Engineer Gold Mines Ltd.

LISTING APPLICATION
APPLICATION FOR LISTING OF COMMON SHARES OF ENGINEER GOLD MINES LTD. ON THE TSX VENTURE EXCHANGE

Dated as of April 13, 2018

No securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities which are the subject of this application.

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GLOSSARY

"**Arrangement**" means an arrangement pursuant to Section 288 of the BCBCA among Blind Creek, the Blind Creek Shareholders and Engineer Gold Mines Ltd., subject to any amendments or variations thereto made in accordance with this Agreement or the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of Blind Creek;

"**Arrangement Agreement**" means the arrangement agreement dated as of January 19, 2018, including the Schedules appended thereto, as may be supplemented or amended from time to time;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Blende Property**" means the property described in the Technical Report entitled "Blende Project" dated December 10, 2009 prepared for Blind Creek by BJ Price Geological Consultants Inc.;

"**Blind Creek**" means Blind Creek Resources Ltd., a company incorporated pursuant to the laws of British Columbia;

"**Blind Creek Board**" means the Board of Directors of Blind Creek;

"**Blind Creek Circular**" means the management information circular prepared in connection with the Blind Creek Meeting available under Blind Creek's profile at www.SEDAR.com;

"**Blind Creek Common Shares**" means the common shares of Blind Creek;

"**Blind Creek Meeting**" means the annual and special meeting of Blind Creek Shareholders scheduled to be held at 10:00 A.M. (Vancouver time) on May 22, 2018 and any adjournment(s) or postponement(s) thereof, to be called and held in accordance with the Interim Order to consider and to vote on the Arrangement Resolution and any other matters set out in the Notice of Meeting;

"**Blind Creek Shareholders**" means the holders from time to time of Blind Creek Common Shares;

"**Board of Directors**" means the duly appointed board of directors of the applicable company;

"**Court**" means the Supreme Court of British Columbia;

"**Dissent Rights**" means the meaning set forth in section 5 of the Plan of Arrangement;

"**Dissenting Shareholder**" means Blind Creek Common Shares the holders whereof have duly exercised their Dissent Rights;

"**Effective Date**" means the date the Arrangement becomes effective pursuant to the provisions of the BCBCA;

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;

"**Engineer Gold Mines**" means Engineer Gold Mines Limited, a company incorporated pursuant to the laws of British Columbia;

"**Engineer Gold Mines Option Plan**" means the stock option plan of Engineer Gold Mines.

"**Engineer Gold Mines Private Placement**" means the non-brokered private placement of Engineer of 7,600,000 Engineer Gold Mines Subscription Receipts for total gross proceeds of $760,000;

"**Engineer Gold Mines Property**" means the Engineer Gold Mines property located 32 km west of Atlin in northwestern British Columbia on the east shore of the Taku Arm of Tagish Lake;

"**Engineer Gold Mines Shares**" means the common shares in the capital of Engineer Gold Mines;

"**Engineer Gold Mines Subscription Receipts**" means the 7,600,000 subscription receipts of Engineer Gold Mines issued under the Engineer Gold Mines Private Placement at a price of $0.10 per subscription receipt, each such subscription receipt exercisable into an Engineer Gold Mines Unit upon satisfaction of the escrow release conditions.

"**Engineer Gold Mines Units**" means the units of Engineer Gold Mines to be issued upon the automatic exercise of the Engineer Gold Mines Subscription Receipts, each unit comprised of one Engineer Gold Mines Common Share and one-half of one Engineer Gold Mines Warrant.

"**Engineer Gold Mines Warrants**" mean the warrants partially comprising the Engineer Gold Mines Units (each such Engineer Gold Mines Unit comprised of one-half of one Warrant) to be issued upon the automatic exercise of the Engineer Gold Mines Subscription Receipts upon satisfaction of the Escrow Release Conditions, each such full warrant entitling the Holder thereof to acquire one Engineer Gold Mines Common Share at a price of $0.15 per share for a period of 48 months following the exercise of the Engineer Gold Mines Subscription Receipts.

"**Final Order**" means the final order of the Court pursuant to section 291 of the BCBCA, in a form acceptable to Blind Creek approving the Arrangement as such order may be amended by the Court (with the consent of Blind Creek) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to Blind Creek) on appeal, such Court having approved the procedural and substantive fairness of the terms and conditions of the distribution of the securities by Blind Creek Shareholders in the United States, and after notice and a hearing upon the fairness of such terms and conditions at which all Blind Creek Shareholders have the right to appear;

"**Interim Order**" means the interim order of the Court dated April 24, 2018 containing declarations and directions with respect to the Arrangement and the holding of the Blind Creek Meeting, as such order may be affirmed, amended and modified (provided that any such amendment is acceptable to Blind Creek) by any court of competent jurisdiction;

"**Intermediary**" means banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, among others, that the Non-Registered Holder deals with in respect of their Blind Creek Common Shares.

"**Listing Application**" means this listing application of Engineer Gold Mines in the form prescribed by TSXVE Form 2B;

"**Meeting**" means the annual and special meeting of Blind Creek Shareholders scheduled held at 10:00 A.M. (Vancouver time) on May 22, 2018 and any adjournment(s) or postponement(s) thereof, to be called and held in accordance with the Interim Order to consider and to vote on the Arrangement Resolution and any other matters set out in the Notice of Meeting

"**Notice of Meeting**" means the notice of the Blind Creek Meeting to be sent to the Blind Creek Shareholders;

"**Plan of Arrangement**" means the Plan of Arrangement appended as Schedule "B" to the Blind Creek Circular, and any amendments or variations thereto made in accordance with the Arrangement Agreement, the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Blind Creek;

"**Response to Petition**" means the response to petition filed with the Court and served upon Blind Creek if any Blind Creek Shareholder desires to appear at the hearing to be held by the Court to approve the Arrangement as detailed in the Notice of Hearing of Petition for the Final Order;

"**Technical Report**" means NI 43-101 technical report prepared by Darren O'Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAuslMM(CP), FGS(CGeol) entitled "Engineer Gold Mine, British Columbia, Canada – January 2018 (Amended and Restated)" effective January 18, 2018, amended and restated May 9, 2018;

"**Transfer Agent**" means Computershare Investor Services Inc. or such other trust company or transfer agent as may be designated by Blind Creek; and

"**TSXVE**" means the TSX Venture Exchange.

In the event of a conflict between a term defined in this glossary and a term defined in the TSXVE Corporate Finance Manual, the TSXVE definition will govern.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this Listing Application and the schedules attached hereto are forward-looking statements which may include, but are not limited to, statements with respect to: predictions about Engineer Gold Mines' financial matters; forecasts of financial condition, results of operations, liquidity position, or working capital requirements; the completion, timing and expected effects of the Arrangement and the benefits anticipated to be received by Blind Creek and Engineer Gold Mines from such transactions; the impact of potential future offerings and sales of debt or equity securities; plans or expectations with respect to development activities, business strategies or restructuring and expansion activities; demand and growth of the market for Engineer Gold Mines' offerings or for the offerings of its competitors; sufficiency of internal controls and procedures; limitations of insurance coverage; the timing and possible outcome of regulatory matters; and assumptions or estimates underlying any of the foregoing.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "projects", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of Engineer Gold Mines to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to, the factors discussed in the section entitled "Risk Factors" in this Listing Application. Although Engineer Gold Mines has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Although Engineer Gold Mines believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements contained in this Listing Application are expressly qualified by this cautionary statement and by the risk factors described in the Listing Application under the heading "Risk Factors". The forward-looking statements contained herein are made as of the date of this Listing Application Engineer Gold Mines disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except where required by applicable securities laws.

ITEM 3 – SUMMARY OF LISTING APPLICATION

The following is a summary of information relating to Engineer Gold Mines (assuming completion of the Arrangement), and should be read together with the more detailed information and financial data and statements contained elsewhere in this Listing Application. Capitalized terms used in this summary, and not defined in this summary, will have the meaning provided in the Glossary or elsewhere in this Listing Application. No person is authorized to give any information or to make any representation not contained in this Listing Application and, if given or made, such information or representation should not be relied upon as having been authorized. This Listing Application does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. **Neither delivery of this Listing Application nor any distribution of the securities referred to in this Listing Application shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Listing Application.**

The Arrangement

The Arrangement will be completed by way of plan of arrangement pursuant to Section 288 of the BCBCA involving Blind Creek, the Blind Creek Shareholders and Engineer Gold Mines. The disclosure of the principal features of the Arrangement, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement.

Commencing at the Effective Time, each of the events set out below shall occur and be deemed to occur in the following order, without any further act or formality:

(a) Blind Creek will transfer the Engineer Gold Mines Property to Engineer Gold Mines in exchange for a specified number of Engineer Gold Mines Common Shares, which number of Engineer Gold Mines Common Shares will be equal to approximately one-half of the number of Blind Creek Common Shares outstanding at the Effective Time; and

(b) Blind Creek will distribute the Engineer Gold Mines Common Shares to the holders of Blind Creek Common Shares on a pro rata basis (other than to Dissenting Shareholders) on the reduction of the stated capital of the Blind Creek Common Shares as a return of capital distribution in-kind.

The foregoing matters will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto may not be completed until after the Effective Date.

The Board may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Blind Creek Shareholders.

Effect of the Arrangement

As a result of the Arrangement, Blind Creek Shareholders will continue to hold their Blind Creek Common Shares and will receive one Engineer Gold Mines Common Share for every two Blind Creek Common Shares held at the Effective Time on the reduction of the stated capital of the Blind Creek Common Shares held as of the Effective Time as a return of capital distribution in-kind. It is expected that the issued capital of Engineer Gold Mines will be approximately 12,838,525 Engineer Gold Mines Common Shares, post-Arrangement (assuming no Blind Creek convertible securities are exercised prior to the Effective Time) and before giving effect to the Engineer Gold Mines Private Placement – see "The Engineer Gold Mines Private Placement" below. Blind Creek Shareholders will own all of the outstanding Engineer Gold Mines Common Shares, post-Arrangement, as of the Effective Time, other than the Engineer Gold Mines Common Shares to be issued pursuant to the Engineer Gold Mines Private Placement. Blind Creek will continue to hold its other assets including the Blende Property and Engineer Gold Mines will hold the Engineer Gold Mines Property.

Engineer Gold Mines is expected to be a reporting issuer in British Columbia, Alberta, Saskatchewan and Yukon upon completion of the Arrangement. Engineer Gold Mines has made application to list the Engineer Gold Mines Common Shares on the TSXVE. Any listing will be subject to the approval of the TSXVE and compliance with all listing conditions. There can be no assurances that the Engineer Gold Mines Common Shares will be listed on the TSXVE or any other stock exchange. There is no assurance that any of the Canadian securities regulators will recognize Engineer Gold Mines as a reporting issuer, in which case Engineer Gold Mines will be a private company with no liquid market and significant legal restrictions on the ability to trade in its securities affecting all Engineer Gold Mines Shareholders.

Assuming there are no changes in Blind Creek's issued capital of 25,677,050 Blind Creek Common Shares prior to the Effective Time, it is expected that Engineer Gold Mines' non-diluted share capital, post-Arrangement as of the Effective Date, will be approximately 12,838,525 Engineer Gold Mines Common Shares without giving effect to the Engineer Gold Mines Shares to be issued pursuant to the Engineer Gold Mines Private Placement (if any). In the event the Engineer Gold Mines Private Placement is completed in full and the Engineer Gold Mines Escrow Release Conditions are satisfied in full and the Engineer Gold Mines Shares are issued upon automatic exercise of the Engineer Gold Mines Subscription Receipts, there will be approximately 7,600,000 Engineer Gold Mines Common Shares and 3,800,000 Engineer Gold Mines Warrants issued and outstanding on or immediately after the Effective Date. Up to an additional approximately 20,438,525 Engineer Gold Mines Common Shares may be outstanding, post-Arrangement on the Effective Date, if all of the existing Blind Creek convertible securities are exercised before the Effective Time.

Engineer Gold Mines Ltd.

Engineer Gold Mines is a wholly-owned subsidiary of Blind Creek incorporated under the BCBCA for the purpose of the Arrangement. As of the Effective Date, Engineer Gold Mines will acquire the Engineer Gold Mines Property.

Blind Creek Resources

Blind Creek, a BCBCA incorporated company, is listed on the TSXVE and is engaged in the exploration and development of the Blende Property.

Engineer Gold Mines Financial Statements and MD&A

The following financial statements of Engineer Gold Mines are included in this Listing Application:

Schedule "A" - audited carve-out combined financial statements for the years ended November 30, 2017 and 2016;
Schedule "B" - management discussion and analysis for the audited carve-out financial statements for the years ended November 30, 2017 and 2016;
Schedule "C" - audited financial statements for the period from incorporation (January 17, 2018) to February 28, 2018;
Schedule "D" - management discussion and analysis for the period from incorporation (January 17, 2018) to February 28, 2018;
Schedule "E" – unaudited carve-out combined financial statements for the interim period ended February 28, 2018 and 2017;
Schedule "**F**" – management discussion and analysis for the interim period ended February 28, 2018 and 2017; and
Schedule "G" - pro forma financial statements as at November 30, 2017.

Engineer Gold Mines Selected Pro Forma Financial Statements

The following table sets out selected *pro forma* financial information in respect of Engineer Gold Mines as at November 30, 2017 as if the Arrangement had been completed as of November 30, 2017 and should be considered in conjunction with the more complete information contained in the *pro forma* balance sheet of Engineer Gold Mines appended as Schedule "G" to this Listing Application.

	November 30, 2017 ($)
Current assets	760,001
Mineral property interests	545,696
Total assets	1,355,697
Total liabilities	Nil
Blind Creek Shareholders' equity	1,355,697

The following table sets out selected *pro forma* financial information in respect of Engineer Gold Mines for the fiscal year ended November 30, 2017, as if the Arrangement had been completed as of November 30, 2017, and should be read in conjunction with the more complete information provided in the *pro forma* consolidated statement of comprehensive loss of Engineer Gold Mines appended as Schedule "G" to this Listing Application.

	Year Ended November 30, 2017 ($)	Year Ended November 30, 2016 ($)
Operating Loss	(198,378)	Nil
Net Loss	(198,378)	Nil
Net Comprehensive Loss	(198,378)	Nil
Loss per Share (basic and diluted)	0.00	0.00

Additional Information

No Fractional Shares

No fractional Engineer Gold Mines Shares will be issued in connection with the Arrangement. In the event that a Blind Creek Shareholder would otherwise be entitled to a fractional Engineer Gold Mines Share under the Plan of Arrangement, the number of Engineer Gold Mines Shares issued to such Blind Creek Shareholder shall, without any additional compensation, be rounded down to the next lesser whole number of Engineer Gold Mines Shares. In calculating such fractional interests, all Blind Creek Common Shares registered in the name of or beneficially held by such Blind Creek Shareholder or its Intermediary shall be aggregated.

Engineer Gold Mines

The Board of Directors of Engineer Gold Mines is comprised of Andrew H. Rees, Thomas Kennedy, Brian Fowler and Glen MacDonald. Executive management of Engineer Gold Mines consists of Thomas Kennedy, Chief Executive Officer and Secretary, Brian Fowler, President and Dale Dobson, Chief Financial Officer. Changes and additions to the management team and the Engineer Gold Mines Board will be made as needed and as the Engineer Gold Mines Property progresses. Since Blind Creek's focus is primarily on its Blende Property and Engineer Gold Mines' focus will be on the Engineer Gold Mines Property, which is in the exploration stage, the common directors of Blind Creek and Engineer Gold Mines are not expected to be subject to any conflicts of interest.

Reasons for the Arrangement

The Board of Directors of Blind Creek believes that the Arrangement is in the best interests of Blind Creek for numerous reasons, including:

(i) the fact that Blind Creek will continue as a junior resource company in the business of advancing Blind Creek's project(s);
(ii) Blind Creek believes it has sufficient capitalization and a solid management team;
(iii) the Engineer Gold Mines Property is not required for Blind Creek's primary business focus;
(iv) Blind Creek expects to have broad appeal to the investment community with its focus being primarily on the advancement of the Blende Property;
(v) following the Arrangement, Engineer Gold Mines will focus on the Engineer Gold Mines Property;
(vi) the Arrangement will allow the capital markets to value the Engineer Gold Mines Property independently of the Blende Property held by Blind Creek;
(vii) Engineer Gold Mines will benefit from a strong board of directors and management team with experience acquiring and developing exploration stage assets in Canada;
(viii) it is expected that transferring the Engineer Gold Mines Property from Blind Creek to Engineer Gold Mines will accelerate development of the Engineer Gold Mines Property; and
(ix) Blind Creek Shareholders who continue as Blind Creek Shareholders will hold shares in two companies with distinct businesses and projects.

In the course of its deliberations, the Blind Creek Board also identified and considered a variety of risks and potentially negative factors, including, but not limited to, the risks set out under "Item 3 – Summary of Listing Application - Risk Factors".

The foregoing discussion summarizes the material information and factors considered by the Blind Creek Board in their consideration of the Plan of Arrangement. The Blind Creek Board collectively reached its unanimous decision with respect to the Plan of Arrangement in light of the factors described above and other factors that each member of the Blind Creek Board felt were appropriate. In view of the wide variety of factors and the quality and amount of information considered, the Blind Creek Board did not find it useful or practicable to quantify, rank or otherwise assign relative weights to, and did not make specific assessments of, the specific factors considered in reaching its determination. Individual members of the Blind Creek Board may have given different weight to different factors.

The Blind Creek Board may, in its absolute discretion, determine whether or not to proceed with the Arrangement without further approval, ratification or confirmation by the Blind Creek Shareholders.

The Engineer Gold Mines Private Placement

On March 27, 2018, Engineer Gold Mines completed the Engineer Gold Mines Private Placement, pursuant to which Engineer Gold Mines issued 7,600,000 Engineer Gold Mines Subscription Receipts at a price of $0.10 per Engineer Gold Mines Subscription Receipt for gross proceeds of $760,000, which proceeds have been placed in escrow pending satisfaction of the Engineer Gold Mines Escrow Release Conditions (as herein defined). Upon satisfaction of the Engineer Gold Mines Escrow Release Conditions prior to 5:00 p.m. (Toronto time) on June 1, 2018 (the "**Engineer Gold Mines Escrow Release Deadline**"), the Engineer Gold Mines Subscription Receipts will automatically be exercised, without payment of any additional consideration and with no further action on the part of the holders thereof, for one Engineer Gold Mines Unit (as herein defined). Each Engineer Gold Mines Unit is comprised of one Engineer Gold Mines Common Share and one-half of one Engineer Gold Mines Warrant. Each whole Engineer Gold Mines Warrant is exercisable to acquire one Engineer Gold Mines Common Share at a price of $0.15 per share for a period of two years from the date of issuance.

If the Engineer Gold Mines Escrow Release Conditions are not satisfied prior to the Engineer Gold Mines Escrow Release Deadline, all of the escrowed funds plus accrued interest, if any, will be returned to the Engineer Gold Mines Purchasers (as herein defined) in accordance with the terms of the Engineer Gold Mines Private Placement. To the extent that the escrowed funds plus accrued interest, if any, are not sufficient to repay the purchase price for

all Engineer Gold Mines Subscription Receipts, Blind Creek and Engineer Gold Mines have agreed to satisfy any shortfall.

The Engineer Gold Mines Escrow Release Conditions are substantially as follows: (i) all conditions to the completion of the Arrangement pursuant to the Arrangement Agreement (other than the release of the Escrowed Proceeds), shall have been satisfied; (ii) the receipt of all regulatory approvals required for the Arrangement to be completed (including that of the TSXVE); (iii) the receipt of all required shareholder and Blind Creek board of director approvals required for the Arrangement; (iv) receipt of gross proceeds of no less than $500,000 from the Engineer Private Placement; (v) the Court issuing a final order in connection with the Arrangement; (vi) no material change having occurred in respect of Engineer Gold Mines or Blind Creek; and (vii) Engineer Gold Mines shall have delivered a release notice to the Subscription Receipt agent confirming that items (i) through (vi), inclusive, have been satisfied.

***Pro forma* Business Objectives**

Upon completion of the Arrangement, Blind Creek will continue to hold all of its other assets including the Blende Property. Blind Creek is actively pursuing future growth opportunities, primarily through the exploration and development of the Blende Property. Upon completion of the Arrangement, Engineer Gold Mines will have working capital of approximately $700,000 (assuming the exercise of the Engineer Gold Mines Subscription Receipts upon satisfaction of the Engineer Gold Mines Escrow Release Conditions) and will hold the Engineer Gold Mines Property. Engineer Gold Mines intends to concentrate its activities on the exploration of the Engineer Gold Mines Property. Engineer Gold Mines has made an application to list the Engineer Gold Mines Shares on the TSXVE. Any listing will be subject to the approval of the TSXVE.

Additional Terms of the Arrangement Agreement

In addition to the terms and conditions of the Arrangement Agreement set out elsewhere in this Listing Application, additional terms described below apply. The description of the Arrangement Agreement, both below and elsewhere in this Listing Application, is summary only, not comprehensive and is qualified in its entirety by reference to the terms of the Arrangement Agreement which may be found at www.SEDAR.com.

Conditions to the Arrangement

The Arrangement is subject to a number of specified conditions, certain of which may only be waived in accordance with the Arrangement Agreement, including receipt by Blind Creek and Engineer Gold Mines of all required approvals, including approval by: not less than two-thirds of the votes cast at the Meeting in person or by proxy by Blind Creek Shareholders voting as a single class; approval of the TSXVE of the Arrangement subject only to compliance with the usual conditions of such approval; and approval of the Arrangement by the Court.

Stock Exchange Approvals

TSXVE approval is required in order to complete the Arrangement and, on April 18, 2018, the TSXVE conditionally accepted the Arrangement, subject to satisfying customary TSXVE conditions. Engineer Gold Mines has made application to list the Engineer Gold Mines Common Shares on the TSXVE. Any such listing will be subject to the approval of the TSXVE. There can be no assurance that such approval will be obtained or that the Engineer Gold Mines common shares will be listed on the TSXVE or any stock exchange.

Court Approval of the Arrangement

The Plan of Arrangement requires approval by the Court under Section 288 of the BCBCA. On April 24, 2018, prior to the mailing of the material in respect of the Meeting, Blind Creek obtained the Interim Order (as herein defined) providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters.

Subject to the approval of the Arrangement Resolution by the Blind Creek Shareholders at the Meeting, the hearing in respect of the Final Order is scheduled to take place on May 24, 2018 or as soon thereafter as the Court may direct or counsel for Blind Creek may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia. **Blind Creek Shareholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the necessary requirements**.

At the Court hearing, the Court will consider, among other things, the substantive and procedural fairness of the terms and conditions of the Plan of Arrangement to those to whom securities will be distributed. The Court may approve the Plan of Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. The Court's approval is required for the Arrangement to become effective.

Risk Factors

The securities of Blind Creek and Engineer Gold Mines should be considered highly speculative investments and the transactions contemplated herein should be considered of a high-risk nature. Blind Creek Shareholders should carefully consider all of the information disclosed in this Listing Application.

There are risks associated with the Arrangement that should be considered by Blind Creek Shareholders, including but not limited to: (i) market reaction to the Arrangement and the future trading prices of the Blind Creek Common Shares and of the Engineer Gold Mines Shares, if listed, cannot be predicted; (ii) the transactions may give rise to significant adverse tax consequences to Blind Creek Shareholders and each Blind Creek Shareholder is urged to consult his, her or its own tax advisor; (iii) uncertainty as to whether the Arrangement will have a positive impact on the entities involved in the transactions; and (iv) there is no assurance that required regulatory, stock exchange or court approvals will be received or that the Engineer Gold Mines Shares will be listed or quoted on any stock exchange.

There are risks associated with the businesses of Blind Creek and Engineer Gold Mines that should be considered by Blind Creek Shareholders, including but not limited to: (i) the need for additional capital by Blind Creek and Engineer Gold Mines, through financings and the risk that such funds may not be raised including that the Engineer Gold Mines Private Placement may not raise sufficient proceeds to fund Engineer Gold Mines' operations or enable it to obtain a listing on the TSXVE; (ii) the speculative nature of exploration and the stages of the properties or assets of Blind Creek and Engineer Gold Mines; (iii) the effect of changes in commodity prices; (iv) regulatory risks that development will not be acceptable for social, environmental or other reasons; (v) reliance on management; (vi) the potential for conflicts of interest; and (vii) other risks associated with either Blind Creek or Engineer Gold Mines as described in greater detail elsewhere in this Listing Application.

Reporting Currencies and Accounting Principles

The financial statements of Engineer Gold Mines contained in this Listing Application are reported in Canadian dollars and have been prepared in accordance with IFRS.

The Listing Application will be available under Engineer Gold Mines' issuer profile on SEDAR at www.sedar.com.

ITEM 4 - CORPORATE STRUCTURE

Name and Incorporation

Engineer Gold Mines was incorporated under the BCBCA on January 17, 2018 for the purposes of the Arrangement. Engineer Gold Mines is currently a private company and is a wholly-owned subsidiary of Blind Creek. No material amendments have been made to Engineer Gold Mines' articles or other constating documents since its incorporation.

Engineer Gold Mines' head and principal business address are all located at 804-750 West Pender Street. Vancouver, British Columbia V6C 2T7. Engineer Gold Mines' registered office address is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

As at the date of this Listing Application, Engineer Gold Mines does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Intercorporate Relationships

Engineer Gold Mines currently has no subsidiaries.

Effect of the Arrangement

See "Item 3 – Summary of Listing Application – Effect of the Arrangement" above for more information.

ITEM 5 - DESCRIPTION OF THE BUSINESS

General Description of the Business of Engineer Gold Mines

After completion of the Arrangement, Engineer Gold Mines will own the Engineer Gold Mines Property. Engineer Gold Mines intends to operate as a gold exploration and development company and will continue to advance its Engineer Gold Mines Property and seek other mining assets. The Engineer Gold Mines Property is a gold/silver project situated 32 km southwest of Atlin, British Columbia. The Engineer Gold Mine Property consists of six patented crown grants, five legacy mineral claims, and 42 Mineral Titles Online "MTO cell" claims that surround and overlap the crown grants. The total contiguous property package covers an area of approximately 12,032 hectares.

Engineer Gold Mines has not had any bankruptcy, receivership or similar proceedings against it, has not been a party to any material restructuring transactions and has not implemented any social or environmental policies that are fundamental to its operations.

See "Engineer Gold Mines Property" below for information on Engineer Gold Mines' proposed exploration program on the Engineer Gold Mines Property. See the Technical Report available under Engineer Gold Mines' SEDAR profile at www.SEDAR.com.

See "Item 4 – Corporation Structure – Intercorporate Relationships" above for information on intercorporate relationships.

General Development of the Business – Three Year History

Engineer Gold Mines was incorporated on January 17, 2018 and has had no business operations to date.

Significant Acquisitions and Dispositions

Engineer Gold Mines has not completed a financial year. The future operating results and financial position of Engineer Gold Mines cannot be predicted.

ENGINEER GOLD MINES PROPERTY

Engineer Gold Mines' only material property will be the Engineer Gold Mines Property for which disclosure is provided below.

The following disclosure regarding the Engineer Gold Mines Property is derived entirely from the Technical Report. Such disclosure is qualified in its entirety by the full text of the Technical Report, which is available under Engineer Gold Mines' profile on SEDAR at www.SEDAR.com

Mr. Darren O'Brien, P.Geo., author of the Engineer Gold Mines Technical Report, is the qualified person for the purposes of NI 43-101, and has reviewed and approved the scientific and technical information contained in this Listing Application related to the Engineer Gold Mines Property.

Property Location

The Engineer Gold Mine Property is located 32 km west of Atlin in northwestern BC on the east shore of the Taku Arm of Tagish Lake. The Property covers the Gleaner and Engineer Mountains, and extends past the Wann River at its southern extent. Geographical coordinates for the centre of the Property are 59° 27‟ north latitude, and 134° 12‟ west longitude. The NTS map index is 104/M8 and M9, and the BCGS index is 104M 049. The portal to access the Engineer Gold Mine underground workings is located at 542,775m E / 6,594,390m N (NAD83 Zone 8N).

Tenure

The Engineer Gold Mine Property consists of six crown grants, five legacy mineral claims, and 42 Mineral Titles Online "MTO cell" claims that surround and overlap the crown grants. The total contiguous property package covers an area of approximately 12,032 hectares.

Claim status for the legacy and cell claims was searched on the BC Mineral Titles Online (MTO) website and is provided in Table 3. All claims are indicated to be in good standing until at least December 1, 2018 and are reported to be owned 100% by client 203166, Blind Creek Resources.

The 42 "MTO cell" claims and are located online by Universal Transverse Mercator map projection coordinates for the northeast corner of each cell unit. Effective January 1, 2008, the five legacy claims are determined to hold rights to the ground as depicted on the MTO map, regardless of where the legal posts are situated.

The five legacy and 42 MTO cell claims require annual exploration and development work which must be registered within one year of the work being completed. The required work value is dependent upon the age of the mineral claims and increases as per the schedule below:

First and second anniversary years	$5.00 per hectare per year
Third and fourth anniversary years	$10.00 per hectare per year
Fifth and sixth anniversary year	$15.00 per hectare per year
Subsequent anniversary years	$20.00 per hectare per year

Mineral claims allow the holder certain rights to exploitation of subsurface minerals only, and no rights to surface commodities are implied by the Province of British Columbia.

The Property also includes six crown grants (77 hectares), of which Blind Creek Resources owns the subsurface mineral rights and Murray Leitch retains the surface rights. The underground workings and the mineral resources reported are all contained within these crown grants.

Since the six crown grants have "deeded title", the obligations and rights are more like those of private property owners than mineral claim holders. No annual work expenditures are required for crown grants. Annual property taxes are paid on surface rights by Murray Leitch.

There are four other crown grants belonging to 3rd party owners within the Engineer Gold Mine Property boundary. The surface rights-only for the 'Mickey DL967' and 'Plato DL968' crown grants are owned by Murray Leitch which partially cover Legacy Mineral Claim 411094 belonging to Blind Creek Resources.

The mineral and surface rights for the 'My Little Lot Fraction DL250' and 'Cracker Jack DL914' crown grants are owned by Michael Brown of Sitka, Alaska. There is no mineral resource or exploration work on the 'Brown' crown grants.

Royalties

Guardsmen Resources Inc. retains a 2.5% net smelter return on the five Gold Hill claims, 2% of which can be purchased by Blind Creek Resources for C$1.5 million.

On October 17, 2017, Blind Creek Resources announced the purchase of a one percent (1%) Net Smelter Royalty ("**NSR**") payable to Pan Andean Minerals Ltd. (formerly BCGold Corp.). There are now no underlying royalties for the patented crown grants which host the Mineral Resource and the historic producing mine.

Exploration Permitting

The British Columbia Ministry of Energy Mines and Petroleum Resources ("**MEMPR**") requires a permit for any underground exploration, or surface exploration that requires reclamation. This Exploration Permit is attached to a "Mine Site" designation regardless of the stage of exploration and past or current production. Historically, exploration permits require a Notice of Work ("**NoW**") each year, and the reclamation work (with associated reclamation bonds) can be accumulated at the discretion of the operator, until they decide to discontinue work. At that time the operator completes any unfinished reclamation work to the satisfaction of the Mines Inspector, closes the Mine Site for further exploration, and applies to MEMPR to be reimbursed for the bond. In this regard, the Engineer Gold Mine Project has a Mine Site designation of #0101107, an ongoing Mineral Exploration Permit (since the 2008 field program) numbered MX-1-767, and a reclamation bond of C$50,000 held in trust by the Bank of Montreal. Recent changes by MEMPR allow (and encourage) Multi Year Area Based ("**MYAB**") exploration notices. On April 12th, 2010, September 14th, 2010, March 9th, 2011, March 26th, 2012 and June 11, 2014 BCGold submitted Notices of Work which describes some of the work described in this report. On March 24th, 2015, BCGold received an amended permit MS-1-767 valid until March 31st, 2020. Attached was an application for an annual renewal of Explosive Storage and Use Permit #1285. On October 13, 2017, permit MX-1-767 was transferred to Blind Creek Resources.

Blind Creek Resources was issued a Waste Management Permit (PE-14978) on June 8th, 2017, which was originally issued to EMC for the bulk sampling in the early 1990's. This permit authorises effluent discharges from: (1) the gravity separation mill to the settling pond; (2) from the portal to Tagish Lake; and (3) from the settling pond to Engineer Creek. In the permit, each discharge point has specified conditions, for monitoring and sampling, reporting, and flow rates depending on various conditions. This permit was sufficient for the processing of the bulk samples described in this Technical Report, but will not be sufficient for larger scale mining activities. Although discharges from the portal in the original permit referred to dewatering of the underground workings, the stipulated maximum flow rate of 7 m3 is not sufficient for this purpose. A temporary amendment for a higher discharge rate was granted in early 2009, and extended until 15th April 2011.

Environmental Liabilities

In June 2007, Golder Associates was contracted to conduct a Preliminary Environmental Review of the Engineer Gold Mine (Golder Associates, 2007). This included a site visit to observe the results of past mining activities, and a review of available project data.

The report identified the possibility of some environmental liability from past operations at several small waste dumps, a small settling pond and intercepted surficial ground run-off draining from the portal. It was recommended a "Site Profile" be prepared following Ministry of Mines (*formerly MEMPR*) guidelines, to detail these in advance of commercial production. Golder Associates conducted water sampling at six locations, including the two specified

in effluent permit PE-14978. Water sample collection continued from those six locations at regular intervals to build up an environmental baseline database.

The report also noted that the Engineer Gold Mine lies within the traditional territories of the Taku River Tlingit and Carcross-Tagish First Nations. It recommended an Archeological Impact Assessment in advance of production, and continued on-going communication with both groups throughout all phases of work.

In summary, (Golder Associates 2007) concluded that: "*no show stoppers associated with exploration or production were identified during this* [its] *review*".

Table 1 Baseline Water Sampling Coordinates

Description	Site	Coordinates (NAD83 Zone 8N)	Exposure
Mine Shaft Underground	EM-1	N/A	Groundwater/Source water
Engineer Creek u/s of Mill Site	EM-2	543,016E / 6,594,395N	Background
Settling pond near discharge point	EM-3	542,927E / 6,594,405N	Source water
Surface water draining from 5 Level portal	EM-4	542,758E / 6,594,395N	Groundwater/Source water
Engineer Creek d/s of Mill Site, near camp	EM-5	542,711E / 6,594,847N	Near field
Butler Creek at road crossing near dock	EM-6	542,618E / 6,595,000N	Background

In 2012, AllNorth Consultants Limited completed a Metal Leaching and Acid Rock Drainage (ML/ARD) Management Plan to support a 3-year, $2.5M exploration and development program proposal. The proposed program included dewatering of the lowermost mine levels, mine rehabilitation, geological mapping and sampling, additional bulk sampling, test milling, and 3,500 m of diamond drilling. The primary objective was to increase the mineral resource by underground and surface drilling Shear Zones "A" and "B" and the Jersey Lilly, Boulder, Governor and Shaft veins, and continue to test mine and mill bulk sample high-grade gold shoots on the Engineer Vein. Prior to commencement of the 4,000 t bulk sample, the BC Ministry of Energy and Mines (BC MEM) required the development of a Metal Leaching and Acid Rock Drainage Plan for the BC MEM's review and approval.

An Annual Summary of Exploration Activities update and Notice of Work Application was filed with the BC MEM under the Multi-Year Area Based (MYAB) Mine Permit MX-1-767. The MYAB described the company's exploration and development plans for the Engineer Gold Mine up to the year 2015. The company also filed the ML/ARD Management Plan prepared by AllNorth. The BC MEM reviewed and accepted these documents and amended permit MX-1-767 on January 29, 2013. Subsequent amendments have extended the approval completion date to March 31, 2020.

On October 13, 2017, permit MX-1-767 was transferred to Blind Creek Resources.

Within the ML/ARD Management Plan, AllNorth (2012) analyzed the baseline water sample results initially chosen by Golder Associates (2007) and collected on a regular basis. The sampling data provided mine and tailings water

samples originating from contact with mine and tailings wastes. The following summarizes comments based on the sampling program:

1) Hardness/Alkalinity in portal/tailings water was elevated compared to adjacent local receiving water streams, reflecting relatively high carbonate content of mineralized and waste material (to a lesser extent, based on drill core analyses provided). Portal water had "buffer capacity" to react with $2.05x10^{-4}$ to $2.16x10^{-4}$ Molar H+ (acid). Tailings pond water contained less (about one half) "buffer capacity" (76.6 mg/L to 127 mg/L alkalinity), probably due to the effect a long residence time in the tailings pond and the replenishment of carbon dioxide in tailings fluid, which produces some alkalinity reduction by precipitating some of the $CaCO_3$. Portal water had higher alkalinity due to prolonged contact (and replenishment) with the carbonaceous wall rock.

2) Both background and source water exhibited alkaline characteristics.

3) Portal water at times had elevated Total Suspended Solids ("TSS") compared to adjacent streams.

4) While background sulphate was less than 50 mg/L, portal source water was occasionally marginally higher.

5) Bromine, chloride, fluoride, nitrate, and nitrite were all well within the BC guidance for freshwater aquatic levels (BC MELP 1997).

6) Total silver was well within BC Aquatic Guide in adjacent streams, and in the pond and portal, but was elevated at the pond and portal when the TSS was elevated at over 200 mg/L on two occasions. Dissolved silver at all sampling occasions was virtually at the detection level for silver.

7) Aluminum (dissolved) was well within BC Aquatic Guide at all sampling locations.

8) Arsenic was elevated above the BC Aquatic Guide at the Engineer Creek u/s of Mill site and the mill and portal sites, and increased significantly with elevated TSS associated with the portal samples. Recent drill core multi-element scans indicated arsenic content to be elevated significantly (5 to 395 ppm) above the crustal average of 1.8 ppm.

9) Cadmium was elevated marginally in background stream samples (total and dissolved values); and elevated marginally in dissolved cadmium for the mill and portal samples, and was significantly higher for some of the total cadmium results, attributable to elevated TSS.

10) Cobalt and chromium were well within the BC Aquatic Guide.

11) Copper EM-2, EM-3, EM-5, and EM-6 met the BC Aquatic Guide, while EM-4 exceeded the guide marginally, considering the elevated hardness of the water sample. However, once this flow entered the receiving water, the BC Aquatic Guide was met.

12) Iron concentrations in watercourses met the BC Aquatic Guide, while the mill and portal water marginally exceeded, with significant exceedances at higher TSS concentrations.

13) Lead concentrations were well within the BC Aquatic Guide.

14) Antimony met the BC Aquatic Guide, except when TSS was elevated on 2 occasions for the portal sample.

15) All samples were well within the BC Aquatic Guide for selenium and zinc.

AllNorth (2012) summarized the baseline results as such: *"Except for arsenic, the exceedances noted above occurred infrequently in terms of the percentage of overall samples collected. The application of the BC Aquatic Guide to mill and portal samples is for the purpose establishing a comparison of the metals and non-metals generated and as an indication of the level of risk mine-associated discharges present to the receiving environment. Based on the dissolved parameter results, there have not been any concentrations which would be expected to cause a failure in a 96 Hour LC50 bioassay test on Rainbow Trout."*

The ML/ARD Management Plan focuses on the 4,000 t bulk sample proposed to be extracted from the mine. The following testing / reporting are to be submitted to the BC MEM:

- Perform static acid base accounting (ABA), include elemental composition by ICP methods; and paste pH, sulphur speciation, inorganic carbon concentration, neutralization potential (NP), and acid potential (AP). The method of sample collection of the rock should reflect the geological variability of the rock being sampled.
- Duplicate samples (a) for the laboratory ABA determination, and (b) for mineralogical characterization using microscopic methods. The microscopic examination of tailings and waste rock should report (semi-quantitatively) an estimate of the visible sulphide content in tailings, e.g., pyrite, pyrrhotite.
- Provide a report summarizing and interpreting the findings of the ABA and ICP analyses at the end of each season when bulk sampling occurs. Include details of the rock sampling method.
- One sample per 1,000 t of material generated, and a total of four samples representing 4,000 t of bulk sample.
- Recommend sampling of tailings as they are produced at the gravity mineral processing plant location: tailings (composite); and crushed material, or grinding mill rock (composite) – if mineralized material is planned to be stored on site for more than one year.
- One waste rock sample will be collected (representing 200 t of waste rock) during the program. It is recommended the geologist make the decision on when to commence collection of the first waste rock sample.
- Company reports on the concentrate produced mention high sulphide content. A representative concentrate sample should be characterized for sulphide content (a) as total S; and (b) semi-quantitatively using a microscopic method.

The above testing/examinations should be adjusted, as required, based on the professional opinion of the geologist supervising the testing program.

In summary, AllNorth (2012) concluded: "*The Engineer Mine Property contains waste rock and tailings, some of which have been in place for almost 100 years without any apparent significant manifestation of ML/ARD, based on the existing water sampling program results. Metal and non-metal parameters do not manifest the signature of ML/ARD runoff quality. It is noted that some discharged mine water parameters were elevated when the TSS was above the 50 mg/L effluent permit guidance concentration. These excursions are not interpreted as elevations relative to ML/ARD. The company will be proposing a management plan to reduce the risk of exceeding the permitted TSS concentrations. This may take the form of: (a) locating the sources of TSS in the underground workings and proposing procedures to reduce mobilization of the fines; (b) applying a suitable (and approved) settling aid, which will allow capture of the excess TSS within the mine workings and subsequent isolation of the settled TSS; and (c) looking at alternative strategies, such as using an existing sediment pond.*"

In 2012, an additional summer season of baseline water sampling was conducted after completion of the AllNorth (2012) report. Results were reported by Coates (March 2013) to the BC Ministry of Environment in the annual report "*Water Quality Monitoring During De-Watering at the Engineer Mine Project for the Period June-August 2012*". Coates also reported on the water sampling associated with de-watering of 6 and 7 levels of the mine workings. A temporary amendment to Discharge Permit PE-14978 was received, allowing for increased discharge out the mine portal.

Coates (2013) noted the amended permit allowed discharge of water with a pH range of 6.5-9.5 units. All samples collected during the 2012 season were within that pH range. The permit also allowed TSS up to 75 mg/L with a monthly mean of 50 mg/L. TSS exceeded 75 mg/L on two occasions at the mine portal which were associated with transient events when workers were walking in the main haulage drift. The highest TSS event occurred immediately after the work crew departed the mine portal and there was low water flow due to the de-watering pump being turned off. Additional sampling showed that these transient events cause elevated TSS for around 30 minutes. Coates noted that during an average 16 hour de-watering day the TSS values were generally below 10 mg/L.

Table 2 pH, TSS and Turbidity Data at Mine Portal While Dewatering

BCG_ID	Date	Time	pH	TSS	Turbidity (NTU)
BCGold Permit			6.5-9.5	75/50 avg	
EM-4 (BE)	6/29/12	8:30	8.29	4	-
EM-4 (AE)	6/29/12	9:00	8.20	4.7	-
EM-4 (DP, BE)	7/12/12	8:30	8.03	<3.0	-
EM-4 (BE)	7/20/12	9:30	8.23	3.5	-
EM-4 (NO WRK)	7/26/12	11:10	8.15	<3.0	-
EM-4 (DP,BE)	8/2/12	8:20	8.15	4.7	-
EM-4A (DP,AE)	8/2/12	8:50	8.18	91.3	-
EM-4 (DP,BX)	8/3/12	11:40	-	10.7	24.2
EM-4 (DP,AE)	8/4/12	8:40	-	11.3	27.9
EM-4 (DP,BE)	8/5/12	7:30	-	9.3	17.2
EM-4 (DP,AX)	8/6/12	12:10	-	32.7	40.2
EM-4 (DP,AE)	8/7/12	8:15	-	52.7	55.4
EM-4(DP,BE)	8/9/12	7:35	-	17.3	22.4
EM-4(DP,AE)	8/9/12	8:30	8.25	5.3	11.4
EM-4 (DP,AX)	8/10/12	17:40	-	12	23.4
EM-4 (AX)	8/12/12	12:15	-	127	167
EM-4 (BE)	8/13/12	8:05	-	4.7	9.39
EM-4 (DP,BX)	8/14/12	16:40	-	38	34.2
EM-4 (NO WRK)	8/16/12	10:15	8.23	10.9	1.46

Units are mg/L unless otherwise specified
DP=During Pumping, BE=Before Entry of Workers, AE= After Entry, BX=Before Exit, AX=After Exit

On June 8, 2017, the effluent permit PE-14978 was transferred to Blind Creek Resources.

HISTORY

This section describes the history of ownership and exploration of the Engineer Gold Mine and is based on material from Davidson (1998), Aspinall (2007), Coates (2010) and Snowden (2011).

Period 1899 to 1975

The Engineer Gold Mine has a long history. Engineers working on the White Pass and Yukon Railway made the initial discovery in 1899 and the Engineer Mining Company of Skagway was formed. From 1900 to 1902, numerous surface cuts and adits were completed resulting in a small amount of hand sorted mined material being shipped from site. A stamp battery was brought to the Engineer Gold Mines Property.

After the claims lapsed in 1906, they were re-staked by Edwin Brown and partners of Atlin and sold to the Northern Partnership Syndicate, also of Atlin and headed by Captain James Alexander. From 1908 to 1911 the syndicate carried out extensive work near surface and setup a stamp mill. From 1912 to 1918, Captain Alexander increased his ownership of the Engineer Gold Mines Property and a substantial amount of work was done underground, primarily on the Engineer Vein. This included a 210-foot shaft 63m and development on 4 levels, as well as initiating the 5 Level crosscut from near the lakeshore. Production records are incomplete for this period, but range from 34 tons to 1,100 tons, with grades consistently above 2 oz/ton Au. For example, the Minister of Mines Report for 1918 describes one 24 lb (≈11 kg) lot of hand sorted mined material containing 160 oz of gold. In 1918 Captain Alexander lost his life during the sinking of the “Princess Sophia” in Lynn Canal and ownership of the Engineer Gold Mines Property fell into litigation. In 1922, the heirs of Captain Alexander were awarded the Engineer Gold Mines Property, and vended it to some New York based entrepreneurs who formed Engineer Gold Mines in 1923. The period from 1923 to 1925 saw construction of new bunkhouses, a new 50 ton per day mill, power dam and

generating station, and hydroelectric transmission lines from the Wann River. The 5 Level crosscut was completed, and three core holes were completed from surface at Hub A and B. Up to 140 men were employed at one time.

In 1925 reports from the Engineer Gold Mine were so favourable, that the Engineer Gold Mines stock rose to US$100 per share on the New York Curb Exchange ("**AMEX**"). During 1925 to 1927, the reported rock milled was 15,143 tons grading 0.77 oz/ton (≈26 g/t Au) (BC Government, Ministry of Mines Reports). Extensive development work was also done. On the Engineer Vein, sinking of an internal shaft from the 5 to the 8 levels, allowed development drifting on the 6, 7 and 8 levels. On the 8 Level a crosscut was also driven to access the Double Decker Vein, which then saw substantial drifting in both directions. On the 5 Level, another long cross cut was driven through Shear Zone A, to the veins in the northeast (Boulder, Andy, Blue and Shaft) and some drifting on these was done as well. In addition to all of this, a small shaft was sunk on the Hub B with minor drifting. Incomplete production records from this period show that some production occurred from the lower mine levels. In particular, a section of the Double Decker Vein just south of the crosscut on 8 Level was reported to contain 84.3 g/t Au over a 10 m distance along the drift, and 3 or 4 lifts of mined material were extracted from here.

During the period 1927 to 1934 only sporadic work was done on the Engineer Gold Mines Property primarily by Reginald Brook. In 1934, the Mining Corporation of Canada bought the mine and though they never worked it, several lessees from Atlin are rumoured to have done some high grading above the flooded workings until 1952. The total documented historic production during 1910 to 1952 for the Engineer Gold Mine is recorded as approximately 14,263 t at 39.4 g/t Au and 19.5 g/t Ag (18,000 oz Au and 8,950 oz Ag).

