

BLACKROCK GOLD CORP. (Formerly Almo Capital Corp.)
Management Discussion and Analysis
For the Year Ended October 31, 2020

Reported on March 1, 2021

General

The following Management Discussion and Analysis (“MD&A”) on performance, financial condition and prospects of Blackrock Gold Corp. (“Blackrock” or the “Company”) should be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended October 31, 2020 and 2019. The Company’s consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). All financial information is presented in Canadian dollars unless otherwise stated. All references to a year refer to the year ended on October 31 of that year. The date of this MD&A is March 1, 2021.

Additional information on the Company is available on SEDAR at www.sedar.com and on the Company’s website at www.blackrockgold.ca.

Forward-Looking Statements

This MD&A includes certain statements that may be deemed “forward-looking statements” as defined under applicable securities law. Other than statements of historical facts, statements in this discussion, including, but not limited to expected or anticipated events or developments, are forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, market prices, demand for the Company’s products, exploration and evaluation successes or delays, continued availability of capital and financing, general economic, market or business conditions, trends in the markets for precious metals and other commodities, technological advancement, competition and the risk factors identified herein. Forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including, but not limited to, changes in market trends, risks associated with resource assets, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability, commodity prices, industry conditions, dependence upon regulatory, environmental and governmental approvals, and the uncertainty of obtaining additional financing. The information provided herein with respect to the Company’s properties and activities should be read in reference to the technical reports and other relevant disclosure documents prepared by or on behalf of the Company, which may be viewed by interested parties at www.sedar.com. Although the Company believes the expectations expressed in any forward-looking statement are based on reasonable assumptions, investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking information and statements are only made as of the date of this MD&A.

Management's Responsibility for Financial Statements

The Company's management is responsible for the presentation and preparation of annual consolidated financial statements and the MD&A. The consolidated financial statements have been prepared in accordance with IFRS. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

Qualified Person

Technical information contained in this MD&A has been prepared by or under the supervision of Mr. William Howald, Executive Chairman of Blackrock Gold Corp. Mr. Howald, AIPG Certified Professional Geologist #11041, is a “Qualified Person” for the purpose of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

Description of Business

The Company is a British Columbia company engaged in the acquisition, exploration and development of gold and silver mines and projects in Nevada, U.S.A. The mineral properties material to the Company are its interests in the Silver Cloud property situated in Elko, Nevada (the “**Silver Cloud Project**”) and the Tonopah West property located in the Walker Lane trend of western Nevada (the “**Tonopah West Project**”).

The Company entered into a lease agreement dated October 27, 2017 (the “Lease”) on the Silver Cloud Project, which affords the Company all rights and privileges incidental to ownership, including rights to explore, develop and mine the Silver Cloud Project. The Company controls 100% of the Tonopah West Project, which it acquired through a Lease Option to Purchase agreement on April 2, 2020.

With the Silver Cloud Project and the Tonopah West Project, the Company has strategic interests in two prolific low-sulphidation epithermal districts in Nevada. With a presence on both the Walker Lane and the Northern Nevada Rift, these two strategic projects provide the Company with a significant position on two prolific gold and silver belts in Nevada.

The Company also owns 100% of the Moore Property located in the Kamloops Mining Division of British Columbia. The Moore Property is not material to the Company and was written off in 2017 as the Company shifted its focus to Nevada.

COVID-19

In response to the global outbreak of COVID-19, on March 17, 2020, the governor of Nevada ordered the closure of all non-essential businesses in the state of Nevada to help prevent the spread of the virus. On April 1, 2020, the governor of Nevada issued a “stay at home” order, which was updated on April 8, 2020. The order restricted non-essential activities, travel and business operations, subject to certain exceptions for necessary activities through April 30, 2020, which was subsequently extended to May 15, 2020. On April 30, 2020, the governor of Nevada announced Nevada’s “Roadmap to Recovery Plan”, which outlined certain criteria and milestones that had to be met in order to safely restart Nevada’s economy. Phase 1 and Phase 2 of the Nevada reopening plan commenced on May 9, 2020 and May 29, 2020, respectively, allowing certain non-essential businesses to voluntarily reopen under strict restrictions. The Company’s development activities, including exploration drilling, are considered an “essential business” in Nevada and are permitted to continue, so long as these activities are conducted in a safe manner, in groups of ten or less, and social distancing measures are maintained.

Selected Annual Information

	Restated Balances*		
	October 31, 2020	October 31, 2019	October 31, 2018
Net Sales or Revenue	-	-	-
Exploration expenditures	\$5,579,444	\$653,371	\$49,573
General and administrative expenses **	\$6,066,148	\$1,668,393	\$1,133,816
Other expenses **	\$55,988	\$25,331	\$14,226
Net Loss	\$11,701,580	\$2,347,095	\$1,197,615
Loss per share basic and fully diluted	\$0.15	\$0.05	\$0.04
Total assets	\$8,467,651	\$2,047,110	\$1,077,798

* Restated Balances – In accordance with the change in accounting policy, as outlined in Note 4 of the consolidated financial statements for the year ended October 31, 2020, the balances have been restated to reflect the new accounting policy related to exploration expenditures.

** The Company has separated out “other expenses” from “general and administrative expenses”, on the consolidated statements of loss and comprehensive loss, for presentation purposes.

The table below outlines the previously reported balances prior to the change in accounting policy.

	October 31, 2019	October 31, 2018
Net Sales or Revenue	-	-
General and administrative expenses	\$1,693,724	\$1,148,042
Net Loss	\$1,693,724	\$1,148,042
Loss per share basic and fully diluted	\$0.04	\$0.04
Total assets	\$2,750,054	\$1,127,371

The above data has been prepared in accordance with IFRS.

In the last few days of fiscal 2017, the Company acquired an exploration property in Nevada, the Silver Cloud property. With the acquisition, the Company became more active, with the then management, focusing on increasing the Company’s exposure through marketing and consulting. As a result, the Company’s general and administrative expenditures steadily increased from the beginning of 2018. However, with the focus on increasing the Company’s exposure, little work was completed on the Silver Cloud property. As such, the Board of Directors (the “Board”) decided it was time to bring on a management team more focused on exploring the Silver Cloud property. In May 2019, the Company hired a full-time CEO and brought in an Executive Chairman, on a full-time basis, to oversee the Company’s exploration activities. Beginning in fiscal 2019, the new management team ramped exploration work on the Silver Cloud property, as well as marketing and consulting expenditures, to help increase awareness of the Silver Cloud property. In April 2020, the Company acquired a second property, the Tonopah West property. Once the Company acquired the property, significant resources were allocated to a drilling program on the program. The drill program was very successful and helped the Company’s share price increase significantly, to a high of \$1.61 in July 2020.

With the significant increase in the overall operations, expenditures increased significantly from 2019 to 2020. Below is a breakdown and review of the general and administrative expenditures for fiscal 2019 and 2020. Exploration activities are discussed in the **Exploration and Evaluation Expenditures** section.

	Year Ended October 31,	
	2020	2019
Operating expenses		
Accounting and audit	\$ 40,472	\$ 16,647
Bank charges and interest	7,239	3,916
Consulting fees	332,685	202,743
Depreciation	4,912	-
Insurance	52,159	9,448
Legal fees	175,811	134,654
Management fees	682,380	316,878
Marketing and communications	750,041	184,764
Office	64,065	31,684
Regulatory and filing fees	100,469	37,613
Rent	12,435	9,102
Share-based payments	3,627,178	566,979
Travel	84,178	54,598
Wages	132,124	99,367
Loss from operations	\$ 6,066,148	\$ 1,668,393

The expenses incurred by the Company are typical of junior exploration companies that do not have established mineral reserves. Expenses are not incurred evenly over the quarters as a result of non-recurring activities or events and availability of capital.

The Company was significantly more active during the year ended October 31, 2020, as compared with the same period last year. As a result, expenses across the board have increased compared with the same period last year. Of note, the following expenses changed significantly from the prior year:

Consulting fees increased from \$202,743 in 2019 to \$332,685 in 2020 due to the Company hiring new consultants for business development and corporate development. This became important once the Company acquired the Tonopah West Project and saw great results from its drill program.

Management fees increased from \$316,878 in 2019 to \$682,380 in 2020. The increase was largely due to having a full-time CEO and the Executive Chairman being with the Company for a full year as compared with half a year in 2019. In addition, due to the significant growth and better than expected performance of the Company, there were significant bonuses paid to management during the year.

Marketing fees increased from \$184,764 in 2019 to \$750,041 in 2020 due to the significant developments within the Company's Tonopah West Project and resulting performance of the share price. In April 2020, the Company acquired the Tonopah West Project and undertook an extensive drill program over the summer of 2020. The positive results from the drill program provided a significant boost to the Company's share price. As a result, the Company increased marketing activities to capitalize on the drill results and significantly enhance the Company's exposure in the market.

Regulatory and filing fees increased from \$37,613 in 2019 to \$100,469 in 2020. During the year, the Company was significantly more active in all areas of the business, including acquisition of the Tonopah West Project and the completion of three significant financings. In addition, due to the appreciation in the share price during the year, there was a significant number of share options and warrants exercised. This resulted in a significant increase in the regulatory and filing fees, as compared with 2019.

