)	(0.75)

The above Consolidated Statement of Loss and Comprehensive Loss should be read in conjunction with the Notes to the Consolidated Financial Statements.

BLACK DRAGON GOLD CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)
YEARS ENDED

	December 31, 2024	December 31, 2023
Operating activities		
Loss for the year	(4,031,646)	(1,501,196)
Adjustments for:		
Share-based compensation	448,065	246,287
Interest received	(6,372)	(4,928)
Loss/(gain) on fair value change to options liability	9 2,573,774	(145,083)
Foreign exchange loss / (gain)	30,175	49,503
Changes in non-cash working capital items:		
Decrease in receivables	5,032	124,317
Increase (decrease) in accounts payable and accrued liabilities	16,977	(39,559)
Net cash used in operating activities	(963,995)	(1,270,659)
Investing activities		
Interest income	6,372	4,928
Net cash provided by investing activities	6,372	4,928
Financing activities		
Shares issued for cash, net	6 1,805,896	-
Shares issued upon exercise of options	6 161,974	-
Net cash provided by financing activities	1,967,870	-
Effect of movement in exchange rates on cash held	(29,932)	(46,980)
Net change in cash and cash equivalents	980,315	(1,312,711)
Cash and cash equivalents at beginning of year	464,265	1,776,976
Cash and cash equivalents at end of year	1,444,580	464,265
Cash paid during the year for interest	-	-
Cash paid during the year for taxes	-	-

The above Consolidated Statement of Cashflows should be read in conjunction with the Notes to the Consolidated Financial Statements.

BLACK DRAGON GOLD CORP.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Expressed in Canadian dollars)

	Share Capital						
	Number of shares	Amount \$	Warrants \$	Reserves \$	Foreign currency translation reserve \$	Deficit \$	Total \$
Balance, December 31, 2022	200,670,055	27,292,949	4,724,574	6,057,261	(572)	(36,405,967)	1,668,245
Loss for 2023	-	-	-	-	-	(1,501,196)	(1,501,196)
Foreign currency reserve	-	-	-	-	2,524	-	2,524
Total comprehensive loss for the year	-	-	-	-	2,524	(1,501,196)	(1,498,672)
Transactions with owners in their capacity as owners:							
Share-based compensation	-	-	-	246,287	-	-	246,287
Balance, December 31, 2023	200,670,055	27,292,949	4,724,574	6,303,548	1,952	(37,907,163)	415,860
Reclassification of expired reserve	-	-	(4,724,574)	(5,461,123)	-	10,185,697	-
Loss for 2024	-	-	-	-	-	(4,031,646)	(4,031,646)
Foreign currency reserve	-	-	-	-	243	-	243
Total comprehensive loss for the year	-	-	-	-	243	(4,031,646)	(4,031,403)
Transactions with owners in their capacity as owners:							
Shares issued (net of costs)	95,329,340	1,805,897	-	-	-	-	1,805,897
Shares issued upon exercise of options	5,883,333	161,974	-	-	-	-	161,974
Share-based compensation	-	-	-	448,065	-	-	448,065
Options liability (Note 9)	-	(1,169,280)	-	-	-	-	(1,169,280)
Balance, December 31, 2024	301,882,728	28,091,540	-	1,290,490	2,195	(31,753,112)	(2,368,887)

The above Consolidated Statement of Changes in Shareholders' Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Black Dragon Gold Corp. (the “Company”) was incorporated under the laws of the Province of British Columbia on August 20, 2007 and is classified as a junior mining issuer with the Australian Securities Exchange (the “ASX”). The Company is domiciled in Canada, and the head office address is Level 1, 10 Outram Street, West Perth, Western Australia 6005. The registered and records office address is 1000 Cathedral Place, 925 West Georgia Street, Vancouver, BC V6C 3L2. The legal form of the Company is limited by shares.

The Group incurred a loss of \$4,031,646 (2023 loss of \$1,501,196) in the period and had a net liability position of \$2,368,887 at the balance sheet date (2023: \$415,860 net assets). The Company had operating cash outflows of \$963,995 in the year (2023: \$1,270,659).

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company’s operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. There is a material uncertainty that may cast significant doubt upon the Group’s ability to continue as a going concern. There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the financial statements.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these financial statements.

The consolidated financial statements for the years presented do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. MATERIAL ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards).

The consolidated financial statements of Black Dragon Gold Corp. group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The preparation of consolidated financial statements requires the use of certain critical accounting estimates and the exercise of management’s judgement in applying the Company’s accounting policies. Areas involving a high degree of judgement or complexity and areas where assumptions and estimates are significant to the Company’s consolidated financial statements are discussed below.