In the early 1960's, Tagish Gold Mines Ltd. acquired the crown grants and in 1975 ownership passed to Nu-Energy Development Corporation. That year, Nu-Energy undertook detailed sampling of the Shear Zone A along the 5 Level crosscut, some underground mapping, and attempted to dewater the Engineer Gold Mine below the 5 Level.

Period 1976 to 1989 (Nu-Lady Gold Mines Ltd. / Erickson Gold Mining Corporation)

In 1979 Nu-Lady Gold Mines Ltd. optioned the Mine and in 1980 conducted 15 diamond drill holes testing "known vein structures accessible from the main workings". No significant intersections were reported, and this data is not available. In 1981, a further 11 holes were drilled and a soil survey conducted over an area in the north part of the Engineer Gold Mines Property. Six holes tested for northeast extensions to the Double Decker and Engineer veins and three holes were drilled near the Boulder Vein - all with no significant results. In 1983, further work discovered the Nutcracker Vein, 45 m southeast and parallel to the Engineer Vein. This vein carried 0.4 m at 3 oz/t Au where first discovered, but subsequent trenching and drilling of six holes indicated a stringer carrying very low gold values. Nu-Lady's option lapsed in 1985. In 1987, Erickson Gold Mining Corporation became the owner of the Engineer Gold Mines Property by takeover of Nu-Energy. Early in that year, they flew an airborne VLF/Magnetic survey, before increasing the Engineer Gold Mines Property size by staking, and then doing ground geophysics, surface geological mapping and sampling and soil geochemistry over the old mine site and some of the new claims. During fall of the same year, a diamond drilling program consisting of eight holes (1,178 m) followed up on the earlier work and tested known structures at depth. Numerous quartz veins were intersected, some with elevated gold values.

Two holes targeting Shear Zone A intersected up to 29 m of mixed quartz vein and silicified and brecciated argillite, with low gold values throughout. Drill hole 87-106, drilled through both the Double Decker and Engineer veins, intersecting the former at about the 700 Level, but with no significant gold values, and failed to intersect the latter below the 8 Level. Five holes targeted soil geochemical anomalies along Shear Zone B, and two of these returned values around 6 g/t Au within larger sections of quartz veining, breccia and silicified argillite (Smit, 1988).

In 1989, Gentry Resources Ltd optioned the Engineer Gold Mines Property from Erickson and undertook geophysical surveys.

Period 1990 to 2006 (Ampex Mining Ltd. / Engineer Mining Corp.)

In 1990, Gentry and Winslow Gold Corporation acquired the Engineer Gold Mines Property from Erickson by a share agreement. Prior to the 1992 season, Ampex Mining Ltd. negotiated a letter of intent with the new owners and early in that year made an initial assessment of the condition of the underground workings. In June of 1993, Ampex

and Gentry/Winslow formed a formal pre-production agreement, and subsequent to that Winslow acquired all the Engineer Gold Mines Property from Gentry. In July 1994, Ampex agreed to sell all its interest to the Old Engineer Mining Corporation, which in November of 1997 changed its name to simply the Engineer Mining Corporation ("**EMC**").

Davidson (1998) summarized the EMC/Ampex work done up until 1997. During 1991 to 1992, the portal and most of 5 Level was rehabilitated by Ampex and some original documents were acquired from Jim Brook whose grandfather Reginald had worked on the Engineer Gold Mines Property from 1899 to the 1930's. Blasting and sampling on the No. 2, No. 3, and Double Decker veins was unsuccessful in locating new gold shoots. On the Engineer Vein, impressive samples of gold in roscoelite were collected on small remnants of a mineralized shoot found in pillars between surface and 2 Level, and along the 5 Level (Bonanza Shoot). Access to the 3 and 4 levels was not attempted. In 1993, the northeast part of the mine was re-habilitated. At the north end of the Boulder Vein (524 raise), approximately 150 tonnes of material averaged approximately 31 g/t Au and a smaller sample at the south end (523 raise) averaged 26 g/t Au. A boating accident at the end of the summer resulted in the loss of the daily records, mining journal and rock samples.

During the 1994 season, EMC secured permitting for a 30 tonne per day pilot mill and a 10,000-tonne bulk sample. The mill, a 150-kW generator, trailer camp, dump truck, D7 Cat and 931 Cat loader were barged to site and assembled. A 50-tonne sample from the 505-1 raise (Engineer Vein) was processed, but problems in the mill circuit prevented an accurate assessment of grade. A 30-tonne sample from the 524-2 raise (Boulder Vein) was more successfully processed and yielded a grade of 28.6 g/t Au. In 1995 track mining equipment was purchased and 600 m of track installed. Bulk sampling continued and a total of 945 tonnes of material from both surface and underground was processed with variable results.

Period 2007 to 2016 (BCGold Corp.)

In 2007, the Engineer crown grants were optioned from EMC. In that year Aspinall (2007) collected 160 rock samples from underground, surface, and select 1987 core.

Exploration the following year included mapping, petrology, underground chip/channel sampling and drilling. Mapping at 1:500 scale was conducted, and compiled for surface and 5 Level at 1:1500 and 1:1000 scales respectively (Devine, 2008). Underground channel sill sampling with a diamond saw was done on the Shaft, Boulder, Engineer, Double Decker and Shear A. Surface diamond drilling (7 holes for 1,846 m) targeted the late stage hydrothermal breccia zone within a 400 m strike length of Shear A. Six holes successfully intersected the Shear A breccia and returned continuous, low-grade gold values.

In 2010, the Engineer Gold Mines Property package was expanded by acquiring the rights to five additional mineral claims from Guardsmen Resources Inc. via Option Agreement. The work program consisted of drilling thirteen HQ diamond drill holes (1,218 m), in two phases, from two underground drill bays located on 5 Level.

From the first drill bay (the old hoist room) four holes targeted the Double Decker Vein on 8 Level in an area where 1928 reports indicated 84.3 g/t Au were drifted on. An additional three holes drilled from the same drill bay targeted the Engineer Vein at very low angles. The remaining 6 drill holes were drilled from a second drill bay located a further 30 m along the main crosscut. These holes targeted the Engineer Vein down-dip of the "Bonanza Shoot" between 5 and 7 Level where previous sampling had indicated high grades.

In 2011 Snowden was commissioned to conduct a Mineral Resource estimate for the remnant portions of the Engineer and Double Decker veins. This resource estimate is now considered historical but is relevant and reliable. It has been reviewed and restated in Section 14 of this technical report as a current mineral resource. Further discussion can be found in Section 14 of the Technical Report.

The historic April 2011 Mineral Resource estimate is reported in Table 3.

Table 3 April 2011 Historic Mineral Resource Estimate based on a 5 g/t Au cut-off

Category	Vein	Tonnage	Grade (Au g/t)	Container Au (oz)
Inferred	Engineer	30,800	20.6	20,400
Inferred	Double Decker	10,100	13.1	4,200
	Total:	**41,000**	**19.0**	**25,000**

Notes: This Mineral Resource is considered historical and is restated in Section 14 of the Technical Report. The reader should refer to Section 14 for further discussion regarding the reliability and relevance of this historic mineral resource estimate.

This historic mineral resource estimate is based on a VLP (vertical longitudinal section) approach with projection of mineralized shoots down-dip and along strike based on surface exposure and underground development. The global grade applied to each vein structure was based on the partitioning of grades from historical production figures and production records to indicate payability. All grades were diluted to minimum stoping width of 1 m. A density factor of 2.8 t/m^3 was used. Snowden was unable to identify raw bulk density data, and has applied the conservative value. 3D models for the Double Decker and Engineer veins were constructed using Vulcan software. The vein wireframes were constrained by historical mining records and recent drilling. The Vulcan solids were used to define the primary mineralized material volume. A bulk density factor and payability factor were applied to define tonnage. Areas of mined-out portions were subtracted where required, assuming a 1 m stope width. The Snowden NI 43-101 technical report ("*Engineer Gold Project, BC, Canada; Project No. L502; Mineral Resource Estimate April 2011*") is filed on SEDAR under Pan Andean Minerals Ltd. (formerly BCGold Corp.). The reader should refer to Section 14 herein for the current mineral resource which has been restated November 2017.

Further work in 2011 included:

- Test-mining six bulk samples totaling 246.1 t returning a reconciled average mining grade of 16.9 g/t Au. Five of the bulk samples were mined from the Engineer Vein on 5 Level. The sixth bulk sample was from a surface trench on the Double Decker Vein.
- Test-milling of the bulk samples using the gravity recovery circuit producing 969 kg of sulphide concentrate. Gold recovery to the sulphide concentrate was estimated at 51%.
- Commissioned Gekko Systems to conduct bench-scale gravity and leach amenability tests on mill feed and sulphide concentrate. Gekko achieved gold and silver recoveries of 71.4% and 67.8% respectively using gravity-only concentration.
- Completed 600 line-km SkyTEM time-domain electromagnetic/magnetic airborne survey.
- Completed 600 m of surface trench excavation on the Boulder, Shaft, Double Decker and Shear B zones. The exposed veins were geologically mapped and channel sampled.

In 2012, exploration program included:

- Geological mapping, prospecting and test Mobile Metal Ion (MMI) soil surveys over the Shear A and B exploration targets.
- Dewatered 6 and 7 levels of the underground mine workings to access the down-plunge extension of the high-grade 505-3 and the 505-5 Shoots.

- Installed air and water services to levels 6 and 7, geological mapping and panel sampling completed.
- Confirmed the presence of three high-grade gold shoots between 5 and 7 levels.
- Sponsored a postdoctoral geological research project to develop a deposit model for the high-grade gold mineralization. Project supervised by Department of Earth, Ocean and Atmospheric Sciences, University of British Columbia.

In 2013, expanded the Engineer Gold Mines Property package by optioning nine surrounding claims from Blind Creek Resources which cover the southward extension of Shear A. In 2014 and 2016 they completed prospecting and soil sampling programs to evaluate the extension of Shear A on the Blind Creek Resources optioned claims and filed the work for Assessment credits.

In 2017, Blind Creek Resources purchased the Engineer Gold Mines Property and fulfilled the underlying payment obligations to Guardsmen Resources and EMC.

Wann Prospect

Prior to the consolidation of the Engineer Gold Mines Property, Blind Creek Resources owned the Wann Prospect, which is located approximately 4 km south of the Engineer Gold Mine portal. The Wann Prospect has now been consolidated into the contiguous Engineer Gold Mines Property.

The Wann Prospect consists of modern mineral claims that have completely over-staked 15 expired crown grants and fractions that are believed to date back to the early 1900s; when the Engineer Gold Mine was actively being mined. There are no historic exploration or development records available related to those expired Crown Grants.

In 2004, Blind Creek Resources started staking claims in the Tagish Lake region and concurrently conducted reconnaissance prospecting. The Wann Prospect was identified in 2009 when two grab samples were assayed and returned high-grade gold values. One was a float sample from a historic log cabin and was discounted, but the second sample (#9BCRWR05R) was collected from a historic bedrock trench located 180 m upstream along the Wann River. The trench sample assayed 43.5 g/t Au, 296 g/t Ag and 4.3% Pb (Aspinall, 2011).

In January 2009, a ground magnetometer survey was conducted on the ice of Tagish Lake. In 2010, a total of 89 rock samples and 55 soil samples were collected within a 180 m by 800 m corridor near the historic trench.

In 2011, prospecting continued and seven outcrops were identified with varying intensities of mineralization. A 17 hole (3,325 m) diamond drill program was conducted testing mineralized showings within the corridor. Several mineralized veins were intersected that returned significant gold and silver grades. The most significant intervals were from hole WR030211 which assayed 11.3 g/t Au and 76.2 g/t Ag over 1 m, and hole WR040111 assaying 11.3 g/t Au and 94.8 g/t Ag over 1.0 m (Aspinall, 2011).

GEOLOGICAL SETTING, MINERALIZATION AND DEPOSIT TYPES

Geological Setting and Mineralization

Geological setting and mineralization is modified after F. Devine (2008, 2016), Snowden (2011), and Millonig (2017).

Regional Geology

A cluster of gold occurrences exist in the southern Tagish Lake area, occurring along and on both sides of the Llewellyn Fault. Most are showings and prospects of Au, Au-Ag, and Ag-Pb-Zn±Au veins, with several showings of structurally-controlled hydrothermal quartz-carbonate breccia bodies. The veins and breccia zones on the

Engineer Gold Mines Property are some of the most notable occurrences, and are spatially and genetically associated with splays of the Llewellyn Fault.

The Llewellyn Fault Zone is a major terrane-bounding structure that trends northwest across northwestern British Columbia and into Yukon and Alaska. It has a protracted structural history which may be as old as late-Triassic (200 – 231 Ma), while youngest movement on associated structures is at least as young as early Eocene (49 – 55 Ma). It shows a history of deformation and displacement at different depths along the fault zone and along different discrete structures (Mihalynuk, 1999). In the Tagish Lake area it is a near vertical structure, most commonly a few to tens of metres across. Right lateral ductile and brittle deformation fabrics are overprinted by younger right-lateral brittle deformation fabrics (Mihalynuk, 1999).

The Llewellyn Fault is underwater along the southern end of Tagish Lake, however linking the mapped segments of the fault (Mihalynuk, 1999) shows a bend in the fault from northwest to a north-south orientation along the lake. Several splays are mapped on the eastern side of the fault still with a northwest trend. The pattern shows a right-lateral releasing bend with the dilational zone spatially coincident with the cluster of known gold occurrences along the eastern side of the lake.

The western side of the Llewellyn Fault is underlain by Proterozoic to Triassic metasedimentary and metavolcanic rocks of the Boundary Ranges Metamorphic Suite intruded by Early Jurassic and Cretaceous intrusions. To the east are sedimentary rocks of the Lower Jurassic Laberge Group, the main sedimentary unit of the Whitehorse Trough. Eocene intrusions and volcanic complexes of the Sloko Group occur on both sides of the fault. One of these complexes underlies Engineer Mountain.

The Engineer Mountain volcanic complex is one of several Sloko Group volcanic centres in the area. Sloko Group rocks are also found as erosional remnants on some of the highest peaks in the area: Mount Fetterly, TeePee Peak, and Mt. Switzer. The volcanic centres are comprised of rhyolite to andesite flows, breccia, tuffs, and ignimbrite, with coeval intrusions. Most Sloko volcanic centres show a spatial and more loosely temporal association with gold mineralization. The Skukum mine in southern Yukon is one of the best known examples; gold mineralization is associated with adularia-sericite alteration near rhyolite dykes along co-magmatic shear zones (Lang et al., 2003). In the southern Tagish Lake area, visible gold occurs in Sloko volcanic rocks at Teepee Peak (Mihalynuk, 1999), and at the Engineer Gold Mine, quartz-carbonate-veins and hydrothermal breccia occur within an Eocene structurally controlled mineralized system adjacent to the Sloko volcanic centre on Engineer Mountain.

Property Geology

The Engineer Gold Mines Property is underlain almost entirely by argillite and greywacke of the Lower Jurassic Laberge Group. The sedimentary rocks are bedded, and in places are folded into tight, steeply plunging folds, particularly in the southern part of the Engineer Gold Mines Property. Several phases of dykes cut the Laberge Group sedimentary rocks, all are of monzodiorite composition although they vary texturally from medium-grained equigranular phases to feldspar-phyric varieties. The dykes are inferred to be genetically related to the Eocene Sloko volcanic centre on Engineer Mountain although they have not yet been dated. Zircon U-Pb dating returned an age of 54.1 Ma obtained from rhyolite on top of Engineer Mountain (Gabites, 1999).

The Engineer Gold Mines Property is bisected by a northwest-trending dextral shear zone, referred to as Shear-A. The deformation zone around the shear is mapped up to 200 m wide in places as a subtle fault-parallel cleavage in the surrounding Laberge Group rocks. Most of displacement, however, occurred on the northern side of the deformation zone. Shear-A displays progressive deformation, with contemporaneous events. Magmatic and hydrothermal features associated with the shear zone include domains of pervasive auriferous silicification along the Shear-A deformation zone up to 50 m wide, monzodiorite dykes that cut the early Shear-A fabrics but are cut off by late brittle faults along the northern side of the Shear zone, and the Engineer-Double Decker vein system.

The Engineer-Double Decker vein system is interpreted to have formed during right-lateral displacement and associated extension along brittle structures on the south-side of Shear-A. The system includes multi-stage quartz-carbonate-adularia veins with bonanza-grades of Au-Ag mineralization. The system has received attention from mineral collectors (Mauthner et al., 1996) for its rare gold-associated mineralogy, including allemontite

(stibarsen) and roscoelite (vanadian muscovite). Gold occurs primarily as electrum, and is found in two main mineral associations corresponding to different vein-forming stages: Type 1 occurs as intergrown with a vanadian mica (commonly referred to as roscoelite), while Type 2 is associated with arsenopyrite. Vein textures suggest that boiling was the primary mechanism for gold deposition in the vein system (L. Millonig, pers. comm, 2016).

To the north of Shear-A, other veins and zones of hydrothermal breccia have also been explored and have seen minor production. The Hub-B area is a zone of silicification with radiating quartz-carbonate veins, interpreted occur at a structural intersection. The Shear-B area has been explored both underground and on surface; it includes a 10 m wide hydrothermal breccia body along a right-lateral minor shear zone that with the Shaft Vein bounds an extensional vein system called the Boulder- Governor system that historically has produced free-gold in quartz (the Governor Vein) and arsenopyrite-stibnite-associated gold (the Shaft Vein).

The zones of silicification and hydrothermal breccia along Shear A are also an exploration target. Drilling in 2008 and 2010 through these zones returned results of up to 0.45 g/t Au over 34 m (BCGold, 2016). The extension of these domains to the south is not fully explored.

A second assumed fault contact, with a northwest trending panel of altered quartz eye porphyry is believed to be part of a Cretaceous diorite protolith (Mihalynuk, 1999) lies immediately to the northeast of this panel. Traces of Upper Triassic Stuhini andesite, are present on the southwest side of the shear in contact with the above intrusive. Within this panel is a shear zone 10m wide with an inner multi-quartz veined core zone 2m wide striking 110° having a variable near vertical dip as seen at the Brown Showing. The Brown and the Newfie showings, 130 m apart, appear to occur within the same rock type and shear zone.

All panels and fault contacts discussed above are part of the Llewellyn Fault Zone. The Devonian to Triassic Boundary Range biotite-feldspar-quartz schist forms the southwest boundary to the main Llewellyn Fault, although additional splay faulting to the southwest is expected.

Mineralization

The Engineer Gold Mines Property is characterised by numerous steeply dipping veins, of which the Engineer and Double Decker veins have seen most of the exploration and mining. The veins on the Engineer Gold Mines Property primarily have two orientations; a NNW - SSE trending set are emplaced within, and parallel to, a dextral shear zone reactivated during the Eocene (Shear Zone A), and a set of NNE-SSW trending veins that are dilational fissures formed during dextral movement on Shear Zone A (Devine, 2008).

The veins at the Engineer Gold Mines Property are hosted by the Laberge Group sedimentary rocks, which consist of grey to brown well-bedded argillite and fine-grained greywacke with locally developed calcareous beds and a pale beige to buff coloured feldspathic arenite layer. In addition, a massive and locally laminated fine-grained dark carbonaceous argillite unit with abundant disseminated pyrite can be distinguished (Devine, 2008).

The NNW-SSE systems (Shear Zones A and B) are deformation zones bearing locally thick hydrothermal breccias with clasts floating in a quartz-dominated matrix. The breccias are often 10s of metres true width. The NNE-SSW dilational veins are usually <2 m wide and individual veins are traceable along strike for 20 m to 400 m. Most dip steeply to the WNW or are vertical. Mineral assemblages are coarse, layered open space fills of quartz only, quartz-carbonate or carbonate only. Gold is coarse-grained (as electrum) and associated with quartz and vanadium mica ("**roscoelite**"), often forming within the mica booklets.

Sulphides are present in the veins but rare. Previous work on the Engineer Gold Mines Property has identified electrum, native antimony, native arsenic interlayered with stibarsen ("**allemontite**"), arsenopyrite, löllingite, pyrite, pyrrhotite, chalcopyrite, quartz, calcite, ankerite, siderite, fluorite, and roscoelite. The Engineer and Double Decker veins are of the dilational fissure variety.\

Engineer Vein

The Engineer Vein is the historically most productive and largest vein with a strike length of 400 m and up to 2 m width. It has been mined vertically for over 100 m and remains open to depth. Vein textures are dominantly extensional and the vein offsets intrusive units, indicating sinistral movement during vein formation. The Engineer Vein is regarded as the longest-lived vein in the system (Devine, 2008) and shows a complex evolution of various stages of mineral precipitation and replacement. Notably, quartz- cemented hydrothermal breccias with rounded to subangular clasts of older vein stages are unique to the Engineer Vein, and electrum is typically in direct contact with vanadium-bearing mica. Platy calcite and quartz pseudomorphs after platy calcite have been reported from the Engineer Vein by Jensen (2008).

The widest and most productive gold-shoots within the Engineer Vein occur where the vein is kinked to form extensional jogs, or in close proximity to vein-parallel dikes.

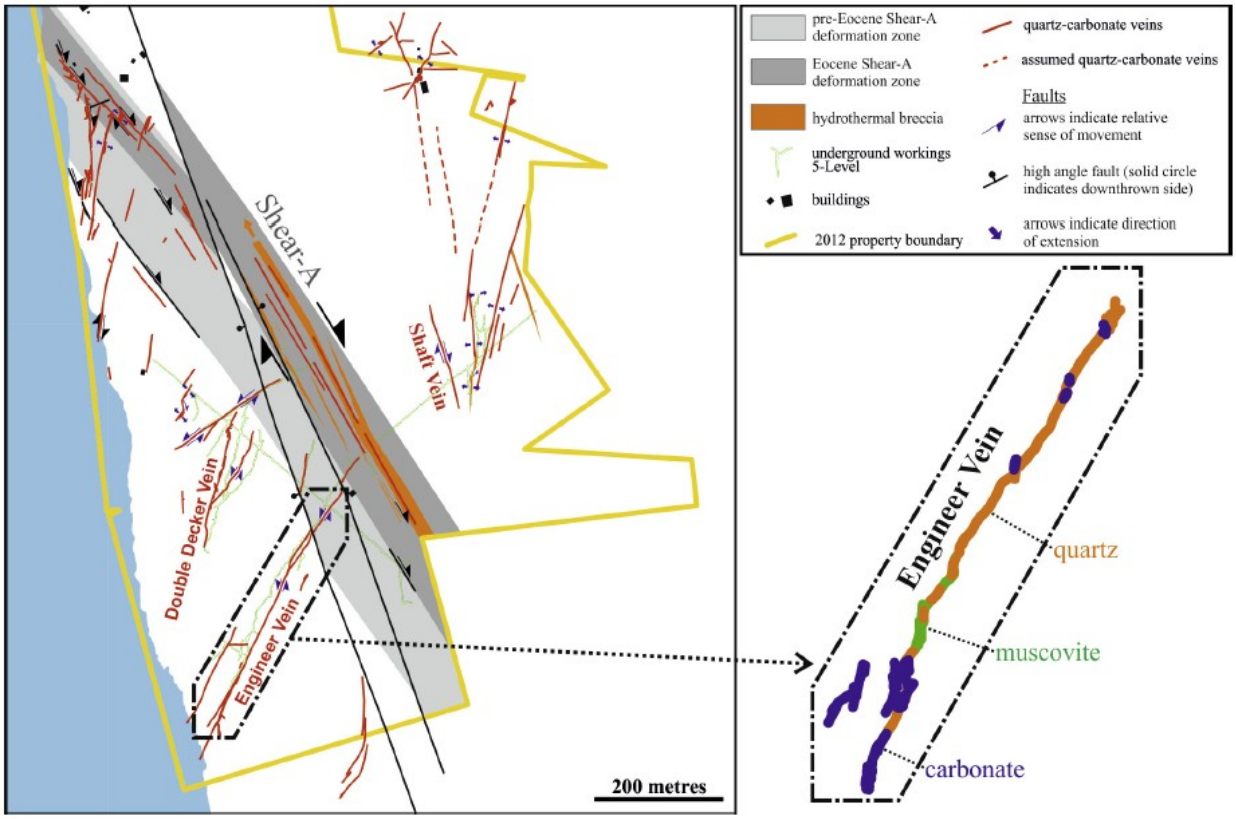

Figure 1: OVERVIEW OF VEINS AT THE ENGINEER GOLD MINES PROPERTY. SHOWS DISTRIBUTION OF GANGUE PHASES OF THE ENGINEER VEIN ON THE 5TH MINE LEVEL (MILLONIG, 2017; MODIFIED AFTER DEVINE, 2008)

Figure 1 and **Figure 2** show examples of vein development, textural features, and mineralization of the Engineer Vein. Examples from Millonig (2017) include:

Cockade textures formed during stage (II) and replacement of stage (III) and (V) calcite by stage (IV) and (VI) quartz, respectively. Rhombic and platy calcite develops during stage (V). The latter formed toward the vein center and was preferentially replaced by (lattice) quartz same as (A), but under UV light, showing two distinct generations of vein calcite.

Sample showing early brecciation and silicification during stage (I), followed by the deposition of dark green V-mica, amorphous silica, sulfides, and K-feldspar (kfs) + calcite (cc) during the main mineralization stage (II). Inset shows UV fluorescence of stage (IV) chalcedony.

Detail of (C) showing colloform banding developed during stages (II) and (IV), together with stage (II) V-rich mica intergrown with mineralized phases (pyrite, arsenopyrite, chalcopyrite, tetrahedrite-group minerals).
Typical mineral assemblage of the main mineralized stage (II) with electrum (elc) in dark green V-rich mica, surrounded by K-feldspar (adularia) + calcite, V-poor mica and recrystallized plumose quartz (qtz).

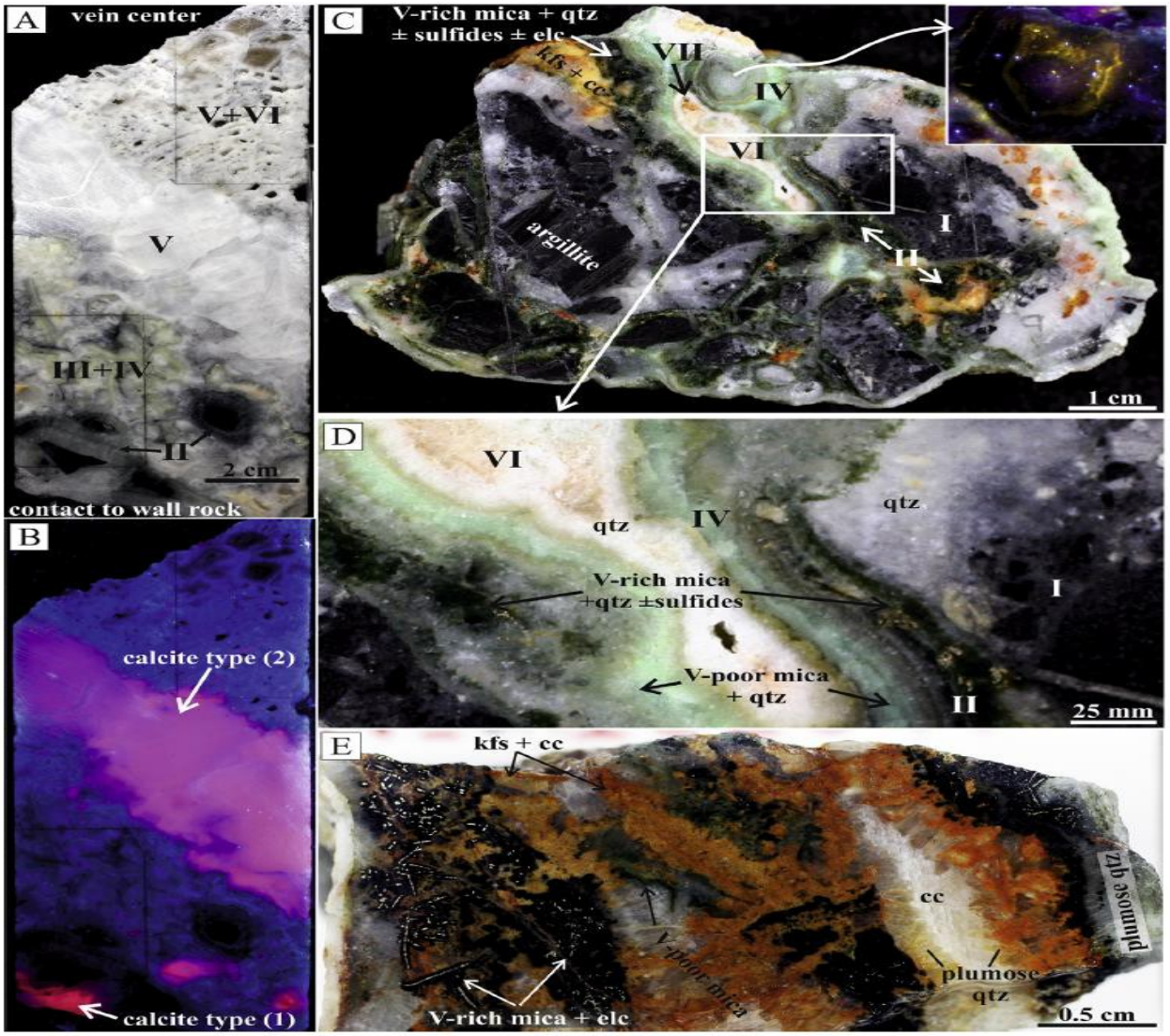

Figure 2: ENGINEER VEIN SAMPLES SHOWING VARIOUS STAGES OF VEIN DEVELOPMENT (MILLONIG, 2017)

The main Au-bearing phases of the Engineer Vein include electrum, arsenopyrite, and subordinate löllingite, whereas the main Ag-bearing phases, besides electrum, are tetrahedrite-group minerals, allargentum, and hessite. The principal assemblage of dendritic electrum + V-mica is commonly associated with quartz after chalcedony or amorphous silica, K-feldspar (adularia), and calcite. This assemblage may be surrounded by a thin grey band of arsenopyrite-rich quartz.

Double Decker Vein

The Double Decker Vein is a set of at least three anastomosing en echelon quartz-carbonate veins 10 cm to 1.5 m wide that dip to the southeast. The vein pinches and swells along strike and several different phases of quartz and carbonate precipitation can be distinguished. The vein system is explored for 220 metres underground on 5 Level

and has a similar strike extent on surface. On 8 Level, the drift follows the vein for approximately 70 m. Hydrothermal brecciation of the wall rock during initial vein opening is generally followed by open space in-filling comb-textured quartz. Subsequently, several phases of drusy quartz and fine carbonate were deposited in open spaces. In addition, bands of green white mica and quartz are locally developed. Electrum in the Double Decker Vein commonly occurs as free electrum in quartz, but also in association with vanadium-bearing mica and allemontite (AsSb) (Millonig, 2017).

Shear Zone Mineralization

On the Engineer Gold Mines Property, Shear Zone A shows two distinct periods of displacement. The early deformation may be as old as Middle Jurassic and consists of a pervasive right-lateral, shear- parallel cleavage. Overall this zone is up to 150 m wide, trends between 145° to 215° and is vertical to steeply southwest dipping. Within the main shear are 5 m to 20 m thick zones with more concentrated cleavage.

Secondary reactivation of Shear Zone A consists of a 20 m to 40 m wide zone of shearing and brittle hydrothermal breccia. In general, it follows the north-eastern margin of the older cleavage, but is slightly oblique to the north. Timing of the later shearing event is indirectly assumed to be Eocene since the deformation (and alteration) affects the dykes that cross it, and the dykes are assumed to be contemporaneous with the Eocene Sloko volcanism on Engineer Mountain.

Textures in the later hydrothermal Shear Zone A include shear bounded and rotated domains of bedded argillite clasts, multi-phase dominantly quartz breccias and quartz flooding. Zones of alteration and quartz veining both cross-cut shear structures, and are themselves sheared. Highest grades occur in fine quartz-flooded zones within the multi-phase breccia body.

A magnetite destructive alteration assemblage of kaolinite, illite, quartz, and carbonate±pyrite is associated with gold mineralisation (Fonseca, 2008). Illite and locally muscovite, show structures with higher crystallisation temperatures in the sections most anomalous for gold. Kaolinite-illite alteration is best recognised in drill core by a pale, bleached appearance to the argillite wall rock and some proximal feldspar porphyry dykes are similarly altered.

The hydrothermal breccia zone coincides with a 1.5 km linear surface depression and is not exposed in outcrop. Underground drifting on the zone has been done on the 8 Level at the northeast end of the Double Decker drift (250 m), on the 5 Level at the northeast end of the #3 Cross Vein (75 m), and on the 5 Level in the Boulder Vein access (30 m). The first two locations are flooded and inaccessible and the results unknown, but several chip samples in the third location returned values of ~0.8 g/t Au (Aspinall, 2007). The hydrothermal breccia near where it intersects the Engineer Vein was the target of two holes during the 1987 drill campaign. Drill hole 87-101 intersected 30 m at 0.31 g/t Au, and drill hole 87-102 intersected 24 m at 0.24 g/t Au (Smit, 1987). Six holes in 2008 targeted a 400 m strike length of the zone and all returned anomalous gold and silver values. The most northerly drill hole 08-02 intersected 20.1 m of 0.48 g/t Au, while the southernmost two holes, 08-05 and 08-07, intersected 32 m of 0.44 g/t Au, and 34 m of 0.45 g/t Au respectively (all drilled lengths).

The Shear Zone A hydrothermal breccia zone is still open to both the north and south, as well as down dip, and therefore continues to be an exploration target.

Shear Zone B is subparallel and approximately 350 m northeast of Shear Zone A. Shear B ranges from 2 m to 6 m in width and has a similar strike length to Shear A. At surface, a 45 metre strike length of Shear B was exposed in outcrop and channel sampled. A 2 m to 3 m wide zone of hydrothermal breccia was exposed with similar mineralization to Shear A with multiple episodes of quartz flooding, re-brecciation, and argillite clasts. Pyrite, arsenopyrite and stibnite were commonly observed in vuggy textures. The weighted average of the channel samples returned 0.24 g/t Au.

Shear Zone B is also exposed in the 5 Level underground workings approximately 130 m vertically below the surface trenching. Channel sampling of the underground exposure returned 0.73 g/t Au over 9.0 m (including 4.05 g/t Au over 1.0 m).

Wann Prospect

Although the Engineer Gold Mine system is recognized as being distally associated with the Llewellyn Fault Zone, mineralized zones in the Wann River area, 4 km south of the Engineer Gold Mine, are directly related to the Llewellyn Fault Zone (Aspinall, 2010).

The 800 m by 180 m corridor within the Wann River area consists of a multi-pulse, and polymetallic mineralized quartz veined system with tetrahedrite, chalcopyrite, galena, sphalerite, malachite, azurite, trace molybdenite, variable pyrite and associated trace arsenic, with associated gold and silver. Only seven outcrops have been identified within the corridor, but all seven exhibit anomalous gold and silver values, and variable copper, lead, and zinc.

EXPLORATION

This section describes exploration on the Engineer Gold Mines Property conducted by previous operators prior to Blind Creek Resources acquiring the Engineer Gold Mines Property. Pre-2007 exploration work is described below, see "History", and is based on material from Davidson (1998), Aspinall (2007), Coates (2010) and Snowden (2011).

2007 to 2010 Programs

In 2007, Aspinall (2007) collected 160 rock samples from underground, surface, and selected 1987 core. None of the 57 surface samples, and only 15 of the 92 underground samples carried greater than 1.0 g/t Au. Only 5 returned greater than 5 g/t Au.

Exploration in 2008 included mapping, petrology, underground chip/channel sampling and drilling. Mapping at a scale of 1:500 was compiled for the surface, and 5-Level at 1:1500 and 1:1000 scales, respectively (Devine, 2008). Underground channel sampling on 5-Level with a diamond saw was undertaken on the Shaft, Boulder (2 areas), Engineer, Double Decker (2 areas) and Shear Zone A. A total of 35 vein samples were collected where one assayed 860 g/t Au (Shaft vein), one 14.7 g/t Au, five were below 4.0 g/t Au and the remainder below 1.0 g/t Au.

Surface diamond drilling (7 holes for 1,846 m) targeted the late stage hydrothermal breccia zone within a 400m strike length of Shear Zone A in the proximity of the mine workings. Six holes successfully intersected the Shear A breccia, and all returned continuous, low-grade gold values. Drilling results are discussed below, see "Drilling" in this Listing Application.

No work was done on the Engineer Gold Mines Property in 2009.

In 2010, work consisted of drilling thirteen HQ diamond drill holes (1,218 m), in two phases, from two underground drill bays located on 5-Level. From the first drill bay (the old hoist room) four holes targeted the Double Decker Vein on 8 Level in an area where 1928 reports indicated 84.3 g/t Au were drifted on. An additional three holes drilled from the same drill bay targeted the Engineer Vein at very low angles. The remaining six drill holes were drilled from a second drill bay located a further 30 m along the main crosscut.

2011 to 2016 Programs

In 2011 Snowden conducted a Mineral Resource estimate for the remnant portions of the Engineer and Double Decker veins. The Mineral Resource Estimate has been reviewed considering recent exploration work, see "Mineral Resource Estimate" in this Listing Application.

Further work in 2011 included:

- Test-mining six bulk samples totaling 246.1 t returning a back-calculated head grade of 16.9 g/t Au. Five of the bulk samples were mined from the Engineer Vein on 5 Level. The sixth bulk sample was from a surface trench on the Double Decker Vein.

- Test-milling of the bulk samples using the gravity recovery circuit producing 969 kg of sulphide concentrate. Gold recovery to the sulphide concentrate was estimated at 51%.
- Commissioned Gekko Systems to conduct bench-scale gravity and leach amenability tests on mill feed and sulphide concentrate. Gekko achieved gold and silver recoveries of 71.4% and 67.8%, respectively, using only gravity concentration methods.
- Completed 600 line-km SkyTEM time-domain electromagnetic/magnetic airborne survey.
- Completed 600 m of surface trench excavation on the Boulder, Shaft, Double Decker and Shear B zones. The exposed veins were geologically mapped and channel sampled.

In 2012, exploration program included:

- Geological mapping, prospecting and test MMI soil surveys over the Shear A and B exploration targets.
- Dewatered 6 and 7 levels of the underground mine workings to access the down-plunge extension of the high-grade 505-3 and the 505-5 Shoots.
- Installed air and water services to levels 6 and 7, geological mapping and panel sampling completed.
- Confirmed the presence of three high-grade gold shoots between 5 and 7 levels.
- Sponsored a postdoctoral geological research project to develop a deposit model for the high-grade gold mineralization. Project supervised by Department of Earth, Ocean and Atmospheric Sciences, University of British Columbia.

In 2013, the Engineer Gold Mines Property was expanded by optioning nine surrounding claims from Blind Creek Resources. The larger, consolidated Property allowed for prospecting and soil geochemical programs over the southward extension of Shear Zones A and B. Those programs occurred in 2014 and 2016.

SkyTEM Airborne Geophysics

From June 26th to July 2nd, 2011, a 636.6 line-km time-domain electromagnetic and magnetic survey was conducted by SkyTEM Surveys ApS. The 636.6 line-km helicopter-borne survey consisted of east- west lines at 50 m spacing and north-south tie lines at 500 m spacing. The horizontal loop instrument was flown at a nominal terrain clearance above the tree tops of 30 m to 40 m.

SkyTEM delivered the electromagnetic, magnetic, and DEM raw data in Geosoft (.gdb) format. SkyTEM processing and inversion data was delivered as Geosoft database (.gdb) and grid (.grd) formats. Residual and total field magnetics assisted in identifying magnetic volcanics associated with the Engineer Mountain Volcanic Complex, and mineralization associated with Shear Zone A and B.

Resistivity maps created from the electromagnetic inversions were useful for interpreting major faults/shears across the Engineer Gold Mines Property and for mapping the boundary of the Laberge sediments.

Soil Geochemical Surveys

Soil geochemical surveys were conducted over portions of Shear Zone A and B to test for gold and pathfinder responses using both Mobile Metal Ion (MMI) and B-horizon aqua regia digestion techniques. The Engineer Gold Mines Property was previously soil sampled by Erickson Mines in 1987 (Smit 1987) which results showed little response over the mineralized shear zones. To test modern soil sampling methods using weaker sample digestion, 791 MMI samples were collected in 2012 and 2016 (Devine 2016), and 55 B horizon samples in 2014 (Coates 2014).

There are several trends and patterns in the MMI survey, both in metal correlations and in spatial trends. The MMI results show that gold has a strong correlation with silver, arsenic, copper and antimony. Similar correlations are found in hard rock mineralization collected in the mine. The MMI survey demonstrates that these associations continue along the Shear Zone A structure and highlight several potential exploration targets south of the mine site.

The MMI survey also identified several multi-element anomalies that may represent covered vein targets. Two of these are along trend from known veins that have been mapped on surface and mined underground; Jersey Lily Vein and Shaft Vein. Anomalies of Au, Ag, Cu, As, and Sb maps vary in size, but occur in the same area, along the southward extensions of these veins. Copper and silver show a particularly large anomalous zone around the Jersey Lily Vein and farther south, while gold and arsenic are more subtle. Both areas also show potential for additional vein and or breccia zones to the southeast of the mapped veins. Parallel, northeast-trending anomalies occur approximately 200 m southeast of the Jersey Lily and Shaft veins that are highlighted by all five elements as well (Devine 2016).

Another potentially important geochemical feature was highlighted by the 2016 MMI survey. A 400 m by 400 m gold-silver anomaly (the 'BC Anomaly') was identified along the northeastern side of Shear Zone A. Other pathfinder elements are not present to the same extent, but rather form a halo to the gold-silver anomaly. Arsenic is notably absent from the zone except for in a small central feature. The significance of the anomaly is not certain, but requires further investigation as it appears to be related to a circular magnetic-high near the potential intersection of Shear Zone A and B. It is in an area overlain by cover and is not well-exposed.

Surface Trenching

In 2011, a 600 m surface trenching program was utilized to locate surface expressions of mineralized shoots previously identified and partially mined on 5 Level of the mine workings. The three focus areas were the Boulder-Governor, Shaft, and Double Decker veins. The Boulder-Governor Zone consists of the Boulder Vein, '524' stope, and Shear 'B' targets. The Shaft Vein Zone is comprised of the Shaft Vein and the '523' stope targets. The excavated trenches averaged 1.5 m wide and depth varied dependent upon depth of bedrock. Patchy permafrost occurs generally 2-3 m below surface but could be easily penetrated with the excavator (Sidhu, 2011).

Boulder-Governor Zone (Figure 3)

The primary target for the Boulder vein zone was to find the surface exposure of the '524 stope' that had been bulk sampled by Ampex Mining in 1994 and 1995. Ampex reported head grades for three samples of 150 t averaging 30.8 g/t Au, 30 t averaging 28.6 g/t Au, and 35 t averaging 32.5 g/t Au (Martensson et al, 1996). Sampling procedures are not described in their report.

Excavator trenching identified a 0.35 m wide vein with brecciated and cockscomb textures. The vein pinches and swells and is discontinuous in the northern part of the trench. Towards the south, the vein appears to join the Andy Vein and becomes a single vein approximately 0.70 m wide. At the junction, an old trench 2 m deep exists where it appears "old timers" blasted and excavated.

Trenching in this area also cross-cut Shear Zone B in two locations where 3.5 to 4 m wide zone of hydrothermal breccia was exposed. Shear Zone B appears to be a monomict, chaotic breccia with rounded clasts of argillite and jigsaw fit textures near the outer edges grading into chaotic breccias towards the middle with massive milky white quartz veins. There are zones of grey quartz due to pyrite, arsenopyrite and stibnite mineralization commonly accumulating in vugs. Crystals are commonly well formed with distinct orthorhombic and prismatic structures. There is a strong fissile cleavage on the hanging wall side of the breccia with strong clay alteration of argillite. The clay alteration halo appears to be less than a metre wide and only on the hanging wall side.

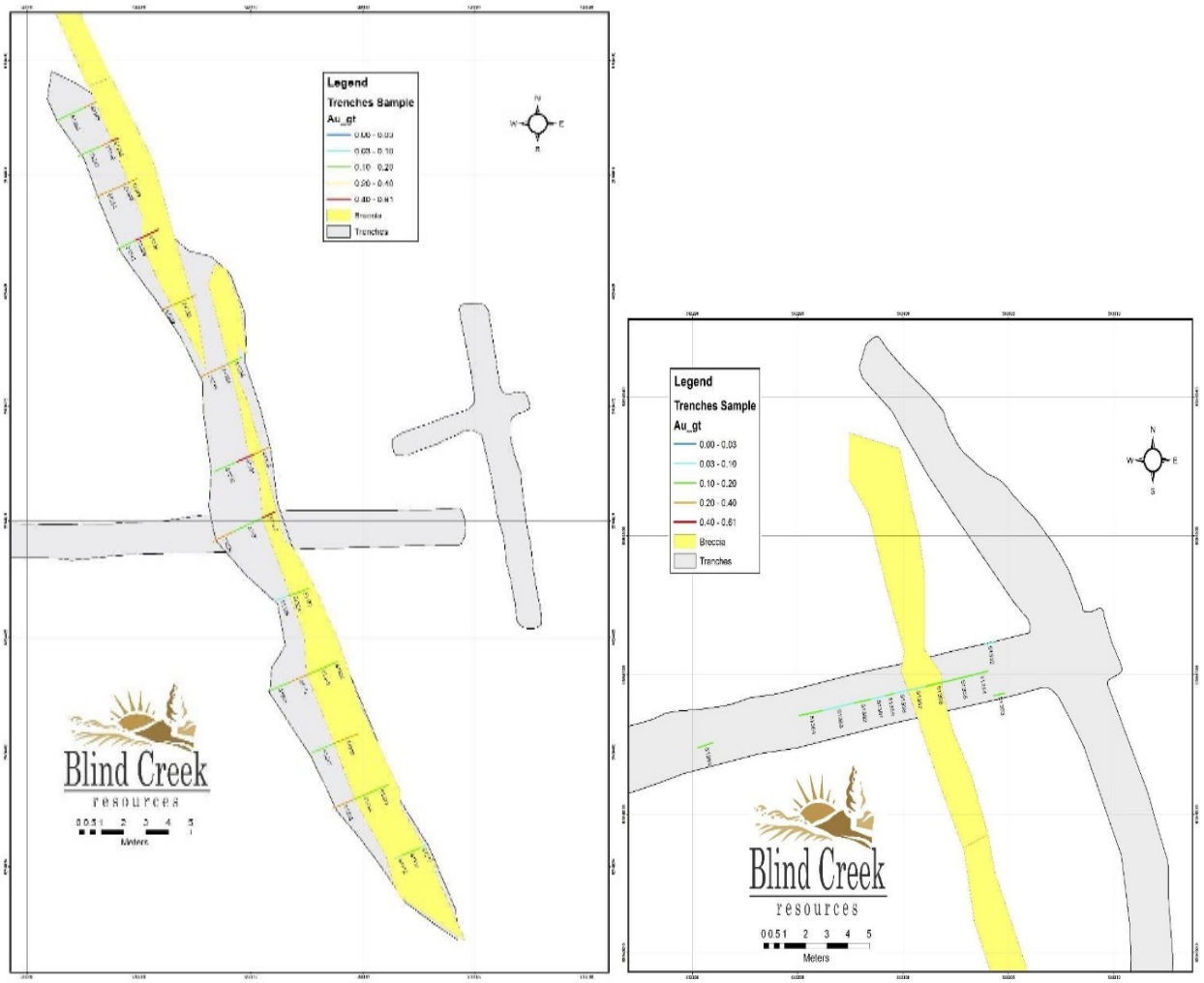

Figure 3: SHEAR B NORTH CHANNEL SAMPLES

Shaft Vein Zone

Trenching conducted in 2011 excavated approximately 75 m strike length of the Shaft Vein near where a historic surface shaft exists and near the surface projection of the '523 stope'. The '523 stope' was another area bulk sampled by Ampex Mining. In 1993, Ampex mined 30 t with an average head grade of 25.7 g/t Au (Martensson et al, 1996). However, results were less encouraging in other samples mined from this stope.

