

**BLACKROCK GOLD CORP. (Formerly Almo Capital Corp.)**  
**Hereinafter called “Blackrock” or the “Company”**  
**Management Discussion and Analysis**  
**For the Period Ended January 31, 2019**

Reported on March 27, 2019

**General**

The following management’s discussion and analysis (“MD&A”) on performance, financial condition, and prospects should be read in conjunction with the unaudited condensed consolidated financial statements of the Company for the period ended January 31, 2019 and audited consolidated financial statements and notes thereto for the year ended October 31, 2018. The Company’s financial statements are prepared in accordance with International Financial Reporting Standards. All financial information is presented in Canadian dollars unless otherwise stated. All references to a year refer to the year-ended on October 31st of that year, and all references to a quarter refer to the quarter ended on January 31st of that year. The date of this MD&A is March 27, 2019.

This MD&A contains forward-looking information and statements, which are based on the conclusions of management. The forward-looking information and statements are only made as of the date of this MD&A.

Additional information on the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation’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, statements regarding planned exploration activities, trends in the markets for precious metals and other commodities, technological advancement, competition, other statements that are not historical facts, and the risk factors identified herein. These 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 Corporation 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.

## Management's Responsibility for Financial Statements

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

## 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, but the Company allowed these claims to lapse in 2018.

The Company is engaged in the acquisition, exploration and development of mineral properties in North America. The Company owns 100% the Moore Property Located in the Kamloops Mining Division of British Columbia, but it intends to allow these claims to lapse.

On October 27, 2017, the Company entered into a Lease Agreement on a gold & silver project situated in Elko, Nevada, and known as the Silver Cloud Project (the “Property”). The Lease affords the Company all rights and privileges incidental to ownership, including rights to explore, develop, and mine the Property. The term of the Lease is 10 years and so long thereafter as a) exploration and/or development is taking place on the Property and/or b) the Property is held by the Company or its successors and assigns, unless earlier terminated in accordance with the terms of the Lease.

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 and trade on the OTCQB under the symbol “BKRRF”.

The Company owns 100% of Blackrock Gold Corp., a US company that was largely inactive to date, but was created to ultimately hold and operate the Company’s US resource projects.

## Summary of Quarterly Results

	Jan 2019	Oct 2018	Jul 2018	Apr 2018	Jan 2018	Oct 2017	Jul 2017	Apr 2017
General and administrative expenses	232,077	369,814	536,072	213,099	82,350	179,692	97,314	119,653
Other expenses (income)	-	-	-	-	-	993,041	-	(856,672)
Net income (loss)	(232,077)	(369,814)	(536,072)	(213,099)	(82,350)	(1,172,733)	(97,314)	737,019
Net Profit (loss) / share	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)	(0.06)	(0.00)	0.04
Total Assets	953,539	1,127,371	903,819	1,255,942	203,317	187,120	1,284,422	1,399,541

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

## **Results of Operations for the Quarter ended January 31, 2019**

### **Silver Cloud Project Expenses**

Total costs incurred on the project during the quarter amounted to \$27,103 (2018 - \$nil) of which \$nil (2018 - \$nil) was for acquisition costs and \$27,103 (2018 - \$nil) was for exploration costs.

### **General and Administrative Expenses**

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

The Company was restricting operations to conserve cash during the quarter as compared with the end of the last fiscal year, although in the same period of the prior year, the Silver Cloud Project had not yet been approved by the TSXV. As a result, expenses across the board have increased compared with the same period last year. Of note, the following expenses changed significantly from the prior year:

Consulting fees in the quarter increased to \$72,087 in 2019 from \$nil in 2018 due to the company hiring new consultants for finance and business development and retaining a contract administrative assistant for the Management.

Management fees in the quarter increased to \$30,304 in 2019 from \$7,500 in 2018. The increase was due to compensation paid to the Company CEO in the quarter.

Marketing and communications costs, which include investor relations costs, decreased in the quarter to \$22,270 in 2019 from \$40,438 in 2018. The Company has reduced its marketing costs to retain cash.

Legal fees in the quarter increased to \$28,725 in 2019 from \$7,969 in 2018 due to US legal work related to hiring a President for the US subsidiary and subsequently dealing with the consequences of his tragic passing, incentive plans, appointing a new director and CFO, and extending the loans.

Regulatory and filing fees in the quarter increased to \$10,104 in 2019 from \$3,198 in 2018 due to TSXV filing fees for the new CFO and new director and related stock options as well as OTCQX sustaining fees.

