Stock Exchange Codes

ASX: DMG

ASX RELEASE

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18 October 2024

CONVERTIBLE LOAN

Dragon Mountain Gold Limited (ASX: DMG) is pleased to announce it has received firm commitments totalling $550,000 through Convertible Loan Agreements, with conversion subject to shareholder approval. Additionally, the Company has engaged Phoenix Global Investments for a two-year Investor Relations (IR) service agreement, with a consideration of $120,000, which will also be paid via Convertible Loan Agreements. This brings the total value of the Convertible Loan Agreements to $670,000.

The funds raised through these Convertible Loan Agreements will be used to support ongoing exploration activities at the Company's Cawse and Avalon Projects, with a focus on advancing resource development and exploration efforts, as well as to identify and assess new value accretive complementary exploration projects.

The Convertible Loan Agreements have been secured from clients of PAC Partners, under terms that include:

- Unsecured loans with a maturity of nine (9) months from the subscription date.
- The conversion of the loans into convertible notes in Dragon Mountain Gold Limited will be subject to shareholder approval at the Company’s next General Meeting.
- The loans bear 9% annual interest, payable monthly in cash.
- Subscribers will be entitled to 500 unlisted options for every $1.00 loaned, the amount payable upon exercise of each Option will be the same exercise price of each Option to be issued attaching to shares in the next equity raise.
- The funds from the Convertible Loan Agreements are intended for exploration of DMG’s existing projects, working capital and to identify and assess new value accretive complementary exploration projects.
- PAC Partners have acted as lead manager of the raise and will receive 6% fee on total funds raised and have the right to replace one director of the Company.

The Company is focused on advancing its exploration at the Cawse and Avalon Projects, utilising the support of this funding to drive progress and unlock further opportunities.

This announcement is approved for released by the Board.

ENDS