

## **BLACKROCK SILVER CORP.**

### **Management's Discussion and Analysis For the Three Months Ended January 31, 2025**

Reported on March 26, 2025

#### **General**

The following Management Discussion and Analysis (“MD&A”) on performance, financial condition and prospects of Blackrock Silver Corp. (“our”, “Blackrock” or the “Company”) should be read in conjunction with the unaudited condensed consolidated interim financial statements and notes thereto as at January 31, 2025 and for the three months then ended and the audited consolidated financial statements and notes thereto as at October 31, 2024 and for the year then ended. The Company’s condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Standards). These financial statements comply with International Accounting Standard 34 Interim Financial Reporting. 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.

This MD&A has been prepared based on information available to the Company as of March 26, 2025.

Additional information on the Company is available on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.blackrocksilver.com](http://www.blackrocksilver.com).

#### **Forward-looking Statements**

This MD&A contains “forward-looking statements” or “forward-looking information” (collectively, “**forward-looking statements**”) within the meaning of Canadian and United States securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements in this MD&A relate to, among other things: the Company's strategic plans; the timing of completion of the Company’s drill programs at its material mineral properties and the anticipated objectives and results therefrom; the results of the PEA (as defined herein); the economic potential and merits of the Company’s material mineral properties; the timing and particulars of the development phases as identified in the PEA; estimates with respect to life-of-mine, operating costs, sustaining capital costs, capital expenditures, all-in sustaining costs, cash costs, life-of-mine production, mill throughput, net present value and after-tax internal rate of return, payback period, production capacity and other metrics; the estimated economic returns from Tonopah West (as defined herein); mining methods and extraction techniques; the exploration potential of the Company’s material mineral projects; project enhancement opportunities; the completion of further expansion drilling the anticipated timing of receipt and announcement of assay results; the Company's de-risking initiatives at Tonopah West; estimates of mineral resource quantities and qualities; estimates of mineralization from drilling; geological information projected from sampling results; and the potential quantities and grades of the target zones.

These forward-looking statements reflect the Company’s current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include, among other things: conditions in general economic and financial markets; tonnage to be mined and processed; grades and recoveries; prices for silver and gold remaining as estimated; currency exchange rates remaining as estimated; reclamation estimates; reliability of mineral resource estimates and the assumptions upon which they are based; future operating costs; prices for energy inputs, labour, materials, supplies and services (including transportation); the availability of skilled labour and no labour related disruptions at any of the Company's operations; no unplanned delays or interruptions in scheduled production; performance of available laboratory and other related services; availability of funds; all necessary permits, licenses and regulatory approvals for operations are received in

a timely manner; the ability to secure and maintain title and ownership to mineral properties and the surface rights necessary for operations; and the Company's ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements contained in this MD&A and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in silver and gold prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets; operational risks and hazards inherent with the business of mining (including environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structural formations, cave-ins, flooding and severe weather); risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with, and claims by, local communities and indigenous populations; the ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices in the jurisdictions where the Company operates; changes in national and local government, legislation, taxation, controls or regulations and political, legal or economic developments, including legal restrictions relating to mining and risks relating to expropriation; increased competition in the mining industry for equipment and qualified personnel; the duration and effects any pandemics on the Company's operations and workforce; and those factors identified under the caption "Risks and Uncertainties" in this MD&A and under the caption "Risks Factors" in the Company's most recent Annual Information Form.

Forward-Looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the date of this MD&A. The Company undertakes no obligation to update or revise any forward-looking statements included in this MD&A if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

### **Cautionary Note Regarding Mineral Resource Estimates**

This MD&A has been prepared in accordance with the requirements of NI 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") – CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the "**CIM Standards**"), which differ from the requirements of U.S. securities laws. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Canadian public disclosure standards, including NI 43-101, differ significantly from the requirements of the U.S. Securities and Exchange Commission ("**SEC**"), and information concerning mineralization, deposits and mineral resource information contained or referred to herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, this news release uses the term "inferred mineral resources". U.S. investors are advised that, while such term is recognized and required by Canadian securities laws, the SEC does not recognize it. The requirements of NI 43-101 for identification of "reserves" are not the same as those of the SEC, and may not qualify as "reserves" under SEC standards. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part of an "indicated mineral resource" will ever be converted into a "reserve". U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all

or any part of “inferred mineral resources” exist, are economically or legally mineable or will ever be upgraded to a higher category. Disclosure of “contained metal” in a mineral resource is permitted disclosure under Canadian securities laws. However, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade, without reference to unit measures. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with U.S. standards.

The mineral resource figures referred to in this MD&A are estimates and no assurances can be given that the indicated levels of gold and silver will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Any inaccuracy or future reduction in such estimates could have a material adverse impact on the Company.

### **Management’s Responsibility for Financial Statements**

The Company's management is responsible for the presentation and preparation of condensed consolidated interim financial statements and the MD&A. The condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument (“NI”) 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

### **Qualified Person**

Unless otherwise noted herein, technical information contained in this MD&A has been prepared by or under the supervision of, or has been approved by William Howald, Executive Chairman of the Company. Mr. Howald, AIPG Certified Professional Geologist #11041, is a “Qualified Person” for the purpose of NI 43-101.

### **Description of Business**

Blackrock is a British Columbia company engaged in the acquisition and exploration of gold and silver projects in Nevada, United States. The mineral properties material to Blackrock are its wholly-owned Tonopah West project located in Nye and Esmeralda Counties, Nevada along the Walker Lane trend of Western Nevada (“**Tonopah West**”) and its lease interest in the Silver Cloud project situated in Elko, Nevada (“**Silver Cloud**”).

#### Tonopah West

Tonopah West is located approximately 370 kilometres southeast of Reno adjacent to and locally within the town limits of Tonopah, U.S.A. The approximate center of Tonopah West is located at latitude 38.0719°N and longitude 117.2498°W. Tonopah West totals 1,030.2 hectares of private land (patented mining claims) and public land controlled by the United States Department of the Interior Bureau of Land Management (the “**BLM**”). There are 83 unpatented lode mining claims and 100 patented claims held by the Company’s wholly-owned Nevada, U.S.A. based subsidiary, Blackrock Gold Corp. (“**Blackrock Gold**”) which constitute Tonopah West.

The Company owns 100% of Tonopah West through Blackrock Gold. Blackrock Gold acquired Tonopah West from Ely Gold Royalties Inc. (“**Ely Gold**”) for payments totalling U.S.\$3 million pursuant to an option agreement dated February 24, 2020 among Ely Gold’s wholly-owned subsidiary, Nevada Select Royalty, Inc. (“**Nevada Select Royalty**”) and Blackrock Gold (the “**Tonopah Option Agreement**”). On March 13, 2024, Blackrock Gold made the final option payment in order to exercise its option under the Tonopah Option Agreement to acquire 100% ownership of Tonopah West. Tonopah West is the Company’s most significant asset and the focus of the majority of its exploration work.

## Silver Cloud

Silver Cloud is located in north central Nevada, approximately 418 km (260 miles) northeast of Reno. It is readily accessible from Battle Mountain by Nevada Highway 805. The approximate center of Silver Cloud is UTM 530940 E/4546440N (NAD27). Silver Cloud is approximately 5,685 hectares (11,580 acres) consisting of 572 unpatented lode mining claims situated in the Ivanhoe mining district, on public land controlled by the BLM.

The Company holds an interest in Silver Cloud pursuant to a Lease Agreement dated October 27, 2017, as amended June 1, 2019 and October 27, 2023 (the “**Silver Cloud Lease**”), between Blackrock and Pescio Exploration, LLC (“**Pescio**”) with respect to 552 unpatented lode mining claims situated in Elko County, Nevada, and known as the “Silver Cloud Project”. The Silver Cloud Lease affords Blackrock all rights and privileges incidental to ownership of Silver Cloud, including rights to explore, develop, and mine Silver Cloud. The Silver Cloud Lease is for an indefinite term so long as Blackrock continues to perform its obligations thereunder, unless earlier terminated by Blackrock in accordance with the terms of the Silver Cloud Lease.

Pursuant to the Silver Cloud Lease, to maintain the Silver Cloud Lease in good standing, the Company is required to make certain annual cash payments to Pescio as follows:

- January 27, 2024: U.S.\$75,000 (completed);
- October 27, 2024: U.S.\$100,000 (completed);
- October 27, 2025: U.S.\$125,000;
- October 27, 2026: U.S.\$125,000;
- October 27, 2027 to October 27, 2031: U.S.\$150,000 per year; and
- on all subsequent anniversaries the Silver Cloud Lease is in effect, U.S.\$175,000 per year (subject to annual adjustment for inflation).

Additionally, pursuant to the terms of the Silver Cloud Lease, the Company is required to incur minimum work expenditures on Silver Cloud as follows:

- on or before October 27, 2030: U.S.\$500,000; and
- on or before October 27, 2033: U.S.\$500,000.

Under the Silver Cloud Lease, the Company has the option (the “**Silver Cloud Option**”) to acquire 100% of Silver Cloud for a total purchase price of: (i) U.S.\$5,000,000 if the Silver Cloud Option is exercised on or before October 27, 2029; or (ii) US\$7,000,000 if the Silver Cloud Option is exercised any time after October 27, 2029.

## Tonopah North

The Company also owns the Tonopah North mineral project (“**Tonopah North**”), which is made up of 260 unpatented lode mining claims covering approximately 21 square kilometres of the Pittsburg-Monarch fault system which is located in Esmeralda and Nye Counties, Nevada, immediately north and west of the Tonopah West Denver-Paymaster and Bermuda -Merten vein groups (collectively “**DPB**”) resource area. Tonopah North is not considered by the Company to be a material mineral property.

With Tonopah West and Silver Cloud, 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 established gold and silver belts in Nevada.

## Selected Annual Information

	October 31, 2024 \$	October 31, 2023 \$	October 31, 2022 \$
Net sales or revenue	-	-	-
Exploration expenditures	8,459,150	2,792,231	13,974,396
Operating expenses	3,574,221	3,349,947	4,104,900
Other income*	(276,294)	(143,332)	(570,274)
Net loss	11,757,077	5,998,846	17,509,022
Loss per share, basic and fully diluted	0.05	0.03	0.11
Total assets	17,253,192	6,600,818	8,448,228
Long-term liabilities	118,033	44,134	85,118

\* The Company has separated out “other income” from “operating expenses” on the consolidated statements of loss and comprehensive loss, for presentation purposes.

The above data has been prepared in accordance with IFRS Accounting Standards.

In fiscal 2022, the Company continued its mineral exploration activities at Tonopah West which involved a significant drill program focussed on developing a maiden resource estimate on Tonopah West. The Company successfully completed the maiden resource estimate and released its results in the third quarter (Q3) of 2022. Once the Tonopah West maiden resource estimate was completed, the Company began a small in-fill drill at Tonopah West.

In the fourth quarter (Q4) of 2022, the Company completed its drill program at Silver Cloud, the results of which were released in December 2022.

During the six-months ended April 30, 2023, the Company completed its in-fill drill program at Tonopah West and released the positive results during the period. The in-fill program was a much smaller scale drill program as compared with the program completed in 2022. As a result, the exploration expenditures are significantly lower than previous periods.

During the three months ended April 30, 2023, the Company completing a brokered private placement which closed on March 17, 2023, completed and filed its Annual Information Form for the year ended October 31, 2022 and planned out a drill program for Silver Cloud to follow-up on the positive results released in December 2022. The Company completed the drill program in Q3 and into Q4 of 2023, resulting in higher exploration costs in those quarters as compared with Q1 and Q2 2023.