Share-based compensation increased from \$566,979 in 2019 to \$3,627,178 in 2020. The main reason for the significant increase was due to the Company issuing share purchase options and restricted share units in August 2020, at which time the share price appreciated to the highest levels in the Company's history.

Wages increased from \$99,367 in 2019 to \$132,124 in 2020. The increase was due to increased salary for its employee and bonuses resulting from the performance of the Company.

Summary of Quarterly Results

	*Restated Balances							
	Oct 2020 \$	Jul 2020 \$	Apr 2020 \$	Jan 2020 \$	Oct 2019 \$	Jul 2019 \$	Apr 2019 \$	Jan 2019 \$
Exploration expenditures	3,717,123	1,005,042	375,878	481,401	577,194	49,074	-	27,103
General and administrative expenses**	4,420,247	683,927	528,831	433,143	985,919	307,360	144,184	230,930
Other expenses**	44,843	2,216	2,980	5,949	19,078	2,126	2,980	1,147
Net loss	(8,182,213)	(1,691,185)	(907,689)	(920,493)	(1,582,191)	(358,560)	(147,164)	(259,180)
Loss per share	(0.11)	(0.02)	(0.01)	(0.01)	(0.03)	(0.01)	(0.00)	(0.01)
Total Assets	8,467,651	13,468,808	1,804,961	1,837,312	2,047,110	1,137,640	773,360	876,863

* Restated Balances – In accordance with the change in accounting policy, as outlined in Note 4 of the consolidated financial statements for the year ended October 31, 2020, the balances have been restated to reflect the new accounting policy related to exploration expenditures.

** The Company has separated out "other expenses" from "general and administrative expenses", on the consolidated statements of loss and comprehensive loss, for presentation purposes.

The table below outlines the previously reported balances prior to the change in accounting policy.

	Jul 2020 \$	Apr 2020 \$	Jan 2020 \$	Oct 2019 \$	Jul 2019 \$	Apr 2019 \$	Jan 2019 \$
General and administrative expenses	686,053	531,811	439,092	1,004,997	309,486	147,164	232,077
Net Loss	(686,053)	(531,811)	(439,092)	(1,004,997)	(309,486)	(147,164)	(232,077)
Loss per share	(0.01)	(0.01)	(0.01)	(0.03)	(0.00)	(0.00)	(0.01)
Total Assets	14,993,860	3,219,308	2,758,033	2,750,054	1,263,390	850,036	953,539

For each of the above periods, the Company had no revenue from the Company's mineral property interests.

The Company's general and administrative expenses vary significantly depending on the level of activity in each quarter. The main areas of variation are in management fees, consulting fees and share-based compensation. In May 2019, the Company brought on a new management team, including a new CEO and chairman. As a result, the management fees steadily increased, as did share-based compensation, as they were given share options upon their hiring. In addition, there were share options issued in the fourth quarter of 2019 to management, employees, directors and consultants.

In 2020, the Company continued ramping exploration work on the Silver Cloud property, as well as increasing awareness of the Silver Cloud Project through marketing and consulting expenditures. In April 2020, the Company acquired a second project, the Tonopah West Project. Once acquired, the Company began a significant exploration program on the property. In July 2020, the Company received very positive results, which resulted in the Company's share price appreciating to all-time highs, reaching a peak of \$1.61 in July 2020. With the results, the Company was able to raise gross proceeds of \$7.5M through a non-brokered private placement. With the funding, the Company continued to increase drilling on the Tonopah West property, while concurrently increasing the marketing and awareness of the Company in the markets.

Review of Fourth Quarter Operations

During the fourth quarter of 2020, the Company increased its exploration expenditures on the Company's properties incurring exploration expenditures of \$3,717,123 during the fourth quarter 2020, as compared with \$577,194 during the same period in 2019. The Company raised over \$1 million in financing through an equity raise and over \$350,000 in funds through the exercise of warrants and share options in the fourth quarter of 2019, whereas in the fourth quarter of 2020, the Company did not complete a financing and raised approximately \$612,500 through the exercise of warrants and share options.

In terms of operations, the Company incurred share-based payments expense of \$3,426,563 during the fourth quarter in 2020, as compared with \$427,140 in the same period in 2019. The significant increase was the result of the Company issuing a large number of share options in August 2020 during a time when the share price was \$1.43, which increased the valuation of the share options significantly as compared with any previous grant.

Consulting fees increased from \$86,059 in 2019 to \$185,984 in 2020 due to the Company hiring new consultants for business development and corporate development. This became important once the Company acquired the Tonopah West Project and saw great results from its drill program.

Marketing fees increased from \$89,736 in 2019 to \$454,445 in 2020 due to the significant developments within the Company's Tonopah West Project and resulting performance of the share price. On July 31, 2020, the Company closed a non-brokered financing for gross proceeds of \$7.5M. With the momentum of the positive drill results and having significant funds, the Company increased marketing activities to capitalize on the drill results and significantly enhance the Company's exposure in the market.

Related Party Transactions

All transactions with related parties have occurred in the normal course of operations and management represents that they have occurred on a basis consistent with those involving unrelated parties and, accordingly, that they are measured at fair value.

As at October 31, 2020, the Company owed \$235,224 (2019 - \$99,439) to related parties as follows:

- (i) \$67,025(2019 - \$37,332) in management fees and \$5,412 (2019 - \$658) in administration fees to Tanadog Management and Technical Services, Inc., a company controlled by the current chairman of the board. In addition, a total of \$57,484 (2019 - \$Nil) is payable as expense reimbursements ;
- (ii) \$Nil (2019 - \$7,896) in management fees to the former president of the Company;
- (iii) \$Nil (2019 - \$8,250) in management fees to Minhas Consulting Corp., a company controlled by the current CFO;
- (iv) \$20,000 (2019 - \$Nil) in management fees to the Company's CFO;

- (v) \$40,000 (2019 - \$Nil) to The Mining Recruitment Group Ltd., a company controlled by the CEO of the Company for consulting fees;
- (vi) \$45,303 (2019 - \$45,303) to the former CEO of the Company for management fees; and

During the year ended October 31, 2020, the Company incurred interest expense of \$7,568 (2019 - \$9,358) on loans payable to former directors of the Company and issued Nil (2019 - Nil) bonus warrants in respect of these loans (see Note 7 of the consolidated financial statements).

Of the units issued by the Company in 2020, Nil (2019 - 1,000,000) were issued to insiders of the Company (see Note 8 of the consolidated financial statements).

Key management compensation

During the year ended October 31, 2020, the Company paid or accrued compensation to key management, or companies controlled by them, totalling \$710,075 (2019 - \$331,355). Of this amount:

- (i) \$Nil (2019 - \$19,279) for salary to the former interim CEO and corporate secretary of the Company;
- (ii) \$43,000 (2019 - \$11,000) in management fees to Minhas Consulting Corp., a company controlled by the current CFO, including a \$10,000 (2019 - \$Nil) bonus;
- (iii) \$20,000 (2019 - \$Nil) in management fee bonuses to the current CFO;
- (iv) \$Nil (2019 - \$1,836) in admin fees to a former director of the Company;
- (v) \$332,380 (2019 - \$138,239) in management fees and \$27,695 (2019 - \$4,659) in administration fees to Tanadog Management and Technical Services, Inc., a company controlled by the current chairman of the board, including bonuses totalling \$118,273 (2019 - \$47,675);
- (vi) \$287,000 (2019 - \$110,000) in management fees to The Mining Recruitment Group Ltd., a company controlled by the CEO, including bonuses totalling \$107,000 (2019 - \$50,000);
- (vii) \$Nil (2019 - \$3,000) in management fees to the former CFO of the Company;
- (viii) \$Nil (2019 - \$35,446) in management fees to the former CEO of the Company; and
- (ix) \$Nil (2019 - \$7,896) in management fees to the former President of the Company's subsidiary.

During the year ended October 31, 2020, \$3,276,126 (2019 - \$566,979) in share-based payments was in respect of officers, employees and directors of the Company.

During the year ended October 31, 2020, \$Nil (2019 - \$25,023) was paid for project related exploration (a soil sampling program) to a company controlled by the CEO of the Company and \$14,000 (2019 - \$Nil) in share-based compensation related to 200,000 common shares issued to the estate of the former president of the subsidiary.

On October 1, 2019, the Company entered into a consulting agreement with a company whereby that company's director was retained to perform executive, technical, managerial and consulting services, as directed by the Company's Board, to act as executive chair of the Company, to serve as a director of the Company and to hold such additional offices to which he may be appointed by the Company or any subsidiary of the Company. The agreement is effective September 1, 2019 for a term of one year with automatic renewals of consecutive one-year terms. Pursuant to the agreement, the consultant will receive a consulting fee at the base rate of US\$144,000 per annum, payable in equal monthly instalments of US\$12,000.

On October 1, 2019, the Company entered into a consulting agreement with a company whereby that company's president was retained to perform executive, managerial and consulting services, as directed by the Company's Board, to act as president and chief executive officer of the Company, to serve as a director of the Company and to hold such additional offices to which he may be appointed by the

Company or any subsidiary of the Company. The agreement is effective October 1, 2019 for a term of one year with automatic renewals of consecutive one-year terms. Pursuant to the agreement, the consultant will receive a consulting fee at the base rate of \$180,000 per annum, payable in equal monthly instalments of \$15,000.

