

BLACKROCK GOLD CORP. (Formerly Almo Capital Corp.)
Interim report for the Quarter Ended July 31, 2016

Reported on September 29, 2016
Management Discussion and Analysis

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, 2015. The Company's financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles. The Company's reporting currency is Canadian dollars, unless otherwise indicated. The date of the Management Discussion and Analysis is September 29, 2016.

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 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 Nevada, and in all, the Company owns or partly owns, or has rights to, four mineral properties. On June 16, 2016, the Company entered into an option agreement to acquire up to an 80% interest in the silver-lead-zinc Medicine Springs property in Elko County, Nevada.

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.

Subsequent to July 31, 2016, the Company issued share options to its officers, directors and consultants and completed a financing. Please refer to the subsequent events section later in the management discussion and analysis for complete details.

Selected Annual Information

| | October 31, 2015 | October 31, 2014 | October 31, 2013 |
|--|------------------|------------------|------------------|
| Net Sales or Revenue | - | - | - |
| General and admin. expenses | 54,336 | 86,188 | 124,057 |
| Other items | 301,571 | (5) | 64,370 |
| Net Loss | 355,907 | 86,183 | 188,427 |
| Net loss per share basic and fully diluted | 0.07 | 0.02 | 0.04 |
| Total assets | 996,660 | \$ 1,300,204 | 1,307,241 |

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

Summary of Quarterly Results

| | July 2016 | Apr 2016 | Jan 2016 | Oct 2015 | July 2015 | Apr 2015 | Jan 2015 | Oct 2014 | July 2014 |
|---------------------------|-----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| General / Admin Expense | 129,958 | 12,821 | 5,833 | 11,669 | 9,185 | 21,649 | 11,833 | 63,837 | (2,826) |
| Other items | | | | (301,571) | | | | | |
| Income (loss) | (129,958) | (12,821) | (5,833) | (313,240) | (9,185) | (21,649) | (11,833) | (63,837) | 2,827 |
| Net Profit (loss) / share | (0.02) | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) | (0.04) | (0.00) |
| Total Assets | 1,196,570 | 994,399 | 996,537 | 996,660 | 1,300,731 | 1,307,795 | 1,300,110 | 1,300,204 | 1,325,414 |

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

General and Administrative Expenses

| | Notes | Three Months Ended | | Nine Months Ended | |
|---------------------------------------|-------|--------------------|-----------------|-------------------|------------------|
| | | July 31, 2016 | 2015 | July 31, 2016 | 2015 |
| Operating expenses | | | | | |
| Accounting and audit | | 1,250 | 550 | 2,900 | 1,100 |
| Administrative services | 5 | 10,500 | - | 13,950 | - |
| Amortization | | 55 | 68 | 171 | 253 |
| Consulting fees | | 4,285 | - | 4,285 | - |
| Management fees (Note 5) | | 24,500 | - | 24,500 | - |
| Investor relations and communications | | 11,440 | - | 11,440 | - |
| Office expense | | 5,801 | 1,698 | 6,780 | 4,946 |
| Legal fees | | 26,760 | - | 30,392 | 3,625 |
| Regulatory and filing fees | | 14,822 | 1,076 | 23,649 | 12,112 |
| Salaries and wages | | 9,438 | 5,793 | 9,438 | 21,268 |
| Travel | | 21,107 | - | 21,107 | - |
| Net and Comprehensive Loss | | \$ 129,958 | \$ 9,185 | \$ 148,612 | \$ 43,304 |

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.

Related Party Transactions

As at July 31, 2016, the Company owes its former President \$ 1,709 (October 31, 2015, \$ 2,155) for cash advances, and miscellaneous administrative expenditures paid on behalf of the Company. This amount is unsecured, non-interest bearing and due on demand.

The Company incurred administrative fees totalling \$7,050 and \$10,500 for the three and nine months ended July 31, 2016 (Three and nine months ended July 31, 2015 - \$Nil and \$Nil) of which \$1,750 remains payable as at July 31, 2016, 2016 (October 31, 2015 - \$Nil).

At July 31, 2016, \$4,725 (October 31, 2015 - \$3,137) is due to a company controlled by the CFO related to management fees.