The Company’s consolidated financial statements for the year ended December 31, 2024 have been prepared on a historical cost basis except for certain financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

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The Group financial statements are presented in Canadian Dollars (“\$”, “CAD\$”) which is the Group’s presentational currency.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board (‘IASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The impact of any new or amended Accounting Standards that are not yet mandatory is not known.

Use of estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The Company also makes estimates as to when performance conditions for stock options will be met. The determination of whether or not the achievement of performance milestones for stock options likely requires management to consider factors such as the likelihood of an employee or consultant remaining with the Company until requisite performance is achieved as well as external factors such as government regulations, financial market developments and industry trends which influence the milestones. Additionally, factors internal to the Company, such as the financial and strategic support for the achievement of the milestone must be considered. This determination is subject to significant judgement and changes to any of these factors or management’s interpretation thereof, may result in expenses being recognized or previously recognized expense being reversed. The assumptions and models used for estimating fair value for share-based payment transactions are discussed in Note 6.

Income taxes

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management’s assessment of the Company’s ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Exploraciones Mineras del Cantabrico S.L. (“EMC”) and Marlee Gold Pty Ltd (“Marlee Gold”). EMC is a mining company in Asturias, Spain. All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Exploration and evaluation expenditure

Costs related to the acquisition and exploration and evaluation of mineral properties are recognized in profit or loss as incurred. Exploration expenditures are the costs of exploring for mineral resources other than those occurring at existing operations and projects and comprise geological and geophysical studies, exploratory drilling, sampling and resource development. Evaluation expenditures include the cost of conceptual and feasibility studies and evaluation of mineral resources at existing operations.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited within profit or loss.

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting year. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting years.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their trading value at the date the shares are issued.

The Company uses the residual value method with respect to the measurement of shares and warrants/unlisted options issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants/unlisted options. Any fair value attributed to the warrants is recorded as reserves.

Options issued in a currency, other than the Company’s functional currency, are considered a derivative. This is because a variable amount of cash in the Company’s functional currency will be received on exercise of the unlisted options. The unlisted options are valued using the Black-Scholes option pricing model. Any foreign exchange gains or losses will be recorded in profit or loss or other comprehensive income at each reporting date. Stock options granted in accordance with IFRS 2 *Share-based payments*, are compensatory and are not included in this treatment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value.

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Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for the Company is the Canadian dollar, its subsidiaries, EMC and Marlee Gold have a functional currency of Canadian dollar and Australian dollar, respectively. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*. The Company's presentation currency is Canadian Dollars.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the financial position reporting date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the period.

The Company translates the assets and liabilities of subsidiaries with functional currencies other than the Canadian dollar into Canadian dollars at the exchange rate in effect on the reporting date. The results of operations of those entities are translated into Canadian dollars at the average exchange rates in effect during the reporting period. We recognize the foreign currency differences which arise from translation in other comprehensive loss (income). When the Company disposes of an entity in its entirety, or partially such that the Company has lost control, the Company reclassifies the cumulative amount in the foreign currency reserve related to that operation to profit or loss as part of the gain or loss on disposal.

Financial instruments

Classification

Financial assets are classified at initial recognition as either: measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income ('OCI').

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL. The Group's financial liabilities include trade and other payables and the option liability.

Measurement

Financial assets and liabilities at FVTPL are initially recognized at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets or liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where the Company has opted to designate a financial liability at FVTPL, any changes associated with the Company's credit risk will be recognized in OCI.

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost less any impairment.

Impairment

The Company assesses on a forward looking basis the expected credit losses ("ECL") associated with financial assets measured at amortized cost, contract assets and debt instruments carried at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Goods and Services Tax / Value Added Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (“GST”) or Value Added Tax (“VAT”), except where the amount of GST/VAT incurred is not recoverable from the taxation authority. In these circumstances, the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST/VAT included. The net amount of GST/VAT recoverable from, or payable to, the relevant tax authority is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the relevant tax authority are classified as operating cash flows.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method, less any allowances for expected credit losses. Trade and other receivables are generally due for settlement within 120 days.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists and in any event when the debt is more than 60 days overdue.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team. The Group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:

- Methods used to distribute the products or provide the services; and if applicable
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria as prescribed by IFRS 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments”.