In Q3 and Q4 2023, the Company completed the preparation and filing of its short form base shelf prospectus dated August 4, 2023 (the “**Base Shelf Prospectus**”), commenced the 2023 drill program at Silver Cloud and announced an updated mineral resources estimate for Tonopah West.

In the first quarter (Q1) of 2024, the Company completed a “bought deal” public offering of units pursuant to a prospectus supplement dated January 19, 2024 to the Base Shelf Prospectus for aggregate gross proceeds of \$5,750,000 (the “**January 2024 Offering**”).

During Q2 2024, the Company used the net proceeds from the January 2024 Offering to exercise the option to acquire 100% ownership of Tonopah West pursuant to the Tonopah Option Agreement, commence a major de-risking initiatives at Tonopah West, including advanced metallurgical testing, engineering, environmental and hydrologic studies and for general working capital purposes.

On May 29, 2024, the Company closed a “bought deal” public offering of units of the Company (the “**May 2024 Offering**”) consisting of 32,343,750 units of the Company at a price of \$0.32 per unit for aggregate gross proceeds of \$10,350,000. The Company intends to use the net proceeds from the May

2024 Offering to fund the M&I Conversion Program (as defined herein) and the Resource Expansion Program (as defined herein).

Drilling on Tonopah West commenced in Q3 2024 and continued into Q4 2024. In addition, the Company completed the PEA (as defined herein) on Tonopah West, yielding in positive results. The M&I Conversion program and the Resource Expansion program resulted in significant exploration expenditures in Q3 2024 and ramped up significant in Q4 2024. The drill programs are expected to continue in Q2 2025 as results to date have proven positive and the Company has added additional drill holes to the programs.

On September 20, 2024, the Company closed a non-brokered private placement of Common Shares (the “September 2024 Offering”) consisting of 15,625,000 common shares of the Company (“Common Shares”) at a price of \$0.32 per Common Shares for aggregate gross proceeds of \$5,000,000. 2176423 Ontario Ltd., a company beneficially owned by Eric Sprott, was the sole investor in the September 2024 Offering. The Company intends to use the proceeds from the September 2024 Offering to fund the expansion drilling on the Tonopah West property and general working capital.

### Use of Proceeds from Financings

On January 30, 2025, the Company closed a brokered private placement offering for gross proceeds of \$13,800,276 consisting of 38,334,100 units of the Company at a price of \$0.36 per unit. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder thereof to acquire one common share at a price of \$0.50 until January 30, 2027. Of the total proceeds, \$12,650,253 was allocated to share capital and \$1,150,023 was allocated to the share purchase warrants in accordance with the Company’s accounting policy

In connection with the financing, the Company paid a cash commission of \$799,184 and granted finders’ warrants totaling 2,219,955 to purchase common shares of the Company at an exercise price of \$0.36 per common share, expiring January 30, 2027.

The net proceeds of the January 2025 Offering will be used as set out below:

Use of Proceeds	Proposed Use of Proceeds \$	Expenditures up to January 31, 2025 \$
Core Drilling at Tonopah West	6,782,358	-
RC Drilling at Tonopah West	850,000	-
Updated M&I Resource at Tonopah West	350,000	-
Updated PEA at Tonopah West	420,226	-
Environmental Baseline Studies at Tonopah West	3,500,000	-
General working capital	1,000,000	-
Total	\$12,902,584	\$-

## Summary of Quarterly Results

	Jan 2025 \$	Oct 2024 \$	Jul 2024 \$	Apr 2024 \$	Jan 2024 \$	Oct 2023 \$	Jul 2023 \$	Apr 2023 \$
Exploration expenditures	3,793,671	6,499,516	1,511,466	263,332	184,856	349,433	1,049,599	201,125
General and administrative expenses	1,393,082	812,424	669,513	730,257	1,362,027	931,220	752,122	836,649
Other expenses (income)*	(367,283)	40,714	(157,744)	(36,544)	(67,520)	(84,901)	70,848	(142,678)
Net loss	(4,819,470)	(7,352,654)	(2,023,215)	(1,030,133)	(1,479,363)	(1,195,752)	(1,872,569)	(895,096)
Loss per share	(0.02)	(0.03)	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.00)
Total assets	25,518,489	17,253,192	18,129,340	9,522,502	10,493,846	6,600,818	7,962,153	9,010,661

\* The Company has separated out “other expenses (income)” from “general and administrative expenses”, on the condensed consolidated interim statements of loss and comprehensive loss, for presentation purposes.

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.

During the year ended October 31, 2023, the Company completed its in-fill drill program and announced an updated mineral resource estimate on Tonopah West. In addition, the Company commenced and completed the 2023 drill program at Silver Cloud. As the drill program was much smaller in scale, as compared to the 2022 program and the 2024 program, the exploration expenditures in 2023 were significantly lower in comparison.

As a result of positive lithium results on the Company’s drill holes completed on Tonopah North in Q4 2022, in January 2023, Blackrock Gold entered into an option agreement (the “**Tonopah North Option Agreement**”) with Tearlach Resources Limited and its wholly-owned Nevada subsidiary, Pan Am Lithium (Nevada) Corp. (collectively, “**Tearlach**”) pursuant to which Tearlach has been granted the option to acquire, in two stages, up to a 70% interest in the lithium minerals in certain unpatented mining claims forming a portion of Tonopah North upon incurring cumulative exploration expenditures of U.S.\$15,000,000 and the completion of a feasibility study on Tonopah North within 5 years.

In May 2024, Blackrock Gold, terminated the Tonopah North Option Agreement with Tearlach. Pursuant to the terms of the Tonopah North Option Agreement, as Tearlach failed to make a US\$100,000 cash payment due to Blackrock Gold by April 30, 2024 and, following a 10-day cure period, Blackrock Gold elected to terminate the Tonopah North Option Agreement.

In Q3 2023, the Company continued its drilling programs at its mineral properties and began work on updating its maiden resource estimate for Tonopah West. In addition, the Company prepared and filed the Base Shelf Prospectus.

During 2023, the Company completed a brokered financing for gross proceeds of \$4.39 million while also raising an additional \$466,598 through the exercise of Common Share purchase warrants and \$55,500 through the exercise of stock options.

During the first half of fiscal 2024, the Company's exploration expenditures decreased to allow for 2024 exploration planning, including the completion of a preliminary economic assessment (the "**PEA**") on Tonopah West.

The Company completed the January 2024 Offering in Q1 2024, the net proceeds from which were used to: (i) fund the final Tonopah West option payment pursuant to the Tonopah Option Agreement; (ii) for further expansion drilling and engineering, metallurgical and hydrologic studies at Tonopah West; (iii) to fund an option payment due under the Silver Cloud Lease; (iv) for BLM fees and county taxes in connection with Tonopah West and Silver Cloud; and (v) to fund the Company's day-to-day operations in 2024. See "Use of Proceeds from Financings" in this MD&A.

The Company completed the May 2024 Offering in Q3 2024, the net proceeds from which were used to fund the Company's drill campaign at Tonopah West consisting of core and RC drilling at Tonopah West and for general working capital purposes. See "Use of Proceeds from Financings" in this MD&A.

The drill campaign on Tonopah West commenced in July 2024, and includes an in-fill drilling component consisting of approximately forty drillholes within the shallow southern portion of the DPB resource area with a goal to convert up to 1.5-million tonnes of material from inferred mineral resources to measured and indicated mineral resources (the "**M&I Conversion Program**") and an exploration component that is targeting expansion potential across a one kilometre trend of vein corridor linking the DBP and the Northwest ("**NW**") step out resource areas (the "**Resource Expansion Program**").

The Company completed its PEA and announced the results in early September 2024. The positive results of the PEA further solidified the Company's decision to continue moving forward with its planned drilling at Tonopah West in order to complete the M&I Conversion Program.

During Q1 2025, the Company continued its M&I Conversion program and its Resource Expansion drilling. The programs are expected to continue into May 2025 and as a result, the Company is expected to have significant exploration expenditures. The Company added 7 additional drill holes to its Resource Expansion program in order to expand the area to be included in the updated resource by 500 meters.



## Summary of Operating Expenses

	Three Months Ended January 31,	
	2025	2024
<b>Operating expenses</b>		
Accounting and audit	68,242	76,300
Bank charges and interest	2,781	2,750
Consulting fees	62,125	54,113
Depreciation	7,039	-
Directors fees	91,296	52,357
Insurance	34,012	30,186
Legal fees	40,377	33,515
Management fees	720,411	595,915
Marketing and communications	37,608	165,785
Office	50,867	47,740
Regulatory and filing fees	21,808	68,171
Rent	-	4,112
Share-based payments	113,081	77,552
Travel	35,723	59,519
Wages	107,712	94,012
	<b>\$ 1,393,082</b>	<b>\$ 1,362,027</b>

For the three months ended January 31, 2025, the Company incurred operating expenses of \$1,393,082, as compared with \$1,362,027 during the same period in 2024. In general, the Company's activities were similar in both comparable periods. Significant changes are highlighted below:

- (i) Directors fees increased to \$91,296 in Q1 2025 from \$52,357 in Q1 2024. The increase in fees was the result of higher fees paid to the independent directors as compared with 2024.
- (ii) Marketing and communication fees decreased to \$37,608 from \$165,785 during the same period in 2024. The Company was at a different stage in exploration activities in Q1 2024 as compared with Q1 2025. In 2023, the Company received results from its Silver Cloud drill program and completed an updated mineral resource estimate on Tonopah West. As a result, there were more marketing initiatives to communicate such results that continued into Q1 2024. In 2024, the Company started its M&I Conversion and Resources Expansion program in summer of 2024. As at January 31, 2025, significant number of drill hole results were still pending. The marketing and communication expenditures are expected to increase as drill results become available.
- (iii) Management fees increased to \$720,411 in Q1 2025 from \$595,915 in Q1 2024. The increase in fees was the result of increased management bonuses as compared with the same period in 2024.

## 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.

Please refer to Note 8 of the unaudited condensed consolidated interim financial statements for complete details on the related party transactions that occurred during the periods ended January 31, 2025 and January 31, 2024.

## Liquidity and Capital Resources

At January 31, 2025, the Company had cash of \$17,442,285 as compared to cash of \$9,399,493 at October 31, 2024. Working capital on October 31, 2024 was \$6,328,935 (October 31, 2024 - \$8,364,331), which is the current assets minus the current liabilities of the Company. The sources of cash during the year ended January 31, 2025 included cash from the public offering, and the exercise of Common Share purchase warrants.

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 acquisition and holding costs, 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 public offerings, private placements or the exercise of stock options or Common Share purchase Warrants.

While this MD&A and the condensed consolidated interim 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 uncertainties, 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 the condensed consolidated interim financial statements do not give effect to adjustments that would be necessary if the Company were not to continue as a going concern.

	January 31, 2025	October 31, 2024
	\$	\$
Working capital	16,328,936	8,364,331
Deficit	86,229,203	81,409,733

As at January 31, 2025, the Company's commitments and obligations lie in the costs related to keeping the properties in good standing and its lease obligation. Please refer to notes 6 of the condensed consolidated interim financial statements for commitments related to the Company's properties and note 14 for details on its lease obligations.

The Company is subject to significant liquidity risk. See "Risks and Uncertainties" in this MD&A.

## Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

## Future Accounting Pronouncements

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements (“**IFRS 18**”) which replaces IAS 1 Presentation of Financial Statements.

IFRS 18 introduces:

- (i) new requirements on presentation within the statement of profit or loss;
- (ii) disclosure standards regarding management defined performance measures; and
- (iii) principles for aggregation and disaggregation of financial information in the financial statements and the notes.

IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 is to be applied retrospectively. The Company is currently assessing the impact that IFRS 18 will have on its consolidated financial statements.