Pursuant to the agreements:

- (i) The annual base rates are subject to increase at the Board's discretion;
- (ii) The consultants are entitled to receive an annual bonus, as determined at the Board's discretion;
- (iii) The consultants are entitled to participate in the Company's stock option plan;
- (iv) The consultants may terminate the agreements upon three months' written notice and will receive a termination payment equal to the then applicable base rate per annum if terminated for other than cause; and
- (v) If at any time during the term of the agreements there is a change of control (as defined) and the contracts are terminated within six months of the date of change of control, the consultants will receive an amount equal to two times both the then applicable base rate and any bonus paid or payable in respect of the Company's most recently completed financial year.

On November 1, 2019, the Company entered into an employment agreement with its corporate secretary for a term of one year with automatic renewals. Pursuant to the agreement, the corporate secretary will:

- (i) Receive a severance benefit equal to three times his current monthly salary, which shall increase by one month per year to a maximum of six months. In addition, his coverage under employee benefit programs will continue for an equal period of time unless the Company elects to pay a lump sum cash payment equal to the projected cost of maintaining him in such programs in lieu; and
- (ii) If at any time during the term of the agreement there is a change of control (as defined) and his employment is terminated within six months of the date of change of control, he will receive an amount equal to six times his current monthly salary, which will increase by one month per year to a maximum of 12 months and benefits for the same period in lieu of notice, severance, damages or other payments.

Subsequent to year-end, on January 1, 2021, the Company entered into an employment agreement with its CFO. Pursuant to the agreement, the CFO will:

- (i) Is eligible for a target annual bonus based on the Company achieving its annual targets, individual performance and according to the annual bonus plan, as determined by the Compensation Committee;
- (ii) If terminated without cause or if he leaves the Company within six months of a change of city from which the Company carries on business, is entitled to three months of his current annual base salary plus the pro rata amount of the previous year's annual bonus plus the cash equivalent of accrued vacation pay; and
- (iii) If terminated within six months of a change of control (as defined), is entitled to receive severance pay equal to 12 months of annual base salary, plus the pro rata amount of the previous year's annual bonus plus the cash equivalent of accrued vacation pay.

Loans Payable

Loans payable at October 31, 2020 and 2019 is comprised of the following:

	2020	2019
Related parties:		
Principal (i, iv, v)	\$ 81,364	\$ 81,364
Principal (iii, iv)	32,860	32,860
Interest	24,780	17,212
Foreign exchange	(51)	-
Repayment	(138,953)	-
	-	131,436
Arm's length:		
Principal (ii, iv, v)	-	21,463
Interest	-	1,209
Repayment (ii)	-	(22,672)
	-	-
Total	\$ -	\$ 131,436

- (i) On November 10, and 14, 2017, the Company entered into loan agreements with two directors of the Company to borrow a total of \$81,364 for a period of one year. Of this amount, \$40,308 was a non-interest-bearing advance at October 31, 2017 that was converted into a loan. As further consideration for advancing the loans, the Company issued a total of 1,162,273 bonus warrants to the directors exercisable at a price of \$0.07 per share for a period of 12 months. The warrants subsequently expired unexercised. These loans were extended for an additional six-month term expiring on May 10, and 14, 2019 and have not been further extended. The principal balance of \$81,364 and accrued interest totalling \$20,343 was repaid during the year.
- (ii) On November 27, 2017, the Company entered into a loan agreement with an arm's length party to borrow \$19,983. As further consideration for advancing the loan, the Company issued 285,714 bonus warrants to the lender exercisable at a price of \$0.07 per share for a period of 12 months. The warrants subsequently expired unexercised. The principal balance of \$19,983 and interest of \$2,689 was repaid during 2019.
- (iii) On January 14, 2019, the Company entered into a loan agreement with a director of the Company to borrow a total of \$32,860 (US\$25,000) for a period of one year. The principal balance of \$32,860 and accrued interest totalling \$4,437 was repaid during the year.
- (iv) These loans were unsecured and bore interest at 8% per annum with interest accruing and payable at maturity. Principal and all accrued and unpaid interest were payable in full on maturity or upon demand after six months and can be prepaid in full or in part at any time without penalty. Overdue principal and accrued interest bore interest at 8% per annum.
- (v) Loan agreements that include bonus warrants are considered to be a compound financial instrument with the liability and equity component being classified separately in the consolidated statements of financial position on the date of issuance. The fair value of the liability component is determined first, with the residual value, if any, being allocated to the equity component. At the time of issuance, the fair value of the liability component was determined not to be materially different from the loan proceeds. Accordingly, no amount has been allocated to the equity component.

Liquidity and Capital Resources

Working capital on October 31, 2020 was \$5,261,391 (2019 - \$512,744), which is the current assets minus the current liabilities of the Company. The sources of cash in the year included cash from issuing common shares, share options and share purchase warrants exercised, and borrowing (loans).

The Company's continuation as a going concern is dependent on its ability to raise equity capital or borrowings sufficient to meet current and future obligations. Future operations, acquisitions and exploration will require additional capital, which the Company anticipates could come from loans, private placements and public offerings of the Company's shares. There can be no assurances that management's plans for the Company will be successful. To date, the Company has not earned operating revenue. The Company is uncertain that it can raise capital to meet its obligations, fund operations or advance its mineral projects. The Company is subject to significant liquidity risk. See the section titled **Risks and Uncertainties** below.

The consolidated financial statements for the year ended October 31, 2020 have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. This MD&A does not give effect to any adjustment that would be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in this MD&A. The Company continues to raise funds through equity raises and through the exercise of share options and warrants. The Company will need to continue to raise funds in order to continue on as a going concern.

	October 31, 2020		October 31, 2019	
Working capital	\$	5,261,391	\$	512,744
Deficit (i)	\$	18,123,651	\$	6,422,071

- (i) The deficit for the year ended October 31, 2019 was restated to conform to the change in accounting policy, as described in Note 4 of the consolidated financial statements for the year ended October 31, 2020. The deficit, as reported, prior to the change in accounting policy was \$5,719,127.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Accounting Principles

The audited consolidated annual financial statements have been prepared in accordance with IFRS. The policies and estimates are considered appropriate under the circumstances, but are subject to judgments and uncertainties inherent in the financial reporting process. See also Note 2 in the consolidated financial statements for the year ended October 31, 2020 for additional detail on accounting principles.

Future Accounting Pronouncements

New IFRS pronouncements that have been issued but are not yet effective at the date of the consolidated financial statements are listed below. The Company plans to apply the new standards or interpretations in the annual period for which they are first required.

(i) Business combinations

Narrow-scope amendments to IFRS 3 *Business Combinations* were issued in October 2018 and apply to annual reporting periods beginning on or after January 1, 2020. The amendments clarify the definition of a business, provide guidance in determining whether an acquisition is a business combination or a combination of a group of assets, emphasize that the output of a business is to provide goods and services to customers, and provide a supplementary guidance.

(ii) Presentation of financial statements

An amendment to International Accounting Standard 1 *Presentation of Financial Statements* was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2023. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

Exploration and Evaluation Expenditures

Title disclaimer

As at October 31, 2020, all of the Company's exploration and evaluation assets are located in British Columbia, Canada, and Nevada, United States. Title to mining properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to its mineral properties and, to the best of its knowledge; its properties are in good standing.

UNITED STATES

Acquisition and Holding Costs		Silver Cloud		Tonopah West		Total
Balance, October 31, 2018	\$	661,898	\$	-	\$	661,898
Additions		258,823		-		258,823
Balance, October 31, 2019		920,721		-		920,721
Additions		275,667		513,274		788,941
Foreign currency translation		(254)		(30,970)		(31,224)
Balance, October 31, 2020	\$	1,196,134	\$	482,304	\$	1,678,438

The acquisition cost and exploration and evaluation expenditures relating to the West Silver Cloud property have been included with those of Silver Cloud.

The exploration expenditures for the year ended October 31, 2020 were as follows:

Exploration Expenditures	Silver Cloud		Tonopah West		Total
Drilling	\$	719,292	\$	4,208,454	\$ 4,927,746
Geology and consulting		166,743		262,950	429,693
Geophysics		137,959		54,761	192,720
Legal		4,879		24,406	29,285
Total	\$	1,028,873	\$	4,550,571	\$ 5,579,444

The exploration expenditures for the year ended October 31, 2019 were as follows:

Exploration Expenditures	Silver Cloud		Tonopah West		Total
Drilling	\$	558,381	\$	-	\$ 558,381
Geology and consulting		94,990		-	94,990
Total	\$	653,371	\$	-	\$ 653,371

Mining Properties Owned by Blackrock

Silver Cloud Project

On October 27, 2017, the Company entered into a Lease Agreement (the “Lease”) with Pescio Exploration, LLC (“Pescio” or the “Lessor”) with respect to 552 unpatented lode mining claims situated in Elko County, Nevada, and known as the Silver Cloud Project (the “Property”). The Lease affords Blackrock all rights and privileges incidental to ownership, including rights to explore, develop and mine the Property. The term of the Lease is 10 years from October 27, 2017 (the “Effective Date”), and so long thereafter as: a) exploration and/or development is taking place on the Property, and/or b) the Property is held by Blackrock or its successors and assigns, unless earlier terminated in accordance with the terms of the Lease.