The 1920's-era shaft was removed and the water level pumped down approximately 5 metres. The 0.40 metre wide vein was exposed in both walls of the shaft where it dips steeply to the east at 82 degrees. The quartz vein exhibits primarily cockscomb textures and weakly brecciated sections. Mineralization consists of pyrite with minor chalcopyrite, arsenopyrite and stibnite.

An east-west trench was excavated above the surface projection of the '523 stope'. The trench was excavated to a depth of 4.5 m and encountered overburden. No additional veining was exposed.

Double Decker Vein Zone

The Double Decker was excavated above a mineralized shoot that was historically mined between 4 and 5 Levels. The vein on surface had also been previously mined to an unknown extent. The loose material was excavated and

the hanging wall taken down approximately 2 m by surface drilling and blasting. The exposed vein pinches and swells with a maximum width of 0.40 m. The vein exhibited a cockscomb texture with up to 0.5% chalcopyrite and malachite.

6- and 7-Level Dewatering, Geologic Mapping and Panel Sampling

In 2012 the 6 and 7 mine levels were dewatered, which had been flooded since 1928. The levels were accessed via the manway associated with the internal shaft. The levels were surveyed, geological mapped and panel sampled along the length of the Engineer Vein.

Geologists collected 190 panel samples along 1 m lengths of the Engineer Vein on 6 and 7 levels. Multiple cuts across the vein were conducted using a handheld pneumatic chipper with a carbide bit. The average vein width was recorded in a database. Wall rock adjacent to the vein was assumed to have a zero gold value. Samples were submitted to Inspectorate Exploration and Mining Services of Richmond, British Columbia ("**Inspectorate**") where they were analyzed for gold and other elements using a combination of metallic screen assaying and multi element inductively coupled plasma (ICP) analysis.

On 6 Level, the Engineer Vein was mapped for 84 m along strike. The vein is open in both directions. At the southwest end, the vein widens to 0.8 m in the drift face which is near vertical below the 505-3 shoot mined on 5 Level. At the northeast face, the vein has flared into a stringer zone at the contact of a vertical fault. The old-timers stopped drift mining at the fault but subsequent drilling and geologic mapping on 5 Level indicate that the vein continues past the fault with only minor offset. Drill hole BCGE10-11 intersected 129.0 g/t Au over 1.0 m approximately 25 m past the fault. There were no production stopes on 6 Level.

On 7 Level, the Engineer Vein could be mapped along the level for approximately 173 m and three locations were identified with visible gold associated with roscoelite. The vein ranges from 0.5 m to 1.0 m in width for 157 m strike length. The vein is open to the northeast and is 0.6 m wide in the northeast face. At the southwest end of the drift, the vein narrows to 0.2 m. The vein dips vertically and exhibits similar textures and mineralogy to vein exposures mapped in the 5 Level workings. There were no production stopes on the 7 Level.

Postdoctoral Research Project

In 2012, a one-year post-doctoral research project was undertaken along with the Department of Earth and Ocean Sciences (EOS) at the University of British Columbia (UBC). The project was led by Dr. Leo J. Millonig, a post-doctoral research fellow with EOS, and Professor Lee A. Groat (EOS) and Professor Robert Linnen (University of Western Ontario).

The main objective of the project was to develop a geological model to better understand the depositional controls and the source of the high-grade gold mineralization using detailed petrographic, mineralogical, geochronological, fluid inclusion, and stable isotope studies.

The study found the principal mineral assemblage of the Engineer Gold Mine epithermal veins precipitated in response to boiling during a hydrothermal event at 49.90 Ma ± 0.25 Ma. During this event electrum, arsenopyrite, pyrite ± chalcopyrite ± sphalerite ± löllingite ± tetrahedrite-group phases ± allargentum ± acanthite ± hessite ± dyscrasite ± stibarsen ± galena and an unidentified Ag-rich phase were deposited in conjunction with amorphous silica, platy and rhombic calcite, K-feldspar, and vanadian illite. Fluid inclusion and stable isotope data suggest that the mineralized fluid was boiling at ~220 ^{o}C during vein mineralization and had an isotopic composition derived from local meteoric water. Based on these results the Engineer Gold Mine is classified as an epithermal low-sulphidation deposit, which shares similarities with alkaline and subalkaline epithermal low-sulphidation deposits. This is attributed to the fact that the associated Eocene Sloko-Skukum Group volcanic rocks are borderline subalkaline to alkaline in character and that the Jurassic Laberge sedimentary host rocks are vanadium-bearing. These sedimentary rocks contributed the bulk of the vanadium to the Engineer Gold Mine epithermal system. The presence of roscoelite at the Engineer Gold Mine could not be confirmed during this study but did confirm the presence of vanadian illite.

Bulk Samples

In 2011, a bulk sampling and test-milling program was undertaken to investigate the possibility that small volume samples, such as drill core and channel samples, were underestimating the gold grade of the veins due to the high-nugget behavior of the gold mineralization. Blind Creek refurbished the 30 t per day gravity separation mill circuit to process the bulk sample material on site. Samples were cut from the sample feed and tails during the milling operation to estimate the gold grade of the bulk samples.

A total of six composite bulk samples for 400 t were mined. Five of the samples representing the Engineer Vein were mined from underground workings and extracted via the 5 Level Portal. The sixth sample was mined by surface trenching the Double Decker Vein. See **Table 1** for bulk sample descriptions.

The estimated mining head grades for each of the bulk samples are listed in **Table 20**, and reconciled against the Mineral Resource in **Table 21**.

Bulk Sample	Tonnes Mined	Vein Name / Location	Comments
DD Trench	50	Double Decker Vein / Surface	Surface expression of Double Decker Vein. Recent channel sample returned 979 g/t Au (see press release August 16, 2011)
505-2	95	Engineer Vein / 5 Level	Adjacent to a 1995 – 23 tonne bulk sample assayed 25.9 g/t Au
505-3A	52	Engineer Vein / 5 Level	North face of Stope 505-3; Represents 900 tonne block
505-3B	91	Engineer Vein / 5 Level	Pillar of Stope 505-3; 1995 – 9 tonne bulk sample assayed 18.4 g/t Au
505-5	82	Engineer Vein / 5 Level	Pillar of Stope 505-5
505-6	30	Engineer Vein / 5 Level	Represents 500 tonne block between Raises 505-5 and 505-6;
Total Tonnes Mined	400	-	-

Table 1: BULK SAMPLE DESCRIPTIONS (2011 PROGRAM)

In addition to gold recovered from the gravity separation mill as table concentrate, approximately 14 kg of roscoelite nodules with >5% “wire” gold were recovered while mining bulk sample 505-5. These samples were identified by underground mining personnel and collected prior to being crushed at the mill.

A subset of 246 t was processed through the gravity separation mill, producing 969 kg of dry table concentrate grading 2,193 g/t Au (64 oz/t Au). The amount of contained gold in the concentrate was 68.3 ozs. The remaining 154 t of mined material appeared to have a low concentration of vein material and was not processed. It was stockpiled at the mill.

Sampling of the milling stream was conducted at all stages of the crushing, grinding, Deister table, and tailings circuits to determine mining head grade, estimate gold recovery, and assess milling performance. Metallurgy testwork was conducted on the table concentrate to determine composition and estimate gold recovery. Results are further described in “Mineral Processing and Metallurigacal Testing”.

DRILLING

Drilling on the Engineer Gold Mines Property (excluding the Wann Prospect) conducted by previous operators, prior to Blind Creek Resources consolidating the Engineer Gold Mines Property, is based on material from Davidson (1998), Aspinall (2007), Coates (2010) and Snowden (2011).

Blind Creek Resources conducted a drilling campaign on the Wann Prospect, 4 km south of the Engineer Gold Mine Mineral Resource, prior to consolidation with the Engineer Gold Mines Property. The Wann Prospect drilling was conducted in 2011 and consisted of 3,325.21 m in 17 diamond drill holes (Aspinall 2011).

Summary

Relatively limited drilling has been undertaken on the Engineer Gold Mines Property. In the context of the Technical Report, only 14 holes have intersected the Double Decker and Engineer veins. Of this, there are five intersections on the Double Decker Vein and 11 on the Engineer Vein.

1980 to 1983 Nu-Lady Programs

In 1980, Nu-Lady Gold Mines Ltd. conducted a 15-diamond drill hole program. No significant intersections were reported, and this data is not available.

In 1981, a further 11 holes were drilled. Six holes tested for strike extensions to the Double Decker and Engineer veins to the north, and three holes were drilled near the Boulder Vein - all with no significant results. A final hole, 81-11 tested an arsenic-in-soil geochemical anomaly and returned 0.76 m at 5.9 g/t Au (Nutcracker Vein).

There are no drill logs or assay certificates for the Nu-Lady drilling programs. Drilling results are derived from 1980-1982 Assessment Reports and hand-drawn drill plan maps. No report for the 1983 program exists. Some drill core from these programs exists but is in poor condition and located near the Hub B headframe.

1987 Erickson Program

The 1987 drilling program by Erickson Gold Mining Corporation is well documented in Assessment Report #17253 by Smit, 1988. The report includes detailed drill logs, collar coordinates, and assay certificates. The drilling data has been transcribed into a digital database.

The 1987 diamond drilling program consisted of 1,178 m in eight holes. Numerous quartz veins were intersected, some with elevated gold values. Two holes targeting Shear Zone A intersected up to 29 m of mixed quartz vein and silicified and brecciated argillite, with low gold values throughout (average 0.25 g/t Au). Five holes targeted soil geochemical anomalies along Shear Zone B, and two of these returned values around 6 g/t Au within larger sections of quartz veining, breccia and silicified argillite (Smit, 1988).

Drill core from the Erickson drilling is stored in racks with the BCGold drill core. The core racks are near the 1 Level Adit and the remnants of the original stamp mill.

Drill hole 87-106 is the only Erickson drill hole to target the Engineer and Double Decker veins. Drilled toward the southeast, it intersected the Double Decker Vein at the 635 m elevation about half way between the workings on the 5 and 8 levels. The vein occurred immediately below (down-hole) of a dyke and contained dyke fragments in the top 0.7 m. The total cored distance of 1.6 m (0.55 m true width) returned 0.12 g/t Au and 1.7 g/t Ag. The core axis angles were flatter (20° vs. 40°) and the intersection deeper (90 m vs. 75 m) than predicted; so, either the vein plots about 10 m further into the hangingwall than projected (giving a wobble to the dip) or the hole was actually drilled steeper. The interval consists of two quartz-carbonate breccia veins (~40 cm and 20 cm each) containing intense carbonate-sericite±disseminated pyrite, altered argillite fragments (30%) and occasional fine-grained grey bands (potentially tetrahedrite-arsenopyrite-stibnite) with quartz stringers. The Engineer Vein was not present in this hole.

It was expected at an elevation of 510 m, 85 m below the bottom of the main shaft on 8 Level. If the hole was steeper than planned, it may not have been drilled far enough to intersect the Engineer Vein.

2008 BCGold Program

In 2008, 7 diamond drill holes were drilled from surface for 1,846 m targeting hydrothermal breccia within a 400 m strike length of Shear Zone A in the vicinity of the mine workings. **Table 2** lists the drill hole collar coordinates. **Figure 4** displays the drill hole traces with respect to Shear Zone A, the known veins, and the 5 Level underground working projected to surface. The Engineer Gold Mine Crown Grants are also displayed in yellow.

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
BCGE-08-01	543,109.8	6,594,468.2	754.9	219.5	-53.5	373.4
BCGE-08-02	542,876.8	6,594,304.8	738.8	39.5	-51	362.7
BCGE-08-03	543,095	6,594,371	746.6	235	-51	241.1
BCGE-08-04	542,865	6,594,355	737	30	-60	237.4
BCGE-08-05	543,011	6,594,197	769	42	-58	353.3
BCGE-08-06	543,180	6,594,140	760	310	-50	27.4
BCGE-08-07	543,180	6,594,140	760	310	-55	250.4

Table 2: 2008 BCGOLD DRILLING - COLLAR COORDINATES (UTM NAD83 ZONE 8N)

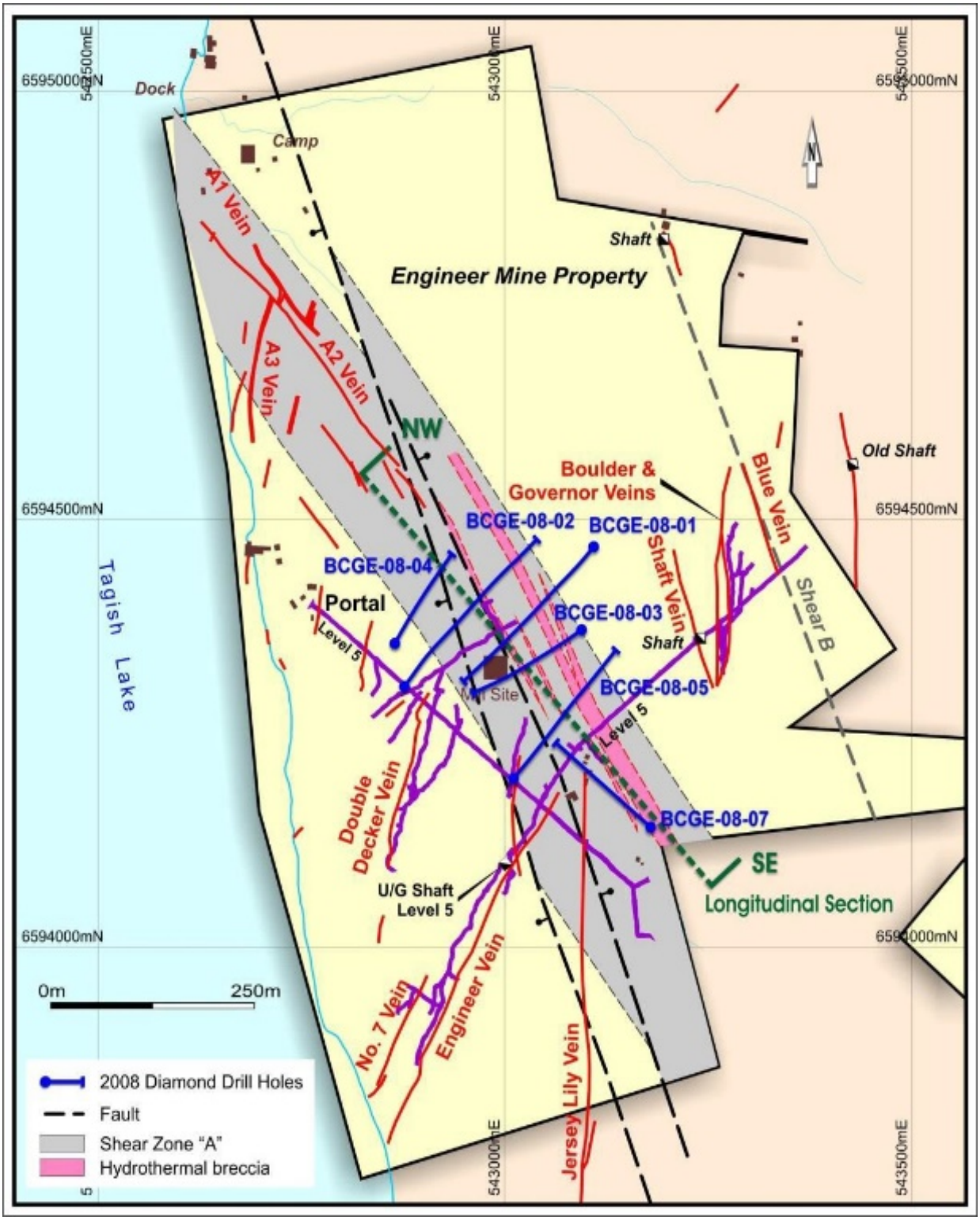

Figure 4: 2008 DRILL PLAN WITH SHEAR ZONE A, VEINS, AND UNDERGROUND WORKINGS

The objective of the 2008 program was to drill test Shear Zone A in the proximity of the mine workings where historic mining records noted gold mineralization and silicification where 8 Level intersected the shear. Six holes

reached target depth, and all returned anomalous gold and silver values over substantial intervals. A summary of results is reported in **Table 3**. The estimated true widths are approximately 70% of the reported drill core lengths.

The drill core recovery averaged 96% and rock quality (RQD) averaged 71% for the 2008 program. The QP considers the drill sampling methods and sample quality returned representative results for Shear Zone A without any sampling bias.

Hole ID	From (m)	To (m)	Core Length (m)	Au g/t
BCGE-08-01	44.4	51.0	6.6	0.30
	106.6	115.1	8.5	0.23
	168.2	172.6	4.4	0.28
	226.0	229.4	3.4	0.46
	259.4	265.0	5.6	0.56
BCGE-08-02	247.4	249.9	2.5	0.55
	318.0	338.1	20.1	0.48
BCGE-08-03	40.9	45.3	4.4	0.39
BCGE-08-04	192.3	194.7	2.4	0.58
BCGE-08-05	202.6	205.7	3.1	0.64
	226.5	258.5	32.0	0.44
BCGE-08-06	Hole abandoned in overburden			
BCGE-08-07	29.0	63.0	34.0	0.45

Table 3: 2008 SHEAR ZONE A DRILLING - SUMMARY OF RESULTS

The Shear Zone A hydrothermal breccia is up to 40 m wide at the southeast extent of the drilling program. Towards the northwest, the breccia branches into several fingers with individual lenses ranging from 20 cm to 30 m in width. The hydrothermal breccia is open in both directions and to depth.

2010 BCGold Program

In 2010, thirteen HQ diamond drill holes (1,218 m) were completed in two phases, from two underground drill bays located on 5 Level (**Table 4**). From the first drill bay (the old hoist room), four holes targeted the Double Decker Vein on 8 Level in an area where 1928 reports indicated 84.3 g/t Au were drifted on. An additional three holes drilled from the same drill bay targeted the Engineer Vein at very low angles. The remaining 6 drill holes were drilled from a second drill bay located a further 30 m along the main crosscut. These holes all targeted the Engineer Vein down dip below the “Bonanza Shoot” between 5 and 7 levels where previous sampling had indicated high grades.

The overall drill core recovery and rock quality are considered good for the 2010 program.

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
BCGE-10-01	543,004.2	6,594,085.4	684	280	-40	188.9
BCGE-10-02	543,004.2	6,594,085.4	684.2	280	-30.5	158.1
BCGE-10-03	543,004.2	6,594,085.4	684.4	279	-25.5	162.9

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
BCGE-10-04	543,005.5	6,594,082.8	684.4	233	-25.1	64.9
BCGE-10-05	543,009.4	6,594,089.0	684.4	20	-25.1	64.9
BCGE-10-06	543,009.4	6,594,088.7	684.7	23.5	-9	92.4
BCGE-10-07	543,004.2	6,594,144.2	684.2	296.5	-30	160.8
BCGE-10-08	543,066.6	6,594,144.2	684.4	270	-21	36.3
BCGE-10-09	543,066.6	6,594,144.2	684	270	-53	75.3
BCGE-10-10	543,066.6	6,594,144.6	684.2	280	-33	56.1
BCGE-10-11	543,066.6	6,594,143.8	684.4	264	-27	42.4
BCGE-10-12	543,066.6	6,594,144.2	684.3	272	-35	49.9
BCGE-10-13	543,066.6	6,594,144.2	684.2	272	-46	65.2

Table 4: 2010 BCGOLD DRILLING - COLLAR COORDINATES (UTM NAD83 ZONE 8N)
** Collar coordinates originally surveyed in local grid and translated to UTM.*

Hoist Room Drill Bay (Phase 1)

Drill holes BCGE-10-01 to -03, and -07 were collared from a drill bay in the old hoist room on 5 Level (**Table 5**). The holes were drilled to the west-northwest and were designed to pierce the Engineer Vein near 5 Level, and the Double Decker Vein near 8 Level.

Holes BCGE-10-01 to -03 were not successful in intersecting the Engineer Vein and intersected a lamprophyre dyke. Geologic mapping of the 5 Level drift and hoist room revealed that the Engineer Vein is cut by the dyke at a shallow, oblique orientation. Hole BCGE-10-07 was adjusted to avoid the vein-dyke intersection and successfully intersected the Engineer Vein which returned 1.0 g/t Au over 0.45 metres.

Three of the four holes successfully intersected the Double Decker Vein at depth. The exception was hole BCGE-10-02 which pierced mine workings above 8 Level where the Double Decker Vein was mined in the 1920s. The best intersection came from BCGE-10-01 which intersected Double Decker below 8 Level and returned 22.3 g/t Au over 0.80 m.

Due to the proximity of the Hoist Room to the Engineer Vein, drill holes BCGE-10-04, -05 and -06 were drilled at azimuths with a low angle to the strike of the vein. Due to the azimuths, the holes were not designed to test Double Decker Vein at depth.

Hole ID	Core Length (m)	Au g/t	Comments
BCGE-10-01	0.96	22.3	
BCGE-10-02	-	-	Pierced open stope 10 m above 8 Level where vein mined in 1920s
BCGE-10-03	0.95	0.34	
BCGE-10-07	0.45	1.01	

Table 5: 2010 DOUBLE DECKER VEIN DRILL RESULTS
** True width is estimated to be 70-80% of core length.*
Cross-Cut Drill Bay (Phase 2)

Due to the complications of intersecting the Engineer Vein from the Hoist Room, a new drill bay was created in the main cross-cut in the footwall of the vein. Drill holes BCGE-10-08 to -13 were all successful in intersecting the Engineer Vein and the most significant intercept was from hole BCGE-10- 11 which returned 129.0 g/t Au over 0.60 m (**Figure 5**).

The Cross-Cut drill holes were not drilled deep enough to intersect the Double Decker Vein. A summary of the 2010 drilling program can be found in **Table 6**.

Drill core from 2008 and 2010 is stored in core racks near the 1 Level Adit and the remnants of the original stamp mill.

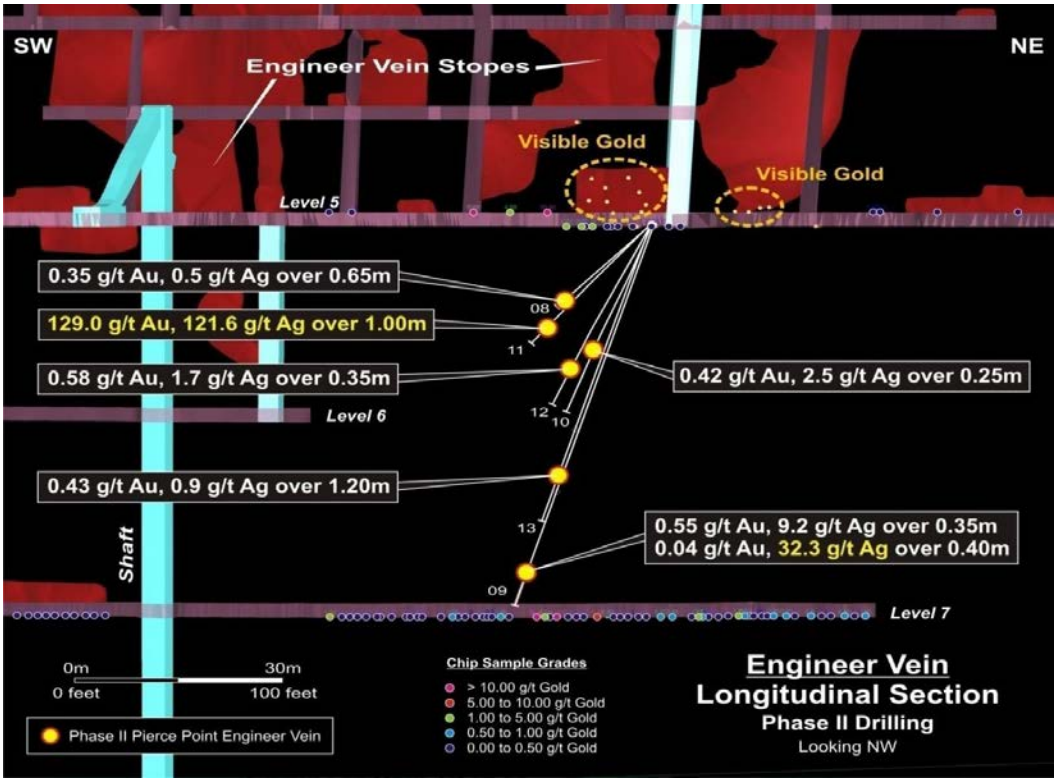

Figure 5: ENGINEER VEIN – LONG SECTION

Hole ID	Core Length (m)	Au g/t	Comments
BCGE-10-01	-	-	Intersected dyke
BCGE-10-02	-	-	Intersected dyke
BCGE-10-03	0.19	1.2	Vein partially cut by dyke
BCGE-10-04	0.28	0.2	
BCGE-10-05	-	-	Vein not intersected
BCGE-10-06	0.30	0.07	

BCGE-10-07	0.45	9.4	
BCGE-10-08	0.65	0.35	
BCGE-10-09	0.35	0.55	
BCGE-10-10	0.25	0.42	
BCGE-10-11	1.00	129.0	
BCGE-10-12	0.35	0.58	
BCGE-10-13	1.20	0.43	

Table 6: 2010 BCGOLD DRILLING – ENGINEER VEIN RESULTS
** True width is estimated to be 50-70% of core length.*

2011 Wann Prospect Program

Information regarding the 2011 Wann Prospect drilling program was sourced from Aspinall 2011; a report which was filed for assessment with the BC Ministry of Mines.

Blind Creek Resources conducted a drilling campaign on the Wann Prospect, 4 km south of the Engineer Gold Mine Mineral Resource, prior to consolidation with the Engineer Gold Mines Property. The Wann Prospect drilling was conducted in 2011 and consisted of 3,325.21 m in 17 diamond drill holes (Aspinall 2011) (**Table 7**).

The 2-stage drilling program focused on a 180 m by 800 m corridor that trends NW-SE and lies proximal to the Llewellyn Fault. The 17 drill holes were completed from five different drill pads. Dip angles ranged from 50 to 90 degrees. The drill core was NTW size (56 mm) and sawn in half for assay analysis.

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
WR2-1-11	542,572	6,589,939	675	030	-60	222.81
WR2-2-11	542,572	6,589,939	675	030	-70	97.54
WR2-3-11	542,572	6,589,939	675	210	-60	131.37
WR2-4-11	542,572	6,589,939	675	210	-80	173.74
WR1-1-11	542,481	6,590,060	673	070	-50	193.55
WR1-2-11	542,481	6,590,060	673	0	-90	185.9
WR1-3-11	542,481	6,590,060	673	250	-70	270.85
WR1-4-11	542,481	6,590,060	673	250	-50	231.65
WR1-5-11	542,481	6,590,060	673	70	-70	222.2
WR3-1-11	542,411	6,590,034	673	0	-90	272.8
WR3-2-11	542,411	6,590,034	673	70	-50	234.7
WR3-3-11	542,411	6,590,034	673	70	-70	323.08

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
WR3-4-11	542,411	6,590,034	673	250	-70	216.41
WR4-1-11	542,363	6,590,285	670	0	-90	185.9
WR4-2-11	542,363	6,590,285	670	250	-50	190.5
WR4-3-11	542,363	6,590,285	670	70	-70	62.48
WR5-1-11	542,449	6,590,235	660	250	-70	109.73
TOTAL:						3325.21

Table 7: 2011 WANN PROSPECT DRILLING - COLLAR COORDINATES (UTM NAD83 ZONE 8N)

Anomalous gold and silver mineralization was returned from quartz rich veins. Significant gold assays are reported below in **Table 8**. Drill core intervals are reported as the true vein widths are unknown.

Hole ID	From (m)	To (m)	Interval (m)	Au g/t
WR2-1-11	33.85	35.0	1.15	1.20
WR2-2-11	33.0	34.0	1.0	2.34
WR2-3-11	73.0	74.0	1.0	1.20
	147.0	148.0	1.0	3.47
WR1-4-11	31.0	33.0	2.0	2.65
	71.0	72.0	1.0	4.45
WR3-2-11	45.0	46.0	1.0	2.29
	78.0	79.0	1.0	11.30
	112.0	113.0	1.0	2.50
WR3-3-11	118.0	119.0	1.0	3.21
	127.0	129.0	2.0	2.92
WR4-1-11	151.0	152.0	1.0	11.30

Table 8: 2011 WANN PROSPECT DRILLING – SIGNIFICANT ASSAY RESULTS

SAMPLING, ANALYSIS AND DATA VERIFICATION

Sample Preparation, Analysis and Security

Pre 2007

Prior to 1987, no detail exists as to exact sampling methods. All underground samples dating back to 1914 were presumably collected by chipping of faces and backs. Grab samples were also noted from muck piles and trucks.

Pre-1987, no details exist as to sample preparation protocols or sample security. Historical reports note the use of fire assay. A mine site assay laboratory is assumed to have been used when the mine was in operation pre-1930.

During the 1987 field season by Erickson Gold Mining Corp., NQ core was split in half and submitted to Min-En Laboratories of North Vancouver, BC. Samples were analyzed for gold by fire assay or atomic absorption (AA), and a 31 multi-element inductively coupled plasma (ICP). A total of 434 core samples were analyzed. There were no quality control samples inserted into the sample stream and no other sample preparation occurred at the Project site prior to shipping to the laboratory. Original assay certificates are included as an appendix in the report (Smit, 1988).

All drill core was logged on paper and all core is well preserved on site in core racks. Logs are available as part of the Smit (1988) report. A Sperry Sun was used for down-hole surveys. Drill hole collars were surveyed and tied into UTM coordinates. Drilling was contracted to Connors Drilling of Kamloops, BC.

The 1987 drilling program appears to have been conducted in accordance to industry practices at the time.

Post-2007

During the 2007 season, rock samples were collected from both surface and underground. These were principally chip or grab samples (Aspinall, 2007). Underground samples on 5 Level were chipped across the vein using a hammer and chisel. Grab samples were collected from rock piles and mineralized chutes. All sample locations were noted on a map based on measurement from a cross-cut location. Samples were given a pre-assigned sample number tag and placed in a plastic bag. Sample sites were spray painted onto drive walls (Aspinall, 2007).

During the 2007 program, analysis for gold was done by Atomic Absorption and any sample returning a value above 1000 ppb Au, or 30 ppm Ag was re-analyzed using a 30 g fire assay. No external quality control program was conducted, but the Echo Tech Laboratories, an independent commercial lab, of Kamloops, BC reported their internal QAQC on the original assay certificates which is appended to the report (Aspinall, 2007).

2008 and 2010 Drilling Programs

For the 2008 and 2010 drill programs all samples were fire assayed for gold using the following procedure. A 30 g sample is fire assayed using a premixed flux containing 66% litharge, 24% sodium carbonate, 2.7% borax and 7.3% silica. Flux weight per fusion is 150 g. The resultant doré bead is parted and then digested with nitric acid followed by hydrochloric acid solutions and then analysed on an atomic absorption instrument. Gold detection limit was 0.03 g/t Au to 100 g/t Au.

In addition to the gold fire assays, in the 2010 program, any samples containing greater than 3 g/t Au were also submitted for screen fire assay. Rock samples were crushed to P70 -2 mm, split to achieve a 1,000 g sub sample (or less if the original sample size precluded it). The sample was pulverised to P95 - 100 µm. The entire sample was weighed, then rolled and homogenised and screened through a 100 µm screen. The resulting -100 µm fraction was homogenised and two sub-sample portions are fire assayed. All of the resulting +100 µm material was fire assayed. The resultant fire assay beads were digested with nitric acid followed by hydrochloric acid and then analysed with an atomic absorption spectrometer. A 0.03 g/t Au detection limit was given.

In addition to the gold assays, all samples in the 2007, 2008 and 2010 programs were analysed by ICP- MS multi-acid digestion. In this procedure a 0.5 g sample was digested with nitric acid, hydrofluoric and perchloric acids. The sample is then taken to dryness and subsequently re-dissolved in an acid solution, which contained beryllium (Be acts as an internal standard) and then bulked with de-ionised water. Samples were analysed by ICP-MS.

No aspect of sample preparation was conducted at site. Samples were delivered directly to the Whitehorse prep facility of Eco-Tech by an independent expeditor. BCGold utilized chain of custody documentation to track the samples. Sample preparation and assaying were conducted by Eco-Tech Laboratories of Kamloops, BC, a certified assayer with ISO 9001:2000 certification and an independent commercial laboratory. The sample preparation, security and assay procedures were appropriate for the programs.

2011 Bulk Sampling

The bulk sampling and test milling component of the 2011 exploration program entailed mining 350t of composite bulk sample material from underground workings and an additional 50t from surface trenching. Approximately 246t of this material was processed on-site using the gravity separation mill and yielded 969.2 kg of sulphide concentrate as three separate products.

The on-site gravity separation mill was utilized to back-calculate the mining grade for the large tonnage bulk samples, incorporating the dilution normally associated with mining. For each of the six composite bulk samples, the contained amount of gold reporting to concentrate was estimated using gravimetric fire assays and/or metallics screen assays. Mill feed, table middlings, and tails samples were collected for gravimetric fire assay at 30 minute intervals to estimate the contained amount of gold reporting to concentrate and to tailings, and therefore mill recovery. The mining grade of the bulk samples was calculated by dividing the total contained amount of gold (in grams) by the tonnes milled.

A total of 151 milling samples and 969 kg of concentrate were shipped from the Engineer Gold Mine Property to Inspectorate Exploration and Mining Services prep lab facility in Whitehorse, Yukon using an independent expeditor. Security tags were utilized and chain of custody documentation was used to track the samples. Inspectorate shipped the samples to their laboratory in Richmond, British Columbia, an ISO 9001:2008 certified laboratory for further processing and analysis. Table 16 lists sample preparation and assaying procedures utilized by the Inspectorate assay laboratory.

After processing and assay analysis by Inspectorate, 806 kg of table concentrate was sold to SiPi Metals Corp, a precious metals refinery located in Chicago, Illinois. Shipping was managed by the metallurgical division of Inspectorate. SiPi determined the concentrate contained a total of 2,177.5 grams (70.0 oz) of gold, of which 2,112.2 grams (67.9 oz) were recoverable and payable.

No employees or officers handled the samples or concentrate after leaving the Engineer Gold Mine Property. Sampling, analysis and security are deemed acceptable for the bulk sampling program.

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No employees or officers handled the samples or concentrate after leaving the Engineer Gold Mine Property. Sampling, analysis and security are deemed acceptable for the bulk sampling program.

2012 Panel Sampling of 6 and 7 Levels

Geologists collected 190 panel samples along the length of the Engineer Vein on 6 and 7 levels. Samples were submitted to Inspectorate Exploration and Mining Services of Richmond, British Columbia, an ISO 9001:2008 certified laboratory independent of the issuer. Samples were analyzed for gold, silver and other elements using a

combination of metallic screen assaying (method Au-MET1000-AA), high grade silver (method Ag-4A-OR), and ultra trace 50 element inductively coupled plasma (ICPMS) analysis (method 50-4A-UT).

No employees or officers handled the samples after leaving the Engineer Gold Mine property. Sampling, analysis and security are deemed acceptable for the bulk sampling program.

2011 Wann Prospect Drilling (Blind Creek Resources)

For the 2011 Wann Prospect drilling program, almost all core was cut using diamond saws, with half being placed back into the core box for future reference. Core samples were placed in polyethylene bags, closed with zap-straps, and then up to five samples were inserted into large rice bags for shipment. The Project Geologist kept custody of the samples until they were delivered to the Alex Stewart Eco Tech sample preparation laboratory in Whitehorse, Yukon. After rejects and pulps were prepared, they were stored by the geologist in Atlin until financing was secured via an Initial Public Offering (IPO).

Sample pulps were returned to the Whitehorse preparation facility in July 2011. They were then shipped to the Eco Tech Laboratory in Kamloops, BC for assay analysis, a certified assayer with ISO 9001 certification. Sample preparation consisted of crushing the core sample in a jaw crusher to -10 mesh ensuring 70% passes through the mesh screen. Every 35th sample a re-split is taken using a riffle splitter to test homogeneity of the crushed material. A 250 g sub sample of the crushed material is pulverized on a ring mill ensuring that 95% passes through a -150 mesh screen.

Multi-element analysis utilized ICP-AES aqua regia digestion. A 0.5 g sample is digested with a 3:1:2 (HCL:HNO3:H20) solution at 95oC. The sample is analyzed on a Thermo IRIS Intrepid II XSP ICP unit. The lab uses certified reference material to monitor performance of the analysis. Repeat samples (every batch of 10) and re-splits (every batch of 35) are also run to ensure proper weighing and digestion occurred. Any silver or base metal element (Ag, Cu, Pb, Zn) that returned over limit values were re-run using an high-grade assay analysis.

Samples were fire assayed for gold and analyzed using an atomic absorption finish using the following procedure. The sample is fire assayed using a premixed flux containing 66% litharge, 24% sodium carbonate, 2.7% borax and 7.3% silica. Flux weight per fusion is 150 g. The resultant doré bead is parted and then digested with nitric acid followed by hydrochloric acid solutions and then analysed on an atomic absorption instrument. Gold detection limit was 5 ppb to 1000 ppb. Over limit samples were re- assayed using a gravimetric finish.

The sample preparation, security and assay procedures were appropriate for a preliminary stage drilling program. For future drilling programs, certified quality control standards should be inserted into the sample stream prior to shipping samples to the prep laboratory. Sample security should also be improved by sealing rice bags with security tags. To minimize the chance of tampering, sample pulps should remain with the laboratory until assay analysis has been completed.

Data Verification

Pre-2007

Prior to 1987, written reports contain tables and maps of assay data. No assay certificates are available. The QP was thus unable to verify the data, but has no reason to doubt that they exist.

Copies of all assay certificates for the 1987 program are appended to the Smit (1988) report. The QP was unable to view original 1987 assay certificates, but has no reason to doubt assay quality.

2007-2010 BCGold Corp.

Copies of all assay certificates for the 2007 program are appended to the Aspinall (2007) report. The QP was able to review all original assay certificates and has no reason to question the data.

Copies of all assay certificates for the 2008 and 2010 programs are available in the Blind Creek Resources office. The QP was able to review all original assay certificates and has no reason to question the data.

For the 2010 program, external QC consisted of the insertion of certified reference materials (23), blanks (10) and quarter core field duplicates (8) into the sample shipment stream for a total of 41 additional QAQC samples. This results in 23% of all samples submitted being quality control samples. The QP reviewed the QAQC report provided by Lustig (2011). The following summary is based on that report.

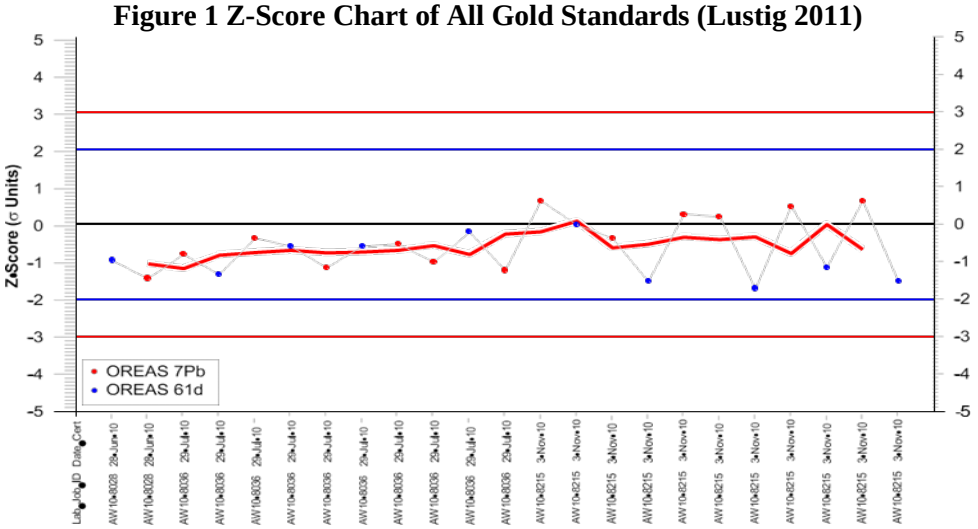
To monitor accuracy, two certified reference materials (standards) were inserted into the sample stream (Table 4). The standards were prepared by Ore Research & Exploration Pty Limited of Australia.

Table 4 Certified Standard Used in 2010 Drilling Program

Standard	Gold		Silver	
	Recommended value (g/t Au)	Standard deviation (g/t Au)	Recommended value (g/t Ag)	Standard deviation (g/t Ag)
OREAS 7Pb	2.77	0.053	-	-
OREAS 61d	4.76	0.14	9.27	0.48

The overall results of gold analyses of both standards are shown graphically (Figure 1) with a plot of the z-score. The z-score is essentially in standard deviation units above and below the mean and is useful to view the overall performance of all of the standards. All results are within ±2σ within an overall decreasing low bias.

Figure 1 Z-Score Chart of All Gold Standards (Lustig 2011)



The individual control chart for standard OREAS 7Pb indicates an overall low bias (Figure 2) with an increase in the bias at the end of the program. Gold analyses of standard OREAS 61d have a slight low bias in the early batches (Figure 3), with the later batches showing a slight high bias. The round robin analyses of both standards indicated on the right side of the chart indicate that most laboratories were either biased low or high, but few actually straddled the recommended value. In this context, the bias observed in the Engineer Gold Mine analyses are within an acceptable range.

Figure 2 Control Chart for Standard OREAS 7Pb Gold Analysis (Lustig 2011)

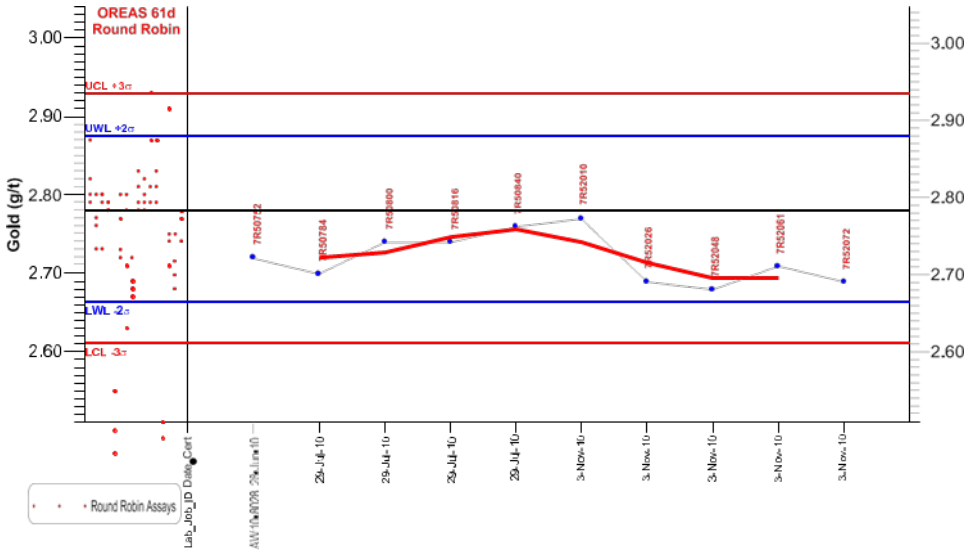
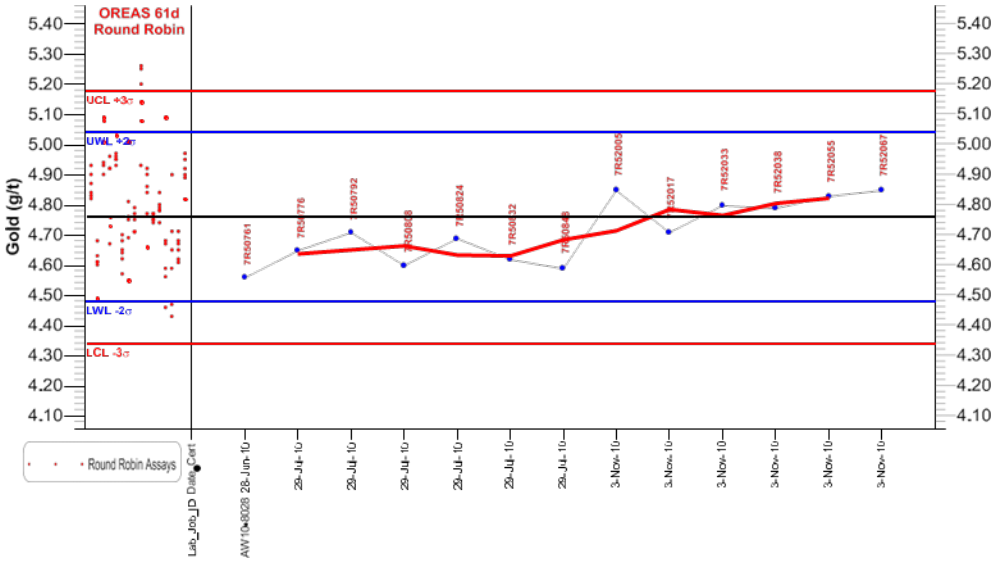
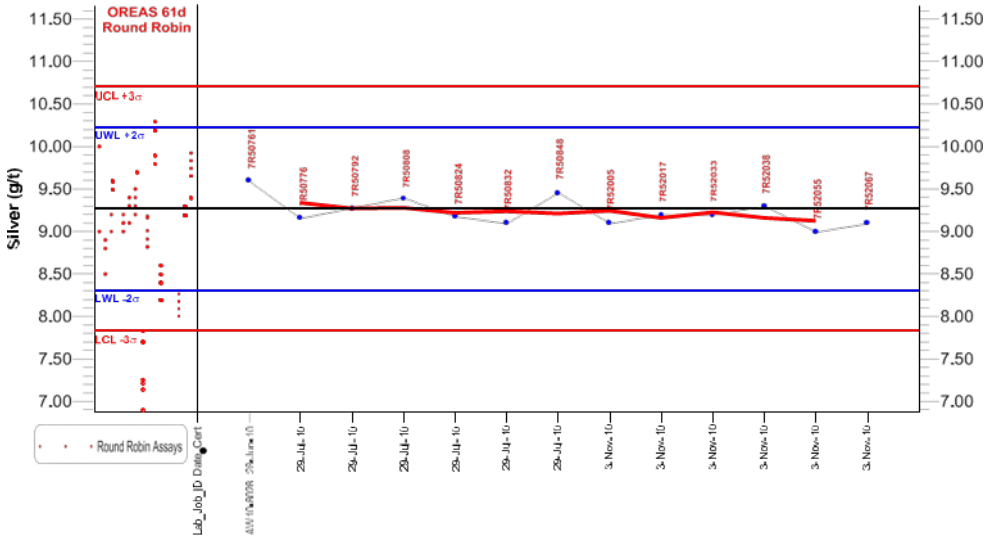


Figure 3 Control chart for standard OREAS 61d gold analyses (Lustig 2011)



As OREAS 61d is also certified for silver, a silver control chart was prepared which indicates all analyses to be very near the recommended value (Figure 4).