## Exploration and Evaluation Expenditures

### Title disclaimer

As at January 31, 2025, all of the Company's exploration and evaluation assets are located in Nevada, U.S.A. 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 condensed consolidated interim financial statements for complete details on the Company's exploration property ownership.

### United States

<b>Acquisition and Holding Costs</b>	<b>Silver Cloud</b>	<b>Tonopah</b>	<b>Total</b>
<b>Balance, October 31, 2023</b>	\$ 2,115,690	\$ 3,064,656	\$ <b>5,180,346</b>
Additions	405,704	1,523,198	<b>1,928,902</b>
Foreign currency translation	10,941	54,615	<b>65,556</b>
<b>Balance, October 31, 2024</b>	<b>2,532,335</b>	<b>4,642,469</b>	<b>7,174,804</b>
Additions	-	-	-
Foreign currency translation	71,486	189,297	<b>260,783</b>
<b>Balance, January 31, 2025</b>	<b>\$ 2,603,821</b>	<b>\$ 4,831,766</b>	<b>\$ 7,435,587</b>

The acquisition cost and exploration and evaluation expenditures relating to the West Silver Cloud property have been included with those of Silver Cloud, while Tonopah North and West expenditures have been included together.

The exploration expenditures for the three months ended January 31, 2025 were as follows:

<b>Exploration Expenditures</b>		<b>Silver Cloud</b>		<b>Tonopah</b>		<b>Generative</b>		<b>Total</b>
Drilling	\$	1,999	\$	3,513,438	\$	-	\$	<b>3,515,437</b>
Geology and consulting		334		239,662		107		<b>240,103</b>
Geophysics		-		38,131		-		<b>38,131</b>
<b>Total</b>	\$	2,333	\$	3,791,231	\$	107	\$	<b>3,793,671</b>

The exploration expenditures for the three months ended January 31, 2024 were as follows:

<b>Exploration Expenditures</b>		<b>Silver Cloud</b>		<b>Tonopah</b>		<b>Generative</b>		<b>Total</b>
Drilling	\$	50,419	\$	65,316	\$	-	\$	<b>115,735</b>
Geology and consulting		2,978		65,183		101		<b>68,262</b>
Property investigation		-		-		473		<b>473</b>
Legal fees		-		193		193		<b>386</b>
<b>Total</b>	\$	53,397	\$	130,692	\$	767	\$	<b>184,856</b>

### **Tonopah West Project**

On March 13, 2024, Blackrock Gold exercised its option to acquire a 100% interest in Tonopah West pursuant to the Tonopah Option Agreement. In connection with the exercise of the option to acquire Tonopah West, Blackrock Gold Company made payments to Nevada Select Royalty totalling US\$3 million over a 4-year term, including a final cash payment in the amount of US\$1,000,000.

On September 4, 2024, the Company announced the result of the PEA.

On October 15, 2024, the Company filed a technical report titled “Preliminary Economic Assessment of Mineral Resources, Tonopah West Silver-Gold Project, Nye and Esmeralda Counties, Nevada, USA” with an effective date for the PEA of September 4, 2024 and an effective date for the mineral resource estimate of August 23, 2024, and dated October 11, 2024 (the “**Tonopah West Technical Report**”).

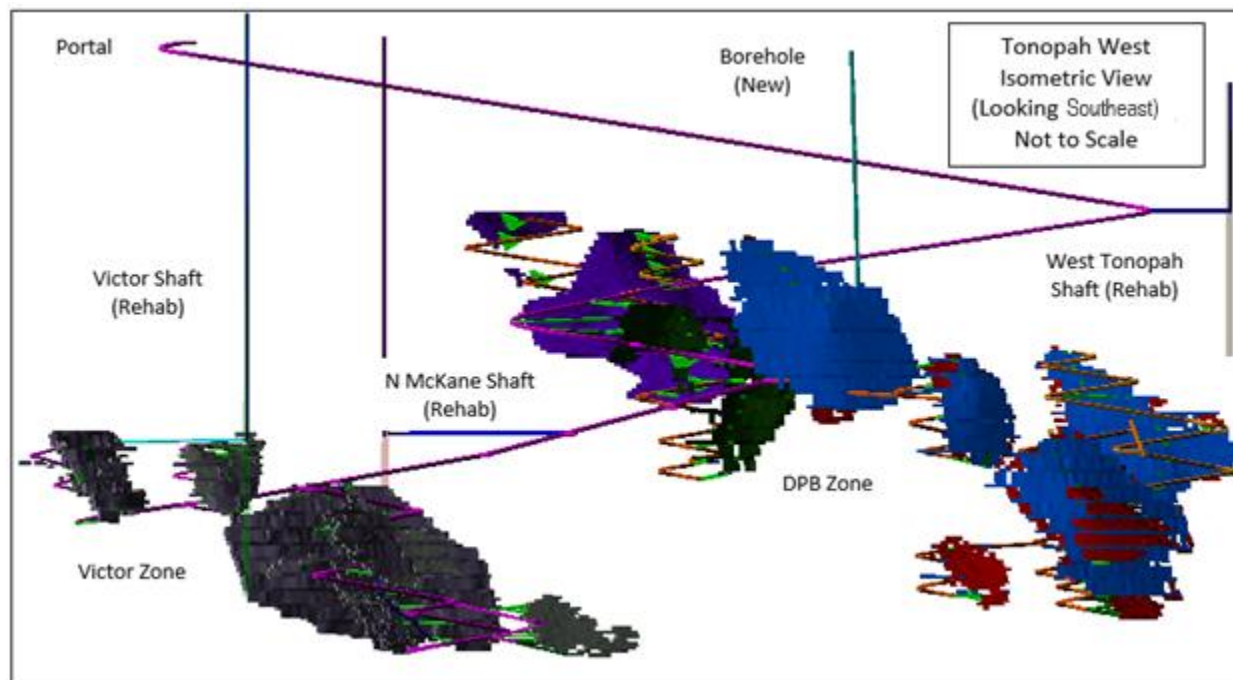
Certain information related to the PEA is summarized below. This summary does not purport to be a complete summary of the Tonopah West Technical Report and is subject to all the assumptions, qualifications and procedures set out in the Tonopah West Technical Report and is qualified in its entirety with reference to the full text of the Tonopah West Technical Report. Readers should read this summary in conjunction with the Tonopah West Technical Report, which can be accessed under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or the Company’s website <https://blackrocksilver.com/>.

The results of the PEA are preliminary in nature and include inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them to be classified as mineral reserves. There is no certainty that the results of the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

**Table 1: Key Economic Parameters of the PEA**

<b>Assumption / Results</b>	<b>2024 PEA</b>
Total tonnes processed over the LOM	<b>4,114,000</b>
Total waste mined over the LOM	<b>1,486,000</b>
Gold grade mined – LOM average (g/t)	<b>3.34</b>
Silver grade mined – LOM average (g/t)	<b>271.0</b>
Silver Equivalent grade mined – LOM average (g/t) (3)	<b>569.7</b>
Gold recovery – LOM weighted average	<b>96.1%</b>
Silver recovery – LOM weighted average	<b>88.9%</b>
Expected Long-term Gold Price (US\$/oz)	<b>\$1,900</b>
Expected Long-term Silver Price (US\$/oz)	<b>\$23.00</b>
Total gold production (payable ounces)	<b>424,000</b>
Total silver production (payable Ag ounces)	<b>31,780,000</b>
Total silver production (payable AgEq ounces)	<b>66,816,000</b>
Average silver equivalent production per Annum (payable AgEq ounces)	<b>8,596,000</b>
LOM gross revenue, before refining and treatment charges (US\$ millions)	<b>\$1,537</b>
Initial capital costs (US\$ millions) (Table 2)	<b>178</b>
Sustaining capital costs (US\$ million)	<b>178</b>
LOM cash costs (US\$ millions) (Table 3)	<b>621</b>
LOM cash cost per payable ounce of AgEq (US\$)	<b>9.30</b>
LOM AISC per payable ounce of AgEq (US\$)	<b>11.96</b>
Mine Life (years) (2)	<b>7.8</b>
Average LOM process rate (tpd)	<b>1500</b>
After-tax undiscounted LOM Project Cash Flow (US\$ millions) (1)	<b>496</b>
After-Tax NPV (5% discount) (US\$ millions) (1)	<b>326</b>
After-Tax IRR (1)	<b>39.2%</b>
Payback Period (years) (2)	<b>2.3</b>
After-Tax NPV of LOM Cash Flow / NPV of Pre-production capex (1)	<b>2.0</b>
Note 1: from start of construction	
Note 2: from start of production	
Note 3: $g \text{ AgEq/tonne} = g \text{ Ag/tonne} + (g \text{ Au/tonne} \times \text{Silver Equivalency Factor})$	
$\text{Silver Equivalency Factor} = \frac{[(\text{Metal Price Au}) / (\text{Metal Price Ag})] \times [(\text{Met. Rec. Au}) \times (\text{Au Payable } \%)]}{[(\text{Met. Rec. Ag}) \times (\text{Ag Payable } \%)]}$ where payables are assumed 99.9% for Au and 99.75% for Ag.	

Figure 1: Tonopah West Preliminary Economic Assessment-Underground Mine Design



### Capital Costs

The estimated capital costs to bring Tonopah West into operation are based on utilizing local and regional personnel and select contractors. Initially, an underground development contractor will be employed to establish the portal and initiate development. As the mine develops, the Company will transition to owner mining. Contractors will be sourced to construct all surface facilities including the process plant. After an initial ramp up period, mineralized material will be processed at a rate of 547,500 tonnes per year in a conventional three-stage crushing and milling plant including a refinery which will produce saleable gold and silver doré bars.

The initial capital expenditure is estimated at \$177.8 million for the construction period which includes \$22.3 million in contingency costs. An additional \$178 million is estimated for sustaining capital, principally associated with underground mining development, additional underground mobile equipment and infrastructure, delineation drilling and accrued reclamation expense over the life of mine (“LOM”). The Company has also included \$11.7 million of expenditures for exploration access ramps to extend the current mineralization.

Capital cost estimates are based on industry standards and were developed using quotes and estimates provided by mining contractors and vendors.

**Table 2: Capital Costs**

<b>Initial Capital Costs</b>	<b>Costs (US\$ millions)</b>
UG Mine Mobile Equipment	14.0
UG Mine Infrastructure	5.5
UG Mine Development	16.7
UG Mine Contingency	5.3
Mill & Surface Infrastructure	
Directs	83.1
Indirects	2.3
Owners Costs	2.3
EPCM	11.9
First Fills & Working Capital	4.1
Contingency	17.0
Other	
Dewatering Wells	13.5
Engineering Studies	2.0
Advance Royalties	0.1
<b>Total initial capital costs</b>	<b>177.8</b>

**Operating Costs**

The minable resource is accessed via a newly developed ramp system incorporating existing vertical shafts (rehabilitated) for ventilation and secondary escapeways. The minable resource will be extracted utilizing two mining methods, Sublevel Extraction and Cut and Fill mining techniques. Cemented Rock Fill (CRF) and Hydraulic Fill are intended to be utilized as backfill. CRF media is sourced from the development waste rock, whereas Hydraulic Fill will be obtained from segregated tailings material. The minable resource will be transferred to surface via underground haul trucks.

The study considers a processing plant with a design capacity to treat 1,500 metric tonnes per day. Extraction of gold and silver will be carried out by agitated cyanide leaching to produce a pregnant leach solution. The precious metal pregnant leach solution is separated from the solid material in counter-current decantation thickeners. Process tailings will be dewatered by pressure filtration. Solid tailings waste material from pressure filtration will be transported by dump truck to a lined dry-stack tailings storage area. For this evaluation, 20% of the tails were assumed to be used for backfill in the underground mine. Precious metal values will be recovered from the pregnant solution by Merrill-Crowe zinc precipitation, followed by precipitate smelting. Precipitate smelting will produce gold and silver doré bars.

