

**BLIND CREEK RESOURCES LTD.**

**Management Discussion and Analysis**

**(Form 51-102F1)**

**For the Year Ended November 30, 2016**

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

This Management Discussion and Analysis (“MD&A”) focuses on significant factors that affected Blind Creek Resources Ltd. (“BCR” or the “Company”) during the year ended November 30, 2016 to the date of this report. This MD&A should be read in conjunction with the November 30, 2016 audited financial statements. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim periods. All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

Additional information related to Blind Creek Resources Ltd. is available on SEDAR at [www.sedar.com](http://www.sedar.com)

This MD&A contains information up to and including March 30, 2017.

**FORWARD LOOKING STATEMENTS**

*This Management’s Discussion and Analysis (“MD&A”) contains certain statements that may be deemed “forward-looking statements,” within the meaning of certain securities laws. Forward-looking statements relate to management’s expectations or beliefs about future performance, events, or circumstances that include, but are not limited to, future production, costs of production, prices of gold, reserve or resource potential, exploration and operational activities, and events or developments that the Company expects or targets. Forward-looking statements can usually be identified by words such as: “future”, “plans”, “scheduled”, “expects”, “intends”, “estimates”, “forecasts”, “will”, “may”, “could”, “would”, and variations thereof. Although the Company believes that these statements are based on reasonable assumptions, all forward-looking statements involve known and unknown risks and uncertainties that may cause the actual performance, events, or circumstances of the Company to be materially different than anticipated. The forward-looking information in this MD&A describes the Company’s expectations as of the date of this MD&A.*

*Such forward-looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

*The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company’s forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.*

*The reader should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.*

*Forward-looking statements are based on management’s current plans, estimates, projections, beliefs, and opinions and we do not undertake any obligation to update forward-looking statements should the*

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

*assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law.*

**OVERVIEW**

BCR is a mineral exploration company focused on the identification, acquisition, exploration and development of mineral properties in British Columbia and the Yukon Territory. It is listed on the TSX Venture Exchange, trading under the symbol "BCK." Since inception, the Company has been focused on completing equity financings to fund its operations, staking the claims comprising the Atlin Property (which includes the Tagish Lake Project and Atlin Project) and Central Yukon Properties (Carlin Gold Project, Keno Silver Project, BCR-Blende Project, Blende-Ocelot Project), and acquiring its interests in the Blende Property and the Kaza Northstar Property.

In August 2013, amended in August 2014 and July 2015, and currently being renegotiated, the Company signed a letter agreement with BCGold Corp. ("BCGold") where BCGold has the option to earn a 100% interest in the nine claims of the Company's Atlin property.

To earn its 100% interest, BCGold is required to make cash payments totaling \$225,000, issue 1,250,000 common shares and incur minimum \$400,000 in exploration expenditures as follows:

- (i) issue 250,000 common shares within five business days of signing the letter agreement, (received);
- (ii) pay \$10,000, issue 250,000 common shares and incur \$100,000 of expenditures on or before August 19, 2014 (deferred to August 19, 2017 by payment of 200,000 shares of BCGold of which 100,000 has been received);
- (iii) pay \$15,000, issue 250,000 common shares and incur \$100,000 of expenditures on or before August 19, 2018;
- (iv) pay \$50,000, issue 250,000 common shares and incur \$100,000 of expenditures on or before August 19, 2019 and;
- (v) pay \$150,000, issue 250,000 common shares and incur \$100,000 of expenditures on or before August 19, 2020.

The Company retains a 2.0% net smelter return on the Property, which can be reduced to 0.5% by BCGold for a price of \$1.5 million.

Given the present downturns in mining industry, the Company has not advanced the proposed exploration programs. The Company's near term goals are obtain financing and to continue with exploration activities on the Tagish Lake and Wann River properties in British Columbia and the Blende Property in Yukon.

**PROJECTS**

**Blende Property**

The Blende Property consists of the following claims, and is the Company's key property in the Yukon.

