

BLACK DRAGON GOLD CORP.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

THREE MONTHS ENDED SEPTEMBER 30, 2024

These unaudited condensed consolidated interim financial statements of Black Dragon Gold Corp. for the three months ended September 30, 2024 have been prepared by management and approved by the Board of Directors. These unaudited condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.

BLACK DRAGON GOLD CORP.

Unaudited Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian dollars)

As at September 30, 2024 and December 31, 2023

	Notes	September 30, 2024	December 31, 2023
Current Assets			
Cash and cash equivalents		\$ 1,018,469	\$ 464,265
Receivables	3	56,963	73,322
Total assets		\$ 1,075,434	\$ 537,587
Current liabilities			
Accounts payable and accrued liabilities	5,7	\$ 82,163	\$ 121,727
Total liabilities		82,163	121,727
Net Assets		993,271	415,860
Shareholders' equity			
Share capital	6	28,458,495	27,292,949
Warrants	6	-	4,724,574
Reserves	6	842,425	6,303,548
Foreign currency reserve		7,338	1,952
Deficit		(28,314,988)	(37,907,163)
Total shareholders' equity		993,271	415,860

Nature of operations and going concern (Note 1)

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on November 8, 2024 and are signed on its behalf by:

/s/ **Dominic Roberts**

Dominic Roberts
Executive Chairman

/s/ **Gabriel Chiappini**

Gabriel Chiappini
Non-Executive Director

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

BLACK DRAGON GOLD CORP.

Unaudited Condensed Consolidated Interim Statements of Operations & Comprehensive Loss

(Expressed in Canadian dollars)

Three Months Ended September 30, 2024 and September 30, 2023 & Nine Months Ended September 30, 2024 and September 30, 2023

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
EXPENSES				
Consulting	\$80,852	65,382	\$238,453	227,281
Directors' fees	30,407	21,561	89,316	83,387
Filing fees	19,478	24,115	31,904	35,644
Foreign exchange (gain)/loss	(21,672)	12,670	(27,102)	65,417
General and administrative	67,763	129,658	211,969	395,715
General exploration	2,578	89,326	16,334	287,706
Professional fees	26,279	4,165	126,520	65,444
Rent	3,359	1,099	9,937	11,143
Shareholder communications	1,944	1,932	7,119	7,241
Transfer agent	1,519	-	6,667	2,675
Travel and related	790	798	13,173	21,673
Sharebased payments	-	3,601	-	70,913
Gain on fair value change of unlisted options liability	-	-	-	(133,413)
Other income	-	-	(126,077)	-
Interest income	(2,451)	(1,227)	(4,092)	(3,508)
Loss before income tax	210,846	353,080	593,521	1,137,318
Income tax	-	-	-	-
Loss after income tax	210,846	353,080	593,521	1,137,318
Other comprehensive items				
Items that may be subsequently reclassified to net income				
Foreign currency translation (gain)/loss	(3,227)	(17,004)	(5,386)	(15,879)
Comprehensive loss for the period	207,619	336,076	588,135	1,121,439
Basic and diluted loss per common share (cents)				
	(0.10)	(0.17)	(0.27)	(0.57)
Weighted average number of common shares outstanding				
	218,497,580	200,576,889	218,497,580	200,576,889

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

BLACK DRAGON GOLD CORP.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)

Three Months Ended September 30, 2024 and September 30, 2023 & Nine Months Ended September 30, 2024 and September 30, 2023

	Three months Ended September 30, 2024	Three months Ended September 30, 2023	Nine months Ended September 30, 2024	Nine months Ended September 30, 2023
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	(210,846)	(353,080)	(593,521)	(1,137,318)
Items not affecting cash:				
Share-based compensation	-	-	-	70,913
Interest income	(2,451)	(1,227)	(4,092)	(3,508)
Gain on fair value change of unlisted options liability	-	-	-	(133,413)
Foreign exchange loss	(21,672)	12,670	(27,102)	65,417
Change in non-cash working capital items				
(Increase) / decrease in receivables	38,822	36,707	16,357	97,847
Increase in accounts payable and accrued liabilities	(55,228)	(151,537)	(39,564)	1,603
Net cash outflow used in operating activities	(251,375)	(456,467)	(647,922)	(1,038,459)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	2,451	1,227	4,092	3,508
Net cash provided by investing activities	2,451	1,227	4,092	3,508
CASH FLOWS FROM FINANCING ACTIVITIES				
Shares issued for cash, net	-	-	1,165,546	-
Net cash provided by financing activities	-	-	1,165,546	-
Effect of movement in exchange rates on cash held	24,900	4,333	32,488	(49,539)
Change in cash and cash equivalents during the period	(224,024)	(450,907)	554,204	(1,084,490)
Cash and cash equivalents, beginning of period	1,242,493	1,143,393	464,265	1,776,976
Cash and cash equivalents, end of period	1,018,469	692,486	1,018,469	692,486