Key Management Compensation

During the three and nine months ended July 31, 2016 and 2015 the Company incurred management fees of \$24,000 (Three and nine months ended July 31, 2015 - \$Nil)

The transactions have occurred in the normal course of operations and, in management's opinion, have been undertaken under the same terms and conditions as transactions with unrelated parties.

Proposed Transactions

Management plans to continue to pursue equity and debt financing to support operations. Management believes this plan will be sufficient to meet the Company's liabilities and commitments as they become payable over the next twelve months. However, there can be no assurance that management's plan will be successful. During fiscal 2016, shareholders holding 4.4 million shares (approximately 82%) of the issued and outstanding common shares of the Company executed a share purchase and sale agreement whereby 2.2 million (Approximately 41%) of these common shares were purchased by an individual and a private company owned by him.

These conditions indicate the existence of material uncertainties that cast significant doubt that the Company will be able to continue on a going concern basis. Failure to maintain the support of creditors and obtain additional external equity financing will cause the Company to curtail operations and the Company's ability to continue as a going concern will be impaired. The outcome of these matters cannot be predicted at this time.

Liquidity and Capital Resources

Working capital on July 31, 2016 was \$72,178 (October 31, 2015 – working capital deficiency of \$8,020), 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, 2016 | October 31, 2015 |
|------------------------------|---------------|------------------|
| Working capital (deficiency) | \$ 72,178 | (\$ 8,020) |
| Accumulated deficit | \$ 1,606,719 | \$1,458,107 |

Future Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2016. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact:

- IFRS 9: New standard that replaces IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018
- IFRS 16: New standard that replaces IAS 17 with a new approach to lease accounting that requires a lessee to recognize assets and liabilities for the rights and obligations created by leases, effective for annual periods beginning on or after January 1, 2019

Mineral Property Expenditures

The Company incurred no exploration expenditures during the three and nine months ended July 31, 2016. The Company incurred a total of \$84,082 to acquire new mineral property interests and renew claims on its D.D. Property.

On June 16, 2016, the Company entered into an option agreement to acquire up to an 80% interest in the Medicine Springs property in Elko County, Nevada. Refer to the section below for complete details on the option agreement.

Mining Properties Owned by Blackrock Gold Corp.

Property 1: The D.D. Mineral Property

The D.D. Mineral Property is located in the Cariboo Mining Division in British Columbia. As of October 31, 2015, Blackrock Gold Corp. has spent \$244,670. At October 31, 2015, the Company wrote off \$130,801 of these costs, resulting in a remaining carrying value of \$113,870. This includes the diamond drilling of five holes in Target area “I”. This completes the option agreement to earn 50.01% of the D.D. Mineral Property from a private company, and completes the terms of the qualifying transaction. The Company has already spent a total of \$113,870 to January 31, 2016

On September 22, 2015, the Company announced that it had entered into an agreement to acquire the remaining interest in its DD Property and the Nickel-Cobalt Property for nominal consideration. Pursuant to an agreement amongst the Company, Precious Metals Corp. (“**PMC**”) and Silcum Resources Ltd. (“**SRL**”), the Company acquired PMC’s 49.99% interest in the DD Property.

PMC and SRL have further agreed to terminate any royalty agreements held by any persons relating to the DD Property and the Nickel-Cobalt Property, including the pre-existing 3% net smelter return royalties detailed in the Company's public disclosure record. For the acquisition of the respective interests and the termination of the royalty agreements relating to the properties, the Company has agreed to pay the nominal consideration of \$10.00 to PMC and SRL. Ram Vallabh, the former President, director and control person of the Company, is also the President, director and a control person of PMC and SRL.

The D.D. Mineral Property consists of nickel, copper, cobalt, platinum, palladium and rhodium mineralization in an elongate belt of ultramafic intrusions more than four kilometers long and in the additional option for six kilometers. Blackrock Gold Corp. conducted 238 meters of trenching across mineralization in Target Areas "I", "II", "III" and "VII" and collected 238 one meter chip samples. These anomalous areas have never been drilled, but samples show the presence of economic minerals. Similarly, in the north - south direction, there are at least three anomalous target areas. This can be seen on the map of the airborne survey total magnetic values, page 13 in the Summary Report on the D.D. Platinum Palladium Base and Precious Metal Mineral Property, of March 19, 2003.