Claim Name	Claim No	Hectares	Good to Year	Project
Max	158	3302.2	2016-2020	Blende
Mix	16	334.4	2020	Blende
Trax	28	585.2	2019	Blende
Trix	56	1170.4	2020-2022	Blende
Total	258	5,392.20		

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

The Blende Property surrounds Mt. Williams, 64 km north of Keno Hill, Yukon Territory. Mt. Williams lies on the continental divide, just to the south and east of Braine Pass, which separates Beaver River and Stewart River (Yukon River drainage) from Wind River (Mackenzie River drainage). The claims are owned 100% by the Company, and are in good standing until 2020 as a result of filing past assessment work. The claims have not been surveyed. The mineralization as described in the Blende Property Technical Report lie within the claims.

Certain types of exploration activity require a Land Use Permit, issued by the Yukon Government, prior to conducting the work on a mineral property. The current or future operations of the Company, including exploration, development and commencement of production activities on this property require such permits and the Company intends to acquire the necessary permits prior to the commencement of exploration. Other permits governed by laws and regulations pertaining to development, mining, production, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters, may be required as the project progresses and the Company intends to apply for such permits at the appropriate time.

The Blende Property is subject to a 2% net smelter return royalty interest in favour of Eagle Plains (the "Royalty Interest") and a 1% net smelter return royalty interest in favour of John Bernard Kreft (the "Underlying Royalty Interest"). Under the Royalty Interest, the Company is required to pay Eagle Plains, as an advance royalty payment against the Royalty Interest: (i) \$50,000 on the date a feasibility report is completed on the Blende Property and (ii) \$50,000 on or before each and every anniversary date of such feasibility report until the date of commencement of commercial production on the Blende Property. The Company is entitled at any time to (i) purchase 1% of the 2% Royalty Interest by paying Eagle Plains the sum of \$1,000,000 and (ii) purchase the entire Underlying Royalty Interest by paying John Bernard Kreft the sum of \$1,000,000.

**Atlin Properties (Atlin Mining Division, British Columbia)**

Claim Group	Project	claims	Hectares	Comment
Atlin Gold Camp	Atlin	16	5,299	Au-Ag
Tagish Lake	Tagish Lake	69	18,791	Au-Ag
Total		85	24,090	

The Atlin Properties located in northwestern British Columbia consists of two properties currently referred to as the Atlin Project and the Tagish Lake Project.

*a) Atlin Project*

The Atlin Project is located in north-west British Columbia and covers an estimated 50 km of important placer gold drainages within the historic Atlin placer gold camp. Some 600,000 ozs of placer gold is reported recovered from the early 1900s up to 1945, but since then several million ozs of gold are estimated to have been recovered.

In 2004, the Company staked two blocks of claims in the historic Atlin placer gold camp which were referred to as the Como Lake block and the Main block. These two blocks were not contiguous but separated by a small non-Company claim near Pine Creek. In 2005, after electronic staking was introduced in British Columbia, claims within these two blocks were re-staked electronically, as allowed under a time limit stipulation provided by Mineral Titles Office, but remained non-contiguous. During September and October 2008, Nicholas Clive Aspinall, P. Eng., electronically staked four additional mineral claims on behalf of the Company along the east shore of Atlin Lake, to join the Como Lake block with the Main block, creating one

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

contiguous claim block. Subsequently, more claims were staked. This claim group is now referred to as the "Atlin Project". The Atlin Project is linked by a chain of mineral claims across Atlin Lake to the Tagish Lake Project, making all of the Company's current Atlin Properties contiguous.

Between April and July 2013, field work on the Atlin Project consisted of a magnetometer survey, rock sampling and soil sampling surveys, and it is estimated the above expenditure will hold ten key mineral claims in good standing for 2 years.

The 2013 exploration work was primarily focused near the Beavis mine area, upper Otter Creek, upper Snake Creek, and upper Dominion Creek, within the Atlin placer mining district. As a result of this work, the Company's technical consultant believes Atlin placer gold was essentially derived from quartz vein systems within three key areas, (upper Otter, Upper Snake, and upper Dominion Creeks) but from higher levels that have since been eroded, leaving root vein quartz systems with unknown gold grades.

During 2013, financial constraints prevented the Company from carrying out an effective exploration program. Management decided not to continue with this area and recognized an impairment of \$3,453,120.