**Table 3: Operating Costs**

Operating Costs	LOM (US\$M)	Per Payable Oz Ag (US\$)	Per Payable Oz AgEq (US\$)
Mining	328	\$ 10.31	\$ 4.91
Processing	154	\$ 4.85	\$ 2.31
General Administrative (site)	24	\$ 0.77	\$ 0.36
Royalties and Production Taxes	95	\$ 3.00	\$ 1.43
Current Reclamation & Bond Premiums	5	\$ 0.15	\$ 0.07
<b>Total Operating Costs and Royalties</b>	<b>606</b>	<b>\$ 19.08</b>	<b>\$ 9.08</b>
Refining and Treatment Charges	15	\$ 0.47	\$ 0.22
<b>Total Cash Costs</b>	<b>621</b>	<b>\$ 19.55</b>	<b>\$ 9.30</b>
Sustaining Capital and Exploration	178	\$ 5.61	\$ 2.67
<b>All-in Sustaining Costs</b>	<b>799</b>	<b>\$ 25.14</b>	<b>\$ 11.96</b>
Co-Product Creditis (Au)	-806	\$ (25.36)	n/a
<b>All-in Sustaining Costs with co-product Accounting</b>	<b>-7</b>	<b>\$ (0.22)</b>	<b>n/a</b>

A summary of the key operating and financial metrics over the approximately 8-year LOM of Tonopah West according to the PEA is as follows:

**Table 4: LOM Operating and Financial Data**

Year	Production (2)		Gross Revenue (3)	Operating Costs & Royalties (5)	Operating Cash Flow	Sustaining Capex (6)	Initial Capex (4)	Project Cash Flow (7)	AISC
	Gold	Silver							
	Kozs		US\$ Millions						
Year -2	0	0	0	0	0	0	18	-18	0
Year -1	0	0	0	0	0	0	126	-126	0
Year 1	35	2837	133	53	79	40	34	5	94
Year 2	67	5092	244	87	157	37	0	120	124
Year 3	57	4014	200	82	118	29	0	89	111
Year 4	56	4214	204	81	123	41	0	82	122
Year 5	57	4303	207	82	125	21	0	104	103
Year 6	55	4045	198	82	116	10	0	107	91
Year 7	56	3888	195	82	113	1	0	113	82
Year 8	42	3387	157	71	86	1	0	86	72
Year 9	0	0	0	0	0	0	0	0	0
Year 10	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>425</b>	<b>31,780</b>	<b>1,538</b>	<b>620</b>	<b>917</b>	<b>180</b>	<b>178</b>	<b>562</b>	<b>799</b>

Note 1: All figures are rounded to reflect the relative accuracy of the estimate.

Note 2: Production represents payable gold and silver.

Note 3: Gross revenue is based on gold and silver prices of US\$1900 and US\$23 per ounce respectively.

Note 4: From start of construction.

Note 5: Includes production taxes

Note 6: Excludes exploration development for NW veins.

Note 7: Excludes Federal Income Tax



**Table 5: Sensitivity to Metal Price, Opex and Capex Variations**

After-Tax NPV 5% Sensitivity to Metal Prices (US\$M)						After-Tax IRR Sensitivity to Metal Prices					
		Silver Price (\$US/Troy Oz.)					Silver Price (\$US/Troy Oz.)				
		-20%	-10%	23.00	10%	20%	-20%	-10%	23.00	10%	20%
Gold Price (\$US/Troy Oz.)	20%	334	374	414	454	495	40%	44%	47%	51%	54%
	10%	289	330	370	410	450	36%	40%	43%	47%	50%
	1900	243	285	326	366	406	31%	35%	39%	43%	47%
	-10%	197	239	281	322	362	27%	31%	35%	39%	43%
	-20%	149	192	235	277	317	22%	27%	31%	35%	38%

After-Tax NPV 5% Sensitivity to Costs (US\$M)						After-Tax IRR Sensitivity to Costs					
		Initial Capex					Initial Capex				
		-20%	-10%	0%	10%	20%	-20%	-10%	0%	10%	20%
Opex	20%	296	284	272	259	247	42%	38%	34%	31%	29%
	10%	323	311	299	287	275	45%	40%	37%	34%	31%
	0%	349	337	326	314	303	47%	43%	39%	36%	33%
	-10%	375	363	352	340	329	50%	45%	42%	38%	35%
	-20%	401	389	378	366	355	53%	48%	44%	40%	37%

**Mineral Resources**

The updated mineral resource estimate (the “MRE”) included in the Tonopah West Technical Report was prepared by RECPEC Company LLC (“RESPEC”) in accordance with the CIM Standards and NI 43-101. The effective date of the MRE is August 23, 2024.

**Table 6: Tonopah West Inferred Mineral Resource – Effective date August 23, 2024**

Cut-off Grade (AgEq g/t) <sup>(1)</sup>	Tonnes (kt)	Grade			Contained Metal			Classification <sup>(4)</sup>
		Au (g/t)	Ag (g/t)	AuEq (g/t) <sup>(2)</sup>	Au (koz)	Ag (koz)	AuEq (koz) <sup>(3)</sup>	
190	6,351	2.82	237.8	492.5	577	48,550	100,560	Inferred

<sup>1</sup> AgEq cutoff grade is based on total mining, processing and G&A costs of \$128.6/tonne and a silver price of \$25/ounce.

<sup>2</sup> Silver Equivalent grade ratio used is 90:1 based on silver and gold prices of \$23/ounce and \$1,900/ounce, respectively, and recoveries for silver and gold of 87% and 95%, respectively. AgEq Factor= (Ag Price / Au Price) x (Ag Rec / Au Rec); g AgEq/t = g Ag/t + (g Au/t / AgEq Factor).

<sup>3</sup> Rounding as required by reporting guidelines may result in apparent discrepancies between tonnes, grade, and contained metal content.

<sup>4</sup> Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The quantity and grade of reported inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as indicated mineral resources. It is uncertain if further exploration will result in upgrading them to the Indicated mineral resources category.

The MRE encompasses the spatial areas known as Victor, DP, Bermuda and the Northwest Step Out areas. The Victor area is approximately 500-metres by 250-metres while the DPB area is 800-metres by 800-metres. The Bermuda area is a high-grade vein within the DPB area, and the NW step out represents a new extension of the vein zones to west-northwest. The spatial areas are not considered to be significantly different geologically but have been separated for logistical purposes in future mining scenarios. Table 7 presents the mineral resources subdivided by spatial area.

**Table 7: Tonopah West Inferred Mineral Resources by Area**

Area	AgEq cutoff g/t <sup>(1)</sup>	Tonnes	Silver g/t	Gold g/t	AgEq g/t <sup>(2)</sup>	Ounces of Silver	Ounces of Gold	Ounces of Silver Equivalent <sup>(3)</sup>	Classification <sup>(4)</sup>
Victor	190	2,255,000	258	3.05	532.8	18,698,000	221,000	38,621,000	Inferred
DP	190	1,652,000	191.5	2.57	423	10,167,000	136,000	22,462,000	Inferred
Bermuda	190	1,409,000	292	3.44	602.7	13,233,000	156,000	27,310,000	Inferred
NW Step Out	190	1,035,000	193.8	1.9	365.5	6,452,000	63,000	12,168,000	Inferred
<b>TOTAL</b>		<b>6,351,000</b>	<b>237.8<sup>(5)</sup></b>	<b>2.82<sup>(5)</sup></b>	<b>492.5<sup>(5)</sup></b>	<b>48,550,000</b>	<b>576,000</b>	<b>100,561,000</b>	<b>Inferred</b>

<sup>1</sup> AgEq cutoff grade is based on total mining, processing and G&A costs of \$129.3/tonne and a silver price of \$25/ounce.

<sup>2</sup> Silver Equivalent grade ratio is 90:1 is based on silver and gold prices of \$23/ounce and \$1,900/ounce, respectively, and recoveries for silver and gold of 87% and 95%, respectively.  $AgEq\ Factor = (Ag\ Price / Au\ Price) \times (Ag\ Rec / Au\ Rec)$ ;  $g\ AgEq/t = g\ Ag/t + (g\ Au/t / AgEq\ Factor)$ .

<sup>3</sup> Rounding as required by reporting guidelines may result in apparent discrepancies between tonnes, grade, and contained metal content.

<sup>4</sup> Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The quantity and grade of reported Inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred mineral resources as Indicated mineral resources. It is uncertain if further exploration will result in upgrading them to the Indicated mineral resources category.

<sup>5</sup> Weighted average g/t of all areas.

The NW step out area contains resources of over 12 million ounces of silver equivalent (“**AGEq**”) which are excluded from the PEA. There is significant exploration potential to expand this zone such that it could become big enough to be included in future mining studies.

To generate the MRE, RESPEC was supplied with three-dimensional vein shapes by Blackrock. These vein shapes were used as geological controls to construct three-dimensional grade domains to constrain the estimate. Silver and gold mineral resources were modelled and estimated as follows:

- evaluated the drill data statistically;
- created tightly constrained low-, medium- and high-grade mineral-domain polygons for both silver and gold on sets of cross sections spaced at 50-metre intervals;
- used the mineral-domain polygons as a basis to create three-dimensional wireframes;
- coded a block model to the silver and gold domains using the mineral-domain wireframes;
- analyzed the modelled mineralization geostatistically to aid in the establishment of estimation and classification parameters; and
- interpolated grades into models comprised of 1.5(east-west) x 1.5(north-south) x 1.5(vertical)-metre blocks using the silver and gold mineral domains to explicitly constrain the grade estimations.

Drillhole assay samples were composited within the mineralized domains into 1.5-metre length composites. High-grade capping was completed on composite data and established using a statistical analysis for silver and gold. Silver was capped at 1,800 grams per tonne (g/t), and gold was capped at 20 g/t.

Specific gravity test work was completed for 92 core samples. Results indicate an average density of 2.49 grams/cm for vein material and 2.36 grams/cm for wall rock.

RESPEC utilized Inverse Distance Cubed (ID) interpolation for the estimation to obtain a localizing effect in the mid- and high-grade domains, and an Inverse Distance Squared (ID) in the low-grade domains where mineralization is more diffuse. All estimates are based on a block dimension of 1.5-metre by 1.5-metre by 1.5-metre blocks.

The original deposit has been depleted by historical mining in the Victor area. Approximately 200,000 tonnes of material were removed from the Victor resource estimate. In the DPB area, no historical mining records were documented.

A cut off for the reported resource of 190 g/t AgEq was selected based on assumed mining costs for underground methods along with processing and G&A costs. At a 190 g/t AgEq cut off, the average grade of the inferred resource is 492.5 g/t AgEq.

The MRE was prepared under the supervision of Mr. Jeffrey Bickel, CPG, an employee of RESPEC, and he has reviewed and approved the technical contents relating to the MRE included in the Tonopah West Technical Report.

Mr. Bickel has reviewed the sampling, assaying, and security procedures used at Tonopah West and it is his opinion that they follow industry standard procedures and are adequate for the estimation of the current MRE.

Mr. Bickel completed audits of the database, performed a site visit, and reviewed quality assurance and quality control data. After performing their review, he considers the assay data to be adequate for the estimation of the MRE.

The “Qualified Persons” (as defined by NI 43-101) who were responsible for the PEA and who have verified and approved the contents are Robert H. Todd, P.E., of Minetech, Jeffery Bickel, C.P.G (AIPG) of RESPEC Company, LLC, Travis Manning, P.E., QP of Kappes, Cassiday & Associates, Thomas H. Bagan, P.E., MBA, SME-RM, an independent consulting mining engineer and Richard DeLong, QP of Westland Engineering and Environmental Inc.