Figure 4 Control Chart for Standard OREAS 61d Silver Analysis (Lustig 2011)

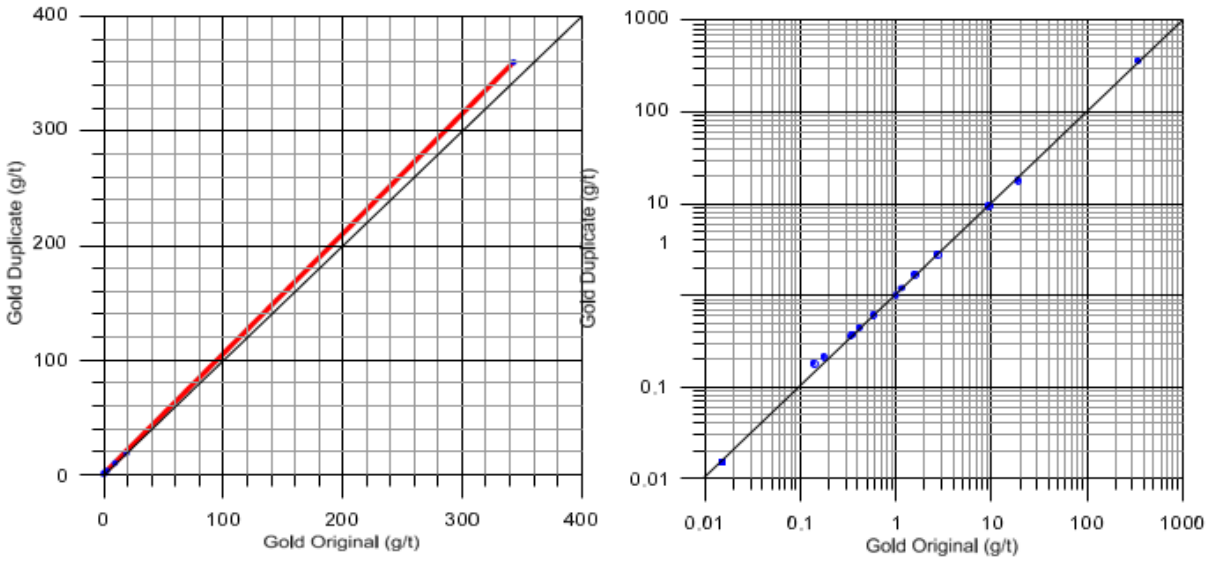


As a measure of precision, eight quarter core duplicate samples were submitted for analyses. In addition to this, Eco-Tech analysed seven duplicates split after coarse crushing and 28 same pulp duplicates.

A large proportion of all of the duplicates returned gold values of less that the detection limit of 0.03 g/t Au; 6 of 8 field duplicates; 6 of 7 preparation duplicates and 12 of 28 pulp duplicates. The few sample pairs above the detection limit indicate that precision of the analyses is acceptable. However, given the small number of above detection they cannot be taken as being representative. A set of high-grade duplicates is required for rigorous evaluation.

The 16 pulp duplicates show a good correlation (Figure 5).

Figure 5 Scatterplot of all pulp duplicate samples: Eco-Tech internal QC Program (Lustig 2011)



Coarse blank material was submitted as a check on possible contamination during the sample preparation and analytical stages. All samples returned analyses of less than the detection limit for gold.

For the 2007 and 2010 assay data, the QP reviewed all the quality control results and relogged much of the historic drill core during his employment. The QP believes that the results are of an appropriate quality and has no reason to question their validity.

2011 Blind Creek Resources.

The QP conducted a Wann Prospect site inspection in October 2017. Sulphide mineralization and quartz veining was observed in surface trenches where gold values were reported from rock grab samples and targeted with the drilling program. The QP observed and recorded the UTM coordinates for the drill collar locations. Drill core is stored in racks in Atlin and was inspected for sampling and mineralization. Sample tags could be observed in the drill core boxes that match sample numbers recorded in the drill logs. Assay certificates were available and inspected.

For the 2011 drilling program, the QP did not collect any samples for assay analysis, but believes the data is adequate quality and has no reason to question the validity of the results.

2011-2012 BCGold Corp.

For the 2011 and 2012 exploration programs of bulk sampling, underground panel sampling, surface trenching, prospecting and soil geochemistry, the QP managed and was directly involved in all aspects of sampling and assay analysis.

Quality control for these programs was actively monitored as such:

- Field duplicates were collected during soil geochemistry programs.
- Blanks and certified standards were inserted in the sample stream for the underground and surface sampling programs.
- Composite and table concentrate samples produced by the gravity separation mill during the bulk sampling program were analyzed by referee laboratories after initial results were received from the primary lab (Inspectorate). Assaying protocols were designed by professional metallurgists working for Inspectorate Labs and Gekko Labs.

The QP believes the results of the above programs were adequate for testing the exploration potential of the Engineer Gold Mine and the data generated was adequate to be used in a mineral resource estimate.

MINERAL PROCESSING AND METALLURIGICAL TESTING

On-site mill refurbishment was completed and milling of bulk sample material commenced in September 2011. Approximately 246 t of the bulk sample material was milled. The average feed rate to the ball mill averaged 1.4 t per hour. Mill availability averaged 7.1 hours per day with a substantial amount of time required to flush out the circuit between bulk samples. The ball mill slurry was screened to -30 mesh before pumping to triple deck Deister tables where approximately 2% of the rock mass was concentrated and sent to a finishing table. At the finishing table the concentrate was further refined, producing approximately 800 kg of sulphide-rich concentrate with gold reporting to it. Milling was completed on October 1st.

Sampling was conducted at all stages of the crushing, grinding, Deister table, and tailings circuits to determine mining head grade as well as milling performance. Bulk sample table concentrate was submitted for assay analysis, mineralogical and metallurgical test work.

Table concentrate was shipped to Inspectorate Labs for drying, weighing, assaying, and determining multi-element composition. Inspectorate completed limited gold recovery test-work using gravity separation and flotation methods.

Inspectorate also created representative sub-samples to ship to Gekko Systems for further metallurgy test-work, and handled the shipment and sale of the concentrate to metals refiner SiPi Metals Corp.

From the approximately 800 kg of concentrate shipped, SiPi determined the concentrate contained a total of 2,177.5 g (70.0 ozs) of gold, of which 2,112.2 g (67.9 ozs) were recoverable and payable.

Inspectorate Lab: Analysis of Table Concentrate and from 2011 Bulk Sampling / Test-Milling Program

Inspectorate Exploration and Mining Services Ltd. (Richmond, BC) was retained. to perform metallurgical testing on samples collected from the Engineer Gold Mines Property during the 2011 bulk sampling and onsite milling program. The objective of this program was to accurately weigh, sample and analyse a number of production products from the mine site operation. Testing included the following:

- receiving, weighing and sample drying;
- mixing, riffling and splitting for analysis;
- assaying; and
- gravity separation of one high sulphide product.

Three sets of samples were received, dried, mixed, composited and assayed for Au. **Table 9** summarizes the results of all samples.

		As Rec'd Wet	Dry Weight	Assay	Contained Au	
	Composite	Weight (kg)	(kg)	g/t Au	grams	oz
Sample Set 1	DD	19.1	15.50	379.3	5.9	0.189
	2	177.7	167.46	204.7	34.3	1.102
	3A	181.3	172.34	1,324.1	228.2	7.337
	3B	182.5	173.54	6,485.8	1,125.5	36.191
	5	239.6	228.08	1,382.2	315.3	10.137
	6	61.3	58.74	621.2	36.5	1.173
	Totals	**861.5**	**815.66**		**1,745.6**	**56.130**
		As Rec'd Wet	Dry Weight	Assay	Contained Au	
	Composite	Weight (kg)	(kg)	g/t Au	grams	oz
Sample Set 2	SB-DD	10.6	7.6	109.6	0.8	0.027
	SB-505-2	35.1	26.1	143.8	3.8	0.121
	SB-505-3A	29.6	22.6	699.7	15.8	0.508
	SB-505-3B	51.9	40.3	1,091.5	44.0	1.414
	SB-505-5	57.3	44.2	322.3	14.2	0.458
	SB-505-6	10.2	7.6	406.9	3.1	0.099
	Totals	**194.7**	**148.4**		**81.7**	**2.628**
		As Rec'd Dry	Dry Weight	Assay	Contained Au	
		Weight (gr)	(grams)	g/t Au	grams	oz
Sample Set 3	**Total**	**5,100.0**	**5,100.0**	**58,451.0**	**298.1**	**9.585**

Table 9: TABLE CONCENTRATE COMPOSITES FROM 2011 MILLING PROGRAM

Sample Set #1

Sample Set #1 consisting of 34 pails of damp 10 mesh material was delivered by a BCGold representative to Inspectorate's facility at 113C Platinum Road, Whitehorse, Yukon, then trans-shipped by Canadian Freightways to Inspectorate Exploration & Mining Services Ltd. facilities at 11620 Horseshoe Way, Richmond, BC. The shipment was received in Richmond on October 19, 2011.

The dried material was composited into six composites representing the six bulk samples mined at site. Composites 2, 3A, 3B, 5 and 6 represent the Engineer Vein mined from 5 Level. Composite DD is Double Decker Vein mined from a surface trench.

The composites were weighed, riffle-mixed and samples split out using a continuous rotary splitter. The split samples from each composite included:

a) 1 only 4 kg (approximately) for shipment
b) 3 only 0.5 kg (approximately) for future use
c) 1 only 0.5 kg (approximately) for **assay**

Split (a) from each composite was shipped to Gekko Systems, 1538 Rand Avenue, Vancouver, for further recovery testwork utilizing gravity and intensive leach amenability (see Section 13.3).

Split (b) packages were returned to the composite containers for future use, including shipping to various smelters to initiate a sale process.

Split (c) was assayed as follows:

a) Au by 1AT fire assay with gravimetric finish
b) ICP 30 element, 4 acid trace level

Sample Set #1 was the bulk table concentrate product created at the Finishing Deister table. The process indicated that a saleable sulphide concentrate can be created from Engineer Vein material using gravity concentration methods. SiPi smelters did not penalize the concentrate during the sale process due to any deleterious elements.

Sample Set #2

Sample Set #2 consisting of 9 pails of wet 18 mesh material was delivered by a BCGold representative to Inspectorate's facility at 113C Platinum Road, Whitehorse, Yukon, then trans-shipped by Canadian Freightways to Inspectorate Exploration & Mining Services Ltd. Facilities at 11620 Horseshoe Way, Richmond, BC. The shipment was received in Richmond on October 28, 2011.

Sample Set #2 was received, weighed and assembled for drying in a secure facility. The dried material was composited into six composites representing the six bulk samples mined at site. The composites were weighed, riffle-mixed and a sample split out using a continuous rotary splitter. The 0.5 kg (approximately) split sample from each composite was assayed as follows:

a) Au by metallic screen assay in which approximately 500 g of sample was pulverized and screened on 150 mesh (106 microns). The +150 mesh fraction was assayed to extinction and a split of the -150 mesh fraction assayed. Both fractions were assayed by fire assay with gravimetric finish. The overall Au assay was calculated on a weighted basis.

Sample Set #2 was collected from a sluice tray that was inserted between the ball mill and the screen deck. The sluice tray was set up to capture any coarse gold that could possibly exist and be rejected by the screen deck. The idea was to capture coarse gold prior to being pumped back to the ball mill for re-grind.

Several unsuccessful attempts were made to concentrate the gold using panning and tabling techniques. After which, the sluice tray material was shipped for assay analysis. Although there were significant gold values obtained from the sluice tray material, assaying indicated that the sluice was not capturing any additional gold that would not have been captured in the table concentrate.

The sluice sample SB-505-3B was added to the table concentrate to be sold to SiPi smelter.

Sample Set #3

Sample Set #3 was recovered from the finishing shaker table at the Engineer Mill while processing bulk sample 505-3B. A 2 to 5 cm wide sulphide stream with visible gold was identified and collected by milling personnel at site.

A set of 5 Nalgene jars were delivered to Inspectorate's offices in person by Darren O'Brien, VP Exploration on November 15, 2011. The samples appeared to be very high in sulphide content with a total weight of 5,100 grams.

The sample jars were combined into one composite by Inspectorate personnel and processed on a shaking table to produce a concentrate, middlings product and tailings. The concentrate was further upgraded to a pan concentrate and pan tails. Lab personnel did not identify any visible gold during the gravity test, so all products were recombined and assayed in duplicate for Au by fire assay with gravimetric finish.

The sample was sold to SiPi smelter along with the bulk table concentrate.

Inspectorate Lab: Potential for Gold Recovery from Tailings Product

Inspectorate Exploration and Mining Services Ltd. (Richmond, BC) was contracted in September 2012 to conduct a series of metallurgical tests to study the potential for gold recovery from the tailings product of the existing gravity recovery circuit at site. The study was designed to test whether the gold lost to tailings is fine grained and free, or locked and associated with other minerals.

Tailings products for the study were used from the 2011 bulk sampling / test-milling program. The tailings product from the onsite mill was still fairly coarse with a grind size of -30 mesh (600 microns). Two separate composites were prepared:

1. Lower Grade (LG) Composite using bulk samples #2, #5 and #6.

2. Higher Grade (HG) Composite using bulk sample #3B.

Element		Unit	Composite Analyses	
			LG	HG
Gold	Au	g/t	1.33	12.30
Iron	Fe	%	2.64	2.69
Sulphur	S(t)	%	0.63	0.58

Head assays for the two composited tailings products can be found in the table above.

Size-By-Assays Analysis

Size by assay analysis of the tailing products was studied to determine the actual loss distribution. The size-by-assay data indicates that the high-grade composite contains about 80% of the gold in the >75 micron size range, whereas the low-grade has a slightly finer distribution with about 66% of the gold in the >75 micron range. Therefore, better gravity recoverability is expected from the high-grade sample.

Two-pass Knelson Gravity Concentration on LG Tailings Composite (without re-grind)

Centrifugal gravity separation was tested as a possible method to improve the performance on the LG tailing product as received from the triple shaking table circuit at site. Results showed that the LG sample has a relatively low amenability to centrifugal gravity concentration. 23.7% of the gold can be recovered in a mass representing 4.0% of the total mass; or 38.8% of the gold can be recovered in a mass representing 8.4% of the total mass.

Kinetic Flotation Testwork on LG Tailings Composite

Rougher kinetics flotation tests were completed on the LG tailings composite at three different grind sizes (P80= 75 microns, 150 microns, and unground 239 microns). Results showed flotation kinetics and grade-recovery curves are very similar for each grind size, indicating that there is no real benefit in grinding to a finer particle size.

Cleaner flotation tests were then carried out on the LG tailings composite at P80 150 microns and unground (P80 239 microns). The results show that (1) Au grade and recovery were higher in the test done without re-grinding, and (2) further cleaner stages would be required to upgrade the concentrate to a saleable grade, but would result in lower overall recovery.

It was decided not to pursue a combined gravity-flotation test on the LG tailings composite as the gold distribution is such that gravity and flotation methods can recover gold in the same size fractions, and any minimal gains in gold recovery would come at the expense of a lower combined grade.

Gravity-Flotation Testwork on HG Tailings Composite

A combined gravity and rougher concentrate recovery of 82.7% was achieved from the HG tailings composite within a mass of 7.4%. The HG tailings composite were not reground and were tested as received from the onsite mill. Results also showed that a combination of pan concentrate and 1st cleaner stage flotation concentrate would yield a concentrate grade of 616 g/t Au in a 0.9% mass, but at a combined Au recovery of 57.4%.

Inspectorate noted that further cleaner stages would be required to upgrade the concentrate to a saleable grade, but would result in lower overall recovery. They also suggested it may be worth exploring a rougher-cleaner flotation test (no gravity) on the HG sample to evaluate recovery using only this method.

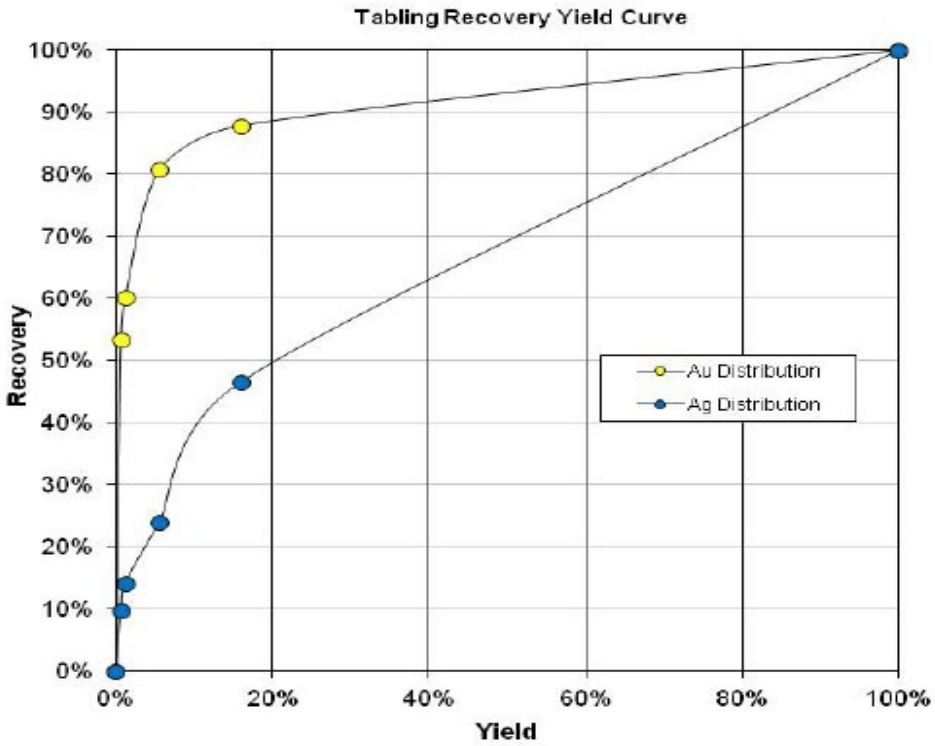
Inspectorate recommended the following future testwork:

- Rougher-Cleaner flotation testing on the HG plant tails sample (without centrifugal gravity concentration).
- 2^{nd} and 3^{rd} cleaner stage testing to increase concentrate Au grade.
- Size-by-assay analysis of the rougher and cleaner flotation tails to determine the gold loss distribution among the size fractions.
- Mineralogical study on ground samples to study liberation characteristics and mineral associations.

Gekko Systems

Gekko Systems Limited of Ballarat, Australia was contracted to conduct bench-scale gravity and leach amenability testwork on mill feed and table concentrate provided from the Engineer Mill. The samples included a 63 kg run-of-mine ("**ROM**") sample and a 4 kg table concentrate sample, which represent the 505-3 Shoot of the Engineer Vein.

The initial testwork was designed to indicate the potential of gravity to concentrate the gold in the ROM sample provided by continuous gravity recovery, and to assess its suitability for gravity treatment via Gekko's InLine Pressure Jig. Intensive leaching of the resultant gravity concentrate tested the leach amenability via the InLine Leach Reactor at the crush sizes investigated.



A secondary testwork program of intensive leaching of the Engineer table feed concentrate was conducted to indicate the amenability and potential for additional gold recovery of the current tabling method via the InLine Leach Reactor.

Initial results were promising but there were indications that the material was not sufficiently liberated to maximize gold and silver recovery. In that program it was found that 71.4% of the gold and 67.8% of the silver could be recovered into 9.67% of the mass. However, analysis of the tails showed that much of the gold and silver remained unliberated at 600 microns.

Highlights of Gekko's initial results included:

- A calculated ROM head grade of 54.9 g/t gold and 40.6 g/t silver.
- High gold and silver recoveries of up to 71.4% and 67.8%, respectively, using only gravity concentration methods, produced a concentrate grading 379.2 g/t Au and 260.5 g/t Ag.
- Gold and silver recoveries from concentrate of up to 98% and 90%, respectively, by intensive leaching after 24 hours.
- Engineer mill table concentrate returned 6,738 g/t Au and 2,878 g/t Ag.

Gekko's bench-scale laboratory test-work validated BCGold's previous report for bulk sample 505- 3B of a calculated head grade of 44.6 g/t Au and table concentrate grade of 6,485.8 g/t Au, using the on-site gravity separation mill at Engineer Gold Mine (disclosed in press release dated February 27, 2012).

Gekko recommended to re-grind and re-table the concentrates and tails. In the final testwork program, the concentrates were reground to P80 of 106 microns and then underwent a single pass tabling test.

The results showed that the concentrates could be upgraded to recover 87.8% of the gold into 16.0% of the mass. This led to an overall recovery of 61.3% of the gold into 1.55% of the mass. The figure below shows the overall gravity recovery results.Analysis of the tails showed that 73.6% of the gold and 84.2% of the silver that was not

recovered after regrinding was finer than 75 µm which is too fine to be recovered by gravity devices. Further 60% of the unrecovered silver was finer than 38 µm.

Gekko concluded from the testwork that Engineer material would respond very positively to using an InLine Pressure Jig (IPJ) as a pre-concentration device to initially recover 71.4% of the gold into 9.67% of the mass. The pre-concentrate could then be ground down to a P80 of 106 µm and fed into an InLine Spinner (ISP) to further reduce the mass and achieve an overall recovery of 61.3% of the gold into 1.55% of the mass, or 56.3% gold recovery into 0.54% of the mass.

Gekko recommended further mineralogy analysis on the -75 µm fraction after re-grinding, to understand the characterisation for increased liberation and recovery of gold and silver at finer particle sizes.

Although further study is required to improve metallurgical recovery at finer particle sizes, there are two possible modifications to the current Engineer mill flow sheet that could improve gold recovery.

The final leach solution compositions were determined by ICP analysis with a summary of deleterious elements provided in **Table 10**. Of these elements, the most notable are arsenic and antimony in the final leach solutions of the table feed sample.

Element	LBCG (01)	LBCG (02)	LBCG (03)	LBCG (04)
Al	7.2	7.5	5.1	5.8
As	373	505	8.7	4.4
Cu	1.6	4.6	9.9	8.6
Fe	407	571	167	130
Mn	14.9	14.4	3	2.5
Pb	9.4	0.3	1.5	2.6
S	1025	960	209	173
Sb	31.1	24.1	0.9	<0.4
Zn	5.3	2.9	2.8	2.3

Table 10: FINAL LEACH SOLUTION ICP RESULTS (DELETERIOUS ELEMENTS)
** Al, Fe, S reported in parts-per-million (ppm). As, Cu, Mn, Pb, Sb, Zn reported in parts-per-billion (ppb)*

MINERAL RESOURCE AND MINERAL RESOURCE ESTIMATES

Summary

The November 2017 Mineral Resource estimate for the Engineer Gold Mine is reported in Table 5. This estimate only includes the Double Decker and Engineer veins. This is a restatement of the historic Mineral Resource which was released April 2011 for the Engineer Gold Mine. All resources are classified in the Inferred Mineral Resource category. It is assumed that should production ever commence; the veins would be extracted by standard air-leg based narrow vein methods. Grades are diluted to a 1 m mining width.

Table 5 reports the Mineral Resource based on a nominal cut-off of 5 g/t Au where the resource margin is defined by historical payability (see Section 14.4).

Table 5 November 2017 Mineral Resource Estimate at a Nominal 5 g/t Au cut-off

Category	Vein	Tonnage (t)	Average Grade (Au g/t)	Contained Gold (oz)
Inferred	Engineer	30,800	20.6	20,400
Inferred	Double Decker	10,100	13.1	4,200
Total:		**41,000**	**19**	**25,000**

Notes: Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There has been insufficient exploration to define these Inferred Mineral Resources as an Indicated or Measured Mineral Resource, as there are insufficient close spaced drill hole data to adequately define grade and geological continuity for this structurally complex deposit. It is uncertain if further exploration will result in upgrading the Inferred Mineral Resource to an Indicated or Measured Mineral Resource category.

Total tonnes have been rounded to the nearest 500 t and oz to the nearest 100 oz and this may have resulted in minor discrepancies. The global grade is rounded to the nearest 0.5 g/t Au to indicate the accuracy of the estimate. The most likely cut-off grade for this deposit is not known and will need to be confirmed by the appropriate economic studies, but is likely to be around 7 g/t Au.

There are no Mineral Reserves defined on the Engineer Gold Mine Property.

Table 6 and Table 7 report the Mineral Resource at varying cut-off grades to reflect possible extraction scenarios.

Table 6 reports the Mineral Resource based on a nominal assay limit cut-off of 0.1 g/t Au where the entire mineralized shoot is extracted. Note that with a likely operational breakeven cut-off grade of 6-8 g/t Au, the Double Decker resource is potentially marginal.

Table 6 November 2017 Mineral Resource Estimate at a Nominal 0.1 g/t Au cut-off

Category	Vein	Tonnage (t)	Average Grade (Au g/t)	Contained Gold (oz)
Inferred	Engineer	52,600	12.6	21,300
Inferred	Double Decker	18,400	8.1	4,800
Total:		**71,000**	**11.5**	**26,300**

Table 7 reports the Mineral Resource based on a nominal cut-off of 25 g/t Au where the resource margin is defined by historical payability (see Section 14.4). It is likely that the 25 g/t Au cut-off mirrors the visible cut-off that the historical miners applied based on the appearance/disappearance of visible gold.

Table 7 November 2017 Mineral Resource Estimate at a Nominal 25 g/t Au cut-off

Category	Vein	Tonnage (t)	Average Grade (Au g/t)	Contained Gold (oz)
Inferred	Engineer	10,400	60	20,100
Inferred	Double Decker	3,600	30	3,500
Total:		**14,000**	**52.5**	**23,600**

Disclosure

The Mineral Resource estimate reported herein was prepared by Dr Simon Dominy, formerly Executive Consultant and General Manager (UK) with Snowden. Dr Dominy is a QP as defined by NI43-101. Dr Dominy is independent of Blind Creek Resources as defined by NI43-101.

There are no Mineral Reserves estimated for the Engineer Gold Mine. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. In accordance with CIM Definition Standards, a Mineral Resource may be sub-divided in order of increasing geological confidence, into Inferred, Indicated, and Measured categories. “Measured and Indicated Mineral Resources” are that part of a Mineral Resource for which quantity and grade can be estimated with a level of confidence sufficient to allow the application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. An “Inferred Mineral Resource” is that part of a Mineral Resource for which quantity and grade can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity (CIM, 2005).

Dr. Dominy is unaware of any issues that materially affect the Mineral Resource in a detrimental sense. This conclusion is based on discussions with Blind Creek Resources and his former experience at the Property, where it advised that to the best of its knowledge:

- there are no known material exploration, legal, marketing, socio-economic, political, title, permitting or taxation issues;
- apart from the usual environmental aspects that require consideration as part of any mineral exploration project, there are no known material specific environmental issues; and
- there are no known material mining, metallurgical and/or infrastructure issues.

Assumptions, Methods and Parameters

Dr. Dominy has independently reviewed the available Engineer mine data and undertaken a current resource estimate based on predominantly historical data together with limited recent drilling results.

The definition of Mineral Resources based substantively on historical data is not unusual (Fraser, Bartlett and Quigley, 2003; Morrison, Storey and Towsey, 2004; Dominy, 2006; Dominy et al, 2009a; Goulios and Metheson, 2009). The study of historical records is an important tool during project evaluation, since it contributes to understanding the orebody, exploration target size and setting expectations. Mine records include documents such as plans, sections, reports, news cuttings, production tabulations, etc. A major advantage for the modern explorer is the capability of computer modelling to display this data in 3D. Historical records can give the explorer substantial information on various deposit characteristics, not least grade and geological continuity, geometry and architecture, mineralogy, metallurgical properties, bulk density and ground conditions. Effectively used, historical records can

reduce geological uncertainty and focus evaluation efforts – thus reducing project risk.

Dr. Dominy has been unable to verify all of the historical data, but has in many cases viewed the relevant documents or copies thereof and has no reason to doubt their veracity. Dr Dominy has estimated zones down-dip to previously extracted areas on the Double Decker and Engineer veins.

This estimate is based on the following method and parameters:

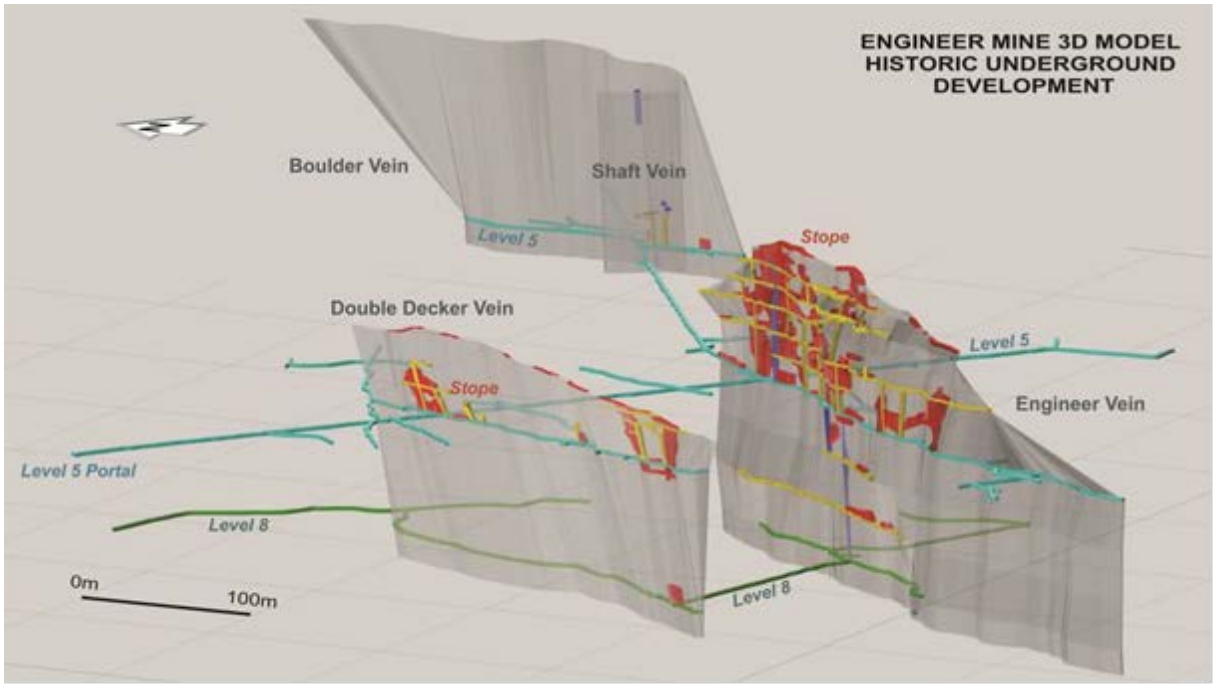
(1) VLP (long section) approach with projection of mineralized shoots down-dip and along strike based on surface exposure and/or underground development;
(2) The global grade applied to each vein structure is based on a probabilistic approach, with grades assigned to domains from historical production figures;
(3) All grades were diluted to minimum stoping width of 1 m; and
(4) A density factor of 2.8 t/m^3 was used which is believed to be conservative. No historic raw bulk density data has been identified.

Based on the maps and sections available, each vein was checked on a level-by-level basis to extrapolate between occurrences along strike and down-dip on the basis of development. It was assumed, where required, that the vein extended no more than 15 m below 8 Level. It should be noted that the VLPs provided no indication of local geological continuity, though with the support of stoped out areas provided a reasonable indication of gross geological continuity.

Dr. Dominy used stoping records to indicate payability (see Section 14.4).

In collaboration with Dr. Dominy, 3D models were created for the Double Decker and Engineer veins using Vulcan software (Figure 6). The vein wireframes were constrained by historical mining records and recent drilling. The Vulcan solids were used to define the primary mineralised material volume. A bulk density factor and payability factor were applied to define tonnage. Areas of mined-out portions were subtracted where required, assuming a 1 m stope width.

Figure 6 View of the Engineer Gold Mine Workings and Veins Based on Vulcan Model



The estimation method used by Dr. Dominy is effectively a polygonal estimate where a single global grade is assigned to the entire area of each block. Given this application, it is not possible to predict where the resource tonnage will occur within a given block. The estimate is global in nature.

Payability Factors

Dr. Dominy has used payability factors for this estimate based on interpretation of Historical Data. The use of a payability factor has been common practice in the estimation of gold and other vein systems, and is usually applied to the resource tonnage (e.g. Garnett, 1967; Storrar, 1981; Dominy, 2006). The payability factor provides a measure of the likely mineable resources given 'reasonable prospects for eventual economic extraction'. It effectively acts as a cut-off grade.

In most cases a single factor is applied, though in reality this should be the product of a geological continuity factor and a payability factor to give an effective payability. The continuity factor is a measure of global geological continuity within the resource blocks(s). In many cases it is effectively set at unity. However, where there is evidence of en-echelon structures or local faulting for example, then a lesser value would be used.

The payability factor can be based upon the percentage of stoped ground versus developed ground, but it can also be based on the relative number of samples in a database above a cut-off or on averaged mined runs along a development drive above a cut-off.

The choice of factors applied is dependent upon the QP. The most appropriate one will be based on an assessment of developed ground in historical or operating workings. Alternatively, the factor may represent the proportion of a projected mineralized shoot present in a block (based on a geological model for mineralisation).

In the experience of Dr. Dominy, effective payability factors for narrow-vein gold deposits generally range between 25% and 75% depending upon cut-off grade applied and deposit type.

Assignment of Grade

Review of Historical Data

The assignment of grade to the Engineer Gold Mine veins is difficult due to the high nugget effect shown by gold.

Recent drilling on the Engineer Vein has confirmed geological continuity and anomalous grade values. The best hole was BCGE10-11 which intersected the Engineer Vein with a 0.6 m true width at 129 g/t Au (77 g/t Au over 1 m). Drill hole BCGE10-4 intersected a 0.28 m true width Engineer Vein at 0.2 g/t Au.

It is typical that a high-grade intersection may indicate a zone of small influence (potentially <10 m), whereas a low-grade intersection may be located within or proximal to a high-grade zone.

Jutras (2008) reviewed the potential of the Engineer Gold Mine veins and reported the historical channel sample data for each vein (Table 8)

Table 8 Summary of Historical Channel Sample Data for Vein Drive Levels (after Jutras, 2008)

Vein	Gold shoot	Level	Strike Length of Shoot (m)	No. Samples	Mean Grade (g/t Au)	Maximum Grade (g/t Au)
Engineer	#1	5	45	5	2.6	5.9
	#1	7	15	11	4.6	10.2
	#2	5	40	4	0.3	0.5
	#2	7	25	19	8.8	79.4

	#3	5	50	14	30.5	290.0
	#3	7	50	39	5.2	90.3
Double	#1	5	35	20	143.9	2,138.6
Decker	#1	8	15	20	32.8	305.8

The values show anomalous values, but bear the effect of very high grade values that skew the mean. The mean length weighted grade across all shoots (#1, #2 and #3) on the Engineer Vein is 10 g/t Au at a zero cut-off and 16 g/t Au at a 5 g/t Au cut-off. Mean grades on the Double Decker Vein are skewed by the very high grade on 5 Level.

Hamm (1914) reports the channel sampling of a 45 m length of the Engineer Vein on 2 Level. The initial 35 samples were collected from the backs, followed by stripping and re-sampling of the new exposed back. The mean grade of the first set was 113 g/t Au (diluted to 1 m) and the second set 54 g/t Au (diluted to 1 m). Hamm (*op cit*) comments that of the two batches, anomalous gold grades were found in only 7 samples in each batch. The mean grade of both batches was 87 g/t Au. This historical data shows the nature of the mineralisation where most of the gold inventory is held in a relatively small proportion of the rock.

Brinker (1927) reports channel sampling on the 8 Level of the Double Decker Vein. To the west of the cross-cut, this includes 25 m along strike at 38 g/t Au (#1 mineralized shoot), including 10 m at 84 g/t Au. Drill hole BCGE10-1 intersected the Double Decker Vein approximately 21 m below this level and graded at 22.3 g/t Au over 0.8 m true width [≈18 g/t Au over 1 m] (BCGold, 2010c). Mine reports state that the 805 raise was mined on this shoot for approximately 11 m, but ceased due to poor access. On the 5 Level, the shoot was mined in a 20 m shaft and sub-level (505 sub-level).

During 2010, limited channel sampling on the 5 Level was undertaken. These included samples on the Double Decker underhand stope (one sample) and Engineer Vein 505 drive (two samples). Results were (BCGold, 2010b):

- Double Decker – 0.5 m at 537.7 g/t Au and 298.8 g/t Ag
- Engineer – 0.5 m at 794 g/t Au and 642 g/t Ag
- Engineer – 0.5 m at 4.4 g/t Au and 3.1 g/t Ag

The advantage that Engineer Gold Mine has is that it has been an operating mine and that some production records exist. The total documented production from the Mine is 14,263 t at 39.4 g/t Au and 19.5 g/t Ag for 18,000 oz Au and 8,950 oz Ag.

Brinker (1925) reports on stoping the Engineer Vein on the 3 and 4 levels. A 405 ton sample was processed and yielded US$44 per ton (73 g/t Au). This sample underwent some hand sorting to remove waste rock – based on general experience likely to be between 15% and 20%. Brinker then went on to state that a value of US$40 per ton was “a fair indication” of head grade - approximately 66 g/t Au in the Engineer Vein. He subsequently noted that a value of US$25 per ton – approximately 42 g/t Au was appropriate for the Double Decker Vein. The mean gold price during 1925 was US$20.64 per ounce.

Variation in grade can also be seen in the compilation of historical data presented in Table 9. Grades are not strictly comparable given the different sample sizes but serve the purpose of displaying variability.

Table 9 Compilation of Trial Milling Lots from Various Stages of Engineer Mine History

Date	Sample No.	Location	Type	Reference	Tonnes (t)	Recovered Grade (g/t Au)
1910	NK	NK	NK	Daughtry (1975)	127	94.8
1913	NK	NK	NK	Daughtry (1975)	272	143.8
1925	NK	505-2R	Raise	Brinker (1925)	32	244.2

1925	NK	401-1	Stope	Brinker (1925)	36	348.8
1925	NK	NK	Stope	Brinker (1925)	367	73.1
1925	NK	NK	NK	Daughtry (1975)	1,542	36.6
Aug 22, 1926	NK	3, 5 & 7L	Stope	Brinker (1926)	41.7	29.4
Aug 25, 1926	NK	3, 5 & 7L	Stope	Brinker (1926)	40.7	28.5
1927	NK	NK	NK	Brinker (1927)	1,374	16.6
1927	NK	NK	Drive	Brinker (1927)	220	15.6
1995	S2	505-1	Stope	Davidson (1998)	122	12.8
1995	S5	505-2S	Stope	Davidson (1998)	23	25.9
1995	S6	505-3	Stope	Davidson (1998)	9	18.4

** NK = Not Known*

Most of the mineralization in Table 9 is believed to be from the Engineer Vein. The total tonnage is 4,206 t at a weighted mean grade of 44 g/t Au. Note that the level of dilution in each lot is unknown and that hand sorting to upgrade the mill feed was common practice. Historical stoping was to 3 ft in width (0.9 m). Samples S2 to S6 taken in 1995 are most likely to represent a modern stoping width with no hand sorting.

Table 10 lists lower grade mining parcels totalling 1,173 tonnes grading 6.5 g/t Au. At a nominal cut-off of 5 g/t Au, the data reports 907 tonnes grading 7.5 g/t Au. This is distinctly different from the high grade (>30 g/t Au) mineralization encountered elsewhere.

Table 10 Compilation of Lower Grade Trial Mining Parcels Reported in Brinker (1927)

Tonnes (t)	Grade (g/t Au)
26	14.9
156	5.1
155	7.0
398	6.1
168	12.4
42	1.8
42	3.8
17	2.8
95	2.3
70	3.7
4	6.7
1,173	***6.5***

In addition, Brinker (1927) reports mean channel sample grades within various sections of the Engineer Vein (Table 11).

Table 11 Specific Channel Sample Results Reported in Brinker (1927)

Level	Location	Reported Grade (g/t Au)
5	724 stope	6.6
5	728 stope	9.9
5	729 stope	8.2
5	5 Level drive	13.3
6	726 stope	4.9
8	327 stope	10.3
8	806 drive	5.6

Brinker (1925) states that very high grade mineralisation accounts for approximately 20% of the vein – with specific reference to the Engineer Vein. It is most likely that this is 20% of a given mineralized shoot, given that the majority of mine development is focussed on projected shoots. Brinker (1925) indicates that the high grade sub-shoots are often greater than 60 g/t Au (>2 oz/t Au). Two trial parcels of high grade mill feed at 40 t and 25 t graded at 93 g/t Au and 75 g/t Au (diluted to 1 m), respectively. Elsewhere, very high grades are recorded – for example, from 2010 sampling on Engineer Vein 5 Level (#3 shoot) 794 g/t Au over 0.5 m (397 g/t Au over 1 m); and Hamm (1914) on Engineer Vein 2,097 g/t Au over 0.35 m (733 g/t Au over 1 m).

Analysis of the foregoing historical data clearly indicates that mineralisation in the Engineer Vein is high-nugget and that very high grades have a restricted continuity. This is not an uncommon effect in epithermal and mesothermal vein systems (Dominy and Platten, 2008; Platten and Dominy, 2001).

The mean payability of mineralized shoots on the Engineer and Double Decker veins determined is 60% and 55% respectively, based on the areas of stoped ground above the 5 Level within the known mineralized shoot zones. In addition, Brinker (1925) records that about 20% of the shoot – by inference a volume within the stoped regions is very high grade material. At the Gwynfynydd gold mine (North Wales, UK), mesothermal veins are characterised by localised very high-grade sub-shoots/pockets that make up around 15% of the defined shoots, but contain 85% of the gold inventory (Platten and Dominy, 2003).

Engineer Grade Estimate

Based on the foregoing discussions, a global grade for each vein is defined based on partitioning into three grade domains:

- Very high grade domain (VHG);
- Moderate grade domain (MG): and
- Low grade domain (LG)

For each domain, a mean grade is assigned (Table 12).

Table 12 Assigned Grades to Engineer Mine Grade Domains

Domain	Vein	Grade (g/t Au)	Comment
VHG	EV	60	Based on nominal high grade mill feed quoted in Brinker (1925) of US$40 per ton – approximately 2 oz/t Au, though locally higher
VHG	DDV	30	Based on figure quoted in Brinker (1925) of US$25 per ton – approximately 1 oz/t Au
MG	EV & DDV	7.5	Based on lower grade material at a nominal 5 g/t Au cut-off (see Table 10)
LG	EV & DDV	0.1	Nominal low grade

* EV = Engineer Vein; DDV = Double Decker Vein

Global grade assignment for each vein is presented in Table 13 and Table 14 based on payability factors.

Assignment was based on payabilities defined from historical development and stoping patterns. VHG was assumed to be conservative at 15% of shoot area – Brinker (1925) suggested 20%. An entire mineralized shoot comprises the VHG, MG and LG domains and is assumed to represent 100% payability at a nominal 0.1 g/t Au cut-off.

Table 13 Grade Assignment for the Engineer Vein at 0.1 g/t Au and 5 g/t Au Cut-offs

Domain	Mean Grade (g/t Au)	Fraction	Fraction Grade (g/t Au)	Fraction	Fraction Grade (g/t Au)
		0.1 g/t Cut-off		***5 g/t Cut-off***	
VHG	60	0.15	9.0	0.25	15.0
MG	7.5	0.45	3.4	0.75	4.9
LG	0.5	0.40	0.2	-	-
Average:			***12.6***		***20.6***

Table 14 Grade Assignment for the Double Decker Vein at 0.1 g/t Au and 5 g/t Au Cut-offs

Domain	Mean Grade (g/t Au)	Fraction	Fraction Grade (g/t Au)	Fraction	Fraction Grade (g/t Au)
		0.1 g/t Cut-off		***5 g/t Cut-off***	
VHG	30	0.15	4.5	0.25	7.5
MG	7.5	0.45	3.4	0.75	5.6
LG	0.5	0.40	0.2	-	-
Average:			***8.1***		***13.1***

The pay zone defined by stoping and development comprises the VHG and MG domains and is nominally defined at a 5 g/t Au cut-off.

The VHG domain for each shoot is effectively 15% payability.

Global grades have been estimated in the Engineer and Double Decker veins at nominal cut-offs of 0.1 g/t Au, 5 g/t Au and 25 g/t Au (Table 15).

Table 15 Nominal Cut-offs Defined for the Engineer Veins

Cut-off Grade (g/t Au)	Basis
0.1	Includes all material within a given mineralized shoot
5	Includes all material inside a mineralized shoot based on the payability (stope) limits
25	Brinker (1925) indicates a breakeven cut-off of about 25 g/t Au based on mining/processing costs at that time. Likely to be the grade at which the miners were able to visually call the very high grade mill feed. Experience shows that generally historic miners operated to a 15 g/t Au to 30 g/t Au "visible gold" cut-off.

Tonnage Modelling

Resource tonnage for each vein was defined from the Vulcan 3D model. Vein volume was depleted for stopes and development, leaving potential mineable remnant material.

Table 16 and 17

Table 17 present the tonnage and payability figures used to define resource tonnages for the Engineer and Double Decker Vein shoots at the different cut-offs.

An SG value of 2.8 t/m^3 was used. No determinations have been undertaken. The figure is based on general experience of quartz minor-sulphide veins and slate/argillite host rocks.

Table 16 Tonnage and Grade Calculations for Engineer Vein Mineral Resource Estimate

Shoot	Area (m^3)	Mined Area (m^3)	Tonnes (t)	Actual Payability	Tonnes	Grade	Tonnes	Grade	Tonnes	Grade
				Cut-offs:	*0.1 g/t Au*		*5 g/t Au*		*25 g/t Au*	
#1	6,588	497	17,055	0.35	17,100		6,000		3,400	
#2	6,904	2,152	13,307	0.70	13,300		9,300		2,600	
#3	9,933	2,011	22,183	0.70	22,200		15,500		4,400	
				Total:	**52,600**	**12.6**	**30,800**	**20.6**	**10,400**	**60**
				Contained Gold (ozs):		21,311		20,401		20,064

Table 17 Tonnage and Grade Calculations for Double Decker Vein Mineral Resource Estimate

Shoot	Area (m^3)	Mined Area (m^3)	Tonnes (t)	Actual Payability	Tonnes	Grade	Tonnes	Grade	Tonnes	Grade
				Cut-offs:	*0.1 g/t Au*		*5 g/t Au*		*25 g/t Au*	
#1	4,135	682	9,668	0.65	9,700		6,200		1,900	
#2	3,445	341	8,693	0.45	8,700		3,900		1,700	
				Total:	**18,400**	**8.1**	**10,100**	**13.1**	**3,600**	**30**
				Contained Gold (ozs):		4,792		4,254		3,473

Bulk Sampling Program Results

As previously noted in Sections 9.2 and 11.2, a bulk sampling program was undertaken at the Engineer Gold Mine in 2011. Approximately 350 t was extracted from underground on the Engineer Vein (and 50 t from surface trenching on the Double-Decker Vein .

Only bulk samples 505-2, 5 and 6 (collectively 132.3 t at 5.7 g/t Au) were located in the resource *sensuo stricto*. Samples 505-3A and B lie in a sub-shoot on the edge of #1 Shoot. The sub-shoot zone is likely to be part of the #1 Shoot, and has been extensively stoped in the past. Given that all samples were collected from the Engineer Vein structure and the proximity of 505-3A and B to #1 Shoot, it is not unreasonable to use them in a reconciliation with the resource estimate. They clearly represent the MG and potentially VHG domains (Table 12).

The bulk sample data are summarised in Table 18:

Table 18 Summary of 2011 Bulk Sample Data

Bulk sample	Vein/location	Comment	Mined tonnes (t)	Processed tonnes (t)	Reconciled head grade (g/t Au)
DD trench	Double-Decker/surface	Surface exposure of vein	50	9.4	1.2
505-2	Engineer/5 level	Proximal to 1995 bulk sample	95	40.7	1.6
505-3A	Engineer/5 level	North face of stope	52	35.5	14.5
505-3B	Engineer/5 level	Pillar of stope	91	68.9	44.6
505-5	Engineer/5 level	Pillar of stope	82	69.7	8.5
505-6	Engineer/5 level	Block between raises 505-5 and 505-6	30	21.9	4.3
		All bulk samples		**246.1**	**17.6**
		Engineer bulk samples only		**236.7**	**18.3**
Totals		**Engineer bulk samples >5 g/t Au**		**174.1**	**23.9**

The reconciled head grade for all bulk samples is 17.6 g/t Au, compared to a global resource grade of 11.5 g/t Au at a 0.1 g/t Au cut-off (Table 19).

A reconciliation of bulk sample results with resource grades is provided in Table 19.