*b) Tagish Lake / Wan River Project*

In 2004, the Company staked claims around the historic Engineer Mine optioned to BCGold Corp., located 34 km west of the Atlin Project. These Company claims were informally referred to as the Engineer Mine claims. From 2006 to 2009 mineral claims were electronically staked southwards to cover the Wann River and the Llewellyn Fault zone, to join other claims staked by the Company to the southwest. All of the claims staked from 2004 to 2009 were then referred to as the Engineer-Wann River Project. As a consequence of discoveries made proximal to the Wann River in 2010, the Company staked an even larger contiguous block of claims which now encompass significant regions of southern Tagish Lake, Graham Inlet and northwest to Moon Lake necessitating a further name change to the Tagish Lake Project.

The Company's key properties within the Tagish Lake Project area are now:

- Wann River Project, (gold-silver);
- Table Mountain, (silver-copper-lead-zinc-gold)
- Crine Mountain, (gold-silver-lead-zinc-copper)
- UM Property, (gold-silver)

Nine claims that are part of the Wann River Project bordering BCGold's historic Engineer Mine and Gold Hill properties, are known to extend onto several high-grade gold veins and broad, gold-bearing shear structures previously defined by BCGold on the Engineer Mine and Gold Hill properties. As a result of this, the Company and BCGold have entered into an agreement whereby BCGold has the option to acquire a 100% interest in these nine claims (the "Claims") over four years through the issuance of 1.25 million BCGold common shares to BCR, staged cash payments of \$225,000, and incurrence of \$400,000 in exploration work expenditures. Blind Creek will retain a 2% net smelter return on the Claims, which can be reduced to 0.5% by BCGold for a price of \$1.5 million.

As at November 30, 2013, the management recorded an accounting impairment of \$1,730,581 of Tagish Lake Property. Once the company obtain the funding, the company will continue with the exploration program on Taish Lake Property.

**Kaza Northstar Property (Omineca Mining Division, British Columbia)**

The Kaza Northstar Property is located in the Omineca Mining Division of British Columbia. The Company earned 100% of the Kaza Northstar Property, subject to a 2% net smelter return royalty in favour of Mrs. Miller-Tait (Miller-Tait) under the terms of an option agreement executed in 2008 (the Kaza Northstar Option Agreement). Under the terms of the agreement with Miller-Tait, the Company is required to pay \$165,000

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

as an advance royalty as follows: (i) \$15,000 on execution of the Kaza Northstar Option Agreement (which sum has been paid); and (ii) an additional \$15,000 on each anniversary of the execution date of the Kaza Northstar Option Agreement up to and including the tenth anniversary of the execution date (which payments are current). The Company is entitled at any time to purchase 1% of the 2% net smelter royalty by paying Ms. Miller-Tait the sum of \$1,000,000.

During the year ended November 30, 2013, the Company decided not to continue with this property and recorded an accounting write down of \$411,983.

**SUBSEQUENT EVENTS**

Subsequent to November 30, 2016, the Company entered into the following transactions:

- a) Completed a private placement and issued 5,000,000 common shares at a value of \$0.10 per common share for gross proceeds of \$500,000;
- b) Issued 1,500,000 stock options to directors, officers and consultants of the Company. Each stock option allows the holder to acquire one common share at \$0.12 for a period of 2 years from the date of grant. Also granted 350,000 stock options to a consultant. Each option allows the holder to acquire one common share at \$0.20 for a period of 2 years from the date of grant; and
- c) Entered into an agreement to acquire a 100% interest in the Engineer Mine property and the adjoining Gold Hill property with BCGold. The purchase price was an aggregate of \$350,000 (paid) paid to various parties. Under the agreement, the Company will assume certain liabilities due from BCGold to a third party which amount in aggregate does not exceed \$102,467.

BCGold will be entitled to a 1% Net Smelter Royalty ("NSR") payable from the proceeds of commercial production from the Engineer Mine, Gold Hill, and Blind Creek properties. The Company will have the right to buy back 100% of the NSR for \$2,000,000.

**RESULTS OF OPERATIONS**

Selected Information

The following table sets forth selected financial information with respect to the Company, which information has been derived from the financial statements of the Company for the years ended November 30, 2016, 2015 and 2014. The following should be read in conjunction with said financial statements and related notes.