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3. RECEIVABLES

	December 31, 2024	December 31, 2023
Value-Added Tax receivable	42,394	52,916
GST receivable	1,297	828
Other Receivable	24,599	19,578
Total	68,290	73,322

4. EXPLORATION AND EVALUATION EXPENDITURE

Although the Company has taken steps to verify title to its mineral property in which it has an interest, these procedures do not guarantee the Company's title. Its property may be subject to prior agreements or transfers and title may be affected by undetected defects. Further, we make judgements for properties where concessions terms have expired, and a renewal application has been made and is awaiting approval. We use judgement as to whether the concession renewal application is probable to be received, but ultimately this is beyond our control. If a renewal application is not approved, we could lose rights to those concessions.

Salave Gold Property

The Salave Project is comprised of 30-year-term mining concessions over the resource area in the province of Asturias, Spain.

The Company's application for the re-zoning, from agricultural to industrial, of the land required for the planned surface infrastructure was accepted by the Tapia de Cassariego municipality in April 2024. Seven months later the Municipality convened an extraordinary plenary session and rejected the application. The Company's legal advisors dispute the grounds upon which the application was rejected and subsequently have challenged the decision before the High Court of Justice in Asturias. The outcome of this legal challenge will be known during 2025.

On 17 December 2024, the Principality of Asturias adopted a new law on strategic investments, the Proyectos de Interés Estratégico Regional ("PIER"). This law was drafted with the specific intent of both de-bottlenecking and accelerating economically important projects within the Principality and the Salave Gold Project fulfills all of its investment, employment and environmental requirements. Appropriately, the Company applied to be considered for strategic status on 30 December 2024. The Company will collaborate with relevant agencies at Principality as the application is reviewed over the coming months. A final decision on the project's qualification is expected during Q2 of 2025.

Marlee Gold Project

During the current year the Company successfully negotiated the 100% sale of its Padbury Gold assets located in the North Yilgarn Craton near Meekatharra to Parbo Resources. Tenements sold were Padbury Gold (E51/1942) and Padbury Gold Extension (E51/1969). Cash consideration of AUD\$150,000 (excluding GST) was received during the current year CAD\$126,500 net income has been recognised within the Consolidated Statement of Loss and Comprehensive Loss for the current year, net of legal costs associated with the transaction. The Company retains the 115km² Ivan Well tenement (E69/3818) further north-east towards Wiluna in the northern Goldfields, which still offers early-stage exploration potential for untested gold anomalism.

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5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2024	December 31, 2023
Accounts payables	117,528	46,687
Accrued liabilities	21,175	62,390
Due to related parties (Note 8)	-	12,650
Total	138,703	121,727

6. SHARE CAPITAL AND RESERVES

Authorized:

Unlimited number of common shares with no par value.

Shares

2024

On March 13, 2024, the Company announced the successful completion of a private placement, raising AUD\$1.2m (CAD\$1.1m) to fund a range of activities associated with de-risking and progressing the flagship Salave Gold Project. The Company issued 66,847,620 new fully paid shares at an offer price of AUD\$0.02 per New Share (the 'Placement'). Participants in the Placement received one (1) free attaching option for each one (1) New Share allocated, exercisable at AUD\$0.03 and expiring June 14, 2027 ('Attaching Option').

Settlement of the Placement was split into 2 tranches, with tranche 1 falling within the Company's available listing rule 7.1 placement capacity, with 25,097,620 tranche 1 shares, in the form of Chess Depositary interests in the Company, issued on March 22, 2024. Tranche 2 was subject to shareholder approval at the EGM held on June 6, 2024, and covered off on the director participation in the placement of 16,000,000 shares, in the form of Chess Depositary interests in the Company, 100% of the free attaching options and the balance of the shares from the placement not allotted in Tranche 1.

On November 1, 2024, the Company completed a private placement to certain high net worth Spanish investors, issuing 28,481,720 CDI's at AUD\$0.025 per CDI, raising CAD\$648,092.

Also during November 2024, 5,883,333 options with an exercise price of AUD\$0.03, and expiry date of June 14, 2027, were converted to fully paid shares, raising CAD\$161,974.

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2023

No transactions for the current year.

