

BLACKROCK GOLD CORP. (Formerly Almo Capital Corp.)
Management Discussion and Analysis
For the Three Months Ended January 31, 2017

Reported on April 3, 2017

General

The following discussion on performance, financial condition, and prospects should be read in conjunction with the condensed interim financial statements and notes thereto for the three months ended January 31, 2017. The Company's financial statements are prepared in accordance with International Financial Reporting Standards. The Company's reporting currency is Canadian dollars, unless otherwise indicated. The date of the Management Discussion and Analysis is April 3, 2017.

Additional information on the Company is available on SEDAR at www.sedar.com

Description of Business

Blackrock Gold Corp. (Formerly Almo Capital Corp.) (herein "the Company") was incorporated under the Companies Act of the Province of British Columbia on April 16, 1999. Pursuant to CDN (TSX Venture Exchange) Policy Number 2.4 the Company was established as a Capital Pool Company and the shares started trading on the CDN under the symbol APT on July 20, 2000. For its qualifying transaction, the Company acquired Property #1, D.D. Mineral Property containing nickel, cobalt, copper, platinum, palladium and gold in the Cariboo Mining Division on December 16, 2003, and completed its requirements on April 30, 2006 by spending at least \$240,582 on exploration of the D.D. Mineral Property. The Company continues to own the D.D. Mineral Property in the Cariboo Mining Division. The Company is engaged in the acquisition, exploration and development of mineral properties in British Columbia, and in all, the Company owns or partly owns three mineral properties. The other properties are in the New Westminster Mining Division of British Columbia, and the Kamloops Mining Division of British Columbia.

Effective July 27, 2016, the Company changed its name from Almo Capital Corp. to Blackrock Gold Corp. The Company's shares began trading on the TSX Venture Exchange ("TSX-V") under the symbol "BRC.V" on July 27, 2016.

Selected Annual Information

	October 31, 2016	October 31, 2015	October 31, 2014
Net Sales or Revenue	-	-	-
General and administrative expenses	366,760	54,336	86,188
Other items	234,097	301,571	(5)
Net Loss	600,857	355,907	86,183
Net loss per share basic and fully diluted	0.08	0.07	0.02
Total assets	1,318,587	996,660	\$ 1,300,204

The above data has been prepared in accordance with International Financial Reporting Standards.

Summary of Quarterly Results

	Jan 2017	Oct 2016	July 2016	Apr 2016	Jan 2016	Oct 2015	July 2015	Apr 2015	Jan 2015
General and administrative expenses	250,778	218,148	129,958	12,821	5,833	11,669	9,185	21,649	11,833
Other items	34,591	234,097	-	-	-	(301,571)	-	-	-
Income (loss)	(285,369)	(452,245)	(129,958)	(12,821)	(5,833)	(313,240)	(9,185)	(21,649)	(11,833)
Net Profit (loss) / share	(0.06)	(0.06)	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total Assets	1,318,587	1,318,587	1,196,570	994,399	996,537	996,660	1,300,731	1,307,795	1,300,110

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

General and Administrative Expenses

Accounting and audit	\$ -	\$ 1,100
Bank charges and interest	506	80
Consulting fees (Note 5)	25,160	-
Depreciation	-	60
Foreign exchange gain	7,982	-
Management fees (Note 5)	17,500	-
Interest expense	363	-
Marketing and communications	111,662	-
Legal fees	16,656	3,632
Office expense	5,384	453
Regulatory and filing fees	18,087	508
Rent	2,700	-
Share-based compensation	28,730	-
Travel	30	-
Wages	16,018	-

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.

The Company was significantly more active in the three months ended January 31, 2017 as compared with the same period in 2016 and as a result, expenses across the board have increased from the prior period. Of note, the following expenses increased significantly from the prior period:

Management fees – Management fees increased from \$Nil in 2016 to \$17,500 in 2017. The increase was due to the Company hiring a full-time CEO and a part-time CFO during Q2 2016.

Marketing and communications – As the Company became more active in the latter half of 2016 and into 2017, the Company increased its marketing and communication efforts in order to increase its exposure. The Company expended \$111,662 during the period as compared with \$Nil in the same period in 2016.

