

BLACKROCK GOLD CORP. (Formerly Almo Capital Corp.)
Management Discussion and Analysis
For the Nine Months Ended July 31, 2018

Reported on September 27, 2018

General

The following discussion on performance, financial condition, and prospects should be read in conjunction with the audited financial statements and notes thereto for the year ended October 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 September 27, 2018.

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 CDNX (TSX Venture Exchange) Policy Number 2.4 the Company was established as a Capital Pool Company and the shares started trading on the CDNX 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 is engaged in the acquisition, exploration and development of mineral properties in North America. The Company owns 100% the Moore Property Located in the Kamloops Mining Division of British Columbia. The company recently entered into a Leases agreement on Silver Cloud project situated in Elko, 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 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. The arrangements with respect to the Lease are subject to prior approval by the TSX Venture Exchange (the "Exchange"). The Company received final Exchange approval subsequent to period end.

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, 2017	October 31, 2016	October 31, 2015
Net Sales or Revenue	-	-	-
General and administrative expenses	647,437	366,760	54,336
Other items	170,960	234,097	301,571
Net Loss	818,397	600,857	355,907
Net loss per share basic and fully diluted	0.04	0.08	0.07
Total assets	187,120	1,318,587	996,660

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

Summary of Quarterly Results

	Jul 2018	Apr 2018	Jan 2018	Oct 2017	Jul 2017	Apr 2017	Jan 2017	Oct 2016	July 2016
General and administrative expenses	536,072	213,099	82,350	179,692	97,314	119,653	250,778	218,148	129,958
Other expenses (income)	-	-	-	993,041	-	(856,672)	34,591	234,097	-
Net income (loss)	(536,072)	(213,099)	(82,350)	(1,172,733)	(97,314)	737,019	(285,369)	(452,245)	(129,958)
Net Profit (loss) / share	(0.01)	(0.01)	(0.00)	(0.06)	(0.00)	0.04	(0.02)	(0.06)	(0.02)
Total Assets	903,819	1,255,942	203,317	187,120	1,284,422	1,399,541	1,256,662	1,318,587	1,196,570

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

General and Administrative Expenses

	Three months ended July 31,	
	2018	2017
Operating expenses		
Accounting and audit	\$ 2,238	\$ -
Bank charges and interest	897	65
Consulting fees	100,369	8,437
Foreign exchange	3,784	27,303
Insurance	8,167	583
Interest expense	2,043	608
Management fees	56,103	22,500
Marketing and communications	44,254	1,819
Legal fees	34,120	19,567
Office expenses	1,991	1,589
Regulatory and filing fees	5,735	(1,152)
Rent	3,794	-
Share-based compensation	216,220	-
Travel	22,871	393
Wages	33,486	15,602
Loss from operations	536,072	97,314

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 during the nine months ended July 31, 2018 as compared with the same period last year. As a result, expenses across the board have decreased compared with the same period last year. Of note, the following expenses increased significantly from the prior year:

Management fees – Management fees increased from \$65,000 in 2017 to \$120,395 in 2018. The increase was due to the new Company CEO and CFO.

Marketing and communications – The Company focused its efforts on financing and promoting the Silver Cloud deal. As such, marketing and communications expenditures increase from \$1,819 to \$44,254 during the nine months ended July 31, 2018 as compared with the same period last year.

Consulting fees – Consulting fees increased to \$100,369 from \$8,437 due to the company hiring new consultants for business development.

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 July 31, 2018, the Company owed \$86,018 (October 31, 2017 - \$95,923) to related parties as follows:

- (i) \$43,387 (October 31, 2017 - \$26,281) to a director of the Company for a loan. On November 14, 2017, the director entered into loan for a total of \$41,057 for a period of one year at a rate of 8% per annum.
- (ii) \$42,631 (October 31, 2017 - \$40,308) to a director of the Company for a loan for the period of one year at a rate of 8% per annum.