A summary of the Company's share capital as at December 31, 2024 and December 31, 2023 is as follows:

	December 31, 2024	December 31, 2023
Shares on issue	32,911,340	30,896,370
Issuance costs	(3,650,520)	(3,603,421)
Total share capital	29,260,820	27,292,949

Reconciliation of movement in issued capital

	Number of shares	\$
Balance as at January 1, 2023	200,670,056	27,292,949
Balance as at December 31, 2023	200,670,056	27,292,949
Shares issued (tranche #1)	25,097,620	445,499
Shares issued (tranche #2)	41,750,000	759,403
Shares issued	28,481,720	648,094
Shares issued upon exercise of options	5,883,333	161,974
Share issuance costs	-	(47,099)
Unlisted option liability (Note 9)	-	(1,169,280)
Balance as at December 31, 2024	301,882,729	28,091,540

Stock options

The Company has a stock option plan under which it is authorized to grant options to directors, employees and consultants, to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock at the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

A summary of the status of the Company's stock options as at December 31, 2024 and 2023 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, December 31, 2022	43,437,959	\$0.12
Expired	(31,544,627)	AUD\$0.10
Outstanding, December 31, 2023	11,893,332	\$0.18
Options granted to Directors	20,000,000	AUD\$0.07
Free attaching options issued	66,847,620	AUD\$0.03
Expired	(5,160,000)	AUD\$0.096
Exercised	(5,883,333)	AUD\$0.03
Outstanding, December 31, 2024	87,697,619	\$0.05

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A summary of the number of common shares reserved pursuant to the Company's options outstanding as at December 31, 2024 is as follows:

Expiry Date	Number of Options Outstanding	Exercise Price	Number of Options Exercisable
September 24, 2027	5,983,333	\$0.24	5,983,333
October 22, 2027	416,666	\$0.24	416,666
February 7, 2028	333,333	\$0.33	333,333
June 14, 2027	60,964,287	\$0.03	60,964,287
January 8, 2028 ¹	20,000,000	AUD\$0.07	20,000,000
Total	87,697,619		87,697,619

¹ Granted, not yet issued

2024

Options granted or expired during the year ended 31, December 2024

On December 20, 2024, 20 million unlisted options were granted to Directors. The options have an exercise price of AUD\$0.07 and an expiry date of January 8, 2028. The options vested immediately upon grant and were valued at \$448,065 using the Black-Scholes option pricing model with the following assumptions:

Stock price	AUD\$0.045
Risk-free interest rate	3.92%
Expected volatility	100%
Expected life (years)	3
Expected dividend	nil

The following options expired during the current year:

- 4,160,000 options with an exercise price of AUD\$0.096, and expiry date of September 7, 2024
- 1,000,000 options with an exercise price of AUD\$0.098, and expiry date of July 6, 2024

2023

Options granted or expired during the year ended 31, December 2024

No stock options were granted or expired during the year ended December 31, 2023.

2024

Performance Rights granted or expired during the year ended 31, December 2024

On June 6, 2024, at a Special Meeting of Shareholders, two consultants of the Company were granted 250,000 Class A performance rights and 250,000 Class B performance rights, each. The performance rights convert into ordinary shares upon the achievement of the following share price milestone hurdles:

- 500,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project; and
- 500,000 Class B performance rights convert to shares upon issuance of the Tapia Urban Planning & Modification Permit in relation to the Company's Salave Gold Project

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Each milestone has a milestone conversion date of November 22, 2024. The performance rights expired, unvested. The services have been valued using the fair value of the performance rights transferred as consideration as it was deemed the services could not be reliably measured. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$18,199. During the current year, the Company recognized \$nil of share-based compensation expense, as the likelihood of vesting is less than probable.

On December 20, 2024 the same two consultants were granted a further 250,000 Class A performance rights and 250,000 Class B performance rights with the same milestone hurdles. Each milestone has a milestone conversion date of June 30, 2025. As at December 31, 2024 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$40,427. During the current year, the Company recognized \$nil of share-based compensation expense, as the likelihood of vesting is less than probable.

On December 20, 2024, Executive Chairman, Domonic Roberts was issued 5,000,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:

- 2,500,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project; and
- 2,500,000 Class B performance rights convert to shares upon issuance of upon issuance of the Tapia Urban Planning & Modification Permit in relation to the Company's Salave Gold Project

Each milestone has a June 30, 2025 milestone conversion date. As at December 31, 2024 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$202,136 and will be recognized over the estimated vesting period. During the current year, the Company recognized \$ nil of share-based compensation expense, as the likelihood of vesting is less than probable.

On December 20, 2024, General Manager, Jose Dominguez was issued 5,750,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:

- 5,750,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project

The milestone has a June 30, 2025 milestone conversion date. As at December 31, 2024 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$232,456 and will be recognized over the estimated vesting period. During the current year, the Company recognized \$nil of share-based compensation expense, as the likelihood of vesting is less than probable.

During the current year, the following performance rights expired, unvested;

- Dominic Roberts' 5,000,000 performance rights, issued in 2023 and detailed below, expired on November 22, 2024.
- Jose Dominguez's 2,156,250 performance rights, which would convert into ordinary shares upon the award of a Declaración de Impacto Ambiental by the Government of the Principality of Asturias to the Company (through its subsidiary, EMC) in respect of the Company's Environmental Impact Assessment for the Salave Gold Project (the 'Milestone') expired on December 31, 2024 unvested.