Rent in the quarter increased to \$6,603 in 2019 from \$nil in 2018 due to rent paid on the Vancouver head office and an office in the United States for the CEO.

Travel increased in the quarter to \$16,779 in 2019 from \$232 in 2018 due to additional travel caused by the head office of the Company being in Canada, the CEO of the Company residing in the USA, the Silver Cloud project being located in a different state in the USA, and directors traveling to meet with the CEO.

Wages in the quarter increased to \$34,548 in 2019 from \$15,545 in 2018 due to accrued vacation pay and salary increases as well as the salary for the President of the US subsidiary.

### **Related Party Transactions**

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

As at January 31, 2019, the Company owed \$48,994 (October 31, 2018 - \$45,264) to related parties as follows:

- i. \$9,200 (2018 - \$32,791) to the former President of a subsidiary of the Company for salary (2018 - consulting fees);
- ii. \$24,316 (2018 - \$9,857) to the President and CEO of the Company for management fees;
- iii. \$15,477 (2018 - \$2,616) to the former interim CEO of the Company for salary;

During the quarter ended January 31, 2019, the Company incurred interest expense of \$1,753 (2018 – \$2,034) on loans payable to directors of the Company. The Company issued 1,162,273 bonus warrants in respect of these loans during the year ended October 31, 2018 (see Note 5).

#### Key Management Compensation

During the quarter ended January 31, 2019, the Company paid or accrued compensation to key management, or companies controlled by them, totalling \$76,186 (2018 - \$7,500). Of this amount, \$9,201 (2018 - \$nil) was paid to Brian Morris, \$30,041 (2018 - \$nil) was paid to Greg Schifrin, \$17,444 (2018 - \$nil) was paid to Paul Kania, \$19,500 (2018 – n/a) was paid to Amit Kumar, and \$nil (2018 - \$7,500) was paid to Randip Minhas.

During the quarters ended January 31, 2019 and 2018, no share-based payments were made to officers and directors of the Company.

During the quarter ended January 31, 2019, \$25,023 (2018 - \$nil) was paid for project related exploration (a soil sampling program) to a company controlled by the CEO of the Company.

#### **Loans Payable**

Loans payable at January 31, 2019 and October 31, 2018 is comprised of the following:

	January 31, 2019	October 31, 2018
<b>Related parties:</b>		
Principal (i, iii, iv, v)	\$ 114,219	\$ 105,478
Interest	8,053	10,628
Repayment (vi)	-	(26,888)
	<u>122,272</u>	<u>89,218</u>
<b>Arms-length:</b>		
Principal (ii, iv, v)	19,983	19,983
Interest	1,909	1,480
Repayment	-	-
	<u>21,892</u>	<u>21,463</u>
<b>Total</b>	<b>\$ 144,164</b>	<b>\$ 110,681</b>

- (i) On November 10 and 14, 2017, the Company entered into loan agreements with two current directors of the Company to borrow a total of \$81,364 for a period of one year. Of this amount, \$40,308 was a non-interest-bearing advance at October 31, 2017 that was converted into a loan (see Note 7). As further consideration for advancing the loans, the Company issued a total of 1,162,273 bonus warrants to the directors exercisable at a price of \$0.07 per share for a period of 12 months (none of these warrants were exercised and these warrants have since expired). These loans were extended for an additional six-month term expiring on May 10 and 14, 2019.

The number of bonus warrants to be issued with respect to the extension agreements has not yet been determined.

- (ii) On November 27, 2017, the Company entered into a loan agreement with an arms-length party to borrow \$19,983 for a period of one year. As further consideration for advancing the loan, the Company issued 285,714 bonus warrants to the lender exercisable at a price of \$0.07 per share for a period of 12 months (none of these warrants were exercised and these warrants have since expired).
- (iii) On January 31, 2019, the Company entered into a loan agreement with a current director of the Company to borrow USD\$25,000 for a period of one year. The number of bonus warrants to be issued with respect to this loan agreement has not yet been determined and the bonus warrants have not been issued.
- (iv) These loans are unsecured and bear interest at 8% per annum with interest accruing and payable at maturity. Principal and all accrued and unpaid interest is payable in full on maturity or upon demand after six months and can be prepaid in full or in part at any time without penalty. Overdue principal and accrued interest bear interest at 8% per annum.
- (v) Loan agreements that include bonus warrants are considered to be a compound financial instrument with the liability and equity component being classified separately in the consolidated statements of financial position on the date of issuance. The fair value of the liability component is determined first, with the residual value, if any, being allocated to the equity component. At the time of issuance, the fair value of the liability component was determined not to be materially different from the loan proceeds. Accordingly, no amount has been allocated to the equity component.
- (vi) The principal balance of \$24,114 and interest of \$2,774 was repaid during the year.

