

**BLACKROCK SILVER CORP. (Formerly Blackrock Gold Corp.)**  
**Management Discussion and Analysis**  
**For the Year Ended October 31, 2021**

Reported on February 28, 2022

**General**

The following Management Discussion and Analysis (“MD&A”) on performance, financial condition and prospects of Blackrock Silver Corp. (“Blackrock” or the “Company”) should be read in conjunction with the audited consolidated financial statements (“financial statements”) and notes thereto for the years ended October 31, 2021 and 2020. The Company’s 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 February 28, 2022.

Additional information on the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.blackrockgold.ca](http://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](http://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 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 Silver 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, United States (“US”). 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 masks are worn indoors.

The impact of COVID-19 on the Company’s operations has been minimal throughout the pandemic.

## Selected Annual Information

			*Restated Balances
	October 31, 2021	October 31, 2020	October 31, 2019
	\$	\$	\$
Net sales or revenue	-	-	-
Exploration expenditures	20,674,687	5,579,444	653,371
General and administrative expenses**	7,536,356	6,066,148	1,668,393
Other expenses**	189,906	55,988	25,331
Net loss	28,021,137	11,701,580	2,347,095
Loss per share, basic and fully diluted	0.20	0.15	0.05
Total assets	11,440,198	8,467,651	2,047,110

\* 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 chief executive officer (“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 up 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 property. The drill program was very successful and helped the Company’s share price increase significantly, to a high of \$1.61 in July 2020.

In fiscal 2021, the Company built on the exploration activities from 2020 and undertook a significant drill program on the Tonopah West property in order to develop a maiden resource estimate. This resulted in a significant increase in the exploration expenditures, as compared with fiscal 2020. In addition, the Company increased its marketing budget by over 100% in order to reach a much broader investor audience and increase the Company’s exposure.

## Summary of Annual Results

	Year Ended October 31,	
	2021	2020
<b>Operating expenses</b>		
Accounting and audit	\$ 42,949	\$ 40,472
Bank charges and interest	13,388	7,239
Consulting fees	60,482	332,685
Depreciation	-	4,912
Insurance	67,481	52,159
Legal fees	123,305	175,811
Management fees	996,379	682,380
Marketing and communications	1,833,249	750,041
Office	96,977	64,065
Regulatory and filing fees	83,841	100,469
Rent	23,547	12,435
Share-based payments	3,916,808	3,627,178
Travel	116,076	84,178
Wages	161,874	132,124
	<b>\$ (7,536,356)</b>	<b>\$ (6,066,148)</b>

For the year ended October 31, 2021, the Company incurred operating expenses of \$7,536,356, as compared with \$6,066,148 during the same period in 2020. The Company has continually ramped up its operations in Nevada and has also increased its management team while also becoming more active in marketing in order to increase its exposure in the market. Of note, the following expenses changed significantly during the year ended October 31, 2021, as compared with the same period in 2020:

- (i) Consulting fees decreased to \$60,482 in 2021, as compared with \$332,685 during the same period in 2020. In 2020, the Company hired 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. In 2021, the Company focused its resources in marketing to enhance the Company's exposure and bring attention to the Tonopah project;
- (ii) Management fees totaling \$996,379, as compared with \$682,380 during the same period in 2020. The increase is the result of compensation increases for the management team in 2021, as compared with 2020, as well as higher performance bonuses during the period. In addition, the Company hired a senior vice president ("SVP") of Corporate Development in January 2021;
- (iii) Marketing and communications fees increased to \$1,833,249 in 2021, as compared to \$750,041 in 2020. As the Company has grown in size and activity, the Company increased its marketing and communications budget to enhance its exposure in the market and grow its investor base. In addition, with the completion of two significant financings and significant exploration work completed, the Company's CEO spent a substantial amount of time making presentations in relation to the Tonopah Project; and
- (iv) Share-based compensation totaled \$3,916,808, as compared with \$3,627,178 during the same period in 2020. The increase is the result of restricted share units ("RSU" or "RSUs") being issued during the year and share-based compensation related to options issued during the year. With the Company's share price having increased since the same period in 2020, the resulting compensation expense has also increased.

## Summary of Quarterly Results

						Restated Balances*		
	Oct 2021 \$	Jul 2021 \$	Apr 2021 \$	Jan 2021 \$	Oct 2020 \$	*Jul 2020 \$	*Apr 2020 \$	*Jan 2020 \$
Exploration expenditures	5,298,875	5,604,891	6,080,037	3,690,884	3,717,123	1,005,042	375,878	481,401
General and administrative expenses**	2,702,097	1,009,204	2,945,961	879,094	4,420,247	683,927	528,831	433,143
Other expenses (income)**	(57,780)	(229,107)	117,901	(20,920)	44,843	2,216	2,980	5,949
Net loss	(7,943,192)	(6,384,988)	(9,143,899)	(4,549,058)	(8,182,213)	(1,691,185)	(907,689)	(920,493)
Loss per share	(0.02)	(0.04)	(0.08)	(0.04)	(0.11)	(0.02)	(0.01)	(0.01)
Total assets	11,440,198	12,368,041	6,597,376	3,688,372	8,467,651	13,468,808	1,598,886	1,837,312

\* 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 condensed consolidated interim 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 \$
General and administrative expenses	686,053	531,811	439,092
Net loss	(686,053)	(531,811)	(439,092)
Loss per share	(0.01)	(0.01)	(0.01)
Total assets	14,993,860	3,219,308	2,758,033

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 up 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 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 \$7.5 million 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.

In 2021, the Company continued to add to its management team by bringing on a full-time chief financial officer (“CFO”) and a SVP of Corporate Development. The Company completed two significant financings in Q2 2021 and Q3 2021 totaling over \$20 million. This allowed the Company to fund its drill program while also allowing the Company continue its marketing efforts.

### **Review of Fourth Quarter Operations**

During the fourth quarter of 2021, the Company increased its exploration expenditures on the Company’s properties incurring exploration expenditures of \$5,298,875 during the fourth quarter 2021, as compared with \$3,717,123 during the same period in 2020. The fourth quarter of 2021 was the final quarter for significant drilling relating to the drill program required to complete the maiden resource estimate on the Tonopah West property.

In terms of operations, the Company saw a significant decrease in its operating expenditures in the fourth quarter in 2021, dropping to \$2,702,097 as compared with the same period in 2020 in which the operating expenditures were \$4,420,247.

The main reason for the significant drop in the fourth quarter in 2021, as compared with 2020, was the Company incurred share-based payments expense of \$1,344,091 during the fourth quarter in 2021, as compared with \$3,426,563 in the same period in 2020. 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 the value of the share options issued in 2021 when the share price was \$0.79.

Consulting fees decreased from \$185,984 in 2020 to \$6,620 in 2021 due to the Company hiring new consultants for business development and corporate development in 2020, whereas in 2021, the Company focused its efforts on broader marketing of the Company and its projects.

Although the Company saw significant decreases in the above-mentioned expenditures, the Company did experience increased cost in certain areas of the operating activities. The increases were mainly in marketing expenditures and management fees.

Marketing fees increased from \$468,745 in 2020 to \$771,588 in 2021. The increased expenditures were the result of the Company making significant efforts to increase its market awareness with the drill program relating to the maiden resource estimate coming to a close.

Management fees increased from \$214,731 in 2020 to \$367,953 in 2021. This was a direct result of having a larger management team in 2021, as compared with 2020, including a fulltime CFO and SVP of Corporate Development, both of which came on board in 2021. In addition, the overall base compensation for the management team was higher in 2021 than 2020 due to the increased activity within the Company.

### **Related Party Transactions**

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

Refer to Note 9 of the financial statements for complete details on the related party transactions.

## Liquidity and Capital Resources

Working capital on October 31, 2021 was \$7,434,048 (October 31, 2020 - \$5,261,391), 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).

As the Company is in the exploration stage, the recoverability of amounts shown for exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the discovery of economically recoverable reserves, continuation of the Company's interest in the underlying resource claims, the ability of the Company to obtain necessary financing to complete their development and upon future profitable production or proceeds from the disposition thereof. The amounts shown as exploration and evaluation assets represent net costs to date, less amounts amortized and/or written off, and do not necessarily represent present or future values.

To fund the Company's exploration activity for at least the next twelve-month period, the Company will be drawing down its current cash, maintaining cost control measures and raising additional proceeds either by way of private placements or exercise of stock options, warrants and agent warrants. Subsequent to year-end, the Company has been successful in raising \$7,950,628 from private placements and the exercise of warrants.

While the MD&A and the financial statements have been prepared with the assumption that the Company will be able to meet its obligations and continue its operations for its next fiscal year, the aforementioned conditions indicate the existence of material uncertainty, which may cast significant doubt on the Company's ability to continue as a going concern. Realization values may be substantially different from carrying values as shown, and these financial statements do not give effect to adjustments that would be necessary if the Company were not to continue as a going concern.

	October 31, 2021	October 31, 2020
	\$	\$
Working capital	7,434,048	5,261,391
Deficit	46,144,788	18,123,651

The Company is subject to significant liquidity risk. See the section titled **Risks and Uncertainties** below.

## Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

## Accounting Principles

The 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 3 in the financial statements for the year ended October 31, 2021, 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 financial statements, are listed below. The Company plans to apply new standards or interpretations in the annual period for which they are first required.

### Presentation of financial statements

An amendment to International Accounting Standard (“IAS”) 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 twelve months after the reporting period.

### Income taxes

In May 2021, the IASB issued amendments to IAS 12 *Income Taxes*. The amendments to IAS 12 narrow the scope of the initial recognition exemption so that it no longer applies to transactions that give rise to equal amounts of taxable and deductible temporary differences. The Company is to recognize a deferred tax asset and deferred tax liability for temporary differences arising on initial recognition for certain transactions, including leases and reclamation provisions. The amendments to IAS 12 are effective for annual reporting periods beginning on or after January 1, 2023, with early adoption permitted. The Company is currently evaluating the impact of these amendments on its financial statements.

## Exploration and Evaluation Expenditures

### Title disclaimer

As at October 31, 2021, all of the Company’s exploration and evaluation assets are located in British Columbia, Canada, and Nevada, US. 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.

Please refer to Note 6 of the financial statements for the year ended October 31, 2021 for complete details on the Company’s exploration property ownership.

## UNITED STATES

<b>Acquisition and Holding Costs</b>	<b>Silver Cloud</b>	<b>Tonopah West</b>	<b>Total</b>
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
Additions	313,217	598,079	911,296
Foreign currency translation	(31,166)	(43,375)	(74,541)
<b>Balance, October 31, 2021</b>	<b>\$ 1,478,185</b>	<b>\$ 1,037,008</b>	<b>\$ 2,515,193</b>

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, 2021 were as follows:

<b>Exploration Expenditures</b>	<b>Silver Cloud</b>	<b>Tonopah West</b>	<b>Generative</b>	<b>Total</b>
Drilling	\$ 575,276	\$ 18,716,015	\$ -	\$ 19,291,291
Geology and consulting	58,779	1,148,376	-	1,207,155
Geophysics	3,687	106,903	-	110,590
Legal	-	19,609	-	19,609
Property investigation	-	-	46,042	46,042
<b>Total</b>	<b>\$ 637,742</b>	<b>\$ 19,990,903</b>	<b>\$ 46,042</b>	<b>\$ 20,674,687</b>

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

<b>Exploration Expenditures</b>	<b>Silver Cloud</b>	<b>Tonopah West</b>	<b>Total</b>
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
<b>Total</b>	<b>\$ 1,028,873</b>	<b>\$ 4,550,571</b>	<b>\$ 5,579,444</b>

### **Silver Cloud Project Update**

The Silver Cloud project has multiple targets covering a 45 square kilometre area over a portion of the prolific Northern Nevada Rift in north central Nevada. Blackrock, through its wholly owned subsidiary, Blackrock Gold Corp., has completed 17 drillholes totaling 5,980 metres (or “m”) (19,621 feet) between September 2019 and December 2020. Six core holes were completed in 2019 and 2020 at the Silver Cloud Mine target and Northwest Canyon, and the remaining drillholes were completed with a reverse circulation drill in the Northeast Veins and Quiver targets in 2020.

The Company is revisiting work completed in the Silver Cloud Mine target and has reprocessed and interpreted gravity and CSAMT data from the area. A target located approximately one kilometre north of the historic Silver Cloud mercury mine has emerged as an area of interest that requires follow up. A small mapping and Niton soil sampling program are being planned and will be implemented in the summer of 2022.

The Company is reassessing the drill results from the Northeast Veins and Quiver. The drilling at Northeast Veins did not reach the target due to water issues encountered with the RC drill. Additional drilling is being planned using a core drill to mitigate the water issue and test the unconformity with the underlying Ordovician sediments. The target is a similar setting to the adjacent Hollister mine.

At the Quiver target, the 2020 drill program encountered significant thicknesses of low-grade (“LG”) gold within the volcanic units along the margin of the Silver Cloud graben. This geologic setting is similar to the Midas mine located 15 kilometres to the north. Recently, Hecla Mining Company announced the Green Sinter discovery with bonanza gold grades on the Midas property approximately 3 kilometres east of the Midas mine. This new discovery represents a new deposit model that may be applied to the Quiver target at Silver Cloud.

### **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 100 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.

In 2020, the Company outlined five broad target areas showing significant potential. A 7,000 metre, 16-hole RC drilling program commenced on June 17, 2020 to test these five target areas. All five target areas were drilled with significant results being achieved in the Victor and DPB targets. Drilling continued to December 18, 2020 with a three-week break for the holidays, and restarted on January 4, 2021.

On April 6, 2021, the Company announced that it had acquired three strategic patented mining claims covering the centre portion of the project area. Blackrock acquired the three claims through a land swap with local land owners. The Company acquired surface and mineral rights to 14.3 hectares in exchange for surface rights covering 19.8 hectares. The Company retains the mineral rights beneath the 19.8 hectares. After completion of the transaction, the Company controls mineral rights on 19 unpatented lode mining claims and 100 patented lode claims (fee lands) totaling 566.5 hectares (1,400 acres).

To date, a total of approximately 113,105 metres of drilling has been completed in 225 pre-collar, core and RC drillholes. An in-fill core program was completed in January 2022 in the DPB area while exploration continues to step out and identify new vein targets.

### DPB IN-FILL PROGRAM

Three core drills worked on the in-fill program at the DPB target. The in-fill program was designed to add additional pierce points to the Denver, Paymaster, Bermuda and Merten veins to provide for a maiden resource estimate in Q1 2022. The drillhole spacing has been reduced from 150 metre spacing to approximately 50 metre spacing within an area roughly 800 x 800 metres in dimension.

To date, a total of 50 core in-fill drillholes have been completed in the DPB target area along with approximately 42 RC drillholes for a total of 69,050 metres of core and RC. A summary of all drillhole intercepts greater than 200 grams per tonne ("g/t") AgEq is present in Table 1.

*Table 1: Tonopah West Drillholes Assay Values Greater than 200 g/t AgEq*

HOLEID	Area	From (m)	To (m)	Length (m)	Au_g/t	Ag_g/t	AgEq_g/t
TW20-001	Victor Vein	554.7	557.8	3.0	2.435	221.3	464.8
TW20-001	Victor Vein	560.8	563.9	3.0	11.518	1046.1	2197.9
	Including	560.8	562.4	1.5	18.667	1736.7	3603.4
TW20-001	Victor Vein	574.5	603.5	29.0	5.291	435.7	964.8
	Including	582.2	592.8	10.7	7.941	623.1	1417.2
TW20-001	Victor Vein	612.6	615.7	3.0	1.925	135.1	327.6
TW20-003	Victor Vein	702.6	704.1	1.5	1.890	140.0	329.0
TW20-005	DPB	402.3	403.9	1.5	1.630	182.3	345.3
TW20-006	DPB	275.8	277.4	1.5	8.680	802.6	1670.6
TW20-006	DPB	321.6	326.1	4.6	9.036	673.1	1576.7
	Including	323.1	326.1	3.0	12.633	952.0	2215.3
TW20-006	DPB	327.7	329.2	1.5	2.170	163.0	380.0
TW20-007	DPB	484.6	486.2	1.5	2.060	180.8	386.8
TW20-008	New Discovery	242.3	243.8	1.5	3.430	218.6	561.6
TW20-012C	Victor Vein	581.9	583.4	1.5	2.670	223.5	490.5
TW20-016	Step Out	233.2	234.7	1.5	4.840	5.3	489.3
TW20-016	Step Out	307.9	309.4	1.5	1.780	144.6	322.6