Details of performance rights granted during the year ended December 31, 2023

As part of Domonic Robert's Executive Chairman appointment in November 2023, he was issued with a long-term incentive plan comprising of the issue of 5,000,000 performance rights that convert into ordinary shares upon the achievement of the following share price milestone hurdles:

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- 2,500,000 Class A performance rights convert to shares upon issuance of an environmental Impact Assessment in relation to the Company's Salave Gold Project; and
- 2,500,000 Class B performance rights convert to shares upon issuance of upon issuance of the Tapia Urban Planning & Modification Permit in relation to the Company's Salave Gold Project

Each milestone has a November 22, 2024 milestone conversion date. As at December 31, 2023 none of the performance rights have vested. The share price on grant date has been used to calculate the fair value of the performance rights. The fair value is CAD\$116,192 and will be recognized over the estimated vesting period. During 2023, the Company recognized \$ nil of share-based compensation expense, as the likelihood of vesting is less than probable.

7. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

Cash and cash equivalents consist of \$1,444,580 (2023: \$464,265) of cash and \$nil (2023: nil) in cash equivalents.

There were 101,212,673 shares, 66,847,620 unlisted options, 20,000,000 unlisted options (granted) and 12,750,000 performance rights were issued in the current year (2023: no shares issued, no options issued). 5,883,333 options were exercised during the current year (2023: none). Refer Note 6.

8. RELATED PARTY TRANSACTIONS

The Company considers personnel with the authority and responsibility for planning, directing and controlling the activities of the Company to be key management personnel.

Transactions with key management personnel

The following amounts were incurred with respect of key management personnel being the Chief Executive Officer, Directors, and the Chief Financial Officer of the Company:

	2024	2023
Management and consulting fees – Chief Executive Officer & Executive Chairman	215,876	196,338
Directors' fees	119,729	99,540
Management and consulting fees – Chief Financial Officer	70,481	70,051
Wages and salary	99,685	100,861
Total short-term employee benefits	505,771	466,790
Total long-term employee benefits	-	-
Termination benefits	-	-
Share-based payments	448,065	246,287
TOTAL	953,836	713,077

As at December 31, 2024, included in accounts payable and accrued liabilities for unpaid standard directors' fees is \$nil (2023 - \$12,650) that is due to directors, officers and companies controlled by directors or officers.

The Company has an agreement with Invictus Energy Ltd ('Invictus'), and entity related to Mr Gabriel Chiappini, whereby the Company rents one office and one car bay at a cost of AUD\$1,326 plus GST from Invictus per calendar month. The arrangement is for no fixed term and can be cancelled by either party by providing one months notice. Mr Chiappini is a Non-Executive Director and Company Secretary of Invictus.

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9. OPTIONS LIABILITY

As detailed in Note 6, the Company issued unlisted options with an exercise price in Australian dollars. As the functional currency of the Company is the Canadian dollar, the listed options issued as part of the financings completed during the year, are classified and accounted for as an unlisted options liability. As at December 31, 2024 the fair value of these unlisted options was \$3,743,054 (2023: nil). The fair value of these unlisted options on initial grant date was \$1,169,280, valued using the Black-Scholes Pricing model with the following assumptions:

Risk-free interest rate	3.65%
Expected life of listed options	3.25 years
Expected annualized volatility	100%
Expected dividend	Nil

The change in fair value resulted in a loss of \$2,573,774 and is recognizable in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2024 (2023: \$145,083 gain).

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

The inputs used in making fair value measurements are classified within a hierarchy that prioritizes their significance.

The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- Level 3 - Inputs that are not based on observable market data.

The carrying value of receivables and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments. Cash and cash equivalents are measured at fair value using Level 1 inputs.

Other than the listed options liability, the Company does not carry any financial instruments at FVTPL.