Table 19 Comparison between 2011 Bulk Sample Data and Resource Estimate Grades for both veins across two Cut-off grades

Vein	Cut-off reported (g/t Au)	Resource grade (g/t Au)	Total tonnage [rounded] of bulk sample (t)	Bulk sample grade (g/t Au)	Bulk sample compared to resource grade
Double-Decker	0.1	8.1	9	1.2	-85%
Engineer	0.1	12.6	237	18.3	+45%
Engineer	**5**	**20.6**	**174**	**23.9**	**+16%**
Engineer	25	52.5	69	44.6	-15%

In a real mining scenario, extraction to a 5 g/t Au cut-off is likely to be the most realistic. No >5 g/t Au material was mined from the Double-Decker Vein. The total of all Engineer material above 5 g/t Au is 174 t at 23.9 g/t Au. This is +16% compared to the resource grade of 20.6 g/t Au. Given the high-nugget nature of the mineralisation and global nature of the estimate, a reconciliation of 16% is very reasonable.

During 1995, 154 t of material was mined from the 505-1, 2S and 3 stopes (Table 9) yielding a mill recovered grade of 15.1 g/t Au. Based on the average mill recovery of the 2011 program, the reconciled head grade of the 1995 material could be around 29 g/t Au (around +40% of the resource grade).

Given the results of both the 1995 and 2011 bulk sample programs, the QP considers that in the context of an Inferred Mineral Resource classification (see Section 14.8) – the global estimation method applied is appropriate. Dominy and Edgar (2012) suggest that a potential accuracy for grade and tonnes at the 70% confidence level for an Inferred Mineral Resource in a high nugget system is in the ±35-50% range.

Mineral Resource Confidence Classification

In determining the application of “Measured, Indicated, and Inferred” classifications to the structurally- controlled vein-hosted Engineer Mineral Resource estimate, the following items were considered:

- Historical production and trial mining data;
- Historical and modern sampling data;
- Results of the various QAQC assessments presented in Section 12;
- Development and drill hole spacing;
- Geological and gold grade continuity; and
- Mineral Resource estimation quality.

Given the very high-nugget nature of the mineralisation and over-reliance on historical data, it was concluded that the tonnage and grade estimates for all shoots on the Double Decker and Engineer veins should be classified collectively as an “Inferred Mineral Resource”.

An “Inferred Mineral Resource” is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence, limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Due to the uncertainty which may attach to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Inferred Mineral Resources must be excluded from estimates forming the basis of feasibility or other economic studies.

This Mineral Resource is global in nature. From the data available, it is not possible to predict where the mineable grades will be, except that they will be hosted within the defined mineralized shoots. Prediction of high-grade zone size and grade will be particularly difficult. Additional development and drilling will be required to up-rate the resource classification.

The Engineer Inferred Mineral Resource grades have been quoted with a global mean grade rounded to the nearest g/t Au.

Reasonable Prospects for Economic Extraction

Compliance with the 2004 CIM Definition Standards on Mineral Resources and Reserves requires demonstration that a Mineral Resource has “*reasonable prospects for economic extraction*”.

No preliminary economic study has been undertaken at Engineer Gold Mine. It is believed that the Mineral Resource presented in this Technical Report may reasonably support a small narrow-vein mining operation.

Historical production and accessible workings show that the veins can be exploited by selective air-leg means without excessive dilution (minimum stoping width around 1 m). Ground conditions through the mine are generally good.

Fast-track to production may be possible given the existing surface and underground infrastructure. Operational capacity is likely to be initially in the range of 10,000 t to 15,000 t per annum, expanding up to 25,000 t per annum. Based on general experience of other small gold mines globally, it is expected that the operational breakeven cut-off grade at the Engineer Gold Mine to be in the range 6 g/t Au to 8 g/t Au.

In addition, it is proven historically that gold can be extracted by gravity based means that could almost certainly be improved upon with modern technology (for example, in-line pressure jigs and/or centrifugal concentrators).

It is believed that the Engineer Gold Mine Mineral Resource presented in the Technical Report has "*reasonable prospects for economic extraction*" and has additional potential beyond the defined resource with appropriate studies.

EXPORATION, DEVELOPMENT AND PRODUCTION

Shear Zone Target Development and Drill Testing

Shear Zone ‘A’ and ‘B’ are exploration targets that justify follow up work. Both shears host significant widths of hydrothermal breccia and low-grade gold mineralization. Preliminary MMI-style soil geochemical surveys appear suitable for identifying gold mineralization and gold pathfinder elements. It is recommended that a systematic, gridded MMI soil survey be conducted to test the strike length of both shears. Any gold, silver, arsenic or antimony anomalies should be investigated by geologic mapping and drill testing.

Shear Zone ‘A’ and ‘B’ have current drill targets that can be tested concurrently while the MMI soil geochemistry program is operating. **Figure 6** shows a long-section of Shear Zone ‘A’. Significant widths of silicification have been identified at the Hub ‘A’ vein zone that have not seen any modern drill testing. A second target exists to the southeast of the mine workings where the 2008 drilling program indicated that the hydrothermal breccia is thickening to the southeast and to depth.

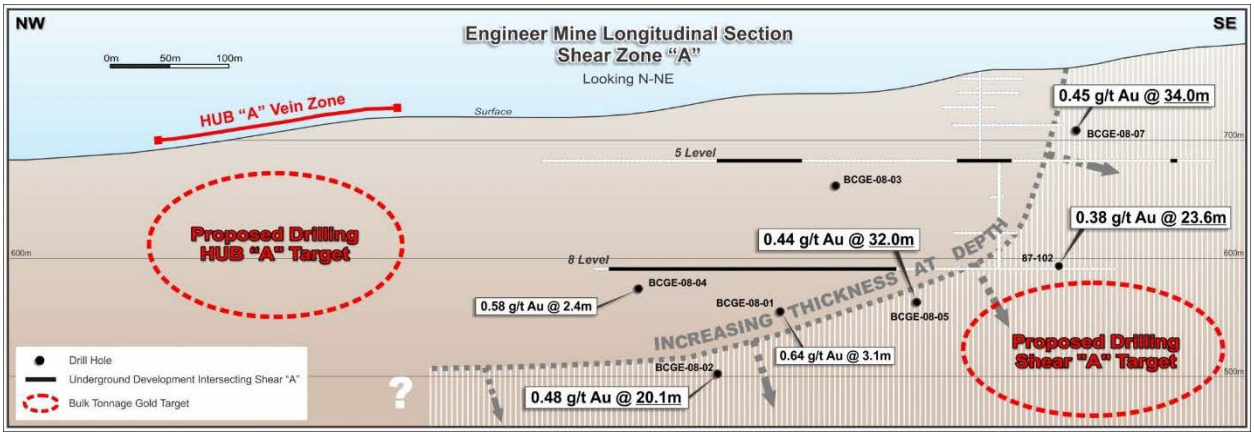


Figure 6: SHEAR ZONE ‘A’ LONG-SECTION WITH DRILL TARGETS

Figure 7 displays a long-section of Shear Zone ‘B’. The first drill target sits vertically below the historic Hub ‘B’ shaft and mine dump. Significant mineralization has been identified in the mine dump but records regarding the Hub ‘B’ mine workings have been lost. A second drill target exists below the 5 Level of the Engineer Gold Mine where the mine workings cross-cut the shear. Limited drilling and trenching show that gold mineralization could be increasing to depth. Shear Zone ‘B’ has not been drilled deeper than 150 m vertical depth.

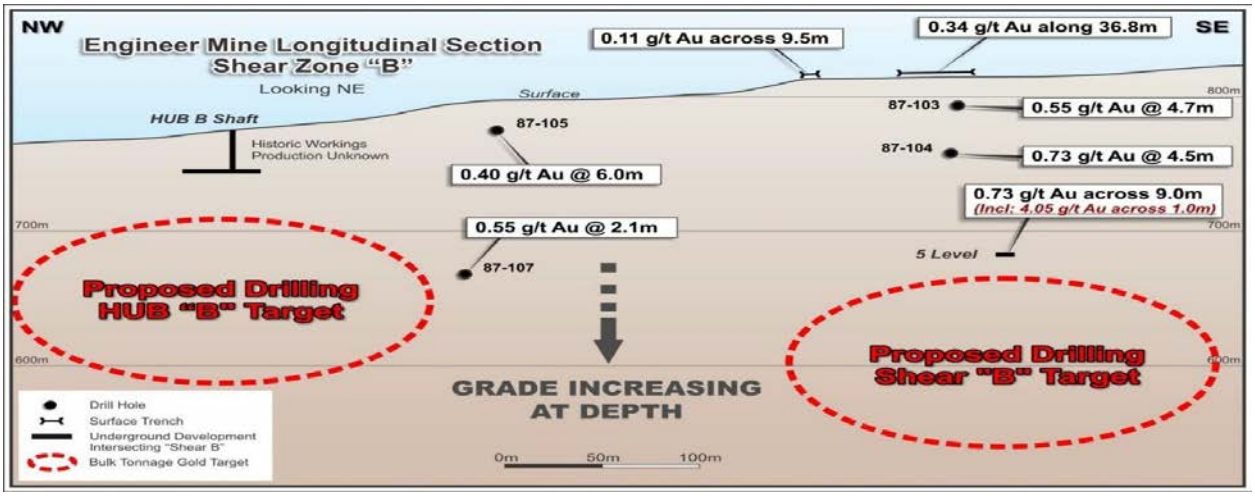


Figure 7: SHEAR ZONE 'B' LONG-SECTION WITH DRILL TARGETS

Wann Prospect

At the Wann Prospect, initial prospecting and drill testing have returned significant mineralization that deserve follow up work. As there is little outcrop exposure in the area, a soil orientation survey should be conducted to determine soil profiles. This should be followed up with a systematic soil survey in an attempt to delineate any geochemical anomalies.

Drill core from the 2011 program should be re-logged and potentially re-sampled to better understand the mineralization in the context of the overall Engineer Gold Mine system.

Underground Mapping and Sampling / 8 Level

The 2012 program was successful in dewatering the 6 and 7 levels of the mine. The Engineer Vein was geologically mapped and panel sampled on these levels which allowed the geologists to identify the mineralized shoots which form the current Mineral Resource.

It is proposed that a similar program be conducted to dewater the 8 Level of the mine workings. Historic records show that the 8 Level provides exposure not only to the Engineer Vein; but also, the Double Decker Vein, Jersey Lilly Vein, and a considerable strike length of Shear Zone 'A'. Mapping and sampling of 8 Level would add confidence and possibly upside to the current Mineral Resource.

Bulk Sampling

The 2011 bulk sampling program showed that large tonnage samples return gold grades and grade variability representative of the high-nugget mineralized veins. Bulk sampling also allowed a better estimate of mining and recovery dilution that should be expected with the narrow stope mining.

A program should be designed and budgeted to continue bulk sampling on 6 Level. The design should include driving the 6 Level drift in both directions to access the down-dip extent of the 505-3 and 505-5 stopes. The design should also include sourcing and installing a hoist conveyance system to transport the bulk sample material from 6 Level to the 5 Level Portal.

Metallurgy

Metallurgy test-work should continue on the tailings material from the 2011 test-milling program with the goal of maximizing gold and silver recoveries. Test-work should continue to investigate and compare flotation vs. gravity concentration methods.

Mineralogy analysis should also be completed on the -75 μm fraction re-grind concentrate to better understand the characterization for increased liberation and recovery of gold and silver at the finer particle sizes.

ITEM 6 – FINANCINGS

Engineer Gold Mines Private Placement

On March 27, 2018, Engineer Gold Mines completed the Engineer Gold Mines Private Placement, pursuant to which Engineer Gold Mines issued 7,600,000 Engineer Gold Mines Subscription Receipts at a price of $0.10 per Engineer Gold Mines Subscription Receipt for gross proceeds of $760,000, which proceeds have been placed in escrow pending satisfaction of the Engineer Gold Mines Escrow Release Conditions. Upon satisfaction of the Engineer Gold Mines Escrow Release Conditions prior to the Engineer Gold Mines Escrow Release Deadline and immediately prior to the closing of the Arrangement, the Engineer Gold Mines Subscription Receipts will automatically be exercised, without payment of any additional consideration and with no further action on the part of the holders thereof, for one Engineer Gold Mines Unit. Each Engineer Gold Mines Unit will be comprised of one (1) Engineer Gold Mines Common Share and one-half of one Engineer Gold Mines Warrant.

If the Engineer Gold Mines Escrow Release Conditions are not satisfied prior to the Engineer Gold Mines Escrow Release Deadline, the escrowed funds plus accrued interest, if any, will be returned to the Engineer Gold Mines Purchasers in accordance with the terms of the Engineer Gold Mines Private Placement. To the extent that the escrowed funds plus accrued interest, if any, are not sufficient to repay the purchase price for all Engineer Gold Mines Subscription Receipts, Blind Creek and Engineer Gold Mines have agreed to satisfy any shortfall.

As at the date of this Listing Application, Engineer Gold Mines does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

ITEM 7 – DIVIDENDS AND OTHER DISTRIBUTIONS

Engineer Gold Mines has not paid dividends since its incorporation. Engineer Gold Mines currently intends to retain all available funds, if any, for use in its business and does not anticipate paying any dividends for the foreseeable future.

ITEM 8 - MANAGEMENT'S DISCUSSION AND ANALYSIS

Please see the Management's Discussion and Analysis found in Schedules "B", "D" and "F" of this Listing Application.

ITEM 9 - DISCLOSURE OF OUTSTANDING SECURITY DATA ON FULLY DILUTED BASIS

	Number of Shares
Engineer Gold Mines Shares outstanding on completion of Arrangement	12,838,525
Engineer Gold Mines Shares underlying options	Nil
Engineer Gold Mines Shares issuable on exercise of Engineer Gold Mine Subscription Receipts	7,600,000
Engineer Gold Mines Shares underlying Engineer Gold Mine Warrants	3,800,000
Fully-Diluted Total	**24,238,525**

For information on prior sales, please "Item 13 – Prior Sales" below.

For more information, please see "Item 3 – Summary of Listing Application – The Arrangement" and "Item 3 – Summary of Listing Application – Effect of the Arrangement" above.

ITEM 10 – DESCRIPTION OF SECURITIES TO BE LISTED

Upon completion of the Arrangement, shareholders of Engineer Gold Mines will hold Engineer Gold Mines Common Shares, which will be the only securities of Engineer Gold Mines listed on the TSXVE.

Description of the Engineer Gold Mines Common Shares

The authorized capital of Engineer Gold Mines consists of an unlimited number of common shares. On completion of the Arrangement, it is anticipated that there will be approximately 12,838,525 Engineer Gold Mines Common Shares outstanding (assuming no Blind Creek convertible securities are exercised prior to the Effective Time). Approximately 20,438,525 Engineer Gold Mines Shares may be outstanding, post-Arrangement on the Effective Date, if all of the existing Blind Creek Options are exercised before the Effective Time. In addition, 7,600,000 Engineer Gold Mines Shares and 3,800,000 Engineer Gold Mines Warrants will be issued on exercise of the Engineer Gold Mines Subscription Receipts.

Voting and Other Rights

Holders of Engineer Gold Mines Common Shares are entitled to one vote per share at all meetings of Engineer Gold Mines Shareholders, to receive dividends as and when declared by the directors and to receive a pro rata share of the assets of Engineer Gold Mines available for distribution to holders of Engineer Gold Mines Common Shares in the event of liquidation, dissolution or winding up of Engineer Gold Mines. All rank pari passu, each with the other, as to all benefits which might accrue to the holders of Engineer Gold Mines Shares.

Escrowed Securities and Securities Subject to Contractual Restriction on Transfer

There are no Engineer Gold Mines Shares currently held in escrow or that are subject to a contractual restriction on transfer. On completion of the Arrangement, no Engineer Gold Mines Shares will be held in escrow by the Transfer Agent.

Resale Restrictions

There is currently no market through which the Engineer Gold Mines Shares may be sold and, unless the Engineer Gold Mines Shares are listed on a stock exchange, Blind Creek Shareholders may not be able to resell the Engineer Gold Mines Shares. There can be no assurances that Engineer Gold Mines will be able to obtain such a listing on the TSXVE or any other stock exchange. There is no assurance that any of the Canadian securities regulators will recognize Engineer Gold Mines as a reporting issuer, in which case Engineer Gold Mines will be a private company with no liquid market and significant legal restrictions on the ability to trade in its securities affecting all Engineer Gold Mines Shareholders.

ITEM 11 – CONSOLIDATED CAPITALIZATION

Engineer Gold Mines has not completed a financial year. There have not been any material changes in the share and loan capital of Engineer Gold Mines since the date of incorporation. See the audited financial statements of Engineer Gold Mines for the period ended February 28, 2018 appended as Schedule "C" to this Listing Application, and the Carve Out Financial Statements of Engineer Gold Mines appended as Schedule "A" and Schedule "E" to this Listing Application. As a result of the Arrangement, it is expected that the issued capital of Engineer Gold Mines will be approximately 12,838,525 Engineer Gold Mines Common Shares, post-Arrangement (assuming no Blind Creek convertible securities are exercised prior to the Effective Time). Upon satisfaction of the Escrow Release Conditions, there will be an additional 7,600,000 Engineer Gold Mines Common Shares Outstanding, as well as 3,800,000 Engineer Gold Mines Warrants.

ITEM 12 - Stock Option Plan

Engineer Gold Mines Stock Option Plan

As the Blind Creek Stock Option Plan will not carry forward to Engineer Gold Mines, and in contemplation of the successful completion of the Arrangement, Blind Creek Shareholders will be asked to approve the Engineer Gold Mines Option Plan at the Meeting.

The Engineer Gold Mines Board has adopted the Engineer Gold Mines Option Plan, subject to approval by the Blind Creek Shareholders and the TSXVE. The purpose of the Engineer Gold Mines Option Plan is to allow Engineer Gold Mines to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Engineer Gold Mines. The granting of such options is intended to align the interests of such persons with that of the shareholders.

No other stock options have been granted under the Engineer Gold Mines Option Plan or otherwise since incorporation. As the date hereof, there is no current market for the Engineer Gold Mines Shares. As such, the market value of the Engineer Gold Mines Common Shares underlying the Engineer Gold Mines Options has not been determined.

The following is a summary of the material terms of the Engineer Gold Mines Option Plan:

(a) Engineer Gold Mines must not grant an option to a director, officer, employee, management company employee, consultant, or consultant company in any 12 month period that exceeds 5% of the outstanding Engineer Gold Mines Shares, unless Engineer Gold Mines has obtained by a majority of the votes cast by the Engineer Gold Mines Shareholders eligible to vote at a shareholders' meeting, excluding votes attaching to Engineer Gold Mines Shares beneficially owned by insiders and their associates ("**Engineer Disinterested Shareholder Approval**");

(b) Engineer Gold Mines must not grant an option where the aggregate number of Engineer Gold Mines Common Shares reserved for issuance under options granted to insiders may exceed 10% of the outstanding Shares, unless Engineer Gold Mines has obtained Engineer Disinterested Shareholder Approval to do so;

(c) Engineer Gold Mines must not grant an option where the number of optioned Engineer Gold Mines Common Shares issued to insiders in any 12 month period exceeds 10% of the outstanding Gold Mines Common Shares, unless Engineer has obtained Engineer Disinterested Shareholder Approval to do so;

(d) the aggregate number of options granted to all persons conducting Investor Relations Activities in any 12 month period must not exceed 2% of the outstanding Engineer Gold Mines Common Shares calculated at the date of the grant, without the prior consent of the TSXVE;

(e) Engineer Gold Mines must not grant aggregate options to any one consultant in any 12 month period that exceeds 2% of the outstanding Engineer Gold Mines Common Shares calculated at the date of the grant of the option, without the prior consent of the TSXVE;

(f) the exercise price of an option previously granted to an insider must not be reduced, unless Engineer Gold Mines has obtained Engineer Disinterested Shareholder Approval to do so;

(g) persons who are Service Providers to Engineer Gold Mines or its affiliates are eligible to receive grants of options under the Engineer Gold Mines Option Plan;

(h) options granted under the Engineer Gold Mines Option Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years;

(i) where a grant is made to an optionee ("**Engineer Optionee**") who is an employee, consultant, consultant company or management company employee, Engineer Gold Mines represents that the Engineer Optionee is a bona fide employee, consultant, consultant company or management company employee, as the case may be, of Engineer Gold Mines or its affiliates;

(j) any option granted to an Engineer Optionee other than a director or officer of Engineer Gold Mines, will expire within 90 days (30 days if the Engineer Optionee was engaged in Investor Relations Activities) after the Engineer Optionee ceases to be employed by or provide services to Engineer Gold Mines, but only to the extent that such option has vested at the date the Engineer Optionee ceased to be so employed by or to provide services to Engineer Gold Mines;

(k) any option granted to an Engineer Optionee that is a director or officer of Engineer Gold Mines, will expire within the earlier of: (i) one (1) year after the date the Engineer Optionee ceased to be a director or officer of Engineer Gold Mines, (ii) the date of expiration of the term otherwise applicable to such Option, and (iii) such shorter period as Engineer Gold Mines determines is reasonable, and only to the extent that such Option has vested at the date the Engineer Optionee ceased to be so employed by or to provide services to Engineer Gold Mines;

(l) if an Engineer Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Engineer Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Engineer Optionee and the date of expiration of the term otherwise applicable to the option;

(m) in the case of an Engineer Optionee being dismissed from employment or service for cause, the Engineer Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without any right of exercise;

(n) the exercise price of each option will be set by the Engineer Gold Mines Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the policies of the TSXVE);

(o) vesting of options shall be at the discretion of the Engineer Gold Mines Board, subject to the requirements of the policies of the TSXVE (including any vesting requirements for persons performing Investor Relations Activities (as defined in the policies of the TSXVE)), and will generally be subject to: (i) the Engineer Optionee remaining employed by or continuing to provide services to Engineer Gold Mines or its affiliates, as well as, at the discretion of the Engineer Gold Mines Board, achieving certain milestones which may be defined by the Engineer Gold Mines Board from time to time or receiving a satisfactory performance review by Engineer Gold Mines or its affiliates during the vesting period; or (ii) the Engineer Optionee remaining as a director of Engineer Gold Mines or its affiliates during the vesting period;

(p) Engineer Gold Mines may withhold and remit income tax payable upon the exercise of stock options to comply with the Tax Act;

(q) Engineer Gold Mines, may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law; and

(r) the Engineer Gold Mines Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Engineer Gold Mines Option Plan with respect to all Engineer Gold Mines Common Shares in respect of options granted under the Engineer Gold Mines Option Plan.

The foregoing is only a summary of the salient features of the Engineer Gold Mines Option Plan. A copy of the Engineer Gold Mines Option Plan may be inspected at the offices of Blind Creek, during normal business hours and at the Meeting. In addition, a copy of the Engineer Gold Mines Option Plan will be mailed, free of charge, to any Blind Creek Shareholder who requests a copy, in writing, mailed to Blind Creek at Suite 808-1090 West Pender Street, Vancouver, BC V6E 2N7.

Following completion of the Arrangement, there will be no Engineer Gold Mines stock options outstanding and approximately 20,438,525 Engineer Gold Mines Common Shares and 3,800,000 Engineer Gold Mines Warrants outstanding upon exercise of the 7,600,000 Engineer Gold Mines Subscription Receipts issued pursuant to the Engineer Gold Mines Private Placement, assuming satisfaction of the Escrow Release Conditions.

ITEM 13 - PRIOR SALES

Engineer Gold Mines has not issued any shares except one incorporation Engineer Gold Mines Common Share to Blind Creek on January 17, 2018 for consideration of $1.00. This share will be cancelled upon Closing of the Plan of Arrangement.

ITEM 14 - ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

There are no Engineer Gold Mines Common Shares currently held in escrow or that are subject to a contractual restriction on transfer. On completion of the Arrangement, no Engineer Gold Mines Common Shares will be held in escrow by the Transfer Agent.

ITEM 15 - PRINCIPAL SECURITYHOLDERS

Blind Creek is the sole securityholder of Engineer Gold Mines immediately before completion of the Arrangement. It was issued one Engineer Gold Mines Common Share on incorporation.

To the knowledge of Engineer Gold Mines' directors and executive officers, and based on existing information as of the date hereof, no person or company, upon completion of the Arrangement will, beneficially own, or control or direct, directly or indirectly, voting securities of Engineer Gold Mines carrying 10% or more of the voting rights

attached to any class of voting securities of Engineer Gold Mines upon completion of the Arrangement except as set forth in the table below:

Name	Number of Engineer Gold Mines Common Shares Held[1]	Percentage of Engineer Gold Mines Shares Held[1]
J. Frank Callaghan	5,108,121	24.99%

Note: (1) This information, not being within the knowledge of Blind Creek, has been taken from public filings.

ITEM 16 - Directors and Executive Officers

The following table sets forth certain information with respect to each director and executive officer of Engineer Gold Mines.

Name, Jurisdiction of Residence and Position(s) (1)(2)	Principal Occupation During Past Five Years (1)	Number of Engineer Gold Mines Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement (3)	Percentage of Engineer Gold Mines Shares Issued and Outstanding Immediately Following the Completion of the Arrangement (4)
Andrew H. Rees(5) British Columbia, Canada *Director*	Barkerville Gold Mines (Director); Blind Creek Resources (Director); CobalTech mining Inc. (Director); Doubleview Capital Corp. (Director); Golden Cariboo Resources Ltd. (Director); Klondike Silver Corp. (Director); Starr Peak Exploration Ltd. (Director); and WellStar Energy Corp. (Director and President).	190,700	0.01%
Thomas Kennedy British Columbia, Canada *Director, CEO and Corporate Secretary*	AAN Ventures Inc. (Director); Acana Capital Corp. (Secretary); Amador Gold Corp. (Director, President, CEO and Secretary); Bard Ventures Ltd. (Treasurer); Big Blockchain Intelligence Group Inc. (Director); Blind Creek Resources Ltd. (Director and CEO); Organic Garage (formerly Crestwell Resources Inc.) (Director, CEO and Secretary); Golden Cariboo Resources Ltd. ((Director, CEO and Secretary); Grand Peak Capital Corp. (Director); Horizon Petroleum Plc (formerly Acadia Resources Corp.) (CEO and Secretary); Klondike Silver Corp. (Director, CEO, CFO, President and Secretary); Maxtech Ventures Inc. (VP and Secretary);	Nil	Nil

Name, Jurisdiction of Residence and Position(s) [1][2]	Principal Occupation During Past Five Years [1]	Number of Engineer Gold Mines Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement [3]	Percentage of Engineer Gold Mines Shares Issued and Outstanding Immediately Following the Completion of the Arrangement [4]
	Meadow Bay Gold Corporation (Secretary); M.E. Resource Corp. (Director); NanoStruck Technologies Inc. (formerly Blue Gold Water Technologies Ltd. and formerly Golden Cross Resources Inc.) (Director, CEO, President and Secretary); Rift Valley Resources Corp. (Director); Sedex Mining Corp. (Director); Silver Pursuit Resources Ltd. (Director and Secretary); Simba Gold Corp. (Secretary); Starr Peak Exploration Ltd. (Director, CEO and Secretary); Urastar Gold Corp. (formerly Urastar Energy Inc.) (Secretary); Vanc Pharmaceuticals Inc. (formerly Nuva Pharmaceuticals Inc.) (Director and CEO).		
Glen Macdonald British Columbia, Canada *Director*	Blind Creek Resources (Director); Columbus Energy Limited (Director and CEO); Firebird Resources Inc. (Director); GAR Limited (Director); Glenmac Capital Inc. (Director and CFO); Global Li-Ion Graphite Corp. (Director); Golden Cariboo Resources Ltd. (Director); Hybrid Minerals Inc. (formerly Savoy Ventures) (Director and CEO); Klondike Silver (Director); LeenLife Pharma International Inc. (Director); Nishal Capital Inc. (Director, CEO and CFO); Noram Ventures Inc. (Director); Pistol Bay Mining Inc. (Director); Priyanka Capital Inc. (Director, CEO, President and CFO); Ravensden Capital Inc. (Director, CEO and President); Real Difference Capital Inc. (Director, CEO, President and CFO); Shoshoni Gold Ltd. (Director and CEO); Starr Peak Resources Ltd. (Director); True North Gems Inc. (Director); Westminster Resources Ltd. (Director); Vinergy Resources Ltd. (Director); and Zanzibar Gold Inc.	Nil	Nil

Name, Jurisdiction of Residence and Position(s) [(1)(2)]	Principal Occupation During Past Five Years [(1)]	Number of Engineer Gold Mines Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement [(3)]	Percentage of Engineer Gold Mines Shares Issued and Outstanding Immediately Following the Completion of the Arrangement [(4)]
Brian Fowler, British Columbia, Canada *Director and President*	RedQuest Capital Corp. (Director, President and Chief Executive Officer), BCGold Corp. (Director, President and Chief Executive Officer); Blind Creek Resources (Director and President); and Laurentian Goldfields Ltd. (Director).	453,667 common shares and 100,000 warrants	0.03%
Dale Dobson British Columbia, Canada *Chief Financial Officer*	Amador Gold Corp. (CFO); Blind Creek Resources Ltd. (CFO); Golden Cariboo Resources Ltd. (CFO); and Starr Peak Exploration Ltd. (CFO).	Nil	Nil

Notes:

(1) The information as to residence and principal occupation, not being within the knowledge of Blind Creek or Engineer Gold Mines, has been furnished by the respective directors and officers individually.

(2) Directors serve until the earlier of the next annual general meeting or their resignation.

(3) The information as to securities beneficially owned or over which a director or officer exercises control or direction, not being within the knowledge of Blind Creek or Engineer Gold Mines, has been furnished by the respective directors and officers individually based on shareholdings in Blind Creek as of the date of this Listing Application.

(4) Assuming approximately 24,238,525 Engineer Gold Mines Shares are outstanding after completion of the Arrangement, which includes the 7,600,000 Engineer Gold Mines Shares and 3,800,000 Engineer Gold Mines Warrants to be issued on exercise of the Engineer Gold Mines Subscription Receipts upon satisfaction of the Escrow Release Conditions.

Upon the completion of the Arrangement, it is expected that the directors and executive officers of Engineer Gold Mines as a group, will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of approximately 644,367 Engineer Gold Mines Common Shares, representing approximately 0.03% of the issued Engineer Gold Mines Shares Assuming approximately 24,238,525 Engineer Gold Mines Shares are outstanding after completion of the Arrangement, which includes the 7,600,000 Engineer Gold Mines Shares and 3,800,000 Engineer Gold Mines Warrants to be issued on exercise of the Engineer Gold Mines Subscription Receipts upon satisfaction of the Escrow Release Conditions.

The principal occupations of each of the proposed directors and executive officers of Engineer Gold Mines within the past five years are disclosed in the chart above.

Thomas Kennedy. Mr. Kennedy, B.Comm., J.D., is a graduate of the University of British Columbia. After an initial career at the Federal Department of Justice, Mr. Kennedy has primarily focused as a legal, financial and business consultant to publicly-traded companies. Mr. Kennedy is currently a member of the Law Society of British

Columbia, the Canadian Bar Association, the British Columbia Bar Association, and an Associate member of the American Bar Association. Mr. Kennedy is also an officer and/or director of several TSXVE listed companies.

Andrew H. Rees. Mr. Rees, B.Comm, has been involved with public resource companies since 1998. Mr. Rees also serves as President of WellStar Energy Corp. and serves as a director for several other resource companies.

Glen Macdonald. Mr. Macdonald is a geological consultant with over 35 years' experience in prospecting, property evaluation, exploration and development of open pit and underground mines. Mr. Macdonald also has mill processing experience as an operator and project manager. He has held numerous positions with public companies listed on the Toronto Stock Exchange and TSXVE as an officer and a director.

Brian P. Fowler. Mr. Fowler, P.Geo. has 38 years of mineral exploration experience from grassroots work to feasibility studies and mine development, and has fulfilled roles in the exploration industry from field geologist to corporate executive and director. Mr. Fowler's career includes project identification, acquisition and advancement throughout Canada and internationally, exploring for a wide range of commodities including gold, silver and base metals. Mr. Fowler has consulted for 23 years and worked for several major companies such as Placer Dome Inc. and Quadra Mining Ltd. in management roles for 15 years. For the past 11 years Mr. Fowler has worked primarily as a mining executive and founded a number of publicly traded junior exploration companies.

Dale Dobson. Mr. Dobson, CPA, CGA is a member of the Chartered Professional Accountants of British Columbia. He received his designation in 1990. He has been working for TSXVE listed mining companies since 1994.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions or Individual Bankruptcies, Penalties or Sanctions or Individual Bankruptcies

Other than as disclosed below, to the knowledge of Engineer Gold Mines, no director or executive officer:

(a) is, as at the date of this Listing Application, or has been, within ten years before the date of this Listing Application, a director, chief executive officer or chief financial officer of any company (including Engineer Gold Mines) that:

(i) was the subject, while the director was acting in that capacity as a director, chief executive officer or chief financial officer of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

(ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer but which resulted from an event that occurred while the director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

(b) is, as at the date of this Listing Application, or has been within 10 years before the date of this Listing Application, a director or executive officer of any company (including Engineer Gold Mines) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the ten years before the date of this Listing Application, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or

instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director;

Thomas Kennedy was a director of Klondike Silver Corp., a TSXVE listed company on October 10, 2013, at which time the BCSC issued a CTO against the company for failure to file comparative financial statements and related Management's Discussion and Analysis for the year ended May 31, 2013. The CTO was rescinded by the BCSC on October 21, 2013.

Andrew H. Rees was a director of Barkerville Gold Mines Ltd., a TSXVE listed company which was cease traded by the BCSC on August 14, 2012 for failure to file a technical report in the proper form pursuant to NI 43-101. The CTO was revoked on July 15, 2013. Mr. Rees ceased being a director of Barkerville Gold Mines Ltd. on April 2, 2015.

None of the proposed directors (or any of their personal holding companies) has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

The following table sets out the experience of the directors and executive officers of Engineer Gold Mines upon completion of the Arrangement as directors or officers of any other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	From - To
Andrew H. Rees	Doubleview Capital Corp.	TSX-V: DBV	Director	June 6, 2011 - Present
	Golden Cariboo Resources Ltd.	TSX.V: GCC.H	Director	March 27, 2001 - Present
	Klondike Silver Corp	TSX.V: KS	Director	October 15, 2015 - Present
	Starr Peak Resources Ltd.	TSX.V: STE	Director	Jan 31, 2008 - Present
	Wellstar Energy Corp.	TSX.V: WSE	Director President	Mar 7, 2005 - Present
	Blind Creek Resources Ltd.	TSX.V: BCK	Director	July 5, 2011 - Present
	Barkerville Gold Mines	TSX.V: BGM	Director	May 5, 2003 – April 2, 2015
	CobalTech Mining Inc.	TSX.V: CSK	Director	Feb 24, 2009 – Jan 4, 2017
Thomas Kennedy	AAN Ventures Inc.	TSX-V: **ANN**	CFO Director	December 2009 – April 2013 April 2013 – June 2015
	Acana Capital Corp.	CSE: **APB**	Secretary	August 2014 – June 2015
	Amador Gold Corp.	TSX-V: **AGX**	Director CFO President/CEO/Secretary	April 2013 – present Sept 2014 – Jan 2015 Jan 2015 – present
	Bard Ventures Ltd.	TSX-V: **CBS**	Treasurer	Jan 29 2015 – June 2015
	Big Blockchain Intelligence Group Inc.	CSE: **BIGG**	Director	Nov 30, 2017 - present

	Blind Creek Resources Ltd.	TSX-V: **BCK**	Director CEO Secretary	April 2011 – present August 2015 – present May 2016 – present
	Organic Garage (formerly Crestwell Resources Inc.)	CNSX: **CER**	Director President, CEO and Director	August 2014 – Oct 18 2016 August 2014 - Oct 18 2016
	Golden Cariboo Resources Ltd.	TSXV: GCC	Director CEO Secretary	April 2015 – present August 2015 – present May 2016 – present
	Grand Peak Capital Corp.	CSE: **GPK.U**	Director	March 2008 - June 2015
	Horizon Petroleum Plc (formerly Acadia Resources Corp.)	TSX-V: **HPL**	President CEO Director	March 1989 – June 2013 February 2005 – June 2013 March 1989 – January 2013
	Klondike Silver Corp.	TSX-V: KS	Director CFO President/CEO Secretary	April 2013 – present Sept 2014 – Jan 2015 Jan 2015 – present Sept 2014 – present
	Maxtech Ventures Inc.	CSE: **MVT**	Secretary VP Secretary	January 2010 – July 2013 September 2010 – July 2013 August 2014 – April 2015
	Meadow Bay Gold Corporation	TSX: **MAY**	Secretary	January 11, 2011 - July 20, 2016
	M.E. Resource Corp.	TSX-V: **MEC**	Director	February 2011 – June 2014
	NanoStruck Technologies Inc. (formerly Blue Gold Water Technologies Ltd. and formerly Golden Cross Resources Inc.)	CNSX: **GOX**	President CEO Director Secretary	March 2009 – May 2013 March 2009 - May 2013 March 2009 - May 2013 December 2009 - May 2013
	Rift Valley Resources Corp.	CSE: **RVR**	Director	Sept. 15, 2016 – present
	Sedex Mining Corp.	TSXV: **SDN**	Director	August 2013 - March 2014
	Silver Pursuit Resources Ltd.	TSX-V: **SPF**	Secretary Director	March 2010 – August 2013 April 2015 - present
	Simba Gold Corp.	TSX-V: **SGD**	Secretary	March 2011 – November 2013
	Starr Peak Exploration Ltd.	TSXV: **LG**	Director CEO Secretary	July 2015 – present July 2015 – present May 2016 – present
	Urastar Gold Corp. (formerly Urastar Energy Inc.)	TSX-V: **URS**	Secretary	October 2010 – May 2013
	Vanc Pharmaceuticals Inc. (formerly Nuva Pharmaceuticals Inc.)	TSX-V: **NPH**	Director CEO	November 2012 – November 2013 September 5, 2013 – November 2013
Glen Macdonald	Columbus Energy Limited	TSX.V	Director	July 29, 2015 - present
	Firebird Resources Inc.	TSX.V	Director	Jan 29, 2010 - present
	GAR Limited	CSX	Director	Sept. 27, 2017 - present
	Glenmac Capital Inc.	-	Director	Oct 16, 2014 - present
	Global Li-Ion Graphite Corp.	CSX	Director	Nov 6, 2014 - present
	Golden Cariboo Resources Ltd.	NEX	Director	Dec 7, 2014 - present
	Hybrid Minerals Inc.	TSX.V	CEO Director	June 14, 2014 – present Nov 22, 2013 - present
	LeenLife Pharma International Inc.	TSX.V	Director	Jan 12, 2012 - present
	Nishal Capital Inc.	-	CEO Director	Oct 6, 2014 - present
	Pistol Bay Mining Inc.	TSX.V	Director	Dec 4, 2002 - present
	Priyanka Capital Inc.	-	CEO Director	Oct 16, 2014 - present
	Ravensden Capital Inc.	-	CEO Director	Oct 16, 2014 - present

	Real Difference Capital Inc.	-	CEO Director	Oct 16, 2014 - present
	Shoshoni Gold Ltd.	-	CEO Director	Mar 27, 2015 - present
	Starr Peak Resources Ltd.	TSX.V	Director	Apr 11, 2016 - present
	True North Gems Inc.,	TSX.V	Director	July - present
	Westminster Resources Ltd.	TSX.V	Director	Aug 29, 2007 - present
	Vinergy Resources Ltd.	CSX	Director	Nov 30, 2009 - present
	Zanzibar Gold Inc.	-	Director	Sept - present
Brian Fowler	Pure Gold Mining Inc.	TSX.V	Director	2011 - 2015
Dale Dobson	Amador Gold Corp.	NEX: **AGX.H**	CFO	Feb 23, 2016 – present
	Blind Creek Resources Ltd.	TSX-V: **BCK**	CFO	Jan 9 2018 - present
	Golden Cariboo Resources Ltd.	NEX: **GCC.H**	CFO	Jan 9 2018 - present
	Starr Peak Exploration Ltd.	TSX-V: **STE**	CFO	Jan 9 2018 - present

ITEM 17 – EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Engineer Gold Mines was incorporated on January 17, 2018 and, accordingly, has not yet completed a financial year and has not yet developed a compensation program. Engineer Gold Mines anticipates that it will adopt a compensation program that reflects its stage of development, the main elements of which are expected to be comprised of base salary, option-based awards and annual cash incentives, which elements are similar to those paid by Blind Creek and described in this Listing Application. There will be a cost-sharing arrangement between Blind Creek and Engineer Gold Mines to be implemented upon completion of the Arrangement.

Summary Compensation

Engineer Gold Mines was incorporated on January 17, 2018 and has not yet completed a financial year. No compensation has been paid to date. In addition, it has no compensatory plan or other arrangements in respect of compensation received or that may be received by its Chief Executive Officer, its Chief Financial Officer, or its Vice-President, Exploration in its current financial year.

Following the completion of the Arrangement, Engineer Gold Mines will establish a Compensation Committee (the "**Compensation Committee**"), which will administer the compensation mechanisms to be implemented by the Engineer Gold Mines Board. The individuals that will be appointed to the Compensation Committee, once formed, will each have direct experience that is relevant to their responsibilities in determining executive compensation for Engineer Gold Mines.

On an annual basis, the Compensation Committee will review the compensation of the Named Executive Officers to ensure that each is being compensated in accordance with the objectives of Engineer Gold Mines' compensation program, which will be to:

- provide competitive compensation that attracts and retains talented employees;
- align compensation with shareholder interests;
- pay for performance;

- support the Engineer Gold Mines' vision, mission and values; and
- be flexible to recognize the needs of Engineer Gold Mines in different business environments.

Engineer Gold Mines does not currently have any compensation policies or mechanisms in place. The compensation policies are anticipated to be comprised of three components; namely, base salary, equity compensation in the form of stock options, and discretionary performance-based. In addition, Named Executive Officers will be entitled to participate in a benefits program to be implemented by Engineer Gold Mines. A Named Executive Officer's base salary will be intended to remunerate the Named Executive Officer for discharging job responsibilities and will reflect the executive's performance over time. Base salaries are used as a measure to compare to, and remain competitive with, compensation offered by competitors and as the base to determine other elements of compensation and benefits. The stock option component of a NEO's compensation, which includes a vesting element to ensure retention, will aim to meet the objectives of the compensation program to be implemented, by both motivating the executive towards increasing share value and enabling the executive to share in the future success of Engineer Gold Mines. Discretionary performance-based bonuses will be considered from time to time to reward those who have achieved exceptional performance and meet the objectives of Engineer Gold Mines' compensation program by rewarding pay for performance. Other benefits will not form a significant part of the remuneration package of any of the Named Executive Officers of Engineer Gold Mines.

The Engineer Gold Mines Board has adopted the Engineer Gold Mines Option Plan, which plan is also subject to approval by the Blind Creek Shareholders and the TSXVE. The Engineer Gold Mines Option Plan, once implemented, will allow for the granting of incentive stock options to its officers, employees and directors. The purpose of granting such options would be to assist Engineer Gold Mines in compensating, attracting, retaining and motivating the directors of Engineer Gold Mines and to closely align the personal interests of such persons to that of the shareholders of Engineer Gold Mines.

Option-Based Awards

The purpose of the Engineer Gold Mines Option Plan is to allow Engineer Gold Mines to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of Engineer Gold Mines. The granting of such options is intended to align the interests of such persons with that of the shareholders. The Engineer Gold Mines Option Plan, once implemented, will be used to provide stock options which will be awarded based on the recommendations of the directors of Engineer Gold Mines, taking into account the level of responsibility of such person, as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer term operating performance of Engineer Gold Mines. In determining the number of options to be granted, Engineer Gold Mines Board will take into account the number of options, if any, previously granted, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSXVE and to closely align the interests of such person with the interests of shareholders. The Engineer Gold Mines Board will determine the vesting provisions of all stock option grants.

Incentive Plan Awards

Engineer Gold Mines does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to its Named Executive Officers. Other than the Engineer Gold Mines Options that the Named Executive Officers will receive on completion of the Arrangement, Engineer Gold Mines has made no option-based or share-based awards to any of its Named Executive Officers.

Pension Plan Benefits

Engineer Gold Mines does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination of Employment, Change in Responsibilities and Employment Contracts

Engineer Gold Mines has no employment contracts between it and either of its Named Executive Officers. Further, it has no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of Engineer Gold Mines or its subsidiaries, if any, or a change in responsibilities of a Named Executive Officer following a change of control. Engineer Gold Mines will consider entering into contracts with its Named Executive Officers following completion of the Arrangement.

Defined Benefit or Actuarial Plan Disclosure

Engineer Gold Mines has no defined benefit or actuarial plans.

Director Compensation

Engineer Gold Mines currently has no arrangements, standard or otherwise, pursuant to which directors are compensated by Engineer Gold Mines for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert since its incorporation on January 17, 2018 and up to and including the date of this Listing Application.

Upon completion of the Arrangement, Engineer Gold Mines will adopt a compensation program for directors. The objectives of the director compensation program will be to attract, retain and inspire performance of members of the Engineer Gold Mines Board of a quality and nature that will enhance Engineer Gold Mines' growth. The compensation will be intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of directors. The philosophy, and market comparisons and review with respect to director compensation, will be the same as for the executive compensation programs to be implemented by Engineer Gold Mines.

The Engineer Gold Mines Option Plan, once implemented, will allow for the granting of incentive stock options to its officers, employees and directors. The purpose of granting such options would be to assist Engineer Gold Mines in compensating, attracting, retaining and motivating the directors of Engineer Gold Mines and to closely align the personal interests of such persons to that of the shareholders of Engineer Gold Mines.

Aggregate Options Exercised and Option Values

No stock options have been granted by Engineer Gold Mines or exercised since the date of its incorporation on January 17, 2018.

ITEM 18 – INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is and has been no indebtedness of any director, executive officer or senior officer or associate of any of them, to or guaranteed or supported by Engineer Gold Mines during the period from incorporation.

ITEM 19 - AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Engineer Gold Mines will appoint an Audit Committee following the completion of the Arrangement. Each member of the Audit Committee to be appointed will have adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Engineer Gold Mines' financial statements.

It is intended that the Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to preapprove audit and non-audit services provided by the independent auditor. All such preapprovals would be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

The charter to be adopted by the Audit Committee is expected to be substantially similar to that of Blind Creek's Audit Committee, which is appended to this Listing Application as Schedule "H".

To date, Engineer Gold Mines has paid no fees to its external auditor.

Corporate Governance

Please refer to Schedule "I" for the required disclosure under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* for Engineer Gold Mines.

ITEM 20 – AGENT, SPONSOR OR ADVISOR

Not applicable – Engineer Gold Mines has not retained an Agent or Sponsor in connection with the Arrangement or this Listing Application (as such terms are defined in Policy 1.1 of the TSXVE Corporate Finance Manual).

ITEM 21 - RISK FACTORS

An investment in the securities of Engineer Gold Mines (both before and after completion of the Arrangement) should be considered highly speculative and involves a high degree of risk and should only be made by investors who can afford to lose their entire investment.

Engineer Gold Mines Risk Factors

In addition to the other information contained in this Listing Application, the following factors should be considered carefully when considering risk related to Engineer Gold Mines' proposed business.

Nature of the Securities and No Assurance of any Listing

Engineer Gold Mines Shares are not currently listed on any stock exchange and there is no assurance that the shares will be listed. Even if a listing is obtained, the holding of Engineer Gold Mines Shares will involve a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Engineer Gold Mines Shares should not be held by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of Engineer Gold Mines should not constitute a major portion of an investor's portfolio.

Possible Non-Completion of Arrangement

There is no assurance that the Arrangement will receive regulatory, stock exchange, Court or shareholder approval or will be completed. If the Arrangement is not completed, Engineer Gold Mines will remain a private company and a wholly-owned subsidiary of Blind Creek. If the Arrangement is completed, Engineer Gold Mines Blind Creek Shareholders (which will consist of Blind Creek Shareholders who receive Engineer Gold Mines Common Shares) will be subject to the risk factors described below relating to resource properties.

Limited Operating History

Engineer Gold Mines was incorporated on January 17, 2018 and has a limited operating history and no operating revenues.