HOLEID	Area	From (m)	To (m)	Length (m)	Au_g/t	Ag_g/t	AgEq_g/t
TW20-016	Step Out	385.6	387.1	1.5	3.220	231.7	553.7
TW20-017	DPB	374.9	376.4	3.1	13.962	1070.2	2466.3
	Including	376.4	378.0	1.5	26.133	2029.8	4643.1
TW20-017	DPB	440.4	442.0	1.5	2.840	221.9	505.9
TW20-020C	Victor	585.2	586.7	1.5	4.750	334.5	809.5
TW20-020C	Victor	592.2	593.1	0.9	19.000	1634.4	3534.4
TW20-021C	Victor	621.2	624.2	3.0	3.500	435.5	785.5
TW20-022	DPB	474.0	478.6	4.5	1.530	131.6	284.7
TW20-024C	Victor	521.5	523.1	1.6	2.050	210.0	415.0
TW20-024C	Victor	573.3	574.7	1.4	3.560	405.0	761.0
TW20-024C	Victor	580.0	582.4	2.4	3.948	364.0	758.8
TW20-027	DPB	474.0	475.5	1.5	1.650	120.0	285.0
TW20-027	DPB	495.3	507.5	12.2	1.508	146.4	297.2
TW20-027	DPB	518.2	519.7	1.5	1.090	121.0	230.0
TW20-027	DPB	548.6	551.7	3.0	1.545	157.0	311.5
TW20-030	DPB	522.7	524.3	1.5	1.350	153.0	288.0
TW20-031C	Victor	535.8	538.7	2.9	5.353	545.9	1081.2
TW20-034	DPB	426.7	428.2	1.5	1.240	94.2	218.2
TW20-034	DPB	477.0	478.5	1.5	1.270	137.0	264.0
TW20-034	DPB	480.0	481.6	1.5	0.978	105.0	202.8
TW20-037	DPB	275.8	278.9	3.0	10.510	1187.5	2238.5
TW20-040	DPB	481.6	483.1	1.5	1.960	164.0	360.0
TW20-041C	Victor	578.2	581.3	3.1	1.884	198.0	386.4
	Including	578.2	578.5	0.3	5.500	571.0	1121.0
TW20-061C	Victor	631.6	650.1	18.5	1.539	142.0	295.0
	Including	631.6	641.0	9.4	1.241	125.0	249.1
	Including	631.6	633.0	1.3	4.350	354.0	789.0
	Including	644.0	650.1	6.1	2.743	235.0	509.3
	Including	648.6	650.1	1.5	9.830	808.0	1791.0
TW21-054	DPB	400.8	403.9	3.1	4.780	286.0	764.0
TW21-058	Step Out	317.0	318.5	1.5	1.290	94.5	223.5
TW21-062	Step Out	397.8	400.8	3.1	6.150	388.0	1003.0
	Including	399.3	400.8	1.5	9.860	568.0	1554.0
TW21-068	Step Out	385.6	387.1	1.5	1.600	178.0	338.0
TW21-068	Step Out	410.0	414.5	4.5	6.564	743.0	1399.4
	Including	411.5	413.0	1.5	16.000	1722.0	3322.0
TW21-076	DPB	143.2	155.4	12.2	2.538	14.9	268.7
	Including	146.3	150.9	4.6	5.372	22.9	560.1
TW21-077	Victor	599.0	602.0	3.0	3.075	310.0	617.5
	Including	599.0	600.5	1.5	4.190	443.0	862.0
TW21-077	Victor	606.5	614.2	7.6	2.139	230.0	444.0
	Including	609.5	611.1	1.5	4.890	512.0	1001.0
TW21-079	DPB	201.2	204.2	3.0	1.485	130.1	278.6
TW21-082	DPB	356.6	365.8	9.1	0.850	135.0	220.3
	Including	358.1	359.6	1.5	1.670	278.0	445.0
	Including	364.2	365.7	1.5	2.330	393.0	626.0
TW21-083	DPB	440.4	441.9	1.5	1.3	137.0	264.0
TW21-085	Victor	594.4	599	4.6	3.113	275.6	338.9
	Including	597.4	599	1.6	7.12	577	1289
TW21-090	Step Out	132.6	134.1	1.5	2.150	67.3	282.3
TW21-092C	Victor W. Ext.	467.7	469.9	2.2	1.533	140.9	294.2
	Including	467.7	468.7	1.0	2.860	250.0	536.0

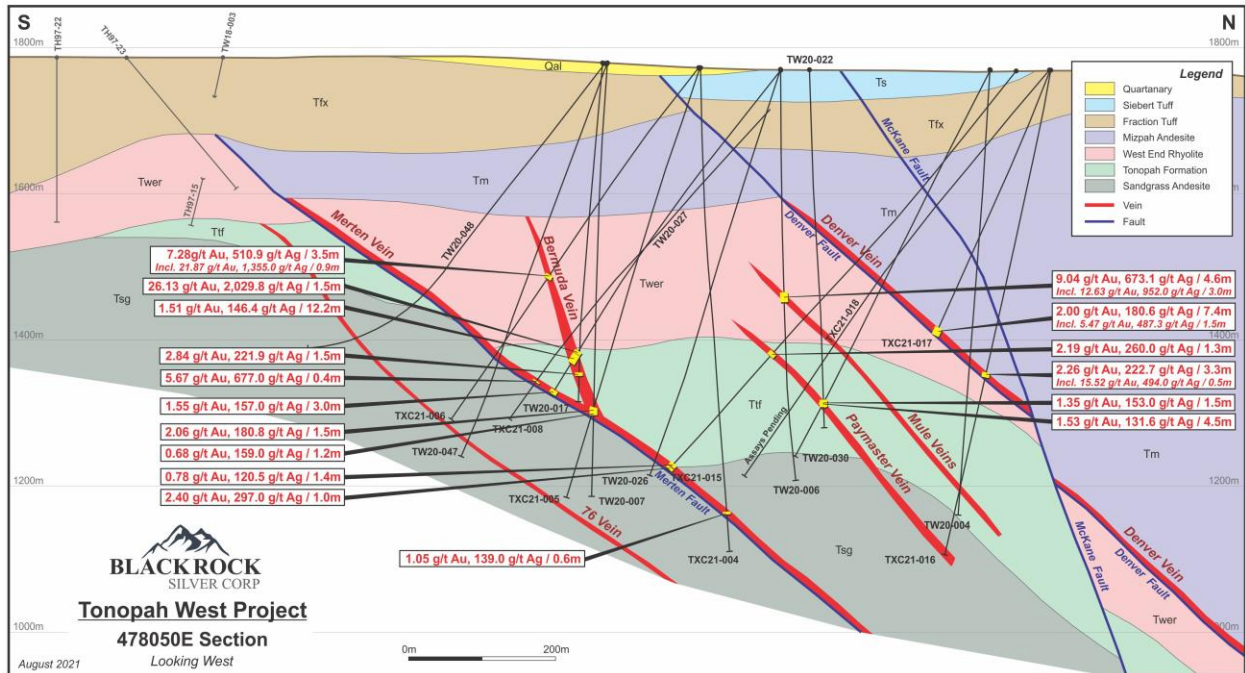
HOLEID	Area	From (m)	To (m)	Length (m)	Au_g/t	Ag_g/t	AgEq_g/t
TW21-093C	Victor	494.3	495.1	0.8	1.930	207.0	400.0
TW21-094C	Victor	527.8	532.2	4.4	1.837	140.8	324.5
Including		528.2	530.4	2.2	2.956	226.8	522.4
TW21-094C	Victor	597.4	598.3	0.9	0.942	117.0	211.2
TW21-094C	Victor	601.2	601.9	0.7	1.020	117.0	219.0
TW21-095C	Victor	551.1	552.6	1.5	3.660	376.0	742.0
TW21-095C	Victor	608.0	608.2	0.2	1.100	152.0	262.0
TW21-096C	Victor	465.0	466.1	1.1	1.970	126.0	323.0
TW21-096C	Victor	467.4	468.9	1.5	1.140	118.0	232.0
TW21-097C	Victor	461.2	467.7	6.5	1.945	261.3	455.8
Including		464.5	466.1	1.6	5.260	655.0	1181.0
TW21-097C	Victor	469.4	477.5	8.1	1.076	192.9	300.5
TW21-097C	Victor	488.2	489.9	1.7	3.930	660.0	1053.0
TW21-097C	Victor	499.3	500.9	1.6	0.917	122.0	213.7
TW21-099	Step Out	153.9	155.4	1.5	2.280	4.3	232.3
TW21-099	Step Out	221.0	224.0	3.0	1.161	127.0	243.1
TXC21-001	DPB	439.8	442.9	3.1	1.291	136.1	265.2
TXC21-002	DPB	514.0	515.1	1.1	3.080	300.0	608.0
TXC21-004	DPB	504.1	504.7	0.6	1.050	139.0	244.0
TXC21-005	DPB	362.9	363.4	0.5	0.842	159.0	243.2
TXC21-005	DPB	371.7	372.1	0.4	5.660	677.0	1243.0
TXC21-005	DPB	399.0	400.0	1.0	1.300	135.0	265.0
TXC21-006	DPB	348.7	352.2	3.5	7.281	510.9	1239.0
Including		349.0	349.9	0.9	21.866	1355.0	3541.6
TXC21-008	DPB	476.4	477.6	1.2	0.684	159.0	227.4
TXC21-008	DPB	484.2	484.8	0.6	1.820	234.0	416.0
TXC21-008	DPB	487.2	487.7	0.5	4.210	401.0	822.0
TXC21-009	DPB	442.6	443.2	0.6	1.180	163.0	281.0
TXC21-010	DPB	458.6	459.3	0.7	5.610	445.0	1006.0
TXC21-010	DPB	472.9	475.3	2.4	4.040	301.2	705.1
TXC21-010	DPB	527.6	528.2	0.6	27.500	1537.0	4287.0
TXC21-012	DPB	403.4	403.7	0.3	1.900	127.0	317.0
TXC21-012	DPB	406.5	407.1	0.6	0.904	142.0	232.4
TXC21-015	DPB	554.7	556	1.3	2.190	260.0	479.0
TXC21-015	DPB	610.5	611.9	1.4	0.783	120.5	198.8
TXC21-015	DPB	625.3	626.3	1	2.400	297.0	537.0
TXC21-016	DPB	477.4	480.7	3.3	2.256	222.7	448.3
Including		477.4	477.9	0.5	5.520	494.0	1046.0
TXC21-016	DPB	487.2	488.1	0.9	0.761	123.5	199.6
TXC21-017	DPB	369.7	370.2	0.5	2.610	155.0	416.0
TXC21-017	DPB	371.2	371.6	0.4	1.020	108.0	210.0
TXC21-017	DPB	373.4	374.7	1.3	1.217	132.0	253.7
TXC21-017	DPB	375.5	376.3	0.8	1.550	126.0	281.0
TXC21-017	DPB	377.9	385.3	7.4	2.003	180.6	380.8
Including		381	382.5	1.5	5.467	487.3	1034.0
TXC21-017	DPB	395.3	396.4	1.1	1.465	148.5	295.0
TXC21-017	DPB	397.6	401.1	3.5	2.560	279.2	295.0
Including		399.6	401.1	1.5	4.950	536.0	1031.0
TXC21-025	DPB	330	330.5	0.5	1.220	152.0	274.0
TXC21-025	DPB	333.8	334.1	0.3	3.220	429.0	751.0
TXC21-026	DPB	301.1	302.7	1.6	2.500	210.0	460.0
TXC21-026	DPB	310	310.3	0.3	1.010	119.0	220.0