### Liquidity and Capital Resources

Working capital on January 31, 2019 was negative \$28,578 (October 31, 2018 – \$230,603), which is the current assets minus the current liabilities of the Company. The sources of cash in the period included borrowing (loans).

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

The consolidated financial statements for the quarter ended January 31, 2019 have been prepared on a going concern basis, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. This MD&A does not give effect to any adjustment which would be necessary should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in this MD&A.

	January 31, 2019	October 31, 2018
Working capital (deficiency)	\$ (28,578)	\$ 230,603
Deficit	\$ 4,257,481	\$ 4,025,403

## Accounting Principles

The audited consolidated annual financial statements have been prepared in accordance with IFRS. The policies and estimates are considered appropriate under the circumstances but are subject to judgments and uncertainties inherent in the financial reporting process. See also Note 2 in the consolidated financial statements for the year ended October 31, 2018 for additional detail on accounting principles.

## 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. The Company does not have any financial instruments that are measured using Level 2 or Level 3 inputs. The carrying value of receivables, accounts payable and accrued liabilities, loans, and employment liability approximate fair value because of the short-term nature of these instruments. During the year, there were no transfers between Level 1, Level 2, and Level 3 classified assets and liabilities.

## Recent Accounting Pronouncements

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

Standard	Title	Applicable for financial years beginning on/after	Effective
IFRS 9	Financial instruments	January 1, 2018	Yes
IFRS 16	Leases	January 1, 2019	No

Under IFRS 9, financial assets are required to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 provides a three-stage expected credit loss model for calculating impairment for financial assets. Expected credit losses are required to be recognized when financial instruments are initially recognized, and the amount of expected credit losses recognized are required to be updated at each reporting date to reflect changes in the credit risk of the financial instruments. On initial recognition, IFRS 9 requires financial liabilities to be classified as subsequently measured at amortized cost except for when one of the specified exceptions applies. There has been no change in the carrying value of the Company's financial instruments or to previously reported figures as a result of the adoption of IFRS 9.

Under IFRS 16, virtually all leases are required to be accounted for as finance leases rather than operating leases, where the required lease payments are disclosed as a commitment in the notes to the financial statements. As a result, leased assets (“right-of-use” assets) and the related lease liability will be required to be recognized on the statement of financial position.

## **Mineral Exploration and Evaluation Properties**

### **Silver Cloud Project**

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

To acquire and maintain the Lease in good standing, Blackrock:

- (a) reimbursed the Lessor US\$92,308 for the 2017 Bureau of Land Management (“BLM”) fee;
- (b) paid US\$100,000 and issued 1,000,000 common shares of the Company to the Lessor at a price of \$0.13 per share;
- (c) paid US\$100,000 in lease payments to the Lessor for year 1;
- (d) must perform a minimum total of 15,000 feet of drilling on the Property during the first 3 years of the term of the Lease;
- (e) must drill an additional 90,000 feet from years four to nine and 20,000 feet each subsequent year;
- (f) must pay all BLM permit costs. The Company paid BLM fees of US\$92,544 in 2018. The next BLM payment in the amount of US\$92,544 is due on or before July 15, 2019; and
- (g) must make additional payments to the Lessor of US\$100,000 in year 2, US\$150,000 in year 3, US\$200,000 in year 4, US\$250,000 in year 5, US\$500,000 in year 6, US\$750,000 in year 7 and US\$1,500,000 per year starting in year 8. The next lease payment in the amount of US\$100,000 is due on or before October 27, 2019.

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

<b>NEVADA – Silver Cloud</b>	October 31, 2018	Net Additions	January 31, 2019
Acquisition	\$ 661,898	\$ -	\$ 661,898
Geology and Consulting	49,573	27,103	76,676
<b>TOTAL</b>	\$ 711,471	\$ 27,103	\$ 738,574

## **PROJECT UPDATE**

During 2018, the Company collected and reviewed data on Silver Cloud and the regional geological setting. In the third quarter of 2018, the Company appointed as President Mr. Brian Morris, a North Nevada

Rift expert geologist with vast experience from working at the neighboring Hollister and Midas Mines, to oversee and lead the exploration efforts on Silver Cloud.