Financial instruments measured at fair value on the consolidated statements of financial position are summarized in levels of fair value hierarchy as follows:

2024	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$1,444,580	-	-	\$1,444,580
Unisted options liability	-	\$3,743,054	-	\$3,743,054
2023	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$464,265	-	-	\$464,265

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The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's cash and cash equivalents are held at large financial institutions and it believes it has no significant credit risk. The Company's receivables are due from the Government of Canada, Government of Spain, and Government of Australia, and are therefore considered to have no significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities. As at December 31, 2024, the Company had current assets of \$1,508,533 to settle current liabilities of \$138,703 (excluding the unlisted option liability of \$3,743,054) which either have contractual maturities of less than 30 days and are subject to normal trade terms or are due on demand. The Company is exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors, such as interest rates and foreign exchange rates.

a) Interest rate risk

Interest rate risk is the risk due to variability of interest rates. The Company is exposed to interest rate risk on its bank accounts. The income earned on the bank accounts are subject to the movements in interest rates. The Company has cash balances and no-interest bearing debt, therefore, interest rate risk is nominal.

b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations, exploration and administrative expenses in Spain by using Euros converted from its Canadian bank accounts. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

Based on the Company's Euro, AUD, USD, and GBP denominated financial instruments at December 31, 2024, a 10% change in exchange rates between the Canadian dollar, Euro, AUD, USD, and GBP would result in a change of \$244,000 in foreign exchange gain or loss.

11. CAPITAL MANAGEMENT

The Company's capital structure consists of shareholders' equity. The Company's objective when managing capital, which is unchanged from 2023, is to maintain adequate levels of funding to support the development of its business and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing, selling assets, and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, high liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the year. The Company will need to raise additional capital by obtaining equity financing, selling assets and incurring debt to develop its business.

The Company is not subject to any capital restrictions.

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12. SEGMENT INFORMATION

The Company primarily operates in one reportable operating segment, being the acquisition, exploration of exploration and evaluation assets located in Spain and Australia.

13. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2024	2023
Loss for the year	(4,031,646)	(1,501,196)
Income tax using the Company's domestic tax rate of 27% (2023: 27%)	(1,089,000)	(405,000)
Change in statutory, foreign tax, foreign exchange rates and other	565,000	109,000
Permanent differences	121,000	130,000
Adjustment to prior year tax provision versus statutory tax returns	(52,000)	-
Change in unrecognized deductible temporary differences	455,000	166,000
Total income tax expense (benefit)	-	-

The significant components of the Company's temporary differences and tax losses that have not been recognized on the consolidated statements of financial position are as follows:

Temporary Differences	2024	Expiry Date Range	2023	Expiry Date Range
Exploration and evaluation assets	18,881,000	No expiry date	18,508,000	No expiry date
Property and equipment	94,000	No expiry date	96,000	No expiry date
Share issue costs	44,000	2042 to 2045	97,000	2042 to 2045
Non-capital losses available for future periods	28,587,000	2028 to indefinite	27,139,000	2028 to indefinite

Tax attributes are subject to review and potential adjustment by tax authorities.

14. INTERESTS IN OTHER ENTITIES

The consolidated financial statements incorporate the assets, liabilities and the results of the following subsidiaries in accordance with the accounting policy described in Note 1:

Name	Country of Incorporation	Class of Share	Equity holding	
			December 31, 2024	December 31, 2023
Exploraciones Mineras del Cantábrico	Spain	Ordinary	100%	100%

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Marlee Gold Pty Ltd Australia Ordinary 100% 100%

15. CONTINGENT LIABILITIES/ASSETS

There were no contingent liabilities as at December 31, 2024 (2023: nil).

16. COMMITMENTS

Exploration and evaluation commitments

Exploration and evaluation expenditure contractually committed to as at December 31, 2024 is as follows:

	December 31, 2024	December 31, 2023
Not later than 1 year	37,000	158,000
Later than 1 year but not later than 2 years	-	158,000
	<u>37,000</u>	<u>316,000</u>

17. LOSS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for the bonus elements in ordinary shares issued during the year.

The calculation of basic loss per share at the reporting date was based on the loss attributable to ordinary shareholders of \$1,457,872 (2023: loss of \$1,501,196) and a weighted average number of ordinary shares outstanding during the current financial year of 248,475,929 (2023: 200,670,055) shares calculated as follows:

	2024	2023
Loss for the year (\$)	(4,031,646)	(1,501,196)
Weighted average number of ordinary shares (basic and diluted)	248,475,929	200,670,055
Basic and diluted loss per share (cents)	(1.62)	(0.75)

Diluted loss per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Potential ordinary shares are not considered dilutive, thus diluted gain/(loss) per share is the same as basic gain/(loss) per share.

18. SUBSEQUENT EVENTS

On January 7, 2025, 1,083,333 unlisted options with an exercise price of AUD\$0.03 and expiry of June 14, 2027 were exercised.

On February 6, 2025, 750,000 unlisted options with an exercise price of AUD\$0.03 and expiry of June 14, 2027 were exercised.