HOLEID	Area	From (m)	To (m)	Length (m)	Au_g/t	Ag_g/t	AgEq_g/t
TXC21-026	DPB	359.1	363.2	4.1	9.070	1120.0	2027.0
Including		361.2	362.1	0.9	20.850	2994.5	5079.5
TXC21-027	DPB	373.7	375.5	1.8	1.168	173.2	290.0
TXC21-027	DPB	376.8	377.7	0.9	3.457	315.7	661.3
TXC21-027	DPB	378.2	379.7	1.5	6.500	592.1	1242.1
Including		379	379.7	0.7	12.100	1095.0	2305.0
TXC21-028	DPB	524.9	526.1	1.2	4.420	68.4	510.4
TXC21-020	DPB	488.6	492.1	3.5	2.419	258.3	500.2
Including		491.0	492.1	1.1	4.370	427.0	864.0
TXC21-020	DPB	522.1	524.0	1.8	2.230	141.7	364.7
TXC21-020	DPB	524.9	526.2	1.4	1.980	153.0	351.0
TXC21-020	DPB	527.2	528.2	1.0	2.543	195.9	450.2
TXC21-020	DPB	557.9	558.8	0.9	1.990	161.0	360.0
TXC21-020	DPB	608.0	608.4	0.4	4.440	395.0	839.0
TXC21-021	DPB	591.8	592.8	1.0	1.500	144.0	294.0
TXC21-022	DPB	311.3	311.7	0.4	1.220	126.0	248.0
TXC21-022	DPB	489.7	490.0	0.3	1.115	152.0	263.5
TXC21-023	DPB	388.9	389.5	0.5	1.840	160.0	344.0
TXC21-025	DPB	330	330.5	0.5	1.220	152.0	274.0
TXC21-025	DPB	333.8	334.1	0.3	3.220	429.0	751.0
TXC21-026	DPB	301.1	302.7	1.6	2.500	210.0	460.0
TXC21-026	DPB	310	310.3	0.3	1.010	119.0	220.0
TXC21-026	DPB	359.1	363.2	4.1	9.070	1120.0	2027.0
Including		361.2	362.1	0.9	20.850	2994.5	5079.5
TXC21-027	DPB	373.7	375.5	1.8	1.168	173.2	290.0
TXC21-027	DPB	376.8	377.7	0.9	3.457	315.7	661.3
TXC21-027	DPB	378.2	379.7	1.5	6.500	592.1	1242.1
Including		379	379.7	0.7	12.100	1095.0	2305.0
TXC21-028	DPB	524.9	526.1	1.2	4.420	68.4	510.4
TXC21-030	DPB	446.8	449.9	3.0	1.600	162.5	322.5
TXC21-030	DPB	545.6	545.9	0.3	2.170	244.0	461.0
TXC21-031	DPB	388.2	388.7	0.5	1.930	229.0	422.0
TXC21-032	DPB	361.8	363.3	1.5	1.810	190.0	371.0
TXC21-035	DPB	396.9	397.2	0.4	4.970	9.5	506.5
TXC21-036	DPB	507.5	508.1	0.6	1.480	128.0	276.0
TXC21-036	DPB	604.1	604.7	0.5	0.924	120.0	212.4

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

RC drillhole assays for TW21-100, TW21-101 and TW21-113 to TW21-115 (3 drillholes) are pending at this time.

Figure 1: North-South Cross Section Through DPB Target



STEP-OUT PROGRAM

The RC drill continues to complete step out drilling approximately one kilometre to the northwest of the DPB resource area. RC drillholes TW22-117 to TW22-121 are in process. Once complete, the RC drill will move to the Tonopah North project to complete twelve scott holes.

Figure 2: Tonopah West Significant Drillhole Assay Map Showing Surface Projection of Known Veins

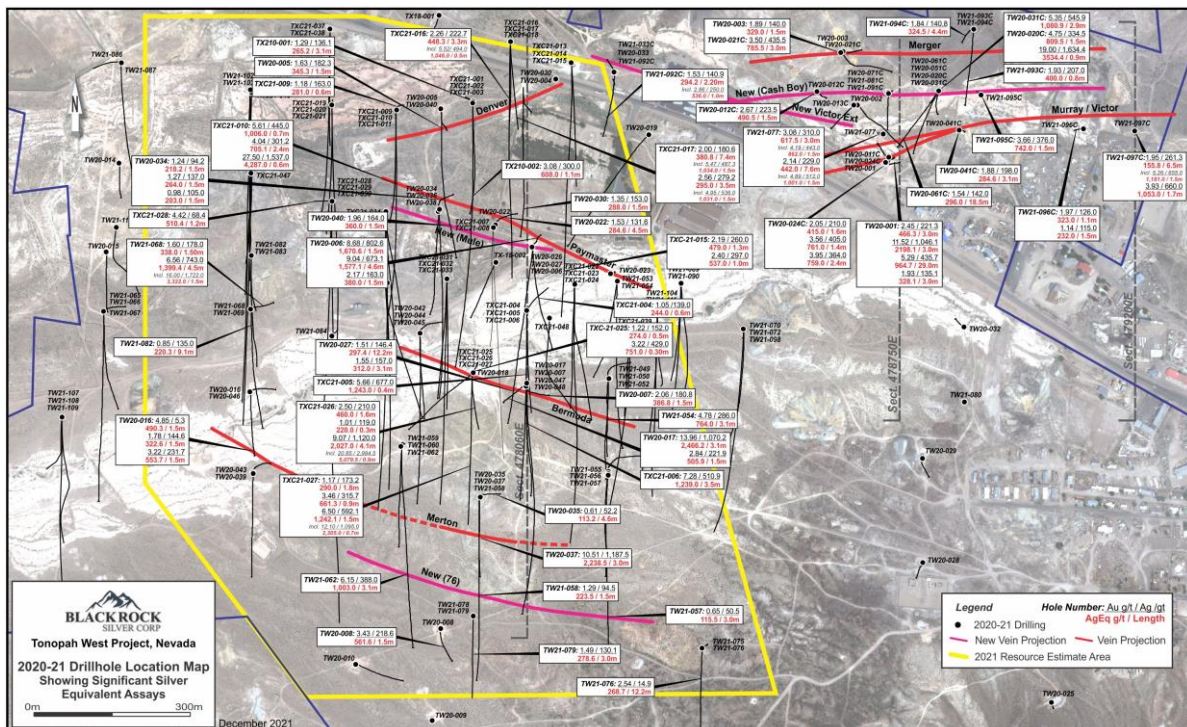


Table 2: Location Data For All Tonopah West Drillholes To Date

Drillhole ID	Target	Type	UTM NAD27 East	UTM NAD27 North	Elevation (m)	Azimuth	Dip	Total Depth (m)
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	478052.5	4214258.8	1771.6	180	-87	611.1
TW20-005	DPB	RC	477901.3	4214219.7	1767.3	175	-85	605.0
TW20-006	DPB	RC	478069.4	4213961.8	1778.1	0	-90	571.5
TW20-007	DPB	RC	478059.0	4213713.9	1777.2	180	-85	605.0
TW20-008	Coeur Discovery	RC	477897.7	4213262.3	1776.3	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	RC/Core	478728.8	4214127.4	1795.7	305	-88	648.0
TW20-012C	Victor	RC/Core	478600.3	4214248.9	1796.2	0	-90	691.6
TW20-013C	Victor	RC/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	RC/Core	478283.4	4214170.9	1779.2	220	-70	593.0
TW20-021C	Victor	RC/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	RC/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
TW20-034	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
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