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

BLACK DRAGON GOLD CORP.

Unaudited Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency
(Expressed in Canadian dollars)

Nine Months Ended September 30, 2024 and September 30, 2023

	Share Capital						
	Number	\$ 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 the period	-	-	-	-	-	(1,137,318)	(1,137,318)
Foreign currency translation reserve	-	-	-	-	15,879	-	15,879
Total comprehensive loss for the period	-	-	-	-	15,879	(1,137,318)	(1,121,439)
Transactions with owners in their capacity as owners:							
Share-based compensation	-	-	-	70,913	-	-	70,913
	-	-	-	70,913	-	-	70,913
Balance September 30, 2023	200,670,055	27,292,949	4,724,574	6,128,174	15,307	(37,543,286)	617,718
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 the period	-	-	-	-	-	(593,521)	(593,521)
Foreign currency translation reserve	-	-	-	-	5,386	-	5,386
Total comprehensive loss for the period	-	-	-	-	5,386	(593,521)	(588,135)
Transactions with owners in their capacity as owners:							
Shares issued (net of costs) (note 6)	66,847,620	1,165,546	-	-	-	-	1,165,546
Balance September 30, 2024	267,517,675	28,458,495	-	842,425	7,338	(28,314,988)	993,271

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

BLACK DRAGON GOLD CORP.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Three Months Ended September 30, 2024

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. The Company’s head office address is Regent House, 65 Rodney Road, Cheltenham GL50 1HX U.K. The registered and records office address is 1000 Cathedral Place, 925 West Georgia Street, Vancouver, BC V6C 3L2. On February 18, 2019 the Company announced that the Company’s common shares without par value (the “Shares”) were voluntarily delisted from the TSX-V effective at the close of trading on February 28, 2019. The Shares continue to trade on the Australian Securities Exchange (“ASX”) as CHESS Depository Interests (or “CDI’s”) under the ASX Code “BDG”.

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. These material uncertainties may cast significant doubt upon the Company’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 unaudited condensed consolidated interim financial statements for the three months ended September 30, 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.

2. SIGNIFICANT ACCOUNTING POLICIES**Basis of presentation**

These unaudited condensed consolidated interim financial statements for the three months ended September 30, 2024, are prepared in accordance with International Accounting Standards (“IAS 34”), Interim Financial Reporting. These unaudited condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of application as the Company’s most recent annual audited consolidated financial statements. These unaudited condensed consolidated interim financial statements do not include all information and disclosures required in audited consolidated financial statements and should be read in conjunction with the Company’s December 31, 2023, audited consolidated financial statements.

3. RECEIVABLES

	September 30, 2024	December 31, 2023
Value-added tax receivable	\$ 31,923	\$ 52,916
GST receivable	124	828
Other receivable	20,543	17,447
Deposit	4,374	2,131
Total	\$ 56,964	\$ 73,322

BLACK DRAGON GOLD CORP.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Three Months Ended September 30, 2024

4. EXPLORATION AND EVALUATION ASSETS

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 concession.

Salave Gold Property

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

A Preliminary Economic Assessment was released in 2019 and the Company submitted its final Environmental Impact Assessment for the property during 2022 and is awaiting a response from the Asturian Government.

Marlee Gold Project

During 2022, the Company acquired Australian mining explorer Marlee Gold Pty Ltd, 100% holder of Padbury Gold and Ivan Well projects.