During the Nine months ended July 31, 2018, the Company consulting fees totaling \$nil (Nine months ended July 31, 2017 - \$10,000) to a former insider and control person of the Company. The Company also incurred interest expense of \$5,848 (Nine months ended July 31, 2017 - \$363) to directors of the Company on the above-mentioned loans.

Key Management Compensation

During the nine months ended July 31, 2018, the Company incurred management fees totalling \$120,395 (Nine months ended July 31, 2017 - \$65,000). Of this amount, \$61,301 (Nine months ended July 31, 2017 - \$42,500) was charged by a company controlled by the President and CEO of the Company and \$43,749 (Nine months ended July 31, 2017 - \$22,500) was charged by a company controlled by the CFO of the Company. These amounts are incurred on a month-by-month basis.

During the nine months ended July 31, 2018, \$230,640 (Nine months ended July 31, 2017 - \$28,730) in share-based compensation was in respect of officers and directors of the Company.

Loans Payable

On November 27, 2017, the Company entered into a loan agreement with an arms-length party for \$19,982 due in one year accruing interest at a rate of 8% per annum.

In 2013, the Company entered into loan agreements with 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. In February 2017, the Company settled these loans for an aggregate payment of \$30,000. The Company realized an \$851,672 gain on settlement of the loans.

	July 31, 2018		October 31, 2017	
Principal	\$	19,982	\$	789,878
Accrued interest		1,077		96,794
Repayment of loan		-		(30,000)
Gain on debt settlement		-		(856,672)
Total	\$	21,059	\$	-

Liquidity and Capital Resources

Working capital on July 31, 2018 was \$298,669 (October 31, 2017 – \$34,836), 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.

	July 31, 2018	October 31, 2017
Working capital (deficiency)	\$ 298,669	\$ 34,836
Deficit	\$ 3,708,882	\$ 2,877,361

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. The Company continues to evaluate the impact of IFRS 9; however, based on the evaluation performed to date, the Company does not anticipate the standard to have a material impact on the consolidated financial statements upon adoption.

Silver Cloud Project

On October 27, 2017 the Company entered into a lease agreement (the “Lease”) with Pescio Exploration LLC (the “Lessor”) with respect to 552 unpatented lode mining claims situated in Elko, 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 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.

To acquire and maintain the Lease in good standing, Blackrock will be required to:

- (a) reimburse the Lessor approximately US\$92,000 for the 2017 Bureau of Land Management fee upon exchange approval;
- (b) within 5 days of Exchange approval, pay US\$50,000 and issue 500,000 common shares of Blackrock to the Lessor at a deemed price of \$0.06 per share;
- (c) on December 20, 2017, pay an additional US\$50,000 and issue to the Lessor an additional 500,000 common shares of Blackrock;
- (d) 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) make additional payment amounts totalling US\$3,650,000 over the following 8 years; and
- (f) drilling an additional 90,000 feet from years four to nine.

Blackrock will also pay a royalty of 3.5% of the gross value of production (the “Gross Royalty”) on the sale of minerals from the Property. All annual payments made by Blackrock and described above will be credited cumulatively against Blackrock’s commitments pursuant to the Gross Royalty. Furthermore, Blackrock has an option to buy down the Gross Royalty by 1.5% to 2.0% by payment to the Lessor of US\$3,000,000 at its sole discretion and at any time on or before October 28, 2022

Disclosure of outstanding share data:

• Share capital authorized:	Unlimited common shares
• Share capital issued as of July 31, 2018	36,992,518 common shares
• Share capital issued as of September 27, 2018	36,992,518 common shares
• Share purchase options outstanding, July 31, 2018	2,750,000 share purchase options
• Share purchase options outstanding, September 27, 2018	2,750,000 share purchase options
• Share purchase warrants outstanding, July 31, 2018	19,879,651 share purchase warrants
• Share purchase warrants outstanding, September 27, 2018	16,746,319 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.