Drillhole ID	Target	Type	UTM NAD27 East	UTM NAD27 North	Elevation (m)	Azimuth	Dip	Total Depth (m)
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
TW21-033C	Victor Ext	RC/Core	478222.4	4214288.4	1782.8	0	-90	678.8
TW21-053	DPB	RC	478226.6	4213907.2	1782.1	180	-70	609.6
TW21-054	DPB	RC	478226.8	4213905.5	1781.9	180	-50	585.2
TW21-055	Step Out	RC	478210.3	4213555.3	1781.8	0	-90	609.6
TW21-056	Step Out	RC	478210.2	4213554.2	1781.8	180	-70	579.1
TW21-057	Step Out	RC	478210.3	4213552.8	1781.9	180	-50	563.9
TW21-058	Step Out	RC	477971.6	4213505.3	1779.4	180	-50	548.6
TW21-059	Step Out	RC	477828.5	4213600.4	1771.1	0	-90	548.6
TW21-060	Step Out	RC	477828.5	4213599.4	1771.1	180	-70	594.4
TW21-062	Step Out	RC	477828.5	4213597.7	1770.9	180	-50	609.6
TW21-063	Step Out	RC	477575.2	4212822.6	1773.4	180	-90	599.2
TW21-064	Step Out	RC	477574.9	4212822.5	1770.9	180	-70	579.1
TW21-065	Step Out	RC	477277.0	4213848.0	1755.9	0	-90	548.6
TW21-066	Step Out	RC	477277.4	4213847.0	1756.0	180	-70	640.1
TW21-067	Step Out	RC	477277.2	4213845.4	1756.1	180	-50	612.6
TW21-068	Step Out	RC	477549.8	4213852.8	1762.1	0	-90	563.9
TW21-069	Step Out	RC	477549.7	4213851.6	1761.4	180	-70	579.1
TW21-070	Step Out	RC	478461.5	4213815.2	1794.0	0	-90	609.6
TW21-072	Step Out	RC	478461.5	4213814.4	1794.0	180	-70	624.8
TW21-073	Step Out	RC	476766.3	4215195.4	1740.9	0	-90	548.6
TW21-074	Step Out	RC	476766.8	4215194.4	1740.2	180	-70	513.6
TW21-075	DPB	RC	478384.0	4213224.7	1803.6	0	-90	457.2
TW21-076	DPB	RC	478384.0	4213224.0	1803.6	180	-70	457.2
TW21-077	Victor	RC	478724.1	4214178.1	1795.4	0	-90	623.3
TW21-078	DPB	RC	477953.8	4213287.4	1782.4	0	-90	457.2
TW21-079	DPB	RC	477956.7	4213286.7	1777.2	180	-70	434.3
TW21-080	Ohio	RC	478870.1	4213678.3	1807.0	0	-90	304.8
TW21-081C	Victor	Core	478730.4	4214251.9	1800.5	0	-90	798.0
TW21-082	DPB	RC	477543.9	4213950.2	1763.6	180	-70	579.1
TW21-083	DPB	RC	477544.0	4213951.1	1763.6	180	-80	553.2
TW21-084	DPB	RC	477694.7	4213776.6	1766.1	0	-90	548.6
TW21-085	Victor	RC	478791.4	4214194.1	1796.3	0	-90	655.3
TW21-086	Step Out	RC	477310.0	4214285.0	1775.0	0	-90	562.4
TW21-087	Step Out	RC	477310.0	4214285.0	1775.0	180	-70	422.1
TW21-088	Step Out	RC	478347.0	4213910.0	1768.4	180	-80	579.1
TW21-089	Step Out	RC	478347.0	4213910.0	1768.4	180	-70	548.6
TW21-090	Step Out	RC	478347.0	4213910.0	1768.4	180	-60	548.6
TW21-091C	Victor	Core	478730.2	4214250.5	1800.5	180	-85	779.2
TW21-092C	Victor Ext	Core	478222.4	4214288.4	1782.8	180	-80	652.9
TW21-093C	Victor	Core	478890.0	4214355.0	1807.0	180	-80	806.5
TW21-094C	Victor	Core	478886.6	4214368.9	1811.3	0	-90	844.7
TW21-095C	Victor	Core	478900.0	4214246.9	1802.1	0	-90	751.2
TW21-096C	Victor	Core	479088.7	4214187.6	1807.0	0	-90	551.1
TW21-097C	Victor	Core	479184.5	4214178.7	1811.5	0	-90	609.5
TW21-098	Step Out	RC	478461.5	4213815.2	1794.0	180	-50	548.6
TW21-099	Step Out	RC	478150.0	4213325.0	1768.0	180	-80	434.3
TW21-100	Step Out	RC	478150.0	4213325.0	1768.0	180	-70	458.7



Drillhole ID	Target	Type	UTM NAD27 East	UTM NAD27 North	Elevation (m)	Azimuth	Dip	Total Depth (m)
TW21-101	Step Out	RC	478150.0	4213325.0	1768.0	180	-50	428.2
TW21-102	DPB	RC	477550.0	4214250.0	1775.0	180	-80	685.8
TW21-103	DPB	RC	477550.0	4214250.0	1775.0	180	-70	659.9
TW21-104	DPB	RC	478300.0	4213845.0	1775.0	180	-60	548.6
TW21-105	Step Out	RC	478175.0	4213050.0	1775.0	225	-70	609.6
TW21-106	Step Out	RC	478289.0	4212960.0	1775.0	225	-70	609.6
TW21-107	Step Out	RC	477200.0	4213650.0	1765.0	180	-80	685.8
TW21-108	Step Out	RC	477200.0	4213650.0	1765.0	180	-70	726.9
TW21-109	Step Out	RC	477200.0	4213650.0	1765.0	180	-50	605.0
TW21-110	Step Out	RC	477300.0	4214000.0	1753.7	180	-80	640.1
TW21-111	DPB	RC	478300.0	4213845.0	1775.0	180	-70	531.9
TW21-112	DPB	RC	478300.0	4213845.0	1775.0	180	-50	525.8
TW21-113	Victor	RC	478350.0	4214480.0	1810.0	0	-90	731.5
TW21-114	Victor	RC	478350.0	4214480.0	1810.0	180	-70	731.5
TW21-115	Victor	RC	479370.0	4214425.0	1820.0	180	-85	591.3
TW21-116	Victor	RC	478999	4214207	1794	180	-80	568.4
TW21-117	Step Out	RC	475740	4215300	1780	180	-90	762.0
TW21-118	Step Out	RC	476240	4215170	1780	180	-90	641.6
TW21-119	Step Out	RC	476770	4214860	1780	180	-90	762.0
TW21-120	Step Out	RC	476770	4214860	1780	180	-70	in process
TW21-121	Step Out	RC	476933	4215497	1746	180	-90	pending
TXC21-001	DPB	Core	477959.9	4214235.3	1768.8	0	-90	761.2
TXC21-002	DPB	Core	477960.0	4214234.7	1768.5	180	-70	611.4
TXC21-003	DPB	Core	477960.0	4214233.2	1768.8	180	-50	730.6
TXC21-004	DPB	RC/Core	478054.4	4213847.5	1777.1	0	-90	675.7
TXC21-005	DPB	RC/Core	478054.5	4213846.4	1777.1	180	-70	628.5
TXC21-006	DPB	RC/Core	478054.6	4213844.3	1777.0	180	-50	602.6
TXC21-007	DPB	RC/Core	477998.6	4213997.3	1776.0	180	-70	688.8
TXC21-008	DPB	RC/Core	477998.8	4213995.5	1775.9	180	-50	645.3
TXC21-009	DPB	RC/Core	477819.0	4214219.0	1775.0	0	-90	674.1
TXC21-010	DPB	RC/Core	477819.0	4214219.0	1775.0	180	-70	671.2
TXC21-011	DPB	RC/Core	477819.0	4214219.0	1775.0	180	-50	689.5
TXC21-012	DPB	RC/Core	477700.0	4213650.0	1775.0	180	-50	536.8
TXC21-013	DPB	RC/Core	478144.3	4214305.6	1776.4	0	-90	640.7
TXC21-014	DPB	RC/Core	478144.4	4214304.5	1776.3	180	-70	607.5
TXC21-015	DPB	RC/Core	478144.4	4214303.7	1776.5	180	-50	711.9
TXC21-016	DPB	RC/Core	478030.0	4214345.0	1775.0	180	-80	692.5
TXC21-017	DPB	RC/Core	478030.0	4214345.0	1775.0	180	-70	401.1
TXC21-018	DPB	RC/Core	478030.0	4214345.0	1775.0	180	-50	715.4
TXC21-019	DPB	RC/Core	477700.0	4214225.0	1775.0	0	-90	694.0
TXC21-020	DPB	RC/Core	477700.0	4214225.0	1775.0	180	-70	691.0
TXC21-021	DPB	RC/Core	477700.0	4214225.0	1775.0	180	-50	631.5
TXC21-022	DPB	RC/Core	478150.0	4213900.0	1775.0	180	-70	668.1
TXC21-023	DPB	RC/Core	478150.0	4213900.0	1775.0	180	-60	461.2
TXC21-024	DPB	RC/Core	478150.0	4213900.0	1775.0	180	50	639.5
TXC21-025	DPB	RC/Core	477960.0	4213735.0	1775.0	0	-90	630.3
TXC21-026	DPB	RC/Core	477960.0	4213735.0	1775.0	180	-80	556.7
TXC21-027	DPB	RC/Core	477960.0	4213735.0	1775.0	180	-60	645.6
TXC21-028	DPB	RC/Core	477700.0	4214050.0	1775.0	0	-90	540.2
TXC21-029	DPB	RC/Core	477700.0	4214050.0	1775.0	180	-70	628.5
TXC21-030	DPB	RC/Core	477700.0	4214050.0	1775.0	180	-50	585.8