During the half year ended June 30, 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). The Company retains the 115km² Ian Well tenement (E69/3818) further north-east towards Wiluna in the northern Goldfields, which still offers early-stage exploration potential for untested gold anomalism.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2024	December 31, 2023
Accounts payables ¹	\$ 82,044	\$ 46,687
Accrued liabilities	-	62,390
GST payable	119	-
Due to related parties	-	12,650
Total	\$ 82,163	\$ 121,727

¹ As at September 30, 2024, included in accounts payable and accrued liabilities for unpaid standard directors' fees is \$3,700 (September 30, 2023 - \$14,644) that is due to directors, officers and companies controlled by directors or officers.

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Notes to the Unaudited Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Three Months Ended September 30, 2024

6. SHARE CAPITAL AND RESERVES*Authorized:*

Unlimited number of common shares without par value.

Shares**Issued during the three months ended September 30, 2024**

There were no shares (Chess Depositary Interests 1:1) issued during the current period (three months ended September 30, 2024).

Issued during the three months ended September 30, 2023

There were no shares (Chess Depositary Interests 1:1) issued during the prior period (three months ended September 30, 2023).

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 September 30, 2024; September 30, 2023 and December 31, 2023 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding September 30, 2023	43,437,959	\$0.12
Expired	(31,544,627)	AUD\$0.010
Outstanding December 31, 2023	11,893,332	\$0.18
Granted	66,847,620	AUD\$0.03
Expired	(5,160,000)	AUD\$0.096
Outstanding September 30, 2024	73,580,952	\$0.10

Details of stock options granted during the three months ended September 30, 2024

There was no issuance of stock options during the three months ended September 30, 2024.

During the current quarter, the following options expired, unvested.

- 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.

Details of stock options granted during the three months ended September 30, 2023

There was no issuance of stock options during the three months ended September 30, 2023.

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(Expressed in Canadian dollars)

Three Months Ended September 30, 2024

As at September 30, 2024 the following incentive stock options are outstanding;

Expiry Date	Number of Options	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	66,847,620	AUD\$0.03	66,847,620
Total as at September 30, 2024	73,580,952		73,580,952

During the three months ended September 30, 2024, the Company recognized \$Nil of share-based compensation expense in relation to stock options (three months ended September 30, 2023: \$Nil).

Details of Performance Rights granted during the three months ended September 30, 2024

There was no issuance of performance rights during the three months ended September 30, 2024.

Details of Performance Rights granted during the three months ended September 30, 2023

There was no issuance of performance rights during the three months ended September 30, 2023.

During the three months ended September 30, 2024, the Company recognized \$Nil (three months ended September 30, 2023: \$Nil) of share-based compensation expense in relation to performance rights.

7. 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 Managing Director/Chief Executive Officer, Directors, and the Chief Financial Officer of the Company:

	Three months ended September 30, 2024	Three months ended September 30, 2023
Management and consulting fees – Chief Executive Officer / Executive Chairman	\$54,593	\$43,333
Directors' fees	30,407	21,561
Management and consulting fees – Chief Financial Officer	17,733	17,811
Wages and salary	25,466	26,276
Total short-term employee benefits	128,199	108,981
Total long-term employee benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
TOTAL	\$128,199	\$108,981

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(Expressed in Canadian dollars)

Three Months Ended September 30, 2024

As at September 30, 2024, included in accounts payable and accrued liabilities for unpaid standard directors' fees is \$3,700 (September 30, 2023 - \$14,644) that is due to directors, officers and companies controlled by directors or officers.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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 September 30, 2024, the Company had current assets of \$1,075,434 to settle current liabilities of \$82,163 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 September 30, 2024, a 10% change in exchange rates between the Canadian dollar, Euro, AUD, USD, and GBP would result in a change of \$93,000 in foreign exchange gain or loss.

10. 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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Notes to the Unaudited Condensed Consolidated Interim Financial Statements

(Expressed in Canadian dollars)

Three Months Ended September 30, 2024

11. 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.

12. SUBSEQUENT EVENT

On November 1, 2024, the Company completed a private placement to Spanish based high net worth and sophisticated investors. 28,481,720 CDI's at AUD\$0.025 each were issued, with AUD\$710k raised.

There were no other subsequent events to report post September 30, 2024.

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