Dependence on Management

Engineer Gold Mines will be very dependent upon the personal efforts and commitment of its directors and officers**.** If one or more of Engineer Gold Mines' proposed executive officers become unavailable for any reason, a severe disruption to the business and operations of Engineer Gold Mines could result, and Engineer Gold Mines may not be able to replace them readily, if at all. As Engineer Gold Mines' business activity grows, Engineer Gold Mines will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that Engineer Gold Mines will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If Engineer Gold Mines is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on Engineer Gold Mines' future cash flows, earnings, results of operations and financial condition.

Engineer Gold Mines' operations are subject to human error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Engineer Gold Mines' interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Engineer Gold Mines. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Engineer Gold Mines might undertake and legal claims for errors or mistakes by Engineer Gold Mines personnel.

Financing Risks

If the Arrangement is completed, additional funding will be required to conduct future exploration programs on the Engineer Gold Mines Property and to conduct other exploration programs. If Engineer Gold Mines' proposed exploration programs are successful, additional funds will be required for the development of an economic mineral body and to place it in commercial production. The only sources of future funds presently available to Engineer Gold Mines are the sale of equity capital, or the offering by Engineer Gold Mines of an interest in its properties to be earned by another party or parties carrying out exploration or development thereof. There is no assurance that any such funds will be available for operations. Failure to obtain additional financing on a timely basis could cause Engineer Gold Mines to reduce or terminate its proposed operations.

Conflicts of Interest

Certain directors and officers of Engineer Gold Mines are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Engineer Gold Mines, including possibly Blind Creek. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of Engineer Gold Mines. Directors and officers of Engineer Gold Mines with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

No History of Earnings

Engineer Gold Mines has no history of earnings or of a return on investment, and there is no assurance that the Engineer Gold Mines Property or any other property or business that Engineer Gold Mines may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. Engineer Gold Mines has no plans to pay dividends for some time in the future, if ever. The future dividend policy of Engineer Gold Mines will be determined by the Engineer Gold Mines Board.

Exploration and Development

Resource exploration and development is a speculative business and involves a high degree of risk. There are no known mineral reserves on the Engineer Gold Mines Property. There is no certainty that the expenditures to be made by Engineer Gold Mines in the exploration of the Engineer Gold Mines Property or otherwise will result in discoveries of commercial quantities of minerals. The marketability of natural resources which may be acquired or discovered by Engineer Gold Mines will be affected by numerous factors beyond the control of Engineer Gold Mines. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Engineer Gold Mines not receiving an adequate return on invested capital.

Environmental Risks and Other Regulatory Requirements

The current or future operations of Engineer Gold Mines, including future exploration and development activities and commencement of production on its property or properties, will require permits or licences from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which Engineer Gold Mines may require for the conduct of its operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any project which Engineer Gold Mines might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies and mine reclamation and remediation activities, or more stringent implementation thereof, could have a material adverse impact on Engineer Gold Mines and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Dilution

Issuances of additional securities including, but not limited to, its common stock or some form of convertible debentures, will result in a substantial dilution of the equity interests of any persons who may become Engineer Gold Mines Shareholders as a result of or subsequent to the Arrangement.

Market for securities

There is currently no market through which the Engineer Gold Mines Common Shares may be sold and Engineer Gold Mines Shareholders may not be able to resell the Engineer Gold Mines Common Shares acquired under the Plan of Arrangement. There can be no assurance that an active trading market will develop for the Engineer Gold Mines Common Shares following the completion of the Plan of Arrangement, or if developed, that such a market will be sustained at the trading price of the Engineer Gold Mines Common Shares on the TSXVE immediately after the Effective Date. There can be no assurances that any securities regulatory authority will recognize Engineer Gold Mines as a reporting issuer, or that Engineer Gold Mines will be able to obtain a listing on the TSXVE or any stock exchange.

Nature of Mineral Exploration and Development

All of Engineer Gold Mines' operations are at the exploration stage and there is no guarantee that any such activity will result in commercial production of mineral deposits. The exploration for mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an mineralization may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by Engineer Gold Mines or any future development programs will result in a profitable commercial mining operation. There is no assurance that the Engineer Gold Mines' mineral exploration activities will result in any discoveries of commercial mineralization. There is also no assurance that, even if commercial mineralization is discovered, a mineral property will be brought into commercial production. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted. The long-term profitability of Engineer Gold Mines will be in part directly related to the cost and success of its exploration programs and any subsequent development programs.

No Operating History

Exploration projects have no operating history upon which to base estimates of future cash flows. Substantial expenditures are required to develop mineral projects. It is possible that actual costs and future economic returns may differ materially from Engineer Gold Mines' estimates. There can be no assurance that the underlying assumed levels of expenses for any project will prove to be accurate. Further, it is not unusual in the mining industry for new mining operations to experience unexpected problems during start-up, resulting in delays and requiring more capital than anticipated. There can be no assurance that Engineer Gold Mines' projects will move beyond the exploration stage and be put into production, achieve commercial production or that Engineer Gold Mines will produce revenue, operate profitably or provide a return on investment in the future. Mineral exploration involves considerable financial and technical risk. There can be no assurance that the funds required for exploration and future development can be obtained on a timely basis. There can be no assurance that Engineer Gold Mines will not suffer significant losses in the near future or that Engineer Gold Mines will ever be profitable.

Commodity Prices

The price of the Engineer Gold Mines Shares and Engineer Gold Mines' financial results may be significantly adversely affected by a decline in the price of gold, silver and other mineral commodities. Metal prices fluctuate widely and are affected by numerous factors beyond Engineer Gold Mines' control. The level of interest rates, the rate of inflation, world supply of mineral commodities, global and regional consumption patterns, speculative trading activities, the value of the United States dollar and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems, political systems and political and economic developments. The price of mineral commodities has fluctuated widely in recent years and future serious price declines could cause potential commercial production to be uneconomic. A severe decline in the price of minerals would have a material adverse effect on Engineer Gold Mines.

Dividend Policy

No dividends on Engineer Gold Mines Shares have been paid by Engineer Gold Mines to date. Engineer Gold Mines anticipates that it will retain all earnings and other cash resources for the foreseeable future for the operation and development of its business. Engineer Gold Mines does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Engineer Gold Mines Board after taking into account many factors, including Engineer Gold Mines' operating results, financial condition and current and anticipated cash needs.

Permitting

Engineer Gold Mines' mineral property interests are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of existing permits, additional permits for any possible future developments or changes to operations or additional permits associated with new legislation. Prior to any development of any of their properties, Engineer Gold Mines must receive permits from appropriate governmental authorities. There can be no assurance that Engineer Gold Mines will continue to hold all permits necessary to develop or continue its activities at any particular property. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on Engineer Gold Mines, resulting in increased capital expenditures and other costs or abandonment or delays in development of properties.

Land Title

The acquisition of title to resource properties is a very detailed and time-consuming process. No assurances can be given that there are no title defects affecting the properties in which Engineer Gold Mines has an interest. The properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. Other parties may dispute the title to a property or the property may be subject to prior unregistered agreements and transfers or land claims by Indigenous people. The title may also be affected by undetected encumbrances or defects or governmental actions. Engineer Gold Mines has not conducted surveys of properties in which it holds an interest and the precise area and location of claims or the properties may be challenged. Engineer Gold Mines may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict Engineer Gold Mines' ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by Engineer Gold Mines invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although Engineer Gold Mines believes it has taken reasonable measures to ensure proper title to the properties in which it has an interest, there is no guarantee that such title will not be challenged or impaired.

Influence of Third Party Stakeholders

The mineral properties in which Engineer Gold Mines holds an interest, or the exploration equipment and road or other means of access which Engineer Gold Mines intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Engineer Gold Mines' work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Engineer Gold Mines.

Insurance

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, ground or slope failures, fires, environmental occurrences and natural phenomena such as prolonged periods of inclement weather conditions, floods and earthquakes. It is not always possible to obtain insurance against all such risks and Engineer Gold Mines may decide not to insure against certain risks because of high premiums or other reasons. Such occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to Engineer Gold Mines' properties or the properties of others, delays in exploration, development or mining operations, monetary losses and possible legal liability. Engineer Gold Mines expects to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. Engineer Gold Mines expects to carry liability insurance with respect to its mineral exploration operations, but is not expected to cover any form of political risk insurance or certain forms of environmental liability insurance, since insurance against political risks and environmental risks (including liability for pollution) or other hazards resulting from

exploration and development activities is prohibitively expensive. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of Engineer Gold Mines. If Engineer Gold Mines is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy. The lack of, or insufficiency of, insurance coverage could adversely affect Engineer Gold Mines' future cash flow and overall profitability.

Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Engineer Gold Mines expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Engineer Gold Mines, Engineer Gold Mines may be unable to acquire additional attractive mineral properties on terms it considers acceptable. In addition, Engineer Gold Mines' ability to consummate and to integrate effectively any future acquisitions on terms that are favourable to Engineer Gold Mines may be limited by the number of attractive acquisition targets, internal demands on resources, competition from other mining companies and, to the extent necessary, Engineer Gold Mines' ability to obtain financing on satisfactory terms, if at all.

Arrangement Risk Factors

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Blind Creek and Engineer Gold Mines. There can be no certainty, nor can Blind Creek or Engineer Gold Mines provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

In addition to the other information presented in this Listing Application (without limitation, see also "Item 21 - Risk Factors - Engineer Gold Mines Risk Factors"), the following risk factors should be given special consideration:

1. The trading price of Blind Creek Common Shares on the Effective Date may vary from the price as at the date of execution of the Arrangement Agreement, the date of this Listing Application and the date of the Meeting and may fluctuate depending on investors' perceptions of the merits of the Arrangement.

2. The number of Engineer Gold Mines Shares being issued in connection with the Arrangement will not change despite decreases or increases in the market price of the Blind Creek Common Shares. Many of the factors that affect the market price of the Blind Creek Common Shares are beyond the control of Blind Creek. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

3. There is no assurance that the Arrangement will be completed or that, if completed, the Engineer Gold Mines Shares will be listed and posted for trading on the TSXVE or on any other stock exchange.

4. There is no assurance that any of the Canadian securities regulators will recognize Engineer Gold Mines as a reporting issuer, in which case Engineer Gold Mines will be a private company with no liquid market and significant legal restrictions on the ability to trade in its securities affecting all Engineer Gold Mines Shareholders.

5. There is no assurance that the Arrangement can be completed as proposed or without Blind Creek Shareholders exercising their dissent rights in respect of a substantial number of Blind Creek Common Shares.

6. There is no assurance that the businesses of Engineer Gold Mines, after completing the Arrangement, will be successful.

7. While Blind Creek believes that the Engineer Gold Mines Shares to be issued to Blind Creek Shareholders pursuant to the Arrangement will not be subject to any resale restrictions save securities held by control persons and save for any restrictions flowing from current restrictions associated with a Shareholder's Blind Creek Common Shares, there is no assurance that this is the case and each Blind Creek Shareholder is urged to obtain appropriate legal advice regarding applicable securities legislation.

8. The transactions may give rise to significant adverse tax consequences to Blind Creek Shareholders and each such Blind Creek Shareholder is urged to consult his, her or its own tax advisor.

9. There is no assurance that the number of Engineer Gold Mines Shares to be issued to Blind Creek Shareholders accurately reflects the value of the Engineer Gold Mines Property.

10. Certain costs related to the Arrangement, such as legal and accounting fees, must be paid by Blind Creek even if the Arrangement is not completed.

11. If the Arrangement Resolution is not approved by the Blind Creek Shareholders or, even if the Arrangement Resolution is approved, as a result of the Engineer Gold Mines Property being transferred to Engineer Gold Mines, an entity separate from Blind Creek, the market price of the Blind Creek Common Shares may decline to the extent that the current market price of the Blind Creek Common Shares reflects a market assumption that the Plan of Arrangement will be completed or to the extent the current market price of the Blind Creek Common Shares reflects the value associated with the Engineer Gold Mines Property, as applicable.

The risks described in this Listing Application are not the only ones facing Engineer Gold Mines. Additional risks not currently known to Engineer Gold Mines, or that Engineer Gold Mines currently deems immaterial, may also impair Engineer Gold Mines' operations. If any of the following risks actually occur, Engineer Gold Mines' business, financial condition and operating results could be adversely affected.

ITEM 22 – PROMOTERS

Blind Creek took the initiative in Engineer Gold Mines' organization and, accordingly, may be considered to be the promoter of Engineer Gold Mines within the meaning of applicable Securities Legislation. Blind Creek will not, at the closing of the Arrangement, beneficially own, or control or direct, any Engineer Gold Mines Common Shares. During the period from incorporation to and including the closing of the Arrangement, the only material thing of value which Blind Creek has or will receive from Engineer Gold Mines is the Engineer Gold Mines Shares to be issued to Blind Creek in consideration for the transfer to Engineer Gold Mines by Blind Creek of the Engineer Gold Mines Property, which Engineer Gold Mines Shares will be distributed to the Blind Creek Shareholders pursuant to the Arrangement.

ITEM 23 – LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the best of Engineer Gold Mines' knowledge, following due enquiry, Engineer Gold Mines is not a party to any material legal proceedings and Engineer Gold Mines is not aware of any such proceedings known to be contemplated.

To the best of Engineer Gold Mines' knowledge, following due enquiry, there have been no penalties or sanctions imposed against Engineer Gold Mines by a court relating to federal, state, provincial and territorial securities legislation or by a securities regulatory authority since incorporation, nor have there been any other penalties or sanctions imposed by a court or regulatory body against Engineer Gold Mines and it has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

ITEM 24 - INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or greater than 10% shareholder of Engineer Gold Mines and no associate or affiliate of the foregoing persons has or had any material interest, direct or indirect, in any transaction since incorporation or in any proposed transaction which in either such case has materially affected or will materially affect Engineer Gold Mines save as described herein.

ITEM 25 – INVESTOR RELATIONS ARRANGEMENTS

Not applicable - no written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for Engineer Gold Mines.

ITEM 26 - AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The auditors of Engineer Gold Mines are Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants of 1500 - 1140 West Pender Street, Vancouver, BC V6E 4G1.

Registrar and Transfer Agent

The registrar and transfer agent for the Engineer Gold Mines Shares is Computershare Investor Services Inc. at its principal offices at 3rd Floor, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

ITEM 27 – MATERIAL CONTRACTS

The only agreements or contracts that Engineer Gold Mines has entered into since its incorporation or will enter into as part of the Arrangement which may be reasonably regarded as being material are as follows:

- the Arrangement Agreement dated January 19, 2018, between Engineer Gold Mines and Blind Creek;
- the transfer agreement dated January 19, 2018, between Engineer Gold Mines and Blind Creek; contemplating the transfer of the Engineer Gold Mine Property for Engineer Gold Mines Shares; and
- an escrow agreement dated March 27, 2018, between Engineer Gold Mines, Blind Creek and Wildeboer Dellelce LLP, whereby Wildeboer Dellelce LLP shall act as escrow agent in relation to the gross proceeds raised pursuant to the Engineer Gold Mines Private Placement.

ITEM 28 – EXPERTS

Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, is the auditor of Engineer Gold Mines and is independent of Engineer Gold Mines within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Darren O'Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAuslMM(CP), FGS(CGeol) prepared the Engineer Gold Mines Technical Report. As of the date of this L, neither Mr. O'Brien, Mr. Redfearn nor Mr. Dominy own any of the issued and outstanding Engineer Gold Mines Shares.

ITEM 29 – OTHER MATERIAL FACTS

Management knows of no other material facts in connection with this Listing Application for Engineer Gold Mines.

ITEM 30 - ADDITIONAL INFORMATION – MINING OR OIL AND GAS APPLICANTS

Please see "Item 5 – Description of the Business – Engineer Gold Mines Property" above for more information. Please see Technical Report which is available under Engineer Gold Mines profile on www.SEDAR.com.

ITEM 31 – EXEMPTIONS

No discretionary exemptions were received by Engineer Gold Mines from any securities regulator within the 12 months preceding this Listing Application.

ITEM 32 - FINANCIAL STATEMENT DISCLOSURE FOR ISSUERS

Please see "Item 3 - Summary of Listing Application - Engineer Gold Mines Selected Pro Forma Financial Statements" and Schedules "A", B", "C", "D" "E", "F" and "G" of this Listing Application.

Please see "Item 26 - Auditors, Transfer Agents and Registrars" for more information.

ITEM 33 - SIGNIFICANT ACQUISITIONS

Engineer Gold Mines has made no significant acquisitions since incorporation.

ITEM 34.1 - CERTIFICATE OF ENGINEER GOLD MINES LTD.

Dated: April 13, 2018

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Application and of any material fact not otherwise required to be disclosed under an item of this Application.

(signed) Brian Fowler
Name: Brian Fowler
Title: President

(signed) Dale Dobson
Name: Dale Dobson
Title: Chief Financial Officer

On behalf of the board of directors of Engineer Gold Mines

(signed) Tom Kennedy
Name: Tom Kennedy
Title: Director and Chief Executive Officer

(signed) Glen MacDonald
Name: Glen MacDonald
Title: Director

ITEM 34.3 - PERSONAL INFORMATION

"**Personal Information**" means any information about an identifiable individual.

The Applicant hereby represents and warrants that it has obtained all consents required under applicable law for the collection, use and disclosure by the Exchange of the Personal Information contained in or submitted pursuant to this Application for the purposes described in Appendix "A" to this Application.

DATED this 13th day of April, 2018.

(signed) Tom Kennedy
Name: Tom Kennedy
Title: Chief Executive Officer

SCHEDULE "A"

Audited Carve-Out Combined Financial Statements of Engineer Gold Mines Ltd.

For The Years Ended November 30, 2017 And 2016

(Please see attached)

THE ENGINEER GOLD MINES
PROJECT OF
BLIND CREEK RESOURCES LTD.

CARVE-OUT FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

For the years ended November 30, 2017 and 2016

Carve-Out Financial Statements

November 30, 2017 and 2016

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DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of Blind Creek Resources Ltd.:

We have audited the accompanying carve-out financial statements of the Engineer Gold Mines Project of Blind Creek Resources Ltd., which comprise the carve-out statements of financial position as at November 30, 2017 and 2016 and the carve-out statements of comprehensive loss, changes in owner's net investment and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Carve-out Financial Statements
Management is responsible for the preparation and fair presentation of these carve-out financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these carve-out financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the carve-out financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the carve-out financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the carve-out financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the carve-out financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the carve-out financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the carve-out financial statements present fairly, in all material respects, the financial position of the Engineer Gold Mines Exploration Business of Blind Creek Resources Ltd. as at November 30, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

DALE MATHESON CARR-HILTON LABONTE LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada

April 13, 2018

The Engineer Gold Mines Project of Blind Creek Resources Ltd.
Carve-out Statements of Financial Position
(Expressed in Canadian Dollars)

	November 30, 2017	November 30, 2016
ASSETS		
Reclamation bond (Note 5)	$ 50,000	$ -
Exploration and evaluation assets (Note 5)	545,696	1
	$ 595,696	$ 1
OWNER'S NET INVESTMENT		
Owner's net investment (note 6)	$ 595,696	$ 1
	595,696	1
	$ 595,696	$ 1

Arrangement Agreement (Note 1)

The accompanying notes are an integral part of these carve-out financial statements.

The Engineer Gold Mines Project of Blind Creek Resources Ltd.
Carve-out Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	Year ended November 30, 2017	Year ended November 30, 2016
EXPENSES		
Amortization	$ 2,499	$ -
Bank charges, interest and accretion	1,149	-
Consulting fees	36,968	-
Filing and transfer agent fees	8,517	-
Management fees	32,000	-
Office and miscellaneous	1,899	-
Professional fees	29,645	-
Share-based payments	35,875	-
Travel, trade shows and promotion	49,826	-
Net loss and comprehensive loss	(198,378)	(-)

The accompanying notes are an integral part of these carve-out financial statements.

The Engineer Gold Mines Project of Blind Creek Resources Ltd.
Carve-out Statements of Changes in Owner's Net Investment
(Expressed in Canadian Dollars)

	November 30, 2017	November 30, 2016
Owner's net investment, beginning of year	1	1
Net and comprehensive loss	(198,378)	-
Net contributions from owner	794,073	-
Owner's net investment, end of year	595,696	1

The accompanying notes are an integral part of these carve-out financial statements.

The Engineer Gold Mines Project of Blind Creek Resources Ltd
Carve-out Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended November 30, 2017	Year ended November 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	$ (198,378)	$ -
Items not affecting cash:		
Amortization	2,499	-
Share-based payments	35,875	-
Net cash used in operating activities	(160,004)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Reclamation bond	(50,000)	-
Exploration and evaluation asset expenditures	(545,695)	-
Net cash used in investing activities	(595,695)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Funding provided by Blind Creek Resources Ltd.	755,699	-
Net cash provided by financing activities	755,699	-
Change in cash during the year	-	-
Cash, beginning of year	-	-
Cash, end of year	$ -	$ -

The accompanying notes are an integral part of these carve-out financial statements.

1. ARRANGEMENT AGREEMENT

On January 19, 2018, Blind Creek Resources Ltd. ("Blind Creek" or the "Company") announced its intention to transfer its Engineer Gold Mine property and the adjoining Gold Hill Property together with certain claims it had previously acquired to Engineer Gold Mines Ltd. ("Engineer"), a wholly-owned subsidiary of the Company (incorporated January 17, 2018) (subject to receipt of all required regulatory approvals) for common shares of Engineer (the "Engineer Distribution Shares"). The Engineer Distribution Shares will then be distributed to the common shareholders of the Company on the reduction of the stated capital of the Company's common shares, all by way of a plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Arrangement"). The Company and Engineer have entered into an arrangement agreement (the "Arrangement Agreement") dated January 19, 2018 in connection with the Arrangement. The Arrangement Agreement is subject to regulatory approval. Engineer will be applying for a listing of its shares on the TSX Ventures Exchange.

Under the terms of the Arrangement, Engineer will hold a 100% interest in the Engineer Gold Mines Project.

Engineer was incorporated on January 17, 2018 and its registered office is located at 804 – 750 West Pender Street, Vancouver, British Columbia, Canada. To date, Engineer has not commenced operations.

These carve-out financial statements reflect the assets, liabilities, expenses and cash flows of the Engineer Gold Mines Project that will be spun out by the Company to Engineer pursuant to teh Arrangement as more fully described in Note 3 below.

2. NATURE OF OPERATIONS

The Engineer Gold Mines Project is engaged in the identification, acquisition and exploration of mineral properties located in Canada and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of the Engineer Gold Mines Project through Engineer and the recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of Engineer to obtain necessary financing to complete the development of such properties, and upon future profitable production from or disposition of such properties.

3. BASIS OF PRESENTATION

Statement of Compliance

These carve-out financial statements have been prepared in accordance with a financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements.

These carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These carve-out financial statements, including comparatives, are prepared on a historical cost basis, applying IFRS standards that are effective as at November 30, 2017.

Approval of the financial statements

The carve-out financial statements were authorized for issue by the Board of Directors on April 13, 2018.

3. BASIS OF PRESENTATION (continued)

The formation of the Engineer Gold Mines Project is the result of the transfer of assets between entities under common control; accordingly, the transaction is excluded from the scope of IFRS 3 (R), Business Combinations. These carve-out financial statements have been presented based on the amounts recorded by Blind Creek. During the periods presented, the Engineer Gold Mines Project did not operate as an independent entity, and accordingly, standalone financial information does not exist. Accordingly, these carve-out financial statements represent an extraction of the financial information relating to the Engineer Gold Mines Project.

These carve-out financial statements may not be indicative of the Engineer Gold Mines Ltd. Business' financial performance and do not necessarily reflect what its carved-out results of operations, financial position and cash flows would have been had the Engineer Gold Mines Ltd. Business operated as an independent entity during the years presented. The following basis of preparation for the carve-out statements of financial position, comprehensive loss, changes in owner's net investment and cash flows of the Engineer Gold Mines Project have been applied:

• All assets and liabilities of Blind Creek that are directly attributable to the Engineer Gold Mines Project have been extracted in these carve-out financial statements;

• Common expenses incurred by Blind Creek have been allocated on a pro-rata basis to the Engineer Gold Mines Project based on the level of exploration expenditures incurred; and

• Income taxes have been calculated as if the Engineer Gold Mines Ltd. Business had been a separate legal entity and had filed a separate tax return for the periods presented.

Critical Accounting Estimates and Judgments

The preparation of these carve-out financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the carved out statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

ii) The recognition of deferred tax assets. The Engineer Gold Mines Project considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

iii) The recorded value of provisions. This amount represents a best estimate of the probable amount payable taking into account available evidence including past history of payments and uncertainty of outflow of future resources.

4. SIGNIFICANT ACCOUNTING POLICIES

New or revised accounting standards not yet adopted

The Engineer Gold Mines Project has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9 - Financial Instruments was issued in November 2009 and covers the classification and measurement of financial assets as part of its project to replace IAS 39 - Financial Instruments: Recognition and Measurement. In October 2010, the requirements for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If this option is elected, entitles would be required to reverse the portion of the fair value change due to own credit risk out of earnings and recognize the change in other comprehensive income. IFRS 9 is applicable for periods beginning on or after January 1, 2018. The Engineer Gold Mines Project has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

The Engineer Gold Mines Project anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position. Disclosure changes are anticipated. Other 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 Engineer Gold Mines Project' carve-out financial statements.

Exploration and evaluation assets

All costs related to the acquisition of exploration and evaluation assets are capitalized on a property by property basis, net of recoveries. Exploration and evaluation costs incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development are expensed to operations as incurred. If economically recoverable ore reserves are developed, capitalized costs of the related property are classified as mining assets and amortized using the unit-of-production method. When a property is abandoned, all related costs are written off to operations.

The amounts shown for acquisition costs represent costs incurred to date and do not necessarily reflect present or future values. These costs are depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

From time to time, the Engineer Gold Mines Project may acquire or dispose of an exploration and evaluation asset pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received. Proceeds received on the sale of an option of the Engineer Gold Mines Project's properties are recorded as a reduction of the mineral property cost. The Engineer Gold Mines Project recognizes amounts received in excess of the carrying amount in profit or loss.

Although the Engineer Gold Mines Project has taken steps to verify the title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Engineer Gold Mines Project's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation assets (continued)

Evaluation and exploration assets are assessed for impairment by management when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Engineer Gold Mines Project or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against profit or loss. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

Impairment of tangible assets

The Engineer Gold Mines Project' tangible and intangible assets are reviewed for indications of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Engineer Gold Mines Project grants options to acquire common shares of the Engineer Gold Mines Project to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes Option Pricing Model, and is recognized over the vesting period for employees using the graded vesting method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes Option Pricing Model.

For both employees and non-employees, the fair value of share-based payments is recognized as an expense with a corresponding increase in reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in share capital and the related share-based payment in reserves is transferred to share capital.

Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred tax expense or recovery are recognized for deferred tax consequences attributable to differences between the carve-out financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Engineer Gold Mines Project does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Engineer Gold Mines Project intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

IFRS 7 *Financial Instruments: Disclosures* requires classification of fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Financial assets

The Engineer Gold Mines Project classifies its financial assets in the following categories: held-to-maturity, fair value through profit and loss ("FVTPL"), loans and receivables, and available-for-sale ("AFS"). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

(a) Held-to-maturity

Held-to-maturity financial assets are recognized on a trade-date basis and are initially measured at fair value using the effective interest rate method.

(b) Fair value through profit or loss

Financial assets are classified as FVTPL when the financial asset is held for trading or it is designated as FVTPL.

A financial asset is classified as FVTPL if:

- it has been acquired principally for the purpose of selling in the near future;
- it is a part of an identified portfolio of financial instruments that the Engineer Gold Mines Project manages and has an actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as FVTPL are stated at fair value with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset.

(c) Available-for-sale investments

AFS financial assets are non-derivatives that are either designated as AFS or not classified in any of the other financial assets categories. Changes in the fair value of AFS financial assets, other than impairment losses, are recognized as other comprehensive income and classified as a component of equity.

(d) Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are initially recognized at the transaction value and subsequently carried at amortized cost less impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at year-end. Bad debts are written off during the reporting period in which they are identified. Interest income is recognized by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(ii) Financial liabilities

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as FVTPL unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive loss.

5. EXPLORATION AND EVALUATION ASSETS

Realization of assets

The investment in mineral properties comprise a significant portion of the Engineer Gold Mines Project's assets. Realization of the Engineer Gold Mines Project's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs represent costs incurred to date and do not necessarily reflect present or future values.

Environmental

The Engineer Gold Mines Project is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Engineer Gold Mines Project may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Engineer Gold Mines Project conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Engineer Gold Mines Project is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Engineer Gold Mines Project.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Engineer Gold Mines Project' operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation asset costs and activity is as follows:

			Engineer
November 30, 2016 and 2015			$ 1
Acquisition			452,467
Property development expenditures			
Consulting	$	28,239	
Geological		900	
Helicopter		7,840	
Insurance		4,074	
Maintenance		14,930	
Meals and accommodation		2,059	
Reporting		17,041	
Sampling		18,145	93,228
November 30, 2017			$ 545,696

Engineer, B.C.

Since August 2004, the Engineer Gold Mines Project has owned claims located in the Atlin Mining Division of British Columbia. Until February, 2017, these claims comprised of two project areas referred to as the Tagish Lake/Wann River Project and the Atlin Project.

In August 2013 (and subsequently amended in August 2014, August 2015 and August 2016) the Engineer Gold Mines Project signed a letter agreement with Pan Andean Minerals Ltd. ("Pan Andean") where Pan Andean had the option to earn a 100% interest in certain claims of the Engineer Gold Mines Project' Atlin property. To earn its 100% interest, Pan Andean was required to make cash payments totaling $225,000, issue 1,250,000 common shares and incur a minimum of $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 by August 19, 2014 (deferred to August 19, 2015, 2016 and 2017 by 3 separate amendments, each with payments of 100,000 shares of Pan Andean – (received);
(iii) pay $15,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2018
(iv) pay $50,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2019 and;
(v) pay $150,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2020.

The Engineer Gold Mines Project was entitled to a 2.0% NSR on the Atlin property, which can be reduced to 0.5% by Pan Andean for a price of $1,500,000.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Engineer, B.C. (continued)

On February 22, 2017, the Engineer Gold Mines Project entered into an agreement to acquire a 100% interest in the adjoining Engineer Gold Mine property, the Gold Hill property and cancel the property option agreement with Pan Andean (thereby retaining 100% ownership). The purchase price was an aggregate of $350,000 paid to various parties. Under the agreement, the Engineer Gold Mines Project assumed certain liabilities due from Pan Andean to a third party which amount in aggregate does not exceed $102,467. Pan Andean was entitled to a 1% NSR payable from the proceeds of commercial production from the Engineer Gold Mine, Gold Hill, and Blind Creek properties. The Engineer Gold Mines Project will have the right to buy back 100% of the NSR for $2,000,000.

On October 16, 2017, the Engineer Gold Mines Project has acquired the right, title, benefit and interest held by Pan Andean in and to the 1% NSR over the Engineer Gold Mine property, by posting a new reclamation bond with the MEMPR in the amount of $50,000 to replace the bond previously provided by Pan Andean. There are now no underlying royalties for the historic Engineer Gold Mine patented crown grants, previously owned and recently staked contiguous Blind Creek mineral claims at the Engineer Gold Mine property.

6. OWNER'S NET INVESTMENT

Blind Creek's investment in the operations of the Engineer Gold Mines Project is presented as Owner's Net Investment in the carve-out financial statements. Owner's Net Investment represents the accumulated net contributions from owners net of the accumulated losses of the operations. Net financing transactions with Blind Creek as presented in the carve-out statements of cash flows represent the net contributions related to the funding of operations between the Engineer Gold Mines Project and Blind Creek.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Engineer Gold Mines Project's financial instruments consist of reclamation bond. The fair value of this financial instrument approximates its carrying value due to the short-term nature of these instruments.

The Engineer Gold Mines Project is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and other price risk. There has been no change in the way management managed these risks for the year.

a) Credit risk

Credit risk is the risk of financial loss to the Engineer Gold Mines Project if a counterparty to a financial instrument fails to meet its contractual obligations. There is nominal risk associated with credit risk.

b) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Engineer Gold Mines Project's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Engineer Gold Mines Project is exposed to interest rate cash flow risk.

(b) To the extent that changes in prevailing market rates differ from the interest rate in the Engineer Gold Mines Project's monetary assets and liabilities, the Engineer Gold Mines Project is exposed to interest rate price risk.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Interest rate risk (continued)

Due to the short-term nature of the Engineer Gold Mines Project's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of November 30, 2017. The Engineer Gold Mines Project manages interest rate risk by maintaining an investment policy that focuses primarily on the preservation of capital and liquidity.

c) Liquidity risk

Liquidity risk is the risk that the Engineer Gold Mines Project will be unable to meet its financial obligations as they come due. The Engineer Gold Mines Project's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity issuances. The Engineer Gold Mines Project manages its liquidity risk by forecasting cash flows required by operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. The Engineer Gold Mines Project is exposed to liquidity risk.

d) Price risk

The Engineer Gold Mines Project is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Engineer Gold Mines Project's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Engineer Gold Mines Project closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Engineer Gold Mines Project. Fluctuations in pricing may be significant.

8. RELATED PARTY TRANSACTIONS

Key management compensation

The key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities. Management services were provided by Blind Creek's Board of Directors and members of its executive management team. Total compensation expense for key management personnel attributable and allocated to the Engineer Gold Mines Exploration Business, and the composition thereof, is as follows:

	November 30, 2017	November 30, 2016
Management and consulting fees charged by directors and corporations under their control	$ 41,625	$ -
Promotion	5,000	-
Professional fees	6,000	-
Total	$ 52,625	$ -

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

9. CAPITAL MANAGEMENT

The Engineer Gold Mines Project defines its capital as shareholders' equity. Capital requirements are driven by the Engineer Gold Mines Project's exploration activities on its exploration and evaluation assets. To effectively manage the Engineer Gold Mines Project's capital requirements, the Engineer Gold Mines Project has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Engineer Gold Mines Project monitors actual expenses to budget all exploration projects and overhead to manage costs, commitments and exploration activities.

The Engineer Gold Mines Project has in the past invested its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Engineer Gold Mines Project's short-term obligations while maximizing liquidity and returns of unused capital.

Although the Engineer Gold Mines Exploration Business has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this financing due to uncertain economic conditions. The Engineer Gold Mines Project believes that it will be able to raise sufficient funds from share issuances to fund its working capital for the coming year. The Engineer Gold Mines Project is not subject to any externally imposed capital requirements. There have been no changes to the Engineer Gold Mines Project's approach to capital management during the period.

10. SEGMENTED INFORMATION

An operating segment is defined as a component of the Engineer Gold Mines Project that engages in business activities from which it may earn revenues and incur expense, whose operating results are reviewed regularly by the Engineer Gold Mines Project's chief operating decision maker, and for which discrete financial information is available. The Engineer Gold Mines Project has determined that it has one reportable operating segment, the acquisition and exploration of mineral properties, all of which occurs within Canada.

11. INCOME TAXES

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 26% (2016 - 26%) to income before income taxes. The reasons for the differences are as follows:

		2017		2016
Net loss before income taxes	$	(198,378)	$	(-)
Statutory income tax rate		26%		26%
Expected income tax recovery		(52,000)		-
Change in unrecognized benefit of deferred tax assets		52,000		-
Total income tax recovery	$	-	$	-

SCHEDULE "B"

ENGINEER GOLD MINES LTD. MANAGEMENT DISCUSSION AND ANALYSIS FOR THE AUDITED CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED NOVEMBER 30, 2017 AND 2016

(Please see attached)

ENGINEER GOLD MINES LTD.

Management Discussion and Analysis

For the Audited Carve-Out Financial Statements

For the Year Ended November 30, 2017

This Management Discussion and Analysis ("MD&A") focuses on significant factors that affected the Engineer Gold Mines Property during the year ended November 30, 2017. This MD&A should be read in conjunction with the audited carve-out financial statements of Engineer Gold Mines for the years ended November 30, 2016 and 2017. The statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

The term "carve-out financial statements" is used to describe the financial statements that are derived from the existing consolidated financial statements of a parent entity, when only a portion of its business activities are taken into account. In this case, the portion of the "parent's" (i.e., Blind Creek) business activities that are being reported upon in the Engineer Gold Mines audited carve-out financial statements included in the Circular is the Engineer Gold Mines Property to be transferred to Engineer Gold Mines as part of the Arrangement. The principal purpose of carve-out financial statements is to present the historical operations of the carve-out entity and reflect all of the costs of doing business. The audited carve-out financial statements were compiled to enable shareholders of Blind Creek with relevant information on how the Engineer Gold Mines Property operated under its parent in the periods presented in order to assist the shareholders to evaluate the Arrangement.

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 Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines to be materially different than anticipated. The forward-looking information in this MD&A describes Engineer Gold Mines' expectations as of the date of this MD&A.

Engineer Gold Mines cautions that the foregoing list of material factors is not exhaustive. When relying on Engineer Gold Mines' forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Engineer Gold Mines 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.

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

OVERVIEW

Engineer Gold Mines is a mineral exploration company which will be focused on the exploration and development of the Engineer Gold Mine Porperty in British Columbia upon completion of the Arrangement. All of the outstanding securities of Engineer Gold Mines are held by Blind Creek. The Engineer Gold Mines Property will be spun out of Blind Creek by way of Plan of Arrangement pursuant to

the *Business Corporations Act* (British Columbia), assuming receipt of all regulatory, shareholder and court approvals. Engineer was incorporated January 17, 2018 for the purpose of completing the Arrangement. Additional information related to Blind Creek is available on SEDAR at www.sedar.com.

On February 22, 2017, Blind Creek entered into an agreement to acquire a 100% interest in the Engineer Gold Mines Property, the adjoining Gold Hill property and cancel the Blind Creek property option agreement with BCGold Corp. ("BCGold") (thereby retaining 100% ownership). The purchase price was an aggregate of $350,000 paid to various parties. Under the agreement, Blind Creek assumed certain liabilities due from BCGold to a third party which amount in aggregate did not exceed $102,467. BCGold was entitled to a 1% Net Smelter Royalty ("NSR") payable from the proceeds of commercial production from the Engineer Gold Mines Property, Gold Hill, and Blind Creek properties. Blind Creek has the right to buy back 100% of the NSR for $2,000,000. On April 26, 2017, Blind Creek announced it had received Exchange approval and completed the Engineer Gold Mine purchase.

Consolidation of the mineral claims constituting the Engineer Gold Mines Property, Blind Creek option and Gold Hill properties allowed Blind Creek to explore and possibly develop the area's underlying resources as a whole in an efficient and cost-effective manner. Blind Creek commenced a 2017 work program on the Engineer Gold Mines Property, including soil geochemical surveys, geological mapping, sampling and prospecting. Blind Creek subsequently engaged Mr. Darren O'Brien, P.Geo. to update the Engineer Gold Mines technical report. Blind Creek enlarged the Engineer Gold Mines Property by staking 25 additional mineral claims totalling 8,287 hectares; as a result the Engineer Gold Mines Property has significantly increased in size from 3,269 hectares to 12,032 hectares. Overall the Engineer claim group measures 18 kilometres by 9.5 kilometres in size.

On July 13, 2017, Blind Creek announced that it had received a water discharge permit from the British Columbia Ministry of Environment for its 100% owned historic Engineer Gold Mine, situated 32 kilometres southwest of Atlin, British Columbia. The permit authorizes Blind Creek to discharge groundwater from the underground workings of the Engineer Gold Mine and effluent from Blind Creek's 50 tonne per day gravity separation gold mill into Tagish Lake and the tailings impoundment, respectively, subject to a number of specific requirements.

The water discharge permit is a critical component for continued underground exploration, development and small-scale, high-grade gold production at Engineer Gold Mine. Blind Creek is currently reviewing a small, high-grade gold production opportunity defined by the previous owner of Engineer Gold Mine, which would require dewatering to access the lowermost 3 levels of the mine. This permit provides for this eventuality. Engineer Gold Mine was last dewatered below 7 Level in 2012, as follow-up to a successful underground test mining and on-site milling program conducted in 2011.

On August 17, 2017, Blind Creek announced that an exploration program had commenced at the Blind Creek 100% owned and fully-permitted Engineer Gold Mines Property, situated 32 kilometres southwest of Atlin, British Columbia. Blind Creek commissioned Ms. Fionnuala Devine, M.Sc., P.Geo. to oversee a geological mapping, sampling and first-pass MMI soil geochemical survey stepping out from previous exploration results immediately south of the Engineer Mine (proper) and on the Wann River claims, 5 kilometres to the south. Blind Creek conducted a soil sample orientation survey across the Wann mineralized corridor, similar to that previously conducted at the Engineer Gold Mines Property, in attempt to determine the most reliable method to trace high-grade gold and silver-bearing mineralized structures. A number of widely spaced MMI soil anomalies were defined that warrant follow-up geological mapping, prospecting, MMI soil sampling, trenching and diamond drilling to develop vein targets to the south and west in 2018.

On October 16, 2017, Blind Creek announced that it had received an amended Mines Act Permit from the Ministry of Energy, Mines and Petroleum Resources ("MEMPR"), Mines and Mineral Resource Division, that authorizes Blind Creek to conduct exploration, underground mining and on-site milling activities at the 100% owned historic Engineer Gold Mines Property, detailed in a renewable Notice of Work and Reclamation Program ("NOW"), valid until March 31, 2020. The permit was amended to reflect the change

in ownership of the Engineer Gold Mines Property, situated 32 kilometres southwest of Atlin, British Columbia, from BCGold to Blind Creek (See Blind Creek News Release dated April 26, 2017).

Engineer Gold Mines Property Royalty Acquired by Posting $50,000 Reclamation Bond

Blind Creek also announced that by way of a separate agreement, Blind Creek had acquired the right, title, benefit and interest held by Pan Andean Minerals Ltd. ("**Pan Andean**") (formerly BCGold Corp.) in and to the 1% NSR over the Engineer Gold Mines Property acquired by Blind Creek earlier that year, by posting a new reclamation bond with the MEMPR in the amount of $50,000 to replace the bond previously provided. There are now no underlying royalties for the historic Engineer Gold Mine patented crown grants, previously owned and recently staked contiguous Blind Creek mineral claims at the Engineer Gold Mine Property.

Blind Creek Fully Permitted for Exploration, Mining and On-site Gold Production at Engineer Gold Mine

The amended Mines Act Permit supplements the water discharge permit Blind Creek previously received from the British Columbia Ministry of Environment that authorized Blind Creek to discharge groundwater from the underground workings of the Engineer Gold Mine Property and effluent from Blind Creek's 50 tonne per day gravity separation gold mill into Tagish Lake and the tailings impoundment, respectively, subject to a number of specific requirements.

During 2017, Blind Creek becaume fully permitted to conduct surface and underground exploration, mine de-watering, mining, development, and small-scale gold production at the Engineer Gold Mine Property. Blind Creek applied and received a 5 year permit to conduct geological mapping, sampling, geochemical and geophysical surveys on the Wann and recently acquired claims.

Subsequent Events

Blind Creek and Engineer Gold Mines commissioned an independent technical report in accordance with National Instrument 43-101 dated January 18, 2018 entitled "Engineer Gold Mine, British Columbia, Canada - Report for: Blind Creek Resources Ltd. and Engineer Gold Mines Ltd., prepared by Darren O'Brien, P. Geo., Michael Redfearn, P. Eng. and Dr. Simon Dominy, F.AusIMM(CP) FGS(CGeol), and Michael Redfearn, P. Eng., dated January 12, 2018" (the "Technical Report"). The Technical Report is available under Blind Creek's profile on www.SEDAR.com.

On January 19, 2018, Blind Creek announced its intention to transfer its Engineer Gold Mines Property and the adjoining Gold Hill Property which it acquired from BCGold (now, Pan Andean Minerals Ltd.) in early 2017 together with certain claims it had previously acquired (the "Engineer Gold Mine Project") to Engineer Gold Mines, a wholly-owned subsidiary of Blind Creek subject to receipt of all required regulatory approvals) for common shares of Engineer Gold Mines (the "Engineer Distribution Shares"). The Engineer Distribution Shares will then be distributed to the common shareholders of Blind Creek on the reduction of the stated capital of the Blind Creek common shares, all by way of the Arrangement. Blind Creek and Engineer have entered into an arrangement agreement (the "Arrangement Agreement") dated January 19, 2018 in connection with the Arrangement (which has been filed under Blind Creek's profile on www.SEDAR.com.) The Arrangement is intended to deliver value to shareholders by unlocking the potential of the Engineer Gold Mines Project.

The Transaction

The proposed Arrangement will include a transfer of the Engineer Gold Mines Property in exchange for the Engineer Gold Mines Distribution Shares. Pursuant to the Arrangement, Blind Creek intends to distribute the Engineer Gold Mines Distribution Shares to Blind Creek common shareholders on a *pro rata* basis (other than to shareholders who dissent in accordance with the provisions of the Arrangement) on the reduction of the stated capital of the Blind Creek common shares. Blind Creek shareholders will be entitled to receive one Engineer Gold Mines Distribution Share for every two common shares of Blind Creek held by each such shareholder. The effective date of the Arrangement is currently planned for the second quarter

of 2018. There will be no changes in shareholders' holdings in Blind Creek as a result of the Arrangement.

The Arrangement is subject to TSX Venture Exchange, regulatory and Supreme Court of British Columbia (the "Court") approvals, as well as approval by not less than two-thirds of the votes cast at a special meeting (the "Meeting") of Blind Creek shareholders, to be called in connection with the Arrangement. Full details of the Arrangement are included in the management information circular to be sent to Blind Creek shareholders in connection with the Meeting, which will include information on Blind Creek, Engineer Gold Mines, the Engineer Gold Mines Project and the Arrangement.

The board of directors of Engineer Gold Mines is comprised of Andrew H. Rees, Thomas Kennedy, Glen MacDonald and Brian Fowler. Officers are Thomas Kennedy Chief Executive Officer and Secretary, Brian Fowler President and Dale Dobson Chief Financial Officer. This is also the management team of Blind Creek. Changes and additions to the management team may be made as needed and as the Engineer Gold Mines Project progresses.

Blind Creek intends to apply for a listing of the common shares of Engineer Gold Mines on the TSXVE. Any such listing will be subject to Engineer Gold Mines fulfilling all of the listing requirements of the TSXVE. There can be no assurances that Engineer Gold Mines will be able to achieve a listing on the TSXVE or any stock exchange.

The closing of the Arrangement is subject to customary conditions, including the receipt of all regulatory, Court and shareholders approvals, covenants and representations and warranties. The summary of the terms of the Arrangement Agreement herein is qualified by the full text of the Arrangement Agreement, which is available under Blind Creek's profile on www.SEDAR.com.

Upon completion of the Arrangement, Engineer Gold Mines will hold a 100% interest in the Engineer Gold Mines Project and will focus on the advancement of this project. Blind Creek will retain and focus on the advancement of its key Blende mineral property (the "Blende Project"), located in the Mayo Mining District, Yukon, as well as its prospective zinc/lead exploration property known as the "AB Property" located in the Northwest Territories.

Blind Creek believes that investors have understandably focused on the opportunity provided by the Blende Project, as well as the AB Property. Blind Creek has positioned itself as a base metals exploration company, while the Engineer Gold Mines Project is prospective for gold and silver. The proposed spinout will allow Blind Creek to focus on further advancement of the Blende Project and on continued efforts on development of this project. Blind Creek believes that the Engineer Gold Mines Project has exploration upside that should be developed. The creation of Engineer Gold Mines and the distribution of the Engineer Distribution Shares to the Blind Creek common shareholders is expected to enhance shareholder value by bringing increased investor focus to the potential that Blind Creek sees in the Engineer Gold Mines Project.

The special resolution to be considered by the Blind Creek shareholders at the Meeting and the Plan of Arrangement to be approved by the Court will include a provision that Blind Creek may determine not to proceed with the Arrangement if it determines in its sole discretion that it is in the best interests of Blind Creek not to proceed.