Drillhole ID	Target	Type	UTM NAD27 East	UTM NAD27 North	Elevation (m)	Azimuth	Dip	Total Depth (m)
TXC21-031	DPB	RC/Core	477915.0	4213910.0	1775.0	180	-70	616.3
TXC21-032	DPB	RC/Core	477915.0	4213910.0	1775.0	180	-60	421.8
TXC21-033	DPB	RC/Core	477915.0	4213910.0	1775.0	180	-50	628.8
TXC21-034	DPB	RC/Core	477800.0	4214050.0	1775.0	180	-80	672.6
TXC21-035	DPB	RC/Core	477800.0	4214050.0	1775.0	180	-70	609.1
TXC21-036	DPB	RC/Core	477800.0	4214050.0	1775.0	180	-50	678.5
TXC21-037	DPB	RC/Core	477700.0	4214350.0	1775.0	180	-80	692.5
TXC21-038	DPB	RC/Core	477700.0	4214350.0	1775.0	180	-70	782.1
TXC21-039	DPB	RC/Core	478250.0	4213800.0	1775.0	180	-80	684.9
TXC21-040	DPB	RC/Core	478250.0	4213800.0	1775.0	180	-50	609.0
TXC21-041	DPB	RC/Core	477800.0	4213733.4	1775.0	180	-80	531.3
TXC21-042	DPB	RC/Core	477800.0	4213900.0	1775.0	180	-80	633.1
TXC21-043	DPB	RC/Core	477800.0	4213900.0	1775.0	180	-70	654.4
TXC21-044	DPB	RC/Core	477800.0	4213900.0	1775.0	180	-50	619.0
TXC21-045	DPB	RC/Core	477550.0	4214250.0	1775.0	180	-50	797.7
TXC21-046	DPB	RC/Core	477550.0	4214100.0	1775.0	180	-70	646.3
TXC21-047	DPB	RC/Core	477550.0	4214100.0	1775.0	180	-50	715.7
TXC21-048	DPB	RC/Core	478100.0	4213835.0	1779.0	180	-60	609.6
TXC21-049	DPB	RC/Core	477700.0	4213810.0	1775.0	180	-70	526.4
TXC22-050	DPB	RC/Core	478282.0	4214170.0	1775.0	180	-70	558.7

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 and core samples are geologically reviewed and marked for sampling. The core and RC samples are hauled from the project site to a nearby secure and fenced facility, where they were loaded on to AAL's flat-bed truck and delivered to AAL's facility in Sparks, Nevada. A sample submittal sheet is delivered to AAL personnel who organized and processed the sample intervals pursuant to the Company's instructions. Blackrock personnel insert standards and blanks into the sample sequence every 15 to 20 samples.

The RC and core 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 20<sup>th</sup> sample.

Check assays are sent to ALS Minerals in Reno, Nevada. A total of 1,320 pulps from the Tonopah West drill program have been reassayed for gold and silver. The completed gold and silver determination (1,069 pairs) from ALS Minerals confirm the AAL results.

Figure 3: Q-Q Plot for Gold, AAL vs ALS

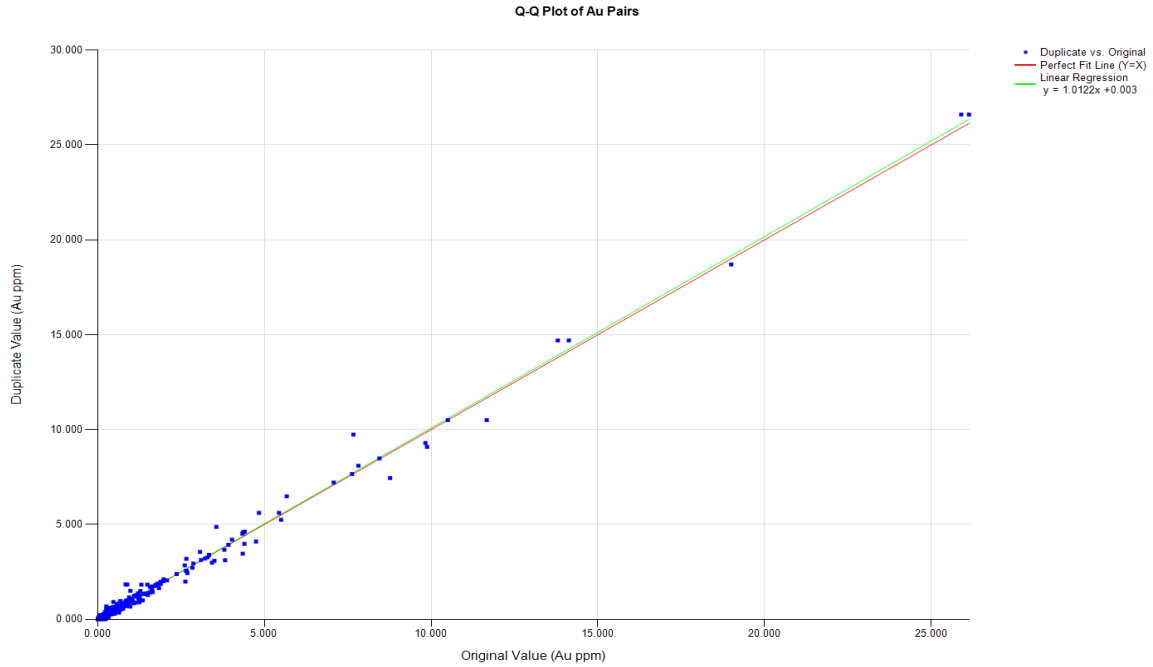
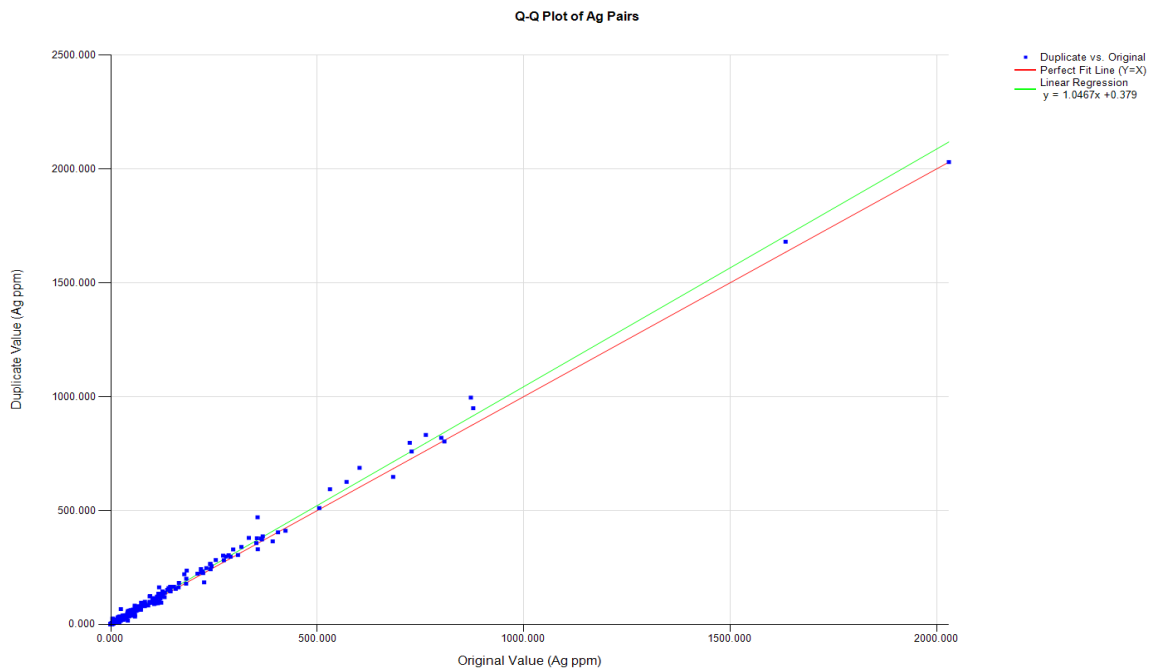


Figure 4: Q-Q Plot for Silver, AAL vs ALS



### Metallurgical Test Work

The Company assembled and delivered a total of twelve vein composites to Kappes and Cassidy (“KCA”) in Reno, Nevada. KCA completed cyanide bottle roll leach tests to test the initial metallurgical characteristics of the Tonopah West high-grade (“HG”), epithermal silver-gold vein system. A LG and HG composite was created for each of the Victor, Denver, Paymaster, Bermuda, Merten and Mule veins. The metallurgical test returned average recoveries of 95% for gold and 87% for silver. The gold recoveries

range between 90% and 98%, and the silver recoveries range between 81% and 94%. These test results are favorable compare to the historic recoveries achieved in the Tonopah district when gold and silver were liberated using stamp mills.