In June 2019, the Company completed negotiations to amend the Lease terms and conditions with the underlying owner. The amended Lease provides for lower upfront payments, a reduction of the net smelter return royalty through a buyout and a purchase option for the Property.

Pursuant to the original Lease, to acquire and maintain the Lease in good standing, Blackrock:

- (a) reimbursed the Lessor US\$92,308 (\$120,296) for the 2017 Bureau of Land Management (“BLM”) fees;
- (b) paid US\$100,000 (\$130,320) and issued 1,000,000 common shares of the Company to the Lessor at a price of \$0.13 per share;
- (c) paid US\$100,000 (\$131,810) in lease payments to the Lessor for year 1;
- (d) must perform a minimum total of 15,000 feet of drilling on the Property during the first 3 years of the term of the Lease;
- (e) must drill an additional 90,000 feet from years 4 to 9 and 20,000 feet each subsequent year;
- (f) must pay all BLM permit costs. The Company paid BLM fees of US\$91,080 (\$123,459) in 2020 and US\$91,080 (\$119,415) in 2019; and
- (g) must make additional payments to the Lessor of US\$100,000 in year 2, US\$150,000 in year 3, US\$200,000 in year 4, US\$250,000 in year 5, US\$500,000 in year 6, US\$750,000 in year 7 and US\$1,500,000 per year starting in year 8.

Pursuant to the amending agreement:

- (i) The Company must make the following cash payments:
 - i. 2nd Anniversary of the Effective Date October 27, 2019, US\$75,000 (\$98,731) (paid);
 - ii. 3rd Anniversary of the Effective Date October 27, 2020, US\$100,000 (\$131,640) (paid);
 - iii. 4th Anniversary of the Effective Date October 27, 2021, US\$150,000;
 - iv. 5th Anniversary of the Effective Date October 27, 2022, US\$200,000;
 - v. 6th Anniversary of the Effective Date October 27, 2023, US\$500,000;
 - vi. 7th Anniversary of the Effective Date October 27, 2024, US\$750,000; and
 - vii. 8th Anniversary of the Effective Date and all subsequent anniversaries the Lease is in effect, US\$1,500,000.

The Company is committed to and must pay all minimum payments up to and including the October 27, 2022 payment. The cash minimum payments will not be credited cumulatively against the Company's royalty payment obligations.

- (ii) The Company must complete the following minimum drilling requirements:
 - i. 1st to 5th year of the Lease, 25,000 feet;
 - ii. 6th year of the Lease, 10,000 feet;
 - iii. 7th year of the Lease, 20,000 feet;
 - iv. 8th year of the Lease, 20,000 feet; and
 - v. 9th year of the Lease and each subsequent Lease year, 20,000 feet.

If the minimum drilling threshold is not achieved, the Company is subject to a penalty of US\$50 per foot of undrilled footage.

- (iii) The Company was granted the sole and exclusive option to purchase and own 100% of the Property for a total purchase price of US\$3,500,000 on or before October 27, 2023. Exercising the purchase option will terminate the Company's obligation with respect to making any further cash payments and the only further payment obligation is the royalty. If the option to purchase is exercised, the exploration drilling commitment or drilling escape payment obligations remain in effect. If the Company elects to exercise the purchase option after October 27, 2023, it will have to pay a total purchase price of US\$5,000,000 and will be obligated to pay all minimum payments and any and all related financial obligations.
- (iv) The Company will pay Pescio a non-participating royalty of 3.5% based on the gross value from the production or sale of minerals from the Property and any area of interest acquired interests. The royalty percentage, as a whole, is made subject to a buy-down option of 3.5% representing 1% of the gross value for a total of US\$3,000,000 at any time within the first five years.

On July 11, 2019, the Company, through its US subsidiary, Blackrock Gold Corp. ("Blackrock US"), entered into a purchase agreement for 20 unpatented mining claims located immediately adjacent to the western boundary of the Property. These unpatented lode mining claims, collectively known as the West Silver Cloud property, extend the Property westward from the Northwest Canyon target. The Company:

- (i) Paid US\$5,000 upon closing of the transaction;
- (ii) Issued 150,000 common shares of the Company; and
- (iii) Issued 50,000 common share purchase warrants exercisable for a period of 3 years with an exercise price of \$0.20 per common share.

The Property is subject to a production royalty equal to one-half of 1% (0.5%) of the net smelter returns. The Company has the right to purchase the royalty at any time for US\$500,000.

Tonopah West Project

On February 24, 2020, the Company, through its subsidiary, Blackrock US, entered into the Blackrock Gold Corp. Option Agreement (the "OA") with Nevada Select Royalty, Inc. ("Nevada Select"), a wholly owned subsidiary of Ely Gold Royalties Inc., with respect to 17 unpatented mining claims and 23 patented mining claims (the Tonopah Claims) and 75 patented mining claims (the Cliff ZZ Claims), collectively known as the Nevada Select Claims, situated in Esmeralda and Nye counties, Nevada, and known as the Tonopah West Project (the "Project"). The OA gives and grants Blackrock US the sole and exclusive right and option to purchase 100% of Nevada Select's right, title and interest in and to the Project, including the existing data (as defined) possessed by Nevada Select and any additional data, information and records regarding the Project acquired by Nevada Select during the option period. The term of the OA is until the first to occur of (i) the option closing; (ii) the termination of the OA; or (iii) four years from the Initial Closing Date, being April 1, 2020. Until all option payments have been made and the option is exercised and closed, Blackrock US must pay all claim maintenance and rental fees for the Nevada Select Claims.

Pursuant to the OA, the total purchase price of US\$3,000,000 will be paid by the following option payments:

- (i) On the Initial Closing Date, US\$325,000 (\$464,815) (paid);
- (ii) 1st Anniversary of the Initial Closing Date, US\$325,000;
- (iii) 2nd Anniversary of the Initial Closing Date, US\$650,000;
- (iv) 3rd Anniversary of the Initial Closing Date, US\$700,000; and
- (v) 4th Anniversary of the Initial Closing Date, US\$1,000,000.

Upon the option exercise, Blackrock US will grant Nevada Select a 3% net smelter returns mineral production royalty in respect of all products (as defined) produced from the Nevada Select Claims.

During the option period and following the option exercise, if the option closing occurs and unless otherwise agreed by the parties, if either party or its affiliate acquires, directly or indirectly, any additional mining claims, located wholly or partly within the area of interest (as defined), the after-acquired interest will be included in and form part of the Nevada Select Claims and will be subject to the OA. If any unpatented or patented claims or other property are or become subject to any third-party royalty obligations that existed prior to initial closing, the royalty will be reduced so that the total royalty percentage on each of the mining claims or real property interests comprising the Project does not exceed 3%.

Blackrock US can terminate the OA without further liability at any time by giving written notice of termination to Nevada Select, and Nevada Select will retain all payments made prior to termination.

CANADA – Moore Property

During the year ended October 31, 2017, the Company wrote-off all costs related to this project, as management has no plans to complete any additional work on the property. The 14 claims will be allowed to lapse as they come due in 2021.

Silver Cloud Project Update

Based on the historical geological work and drill results, Silver Cloud, like the Midas and Hollister deposits, is a low sulphidation epithermal gold deposit. Between 1999 and 2002, Placer Dome and Teck Resources completed drilling in the Silver Cloud mine area, which returned bonanza-grade gold intercepts. Geologic cross-sections show the bonanza-gold grades in the Placer Dome and Teck drill holes (1.5m of 12.5g/t Au and 0.7m grading 7.6 g/t Au, respectively) align at the same elevation and suggest an east-west zone with approximately 1,500 metres of strike potential. A revaluation of the surface geochemistry, geology and geophysics also indicated that high-grade gold veins may have an east-west orientation.

Blackrock utilized all the available data then permitted and bonded a core drilling program, which started in early October and was completed in early December 2019. The drill program was the first drill campaign following a 15-year hiatus.

As announced on January 6, 2020, the Company completed the first drill program at Silver Cloud since 2005. Five HQ core holes totaling 2,207 metres (7,240 feet) were drilled, and all gold and trace element assay results were disclosed.

The initial results confirm the existence of a low-sulphidation, epithermal vein system oriented in an east-west direction. Given the reported gold grades and the trace element geochemistry, the drill encountered the structures too high in the hydrothermal system. This suggests potential exists for higher-grade gold at depth within a potential boiling zone of this epithermal system.

A mineralized porphyry intrusive system adjacent to the vein zone was also identified and could lead to a significant secondary target. If gravity data indicates the location of the altered porphyry intrusives (rhyolite flow domes) with associated high-grade gold veins, the Company has identified numerous additional targets to explore throughout the project. Of significant interest are the multiple gravity lows that extend directly east of the Silver Cloud mine area to the property boundary. These gravity lows could represent the potential eastern strike extent of this newly recognized east-west oriented system.

In March 2020, SBC20-006 was drilled to intersect the Northwest Canyon east-west zone at depth, just above the basement lithologies. The drillhole cut 678 metres of volcanics and without reaching the basement; however, a 25.1-metre alteration zone was intersected from 426.0 to 451.1 metres down the hole. The alteration consists of quartz and sulphide veinlets ranging between 6 millimetres to over 100 millimetres over the length of the alteration zone with veinlets occurring every 1.5 to 2.5 metres within the interval. Downhole televiewer information confirms the zone is oriented east-west to east-northeast, which matches the orientation and depth projection of the Northwest Canyon gold zone. Confirming the strike of the zone is an important outcome of the program.