Financing

Engineer Gold Mines has completed a non-brokered private placement financing (the "Engineer Private Placement") of subscription receipts (the "Subscription Receipts"), at a price of $0.10 per Subscription Receipt. All funds raised in connection with the Engineer Private Placement (the "Escrow Proceeds") are held in escrow pending satisfaction of certain escrow release conditions (the "Escrow Release Conditions"), as set out below. Upon satisfaction of the Escrow Release Conditions, the Subscription Receipts will automatically be exercised, without payment of any additional consideration and with no further action on the part of the holders thereof, for one Engineer Gold Mines unit (the "Units"). Each Unit is comprised of one Engineer Gold Mines common share and one-half of one share purchase warrant (the

"Warrants"). Each whole Warrant is exercisable to acquire one Engineer Gold Mines common share at a price of $0.15 per share for a period of two years following the issuance of the Warrants. There can be no assurances that sufficient funds will be raised to permit Engineer Gold Mines to fund its operations or to obtain a listing on the TSXVE or on any stock exchange.

The Escrow Release Conditions are substantially as follows: (i) all conditions to the completion of the Arrangement pursuant to the Arrangement Agreement (other than the release of the Escrowed Proceeds), shall have been satisfied; (ii) the receipt of all regulatory approvals required for the Arrangement to be completed (including that of the TSXVE); (iii) the receipt of all required shareholder and Blind Creek board of director approvals required for the Arrangement; (iv) receipt of gross proceeds of no less than $500,000 from the Engineer Private Placement; (v) the Court issuing a final order in connection with the Arrangement; (vi) no material change having occurred in respect of Engineer Gold Mines or Blind Creek; and (vii) Engineer Gold Mines shall have delivered a release notice to the Subscription Receipt agent confirming that items (i) through (vi), inclusive, have been satisfied.

If the Escrow Release Conditions are not satisfied prior to escrow release deadline, all of the escrowed funds plus accrued interest, if any, will be returned to the purchasers of the Subscription Receipts in accordance with the terms of the Engineer Private Placement. To the extent that the Escrowed Proceeds plus accrued interest, if any, are not sufficient to repay the purchase price for all Subscription Receipts, Engineer Gold Mines and Blind Creek will satisfy any shortfall.

Any securities issued in connection with the Engineer Private Placement will be in addition to the Engineer Distribution Shares that will be distributed to Blind Creek common shareholders in connection with the Arrangement. If the Engineer Private Placement is completed in full, investors in the Engineer Private Placement will hold approximately 28% of the issued and outstanding Engineer Gold Mines common shares following completion of both the Engineer Private Placement and the Arrangement, on a non-diluted basis.

The Engineer Private Placement is subject to the approval of the TSXVE. There can be no assurances that approval will be received.

Further Information Regarding Engineer Gold Mines Property

The Engineer Gold Mines Property is located in northwestern British Columbia, 32 kilometres southwest of Atlin, British Columbia. The gold-silver property is comprised of Blind Creek's long-held Wann River claims, the recently acquired historic and fully-permitted Engineer Gold Mines and Gold Hill properties, from BCGold and Guardsmen Resources Ltd., respectively, and recently staked adjacent ground. The total land package now encompasses 12,032 hectares.

In 2004, Blind Creek staked claims around historic high-grade gold Engineer Gold Mine. From 2006 to 2009 additional contiguous mineral claims were staked southwards to cover the Wann River and the Llewellyn Fault zone. As a consequence of discoveries made proximal to the Wann River claims in 2010, Blind Creek staked an even larger contiguous block of claims to encompass significant regions of southern Tagish Lake, Graham Inlet and northwest to Moon Lake.

Several high-grade gold veins and broad, gold-bearing shear structures previously defined by BCGold on the Engineer Gold Mine and Gold Hill properties were known to extend onto 9 of Blind Creek's Wann River claims. In August 2013 (and subsequently amended in August 2014, August 2015 and August 2016) Blind Creek signed a letter agreement with BCGold where BCGold had the option to earn a 100% interest in certain claims of Blind Creek's Atlin property.

To earn its 100% interest, BCGold was required to make cash payments totaling $225,000, issue 1,250,000 common shares and incur a minimum of $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, 2015, 2016 and 2017 by 3 separate amendments, each with payments of 100,000 shares of BCGold – (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.

In the event that BCGold earned a 100% in the Atlin mineral property, Blind Creek would retain a 2.0% net smelter return on the Property, which could be reduced to 0.5% by BCGold by making a payment of $1.5 million to Blind Creek.

On February 22, 2017, Blind Creek entered into an agreement to acquire a 100% interest in the fully-permitted and adjoining Engineer Gold Mines Property, the Gold Hill property and cancel the Blind Creek property option agreement with BCGold (thereby retaining 100% ownership). The purchase price was an aggregate of $350,000 paid to various parties. Under the agreement, Blind Creek assumed certain liabilities due from BCGold to a third party which amounted in aggregate to $102,467. BCGold retained the right to a 1% NSR payable from the proceeds of commercial production from the Engineer Gold Mines Property, Gold Hill, and Blind Creek properties. Blind Creek had the right to buy back 100% of the NSR for $2,000,000. On March 13, 2017, BCGold announced that it had changed its name to Pan Andean Minerals Ltd.

Consolidation of Blind Creek's Wann River, Engineer Gold Mines and Gold Hill properties allowed Blind Creek to explore and possibly develop the area's underlying resources as a whole in a much more efficient and cost-effective manner. While Blind Creek remained focused on developing its key Blende Project in the Mayo Mining District, Yukon, Blind Creek undertook a modest 2017 work program on the Engineer Gold Mines Property that included permitting, geological mapping, sampling and soil geochemical surveys. Blind Creek engaged Mr. Darren O'Brien, P.Geo. to update the Technical Report.

On July 13, 2017, Blind Creek received a water discharge permit from the British Columbia Ministry of Environment for the Engineer Gold Mine. The permit authorizes Blind Creek to discharge groundwater from the underground workings of the Engineer Gold Mine and effluent from Blind Creek's 50 tonne per day gravity separation gold mill into Tagish Lake and the tailings impoundment, respectively, subject to a number of specific requirements.

The water discharge permit is a critical component for continued underground exploration, development and small-scale, high-grade gold production at Engineer Gold Mine. Blind Creek is currently reviewing a small, high-grade gold production opportunity defined by the previous owner of Engineer Mine, which would require dewatering to access the lowermost 3 levels of the mine. This permit provides for this eventuality. The mine was last dewatered below 7 Level in 2012, as follow-up to a successful underground test mining and on-site milling program conducted in 2011.

On October 13, 2017, Blind Creek had Permit MX-1-767 transferred to its name and is now fully permitted to conduct surface and underground exploration, drilling, mining and milling on the property. Blind Creek has received a 5 year Notice of Work (NOW) to conduct soil geochemical and geophysical surveys on the adjoining Wann and newly acquired claims of the property.

On October 16, 2017 Blind Creek announced that by way of a separate agreement, Blind Creek had acquired the right, title, benefit and interest held by Pan Andean Minerals Ltd. ("Pan Andean") (formerly BCGold Corp.) in and to the 1% NSR over the Engineer Gold Mines Property acquired by Blind Creek earlier that year, by posting a new reclamation bond with the MEMPR in the amount of $50,000 to replace the bond previously provided. There are now no underlying royalties for the historic Engineer Gold Mine

patented crown grants, previously owned and recently staked contiguous Blind Creek mineral claims at the Engineer Gold Mine Property.

Engineer Gold Mine Property History (1899-2016)

The Engineer Gold Mine was a high-grade gold-silver producer with peak production in the mid-1920s which ceased commercial operation in the early 1930s.

In September 2010, BCGold increased its land position around the Engineer Gold Mine by signing an option agreement with Guardsmen Resources Inc. ("Guardsmen") to acquire a 100% interest in their adjoining Gold Hill property. The Gold Hill property, since acquired by Blind Creek in February, 2017, consisted of 5 mineral claims (2,104 hectares), which include the Happy Sullivan high-grade gold prospect and a 2.2 kilometre-long segment of the highly prospective Shear Zone "B" structure.

On August 19, 2013, BCGold further consolidated its land position around the Engineer Gold Mine by signing an option agreement with Blind Creek to acquire a 100% interest in nine mineral claims bordering the west and south sides of the Engineer Gold Mines Property and Gold Hill Property. These key mineral claims, now reverted back to Blind Creek, overlay the southern portion of the above mentioned geophysical anomalies, believed to represent the intrusive centre of the Engineer Mine mineralizing system, in addition to 6 km of untested, additional Shear Zone "A" structure.

Immediately after acquiring the Engineer Gold Mines Property from BCGold in 2017, Blind Creek enlarged the Engineer Gold Mines Property by staking 25 additional mineral claims totaling 8,287 hectares; as a result the Engineer Gold Mines Property has significantly increased in size from 3,269 hectares to 12,032 hectares. Overall the Engineer Claim Group measures 18 kilometres by 9.5 kilometres in size. Blind Creek also applied for and has received a 5 year exploration permit (NOW) to conduct geological mapping, sampling, geochemical and geophysical surveys on the Wann and recently acquired claims adjacent to the Engineer Gold Mines Property.

RESULTS OF OPERATIONS

Selected Annual Information

	Year ended November 30, 2017	Year ended November 30, 2016	Year ended November 30, 2015
Total revenue	$ Nil	$ Nil	$ Nil
Net loss and comprehensive loss			
In total	$ (198,378)	$ -	$ -
Per share (basic and diluted)	$ (0.02)	$ (-)	$ (-)
Total assets	$ 595,696	$ 1	$ 1
Exploration and evaluation assets	$ 545,696	$ 1	$ 1
Total non-current financial liabilities	$ -	$ -	$ -
Working capital (deficiency)	$ -	$ -	$ -
Common shares	12,838,526	1	1
Cash dividends	$ -	$ -	$ -

Year ended November 30, 2017

Engineer Gold Mines incurred a net loss of $198,378 for the year ended November 30, 2017 compared to a net loss of $Nil for the year ended November 30, 2016.

SELECTED QUARTERLY FINANCIAL INFORMATION

	Nov. 30, 2017	Aug. 31, 2017	May 31, 2017	Feb. 28, 2017	Nov 30, 2016	Aug 31, 2016	May 31, 2016	Feb. 29, 2016
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	79,398	51,385	56,969	10,626	Nil	Nil	Nil	Nil
Comprehensive (loss)	(79,398)	(51,385)	(56,969)	(10,626)	Nil	Nil	Nil	Nil
Basic and diluted net (loss) per share	(0.01)	(0.01)	(0.01)	(0.00)	(-)	(-)	(-)	(-)
Weighted Average number of shares outstanding	12,838,526	12,838,526	12,838,526	12,838,526	1	1	1	1

LIQUIDITY AND CAPITAL RESOURCES

The Engineer Gold Mines Property generated no cash flows and its long-term financial success is dependent upon management's ability to discover economically viable quantities of mineralization. The exploration process can take many years and is subject to factors that are beyond Engineer Gold Mines' control. The ability of Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines will be able to maintain sufficient liquidity for it to continue as a going concern however, management can provide no assurance with regard thereto. Engineer Gold Mines' capital management objective is to maximize potential investment returns to its equity stakeholders within the context of the relevant opportunities and risks associated with Engineer Gold Mines' 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. Engineer Gold Mines 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 Engineer Gold Mines is unable to obtain adequate additional financing, Engineer Gold Mines will be required to curtail operations and exploration activities. There can be no assurance that financing will be available to Engineer Gold Mines when required.

At November 30, 2017, Engineer Gold Mines had $Nil cash and working capital of $Nil. Engineer Gold Mines will have to raise additional funds for its operation and exploration programs. Engineer Gold Mines has raised gross proceeds of $760,000 by issuing subscription receipts at $0.10 per Engineer Gold Mines Subscription Receipt. Each such Engineer Gold Mines Subscription Receipt is automatically exerciable for Engineer Gold Mines Units upon satisfaction of the Escrow Release Conditions. Each such Engineer Gold Mienes Unit shall be comprised of one common share in the capital of Engineer Gold Mines and one half of one common share purchase warrant (each, a "**Warrant**"). Each whole Warrant will entitle the holder to acquire one additional Common Share for a period of 24 months after the date of issuance of the Warrants at a price of $0.15 per share.

OFF-BALANCE SHEET ARRANGEMENTS

Engineer Gold Mines does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Engineer Gold Mines incurred no expenses by key management personnel and companies controlled by key management personnel, such personnel include Engineer Gold Mines' Directors, Chief Executive Officer, Chief Financial Officer and Corporate Secretary.

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

OUTSTANDING SHARE DATA

Designation of Security	Amount Authorized	Number of Securities Outstanding as at November 30, 2017
Common Shares	unlimited	12,838,526[(1)]
Preferred Shares	unlimited	-
Warrants	n/a	-
Special Warrants	n/a	-
Stock Options	10%	-

Note:
(1) to be outstanding upon completion of the Arrangement.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Engineer Gold Mines 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 Engineer Gold Mines' accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to Engineer Gold Mines, 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 Engineer Gold Mines has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee Engineer Gold Mines' 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 Engineer Gold Mines' mineral property interests are impaired. External sources of information management consider include the market, economic, and legal environment in which Engineer Gold Mines 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.

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 Engineer Gold Mines' mining properties are estimated based on Engineer Gold Mines' market capitalization.

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. Engineer Gold Mines has used its market capitalization as an indicator of fair value less costs to sell.

FINANCIAL RISK MANAGEMENT

Engineer Gold Mines is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, Engineer Gold Mines is exposed to risks that arise from its use of financial instruments. This note describes Engineer Gold Mines' 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 Engineer Gold Mines' 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 Engineer Gold Mines' 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 Engineer Gold Mines' finance function. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting Engineer Gold Mines' 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 Engineer Gold Mines' operations and financial results. Engineer Gold Mines does not have significant exposure to foreign exchange rate fluctuation.

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Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Engineer Gold Mines 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. Engineer Gold Mines considers this risk to be immaterial.

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Credit risk is the risk of financial loss to Engineer Gold Mines 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 Engineer Gold Mines consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained with financial institutions of reputable credit and may be redeemed upon demand. Engineer Gold Mines considers this risk to be immaterial.

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Liquidity Risk is the risk that Engineer Gold Mines will not be able to meet its financial obligations as they become due. Engineer Gold Mines' 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 Engineer Gold Mines' reputation. Engineer Gold Mines 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;

■ 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 marker data (unobservable inputs).

Engineer Gold Mines has no financial instruments subject to level 1, 2 or level 3 fair value measurements. There were no reclassifications to Engineer Gold Mines' fair value measurements during the year ended November 30, 2017.

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 mineralization may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Engineer Gold Mines' 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 Engineer Gold Mines as described herein will result in discoveries of commercial mineralization. BCR has no history of earnings, and there is no assurance that the properties, or any other future property that may be acquired by Engineer Gold Mines, 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. Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines' 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 Engineer Gold Mines.

Permits and Licenses

The exploitation and development of mineral properties may require Engineer Gold Mines to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that Engineer Gold Mines 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 Engineer Gold Mines' 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 Engineer Gold Mines' ability to continue its mineral exploration operations.

Uninsured Risks

Engineer Gold Mines 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.

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. Engineer Gold Mines does not have any key person insurance in place for management.

Conflicts of Interest

Certain of the directors of Engineer Gold Mines 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 Engineer Gold Mines will be made in accordance with their duties and obligations to deal fairly and in good faith with Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines' operations.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Engineer Gold Mines' general and administrative expenses and resource property expenditures:

Expenses for the year ended November 30, 2017		
• EXPENSES		
Amortization	$	2,499
Bank charges, interest and accretion		1,149
Consulting fees		36,968
Filing and transfer agent fees		8,517
Management fees		32,000
Office and miscellaneous		1,899
Professional fees		29,645
Share-based payments		35,875
Travel, trade shows and promotion		49,826
		(198,378)

Exploration and evaluation asset costs and activity for the year ended November 30, 2017		
Opening value	$	1
Acquisition		452,467
Property development expenditures		
Consulting		28,239
Geological		900
Helicopter		7,840
Insurance		4,074
Maintenance		14,930
Meals and accommodation		2,059
Reporting		17,041
Sampling		18,145
	$	545,696

ENGINEER GOLD MINES LTD.

Management Discussion and Analysis

For the Audited Carve-Out Financial Statements

For the Year Ended November 30, 2016

This Management Discussion and Analysis ("MD&A") focuses on significant factors that affected the Engineer Gold Mines Property during the year ended November 30, 2016. This MD&A should be read in conjunction with the audited carve-out financial statements of Engineer for the years ended November 30, 2016 and 2017. The statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

The term "carve-out financial statements" is used to describe the financial statements that are derived from the existing consolidated financial statements of a parent entity, when only a portion of its business activities are taken into account. In this case, the portion of the "parent's" (i.e., Blind Creek) business activities that are being reported upon in the Engineer Gold Mines audited carve-out financial statements included in the Circular is the Engineer Gold Mines Property to be transferred to Engineer Gold Mines as part of the Arrangement. The principal purpose of carve-out financial statements is to present the historical operations of the carve-out entity and reflect all of the costs of doing business. The audited carve-out financial statements were compiled to enable shareholders of Blind Creek with relevant information on how the Engineer Gold Mines Property operated under its parent in the periods presented in order to assist the shareholders to evaluate the Arrangement.

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 Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines to be materially different than anticipated. The forward-looking information in this MD&A describes Engineer Gold Mines' expectations as of the date of this MD&A.

Engineer Gold Mines cautions that the foregoing list of material factors is not exhaustive. When relying on Engineer Gold Mines' forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Engineer Gold Mines 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.

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

OVERVIEW

Engineer Gold Mines is a mineral exploration company focused on the identification, acquisition, exploration and development of mineral properties in British Columbia. All of the outstanding securities of Engineer are held by Blind Creek Resources Ltd. ("Blind Creek"). Engineer Gold Mines will be spun out of Blind Creek Resources Ltd. by way of plan of arrangement (the "Arrangement") pursuant to the

Business Corporations Act (British Columbia), assuming receipt of all regulatory, shareholder and court approvals. Engineer was incorporated January 17, 2018 for the purpose of completing the Arrangement. Additional information related to Blind Creek is available on SEDAR at www.sedar.com.

In August 2013, amended in August 2014 and July 2015, and subsequently renegotiated, Blind Creek signed a letter agreement with BCGold Corp. ("BCGold") where BCGold had the option to earn a 100% interest in the nine claims comprising Blind Creek's Atlin mineral property.

To earn its 100% interest, BCGold was 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.

In the event that BCGold earned a 100% in the Atlin mineral property, Blind Creek would retain a 2.0% net smelter return on the Property, which could be reduced to 0.5% by BCGold by making a payment of $1.5 million to Blind Creek.

Further Information Regarding the Engineer Gold Mines Property

Claim Group	Project	Claims	Hectares	Comment
Atlin Gold Camp	Atlin	16	5,299	Au-Ag

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

Atlin Project

The Atlin Project was located in north-west British Columbia and covered an estimated 50 km of important placer gold drainages within the historic Atlin placer gold camp.

In 2004, Blind Creek 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-Blind Creek 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 Engineer Gold Mines along the east shore of Atlin Lake, to join the Como Lake block with the Main block, creating one contiguous claim block. Subsequently, more claims were staked. This claim group was later referred to as the "Atlin Project". The Atlin Project was linked by a chain of mineral claims across Atlin Lake to the Tagish Lake Project, making all of Blind Creek's Atlin Properties contiguous.

During 2013, financial constraints prevented Blind Creek from carrying out an effective exploration program on the Atlin Project. Management decided not to continue to develop this area itself and recognized an impairment of $3,453,120 in its financial statements for the year ending November 30, 2013.

b) Tagish Lake / Wan River Project

In 2004, Blind Creek staked claims around the historic Engineer Mine located 34 km west of the Atlin Project. At that time, these Blind Creek 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 Engineer Gold Mines 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, Engineer Gold Mines 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.

Engineer Gold Mines' key properties within the Tagish Lake Project area at that time were:

- 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 border the historic Engineer Mine and Gold Hill properties. In August 2013, amended in August 2014 and July 2015, and subsequently renegotiated, Blind Creek signed a letter agreement with BCGold Corp. whereby BCGold had 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 Blind Creek, staged cash payments of $225,000, and incurrence of $400,000 in exploration work expenditures. Blind Creek was to retain a 2% net smelter return on the Claims, which could be reduced to 0.5% by BCGold for a price of $1.5 million.

RESULTS OF OPERATIONS

Selected Annual Information

	Year ended November 30, 2016	Year ended November 30, 2015	Year ended November 30, 2014
Total revenue	$ -	$ -	$ -
Net loss and comprehensive loss			
In total	$ -	$ -	$ -
Per share (basic and diluted)	$ (-)	$ (-)	$ (-)
Total assets	$ 1	$ 1	$ 1
Exploration and evaluation assets	$ 1	$ 1	$ 1
Total non-current financial liabilities	$ -	$ -	$ -
Working capital (deficiency)	$ -	$ -	$ -
Common shares	1	1	1
Cash dividends	$ -	$ -	$ -

Year ended November 30, 2016

Engineer Gold Mines incurred a net loss of $Nil for the year ended November 30, 2016 compared to a net loss of $Nil for the year ended November 30, 2015.

SELECTED QUARTERLY FINANCIAL INFORMATION

	Nov. 30, 2016	Aug. 31, 2016	May 31, 2016	Feb. 28, 2016	Nov 30, 2015	Aug 31, 2015	May 31, 2015	Feb. 29, 2015
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Comprehensive (loss)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Basic and diluted net (loss) per share	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Weighted Average number of shares outstanding	1	1	1	1	1	1	1	1

LIQUIDITY AND CAPITAL RESOURCES

The Engineer Gold Mines Property does not generate cash flow and its long-term financial success is dependent upon management's ability to discover economically viable quantities of mineralization. The exploration process can take many years and is subject to factors that are beyond Engineer Gold Mines' control. The ability of Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines will be able to maintain sufficient liquidity for it to continue as a going concern however, management can provide no assurance with regard thereto. Engineer Gold Mines' capital management objective is to maximize potential investment returns to its equity stakeholders within the context of the relevant opportunities and risks associated with Engineer Gold Mines' 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. Engineer Gold Mines 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 Engineer Gold Mines is unable to obtain adequate additional financing, Engineer Gold Mines will be required to curtail operations and exploration activities. There can be no assurance that financing will be available to Engineer Gold Mines when required.

At November 30, 2016, Engineer Gold Mines had $Nil cash and working capital of $Nil. Engineer Gold Mines will have to raise additional funds for its operation and exploration programs. Engineer Gold Mines will need to raise funds through the completion of private placements.

OFF-BALANCE SHEET ARRANGEMENTS

Engineer Gold Mines does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Engineer Gold Mines incurred no expenses by key management personnel and companies controlled by key management personnel, such personnel include Engineer Gold Mines' Directors, Chief Executive Officer, Chief Financial Officer and Corporate Secretary.
Key management personnel were not paid any post-employment benefits, termination benefits, or other long-term benefits during the respective years.

OUTSTANDING SHARE DATA

Designation of Security	Amount Authorized	Number of Securities Outstanding as at November 30, 2016
Common Shares	unlimited	1
Preferred Shares	unlimited	-
Warrants	n/a	-
Special Warrants	n/a	-
Stock Options	10%	-

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Engineer Gold Mines 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.

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Engineer Gold Mines intends to move ahead with further exploration and then development of the Tagish-Lake/Wan River Property, Blende and Yukon Carlin properties but Engineer Gold Mines does not currently have funds to do so. Accordingly, Engineer Gold Mines has written of the Kaza Northstar property, impaired Atlin and Yukon Carlin properties first and the Blende property to reflect Engineer Gold Mines' 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 Engineer Gold Mines' mining properties are estimated based on Engineer Gold Mines' market capitalization.

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j) Liquidity Risk

Liquidity Risk is the risk that Engineer Gold Mines will not be able to meet its financial obligations as they become due. Engineer Gold Mines' 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 Engineer Gold Mines' reputation. Engineer Gold Mines is reliant on the continued support of related parties to meet short-term financing requirements and to meet obligations as they become due.

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■ 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 marker data (unobservable inputs).

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Mining Industry

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There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines' 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 Engineer Gold Mines.

Permits and Licenses

The exploitation and development of mineral properties may require Engineer Gold Mines to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that Engineer Gold Mines 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 Engineer Gold Mines' 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 Engineer Gold Mines' ability to continue its mineral exploration operations.

Uninsured Risks

Engineer Gold Mines 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.

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. Engineer Gold Mines does not have any key person insurance in place for management.

Conflicts of Interest

Certain of the directors of Engineer Gold Mines 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 Engineer Gold Mines will be made in accordance with their duties and obligations to deal fairly and in good faith with Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines' operations.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Engineer Gold Mines' had no general and administrative expenses and no resource property expenditures for the year ended November 30, 2016.

SCHEDULE "C"

ENGINEER GOLD MINES LTD. AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION (JANUARY 17, 2018) TO FEBRUARY 28, 2018

(Please see attached)

ENGINEER GOLD MINES LTD.

Financial Statements

For the Period from the Date of Incorporation (January 17, 2018) to February 28, 2018 Expressed in Canadian Dollars

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of Engineer Gold Mines Ltd.:

We have audited the accompanying financial statements of Engineer Gold Mines Ltd., which comprise the statement of financial position as at February 28, 2018, and the statement of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from incorporation on January 17, 2018 to February 28, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Engineer Gold Mines Ltd. as at February 28, 2018, and its financial performance and its cash flows for the period from incorporation on January 17, 2018 to February 28, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Engineer Gold Mines Ltd.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada

April 13, 2018

ENGINEER GOLD MINES LTD.
STATEMENTS OF FINANCIAL POSITION
AS AT
(Expressed in Canadian Dollars)

	February 28, 2018
ASSETS	
Current	
Cash	-
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current	
Bank indebtedness	$ 6
SHAREHOLDERS' EQUITY	
Share capital	$ 1
Deficit	$ (7)
	$ (6)
	$ -

Nature and continuance of operations (Note 1)

Subsequent Events (Note 6)

The accompanying notes are an integral part of these financial statements.

ENGINEER GOLD MINES LTD.

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
PERIOD ENDED
(Expressed in Canadian Dollars)

		Inception (January 17, 2018) to February 28, 2018
Bank charges		7
		(7)
Net loss and comprehensive loss for the period	$	(7)
Basic and diluted net loss per common share	$	0.00
Weighted average number of common shares outstanding		1

The accompanying notes are an integral part of these financial statements.

ENGINEER GOLD MINES LTD.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital			Total
	Common Shares	Amount	Deficit	Shareholders' Equity
Balance, January 17, 2018	-	$ -	$ -	$ -
Shares on incorporation	1	1	-	1
Comprehensive loss for the period	-	-	(7)	(7)
Balance, February 28, 2018	1	$ 1	$ (7)	$ (6)

The accompanying notes are an integral part of these financial statements.

ENGINEER GOLD MINES LTD.
STATEMENTS OF CASH FLOWS
PERIOD ENDED
(Expressed in Canadian Dollars)

	Inception (January 17, 2018) to February 28, 2018
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss for the period	$ (7)
CASH FLOWS FROM FINANCING ACTIVITIES	
Issuance of shares, net	1
Change in cash during the period	(6)
Cash, beginning of the period	-
Bank indebtedness, end of period	$ (6)1

Supplemental disclosure with respect to cash flows:

There were no cash payments of taxes or interest for the periods presented.

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated on January 17, 2018 under the laws of the Province of British Columbia, Canada. The Company is an exploration stage junior mining company engaged in the identification, acquisition and exploration of mineral properties and is the wholly owned subsidiary of Blind Creek Resources Ltd. ("Blind Creek"). The Company's head office, principal address and registered records office is located at 804 – 750 West Pender St, Vancouver, British Columbia, Canada.

This statement should be read in conjunction with the audited financial statements of Blind Creek for the year ended November 30, 2017 and other information provided in the Information Circular.

2. BASIS OF PRESENTATION

Statement of Compliance

These financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They have been prepared on a historical cost basis, except for certain financial instruments which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars unless otherwise noted.

Approval of the financial statements

The financial statements of the Company for the period ended February 28, 2018 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 13, 2018.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

3. SIGNIFICANT ACCOUNTING POLICIES

Share capital

Common shares issued for non-monetary consideration are recorded at their fair value on the measurement date and classified as equity. The measurement date is defined as the earliest of the date at which the commitment for performance by the counterparty to earn the common shares is reached or the date at which the counterparty's performance is complete.

Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

Income taxes

Income tax expense is comprised of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

Financial instruments – recognition and measurement

The Company classifies all financial instruments as held-to-maturity financial assets, fair value through profit or loss ("FVTPL"), available for sale or other financial liabilities, as follows:

Held-to-maturity financial assets are initially recognized at their fair values and subsequently measured at amortized cost using the effective interest method. Impairment losses are charged to earnings in the period in which they arise. FVTPL financial instruments are carried at fair value with changes in fair value charged or credited to earnings in the period in which they arise.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments – recognition and measurement (cont'd)

Available-for-sale financial instruments are carried at fair value with changes in the fair value charged or credited to other comprehensive income. Impairment losses are charged to net earnings in the period in which they arise.

Other financial liabilities are initially measured at cost or amortized cost, net of transaction costs and any embedded derivatives that are not closely related to the financial liability, depending upon the nature of the instrument with any resulting premium or discount from the face value being amortized to earnings using the effective interest method.

The Company classifies cash as FVTPL.

Recent accounting pronouncements

Certain new accounting standards, amendments to standards and interpretations have been issued, effective for annual periods beginning on or after June 30, 2017. These standards have been assessed to not have a significant impact on the Company's financial statements.

4. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued and outstanding

During the period ended February 28, 2018, the Company issued 1 common share at a price of $1 for proceeds of $1.

5. FINANCIAL INSTRUMENTS AND RISK MANAGAEMENT

As at February 28, 2018, the fair value of bank indebtedness held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at February 28, 2018, the Company had a bank indebtedness of $6.

5. FINANCIAL INSTRUMENTS AND RISK MANAGAEMENT (cont'd)

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held in an account with a major Canadian financial institution. The funds may be withdrawn at any time without penalty.

b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

6. SUBSEQUENT EVENTS

a) The Company completed a non-brokered private placement financing of subscription receipts. 7.6 million subscription receipts were sold at a subscription price of $0.10 per subscription receipt for gross proceeds of $760,000. Funds will be held in escrow pending satisfaction of certain escrow release conditions. Upon satisfaction of these conditions, the subscription receipts will automatically be exercised, without any additional consideration from the subscription receipt holders, for units of the Company. Each unit will consist of one common share of the Company and one-half of one share purchase warrant. Each whole warrant is exercisable to acquire one common share of the Company at a price of $0.15 per share for a period of two years following the issuance of the warrants.

b) On January 19, 2018 Blind Creek announced its intention to transfer its Engineer Gold Mine property and the adjoining Gold Hill Property together with certain claims it had previously acquired (the "Engineer Gold Mine Project") to the Company, subject to receipt of all required regulatory approvals, for common shares of Company (the "Engineer Distribution Shares"). The Engineer Distribution Shares will then be distributed to the common shareholders of Blink Creek on the reduction of the stated capital of Blind Creek's common shares, all by way of a plan of arrangement (the "Plan of Arrangement") under the *Business Corporations Act* (British Columbia) (the "Arrangement"). Blind Creek and the Company have entered into an arrangement agreement (the "Arrangement Agreement") dated January 19, 2018 in connection with the Arrangement. The Arrangement Agreement is subject to regulatory approval.

SCHEDULE "D"

ENGINEER GOLD MINES LTD. MANAGEMENT DISCUSSION AND ANALYSIS FOR THE PERIOD FROM INCORPORATION (JANUARY 17, 2018) TO FEBRUARY 28, 2018

(Please see attached)

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 Engineer Gold Mines 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 Engineer Gold Mines 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 Engineer Gold Mines to be materially different than anticipated. The forward-looking information in this MD&A describes Engineer Gold Mines' expectations as of the date of this MD&A.

Engineer Gold Mines cautions that the foregoing list of material factors is not exhaustive. When relying on Engineer Gold Mines' forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Engineer Gold Mines 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.

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

Date

The following management's discussion and analysis ("MD&A"), which is dated of April 18, 2018, provides a review of the activities, results of operations and financial condition of Engineer Gold Mines as at and for the forty two day period ended February 28, 2018, as well as future prospects of Engineer Gold Mines. This MD&A should be read in conjunction with the audited financial statements of Engineer Gold Mines as at and for the forty two day period ended February 28, 2018 (the "Audited Financial Statements").

All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise specified (the Engineer Gold Mines' financial statements are prepared in Canadian dollars).

Overall Performance

General

Engineer Gold Mines is a private company incorporated under the provisions of the British Columbia *Business Corporations Act* on January 17, 2018 in order to complete the Arrangement. Engineer Gold Mines is a wholly owned subsidiary of Blind Creek Resources Ltd., a TSX-V listed entity. Its registered and head office is located at 804-750 West Pender Street, Vancouver, British Columbia, V6C 2T7.

Stated Business Objectives

Engineer Gold Mines intends to develop the Engineer Gold Mine Property

Property Holdings

As at the date of this MD&A, Engineer Gold Mines does not hold any property. Upon the effectiveness of the Arrangement, Engineer Gold Mines will hold the Engineer Gold Mine Property.

Selected Annual Financial Information

Engineer Gold Mines has not completed a financial year since its incorporation.

Results of Operations
For the forty two day period ended February 28, 2018 Engineer Gold Mines reported a net loss of $7 or $nil per share.

Summary of Quarterly Results
Engineer Gold Mines was incorporated on January 17, 2018 and has not had operation activities for the last eight quarters to report.

Liquidity
Engineer Gold Mines is a mining exploration and development compamny with no producing resource properties, and consequently does not generate operating income or cash flow. To date, Engineer Gold Mines has relied upon the sale of equity securities to provide working capital for capital acquisitions, exploration and development activities, and to fund the administration of Engineer Gold Mines. Since Engineer Gold Mines does not expect to generate any revenues in the near future, it will continue to rely upon equity and debt financing to raise capital. There can be no assurance that financing will be available to Engineer Gold Mines when required, or on terms satisfactory to Engineer Gold Mines. At February 28, 2018, Engineer Gold Mines had $6 in bank indebtedness.

Capital Resources
Engineer Gold Mines' working capital deficiency at February 28, 2018 was ($6).

Fourth Quarter
Not applicable.

Proposed Transaction
The details of the proposed Arrangement are discussed in the Audited Financial Statement note 6 b).

Critical Accounting Estimates
Engineer Gold Mines' significant accounting policies are contained in Note 3 to the Audited Financial Statements for the forty two day period ended February 28, 2018. The preparation of the Audited Financial Statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in Accounting Policies including Initial Adoption of IFRS
Engineer Gold Mines adopted IFRS for the period ending February 28, 2018. There were no changes in accounting policies for the period ending February 28, 2018.

Future Accounting Pronouncements
A number of other new standards and issued amendments to standards and interpretations are not yet effective for the year ending February 28, 2018 and have not been applied when preparing Engineer Gold Mines' financial statements. Management does not currently expect the implementation of these new standards and amendments will have a significant effect on the financial statements of Engineer Gold Mines.

Fair value
Engineer Gold Mines classifies its financial assets as fair value through profit or loss ("FVTPL"). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Fair value through profit or loss
Financial assets are classified as FVTPL when the financial asset is held-for-trading or it is designated as FVTPL. A financial asset is classified as FVTPL when it has been acquired principally for the purpose of selling in the near future; it is a part of an identified portfolio of financial instruments that Engineer Gold Mines manages and has an actual pattern of short-term profit-taking or if it is a derivative that is not designated and effective as a hedging instrument. Upon initial recognition, attributable transaction costs are recognized in profit or loss when incurred. Financial instruments at FVTPL are measured at fair value, and changes therein are recognized in profit or loss. Cash is included in this category of financial assets.

Fair value hierarchy
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 marker data (unobservable inputs).

Engineer Gold Mines has no financial instruments subject to level 1, 2 or level 3 fair value measurements.

Financial risk management
Engineer Gold Mines is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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. Engineer Gold Mines' has exposure to credit risk on its cash held in bank accounts and deposits. The majority of cash are deposited in bank accounts held with a major bank in Canada. As all of Engineer Gold Mines' cash is held by a bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by ratings agencies. The maximum exposure to loss arising from deposits is equal to their carrying amounts.

Foreign Exchange Risk
Foreign currency risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate as they are denominated in currencies that differ from the respective functional currency. Engineer Gold Mines is not exposed to significant foreign currency risk.

Liquidity Risk
Liquidity risk is the risk that Engineer Gold Mines will encounter difficulty in satisfying financial obligations as they become due. Engineer Gold Mines manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Engineer Gold Mines' objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. Engineer Gold Mines is not exposed to significant liquidity risk.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Engineer Gold Mines manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. There were no changes in Engineer Gold Mines' approach to risk management during the reporting period.

Capital Management
Engineer Gold Mines is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. Engineer Gold Mines does not generate cash flows from operations. Engineer Gold Mines' primary source of funds comes from the issuance of capital stock. Engineer Gold Mines does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations, and is not subject to any externally imposed capital requirements. Engineer Gold Mines' objective when managing capital is to safeguard Engineer Gold Mines' ability to continue as a going concern. Engineer Gold Mines defines its capital as equity. Capital requirements are driven by Engineer Gold Mines' general operations. To effectively manage Engineer Gold Mines' capital requirements, Engineer Gold Mines monitors expenses and overhead to ensure costs and commitments are being paid.

Other MD&A Requirements

Disclosure of Outstanding Share Data
At February 28, 2018 there was one (1) outstanding Engineer Gold Mine Common Share.

Risks and uncertainties
Engineer Gold Mines is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavour, and Engineer Gold Mines' future performance may be affected by events,risks or uncertainties that are outside of Engineer Gold Mines' control. Engineer Gold Mines' management consider the risks set out below to be the most significant to potential investors of Engineer Gold Mines, but not all risks associated with an investment in securities of Engineer Gold Mines. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not be material in relation to Engineer Gold Mines' business, actually occur, Engineer Gold Mines' assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of Engineer Gold Mines' securities could decline and investors may lose all or part of their investment.

Limited Operating History
Engineer Gold Mines is still in an early stage of development. Engineer Gold Mines is engaged in the business of exploring and, if warranted, developing mineral properties in the hope of locating economic deposits of minerals. Engineer Gold Mines' mineral interests are in the exploration stage and do not have mineral reserves. Engineer Gold Mines has no history of earnings. There is no guarantee that economic quantities of mineral reserves will be discovered on Engineer Gold Mines' property.

Management
The success of Engineer Gold Mines is currently dependant on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on Engineer Gold Mines' business and prospects. There is no assurance that Engineer Gold Mines can maintain the services

of its directors, officers or other qualified personnel required to operate its business. At this date there are no indications that any change in management cannot be maintained at the current structure.

Conflicts of Interest

Engineer Gold Mines' directors, officers and other members of management serve as directors, officers, promoters and members of management of other companies involved in the acquisition, exploration and development of mineral resource properties and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of Engineer Gold Mines' management team and their duties as a director, officer, promoter or member of management of such other companies. The Engineer Gold Mines' directors and officers are aware of the laws governing accountability of directors and officers for corporate opportunity and the requirement of directors to disclose conflicts of interest. The Corporation will rely upon these laws in respect of any directors' and officers' conflicts of interest or in respect of anybreaches of duty by any of its directors or officers.

Additional Funding Requirements

From time to time, Engineer Gold Mines will require additional financing in order to carry out its acquisition, exploration and development activities. Failure to obtain such financing on a timely basis could cause the Engineer Gold Mines to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. If Engineer Gold Mines' cash flow from operations is not sufficient to satisfy its capital or resource expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or be available on favourable terms.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Any quoted market for Engineer Gold Mines' securities may be subject to such market trends and that the value of such securities may be affected accordingly.

Subsequent Events

Engineer Gold Mines plans to complete the terms of the Arrangement Agreement with Blind Creek, an exploration stage public company whose common shares are listed for trading on the TSX Venture Exchange ("TSX-V"). Blind Creek's primary business is the acquisition, exploration, development, and production of the Blende property. The Arrangement has been proposed to, among other things, provide a better opportunity for the Engineer Gold Mines Property to be further explored and developed. Pursuant to the Arrangement, Blind Creek will transfer all of its right, title and interest in the Engineer Gold Mine Property to Engineer Gold Mines in consideration for approximately 12,838,525 Engineer Gold Mines Common Shares, which Blind Creek will then distribute on a pro rata basis to its shareholders, other than dissenting shareholders, on the basis of one Engineer Gold Mines share for each two Blind Creek share held immediately prior to the effective time. Each shareholder (other than dissenting shareholders) as at the Effective Time will, immediately after completion of the Arrangement, continue to hold the same pro rata interest in Blind Creek that such shareholder held in Blind Creek prior to the completion of the Arrangement. Completion of the Arrangement is subject to a number of conditions, including, but not limited to, approval of the shareholders of Blind Creek and the Supreme Court of British Columbia. Such approvals, if granted, are expected to be received subsequent to the date of approval of these financial statements.

Engineer Gold Mines will have to raise additional funds for its operation and exploration programs. Engineer Gold Mines has raised gross proceeds of $760,000 by issuing subscription receipts at $0.10 per Engineer Gold Mines Subscription Receipt. Each such Engineer Gold Mines Subscription Receipt is automatically exerciable for Engineer Gold Mines Units upon satisfaction of the Escrow Release Conditions. Each such Engineer Gold Mienes Unit shall be comprised of one common share in the capital of Engineer Gold Mines and one half of one common share purchase warrant (each, a "**Warrant**"). Each

whole Warrant will entitle the holder to acquire one additional Common Share for a period of 24 months after the date of issuance of the Warrants at a price of $0.15 per share.

SCHEDULE "E"

ENGINEER GOLD MINES LTD. CARVE-OUT COMBINED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED FEBRUARY 28, 2018 AND 2017

(Please see attached)

THE ENGINEER GOLD MINES

PROJECT OF

BLIND CREEK RESOURCES LTD.

CARVE-OUT FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

For the three months ended February 28, 2018 and 2017

Carve-Out Financial Statements

February 28, 2018 and 2017

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The Engineer Gold Mines Project of Blind Creek Resources Ltd.
Carve-out Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	February 28, 2018	November 30, 2017
ASSETS		
Reclamation bond (Note 5)	$ 50,000	$ 50,000
Exploration and evaluation assets (Note 5)	585,383	545,696
	$ 635,383	$ 595,696
OWNER'S NET INVESTMENT		
Owner's net investment (note 6)	$ 635,383	$ 595,696
	635,383	595,696
	$ 635,383	$ 595,696

Arrangement Agreement (Note 1)

The accompanying notes are an integral part of these carve-out financial statements.

The Engineer Gold Mines Project of Blind Creek Resources Ltd.
Carve-out Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended February 28, 2018	Three months ended February 28, 2017
EXPENSES		
Amortization	$ 468	$ 625
Bank charges, interest and accretion	191	57
Consulting fees	7,373	4,638
Filing and transfer agent fees	1,785	273
Management fees	11,250	3,625
Office and miscellaneous	388	12
Professional fees	1,570	1,397
Share-based payments	4,207	-
Travel, trade shows and promotion	11,412	-
Net loss and comprehensive loss	(38,644)	(10,627)

The accompanying notes are an integral part of these carve-out financial statements.

The Engineer Gold Mines Project of Blind Creek Resources Ltd.
Carve-out Statements of Changes in Owner's Net Investment
(Expressed in Canadian Dollars)
(Unaudited)

	February 28, 2018	February 28, 2017
Owner's net investment, beginning of period	595,696	1
Net and comprehensive loss	(38,644)	(10,627)
Net contributions from owner	78,331	10,627
Owner's net investment, end of period	635,383	1

The accompanying notes are an integral part of these carve-out financial statements.

The Engineer Gold Mines Project of Blind Creek Resources Ltd
Carve-out Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended February 28, 2018	Three months ended February 28, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (38,644)	$ (10,627)
Items not affecting cash:		
Amortization	468	625
Net cash used in operating activities	(38,176)	(10,002)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation asset expenditures	(39,687)	-
Net cash used in investing activities	(39,687)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Funding provided by Blind Creek Resources Ltd.	77,863	10,002
Net cash provided by financing activities	-	-
Change in cash during the period	-	-
Cash, beginning of period	-	-
Cash, end of period	$ -	$ -

The accompanying notes are an integral part of these carve-out financial statements.

2. ARRANGEMENT AGREEMENT

On January 19, 2018, Blind Creek Resources Ltd. (“Blind Creek” or the “Company”) announced its intention to transfer its Engineer Mine property and the adjoining Gold Hill Property together with certain claims it had previously acquired to Engineer Gold Mines Ltd. ("Engineer"), a wholly-owned subsidiary of the Company (incorporated January 17, 2018) (subject to receipt of all required regulatory approvals) for common shares of Engineer (the "Engineer Distribution Shares"). The Engineer Distribution Shares will then be distributed to the common shareholders of the Company on the reduction of the stated capital of the Company’s common shares, all by way of a plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Arrangement"). The Company and Engineer have entered into an arrangement agreement (the "Arrangement Agreement") dated January 19, 2018 in connection with the Arrangement. The Arrangement Agreement is subject to regulatory approval. Under the terms of the Arrangement, Engineer will hold a 100% interest in the Engineer Gold Mines Project.

Engineer was incorporated on January 17, 2018 and its registered office is located at 804 – 750 West Pender St., Vancouver, British Columbia, Canada. To date, Engineer has not commenced operations.

These carve-out financial statements reflect the assets, liabilities, pro-rata expenses and cash flows of the Engineer Gold Mines Project that will be spun out by the Company to Engineer pursuant to the Arrangement as more fully described in Note 3 below.

2. NATURE OF OPERATIONS

The Engineer Gold Mines Project is engaged in the identification, acquisition and exploration of mineral properties located in Canada and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of the Engineer Gold Mines Project through Engineer and the recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of Engineer to obtain necessary financing to complete the development of such properties, and upon future profitable production from or disposition of such properties.

3. BASIS OF PRESENTATION

Statement of Compliance

These carve-out financial statements have been prepared in accordance with a financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* for carve-out financial statements.

These financial statements are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”). These carve-out financial statements, including comparatives, are prepared on a historical cost basis, applying IFRS standards that are effective as at February 28, 2018.

Approval of the financial statements

The carve-out financial statements were authorized for issue by the Board of Directors on May 30, 2018.

3. BASIS OF PRESENTATION (continued)

The formation of the Engineer Gold Mines Project is the result of the transfer of assets between entities under common control; accordingly, the transaction is excluded from the scope of IFRS 3 (R), Business Combinations. These carve-out financial statements have been presented based on the amounts recorded by Blind Creek. During the periods presented, the Engineer Gold Mines Project did not operate as an independent entity, and accordingly, standalone financial information does not exist. Accordingly, these carve-out financial statements represent an extraction of the financial information relating to the Engineer Gold Mines Project.

These carve-out financial statements may not be indicative of the Engineer Gold Mines Ltd. Business' financial performance and do not necessarily reflect what its carved-out results of operations, financial position and cash flows would have been had the Engineer Gold Mines Ltd. Business operated as an independent entity during the years presented. The following basis of preparation for the carve-out statements of financial position, comprehensive loss, changes in owner's net investment and cash flows of the Engineer Gold Mines Project have been applied:

• All assets and liabilities of Blind Creek that are directly attributable to the Engineer Gold Mines Project have been extracted in these carve-out financial statements;

• Common expenses incurred by Blind Creek have been allocated on a pro-rata basis to the Engineer Gold Mines Project based on the level of exploration expenditures incurred; and

Critical Accounting Estimates and Judgments

The preparation of these carve-out financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

iv) The carrying value and the recoverability of exploration and evaluation assets, which are included in the carved out statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

v) The recognition of deferred tax assets. The Engineer Gold Mines Project considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

vi) The recorded value of provisions. This amount represents a best estimate of the probable amount payable taking into account available evidence including past history of payments and uncertainty of outflow of future resources.