Blackrock project geologists constructed a set of LG and HG composites for each of the major veins in the DPB and Victor areas. The LG composite was assembled from coarse drill reject material based on gold and silver assays with a calculated silver equivalent (“AgEq”) grade of greater than 150 g/t AgEq, but less than 300 g/t AgEq. The HG composite was created of similar coarse reject material based on gold and silver assays with a calculated AgEq grade of greater than 300 g/t AgEq. The AgEq grade was calculated by using the silver assay added to the gold assay times 100. Table 1 shows the recoveries and associated parameters for the gold in each composite. Table 2 shows the corresponding silver recovery for each composite and the associated parameters of the bottle roll leach test. An average of the HG and LG recoveries is calculated in the last column of each table.

*Table 3: Bottle Roll Leach Tests for Gold in Tonopah West Composites*

Description	Head Average, gms Au/MT	Calculated Head, gms Au/MT	Extracted, gms Au/MT	Avg. Tails, gms Au/MT	Au Recovery %	Consumption NaCN, kg/MT	Addition Ca(OH) <sub>2</sub> , kg/MT	Average Au Recovery %
Bermuda HG	6.429	5.862	5.627	0.235	96%	1.03	1.02	93.5%
Bermuda LG	0.994	0.938	0.854	0.084	91%	0.48	1.02	
Denver HG	4.526	4.439	4.248	0.190	96%	0.94	1.02	93.0%
Denver LG	0.823	0.884	0.796	0.087	90%	0.35	1.02	
Merten HG	7.663	7.490	7.325	0.165	98%	0.89	0.76	96.0%
Merten LG	1.183	1.096	1.029	0.067	94%	0.47	1.02	
Mule HG	7.680	7.202	7.022	0.180	98%	0.92	0.76	97.0%
Mule LG	1.457	1.349	1.294	0.055	96%	0.67	0.76	
Paymaster HG	2.349	2.397	2.323	0.074	97%	0.97	0.76	96.0%
Paymaster LG	1.200	1.159	1.097	0.062	95%	0.53	0.76	
Victor HG	3.549	3.709	3.652	0.057	98%	1.02	0.76	97.0%
Victor LG	1.226	1.184	1.135	0.049	96%	0.39	1.02	
<b>Average</b>	<b>3.256</b>	<b>3.142</b>	<b>3.034</b>	<b>0.109</b>	<b>95%</b>	<b>0.72</b>	<b>0.89</b>	<b>95%</b>
<b>Minimum</b>	<b>0.823</b>	<b>0.884</b>	<b>0.796</b>	<b>0.049</b>	<b>90%</b>	<b>0.35</b>	<b>0.76</b>	<b>93%</b>
<b>Maximum</b>	<b>7.680</b>	<b>7.490</b>	<b>7.325</b>	<b>0.235</b>	<b>98%</b>	<b>1.03</b>	<b>1.02</b>	<b>97%</b>

*Table 4: Bottle Roll Leach Tests for Silver in Tonopah West Composites*

Description	Head Average, gms Ag/MT	Calculated Head, gms Ag/MT	Extracted, gms Ag/MT	Avg. Tails, gms Ag/MT	Ag Recovery, %	Consumption NaCN, kg/MT	Addition Ca(OH) <sub>2</sub> , kg/MT	Average Ag Recovery, %
Bermuda HG	95.69	102.36	96.41	5.95	94%	1.03	1.02	91.0%
Bermuda LG	98.57	106.84	93.59	13.25	88%	0.48	1.02	
Denver HG	120.46	123.85	111.60	12.26	90%	0.94	1.02	89.5%
Denver LG	110.83	128.02	113.65	14.37	89%	0.35	1.02	
Merten HG	91.53	100.63	89.63	11.01	89%	0.89	0.76	90.0%
Merten LG	100.58	104.19	94.62	9.57	91%	0.47	1.02	
Mule HG	434.57	442.12	384.93	57.19	87%	0.92	0.76	84.0%
Mule LG	444.00	448.01	363.63	84.38	81%	0.67	0.76	
Paymaster HG	614.40	602.88	489.64	113.25	81%	0.97	0.76	85.0%

Description	Head Average, gms Ag/MT	Calculated Head, gms Ag/MT	Extracted, gms Ag/MT	Avg. Tails, gms Ag/MT	Ag Recovery, %	Consumption NaCN, kg/MT	Addition Ca(OH) <sub>2</sub> , kg/MT	Average Ag Recovery, %
Paymaster LG	213.09	210.33	187.39	22.94	89%	0.53	0.76	
Victor HG	533.14	500.95	426.94	74.01	85%	1.02	0.76	83.0%
Victor LG	496.37	495.93	400.71	95.22	81%	0.39	1.02	
<b>Average</b>	<b>279.44</b>	<b>280.51</b>	<b>237.73</b>	<b>42.78</b>	<b>87%</b>	<b>0.72</b>	<b>0.89</b>	<b>87%</b>
<b>Minimum</b>	<b>91.53</b>	<b>100.63</b>	<b>89.63</b>	<b>5.95</b>	<b>81%</b>	<b>0.35</b>	<b>0.76</b>	<b>83%</b>
<b>Maximum</b>	<b>614.40</b>	<b>602.88</b>	<b>489.64</b>	<b>113.25</b>	<b>94%</b>	<b>1.03</b>	<b>1.02</b>	<b>91%</b>

All composites were leached for 96 hours on 45 micron material.

Based on these attractive initial results, the Company plans additional metallurgical test work after its maiden resource estimate is completed.

### **Tonopah North Project**

In June 2021, the Company, through its wholly owned subsidiary, staked 262 unpatented lode mining claims on Bureau of Land Management lands covering approximately 20 square kilometres of land north and west of Tonopah in Nye and Esmeralda counties, Nevada.

A gravity survey over a 250 x 250 metre grid was completed in June, and was followed by a 50-metre line spaced drone aeromagnetic survey completed in July 2021. The geophysical surveys along with detailed geologic review and mapping on the project has been completed. The data suggest the western and northern portions of the Tonopah Caldera are present on the newly staked lands. The significance of this interpretation is the continuation of the Tonopah West vein system to the west and north under post mineral geologic units.

### **Tonopah North Targets**

#### Extension of the Pittsburg-Monarch Fault System

Two drill sites (Sites A and B) have been permitted to test the extension of the Pittsburgh-Monarch fault system to the northwest. The two sites are located along the structural trend and correspond to an area showing a disruption in the gravity where the structures cut the proposed location of the Tonopah caldera margin.

In the main Tonopah district, the thickest and highest grade silver is associated with the intersection of the east-west oriented veins and the Pittsburgh-Monarch fault system. At this intersection, the Victor vein had a width of 24 metres (80 feet) and the Ohio vein was 14 metres thick (50 feet). The goal of the drillholes on this part is to intersect the fault within favorable volcanic lithologies and intersection similar mineralization to the Victor and Ohio veins.

Sites G, H and I will test a second north-northwest structural zone imaged in the gravity and magnetic geophysical data sets. The drillholes test the interpreted structural zone inside and outside of the postulated caldera margin.

A total of five drill sites totalling 3,300 metres is planned to test these structural targets.

## East-West Structural Zone

Based on magnetic data, structural lineaments and mapping, a large swath of east-west oriented structures are located on the north edge of the Tonopah caldera. The surface lithologies are comprised of outcrops within the Siebert Formation along the outer margin of the proposed Tonopah caldera. The geologic and structural setting look very similar to the Tonopah district, which is located on the southern margin of the Tonopah caldera. The potential to identify a new district-scale target exists within the area. This large area would have been ignored by early prospectors because the volcanic lithologies exposed are post mineral in the main Tonopah district. A total of three drillholes (Sites J, K and L) are planned totalling 2,300 metres.

## Lithium Potential

To help confirm the margin of the Tonopah caldera, four drillholes are planned along an east-west fence; however, the Siebert Formation is exposed at the surface, and American Lithium Corp.'s, TLC, lithium deposit is located approximately 3 kilometres to the northwest of Blackrock's claim position within the Siebert Formation. The lithium is hosted within the middle and lower members of the Siebert Formation. Four drillholes (Sites C, D, E and F) will serve a dual purpose of identifying the margin of the Tonopah caldera, as well as testing the Siebert Formation for lithium concentrations. A total of 3,400 metres is planned in four drillholes.