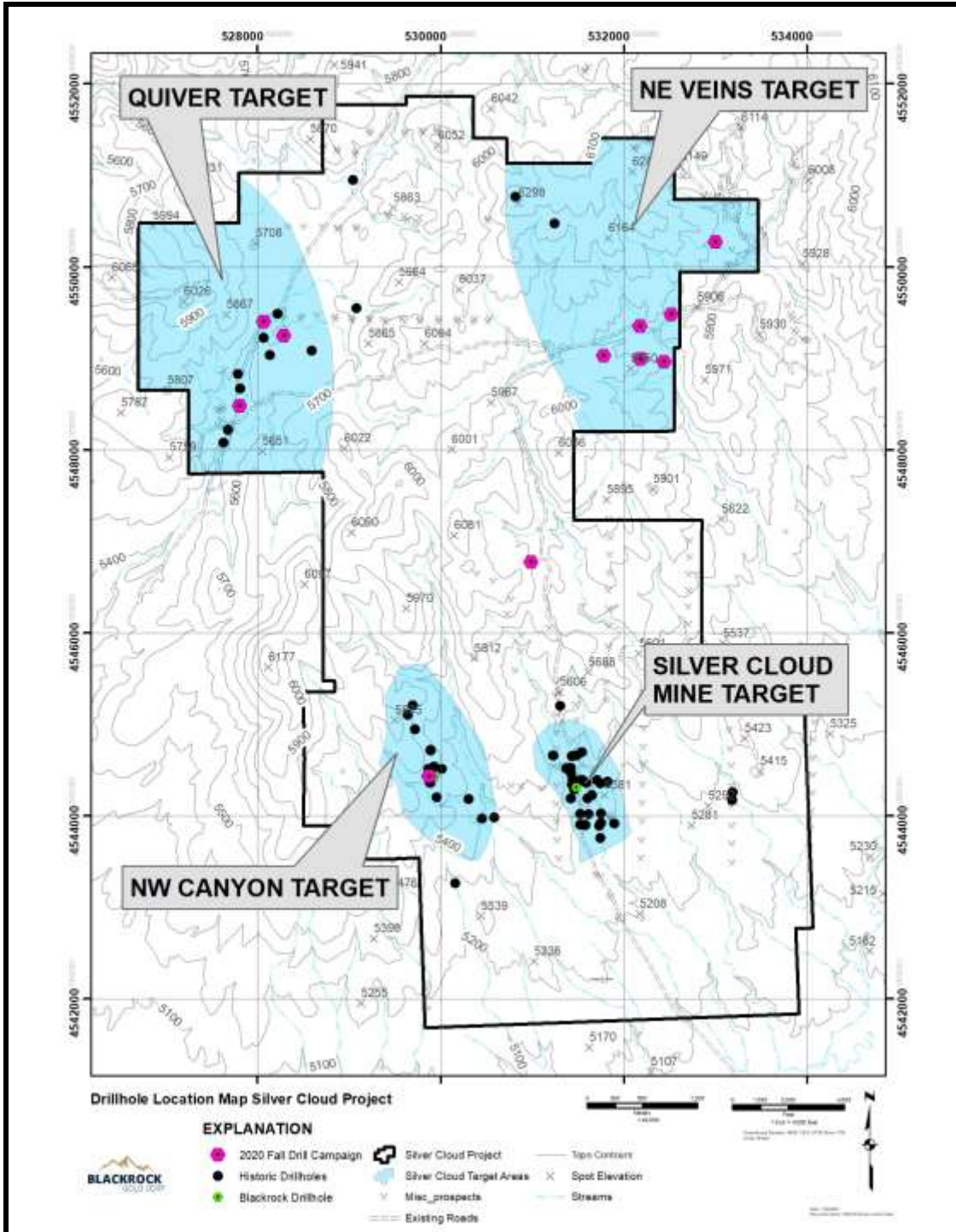
The core was sampled and assayed for gold and silver using a standard 30-gram fire assay with an Induced Coupled Plasma (“ICP”) finish. The vein zone was sent for a metallic screen to identify any potential coarse gold in the system. Metallic screen assays show gold values up to 0.450 ppm gold. Using a 0.2 gram per tonne gold cut off, a section measuring 3.5 metres and grading 0.34 grams per tonne gold was returned starting at 426 metres down the hole. The entire 25-metre zone returned an average grade of 0.121 grams per tonne gold using a 0.10 gram per tonne cut off. During the summer of 2020, a detailed mapping and sampling program was completed, and drill permits submitted to the BLM for an envisioned 3,500-metre drill program focused on the NE Veins and Quiver targets. Permit approvals and bonding were received in September 2020. The Company secured an RC drill rig, which arrived on-site in October 2020.

An Induced Polarization (“IP”) survey was completed and data shows success in defining additional areas for follow up. Two targets were added to the 2020 RC drill program and drilled based on the completed gravity and IP geophysical surveys.

In November 2020, a drilling program commenced at the Silver Cloud property, a low-sulphidation epithermal gold and silver project consisting of 572 unpatented mining claims (45 square kilometres) located along the well-established Northern Nevada Rift gold trend in north-central Nevada. The program was completed in mid-December 2020.

This fully-financed program was budgeted for up to 3,500 metres of drilling in 14 reverse circulation (“RC”) drillholes across three distinct target areas: NE Veins, Quiver and Northwest Canyon.

The bulk of the drilling was focused on the newly delineated and yet untested NE Veins target, where eight outcropping veins were identified. This target sits atop a large geochemical and geophysical anomaly that was identified during the 2019 field season and is situated near the workings of a historic mercury mine. The NE Veins target represents a compelling area as the geologic setting shares many similarities to Hecla’s Hollister mine, an east-west trending series of veins located approximately 3 kilometres to the east. The objective of this program is to determine whether Silver Cloud represents the western extension of this notable deposit.



Tonopah West Project

On April 27, 2020, the Company announced exploration plans for its 100% controlled Tonopah West Project located in the Walker Lane trend of western Nevada. The project is a significant landholding within the historic Tonopah silver district with 97 patented and 19 unpatented lode mining claims comprising the property. Blackrock closed the Lease Option to Purchase agreement on April 1, 2020.

The historic Tonopah silver district produced 174 Mozs of silver and 1.8 Mozs of gold from 7.45 million tonnes of material. Blackrock's consolidated land position yielded 2.1 million tonnes of the total Tonopah gold and silver production making the combined area the second largest producer by tons and gross dollar yield.

Five broad target areas have been defined that have significant potential. A 7,000 metre, 16-hole RCV drilling program commenced on June 17, 2020 to test these four target areas. Drilling in the Victor and DPB targets has been

Highlights from the exploration program on the Tonopah West property are as follows:

The Company is approaching 10,000 metres of drilling in 19 RC and 2 core drillholes across the Victor, DPB and Discovery targets. This initial program, originally slated to consist of 7,000 metres of drilling, has been expanded to 20,000 metres following the successful targeting of drillholes TW20-001, TW20-003, TW20-005, TW20-006 and TW20-008. (see news release July 20, 2020).

Table 1: Assay results above 200 g/t AgEq cut off for drillholes TW20-001 to TW20-071C