The Company drilled 629 meters of NQ core in five diamond drill holes, in Target Area "I" (For diamond drill holes number four and five, the rock samples are in a secure location and have not yet been submitted for assaying. They will be assayed in due time). See the results in the annual report dated February 15, 2006. The assays resulting from the drilling program revealed the following average values:

0.0657 % Ni, 0.0253 % V, 0.0071 % Co, 0.0127 % Cu, 0.0023 % Pt, 0.0026 % Pd, 0.0005 % Au

All the above data was obtained under the supervision of a P. Geo. of the province of British Columbia, and diamond drilling was conducted under the supervision of a P. Geo. in an area of 180 x 132 meters with an estimated mineralized thickness of 80 meters with the thickness open to depth. This represents approximately 5.7 million tons of rock in a very small area of the property.

Reference is made to the Company's 43-101 Technical report filed in the 2003 for a discussion of previous exploration work consisting of trenching, I.P. survey and drilling conducted on the DD mineral property.

In the 2011, the Company conducted an extensive rock and soil sampling program starting on September 6 to September 16, 2011 with a view to find higher values of gold, silver, copper, nickel, platinum, and palladium, and thereby enhancing the shareholders' value. The Company has further explored, investigated and resampled sites with high values of gold, silver, copper, nickel, platinum, palladium and all of the economic minerals.

The Company collected 13 rock samples and 128 soil samples from the property. Petrologic examination of the sulphide mineralization showed that grains of chalcopyrite encapsulate grains of pyrrhotite and pentlandite. 128 'B' horizon soil samples were collected. These samples were collected in the vicinity of sites with high values of gold, silver, copper, nickel, platinum, palladium and all the economic minerals to determine the direction and continuity of mineralized rock.

In 2014, the Company conducted an extensive rock and soil sampling program from May 16 to May 23, 2014, with a view to find higher values of gold, silver, copper, nickel, platinum, and palladium. The Company collected 10 rock samples and 80 soil samples from the property. Petrologic examination of the sulphide mineralization showed that grains of chalcopyrite encapsulate grains of pyrrhotite and pentlandite. 80 'B' horizon soil samples were collected. The soil is bright rusty red in color with rounded to angular fragments of ankerite carbonate altered ultramafic rock and it is apparent to have been derived from the underlying bedrock.

Property 2: The Moore Property

Blackrock Gold Corp. holds a 100% equity position in the Moore Property. The Moore Property presently consists of the original Moore Property, with additional claims acquired at different periods of time. It presently has an area of approximately 995 hectares. The property has good access by road, and a nearby town has all living facilities available. In this property, there is a deposit of copper, gold, and silver. . A total of \$877,171 has been spent to January 31, 2016 on the Moore Property.

The Company completed first phase of drilling program on Moore Property by drilling 33 drill holes in the year 2010. The Company has been aggressively involved in exploring this property and a complete interpretive report 43-101 technical has been prepared and filed with SEDAR and is available on www.sedar.com.

The Company set out to confirm the documentation of the original historic mineralized zone - the EBL deposit. In 2006, induced polarization (IP) and resistivity surveys were completed which encountered a strong response over much of the 2 km by 2 km survey area. Based on this work, the Company conducted a drilling program from 2008-2010 totaling 6540.75 meters in 33 diamond drill holes. Results corroborated the original historic findings that a significant mineralized zone or zones exist on the Moore property.

Noteworthy results from the Company's drill program include DDH-08-04, which intersected 177.63 meters (from 47.77 to 225.6 meters depth) of 0.2% copper with a sub-interval of 10.75 meters (from 59.65-70.4) of 0.63% copper. A 6-meter sub-interval (from 59.65 to 65.65) assayed 0.9% copper and contained 4 meters of 10.5 g/t of silver and 2 meters of 0.5 g/t gold. Near the bottom of DDH-10-04A, and 18.29-meter intersection (from 195.07-213.36) graded 0.4% copper. Drilling indicates significant mineralization is open to depth below 200 meters.