Ms Arocha was appointed as Non-Executive Director on January 21, 2025

Other than the above, no matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results or state of affairs of the Group in future financial years.

Annual Mineral Resources Statement

A summary of the Company's annual review of its Mineral Resources is in the Executive Director's Review.

As at December 31, 2024, the Company's Mineral Resource holdings was comprised of the following.

Salave Gold Project in Asturias, Spain

The Mineral Resource Estimate for Salave Gold was prepared by CSA Global and noted below:

Category	Salave Mineral Resource Estimate at a 2.0 g/t Au Cut-Off Grade		
	Tonnes	Au	
	Mt	g/t	koz
Measured	1.03	5.59	185
Indicated	7.18	4.43	1,023
Measured & Indicated	8.21	4.58	1,208
Inferred	3.12	3.47	348

Notes:

- *Classification of the MRE was completed based on the guidelines presented by Canadian Institute for Mining (CIM -May 2014), adopted for Technical reports which adhere to the regulations defined in Canadian National Instrument 43-101 (NI 43-101).*
- *The mineral resource estimate was conducted by CSA Global of Perth Australia, with an effective date of October 22, 2018 and is posted on the ASX & SEDAR+ and the Company's website..*
- *Mineral Resources that are not Mineral Reserves do not have economic viability.*
- *A cut-off grade of 2 g/t Au has been applied when reporting the Mineral Resource.*
- *Rows and columns may not add up exactly due to rounding.*
- *The quantity and grade of the Inferred resources reported in this estimation are conceptual in nature and there has been insufficient exploration to define these Inferred resources as an Indicated and Measured resource. It is uncertain if further exploration will result in upgrading them to an Indicated or Measured category, although it is reasonably expected that the majority of the Inferred resources could be upgraded to Indicated Mineral Resources with further exploration.*
- *Since the release of the Mineral Resource Estimate, the Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource Estimate.*

The resource cut-off grade of 2.0 g/t Au was chosen to capture mineralization that is potentially amenable to underground mining, sulphide concentration, and gold recovery using off-site processing. This cut-off grade was selected based on a gold price of US\$1,300/ounce, a gold recovery of 92%, a mining cost of US\$50/tonne, a processing cost of US\$18/tonne, and a general and administration ("G&A") cost of US\$6/tonne. The reported resources occur in bodies of sufficient size and continuity to meet the requirement of having reasonable prospects for eventual economic extraction. Due to the necessity to maintain a surficial crown pillar in a potential underground operation, all material from the present surface to a depth of 40 m is not included in the Salave Resources. For full details regarding the Salave MRE please refer to the CSA Global technical report titled "Salave Gold Project Mineral Resource Update for Black Dragon Gold." on the Company's website, www.blackdragongold.com.

The Company has ensured that the Mineral Resources quoted are subject to thorough governance arrangements and internal controls. The Mineral Resource estimates were prepared by independent specialist resource and mining consulting group CSA Global. The Company understands that CSA Global is an experienced consulting group which applies best practice in modelling and estimation methods. CSA has also undertaken reviews of the underlying information used to generate the resource estimation. In addition, the Company's management carries out regular reviews and audits of internal processes and external consultants that have been engaged by the Company.

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The Annual Mineral Resources statement above is based on and fairly represents information and supporting documentation prepared by a competent person or persons. The Annual Mineral Resource statement as a whole has been approved by Douglas Turnbull, P. Geo., a consultant to Black Dragon Gold, a Professional Geologist and a member of the Association of Professional Geoscientists of Ontario. Douglas Turnbull, has provided prior written consent to the issue of the Annual Mineral Resource statement in the form and context in which it appears in this annual report. Please refer to competent person's statement on page 12 of this annual report.

Corporate governance statement

The Company's corporate governance statement for the year ended January 30, 2025 is available on the Company's website at <https://www.blackdragongold.com/downloads/corp-governance-files-/bdg-corporategovernance-manualfinal-2024.pdf>.

Shareholdings

The issued capital of the Company as at January 30, 2025 was 302,966,061 fully paid ordinary shares. All issued ordinary shares carry one vote per share and carry the rights to dividends.

Distribution of Ordinary Shares

Range of Units as of January 30, 2025

Range	Total holders	Units	% Units
1 - 1,000	22	6,524	0.00
1,001 - 5,000	13	48,557	0.02
5,001 - 10,000	63	556,626	0.18
10,001 - 100,000	190	7,794,006	2.57
100,001 Over	158	294,560,348	97.23
Total	446	302,966,061	100.00

Unmarketable Parcels (Australian CDI)	Minimum parcel size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.052 per unit	9,616	64	271,707

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Substantial shareholders as at January 30, 2025

As at January 30, 2025 there were four shareholders who held a substantial shareholding within the meaning of the Australian Corporations Act. A person has a substantial holding if the total votes that they or their associates have relevant interests in is five per cent of more of the total number of votes.