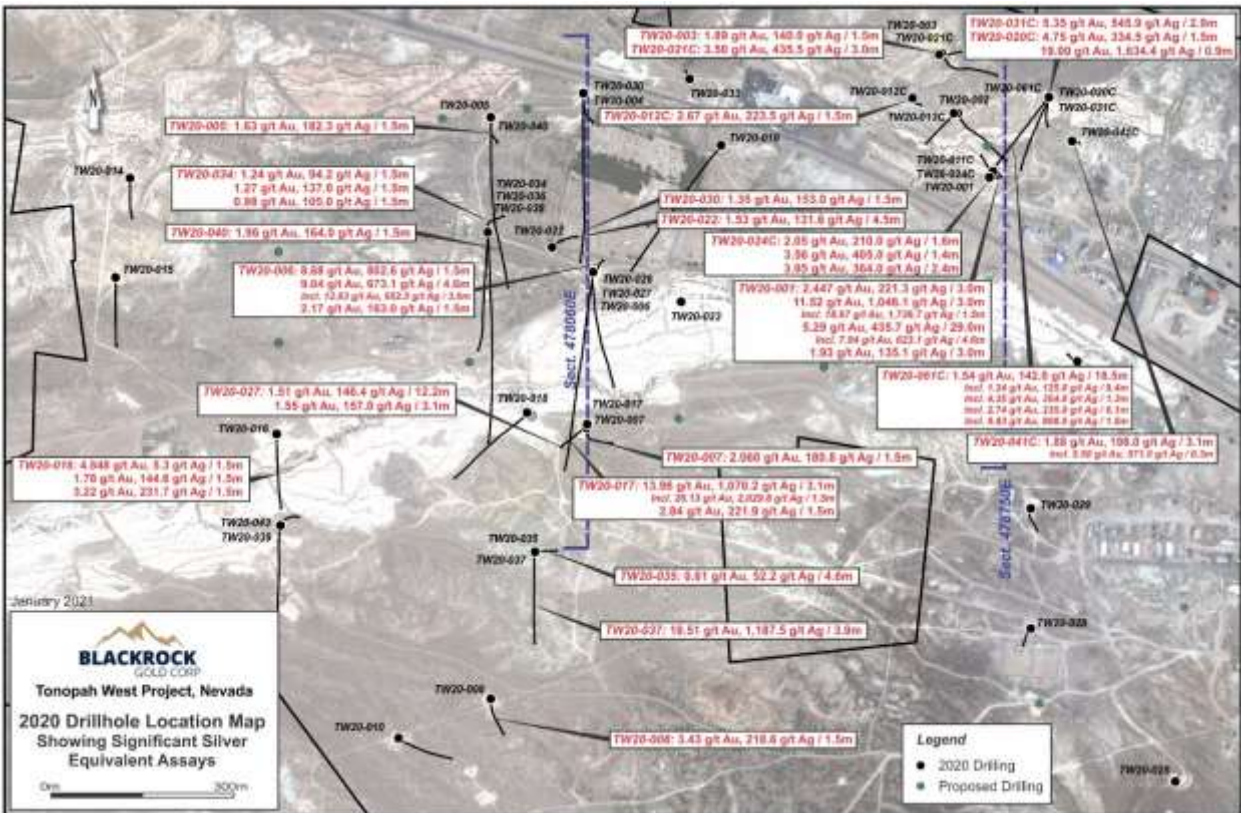
Drillhole	Area	From Metres	To Metres	Length Metres	Gold g/t	Silver g/t	AgEq g/t
TW20-001	Victor Vein	554.74	557.78	3.0	2.44	221.3	464.8
TW20-001	Victor Vein	560.83	563.88	3.0	11.52	1046.1	2197.9
Including		560.83	562.36	1.5	18.67	1736.7	3603.4
TW20-001	Victor Vein	574.55	603.50	29.0	5.29	435.7	964.8
Including		582.17	592.84	10.7	7.94	623.1	1417.2
TW20-001	Victor Vein	612.65	615.70	3.0	1.93	135.1	327.6
TW20-002	Victor Vein	NSV					
TW20-003	Victor Vein	702.56	704.09	1.5	1.89	140.0	329.0
TW20-004	DPB	NSV					
TW20-005	DPB	402.34	403.86	1.5	1.63	182.3	345.3
TW20-006	DPB	275.84	277.37	1.5	8.68	802.6	1670.6
TW20-006	DPB	321.56	326.14	4.6	9.04	673.1	1576.7
Including		323.09	326.14	3.0	12.63	952.0	2215.3
TW20-006	DPB	327.66	329.18	1.5	2.17	163.0	380.0
TW20-007	DPB	484.63	486.16	1.5	2.06	180.8	386.8
TW20-008	Coeur Discovery	242.32	243.84	1.5	3.43	218.6	561.6
TW20-009	Coeur Discovery						
TW20-010	Coeur Discovery	NSV					
TW20-011C	Victor Vein	NSV					

Drillhole	Area	From Metres	To Metres	Length Metres	Gold g/t	Silver g/t	AgEq g/t
TW20-012C	Victor Vein	581.9	583.4	1.5	2.67	223.5	490.5
TW20-013C	Victor Vein	NSV					
TW20-014	Step Out	NSV					
TW20-015	Step Out	NSV					
TW20-016	Step Out	233.17	234.7	1.5	4.84	5.3	489.3
TW20-016	Step Out	307.85	309.37	1.5	1.78	144.6	322.6
TW20-016	Step Out	385.57	387.1	1.5	3.22	231.7	553.7
TW20-017	DPB	374.9	376.43	3.1	13.96	1070.2	2466.3
	Including	376.43	377.95	1.5	26.13	2029.8	4643.1
TW20-017	DPB	440.44	441.96	1.5	2.84	221.9	505.9
TW20-018	DPB	NSV					
TW20-019	DPB	NSV					
TW20-020C	Victor	585.2	586.7	1.5	4.75	334.5	809.5
TW20-020C	Victor	592.2	593.1	0.9	19.00	1634.4	3534.4
TW20-021C	Victor	621.2	624.2	3.0	3.50	435.5	785.5
TW20-022	DPB	474.0	478.6	4.5	1.53	131.6	284.7
TW20-023	DPB	NSV					
TW20-024C	Victor	521.5	523.1	1.6	2.05	210.0	415.0
TW20-024C	Victor	573.3	574.7	1.4	3.56	405.0	761.0
TW20-024C	Victor	580.0	582.4	2.4	3.95	364.0	758.8
TW20-025	Ohio	NSV					
TW20-026	DPB	NSV					
TW20-027	DPB	474.0	475.5	1.5	1.65	120.0	285.0
TW20-027	DPB	495.3	507.5	12.2	1.51	146.4	297.2
TW20-027	DPB	518.2	519.7	1.5	1.09	121.0	230.0
TW20-027	DPB	548.6	551.7	3.0	1.55	157.0	311.5
TW20-028	Ohio	NSV					
TW20-029	Ohio	NSV					
TW20-030	DPB	522.7	524.3	1.5	1.35	153.0	288.0
TW20-032	Ohio	NSV					
TW20-033	DPB	Pre-Collar					
TW20-034	DPB	426.7	428.2	1.5	1.24	94.2	218.2
TW20-034	DPB	477.0	478.5	1.5	1.27	137.0	264.0
TW20-034	DPB	480.0	481.6	1.5	0.98	105.0	202.8
TW20-035	DPB	NSV					
TW20-036	DPB	NSV					
TW20-037	DPB	275.8	278.9	3.0	10.51	1187.5	2238.5
TW20-038	DPB	NSV					
TW20-039	Step Out	NSV					
TW20-040	DPB	481.6	483.1	1.5	1.96	164.0	360.0
TW20-041C	Victor	578.2	581.3	3.11	1.884	198	386

Drillhole	Area	From Metres	To Metres	Length Metres	Gold g/t	Silver g/t	AgEq g/t
Including		578.2	578.5	0.31	5.500	571	1,121
TW20-042	DPB	NSV					
TW20-043	Step Out	NSV					
TW20-044	DPB	NSV					
TW20-045	DPB	NSV					
TW20-046	Step Out	NSV					
TW20-047	DPB	NSV					
TW20-048	DPB	NSV					
TW20-049	DPB	NSV					
TW20-050	DPB	NSV					
TW20-051C	Victor	Lost					
TW20-052	DPB	NSV					
TW20-061C	Victor	631.6	650.1	18.50	1.539	142	295
Including		631.6	641.0	9.36	1.241	125	249
Including		631.6	633.0	1.34	4.350	354	789
Including		644.0	650.1	6.10	2.743	235	509
Including		648.6	650.1	1.52	9.830	808	1,791
TW20-071C	Victor	Lost					
AgEq_g/t = Ag_g/t + Au_g/t*100; AuEq_g/t = Au_g/t + Ag_g/t/100. True thickness unknown. NSV = No significant values							

All sampling was conducted under the supervision of the Company's project geologists, and a strict chain of custody from the project to the sample preparation facility was implemented and monitored. The RC samples were hauled from the project site to a secure and fenced facility in Tonopah, Nevada, where they were loaded on to American Assay Laboratory's ("AAL") flat-bed truck and delivered to AAL's facility in Sparks, Nevada. A sample submittal sheet was delivered to AAL personnel who organized and processed the sample intervals pursuant to the Company's instructions. Blackrock personnel inserted standards and blanks into the sample sequence.

The RC samples and QA/QC samples were crushed and pulverized, then the pulverized material was digested and analyzed for gold using fire assay fusion and an ICP finish on a 30-gram assay split. Silver was determined using five-acid digestion and ICP analysis. Data verification of the assay and analytical results are completed to ensure accurate and verifiable results. A prep blank, lab blank or a certified standard was inserted approximately every 20th sample.