## **Exploration Update**

On July 30, 2024, the Company announced the commencement of a fully funded 20,000-metre drill program at Tonopah West with two core drills from Alloy Drilling and one reverse circulation (“**RC**”) drill from Legacy Drilling. All drill contractors are Elko, Nevada based. The drill campaign consists of two components the M&I Conversion Program and the Resource Expansion Program.

The area in which the M&I Conversion Program is taking place (the “**M&I Conversion Area**”) represents the initial years of anticipated production based on the mine plan laid out in the Company’s Preliminary Economic Assessment on Tonopah West (the “**PEA**”) (see September 4, 2024 news release). The goal of the M&I Conversion Program is to convert up to 1.5-million tonnes of material from inferred mineral resources to measured and indicated mineral resources targeting high-grade silver and gold where the initial mine design contemplated in the PEA starts to access the shallowest and highest-grade stopes from the Bermuda-Merten vein group (collectively, “**DPB South**”). DPB South resource area is where the veins are at their shallowest depth below the surface. Drilling is on 25-metre centres within an area that is 270-metres in an E-W direction by 550-metres in a N-S direction. The program consists of 40 pre-collar holes with corresponding core tails. The combined drillholes will range from 200 to 380-metres in total length. A total of 12,000 metres of combined RC and core was for the M&I Conversion Program as outline in the use of proceeds from the May 2024 Prospectus offering.

By December 31, 2024, the M&I Conversion Program completed forty pre-collar holes ranging from 50-metres to 300-metres deep for a total meterage of 5,797 metres (19,020 ft.). The core drills used the pre-collar holes to finish core tails to the target depth and completed 5,675 metres (18,619 ft) in 32 of the 40 pre-collar holes. The core tails will range from 80-metres to 450-metres below the pre-collar depth. In addition, the Company completed 6 core holes from surface totaling 1,758 metres (5,768 ft.).

The M&I Conversion Program re-started after the Holiday Season on January 6, 2025, and completion is scheduled for Mid-May 2025. The expanded program was outlined in the January 2025 Prospectus Offering and has commenced with two core drills and one reverse circulation drill. Since January, the Company has completed sixteen additional pre-collars bringing the total number of holes for the M&I Conversion Program to 62 of which 53 drillholes totaling 18,098 metres (59,377 ft) are complete.

The results of the M&I Conversion Program have been positive as reported in the Company’s news releases dated October 15, 2024, November 21, 2024, January 16, 2025, and February 20, 2025. Overall, the results to date show that the Merten-Bermuda vein group in the DPB South area is exceeding expectations, with high-grade silver and gold displaying continuity and significant length at higher-than-average grades.

Figure 2: Tonopah West M&I Conversion Program-Drillhole Location Map (March 17, 2025)

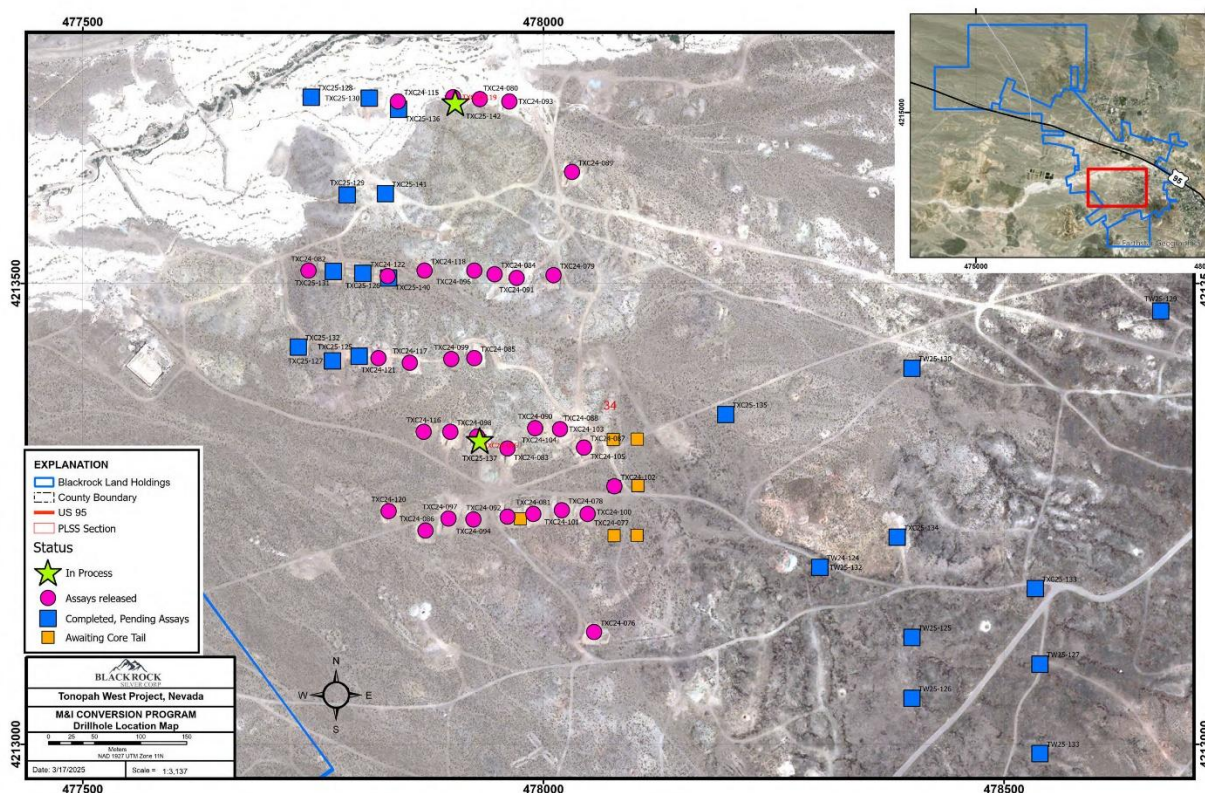


Table 8 shows all drill intercepts above a 200 g/t AgEq cut-off grade. These assays support the conclusion that the high-grade silver and gold have continuity and substantial strike within the DPB South area.

*Table 8: Tonopah West Drillhole Assays above 200 gpt AgEq*

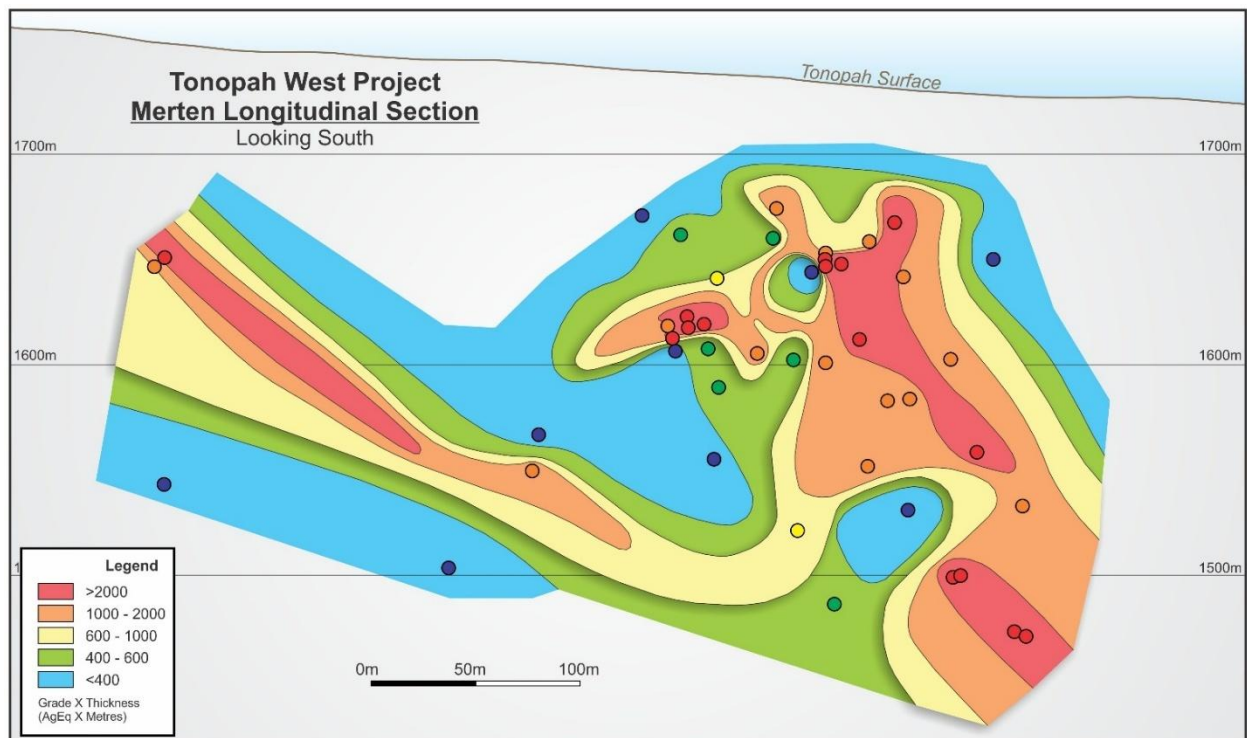
Hole ID	HoleType	Area	Program	From (m)	To (m)	Drill Interval (m)	Ag (g/t)	Au (g/t)	AgEq (g/t)
TXC24-076	RC/Core	DPB	M&I	195.62	195.93	0.31	99.2	1.440	228.8
TXC24-080	RC/Core	DPB	M&I	367.29	369.27	1.98	174.0	0.844	249.9
TXC24-081	RC/Core	DPB	M&I	181.51	183.49	1.98	131.9	1.503	267.2
TXC24-085	RC/Core	DPB	M&I	171.60	172.67	1.07	152.7	1.613	297.9
TXC24-085	RC/Core	DPB	M&I	249.48	252.07	2.59	32.1	2.740	278.7
TXC24-087	RC/Core	DPB	M&I	172.21	174.80	2.59	1920.9	20.262	3744.8
<b>Including</b>				173.74	174.80	1.07	4328.3	46.506	8514.5
TXC24-090	RC/Core	DPB	M&I	161.85	162.92	1.07	436.0	5.110	896.0
TXC24-091	RC/Core	DPB	M&I	242.32	244.08	1.77	111.0	1.060	206.4
TXC24-091	RC/Core	DPB	M&I	249.02	252.13	3.11	350.1	3.519	666.8
<b>Including</b>				250.55	252.13	1.59	469.5	4.931	913.3
TXC24-092	RC/Core	DPB	M&I	141.64	142.77	1.13	534.0	6.910	1156.0
TXC24-092	RC/Core	DPB	M&I	145.70	149.05	3.35	470.6	5.356	952.6
<b>Including</b>				148.32	149.05	0.73	1706.0	19.467	3458.3
TXC24-092	RC/Core	DPB	M&I	186.02	187.30	1.28	303.0	3.660	632.4
TXC24-094	RC/Core	DPB	M&I	213.67	215.80	2.13	92.3	1.530	230.0
TXC24-095	RC/Core	DPB	M&I	192.94	194.62	1.68	572.7	5.379	1056.9
TXC24-095	RC/Core	DPB	M&I	195.99	197.82	1.83	147.0	2.160	341.4
TXC24-095	RC/Core	DPB	M&I	238.96	240.03	1.07	343.7	3.213	632.9
<b>Including</b>				239.48	240.03	0.55	665.0	6.230	1225.8
TXC24-095	RC/Core	DPB	M&I	242.47	247.50	5.03	461.5	3.478	774.5
<b>Including</b>				245.36	246.13	0.76	1362.0	9.810	2245.0
TXC24-098	RC/Core	DPB	M&I	326.75	327.97	1.22	265.6	4.097	634.4
<b>Including</b>				327.66	327.97	0.30	1034.0	16.067	2480.2
TXC24-100	Core	DPB	M&I	140.97	143.23	2.26	530.3	4.085	898.0
<b>Including</b>				141.67	142.59	0.92	943.0	7.156	1587.1
TXC24-101	Core	DPB	M&I	137.56	138.84	1.28	687.2	6.656	1286.4
<b>Including</b>				261.21	261.52	0.31	2227.0	10.200	3145.1
TXC24-117	RC/Core	DPB	M&I	261.21	263.23	2.01	1141.0	7.139	1783.6
<b>Including</b>				262.83	263.23	0.40	3712.0	26.133	6064.4
TXC24-101	Core	DPB	M&I	137.56	138.84	1.28	687.2	6.656	1286.4
TXC24-101	Core	DPB	M&I	169.26	169.56	0.31	181.0	2.970	448.3
TXC24-101	Core	DPB	M&I	255.42	256.49	1.07	66.4	1.310	184.3
TXC24-102	Core	DPB	M&I	152.95	153.92	0.98	628.0	4.670	1048.3
<b>Including</b>				153.32	153.92	0.61	756.0	6.280	1321.3
TXC24-103	Core	DPB	M&I	232.26	233.78	1.52	134.0	1.675	284.7
<b>Including</b>				232.26	232.56	0.31	660.0	8.230	1400.8
TXC24-104	Core	DPB	M&I	295.20	295.60	0.40	125.0	1.610	269.9
TXC24-115	RC/Core	DPB	M&I	332.54	336.50	3.96	375.2	3.154	659.1
<b>Including</b>				<b>332.54</b>	<b>333.91</b>	<b>1.37</b>	<b>624.8</b>	<b>5.066</b>	<b>1080.8</b>
TXC24-116	RC/Core	DPB	M&I	199.34	199.89	0.55	987.0	11.467	2019.2
TXC24-116	RC/Core	DPB	M&I	218.12	218.69	0.58	135.0	1.440	264.6