Regulatory fees – With increased activity and the issuance of share options in 2017, the Company incurred \$18,087 in regulatory and filing fees in the period as compared with \$508 during the same period in 2016

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 January 31, 2017, the Company owed \$42,852 (October 31, 2016 - \$13,709) to related parties. Of this amount, \$10,500 (October 31, 2016 - \$5,250) is payable to a Company controlled by the former President and CEO of the Company for management services; \$7,875 (October 31, 2016 - \$Nil) is payable to a Company controlled by the CFO; and \$1,750 (2015 - \$Nil) is payable to a director of the Company for administrative services. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

During the three months ended January 31, 2017, the Company incurred consulting fees totalling \$10,000 (Three months ended January 31, 2016 - \$Nil) to a company controlled by an insider and control person of the Company. This individual was an insider and control person from March 2, 2016 to September 30, 2016. Pursuant to a consulting agreement dated August 1, 2016, the Company will pay consulting fees of \$5,000 per month for a period of one year for services supporting the CEO of the Company in relation to business development, seeking new projects and financing. This agreement was cancelled by the Company during the three months ended January 31, 2017.

On November 30, 2016, a director of the Company agreed to loan the Company up to \$25,000 for a period of one year with an interest rate of 10%. The Company received total funds of \$24,114. Interest accrued during the three months ended January 31, 2017 was \$363, resulting in a total amount owing of \$24,477 as of January 31, 2017.

Key Management Compensation

During the three months ended January 31, 2017, the Company incurred management fees totalling \$17,500 (Three months ended January 31, 2016 - \$Nil). Of this amount, \$10,000 was charged by a company controlled by the President and CEO of the Company and \$7,500 was charged by a company controlled by the CFO of the Company. These amounts are incurred on a month-by-month basis.

During the three months ended January 31, 2017, \$28,730 (Three months ended January 31, 2016 - \$Nil) in share-based compensation was in respect of officers and directors of the Company.

LOAN PAYABLE

The loans are payable to two private companies controlled by the former President and CEO of the Company who resigned in April 2016. Pursuant to loan amendment agreements in 2013, the maturity dates were extended from August 31, 2013 to August 31, 2018 and interest on the loans was waived effective November 1, 2011. The amount payable consists of the following:

	January 31, 2017	October 31, 2016
Principal	\$ 784,878	\$ 784,878
Accrued interest	96,794	96,794
Total	\$ 881,672	\$ 881,672

In February 2017, the Company settled these loans for an aggregate payment of \$30,000. See Note 8(i)

Liquidity and Capital Resources

On January 31, 2017, the Company had a working capital deficiency of \$830,020 (October 31, 2016 – working capital deficiency of \$622,008), which is the total current assets minus the current liabilities to the Company. However, future operations, acquisitions and exploration will require additional capital, which the Company anticipates, could come from private placements and public offerings of the Company's shares.

	January 31, 2017	October 31, 2016
Working capital (deficiency)	\$ (830,020)	\$ (622,008)
Deficit	\$ 2,344,333	\$ 2,058,964

Future Accounting Pronouncements

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not yet early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. Those that may be applicable to the Company are as follows:

IFRS 9 Financial Instruments

IFRS 9 reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted.

IFRS 16 Leases

IFRS 16 The new standard will replace IAS 17 Leases and eliminates the classification of leases as either operating or finance leases by the lessee. The treatment of leases by the lessee will require capitalization of all leases resulting in an accounting treatment similar to finance leases under IAS 17 Leases. Exemptions for leases of very low value or short- term leases will be applicable. The new standard will result in an increase in lease assets and liabilities for the lessee.

Under the new standard, the treatment of all lease expense is aligned in the statement of earnings with depreciation, and an interest component recognized for each lease, in line with finance lease accounting under 17 Leases. IFRS 16 will be applied prospectively for annual periods beginning on January 1, 2019.

Mineral Property Expenditures

The Company incurred \$34,591 during the three months ended January 31, 2017 for exploration expenditures. The full amount was expensed as write-off of exploration and evaluation.

Mining Properties Owned by Blackrock Gold Corp.