	November 30, 2016	November 30, 2015	November 30, 2014
Total expenses	\$ 111,706	\$ 161,478	\$ 297,852
Other loss (income)	138,203	(411,185)	(332,189)
Comprehensive income (loss)	(249,909)	249,707	34,337
Exploration and evaluations assets	1,299,723	1,297,323	1,297,323
Total assets	1,356,407	1,361,908	1,378,931
Current liabilities	149,879	548,187	400,232
Working capital (deficiency)	(144,823)	(541,941)	(398,535)
Shareholders' equity	1,206,528	813,721	564,014

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

Year ended November 30, 2016 compared to the year ended November 30, 2015

The Company incurred a net loss of \$249,909 for the year ended November 30, 2016 compared to net income of \$249,707 for the year ended November 30, 2015. During the year ended November 30, 2016, the Company recognized a loss of \$144,903 on the settlement of certain debts by issuance of common shares of the Company. The Company also had a reduction in management fees from \$100,000 to \$24,000. During the year ended November 30, 2015, the Company recognized a loss on investments of \$3,500. The Company also recorded a gain on provision of \$414,685 in the current year compared to \$207,342 in the prior year. The increase was due to fully derecognizing the liability in the current year.

**SELECTED QUARTERLY FINANCIAL INFORMATION**

	<b>Nov 30, 2016</b>	<b>Aug 31, 2016</b>	<b>May 31, 2016</b>	<b>Feb. 29, 2016</b>	<b>Nov. 30, 2015</b>	<b>Aug. 31, 2015</b>	<b>May 31, 2015</b>	<b>Feb. 28, 2015</b>
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	\$ 53,691	\$ 36,871	\$ 12,999	\$ 8,145	\$ 11,018	\$ 47,929	\$ 50,228	\$ 52,303
Comprehensive income (loss)	(191,894)	(36,871)	(12,999)	(8,145)	403,667	(47,929)	(53,728)	(52,303)
Basic and diluted net income (loss) per share	0.02	0.00	0.00	0.00	0.08	(0.01)	(0.01)	(0.01)
Weighted average number of shares outstanding	6,674,602	6,586,506	5,296,774	5,296,774	5,296,774	5,296,774	5,296,774	5,296,774

**LIQUIDITY AND CAPITAL RESOURCES**

The Company has no operations that generate cash flow and its long-term financial success is dependent upon management's ability to discover economically viable quantities of ore. The exploration process can take many years and is subject to factors that are beyond the Company's control. The ability of the Company to meet its liabilities as they come due and to continue as a going concern is dependent upon the financial support of its directors, shareholders and other related parties, the ability of the Company to raise equity financing to complete the acquisition, exploration and development of its existing and future mineral property interests and, ultimately, the attainment of profitable operations. Management believes the Company will be able to maintain sufficient liquidity for it to continue as a going concern however, management can provide no assurance with regard thereto. The Company's capital management objective is to maximize potential investment returns to its equity stakeholders within the context of the relevant opportunities and risks associated with the Company's operating segment. The inherent nature of mineral exploration involves a high degree of "discovery" risk.

Consequently, there is substantial uncertainty as to whether any particular project will generate positive cash flows in the future. Therefore, management funds its exploration activity primarily by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. It considers both share capital and working capital as components of its capital base. The Company is not subject to any externally imposed capital requirements. The timing and extent of both program implementation and financing are determined by management's evaluation of economic factors at the time, such as commodity prices, and non-economic factors such as expected impact that completion of a given program may have on the cost of capital. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations and exploration activities. There can be no assurance that financing will be available to the Company when required.

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

At November 30, 2016, the Company had \$4445 in cash and a working capital deficiency of \$144,853. The Company will have to raise additional funds for its operation and exploration programs. The Company will either raise funds through the completion of private placements and hopes to continue to rely on shareholder advances to fund obligations as they become due. Please see subsequent section above.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements.