Name	Shares	% of issued capital
CITICORP NOMINEES PTY LIMITED	32,088,163	10.76
SAXO BANK NOMINEES	26,881,720	9.01
CONBRIO BETEILIGUNGEN AG	25,827,147	8.66
MR PAUL DAVID CRONIN	22,686,526	7.60

Top 20 Shareholders as at January 30, 2025

Rank	Name	Shares	% Shares
1	CITICORP NOMINEES PTY LIMITED	32,088,163	10.76
2	SAXO BANK NOMINEES	26,881,720	9.01
3	CONBRIO BETEILIGUNGEN AG	25,827,147	8.66
4	MR PAUL DAVID CRONIN	22,686,526	7.60
5	OCEANIC CAPITAL PTY LTD	12,250,599	4.11
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	9,726,484	3.26
7	BNP PARIBAS NOMS PTY LTD	9,391,231	3.15
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	9,353,822	3.14
9	MR BARRY FRANCIS CRONIN + MRS KERRY ANNE CRONIN <THE HILLVIEW 52 SUPER A/C>	8,690,710	2.91
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,574,647	2.87
11	PAYZONE PTY LTD <ST BARNABAS SUPER A/C>	6,178,575	2.07
12	MR BARRY FRANCIS CRONIN + MRS KERRY ANNE CRONIN <THE HILLVIEW 52 S/F A/C>	5,165,000	1.73
13	AMAX PACIFIC PTY LTD	5,000,000	1.68
14	REDLAND PLAINS PTY LTD <BRIAN BERNARD RODAN S/F A/C>	4,892,889	1.64
15	BUPRESTID PTY LTD <HANLON FAMILY SUPER A/C>	4,550,000	1.53
16	ST BARNABAS INVESTMENTS PTY LTD	4,362,388	1.46
17	ALBERTO LAVANDEIRA ADAN + ANGELICA GARCIA INFANZON	3,928,571	1.32
18	MR JASON DAWKINS	3,839,004	1.29
19	DIXTRU PTY LIMITED	3,739,860	1.25
20	MR SPYROS DROUSIOTIS	3,300,007	1.11
	Total	210,427,343	70.53

Voting Rights

The Company is incorporated under the legal jurisdiction of British Columbia, Canada. To enable companies such as the Company to have their securities cleared and settled electronically through CHESS, Depository Instruments called

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CHESS Depositary Interests (CDIs) are issued. Each CDI represents one underlying ordinary share in the Company (Share). The main difference between holding CDIs and Shares is that CDI holders hold the beneficial ownership in the Shares instead of legal title. CHESS Depositary Nominees Pty Limited (CDN), a subsidiary of ASX, holds the legal title to the underlying Shares.

Pursuant to the ASX Settlement Operating Rules, CDI holders receive all of the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on ASX.

CDIs will be held in uncertificated form and settled/transferred through CHESS. No share certificates will be issued to CDI holders. Each CDI is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

If holders of CDIs wish to attend and vote at the Company's general meetings, they will be able to do so. Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company as an issuer of CDIs must allow CDI holders to attend any meeting of the holders of Shares unless relevant English law at the time of the meeting prevents CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders have the following options:

- (i) instructing CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Company's Share Registry prior to the meeting; or
- (ii) informing the Company that they wish to nominate themselves or another person to be appointed as CDN's proxy with respect to their Shares underlying the CDIs for the purposes of attending and voting at the general meeting; or
- (iii) converting their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI holder wishes to sell their investment on ASX it would be necessary to convert the Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See above for further information regarding the conversion process.

As holders of CDIs will not appear on the Company's share register as the legal holders of the Shares, they will not be entitled to vote at Shareholder meetings unless one of the above steps is undertaken.

As each CDI represents one Share, a CDI Holder will be entitled to one vote for every CDI they hold. Proxy forms, CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI holders by the Company.

These voting rights exist only under the ASX Settlement Operating Rules, rather than under British Columbia Law. Since CDN is the legal holder of the applicable Shares and the holders of CDIs are not themselves the legal holder of their applicable Shares, the holders of CDIs do not have any directly enforceable rights under the Company's articles of association.

As holders of CDIs will not appear on our share register as the legal holders of shares of ordinary shares they will not be entitled to vote at our shareholder meetings unless one of the above steps is undertaken.