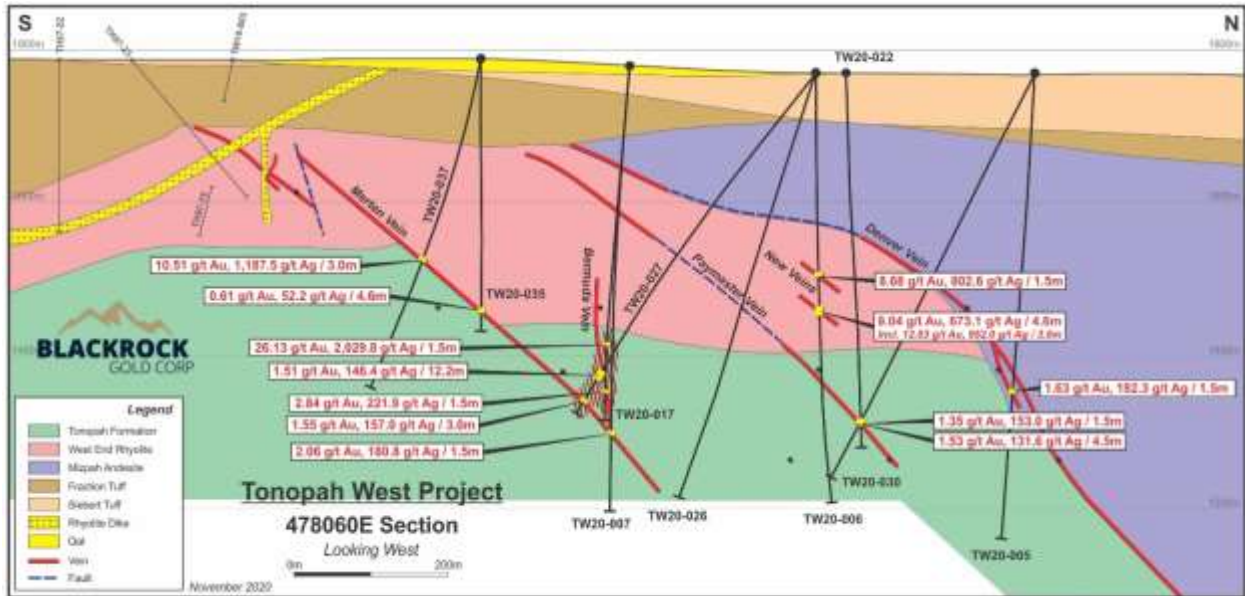
DPB Target

Drilling at the DPB target has been successful and will ramp up in 2021 to accommodate an in-fill drill program on the Denver, Paymaster, Bermuda and Merton veins. Drill pads on 100-metre centers have been completed, and drilling to explore the full potential of these four veins along strike is in progress.

Drilling at the DPB target delivered significant gold and silver results. TW20-027 returned 12.2 metres grading 297 g/t AgEq at the intersection of the Bermuda and Merton veins, and this intercept was followed by a 3 metre interval yielding 312 g/t AgEq. The Bermuda-Merton intersection appears to have a series of stringer veins around the main junction, thus bulking up the zone.

On the Merton vein, TW20-037 cut another significant interval with gold grades above 10.51 g/t gold and 1,187.5 g/t silver over 3 metres. This interval is up-dip from the 4,643 g/t AgEq interval reported in TW20-017.

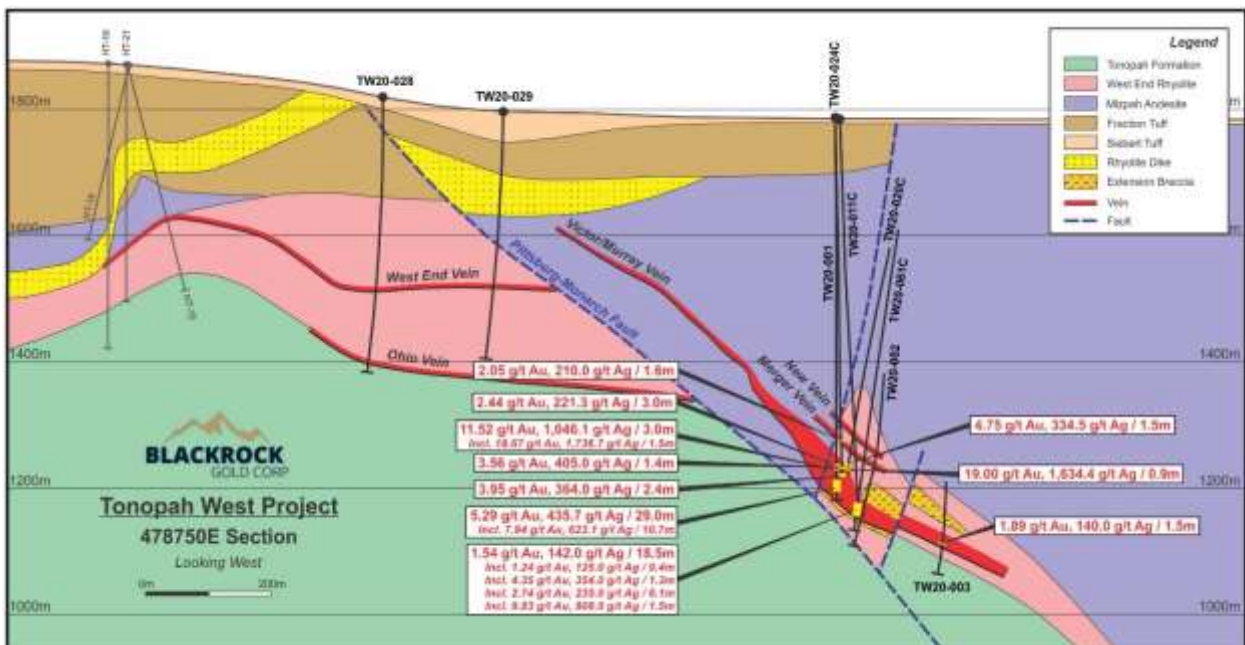
Over 300 metres of strike has been defined along the Paymaster veins while along the Merton vein, a total of 120 metres east-west and a dip length of 290 metres, has been confirmed. The Merton vein is open to the northwest and southeast, while the Bermuda vein is open to the east and west. Mineralization on both veins is open up and down-dip.



Victor Target

The core drill arrived on site on August 20, 2020, and drilled core tails from six RC pre-collared holes and follow up on TW20-001 within the Victor vein. TW20-001 reported multiple intercepts, including 29 metres of 965g/t AgEq, 3 metres of 2,198g/t AgEq, and 3 metres of 465g/t AgEq. The core tail program was designed to delineate approximately 300 metres of strike along the Victor vein target. To date a total of ten core holes have been drilled in the Victor target.

Work in the area shows the Victor vein has a potential strike length of over 480 metres from the eastern property boundary to the intersection with the Pittsburgh-Monarch fault. The offset portion of the Victor vein should be present on the western side of the fault. Drillholes have been planned to follow the potential strike length in these areas.



Drillhole ID	Target	Type	NAD27 East	NAD27 North	Elevation Metres	Azimuth	Dip	Total Depth metres
TW20-001	Victor	RC	478730.6	4214117.6	1795.8	0	-90	623.3
TW20-002	Victor	RC	478675.1	4214226.0	1801.6	150	-85	716.3
TW20-003	Victor	RC	478643.3	4214322.6	1800.7	150	-85	748.3
TW20-004	DPB	RC	478053.0	4214259.2	1771.6	180	-87	611.1
TW20-005	DPB	RC	477901.3	4214219.7	1767.4	175	-85	605.0
TW20-006	DPB	RC	478069.3	4213965.4	1778.2	0	-90	571.5
TW20-007	DPB	RC	478059.0	4213713.9	1777.2	180	-85	605.0
TW20-008	Coeur Discovery	RC	477899.5	4213256.4	1776.5	175	-80	519.7
TW20-009	Coeur Discovery	RC	477884.4	4213091.7	1780.1	0	-90	312.4
TW20-010	Coeur Discovery	RC	477744.4	4213195.2	1773.9	110	-70	355.1
TW20-011C	Victor	Core	478728.8	4214127.4	1795.7	305	-88	648.0
TW20-012C	Victor	Core	478600.3	4214248.9	1796.2	0	-90	691.6
TW20-013C	Victor	Core	478668.6	4214230.8	1801.5	220	-85	674.4
TW20-014	Step Out	RC	478668.6	4214230.8	1801.5	220	-85	457.2
TW20-015	Step Out	RC	477306.0	4214119.4	1754.8	180	-80	414.5
TW20-016	Step Out	RC	477282.0	4213956.1	1753.7	180	-70	391.7
TW20-017	DPB	RC	477548.9	4213699.9	1762.1	180	-70	472.4
TW20-018	DPB	RC	478059.9	4213713.6	1777.1	230	-80	516.6
TW20-019	DPB	RC	477960.9	4213733.4	1773.8	230	-75	563.9
TW20-020C	Victor	Core	478283.4	4214170.9	1779.2	220	-70	593.0
TW20-021C	Victor	Core	478641.8	4214323.9	1800.7	0	-90	741.6
TW20-022	DPB	RC	478000.3	4214006.2	1775.8	0	-90	509.0
TW20-023	DPB	RC	478215.5	4213914.5	1782.0	0	-90	525.8
TW20-024C	Victor	Core	478730.0	4214120.3	1795.7	0	-90	582.4
TW20-025	Ohio	RC	479033.2	4213127.2	1846.1	0	-90	410.0
TW20-026	DPB	RC	478070.6	4213963.9	1778.1	180	-70	609.6
TW20-027	DPB	RC	478070.7	4213962.4	1778.2	180	-50	563.9
TW20-028	Ohio	RC	478790.9	4213380.1	1814.0	0	-90	434.3
TW20-029	Ohio	RC	478789.8	4213576.3	1808.5	0	-90	457.2
TW20-030	DPB	RC	478053.1	4214257.0	1771.6	180	-65	609.6
TW20-031C	Victor	Core	478819.7	4214251.4	1798.8	180	-85	720.2
TW20-032	Ohio	RC	478865.5	4213820.3	1801.7	0	-90	361.2
TW20-033	DPB	Pre-Collar	478222.4	4214288.4	1782.8	0	-90	365.8
TW20-034	DPB	RC	477897.6	4214035.9	1772.5	0	-90	548.6
TW20-035	DPB	RC	477972.0	4213507.9	1779.5	0	-90	361.2
TW20-036	DPB	RC	477897.6	4214034.9	1772.6	180	-70	548.6
TW20-037	DPB	RC	477972.5	4213507.7	1779.6	180	-75	457.2
TW20-038	DPB	RC	477897.7	4214033.0	1772.5	180	-50	579.1
TW20-039	Step Out	RC	477554.5	4213554.5	1761.2	0	-90	396.2
TW20-040	DPB	RC	477902.2	4214215.0	1767.3	180	-70	609.6
TW20-041C	Victor	Core	478859.3	4214181.4	1803.1	0	-90	762.0
TW20-042	DPB	RC	477554.3	4213554.0	1761.2	0	-90	592.8