*Figure 5: Tonopah North Proposed Drillhole Locations*

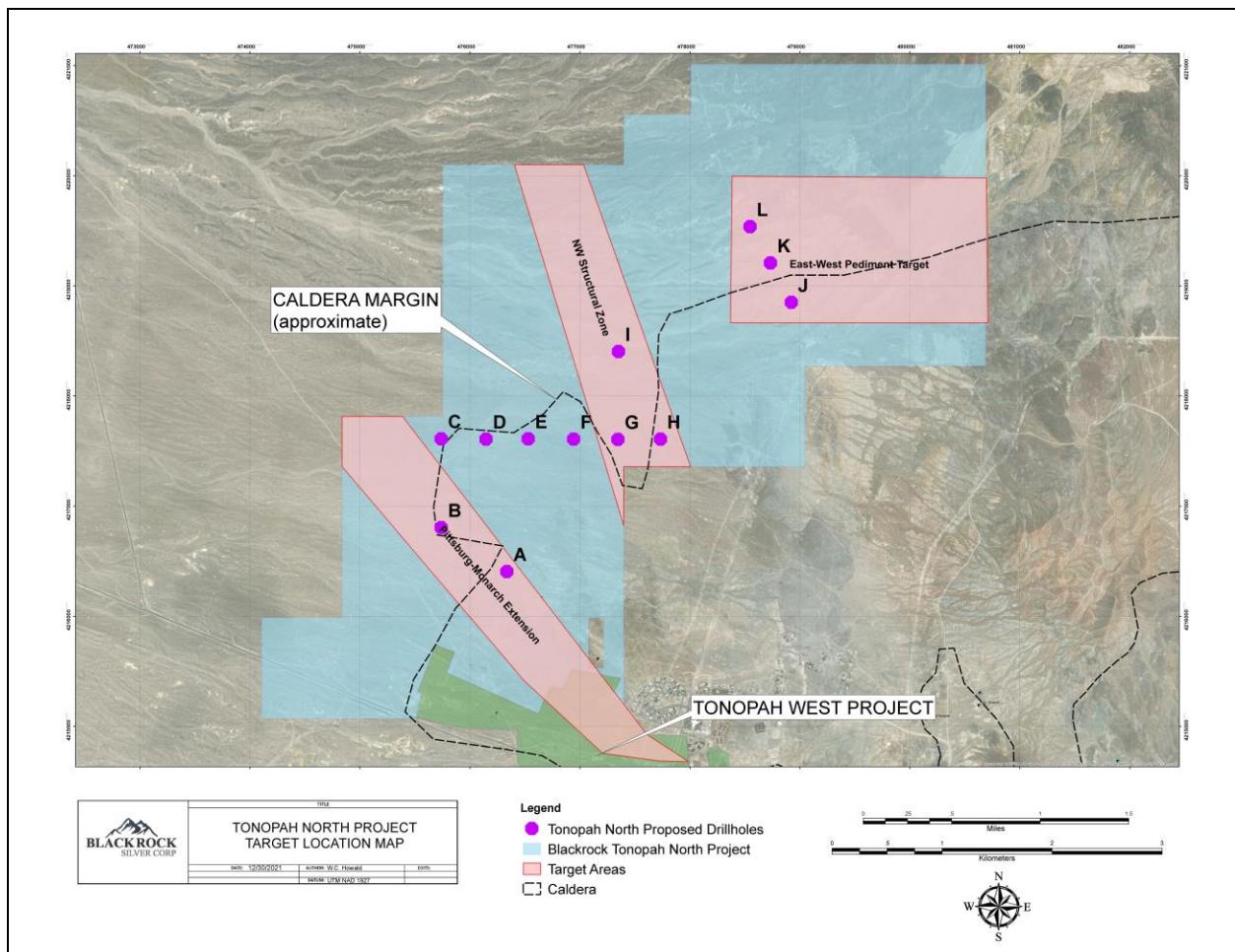


Table 5: Tonopah North Proposed Drillhole Coordinates

Site ID	UTM_NAD27_E	UTM_NAD27_N
A	476333	4216405
B	475735	4216805
C	475735	4217610
D	476145	4217605
E	476530	4217610
F	476945	4217605
G	477340	4217605
H	477730	4217605
I	477350	4218400
J	478920	4218855
K	478730	4219200
L	478545	4219535

#### Disclosure of Outstanding Share Data:

- Share capital authorized: Unlimited common shares
- Share capital issued as of October 31, 2021 - 143,793,829 common shares
- Share capital issued as of February 28, 2022 - 155,876,523 common shares
- Share purchase options outstanding, October 31, 2021 - 11,205,000
- Share purchase options outstanding, February 28, 2022 - 11,160,000
- Share purchase warrants outstanding, October 31, 2021 - 31,498,351
- Share purchase warrants outstanding, February 28, 2022 - 32,696,257
- Finders' warrants outstanding, October 31, 2021 - 2,269,459
- Finders' warrants outstanding, February 28, 2022 - 2,436,552
- Restricted share units outstanding, October 31, 2021 - 1,043,136
- Restricted share units outstanding, February 28, 2022 - 1,317,536

#### Subsequent Events

The following transactions, not disclosed elsewhere in the financial statements, occurred subsequent to the year-end:

- (i) On February 24, 2022, the Company announced a non-brokered private placement. The Company expects to issue a total of 5,681,819 common shares of the Company at a price of \$0.88 per common share for gross proceeds of \$5,000,001. The non-brokered private placement is expected to close on or about March 3, 2022 and consists of a single investor. In connection with the financing, the Company will issue 227,272 shares as a finders' fee to Research Capital Corporation.
- (ii) On January 18, 2022, 155,600 RSUs vested with all RSU holders electing to have the RSUs settled in cash. The Company issued, and sold, 155,600 common shares for gross proceeds of \$143,742 and incurred share issue costs of \$1,477. The net proceeds of \$142,265 were used to settle the 155,600 RSUs that vested.

(iii) On November 3, 2021, the Company closed a non-brokered private placement. The Company issued a total of 8,750,000 units of the Company at a price of \$0.80 per unit for gross proceeds of \$7,000,000 of which \$5,045,611 was raised, net of related share issue costs, during the year. Each unit consisted of one common share of the Company (each a “Common Share”) and one-half of one Common Share purchase warrant (each a “Warrant”). Each Warrant entitles the holder to acquire one Common Share at an exercise price of \$1.20 until November 3, 2023. Two insiders of the Company purchased or acquired direction and control over a total of 112,500 units under the private placement.

In connection with the offering, the Company paid total cash commission of \$267,348 and issued 167,093 non-transferable finders’ warrants, each entitling the holder to purchase one Common Share of the Company at a price of \$0.80 until November 3, 2023.

(iv) Subsequent to year-end, a total of 3,177,094 share purchase warrants were exercised for total proceeds of \$950,628.

### **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 statements 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:

#### Title to Assets

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. The Company's claims may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by unidentified or unknown defects. If title to the Company's properties is disputed, it may result in the Company paying substantial costs to settle the dispute or clear title and could result in the loss of the property, which events may affect the economic viability of the Company.

#### Precious and Base Metal Price Fluctuations

The precious metal properties being explored and developed by the Company will be significantly affected by changes in the market prices of precious metals, principally gold. Prices for precious metals fluctuate on a daily basis, have historically been subject to wide fluctuations and are affected by numerous factors beyond the control of the Company such as the level of interest rates, the rate of inflation, central bank transactions, world supply of the precious metals, foreign currency exchange rates, international investments, monetary systems, speculative activities, international economic conditions and political developments. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values. Declining market prices for these metals could materially adversely affect the Company's ability to explore and develop its mineral properties.

#### Fluctuations in the price of consumed commodities

Prices and availability of commodities consumed or used in connection with exploration and development such as natural gas, diesel, oil, electricity and equipment fluctuate and affect the costs of production at our operations. These fluctuations can be unpredictable, can occur over short periods of time and may have a materially adverse impact on our operating costs or the timing and costs of various projects. Our general policy is not to hedge our exposure to changes in prices of the commodities that we use in our business.

#### Need for additional financing

The Company's current cash and cash-flows may not be sufficient to pursue additional exploration, development or discovery of additional resources, or new acquisitions and, therefore, the Company may require additional financing. Additional financing may not be available on acceptable terms, if at all. The Company may need additional financing by way of private or public offerings of equity or debt or the sale of project or property interests in order to have sufficient working capital for its business objectives, as well as for general working capital purposes.

#### 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, one in Canada and one in the US. As most of the Company's cash is held by two 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, 2021, the Company had cash of \$8,535,438 to settle current liabilities of \$1,321,062. 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, 2021, the Company had cash balances of US\$2,604,356 (2020 - US\$2,267,749), and accounts payable and accrued liabilities of US\$623,324 (2020 - US\$937,051). Should the Canadian exchange rate against the US dollar change by 10%, the potential impact on the Company's net income (loss) would be approximately \$400,000. 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, CEO and CFO, 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, 2021.

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 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 ICFR during the year ended October 31, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

The Company's controls are based on the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 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](http://www.sedar.com).

### **Critical Accounting Estimates**

Critical accounting estimates are 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, regulatory risk, ownership and political risk, funding and currency risk, as well as environmental risk and risks arising out of the traditional territories of indigenous peoples. 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](http://www.sedar.com). Shareholders should go to Blackrock Silver 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.