

Black Dragon Gold Corp

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Black Dragon Gold's positive PEA for Spanish gold project confirms 14-year mine life

Black Dragon Gold Corp (ASX:BDG) (CVE:BDG) has received a positive Preliminary Economic Assessment (PEA) for its Salave Gold Project in northern Spain.

Results confirmed a 14-year life of mine potential for the project at an assumed gold price of US\$1,250 per ounce.

79,200 ounces of gold

Average daily mining and processing throughput is targeting 2,000 tonnes with average annual production of 79,200 ounces of gold in concentrate at an average grade of 59.7 g/t.

Key PEA outcomes include:

- Pre-tax net present value at 5% discount rate ranges between US\$239.2 and US\$353.2 million with the base case at US\$296.2 million;
- After-tax net present value ranges between US\$184.7 and US\$273.9 million with the base case at US\$230 million;
- Life of mine sustaining capital cost of US\$19.3 million;
- Pre-production capital cost including contingency of US\$95.3 million

Potential for over 1.1-million-ounce production

Black Dragon CEO and managing director Paul Cronin said: "The completion of the PEA is a major milestone on the path to development of the Salave project and the metrics support our belief that Salave can potentially generate strong returns for shareholders."

"This study concludes that Salave can produce over 1.1 million ounces providing a number of marketing options for export and refining, minimising the need for additional plant and equipment, and hence reducing the project's footprint."

"The relatively low upfront capex also opens alternative financing opportunities which will ensure that both shareholders and the local community benefit from the success of this project."

Next steps

Black Dragon aims to submit a project description for the Environmental and

Price: C\$0.095

Market Cap: C\$10.53M

1 Year Share Price Graph



Share Information

Code: BDG

Listing: TSX-V

52 week High Low
C\$0.39 C\$0.08

Sector:

Website: www.blackdragongold.com

Company Synopsis:

Black Dragon Gold Corp owns 100% of the Salave gold project in the Asturias region of Spain, through its wholly owned subsidiary EMC. Salave is a technically robust project situated in a highly prospective region and recognised as one of the largest undeveloped gold projects in Europe.

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Social Impact assessment later this month with additional geophysics over the entire investigation permit at the project expected for completion for April 2019.

Soil geochemistry testing on potential drill targets will be completed in June with a pre-feasibility study set for October 2019.

- Jessica Cummins

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