Portero Gold-Silver Project

On October 24, 2016, the Company signed a letter of intent to earn up to 80% interest in the Portrero Gold-Silver Project 235 kilometres north-west of Durango, Mexico. The terms of the earn-in agreement involved Blackrock paying the owner of the Portrero project, Grupo Jomargo ("Jomargo"), a total of US\$875,000 and investing a minimum of US\$2M over 2 years to earn an initial 55% interest. The payment schedule is as follows; US\$25,000 (paid) upon signing of the Letter of Intent, US\$100,000 upon completion of the due diligence and signing of a definitive agreement, \$US100,000 after 12 months, and US\$650,000 after 24 months; 50% of the future payments may paid in shares of Blackrock, at the option of the Company.

During the three months ended January 31, 2017, the Company decided to withdraw from the agreement due to lower than expected gold and silver values in the rock samples. During the three months ended January 31, 2017, the Company wrote off 34,591. During the year ended December 31, 2016, the Company wrote off \$54,283.

Medicine Springs Property

On June 16, 2016, the Company entered into an option and joint venture agreement (the "Agreement") with privately-held Golden Tiger Minerals Inc. ("Golden Tiger"). The Company has been granted an option to acquire up to an 80% undivided interest in Golden Tiger's leasehold rights to the Medicine Springs property in Elko County, Nevada.

The Company has the option to acquire a minimum 50% undivided interest and a maximum 80% undivided interest in the Leasehold Rights subject to a 3% net smelter royalty in favour of Messrs. Duerr and Sutherland and a 0.5% net smelter royalty in favour of Nevada Eagle Resources, LLC, a subsidiary of Newmont Mining Corporation

To acquire the minimum interest the Company has to (a) pay US\$150,000 to Golden Tiger, US\$50,000 of which was paid upon execution of the Agreement and US\$50,000 which is due on or before the first and second anniversaries of the Agreement; (b) issue 600,000 shares to Golden Tiger, 200,000 shares to be issued within 5 days of the date of Exchange approval (Refer to Note 4 (v)) and a further 200,000 shares

on or before the first and second anniversary of the Agreement; and (c) make expenditures of US\$600,000 on the Medicine Springs Property, US\$100,000 of which is to be incurred on or before the first anniversary of the Agreement and US\$500,000 on or before the second anniversary of the Agreement.

To acquire the maximum interest, the Company has to have earned the minimum interest and the Company has to (a) pay an additional US\$150,000 to Golden Tiger, US\$50,000 of which is due on or before the third, fourth and fifth anniversaries of the Agreement; (b) issue an additional 400,000 shares to Golden Tiger, 200,000 shares to be issued on or before the third and fourth anniversary of the Agreement; and (c) make expenditures of an additional US\$1,650,000 on the Medicine Springs Property, US\$500,000 of which is to be incurred on or before the third and fourth anniversary of the Agreement and US\$650,000 on or before the fifth anniversary of the Agreement.

The cash payments, issuance of shares and payment of expenditures is at the Company's sole discretion.

Pursuant to the Agreement, the Company is also required to pay US\$25,000 to the Bureau of Land Management on or before August 16th of each commencing August 16, 2016 to August 16, 2020. As operator of all work programs on the property, the Company is entitled to charge a management fee equal to 15% of expenditures administered by it.

A joint venture will be deemed to be formed between Golden Tiger and the Company upon the earliest of receipt by Golden Tiger of the minimum interest notice, the date the Company acquires the maximum interest and the fifth anniversary of the Agreement.

During the three months ended January 31, 2017, the owners of the Medicine Springs property terminated the lease agreement with Golden Tiger. As such, the Company has written off all costs (\$179,001) related to this project as of October 31, 2016.

DD Property

By an agreement dated July 29, 2015, the Company acquired the remaining 49.99% interest in the DD property claims. Pursuant to this agreement, the pre-existing 3% NSR royalty has been terminated.

By an agreement dated April 30, 2003 (amended August 25, 2003 and September 5, 2003) the Company acquired a 50.01% interest (subject to a 3% Net Smelter Returns ("NSR") royalty) in 17 mineral claims located in the Cariboo Mining Division, for consideration of:

- \$1.01 cash on approval of the agreement by the TSX Venture Exchange (paid); and
- Incurring exploration expenditures totaling \$200,000 on or before April 30, 2006 (incurred)

For the year ended October 31, 2013, four claims were allowed to lapse, resulting in the write-off of \$121,000 in exploration and evaluation expenditure costs. During 2015, two claims were allowed to lapse and subsequent to year end, five claims were allowed to lapse resulting in the write-off of \$130,800 in exploration and evaluation expenditure costs.