Hole ID	HoleType	Area	Program	From (m)	To (m)	Drill Interval (m)	Ag (g/t)	Au (g/t)	AgEq (g/t)
TXC24-117	RC/Core	DPB	M&I	246.46	247.04	0.58	105.0	1.460	236.4
TXC24-117	RC/Core	DPB	M&I	261.21	263.23	2.01	1141.0	7.139	1783.6
<b>Including</b>				<b>261.21</b>	<b>261.52</b>	<b>0.31</b>	<b>2227.0</b>	<b>10.200</b>	<b>3145.1</b>
<b>Including</b>				<b>262.83</b>	<b>263.23</b>	<b>0.40</b>	<b>3712.0</b>	<b>26.133</b>	<b>6064.4</b>
TXC24-118	RC/Core	DPB	M&I	205.98	206.35	0.37	1610.0	15.333	2990.2
TXC24-118	RC/Core	DPB	M&I	332.17	332.54	0.37	91.3	1.280	206.5
TXC24-119	RC/Core	DPB	M&I	370.42	375.12	4.69	379.0	3.722	714.0
<b>Including</b>				<b>372.16</b>	<b>373.38</b>	<b>1.22</b>	<b>770.5</b>	<b>7.757</b>	<b>1468.8</b>
TXC24-121	RC/Core	DPB	M&I	262.13	266.00	3.87	179.3	1.365	302.1
TXC24-122	RC/Core	DPB	M&I	270.05	270.97	0.92	477.7	4.880	916.9
<b>Including</b>				<b>270.66</b>	<b>270.97</b>	<b>0.31</b>	<b>875.0</b>	<b>8.880</b>	<b>1674.3</b>
TXC24-122	RC/Core	DPB	M&I	337.11	342.32	5.21	291.7	3.018	563.4
<b>Including</b>				<b>341.59</b>	<b>342.32</b>	<b>0.73</b>	<b>1834.0</b>	<b>18.081</b>	<b>3461.5</b>
<p>AgEq gpt=(Au gpt*90)+Ag gpt; True thickness is 85 to 95% of interval thickness based on the modelled vein geometries; Cut-off grade is 200 gpt AgEq; RC/Core = RC pre-collar with core tail; Core is core from the surface.</p>									

The geometry of the high-grade silver and gold is sizable with high-grade shoot plunging to the northwest with an area exceeding 175 by 350 metres and open down plunge. The high-grade shoot have thicker vein intercepts along the axis of the chute ranging from 2 metres to over 5 metres.

A secondary mineralized shoot has emerged to the east along a west-northwest, high-angle structural zone with high grade silver and gold. Figure 1 shows the size of the high-grade M&I conversion area and the emerging eastern target. A series of five RC drillholes have been completed and three core holes are planned to better define the size and grade of this mineralized chute.

*Figure 3: Merten Long Section showing grade times thickness (AgEqXm)*



**Table 9: Tonopah West Drillhole Location Coordinates (based on GPS readings in the field, Datum UTM, NAD 1927, Zone 11)**

Hole ID	Area	Type	UTM_NAD27 E	UTM_NAD27 N	Elevation (m)	Depth (ft)	Depth (m)	Azimuth	Inclination
TXC24-076	DPB	RC/Core	478055.0	4213121.9	1782.0	980.0	298.7	0	-70
TXC24-077	DPB	RC/Core	478048.0	4213250.0	1777.0	762.0	232.3	180	-55
TXC24-078	DPB	RC/Core	478020.0	4213254.0	1775.7	772.0	235.3	180	-62
TXC24-079	DPB	RC/Core	478011.0	4213509.0	1777.8	1004.0	306.0	180	-60
TXC24-080	DPB	RC/Core	477931.0	4213700.0	1768.8	1221.5	372.3	180	-55
TXC24-081	DPB	RC/Core	477989.0	4213250.0	1774.5	760.0	231.6	180	-55
TXC24-082	DPB	RC/Core	477745.0	4213514.0	1762.3	1201.0	366.1	200	-55
TXC24-083	DPB	RC/Core	477961.0	4213321.0	1775.2	932.0	284.1	180	-62
TXC24-084	DPB	RC/Core	477947.0	4213510.0	1774.3	1052.0	320.6	180	-60
TXC24-085	DPB	RC/Core	477925.0	4213419.0	1769.8	1077.0	328.3	180	-55
TXC24-086	DPB	RC/Core	477872.0	4213232.0	1771.2	857.0	261.2	180	-55
TXC24-087	DPB	RC/Core	478044.0	4213322.0	1777.0	825.0	251.5	180	-55
TXC24-088	DPB	RC/Core	478018.0	4213342.0	1777.0	913.0	278.3	180	-62
TXC24-089	DPB	RC/Core	478031.0	4213621.0	1771.4	1181.0	360.0	180	-60
TXC24-090	DPB	RC/Core	477991.0	4213343.0	1777.0	863.5	263.2	180	-55
TXC24-091	DPB	RC/Core	477971.0	4213506.0	1775.3	1090.0	332.2	180	-55
TXC24-092	DPB	RC/Core	477961.0	4213247.0	1773.7	755.0	230.1	180	-62
TXC24-093	DPB	RC/Core	477963.0	4213697.4	1769.0	1271.0	387.4	180	-60
TXC24-094	DPB	RC/Core	477924.0	4213244.0	1773.4	747.0	227.7	180	-55
TXC24-095	DPB	RC/Core	477928.0	4213334.0	1772.0	887.0	270.4	180	-55
TXC24-096	DPB	RC/Core	477925.0	4213514.0	1773.7	968.0	295.0	180	-55
TXC24-097	DPB	RC/Core	477897.0	4213245.0	1772.2	737.0	224.6	180	-62
TXC24-098	DPB	RC/Core	477899.0	4213339.1	1770.7	1127.0	343.5	180	-62
TXC24-099	DPB	RC/Core	477900.0	4213418.0	1768.3	1080.0	329.2	180	-62
TXC24-100	DPB	Core	478048.0	4213250.0	1777.0	903.0	275.2	180	-77

Hole ID	Area	Type	UTM_NAD27 E	UTM_NAD27 N	Elevation (m)	Depth (ft)	Depth (m)	Azimuth	Inclination
TXC24-101	DPB	Core	478020.0	4213254.0	1775.7	917.0	279.5	167	-70
TXC24-102	DPB	Core	478077.0	4213280.0	1778.2	1024.5	312.3	197	-65
TXC24-103	DPB	Core	478018.0	4213342.0	1777.0	1018.0	310.3	173	-53
TXC24-104	DPB	Core	478018.0	4213342.0	1777.0	1026.5	312.9	175	-70
TXC24-105	DPB	Core	478044.0	4213322.0	1777.0	879.5	268.1	180	-65
TXC24-115	DPB	RC/Core	477842.0	4213697.4	1766.0	1547.0	471.5	180	-60
TXC24-116	DPB	RC/Core	477870.0	4213339.1	1769.2	1173.0	357.5	180	-55
TXC24-117	DPB	RC/Core	477855.0	4213414.0	1769.2	1098.0	334.7	180	-55
TXC24-118	DPB	RC/Core	477871.0	4213514.0	1766.3	1298.0	395.6	180	-55
TXC24-119	DPB	RC/Core	477902.0	4213702.0	1769.2	1337.0	407.5	180	-60
TXC24-120	DPB	RC/Core	477832.0	4213253.0	1769.8	987.0	300.8	180	-62
TXC24-121	DPB	RC/Core	477821.0	4213419.0	1769.5	1158.0	353.0	180	-62
TXC24-122	DPB	RC/Core	477831.0	4213508.0	1765.0	1328.0	404.8	180	-60

The goal of the Resource Expansion Program (the “**Resource Expansion Program**”) is to demonstrate targeting expansion potential across a one kilometre trend of vein corridor linking the Denver-Paymaster (“**DP**”) and Bermuda -Merten (“**Bermuda**) vein groups (collectively “**DPB**”) and the Northwest (“**NW**”) Step Out resource areas and confirm the potential expansion potential across a one kilometre trend of vein corridor. Twelve drillholes were planned. A total of 6,548 metres (21,484 ft) on a widely spaced drill pattern was completed. Five core tails were completed along the NW projection on the north side of Highway 95; however, one of the five holes was lost due to bad ground. The remaining seven drillholes were completed south of the highway.

As reported in a news release dated February 24, 2025, the assay results show the extension of the silver and gold system continues to the northwest from the DPB resource area across the 1-kilometre vein corridor with each drillhole intersecting multiple mineralized quartz veins. A follow-up drill program is being planned that will reduce the drill spacing for over 450-metres of strike to 50 to 75-metre centers along the silver-gold trend that will be included in a future updated resource estimate. The NW Step Out zone is also open to the northwest and down dip, and connection with the DPB resource looks promising.

The mineralized quartz veins returned significant gold and silver values with gold (Au) up to 23.467 grams per tonne (g/t) Au and silver (Ag) values at 2,223 g/t Ag. In addition, drill thickness shows significant potential with vein intercepts exceeding 8 metres in TXC25-124. The NW Step Out target shows potential to add an additional 30 to 50% of new resource Tonopah West, connecting the zone to DPB, allowing for the capture and inclusion of the existing NW resource (1.0 million (M) tonnes containing an inferred 6.4 M ounces (ozs) Ag and 63k ozs Au or 12.1M ozs silver equivalent (AgEq))<sup>1</sup> into a future updated preliminary economic assessment on Tonopah West.