**RELATED PARTY TRANSACTIONS**

The Company incurred the following expenses charged by key management personnel and companies controlled by key management personnel, such personnel include the Company's Directors, Chief Executive Officer, Chief Financial Officer and Corporate Secretary:

	2016	2015
Management fees charged by Thomas Kennedy, the CEO and a director of the Company	\$ 24,000	\$ -
Management fees charged by Frank Callaghan, a former director and officer	-	100,000
Consulting fees, charged by Christopher Cherry, the CFO and a director of the Company	9,000	7,500
<b>Total</b>	<b>\$ 33,000</b>	<b>\$ 107,500</b>

Key management personnel were not paid any post-employment benefits, termination benefits, or other long-term benefits during the respective years.

The amount due to the related parties consists of balances owed to directors and has no specific terms of repayment, is unsecured and non-interest-bearing.

**OUTSTANDING SHARE DATA**

Designation of Security	Amount Authorized	Number of Securities Outstanding as at November 30, 2016	As at March 30, 2017
Common Shares	unlimited	15,184,717	20,184,717
Preferred Shares	unlimited	-	-
Warrants	n/a	-	-
Special Warrants	n/a	-	-
Stock Options	10%	-	1,850,000



**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

**CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Blind Creek Resources Ltd. makes estimate and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

- Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

- Titles to Mineral Properties Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

- Impairment of Mineral Properties Interests

Management considers both external and internal sources of information in determining if there are any indications that the Company's mineral property interests are impaired. External sources of information management consider include the market, economic, and legal environment in which the Company operates. Internal sources of information management consider include the manner in which the properties are being used or are expected to be used, and indication of economic performance of the assets.

The Company intends to move ahead with further exploration and then development of the Tagish-Lake/Wan River Property, Blende and Yukon Carlin properties but the Company does not currently have funds to do so. Accordingly, the Company has written of the Kaza Northstar property, impaired Atlin and Yukon Carlin properties first and the Blende property to reflect the Company's valuation in the stock market.

Estimates

The effect of a change in an accounting estimates is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if change affects both.

- Estimation of Recoverable Amounts

The carrying amounts of the Company's mining properties are estimated based on the Company's market capitalization.

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

The recoverable amounts of individual exploration and evaluation assets have been determined based on the higher of estimated value-in-use and fair value less costs to sell. The company has used its market capitalization as an indicator of fair value less costs to sell.

## **FINANCIAL RISK MANAGEMENT**

The company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

### **General Objectives, Policies and Process:**

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

#### a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: foreign currency risk, interest risk, and equity price risk.

#### b) Foreign Currency Risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and US dollar or other foreign currencies will affect the Company's operations and financial results. The company does not have significant exposure to foreign exchange rate fluctuation.

#### c) Interest Rate Risk:

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

#### d) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and cash equivalents. Cash and cash equivalents

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

are maintained with financial institutions of reputable credit and may be redeemed upon demand. The Company considers this risk to be immaterial.

e) Liquidity Risk

Liquidity Risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company is reliant on the continued support of related parties to meet short-term financing requirements and to meet obligations as they become due.

## **FINANCIAL INSTRUMENTS**

### Determination of Fair Value:

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Statement of Financial Position carrying amounts for cash and cash equivalents, amounts receivable, trade and other payables, and due to related parties approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

### Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The company's investment in BCGold Corp is classified as a level 1 fair value measurement. The Company has no financial instruments subject to level 2 or level 3 fair value measurements. There were no reclassifications to the Company's fair value measurements during the year months ended November 30, 2016.

## **OTHER RISK FACTORS**

### Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. BCR has no history of earnings, and there is no assurance that the properties, or any other future property that may be acquired by the Company, will generate earnings, operate profitably, or provide a return on investment in the future.

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage, and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees all of which can impact the Company's ability to continue its mineral exploration operations.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

**BLIND CREEK RESOURCES LTD.**  
**Form 51-102F1**  
**Management Discussion & Analysis**  
**For the Year Ended November 30, 2016**

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals, and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Reliance on Management's Expertise

BCR strongly depends on the business acumen and expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse effect on the Issuer. The company does not have any key person insurance in place for management.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Land Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties, including the possibility of aboriginal peoples' land claims or aboriginal rights claims. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

**ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

Additional disclosure concerning the Company's general and administrative expenses and resource property expenditures is provided in the Company's financial statements for the year ended November 30, 2016 which are available on SEDAR at [www.sedar.com](http://www.sedar.com)