Moore Property

By an agreement dated September 10, 2004, the Company had an option to acquire a 100% interest in 34 mineral claims located in the Kamloops Mining Division. In order to earn its 100% interest in this property, the Company was required to pay \$5,000 and incur \$50,000 in exploration expenditures over four years from the agreement date (incurred). In 2007, the Company satisfied all conditions of the option agreement and currently has a 100% interest in this property.

Nickel Cobalt Property

By an agreement dated July 29, 2015, the Company acquired the remaining 48% interest in the Nickel Cobalt Property. Pursuant to this agreement, the pre-existing 3% NSR royalty has been terminated.

During 2015, management made a decision to focus on the Company's core properties resulting in the write-off of \$170,771 in exploration and evaluation expenditure costs.

It is the general policy of the Company to make it possible for shareholders to obtain information regarding the company at the www.sedar.com on a timely basis.

Events Subsequent to the Reporting Period

- i. On February 2, 2017, the Company settled the outstanding debt of approximately \$882,000 owed to Silcum Resources Limited and Precious Metals Corporation. The creditors have forgiven the outstanding debt in consideration of an aggregate payment of \$30,000 from the Company. Silcum Resources Limited forgave outstanding debt in the amount of approximately \$285,000 upon receipt of \$10,000. Precious Metals Corporation forgave debt in the amount of approximately \$597,000 upon receipt of \$20,000.
- ii. On February 5, 2017, the owners of the Medicine Springs property sent a termination notice to Golden Tiger terminating the lease agreement pursuant to which Golden Tiger held the leasehold rights to explore and operate on certain mineral property claims because certain default events had not been resolved. As a result of this termination, the Agreement between the Company and Golden Tiger is no longer valid.
- iii. On February 17, 2017, the Company closed a financing totalling \$408,875 by issuing 5,451,666 units (the "Units") at a price of \$0.075 per Unit. Each Unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to acquire one additional share in the capital of the Company at a price of \$0.15 until February 17, 2019. If during the exercise period of the warrants, but after the resale restrictions on the shares have expired, the Company's shares trade at or above a weighted average trading price of \$0.30 per share for 15 consecutive trading days, the Company may accelerate the expiry time of the warrants by giving written notice to warrant holders that the warrants will expire 30 days from the date of providing such notice. Finder's fees of 7% (\$6,475) on certain of the proceeds were paid to Canaccord Genuity Corp.
- iv. On February 20, 2017, the Company entered into a debt settlement agreement with certain creditors to issue up to 626,933 shares of the Company at a deemed price of \$0.075 to settle liabilities of approximately \$47,000. However, on March 23, 2017, Exchange approval was provided for 522,444 common shares at a settlement price of \$0.09 per common share.

Disclosure of outstanding share data:

• Share capital authorized:	Unlimited common shares
• Share capital issued as of January 31, 2017	16,468,408 common shares
• Share capital issued as of April 3, 2017	22,442,518 common shares
• Share purchase options outstanding, January 31, 2017	1,470,000 share purchase options
• Share purchase options outstanding, April 3, 2017	1,470,000 share purchase options
• Share purchase warrants outstanding, January 31, 2017	16,363,664 share purchase warrants
• Share purchase warrants outstanding, April 3, 2017	16,363,664 share purchase warrants

Risk 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 which the Company has described as assets on its balance sheet 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 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 very 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. Management at this time has no reason to expect that this capability will diminish in the near future.

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the 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, ownership and political risk, funding and currency risk as well as environmental risk and risks arising out of the traditional territories of Native Indian Bands. The Company's 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.

This report includes certain "forward looking statements" with respect to its anticipated future results and activities. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward-looking statements that involve various risks. Actual results could differ materially from those projected as a result of the following factors, among others: risks inherent in mineral exploration; risks associated with development, construction and mining operations; the uncertainty of future profitability and uncertainty of access to additional capital. 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.