*Figure 4: Tonopah West Resource Expansion Program-Drillhole Location Map (February 24, 2025)*



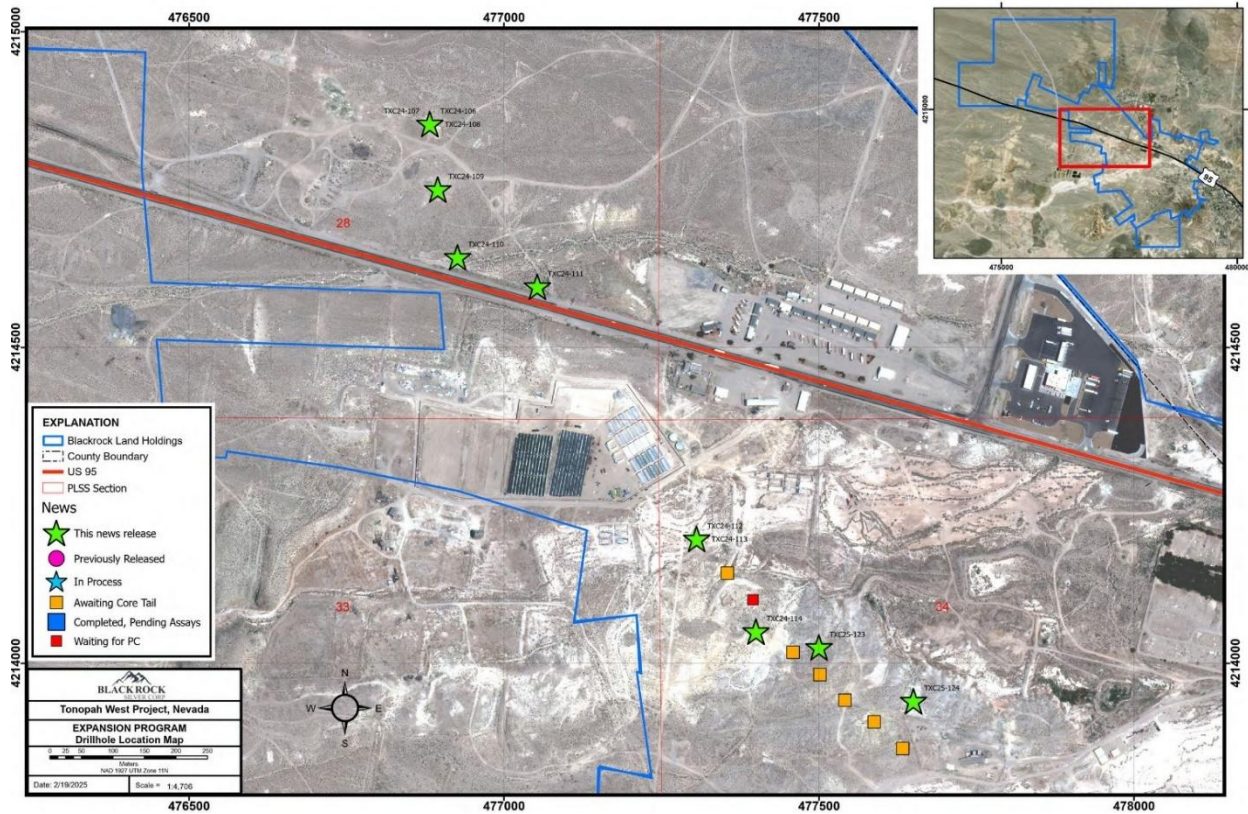


Table 10 shows the significant assays from the Resource Expansion Program while Table 11 has the survey collar information.

**Table 10: Tonopah West Assay Intercepts using 150 g/t AgEq cut off**

Drillhole ID	Program	From (m)	To (m)	Drillhole Interval (m)	Ag g/t	Au g/t	AgEq g/t
TXC24-113	Expansion	478.08	478.39	0.31	614.0	7.140	1,256.7
TXC24-113	Expansion	503.13	504.66	1.52	116.8	0.904	198.2
TXC24-113	Expansion	538.43	540.11	1.68	364.0	0.033	367.0
TXC24-114	Expansion	394.08	395.63	1.55	93.9	1.553	233.7
Including		394.08	394.41	0.34	288.0	5.270	762.4
TXC25-123	Expansion	436.87	437.54	0.67	182.0	1.690	334.1
TXC25-123	Expansion	471.83	474.88	3.05	225.4	2.412	442.5
Including		471.83	472.14	0.31	2,223.0	23.467	4,335.3
TXC25-124	Expansion	370.03	378.62	8.60	121.6	1.233	232.6
Including		371.55	372.31	0.76	778.6	7.854	1,485.6
TXC25-124	Expansion	407.40	410.26	2.87	176.8	1.785	337.5
Including		407.40	407.76	0.37	1,344.0	13.500	2,559.2

AgEq gpt=(Au gpt\*90)+Ag gpt; True thickness unknown at this time; NSV=No values above cut off; Cut-off grade is 150 gpt AgEq; RC/Core = RC pre-collar with core tail; Core is core from the surface.

**Table 11: Tonopah West Drillhole Location Coordinates (based on GPS readings in the field, Datum UTM, NAD 1927, Zone 11)**

Drillhole ID	Area	Type	UTM_NA D27 E	UTM_NAD2 7 N	Elevation (m)	Depth (m)	Azimuth	Incline
TXC24-106	NW Step Out	RC/Core	476887.1	4214846.1	1746.6	770.5	270	-80
TXC24-107	NW Step Out	Lost	476889.2	4214843.0	1746.9	118.0	230	-65
TXC24-108	NW Step Out	Core	476891.5	4214844.8	1747.3	713.4	230	-65
TXC24-109	NW Step Out	RC/Core	476911.1	4214747.8	1748.0	657.5	270	-80
TXC24-110	NW Step Out	RC/Core	476925.9	4214639.9	1744.1	657.5	270	-80
TXC24-111	NW Step Out	RC/Core	477058.8	4214642.7	1747.6	708.7	230	-65
TXC24-112	NW Step Out	RC/Core	477316.7	4214181.8	1751.9	737.0	290	-65
TXC24-113	NW Step Out	RC/Core	477311.2	4214181.0	1751.7	540.1	220	-75
TXC24-114	NW Step Out	RC/Core	477403.8	4214041.9	1757.9	618.1	220	-75
TXC25-123	NW Step Out	RC/Core	477508.7	4214018.0	1767.1	502.3	180	-65
TXC25-124	NW Step Out	RC/Core	477647.0	4213941.2	1763.5	525.5	180	-60

### Quality Assurance/ Quality Control

All sampling is conducted under the supervision of the Company’s project geologists, and a strict chain of custody from the project to the sample preparation facility is implemented and monitored. The RC and core samples are hauled from the project site to a secure and fenced facility in Tonopah, Nevada, where they are loaded on to American Assay Laboratory’s (AAL) flat-bed truck and delivered to AAL’s facility in Sparks, Nevada. A sample submittal sheet is delivered to AAL personnel who organize and process the sample intervals pursuant to the Company’s instructions.

All core is cut using core saws at AAL’s facility according to the Company’s instructions delivered with each core hole. The RC and core samples, and QA/QC samples are crushed and pulverized, then the pulverized material is digested and analyzed for gold using fire assay fusion and an Induced Coupled Plasma (ICP) finish on a 30-gram assay split (FA-PB30-ICP). Silver is determined using five-acid digestion and ICP analysis (ICP-5AM48). Over limits for gold and silver are determined using a gravimetric finish (GRAVAU30 and GRAVAG30). Data verification of the assay and analytical results are completed to ensure accurate and verifiable results. Blackrock personnel insert a blind, prep blanks, lab blanks or a certified reference material approximately every 15th to 20th sample.

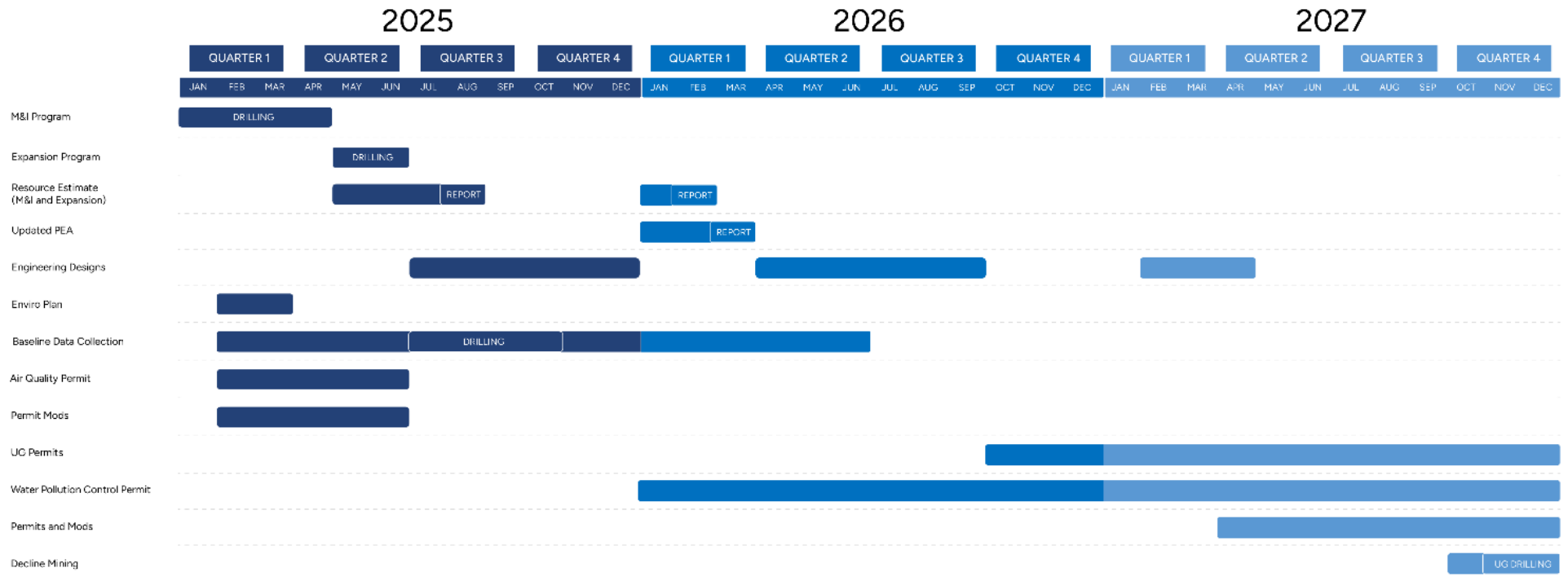
In addition, the Company engaged Kappes and Cassidy (“KCA”) of Reno, Nevada to complete additional metallurgical test work on the Tonopah West vein material. A total of nine additional composites were delivered to KCA in April. This material along with the twelve original composites was used to provide additional information to refine the estimated metallurgical recoveries by zone, assist in recommending a processing plant flowsheet, processing parameters, and processing capex and opex which was incorporated in the September 2024 PEA.

On February 18, 2025, the Company announced that it had selected Westland Engineering and Environmental Services Inc. (“Westland”) to guide the Company through the permitting process with the aim of receiving the necessary permits to develop an exploration decline, complete test mining and extract a bulk sample from the Company’s 100%-owned Tonopah West project. Westland will oversee critical baseline data collection, while our team finalizes engineering designs. Our objective is to receive the necessary approvals and permits to break ground on an exploration decline in 2027. The location of the

project on private land in Nye and Esmeralda counties, Nevada, United States, is positive for the permitting process.

Once underground, the Company intends to continue to drill the DPB South veins and work toward test mining and extracting a bulk sample at Tonopah West. Figure 1 sets out the activities the Company intends to undertake to achieve the aforementioned goals:

Figure 1: Tonopah West project timeline



The Company has paid all Tonopah West BLM and county fees and taxes for the 2024-2025 tax and assessment year.

## Silver Cloud Project Update

All Silver Cloud BLM and county fees have been paid for the 2024-2025 assessment year.