As at October 31, 2015, a total of \$877,170 has been spent on exploration on the Moore Property. This includes the cost of a 2006/2007 induced polarization survey.

A \$1.3 million exploration program, consisting of IP geophysical surveying and 5000 meters of diamond drilling, is recommended for the Moore property. Approximately 4500 meters of drilling should be focused on an EBL deposit area where previous drilling (DDH-08-04) yielded significant intersections and remains open to depth. Two holes totaling 500 meters are recommended to test the possible volcanogenic massive sulphides found at the McLellan showing.

Sixteen holes averaging 250 meters in length and one 500 meters in length are recommended in on IP Anomalous zone A and B, specifically in the area of previous drilled holes DDH 08-04 and DDH-10-4A that intersected significant mineralization which is open to depth.

Drilling should be conducted on 100-meter centers about the two holes, drilled east and west from the same setup. Holes should be drilled at an inclination of 70 degrees. One vertical hole between the hole 04 and 04A should be drilled to 500 meters to show how mineralization and grades vary with depth and give a better idea of its ultimate size potential.

The 2006 IP geophysical lines should be extended east at least 1 km to cover the area of the massive sulphide McLellan zone and Hole 74-6 that contained over 4 meters of massive iron and copper sulphide mineralization. An extension of IP to the north of Anomaly A and B is warranted if topography permits. Line extension include at least two 3km east-west lines to the north of Line 2100N and 1 km extensions to all lines from 900 to 2100N, for a total of 14 km of IP line. Two holes should be drilled in the McLellan and historical Hole 74-6 massive sulphide vicinity. Records of this hole indicate 4 meters of copper bearing massive sulphides, but no assays were published.

Actual drill sites will depend upon local terrain, since local topography is rugged and boggy. It is also recommended that NSM and B&B showing areas, that may represent volcanogenic massive sulphides on the Moore property, receive on-site geological assessment towards their development as secondary targets.

See the 43-101 report on the Moore Property posted on www.sedar.com on August 5, 2012 for additional information.

Property 3: The “Nickel – Cobalt – Magnesium – Gold Property

The Company’s initial interest in the “Nickel - Cobalt - Magnesium - Gold Property” was acquired by the Company on March 23, 2007 for cash and other consideration. On September 22, 2007, the Company announced it had entered into an agreement to acquire the remaining 48% interest in the property. See “Results of Operations.” The “Nickel - Cobalt - Magnesium - Gold Property” has been abandoned due to its weak potential and financial constraints of the Company, and the Company wishes to continue on its two main projects, the Moore and DD Mineral properties.

Property 4: The Medicine Springs Property

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

The Company has the option to acquire a minimum 50% interest and a maximum 80% 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 8) 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.

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.

Subsequent Events

Subsequent to July 31, 2016, the following occurred:

- (i) On August 5, 2016, the Company issued 200,000 common shares as part of its option agreement for the Medicine Springs property. Refer to note 3.
- (ii) On August 25, 2016, the Company granted 870,000 incentive share options to directors, officers and consultants of the Company. The options, which are subject to the terms and conditions of the Company's share option plan and the policies of the TSX Venture Exchange, may be exercised at a price of \$0.09 per share for a term of five years.
- (iii) On September 16, 2016, the Company closed the first tranche of the non-brokered private placement that was announced on August 22, 2016 and September 9, 2016. The Company has issued 3,133,332 units at a price of \$0.075 per unit for gross proceeds of approximately \$235,000. 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 September 16, 2018.

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% payable in cash were paid to Canaccord Genuity Corp. and Richardson GMP with respect to a portion of the private placement.

Disclosure of outstanding share data:

- | | |
|---|--------------------------|
| • Share capital authorized: | Unlimited common shares |
| • Share capital issued as of October 31, 2015 | 5,356,410 common shares |
| • Share capital issued as of July 31, 2016 | 9,768,410 common shares |
| • Share capital issued as of June 29, 2016 | 13,101,742 common shares |

The Company has a total of 7,545,332 share purchase warrants outstanding as of September 29, 2016, exercisable at \$0.15 per share purchase warrant.

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.