With Mr. Morris' tragical passing in late 2018, the Company remains committed to build on the findings, ideas and strategies formulated by Mr. Morris who was confident that Silver Cloud has the potential to host a similar deposit as the neighboring Hollister and Midas mines.

Based on the historical work and the regional geological setting, Silver Cloud, like both the Midas and Hollister deposits, is believed to be a low sulphidation epithermal gold deposit. In order to advance the project, the Company is planning to complete an exploration and drilling program during the 2019 field season while continuing to look for a strategic partner.

The exploration program will include continuation and completion of the geochemical soil sampling program started in late 2018 and a new CSAMT geophysical survey to help identify subsurface geology, structure and drill targets. Previous soil geochemistry results have proved to be a good indicator for mineralization along structure. This new information, along with the previously collected data, will be used to identify the new drill hole locations.

Following the completion of the surface work program, the Company is planning to drill approximately 10,000 feet with 6-8 holes to depths ranging from 1,000 ft to 1,800 ft in order to develop a further understanding of the gold intercepts drilled during previous drill campaigns by Teck and Placer Dome in the late 1990s and early 2000s, as well as testing new targets.

#### DD Property

By an agreement dated April 30, 2003 (amended August 25, 2003 and September 5, 2003) the Company acquired a 50.01% interest (subject to a 3% Net Smelter Returns ("NSR") royalty) in 17 mineral claims located in the Cariboo Mining Division, for consideration of \$1.01 in cash and by incurring exploration expenditures totaling \$200,000 (incurred). By an agreement dated July 29, 2015, the Company acquired the remaining 49.99% interest in the DD property claims. Pursuant to this agreement, the pre-existing 3% NSR royalty was terminated. During the year ended October 31, 2017, the Company wrote off costs totalling \$115,870 related to this project as management had no plans to complete any additional work on the property. The claims were allowed to lapse in 2018.

#### Moore Property

By an agreement dated September 10, 2004, the Company had an option to acquire a 100% interest in 34 mineral claims located in the Kamloops Mining Division. In order to earn its 100% interest in this property, the Company paid \$5,000 and incurred \$50,000 in exploration expenditures. During the year ended October 31, 2017, the Company wrote off costs totalling \$877,171 related to this project as management had no plans to complete any additional work on the property. These claims will be allowed to lapse as they come due between 2019 and 2021.

#### **Disclosure of Outstanding Share Data:**

• Share capital authorized:	Unlimited common shares
• Share capital issued as of January 31, 2019	42,992,518 common shares
• Share capital issued as of March 25, 2019	42,992,518 common shares
• Share purchase options outstanding, January 31, 2019	3,600,000 share purchase options
• Share purchase options outstanding, March 25, 2019	3,600,000 share purchase options
• Share purchase warrants outstanding, January 31, 2019	14,856,666 share purchase warrants



- Share purchase warrants outstanding, March 25, 2019

9,405,000 share purchase warrants

## **Risk and Uncertainties**

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

The only sources of future funds for further exploration programs or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are borrowing, the sale of equity capital or the offering of the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Although the Company was successful in accessing the equity market during the past year, there is no certainty or assurance that such sources of financing will be available on acceptable terms, if at all.

Other risks include:

### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with one major bank in Canada. As most of the Company's cash is held by one bank, 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 try to ensure that there is sufficient capital in order to meet short-term obligations. As at January 31, 2019, the Company had cash of \$59,010 to settle current liabilities of \$243,543. The Company does not have enough cash or working capital to satisfy its current liabilities and is subject to significant liquidity risk. Additional capital must be raised to fund the operations and overhead of the Company.

### *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. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

### *Interest rate risk*

The Company has cash balances subject to fluctuations in the prime rate. Management believes that interest rate risk is remote as cash deposits are payable on demand and the Company currently does not carry interest bearing debt at floating rates

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

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

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

### **Management's Report on Internal Controls**

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

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, internal control over financial reporting 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 because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. There have been no changes in the Company's internal control over financial reporting during the quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

The Corporation's controls are based on the COSO framework. COSO (Committee of Sponsoring Organizations of the Treadway Commission) 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 Corporation in its Management Information Circular which was mailed to shareholders and is accessible via the Internet for public viewing on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

### **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, regulatory 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. Actual results could differ from those estimates.

### **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 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.