## Tonopah North Project

On May 15, 2024, Blackrock Gold, terminated the Tonopah North Option Agreement with Tearlach. Pursuant to the terms of the Tonopah North Option Agreement, as Tearlach failed to make a US\$100,000 cash payment due to Blackrock Gold by April 30, 2024 and, following a 10-day cure period, Blackrock Gold elected to terminate the Tonopah North Option Agreement. A quitclaim deed consisting of 60 unpatented lode claims that were staked by Tearlach that were within the Tonopah North area of interest has been signed over to Blackrock, increasing the Company's land position at Tonopah North from 1,636 hectares (4,042 acres) to 1,862 hectares (4,600 acres).

All Tonopah North BLM and county fees have been paid for the 2024-2025 assessment year.

## Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's expenses and mineral property costs is provided earlier in this MD&A and in Note 6 of the condensed consolidated interim financial statements.

## Disclosure of Outstanding Share Data:

• Share capital authorized: Unlimited common shares	
• Share capital issued as of January 31, 2025	- 314,721,794 common shares
• Share capital issued as of March 26, 2025	- 315,303,396 common shares
• Share purchase options outstanding, January 31, 2025	- 9,227,256
• Share purchase options outstanding, March 26, 2025	- 8,602,256
• Share purchase warrants outstanding, January 31, 2025	- 60,001,825
• Share purchase warrants outstanding, March 26, 2025	- 60,001,825
• Finders' warrants outstanding, January 31, 2025	- 5,704,105
• Finders' warrants outstanding, March 26, 2025	- 5,704,105
• Restricted share units outstanding, January 31, 2025	- 361,500
• Restricted share units outstanding, March 26, 2025	- 361,500
• Deferred share units outstanding, January 31, 2025	- 317,362
• Deferred share units outstanding, March 26, 2025	- 317,362
• Performance share units outstanding, January 31, 2025	- 1,110,097
• Performance share units outstanding, March 26, 2025	- 953,495

## Subsequent Events

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

- i) The Company issued 156,602 common shares at a price of \$0.38 per share in settlement of 156,602 PSUs that vested on March 25, 2025.
- ii) A total of 425,000 share purchase options were exercised for gross proceeds of \$63,750.
- iii) A total of 200,000 share purchase options, issued to a former director, expired unexercised. The options had an exercise price \$0.79.

## **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 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.

Share compensation liability is measured using Level 1. The Company does not have any financial instruments that are measured using Levels 2 and 3 inputs. During the period, there were no transfers between Level 1, Level 2 and Level 3 classified assets and liabilities.

The Company's financial instruments are exposed to certain financial risks, including the following:

### Financial risk factors

#### *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 U.S.A. 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 January 31, 2025, the Company had cash and cash equivalents of \$17,442,285 to settle current liabilities of \$1,363,152.

#### *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 January 31, 2025, the Company had cash and cash equivalents balances of US\$11,157,148 (2024 - US\$5,872,942), and accounts payable and accrued liabilities of US\$648,269 (2024 - US\$821,372). Should the Canadian exchange rate against the US dollar change by 1%, the potential impact on the Company's net loss would be approximately \$177,100. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

## **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 condensed consolidated interim 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.

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks. If any of the risks described below or in the most recently filed Annual Information Form of the Company actually occur, the Company's business, financial condition and operating results could be adversely affected.

#### Title to Assets

The Company's ability to explore and develop its mineral properties depends on the validity of its title to such projects. The mineral claims currently making up the Company's mineral properties consist of both patented and unpatented mining claims.

Unpatented mining claims are unique property interests and are generally considered to be subject to greater risk than other real property interests because the validity of unpatented mining claims is often uncertain. Unpatented mining claims provide only possessory title and their validity is often subject to contest by third parties or the federal government. These uncertainties relate to such things as the sufficiency of mineral discovery, proper posting and marking of boundaries, assessment work, unregistered agreements, undetected defects and possible conflicts with other claims not determinable from descriptions of record. Since a substantial portion of all mineral exploration, development and mining in the United States now occurs on unpatented mining claims, this uncertainty is inherent in the mining industry.

No assurances can be given that title defects to the Company's mineral properties or any future properties in which the Company may seek to acquire an interest do not exist. Such defects may impair the Company's development of the underlying property and result in the loss of all or a portion of the property to which the title defect relates. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Company will also remain at risk that the mining claims may be forfeited either to the United States government or to rival private claimants due to failure to comply with statutory requirements as to location and maintenance of the claims or challenges to whether a discovery of a valuable mineral exists on every claim. The Company's mineral properties are also subject to annual compliance with assessment work and/or fee requirements, property taxes, lease payments and other contractual payments and obligations. Any failure to make such payments or comply with such requirements or obligations could result in the loss of all or a portion of the Company's interest in its mineral properties.

#### Limited Operating History

The Company has a limited history of operations and its only mineral properties are in the exploration stage. The Company has not generated any operating revenues. As such, it is subject to many risks common to

such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel and lack of revenues.

#### Negative Operating Cash Flow

The Company has not been profitable since its inception, has had negative cash flow from operational activities and does not expect to generate revenues in the foreseeable future. To become profitable, the Company must establish commercial quantities of mineral resources or mineral reserves on its mineral properties, and then either develop such mineral properties or locate and enter into agreements with third party operators to bring such mineral properties into production. Mineral exploration and development involves a high degree of risk. Even a combination of careful evaluation, experience and knowledge cannot eliminate this risk and few mineral properties that are explored are ultimately developed into producing mines. In the event the Company undertakes development activity on mineral properties, there is no certainty that the Company will produce revenues, operate profitably or provide a return on investment in the future. It could be years before the Company receives any revenues from the production of gold, silver or other metals, if ever.

#### 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 and silver. 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, rate of inflation, central bank transactions, world supply of 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. The Company's general policy is not to hedge its exposure to changes in prices of the commodities that the Company uses in its business.

#### Global supply chain related risks

The Company sources certain equipment and component parts from a variety of suppliers in the United States and internationally. The Company's business could be adversely affected by increased costs due to inflationary pressures, equipment limitations or other cost escalations. In addition, supply chain restrictions and disruptions could have a negative impact on the Company's ability to procure equipment in order to continue its drilling and exploration programs. The Company's inability to control these costs or to obtain necessary equipment on a timely basis may impact its operations and could negatively impact the Company.



## Mineral exploration and development risks

Exploration and development of mineral properties involves a high degree of risk and few properties that are explored are ultimately developed into producing properties. There is no assurance that the Company's exploration activities will result in any discoveries of commercial bodies of ore. There is also no assurance that even if commercial quantities of ore are discovered, a property will be brought into commercial production or that the metallurgical processing will produce economically viable saleable products. The commercial viability of a deposit once discovered and the decision as to whether it should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the consideration and evaluation of a number of factors beyond the control of the Company, including costs of bringing a property into production, ongoing costs of production, availability and costs of financing, market prices for the minerals to be produced, environmental compliance regulations and political climate and/or governmental regulation and control.

Furthermore, mining and metallurgy are an inexact science and, accordingly, there always remains an element of risk that a mine may not prove to be commercially viable. Until a deposit is actually mined and processed, the quantity of mineral reserves, mineral resources and grades must be considered as estimates only. In addition, the determination and valuation of mineral reserves and mineral resources is based on, among other things, assumed metal prices.

Market fluctuations and metal prices may render mineral resources and mineral reserves uneconomic. Any material change in quantity of mineral reserves, mineral resources, grade, tonnage, percent extraction of those mineral reserves recoverable by underground mining techniques or stripping ratio for those mineral reserves recoverable by open pit mining techniques may affect the economic viability of a mining project.

## Risks related to estimates of mineral resources and mineral reserves

The estimation of mineral resources and mineral reserves is a subjective process and the accuracy of such estimates is a function of the quantity and quality of available data and the assumptions used and judgments made in interpreting engineering and geological information. Assay results from RC or core drilling can be subject to errors at the laboratory analysing the drill samples. In addition, RC or core drilling may lead to samples which may not be representative of the gold, silver and other metals in the entire deposit. There is significant uncertainty in any mineral resource or mineral reserve estimate, and the actual deposits encountered and the economic viability of mining a deposit may differ materially from the Company's estimates. Estimated mineral resources or mineral reserves may have to be recalculated based on changes in metal prices, further exploration or development activity, metallurgy or actual production experience. These changes could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence estimates of mineral resources and mineral reserves. Any material change in the quantity of mineral resources or mineral reserves, mineralization, grade or stripping ratio may affect the economic viability of the Company's mineral properties. In addition, there can be no assurance that gold, silver or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Except for the mineral resources described in the Tonopah West Technical Report, as of the date of this MD&A, there are no known mineral resources or mineral reserves on the Company's mineral projects.

## 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. Additional issuances of the Company's securities may involve the issuance of a significant number of Common Shares at prices less than the current market price for the

Common Shares. Issuances of a substantial number of Common Shares, or the perception that such issuances could occur, may adversely affect the prevailing market prices of the Company's Common Shares. Additionally, any transaction involving the issuance of previously authorized but unissued Common Shares, or securities convertible into Common Shares, would result in dilution to security holders which could adversely affect the prevailing market prices for the Company's securities.

#### 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 United States. 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.

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.

#### Risk related to the use of financial instruments

From time to time, the Company may use certain financial instruments to manage the risks associated with changes in gold and silver prices, interest rates and foreign currency exchange rates. The use of financial instruments involves certain inherent risks including, among other things: (i) credit risk, the risk of default on amounts owing to the Company by the counterparties with which Company has entered into such transaction; (ii) market liquidity risk, the risk that the Company has entered into a position that cannot be closed out quickly, either by liquidating such financial instrument or by establishing an offsetting position; and (iii) unrealized mark-to-market risk, the risk that, in respect of certain financial instruments, an adverse change in market prices for commodities, currencies or interest rates will result in the Company incurring an unrealized mark-to-market loss in respect of such derivative products.

### Inflationary risk

General inflationary pressures may affect labour and other costs, which could have a material adverse effect on the Company's financial condition, results of operations and the capital expenditures required to advance the Company's business plans. There can be no assurance that any governmental action taken to control inflationary or deflationary cycles will be effective or whether any governmental action may contribute to economic uncertainty. Governmental action to address inflation or deflation may also affect currency values. Accordingly, inflation and any governmental response thereto may have a material adverse effect on the Company's business, results of operations, cash flow, financial condition and the price of the Company's securities.

### Personnel risk

Recruiting and retaining qualified personnel is critical to the Company's success. The Company is dependent on the services of key executives including the Company's Executive Chairman, the President and Chief Executive Officer, the Chief Financial Officer and other highly skilled and experienced executives and personnel focused on managing the Company's interests. The number of persons skilled in acquisition, exploration, development and operation of mining properties are limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. The Company could experience increases in its recruiting and training costs and decreases in its operating efficiency, productivity and profit margins. If the Company is not able to attract, hire and retain qualified personnel, the efficiency of operations could be impaired, which could have an adverse impact on the Company's future cash flows, earnings, financial performance and financial condition.

### **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 period ended January 31, 2025.

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 three months ended January 31, 2025, 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 thoughtful 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 NI 58-101 - *Disclosure of Corporate Governance Practices* was made by the Company in its management information circular dated November 8, 2024, in respect of the Company's annual general meeting of shareholders held on December 20, 2024, which was mailed to shareholders and is accessible for public viewing on the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## **Critical Accounting Estimates**

Critical accounting estimates are used in the preparation of the condensed consolidated interim 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 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 condensed consolidated interim 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**

Additional information on the Company, including the Company's most recent Annual Information Form is available for viewing under the Company's profile on the SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.blackrocksilver.com](http://www.blackrocksilver.com).