Drillhole ID	Target	Type	NAD27 East	NAD27 North	Elevation Metres	Azimuth	Dip	Total Depth metres
TW20-043	Step Out	RC	477862.4	4213810.6	1769.8	180	-70	457.2
TW20-044	DPB	RC	477862.5	4213809.4	1769.9	180	-70	548.6
TW20-045	DPB	RC	477862.4	4213808.0	1769.7	180	-50	579.1
TW20-046	Step Out	RC	477548.9	4213699.9	1762.1	0	-90	548.6
TW20-047	DPB	RC	478059.4	4213711.4	1777.2	180	-70	579.1
TW20-048	DPB	RC	478059.2	4213709.8	1777.1	180	-50	594.4
TW20-049	DPB	RC	478211.4	4213724.9	1781.7	0	-90	609.6
TW20-050	DPB	RC	478210.5	4213726.8	1781.7	180	-70	579.1
TW20-051C	Victor	Core	478820.8	4214251.9	1798.9	215	-76	104.4
TW20-052	DPB	RC	478211.2	4213722.5	1781.7	180	-50	556.3
TW20-061C	Victor	Core	478821.1	4214253.0	1798.8	215	-78	688.2
TW20-071C	Victor	Core	478720.0	4214250.0	1797.0	0	-90	359.0

Disclosure of Outstanding Share Data:

- Share capital authorized: Unlimited common shares
- Share capital issued as of October 31, 2020 106,719,549 common shares
- Share capital issued as of March 1, 2021 122,478,239 common shares
- Share purchase options outstanding, October 31, 2020 7,695,000 share purchase options
- Share purchase options outstanding, March 1, 2021 9,905,000 share purchase options
- Share purchase warrants outstanding, October 31, 2020 22,016,792 share purchase warrants
- Share purchase warrants outstanding, March 1, 2021 28,180,855 share purchase warrants
- Finders' share purchase warrants outstanding, October 31, 2020 1,456,069 share purchase options
- Finders' share purchase warrants outstanding, March 1, 2021 1,815,218 share purchase options
- Restricted share units outstanding, October 31, 2020 362,000 share purchase warrants
- Restricted share units outstanding, March 1, 2021 828,800 share purchase warrants

Subsequent Events

The following transactions occurred subsequent to the year-end:

- On January 18, 2021, the Company granted an aggregate 466,800 RSUs under its RSU plan to its directors, officers and employees. The RSUs awarded will vest as to one-third on each of the first, second and third anniversaries of the date of grant. The RSUs awarded are subject to any necessary regulatory approvals. See Note 8 of the consolidated financial statements.
- On February 19, 2021, the Company closed its previously announced financing on January 29, 2021, an upsized bought-deal public offering (the "Offering"), which includes full exercise of the over-allotment option. Under the Offering, a total of 14,375,000 units of the Company (the "Units") at a price of \$0.72 per Unit (the "Unit Price") were sold on a "bought deal" basis for gross proceeds of \$10,350,000. Each Unit is comprised of one common share in the capital of the Company (each a "Common Share") and one-half of one Common Share purchase warrant (each a "Warrant"). Each whole Warrant is exercisable into one Common Share at a price of \$1.10 at any time on or before the date that is 36 months after the closing date of the Offering, February 19, 2024. The Offering was led by Red Cloud Securities Inc. as lead underwriter and sole bookrunner on behalf of a syndicate of underwriters that included Canaccord Genuity

Corp., Mackie Research Capital Corporation and PI Financial Corp. (collectively, the “Underwriters”).

In connection with the Offering, the Underwriters received a total cash commission of \$586,878 and 419,402 non-transferable broker warrants, each entitling the Underwriters to purchase one Common Share of the Company at a price of \$0.72 until February 19, 2024. In addition, the Company also paid an approximately \$78,648 in legal fees, disbursements and out-of-pocket expenses for the Underwriters.

The proceeds of the Offering will be used to fund the exploration of the Company’s Tonopah West and Silver Cloud properties and for working capital and general corporate purposes.

- (iii) On February 25, 2021, the Company announced the grant of 2,510,000 share purchase options to directors, officers, employees and consultants. The share purchase options have an exercise price of \$0.91 per common share for a period of five years. In addition to granting share purchase options, the Company also announced that current independent director, Daniel Vickerman, is joining the Company as the Senior Vice President of Corporate Development.
- (iv) Subsequent to year-end, the following convertible securities have been exercised:
 - 300,000 share options have been exercised for total proceeds of \$35,000;
 - 1,023,437 warrants have been exercised for total proceeds of \$285,484; and
 - 60,253 finder warrants have been exercised for total proceeds of \$18,076.

Financial Instruments

Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

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

Cash is measured using Level 1 while the Company’s share compensation liability is measured using Level 2. The Company does not have any financial instruments that are measured using Level 3 inputs. During the year, there were no transfers between Level 1, Level 2 and Level 3 classified assets and liabilities.

Risks and Uncertainties

The Company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in similar businesses. The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. There is no certainty that properties that the Company has described as assets on its consolidated statement of financial position will be realized at the amounts recorded.

The only sources of future funds for further exploration programs or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company, are borrowing, the sale of equity capital or the

offering of the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Although the Company was successful in accessing the equity market during the past year, there is no certainty or assurance that such sources of financing will be available on acceptable terms, if at all.

Other risks include:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with two major banks in Canada and one in the US. As most of the Company's cash is held by three banks, there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining a sufficient cash balance. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at October 31, 2020, the Company had cash of \$6,589,531 to settle current liabilities of \$1,494,822. The Company is not subject to significant liquidity risk.

No dividends have been paid to date. Payment of any future dividends, if any, will be at the discretion of the Company's Board.

The Company will need additional funding to complete its short- and long-term objectives. The ability of the Company to raise such financing in the future will depend on the prevailing market conditions, as well as the business performance of the Company. Current global financial conditions have been subject to increased volatility as a result of which access to public financing has been negatively impacted. There can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company.

The market price of the Company's shares at any given point in time may not accurately reflect the long-term value. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities, to develop new projects or to otherwise respond to competitive pressures.

Foreign currency risk

The Company's functional currency is the Canadian dollar; however, there are expenses, assets and liabilities in US dollars. The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility in these rates. As at October 31, 2020, the Company had cash balances of US\$2,267,749 (2019 - US\$457,992), loans payable of \$Nil (2019 - US\$26,617) and accounts payable and accrued liabilities of US\$937,051 (2019 - US\$247,365). The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

Personnel risk

The Company is dependent upon the services of key executives, including the CEO. Also, certain of the directors and officers of the Company also serve as directors and/or officers of other companies and, consequently, there exists the possibility for such directors and officers to be in a position of conflict.

Management's Report on Internal Controls

Disclosure controls and procedures ("DC&P") have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated on a timely basis. Management of the Company, under the supervision of the President and Chief Executive Officer and the Chief Financial Officer, is responsible for the design and operations of DC&P. There have been no changes in the Company's DC&P during the year ended October 31, 2020.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external purposes in accordance with applicable IFRS. However, due to inherent limitations, ICFR may not prevent or detect all misstatements and fraud. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. There have been no changes in the Company's internal control over financial reporting during the year ended October 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

The Company's controls are based on the COSO ("Committee of Sponsoring Organizations of the Treadway Commission") framework. COSO is a joint initiative of the American Accounting Association, the American Institute of Certified Public Accountants, Financial Executives International, the Association of Accountants and Financial Professionals in Business, and the Institute of Internal Auditors dedicated to providing thought leadership through the development of frameworks and guidance on enterprise risk management, internal control and fraud deterrence.

Corporate Governance Practices

The disclosure required pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* was made by the Company in its Management Information Circular, which was mailed to shareholders and is accessible via the internet for public viewing on SEDAR at www.sedar.com.

Critical Accounting Estimates

Critical accounting estimates are used in the preparation of the consolidated financial statements. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. The Company's recorded value of the Company's mineral properties is, in all cases, based on historical costs that are to be recovered in the future. The Company's recoverability evaluation is based on market conditions of minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale or by joint venture. The Company is in an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity price risk, operating risk, regulatory risk, ownership and political risk, funding and currency risk, as well as environmental risk and risks arising out of the traditional territories of First Nations. The Company's consolidated financial statements have been prepared with these risks in mind. All of the assumptions set out herein are potentially subject to significant change and out of the Company's control. These changes are not determinable at this time.

Additional Information

Updated additional information relating to the Company is available at the SEDAR website: www.sedar.com. Shareholders should go to Blackrock Gold Corp.'s company profile for updated information. Shareholders are encouraged to register their shares with the Company. Shareholders who register their shares in their name will be entitled to receive up-to-date news releases as and when they are released.