



# GOLDEN DAWN MINERALS INC.

TSX-V: GOM  
FRANKFURT EXCHANGE: 3G8A  
OTC: GDMRF

## NEWS RELEASE

### GOLDEN DAWN RECEIVES PERMIT TO DE-WATER LEXINGTON MINE

Vancouver, March 31, 2017, Golden Dawn Minerals Inc., (TSX-V: GOM; FRANKFURT: 3G8A; OTC: GDMRF) (the “Company” or “Golden Dawn”) announces that it has received a permit to de-water the Lexington-Grenoble gold-copper mine, located 500 Km east of Vancouver in the Greenwood mining district in south central B.C. Canada. The issuance of this important permit is a milestone for the company. This permit is pivotal for the Company because it allows the Lexington mine to be pumped out in preparation for mining activities, and for water to be discharged during underground test mining activities. The Company intends to proceed with the dewatering process sometime after the seasonal snowfall recedes (end of April to early May, 2017).

The Lexington mine ceased production in December 2008 after 8 months of mining and milling at the nearby Greenwood processing facility. The apparent reason for terminating the project was the precipitous drop in commodity prices due to the financial crisis of 2008/2009 and initial start-up issues. These issues seem to have for the most part been remedied during the last months of operations; however, during the financial crisis further funding was not available and the operators were burdened with a very substantial debt. The original investment to construct the mill and tailings pond, ancillary mine equipment and substantial exploration and mine development is approximately \$35,000,000 (Huakan International Mining Inc. Financials May 4, 2009). Golden Dawn Minerals purchased the Lexington-Grenoble Mine, the nearby Golden Crown Mine, and the 220/400 tpd processing facility in September, 2016. Thus, the company is the recipient of assets for which it paid approximately \$0.10 on the dollar (CDN \$3,010,000 and 2,600,000 shares with 2,000,000 warrants). The Company has also spent CDN \$450,000 for a reclamation bond and CDN \$250,000 towards the 3% NSR payable on the properties which is capped at CDN \$700,000.

Due to the data gleaned from the past operations available to the company now, the management of the company is optimistic that all or most of the start-up issues experienced by the former operator will be avoided.

Earlier this year, the Company completed a public notification regarding an application for a permit to de-water (pump out) the Lexington mine (Lexington-Grenoble deposit). The Company has just received a permit authorization from the BC Government Ministry of Environment. The permit states the Company is authorized to discharge effluent to the ground from underground mine workings located on the Lexington property near Greenwood, British Columbia, subject to several terms and conditions. There are two parts to the authorization, relating to 1) initial de-watering of the mine and 2) continual dewatering during operations.

*Note: The Company cautions that it will likely proceed with a production decision on this project which is not based on a feasibility study of mineral reserves demonstrating economic and*

*technical viability. The project will therefore have increased uncertainty and higher economic and technical risks of failure.*

The Company aims to resume operations on a trial basis initially to assess the economic viability of the mine at the prevailing metal prices, given that the mine and milling infrastructure is already in place.

The company submitted a preliminary prospectus last week to facilitate an equity and or debt financing to fund the activities described above. The company has received an initial response from the BCSC containing vital and valid comments. The company is working diligently to respond in a timely matter to the questions and amendments required to technical reports. These reports pertain to all of the company's four properties comprising the Company's Greenwood Gold Project. A new technical report will be commissioned to consolidate all of the company's four properties into one project (THE GREENWOOD PRECIOUS METAL PROJECT). The PEA authored in 2016 will be included and amended to reflect the recently completed Gold Purchase Agreement with RIVI Capital LLC., and any other requests by the BCSC will be addressed.

Technical disclosure in this news release has been approved by Dr. Mathew Ball, P.Geo. a Qualified Person as defined by National Instrument 43-101, and Chief Operating Officer of the Company.

For more details, please see the Company's website at [www.goldendawnminerals.com](http://www.goldendawnminerals.com).

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

"Wolf Wiese"  
Wolf Wiese  
Chief Executive Officer

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