4. SIGNIFICANT ACCOUNTING POLICIES

New or revised accounting standards not yet adopted

The Engineer Gold Mines Project has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9 - Financial Instruments was issued in November 2009 and covers the classification and measurement of financial assets as part of its project to replace IAS 39 - Financial Instruments: Recognition and Measurement. In October 2010, the requirements for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If this option is elected, entitles would be required to reverse the portion of the fair value change due to own credit risk out of earnings and recognize the change in other comprehensive income. IFRS 9 is applicable for periods beginning on or after January 1, 2018. The Engineer Gold Mines Project has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2018.

The Engineer Gold Mines Project anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position. Disclosure changes are anticipated. Other 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 Engineer Gold Mines Project' carve-out financial statements.

Exploration and evaluation assets

All costs related to the acquisition of exploration and evaluation assets are capitalized on a property by property basis, net of recoveries. Exploration and evaluation costs incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development are expensed to operations as incurred. If economically recoverable ore reserves are developed, capitalized costs of the related property are classified as mining assets and amortized using the unit-of-production method. When a property is abandoned, all related costs are written off to operations.

The amounts shown for acquisition costs represent costs incurred to date and do not necessarily reflect present or future values. These costs are depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

From time to time, the Engineer Gold Mines Project may acquire or dispose of an exploration and evaluation asset pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received. Proceeds received on the sale of an option of the Engineer Gold Mines Project's properties are recorded as a reduction of the mineral property cost. The Engineer Gold Mines Project recognizes amounts received in excess of the carrying amount in profit or loss.

Although the Engineer Gold Mines Project has taken steps to verify the title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Engineer Gold Mines Project's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation assets (continued)

Evaluation and exploration assets are assessed for impairment by management when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Engineer Gold Mines Project or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount.

The recoverability of the carrying amount of exploration and evaluation assets is dependent on successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against profit or loss. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

Impairment of tangible assets

The Engineer Gold Mines Project' tangible and intangible assets are reviewed for indications of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments

The Engineer Gold Mines Project grants options to acquire common shares of the Engineer Gold Mines Project to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes Option Pricing Model, and is recognized over the vesting period for employees using the graded vesting method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes Option Pricing Model.

For both employees and non-employees, the fair value of share-based payments is recognized as an expense with a corresponding increase in reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in share capital and the related share-based payment in reserves is transferred to share capital.

Financial instruments

IFRS 7 *Financial Instruments: Disclosures* requires classification of fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iii) Financial assets

The Engineer Gold Mines Project classifies its financial assets in the following categories: held-to-maturity, fair value through profit and loss ("FVTPL"), loans and receivables, and available-for-sale (“AFS”). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

(e) Held-to-maturity

Held-to-maturity financial assets are recognized on a trade-date basis and are initially measured at fair value using the effective interest rate method.

(f) Fair value through profit or loss

Financial assets are classified as FVTPL when the financial asset is held for trading or it is designated as FVTPL.

A financial asset is classified as FVTPL if:

- it has been acquired principally for the purpose of selling in the near future;
- it is a part of an identified portfolio of financial instruments that the Engineer Gold Mines Project manages and has an actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as FVTPL are stated at fair value with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset.

(g) Available-for-sale investments

AFS financial assets are non-derivatives that are either designated as AFS or not classified in any of the other financial assets categories. Changes in the fair value of AFS financial assets, other than impairment losses, are recognized as other comprehensive income and classified as a component of equity.

(h) Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are initially recognized at the transaction value and subsequently carried at amortized cost less impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at year-end. Bad debts are written off during the reporting period in which they are identified. Interest income is recognized by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) Financial liabilities

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as FVTPL unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive loss.

5. EXPLORATION AND EVALUATION ASSETS

Realization of assets
The investment in mineral properties comprise a significant portion of the Engineer Gold Mines Project's assets. Realization of the Engineer Gold Mines Project's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs represent costs incurred to date and do not necessarily reflect present or future values.

Environmental
The Engineer Gold Mines Project is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Engineer Gold Mines Project may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Engineer Gold Mines Project conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Engineer Gold Mines Project is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Engineer Gold Mines Project.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Engineer Gold Mines Project' operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation asset costs and activity is as follows:

			Engineer
November 30, 2017			$ 545,696
Acquisition			-
Property expenditures	development		
Consulting		$ 37,507	
Reporting		2,180	39,687
February 28, 2018			$ 585,383

Engineer, B.C.

Since August 2004, the Engineer Gold Mines Project has owned claims located in the Atlin Mining Division of British Columbia. Until February, 2017, these claims comprised of two project areas referred to as the Tagish Lake/Wann River Project and the Atlin Project.

In August 2013 (and subsequently amended in August 2014, August 2015 and August 2016) the Engineer Gold Mines Project signed a letter agreement with Pan Andean Minerals Ltd. ("Pan Andean") where Pan Andean had the option to earn a 100% interest in certain claims of the Engineer Gold Mines Project' Atlin property. To earn its 100% interest, Pan Andean was required to make cash payments totaling $225,000, issue 1,250,000 common shares and incur a minimum of $400,000 in exploration expenditures as follows:

(vi) issue 250,000 common shares within five business days of signing the letter agreement (received);
(vii) pay $10,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2014 (deferred to August 19, 2015, 2016 and 2017 by 3 separate amendments, each with payments of 100,000 shares of Pan Andean – (received);
(viii) pay $15,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2018
(ix) pay $50,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2019 and;
(x) pay $150,000, issue 250,000 common shares and incur $100,000 of expenditures by August 19, 2020.

The Engineer Gold Mines Project was entitled to a 2.0% NSR on the Atlin property, which can be reduced to 0.5% by Pan Andean for a price of $1,500,000.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Engineer, B.C. (continued)

On February 22, 2017, the Engineer Gold Mines Project entered into an agreement to acquire a 100% interest in the adjoining Engineer Mine property, the Gold Hill property and cancel the property option agreement with Pan Andean (thereby retaining 100% ownership). The purchase price was an aggregate of $350,000 paid to various parties. Under the agreement, the Engineer Gold Mines Project assumed certain liabilities due from Pan Andean to a third party which amount in aggregate does not exceed $102,467. Pan Andean was entitled to a 1% NSR payable from the proceeds of commercial production from the Engineer Mine, Gold Hill, and Blind Creek properties. The Engineer Gold Mines Project will have the right to buy back 100% of the NSR for $2,000,000.

On October 16, 2017, the Engineer Gold Mines Project has acquired the right, title, benefit and interest held by Pan Andean in and to the 1% NSR over the Engineer Mine property, by posting a new reclamation bond with the MEMPR in the amount of $50,000 to replace the bond previously provided by Pan Andean. There are now no underlying royalties for the historic Engineer Gold Mine patented crown grants, previously owned and recently staked contiguous Blind Creek mineral claims at the Engineer Mine property.

6. OWNER’S NET INVESTMENT

Blind Creek’s investment in the operations of the Engineer Gold Mines Project is presented as Owner's Net Investment in the carve-out financial statements. Owner's Net Investment represents the accumulated net contributions from owners net of the accumulated losses of the operations. Net financing transactions with Blind Creek as presented in the carve-out statements of cash flows represent the net contributions related to the funding of operations between the Engineer Gold Mines Project and Blind Creek.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Engineer Gold Mines Project's financial instruments consist of reclamation bond. The fair value of this financial instrument approximates its carrying value due to the short-term nature of these instruments.

The Engineer Gold Mines Project is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and other price risk. There has been no change in the way management managed these risks for the year.

c) Credit risk

Credit risk is the risk of financial loss to the Engineer Gold Mines Project if a counterparty to a financial instrument fails to meet its contractual obligations. There is nominal risk associated with credit risk.

d) Interest rate risk

Interest rate risk consists of two components:

(c) To the extent that payments made or received on the Engineer Gold Mines Project’s monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Engineer Gold Mines Project is exposed to interest rate cash flow risk.

(d) To the extent that changes in prevailing market rates differ from the interest rate in the Engineer Gold Mines Project's monetary assets and liabilities, the Engineer Gold Mines Project is exposed to interest rate price risk.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

e) Interest rate risk (continued)

Due to the short-term nature of the Engineer Gold Mines Project's financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of February 28, 2018. The Engineer Gold Mines Project manages interest rate risk by maintaining an investment policy that focuses primarily on the preservation of capital and liquidity.

f) Liquidity risk

Liquidity risk is the risk that the Engineer Gold Mines Project will be unable to meet its financial obligations as they come due. The Engineer Gold Mines Project's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity issuances. The Engineer Gold Mines Project manages its liquidity risk by forecasting cash flows required by operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments. The Engineer Gold Mines Project is exposed to liquidity risk.

g) Price risk

The Engineer Gold Mines Project is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Engineer Gold Mines Project's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Engineer Gold Mines Project closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Engineer Gold Mines Project. Fluctuations in pricing may be significant.

8. RELATED PARTY TRANSACTIONS

Key management compensation

The key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities. Management services were provided by Blind Creek's Board of Directors and members of its executive management team. Total compensation expense for key management personnel attributable and allocated to the Engineer Gold Mines Exploration Business, and the composition thereof, is as follows:

	February 28, 2018	February 28, 2017
Management and consulting fees charged by directors and corporations under their control	$ 14,250	$ 3,625
Professional fees	187	563
Total	$ 14,437	$ 4,188

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

9. CAPITAL MANAGEMENT

The Engineer Gold Mines Project defines its capital as shareholders' equity. Capital requirements are driven by the Engineer Gold Mines Project's exploration activities on its exploration and evaluation assets. To effectively manage the Engineer Gold Mines Project's capital requirements, the Engineer Gold Mines Project has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Engineer Gold Mines Project monitors actual expenses to budget all exploration projects and overhead to manage costs, commitments and exploration activities.

The Engineer Gold Mines Project has in the past invested its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Engineer Gold Mines Project's short-term obligations while maximizing liquidity and returns of unused capital.

Although the Engineer Gold Mines Exploration Business has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this financing due to uncertain economic conditions. The Engineer Gold Mines Project believes that it will be able to raise sufficient funds from share issuances to fund its working capital for the coming year. The Engineer Gold Mines Project is not subject to any externally imposed capital requirements. There have been no changes to the Engineer Gold Mines Project's approach to capital management during the period.

10. SEGMENTED INFORMATION

An operating segment is defined as a component of the Engineer Gold Mines Project that engages in business activities from which it may earn revenues and incur expense, whose operating results are reviewed regularly by the Engineer Gold Mines Project's chief operating decision maker, and for which discrete financial information is available. The Engineer Gold Mines Project has determined that it has one reportable operating segment, the acquisition and exploration of mineral properties, all of which occurs within Canada.

SCHEDULE “F”

ENGINEER GOLD MINES LTD. MANAGEMENT DISCUSSION AND ANALYSIS FOR THE INTERIM PERIOD ENDED FEBRUARY 28, 2018 AND 2017

(Please see attached)

This Management Discussion and Analysis ("MD&A") focuses on significant factors that affected Engineer Gold Mines Ltd. ("Engineer Gold Mines" or the "Company") during the period ended February 28, 2018. This MD&A should be read in conjunction with the carve-out financial statements of Engineer Gold Mines for the periods ended February 28, 2018 and 2017. The statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.

The term "carve-out financial statements" is used to describe the financial statements that are derived from the existing consolidated financial statements of a parent entity, when only a portion of its business activities are taken into account. In this case, the portion of the "parent's" (i.e., Blind Creek) business activities that are being reported upon in the Engineer Gold Mines audited carve-out financial statements included in the Circular (as hereafter defined) is the Engineer Gold Mines Property to be transferred to Engineer Gold Mines as part of the Arrangement (as hereafter defined). The principal purpose of carve-out financial statements is to present the historical operations of the carve-out entity and reflect all of the costs of doing business. The carve-out financial statements were compiled to enable shareholders of Blind Creek with relevant information on how the Engineer Gold Mines Property operated under its parent in the periods presented in order to assist the shareholders to evaluate the Arrangement.

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

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

OVERVIEW

Engineer Gold Mines is a mineral exploration company focused on the identification, acquisition, exploration and development of mineral properties in British Columbia. All of the outstanding securities of Engineer Gold Mines are held by Blind Creek Resources Ltd. ("Blind Creek"). Engineer Gold Mines will be spun out of Blind Creek Resources Ltd. by way of plan of arrangement (the "Arrangement") pursuant to the *Business Corporations Act* (British Columbia), assuming receipt of all regulatory, shareholder and court approvals. Engineer was incorporated January 17, 2018 for the purpose of completing the Arrangement. Additional information related to Blind Creek is available on SEDAR at www.sedar.com.

On February 22, 2017, Blind Creek entered into an agreement to acquire a 100% interest in the Engineer Gold Mines Property, the adjoining Gold Hill property and cancel the Blind Creek property option agreement with BCGold Corp. ("BCGold") (thereby retaining 100% ownership). The purchase price was an aggregate of $350,000 paid to various parties. Under the agreement, Blind Creek assumed certain liabilities due from BCGold to a third party which amount in aggregate did not exceed $102,467. BCGold was entitled to a 1% Net Smelter Royalty ("NSR") payable from the proceeds of commercial production from the Engineer Gold Mines Property, Gold Hill, and Blind Creek properties. Blind Creek has the right to buy back 100% of the NSR for $2,000,000. On April 26, 2017, Blind Creek announced it had received Exchange approval and completed the Engineer Gold Mine purchase.

Consolidation of the mineral claims constituting the Engineer Gold Mines Property, Blind Creek option and Gold Hill properties allows Blind Creek to explore and possibly develop the area's underlying resources as a whole in an efficient and cost-effective manner. Blind Creek commenced a 2017 work program on the Engineer Gold Mines Property, including soil geochemical surveys, geological mapping, sampling and prospecting. Blind Creek subsequently engaged Mr. Darren O'Brien, P.Geo. to update the Engineer Gold Mines Technical Report (as hereafter defined). Blind Creek enlarged the Engineer Gold Mines Property by staking 25 additional mineral claims totalling 8,287 hectares; as a result the Engineer Gold Mines Property has significantly increased in size from 3,269 hectares to 12,032 hectares. Overall the Engineer Claim Group measures 18 kilometres by 9.5 kilometres in size.

On July 13, 2017, Blind Creek announced that it had received a water discharge permit from the British Columbia Ministry of Environment for its 100% owned historic Engineer Gold Mine, situated 32 kilometres southwest of Atlin, British Columbia. The permit authorizes Blind Creek to discharge groundwater from the underground workings of the Engineer Gold Mine and effluent from Blind Creek's 50 tonne per day gravity separation gold mill into Tagish Lake and the tailings impoundment, respectively, subject to a number of specific requirements.

The water discharge permit is a critical component for continued underground exploration, development and small-scale, high-grade gold production at Engineer Gold Mine. Blind Creek is currently reviewing a small, high-grade gold production opportunity defined by the previous owner of Engineer Gold Mine, which would require dewatering to access the lowermost 3 levels of the mine. This permit provides for this eventuality. Engineer Gold Mine was last dewatered below 7 Level in 2012, as follow-up to a successful underground test mining and on-site milling program conducted in 2011.

On August 17, 2017, Blind Creek announced that an exploration program had commenced at the Blind Creek 100% owned and fully-permitted Engineer Gold Mines Property, situated 32 kilometres southwest of Atlin, British Columbia. Blind Creek commissioned Ms. Fionnuala Devine, M.Sc., P.Geo. to oversee a geological mapping, sampling and first-pass MMI soil geochemical survey stepping out from previous exploration results immediately south of the Engineer Mine (proper) and on the Wann River claims, 5 kilometres to the south. Blind Creek conducted a soil sample orientation survey across the Wann mineralized corridor, similar to that previously conducted at the Engineer Gold Mines Property, in attempt to determine the most reliable method to trace high-grade gold and silver-bearing mineralized structures. A

number of widely spaced MMI soil anomalies were defined that warrant follow-up geological mapping, prospecting, MMI soil sampling, trenching and diamond drilling to develop vein targets to the south and west in 2018.

On October 16, 2017, Blind Creek announced that it had received an amended Mines Act Permit from the Ministry of Energy, Mines and Petroleum Resources ("MEMPR"), Mines and Mineral Resource Division, that authorizes Blind Creek to conduct exploration, underground mining and on-site milling activities at the 100% owned historic Engineer Gold Mines Property, detailed in a renewable Notice of Work and Reclamation Program ("NOW"), valid until March 31, 2020. The permit was amended to reflect the change in ownership of the Engineer Gold Mines Property, situated 32 kilometres southwest of Atlin, British Columbia, from BCGold to Blind Creek (See Blind Creek News Release dated April 26, 2017).

Engineer Gold Mines Royalty Acquired by Posting $50,000 Reclamation Bond

Blind Creek also announced that by way of a separate agreement, Blind Creek had acquired the right, title, benefit and interest held by Pan Andean Minerals Ltd. ("Pan Andean") (formerly BCGold Corp.) in and to the 1% NSR over the Engineer Gold Mines Property acquired by Blind Creek earlier that year, by posting a new reclamation bond with the MEMPR in the amount of $50,000 to replace the bond previously provided. There are now no underlying royalties for the historic Engineer Gold Mine patented crown grants, previously owned and recently staked contiguous Blind Creek mineral claims at the Engineer Gold Mine Property.

Blind Creek Now Fully Permitted for Exploration, Mining and On-site Gold Production at Engineer Gold Mine

The amended Mines Act Permit supplements the water discharge permit Blind Creek previously received from the British Columbia Ministry of Environment (See Blind Creek News Release dated July 13, 2017) that authorizes Blind Creek to discharge groundwater from the underground workings of the Engineer Gold Mine and effluent from the Blind Creek's 50 tonne per day gravity separation gold mill into Tagish Lake and the tailings impoundment, respectively, subject to a number of specific requirements.

Blind Creek is now fully permitted to conduct surface and underground exploration, mine de-watering, mining, development, and small-scale gold production at the Engineer Gold Mine. Blind Creek applied and received a 5 year permit to conduct geological mapping, sampling, geochemical and geophysical surveys on the Wann and recently acquired claims.

Blind Creek and Engineer Gold received an independent technical report in accordance with National Instrument 43-101 on January 18, 2018 entitled "Engineer Gold Mine, British Columbia, Canada - Report for: Blind Creek Resources Ltd. and Engineer Gold Mines Ltd., prepared by Darren O'Brien, P. Geo., Michael Redfearn, P. Eng. and Dr. Simon Dominy, F.AusIMM(CP) FGS(CGeol), and Michael Redfearn, P. Eng., dated January 12, 2018" (the "Technical Report"). The Technical Report is available under Blind Creek's profile on www.SEDAR.com.

On January 19, 2018, Blind Creek announced its intention to transfer its Engineer Gold Mines Property and the adjoining Gold Hill Property which it acquired from BCGold (now, Pan Andean Minerals Ltd.) in early 2017 together with certain claims it had previously acquired (the "Engineer Gold Mine Project") to Engineer Gold Mines, a wholly-owned subsidiary of Blind Creek subject to receipt of all required regulatory approvals) for common shares of Engineer Gold Mines (the "Engineer Distribution Shares"). The Engineer Distribution Shares will then be distributed to the common shareholders of Blind Creek on the reduction of the stated capital of the Blind Creek common shares, all by way of the Arrangement. Blind Creek and Engineer have entered into an arrangement agreement (the "Arrangement Agreement") dated January 19, 2018 in connection with the Arrangement (which has been filed under Blind Creek's profile on www.SEDAR.com.) The Arrangement is intended to deliver value to shareholders by unlocking the potential of the Engineer Gold Mines Project.

Subsequent Events

On March 27, 2018 it was announced that the Company completed a private placement for an aggregate of 7,600,000 subscription receipts at a subscription price of $0.10 per Subscription Receipt for gross proceeds of $760,000.

On April 30, 2018 it was announced an Interim Order from the Supreme Court of British Columbia was received and management information circular in connection with its annual and special meeting at which the shareholders of Blind Creek will consider the previously announced plan of arrangement.

On May 22, 2018 at the AGM of Blind Creek Resources the Arrangement Resolution was approved by shareholders with 13,816,378 of 13,817,068 voting in favour.

On May 24, 2018, the Supreme Court of British Columbia granted a final order approving the arrangement among Blind Creek Resources Ltd. and its shareholders and Engineer Gold Mines Ltd. and the TSX-V Exchange conditionally approved the listing of the Engineer Gold Mines common shares on the TSXVE as a Tier 2 mining issuer.

The Transaction

The proposed Arrangement will include a transfer of the Engineer Gold Mines Project in exchange for the Engineer Distribution Shares. Pursuant to the Arrangement, Blind Creek intends to distribute the Engineer Distribution Shares to Blind Creek common shareholders on a *pro rata* basis (other than to shareholders who dissent in accordance with the provisions of the Arrangement) on the reduction of the stated capital of the Blind Creek common shares. Blind Creek shareholders will be entitled to receive one Engineer Distribution Share for every two common shares of Blind Creek held by each such shareholder. The effective date of the Arrangement is currently planned for early in the second quarter of 2018. There will be no changes in shareholders' holdings in Blind Creek as a result of the Arrangement.

The Arrangement is subject to TSX Venture Exchange ("TSXVE"), regulatory and Supreme Court of British Columbia (the "Court") approvals, as well as approval by not less than two-thirds of the votes cast at a special meeting (the "Meeting") of Blind Creek shareholders, to be called in connection with the Arrangement. Full details of the Arrangement will be included in the management information circular (the "Circular") to be sent to Blind Creek shareholders in connection with the Meeting, which will include information on Blind Creek, Engineer Gold Mines, the Engineer Gold Mines Project and the Arrangement.

The board of directors of Engineer Gold Mines is comprised of Andrew H. Rees, Thomas Kennedy, Glen MacDonald and Brian Fowler. Officers are Thomas Kennedy Chief Executive Officer and Secretary, Brian Fowler President and Dale Dobson Chief Financial Officer. This is also the management team of Blind Creek. Changes and additions to the management team may be made as needed and as the Engineer Gold Mines Project progresses.

The closing of the Arrangement is subject to customary conditions, including the receipt of all regulatory, Court and shareholders approvals, covenants and representations and warranties. The summary of the terms of the Arrangement Agreement herein is qualified by the full text of the Arrangement Agreement, which is available under Blind Creek's profile on www.SEDAR.com.

Upon completion of the Arrangement, the Company will hold a 100% interest in the Engineer Gold Mines Project and will focus on the advancement of this project. Blind Creek will retain and focus on the advancement of its key Blende mineral property (the "Blende Project"), located in the Mayo Mining District, Yukon, as well as its prospective zinc/lead exploration property known as the "AB Property" located in the Northwest Territories.

Blind Creek believes that investors have understandably focused on the opportunity provided by the Blende Project, as well as the AB Property. Blind Creek has positioned itself as a base metals exploration

company, while the Engineer Gold Mines Project is prospective for gold and silver. The proposed spinout will allow Blind Creek to focus on further advancement of the Blende Project and on continued efforts on development of this project. Blind Creek believes that the Engineer Gold Mines Project has exploration upside that should be developed. The creation of Engineer Gold Mines and the distribution of the Engineer Distribution Shares to the Blind Creek common shareholders is expected to enhance shareholder value by bringing increased investor focus to the potential that Blind Creek sees in the Engineer Gold Mines Project.

Financing

The Company has completed a non-brokered private placement financing (the "Engineer Private Placement") of subscription receipts (the "Subscription Receipts"), at a price of $0.10 per Subscription Receipt. All funds raised in connection with the Engineer Private Placement (the "Escrow Proceeds") are held in escrow pending satisfaction of certain escrow release conditions (the "Escrow Release Conditions"), as set out below. Upon satisfaction of the Escrow Release Conditions, the Subscription Receipts will automatically be exercised, without payment of any additional consideration and with no further action on the part of the holders thereof, for one Engineer Gold Mines unit (the "Units"). Each Unit is comprised of one Engineer Gold Mines common share and one-half of one share purchase warrant (the "Warrants"). Each whole Warrant is exercisable to acquire one Engineer Gold Mines common share at a price of $0.15 per share for a period of two years following the issuance of the Warrants. There can be no assurances that sufficient funds will be raised to permit the Company to fund its operations or to obtain a listing on the TSXVE.

The Escrow Release Conditions are substantially as follows: (i) all conditions to the completion of the Arrangement pursuant to the Arrangement Agreement (other than the release of the Escrowed Proceeds), shall have been satisfied; (ii) the receipt of all regulatory approvals required for the Arrangement to be completed (including that of the TSXVE); (iii) the receipt of all required shareholder and Blind Creek board of director approvals required for the Arrangement; (iv) receipt of gross proceeds of no less than $500,000 from the Engineer Private Placement; (v) the Court issuing a final order in connection with the Arrangement; (vi) no material change having occurred in respect of the Company or Blind Creek; and (vii) the Company shall have delivered a release notice to the Subscription Receipt agent confirming that items (i) through (vi), inclusive, have been satisfied.
If the Escrow Release Conditions are not satisfied prior to escrow release deadline, all of the escrowed funds plus accrued interest, if any, will be returned to the purchasers of the Subscription Receipts in accordance with the terms of the Engineer Private Placement. To the extent that the Escrowed Proceeds plus accrued interest, if any, are not sufficient to repay the purchase price for all Subscription Receipts, the Company and Blind Creek will satisfy any shortfall.

Any securities issued in connection with the Engineer Private Placement will be in addition to the Engineer Distribution Shares that will be distributed to Blind Creek common shareholders in connection with the Arrangement. If the Engineer Private Placement is completed in full, investors in the Engineer Private Placement will hold approximately 28% of the issued and outstanding Engineer Gold Mines common shares following completion of both the Engineer Private Placement and the Arrangement, on a non-diluted basis.

PROJECTS
Engineer Gold Mines Property - Atlin Mining Division, British Columbia

The Engineer Gold Mines Property is located in northwestern British Columbia, 32 kilometres southwest of Atlin, British Columbia. The gold-silver property is comprised of Blind Creek's long-held Wann River claims, the recently acquired historic and fully-permitted Engineer Gold Mines and Gold Hill properties, from BCGold and Guardsmen Resources Ltd., respectively, and recently staked adjacent ground. The total land package now encompasses 12,032 hectares.

In 2004, Blind Creek staked claims around the Historic high-grade gold Engineer Gold Mine. From 2006 to 2009 additional contiguous mineral claims were staked southwards to cover the Wann River and the

Llewellyn Fault zone. As a consequence of discoveries made proximal to the Wann River claims in 2010, Blind Creek staked an even larger contiguous block of claims to encompass significant regions of southern Tagish Lake, Graham Inlet and northwest to Moon Lake.

Several high-grade gold veins and broad, gold-bearing shear structures previously defined by BCGold on the Engineer Gold Mine and Gold Hill properties were known to extend onto 9 of Blind Creek's Wann River claims. In August 2013 (and subsequently amended in August 2014, August 2015 and August 2016) Blind Creek signed a letter agreement with BCGold where BCGold had the option to earn a 100% interest in certain claims of Blind Creek's Atlin property.

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

(vi) issue 250,000 common shares within five business days of signing the letter agreement (received);
(vii) pay $10,000, issue 250,000 common shares and incur $100,000 of expenditures on or before August 19, 2014 (deferred to August 19, 2015, 2016 and 2017 by 3 separate amendments, each with payments of 100,000 shares of BCGold – (received);
(viii) pay $15,000, issue 250,000 common shares and incur $100,000 of expenditures on or before August 19, 2018
(ix) pay $50,000, issue 250,000 common shares and incur $100,000 of expenditures on or before August 19, 2019 and;
(x) pay $150,000, issue 250,000 common shares and incur $100,000 of expenditures on or before August 19, 2020.

In the event that BCGold earned a 100% in the Atlin mineral property, Blind Creek would retain a 2.0% net smelter return on the Property, which could be reduced to 0.5% by BCGold by making a payment of $1.5 million to Blind Creek.

On February 22, 2017, Blind Creek entered into an agreement to acquire a 100% interest in the Engineer Gold Mines Property, the Gold Hill property and cancel the Blind Creek property option agreement with BCGold (thereby retaining 100% ownership). The purchase price was an aggregate of $350,000 paid to various parties. Under the agreement, Blind Creek assumed certain liabilities due from BCGold to a third party which amounted in aggregate to $102,467. BCGold retained the right to a 1% NSR payable from the proceeds of commercial production from the Engineer Gold Mines Property, Gold Hill, and Blind Creek properties. Blind Creek had the right to buy back 100% of the NSR for $2,000,000. On March 13, 2017, BCGold announced that it had changed its name to Pan Andean Minerals Ltd.

Consolidation of Blind Creek's Wann River, Engineer Gold Mines and Gold Hill properties provides Blind Creek the ability to explore and possibly develop the area's underlying resources as a whole in a much more efficient and cost-effective manner. While Blind Creek remains focused on developing its key Blende Project in the Mayo Mining District, Yukon, Blind Creek undertook a modest 2017 work program on the Engineer Gold Mines Property that included permitting, geological mapping, sampling and soil geochemical surveys. Blind Creek also engaged Mr. Darren O'Brien, P.Geo. to produce a NI 43-101 Technical Report for the newly consolidated and enlarged Property

On July 13, 2017, Blind Creek received a water discharge permit from the British Columbia Ministry of Environment for the Engineer Gold Mine. The permit authorizes Blind Creek to discharge groundwater from the underground workings of the Engineer Gold Mine and effluent from Blind Creek's 50 tonne per day gravity separation gold mill into Tagish Lake and the tailings impoundment, respectively, subject to a number of specific requirements.

The water discharge permit is a critical component for continued underground exploration, development and small-scale, high-grade gold production at Engineer Gold Mine. Blind Creek is currently reviewing a small, high-grade gold production opportunity defined by the previous owner of Engineer Mine, which

would require dewatering to access the lowermost 3 levels of the mine. This permit provides for this eventuality. The mine was last dewatered below 7 Level in 2012, as follow-up to a successful underground test mining and on-site milling program conducted in 2011.

On October 13, 2017, Blind Creek had Permit MX-1-767 transferred to its name and is now fully permitted to conduct surface and underground exploration, drilling, mining and milling on the property. Blind Creek has [received] a 5 year Notice of Work (NOW) to conduct soil geochemical and geophysical surveys on the adjoining Wann and newly acquired claims of the property.

On October 16, 2017 Blind Creek announced that by way of a separate agreement, Blind Creek had acquired the right, title, benefit and interest held by Pan Andean Minerals Ltd. ("Pan Andean") (formerly BCGold Corp.) in and to the 1% NSR over the Engineer Gold Mines Property acquired by Blind Creek earlier that year, by posting a new reclamation bond with the MEMPR in the amount of $50,000 to replace the bond previously provided. There are now no underlying royalties for the historic Engineer Gold Mine patented crown grants, previously owned and recently staked contiguous Blind Creek mineral claims at the Engineer Gold Mine Property.

Engineer Mine History (1899-2017)

The Engineer Gold Mine was a high-grade gold-silver producer with peak production in the mid-1920s which ceased commercial operation in the early 1930s.

In September 2010, BCGold increased its land position around the Engineer Gold Mine by signing an option agreement with Guardsmen Resources Inc. ("Guardsmen") to acquire a 100% interest in their adjoining Gold Hill property. The Gold Hill property, since acquired by Blind Creek in February, 2017, consisted of 5 mineral claims (2,104 hectares), which include the Happy Sullivan high-grade gold prospect and a 2.2 kilometre-long segment of the highly prospective Shear Zone "B" structure.

On August 19, 2013, BCGold further consolidated its land position around the Engineer Gold Mine by signing an option agreement with Blind Creek to acquire a 100% interest in nine mineral claims bordering the west and south sides of the Engineer Gold Mines Property and Gold Hill Property. These key mineral claims, now reverted back to Blind Creek, overlay the southern portion of the above mentioned geophysical anomalies, believed to represent the intrusive centre of the Engineer Mine mineralizing system, in addition to 6 km of untested, additional Shear Zone "A" structure.

Immediately after acquiring the Engineer Gold Mine property from BCGold in 2017, Blind Creek enlarged the Engineer Gold Mines Property by staking 25 additional mineral claims totaling 8,287 hectares; as a result the Engineer Gold Mines Property has significantly increased in size from 3,269 hectares to 12,032 hectares. Overall the Engineer Claim Group measures 18 kilometres by 9.5 kilometres in size. Blind Creek also applied for and has received a 5-year exploration permit (NOW) to conduct geological mapping, sampling, geochemical and geophysical surveys on the Wann and recently acquired claims adjacent to the Engineer Gold Mines Property.

RESULTS OF OPERATIONS

Three months ended February 28, 2018

For the three months ended February 28, 2018 the Company incurred a net loss of $38,644 (February 28, 2017 - $10,626). The significant differences between the two periods include:

- An increase in Management fees to $11,250 (February 28, 2017 - $3,625) due increased activity in the current year.
- An increase in Travel, trade shows and promotion to $11,412 (February 28, 2017 - $Nil) due to attendance at multiple shows in the current year.

SELECTED QUARTERLY FINANCIAL INFORMATION

	Feb 28, 2018	Nov. 30, 2017	Aug. 31, 2017	May 31, 2017	Feb. 28, 2017	Nov 30, 2016	Aug 31, 2016	May 31, 2016
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	38,644	79,398	51,385	56,969	10,626	Nil	Nil	Nil
Comprehensive (loss)	(38,644)	(79,398)	(51,385)	(56,969)	(10,626)	Nil	Nil	Nil
Basic and diluted net (loss) per share	(0.00)	(0.01)	(0.01)	(0.01)	(0.00)	(-)	(-)	(-)
Weighted Average number of shares outstanding	12,838,526	12,838,526	12,838,526	12,838,526	12,838,526	1	1	1

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.

At February 28, 2018, the Company had $Nil cash and working capital of $Nil. The Company will have to raise additional funds for its operation and exploration programs. On March 27, 2018 it was announced the Company had completed a private placement raising $760,000 by issuing subscription receipt at $0.10 per Unit. Each Unit shall be comprised of one common share in the capital of the Company and one half of

one common share purchase warrant (each, a "**Warrant**"). Each whole Warrant entitles the holder to acquire one additional Common Share for a period of 24 months after the date of issuance of the Warrants at a price of $0.15 per share.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

The Company incurred no expenses 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.

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

OUTSTANDING SHARE DATA

Designation of Security	Amount Authorized	Number of Securities Outstanding as at February 28, 2018
Common Shares	unlimited	12,838,526
Preferred Shares	unlimited	-
Warrants	n/a	-
Special Warrants	n/a	-
Stock Options	10%	-

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Engineer Gold Mines 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.

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, polices 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.

k) 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.

l) 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.

m) 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.

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

o) 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 marker data (unobservable inputs).

The Company has no financial instruments subject to level 1, 2 or level 3 fair value measurements. There were no reclassifications to the Company's fair value measurements during the period ended February 28, 2018.

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.

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.

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:

	Expenses for the three months ended February 28, 2018
EXPENSES	
Amortization	$ 468
Bank charges, interest and accretion	191
Consulting fees	7,373
Filing and transfer agent fees	1,785
Management fees	11,250
Office and miscellaneous	388
Professional fees	1,570
Share-based payments	4,207
Travel, trade shows and promotion	11,412
	38,644

	Exploration and evaluation asset costs and activity for the three month ended February 28, 2018	
November 30, 2017		$ 545,696
Acquisition		-
Property development expenditures		
Consulting	$ 37,507	
Reporting	2,180	39,687
February 28, 2018		$ 585,383

SCHEDULE "G"

ENGINEER GOLD MINES LTD.

PRO FORMA FINANCIAL STATEMENTS

November 30, 2017

ENGINEER GOLD MINES LTD. (an exploration stage company)
PRO FORMA STATEMENT OF COMPREHENSIVE LOSS
FOR THE YEAR ENDED NOVEMBER 30, 2017
(Unaudited – prepared by management)
(Expressed in Canadian Dollars)

	Engineer Gold Mines Ltd.	Engineer Gold Mines Ltd. Carve-out	Pro Forma Adjustments	Note	Engineer Gold Mines Ltd. Pro Forma
ASSETS					
Cash	$ -	$ -	$ 760,001	4 b)	$ 760,001
Reclamation bond	-		-		50,000
		50,000			
Exploration and evaluation assets	-		-		545,696
		545,696			
	$ -	$ 595,696	$ 760,001		$ 1,355,697
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities	$ -	$ -	$ -		$ -
Shareholders' equity					
Share capital	-	-	1,355,697	4 a) b)	1,355,697
Owner's net investment	-	595,696	(595,696)	4 a)	-
Deficit	-	-	-		-
	$ -	$ 595,696	$ -		$ 1,355,697

The accompanying notes are an integral part of these unaudited pro forma financial statements.

ENGINEER GOLD MINES LTD. (an exploration stage company)
PRO FORMA STATEMENT OF COMPREHENSIVE LOSS
FOR THE YEAR ENDED NOVEMBER 30, 2017
(Unaudited – prepared by management)
(Expressed in Canadian Dollars)

	Engineer Gold Mines Ltd.	Engineer Gold Mines Ltd. Carve-out	Pro Forma Adjustments	Note	Engineer Gold Mines Ltd. Pro Forma
EXPENSES					
Amortization	$ -	$ 2,499	$ -		$ 2,499
Bank charges, interest and accretion	-	1,149	-		1,149
Consulting fees	-	36,968	-		36,968
Filing and transfer agent fees	-	8,517	-		8,517
Management fees	-	32,000	-		32,000
Office and miscellaneous	-	1,899	-		1,899
Professional fees	-	29,645	-		29,645
Share-based payments	-	35,875	-		35,875
Travel, trade shows and promotion	-	49,826	-		49,826
Net and comprehensive loss	$ -	$ (198,378)	$ -		$ (198,378)
LOSS PER SHARE					
Basic and diluted	-	-	-	6	0.00
Weighted average common shares outstanding	-	-	20,438,526	5	20,438,526

The accompanying notes are an integral part of these unaudited pro forma financial statements.

1. PLAN OF ARRANGEMENT

These unaudited pro forma statements of Engineer Gold Mines Ltd. ("Engineer") have been prepared for inclusion in the Information Circular of Blind Creek Resources Ltd. ("Blind Creek") dated April 18, 2018 They should be read in conjunction with the audited November 30, 2017 of Blind Creek and the audited carve-out financial statements of Engineer for the year ended November 30, 2017.

On January 19, 2018 Blind Creek announced its intention to transfer its Engineer Gold Mine property and the adjoining Gold Hill Property together with certain claims it had previously acquired to Engineer, a wholly-owned subsidiary of Blind Creek for common shares of Engineer (the "Engineer Distribution Shares"). The Engineer Distribution Shares will then be distributed to the common shareholders of Blind Creek on the reduction of the stated capital of the Blind Creek common shares, all by way of a plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Arrangement"). Blind Creek and Engineer have entered into an arrangement agreement (the "Arrangement Agreement") dated January 19, 2018 in connection with the Arrangement. The Arrangement Agreement is subject to regulatory approval.
Engineer was incorporated January 17, 2018 and its registered office is located at 804 -750 West Pender Street, Vancouver, British Columbia V6C 2T7.

2. BASIS OF PRESENTATION

These unaudited pro forma statements have been prepared to give effect to and reflect the transactions as described in Note 1 and the pro forma assumptions and adjustments described in Note 4 below. The accounting policies used in the preparation of the pro forma statements of financial position are those disclosed in the audited financial statements of Blind Creek for the year ended November 30 2017. The pro forma statements of financial position give effect to the proposed reorganization and restructuring of the assets of Engineer for the transfer of certain of Blind Creek assets to Engineer.

The pro forma statements of financial position should be read in conjunction with the audited financial statements of Blind Creek as at November 30, 2017, from which they have been derived and other information provided in the Information Circular.

The Unaudited pro forma balance sheet is not necessarily indicative of the financial position which would have resulted if the combination had actually occurred on November 30, 2017 or of results that may be achieved in future.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these unaudited pro forma financial statements are those set out in the audited carve-out financial statements of Engineer Gold Mines Project of Blind Creek Resources Ltd. as at and for the year ended November 30, 2017.

4. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma financial statements incorporate the following pro forma adjustments and/or assumptions:

a) The amount contained within owner's net investment of $595,696 is transferred to share capital upon issuance of shares of Engineer Gold Mines Ltd.;
b) Issuance of incorporation share; and
c) Exercise of subscription receipts of $760,000 on completion of the Arrangement Agreement.

5. SHARE CAPITAL

The changes in share capital that will occur pursuant to the Arrangement are as follows:

	Number of Common Shares	Amount
Issued on incorporation (January 17, 2018)	1	$ 1
Issued under the Arrangement	12,838,525	595,696
Issued in conjunction with closing of the Arrangement	7,600,000	760,000
	20,438,526	$ 1,355,697

6. BASIS OF CALCULATION OF BASIC AND DILUTED LOSS PER SHARE

Pro forma basic and diluted loss per share are calculated based upon the weighted average number of engineer shares that would have been outstanding, assuming that any shares issued under the arrangement would have been issued and outstanding for the periods presented. The weighted average number of shares outstanding for the basic and diluted loss per share calculations for the year ended November 30, 2017 was assumed to be 20,438,526.

SCHEDULE "H"

AUDIT COMMITTEE CHARTER

(Please see attached)

BLIND CREEK RESOURCES LTD.
AUDIT COMMITTEE CHARTER

1. MANDATE

1.1. The primary function of the audit committee (the "**Committee**") of Blind Creek Resources Ltd. (the **Company**") is to assist the Board of Directors of the Company (the "**Board of Directors**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to:

(a) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
(b) review and appraise the performance of the Company's external auditor (the "**Auditor**"); and
(c) provide an open avenue of communication among the Company's auditor, management and the Board of Directors.

2. COMPOSITION, PROCEDURES AND ORGANIZATION

2.1. The Committee shall be governed by the Terms of Reference for Committees adopted by the Board.

2.2. The Committee shall consist of at least three members (collectively referred to as "**Members**" and individually referred to as "**Member**"). Each Member must be a director of the Company. A majority of the Members shall not be officers or employees of the Company or of an affiliate of the Company. At least one (1) member of the Committee shall be financially literate. All Members who are not financially literate will work towards becoming financially literate to obtain working familiarity with basic finance and accounting practices. For the purposes of this Charter, the term "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

2.3. The Members shall be appointed by the Board of Directors at its first meeting following the annual shareholders' meeting. The responsibilities of a Member shall be in addition to such Member's duties as a director of the Company. Unless a chairperson of the Committee (the "**Chair**") is elected by the full Board of Directors, the Members may designate a Chair by a majority vote of the full Committee membership. The Chair shall be financially literate.

2.4. The Committee shall be accountable to the Board of Directors, and the Board of Directors may at any time remove or replace any Member and may fill any vacancy in the Committee.

3. MEETINGS OF THE COMMITTEE

3.1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all Members are present and waive notice, or those absent waive notice before or after a meeting, the Chair will give the Members 24 hours' advance notice of each meeting and the matters to be discussed at such meeting. Notice may be given personally, by telephone, by facsimile or e-mail.

3.2. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee determines it to be necessary or appropriate, at any other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board of Directors or the shareholders of the Company.\

3.3. At each meeting of the Committee, a quorum shall consist of a majority of Members that are not officers or employees of the Company or of an affiliate of the Company. A Member may participate in a meeting of the Committee in person or by telephone if all Members participating in the meeting, whether in person or by telephone or other communications medium other than telephone are able to communicate with each other and if all Members who wish to participate in the meeting agree to such participation.

3.4. The Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements.

3.5. The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. At each meeting, the Chair shall appoint a secretary to keep minutes of the meeting. Minutes of all Committee meetings must be signed by the chair of the meeting or by the chair of the next succeeding meeting.

4. RESPONSIBILITIES AND DUTIES

4.1. Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board. To fulfill its responsibilities and duties, the Committee shall:

(a) review the annual financial statements of the Company and the auditor's report thereon and report to the Board of Directors prior to publishing;

(b) review the Company's financial statements, including any certification, report, opinion, or review rendered by the Auditor, MD&A and any annual and interim earnings press releases before the Company publicly discloses such information;

(c) review and satisfy itself that adequate procedures are in place and review the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assess the adequacy of those procedures;

(d) be directly responsible for overseeing the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit review services for the Company;

(e) review and refer to appropriate persons concerns or complaints relating to accounting or audit matters under the Whistleblower Policy and oversee and give direction to such appropriate persons;

(f) take prompt and appropriate corrective action when and as warranted its judgment in response to a concern or complaint relating to accounting or audit matters under the Whistleblower Policy;

(g) require the Auditor to report directly to the Committee;

(h) review annually the performance of the Auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company;

(i) review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor;

(j) take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the Auditor;

(k) recommend to the Board of Directors the external auditor to be nominated at the annual general meeting for appointment and the Auditor for the ensuing year and the compensation for the Auditor, or, if applicable, the replacement of the Auditor;

(l) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company;

(m) review with management and the Auditor the audit plan for the annual financial statements;

(n) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services provided by the Auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute not more than 5% of the total amount of fees paid by the Company and its subsidiary entities to the Auditor during the fiscal year in which the non-audit services are provided;

(ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

(iii) such services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more Members to whom authority to grant such approvals has been delegated by the Committee.

(iv) The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the pre-approval requirement set forth in this section provided the pre-approval of non-audit services by any Member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval;

(o) in consultation with the Auditor, review with management the integrity of the Company's financial reporting process, both internal and external;

(p) consider the Auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

(q) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the Auditor and management;

(r) review significant judgments made by management in the preparation of the financial statements and the view of the Auditor as to the appropriateness of such judgments;

(s) following completion of the annual audit, review separately with management and the Auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of the work or access to required information;

(t) review any significant disagreement among management and the Auditor in connection with the preparation of the financial statements;

(u) review with the Auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;

(v) discuss with the Auditor the Auditor's perception of the Company's financial and accounting personnel, any material recommendations which the Auditor may have, the level of co-operation which the Auditor received during the course of their review and the adequacy of their access to records, data or other requested information;

(w) review with the Auditor their assessment of internal controls, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weakness;

(x) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;

(y) establish procedures for:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(z) perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation;

(aa) report regularly and on a timely basis to the Board of Directors on the matters coming before the Committee; and

(bb) review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

4.2. In addition to the duties required of the Chair by the Terms of Reference for Committees, the Chair shall determine whether a concern or complaint made under the Whistleblower Policy pertains to accounting matters; and when and / or where possible, acknowledge receipt of the concern or complaint to the submitter. The Chair shall also maintain a log of all concerns or complaints, tracking their receipt and treatment and shall prepare a periodic summary report thereof for the Committee

5. OVERSIGHT FUNCTION

5.1. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with IFRS, as applicable, and applicable rules and regulations. These are the responsibilities of management and the external auditor. The Committee, the Chair and any Members of the Committee identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad

oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a Member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board of Directors in the absence of such designation. Rather, the role of a Member who is identified as having accounting or related financial expertise, like the role of all Members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

6. AUTHORITY

6.1. The Committee is authorized to:

(a) to seek any information it requires from any employee of the Company in order to perform its duties;

(b) to engage, at the Company’s expense, independent legal counsel or other professional advisors in any matter within the scope of the role and duties of the Committee under this Charter;

(c) to set and pay compensation for any advisors engaged by the Committee; and

(d) to communicate directly with the internal and external auditor of the Company.

6.2. This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.

SCHEDULE "I"
STATEMENT OF CORPORATE GOVERNANCE PRACTICES

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies. Blind Creek has reviewed its own corporate governance practices in light of these guidelines. In certain cases, Blind Creek's practices comply with the guidelines, however, the Blind Creek Board considers that some of the guidelines are not suitable for Blind Creek at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

Board of Directors

Structure and Compensation

The Blind Creek Board is currently composed of four (4) directors; the proposed nominees for election as director at the Meeting are: Thomas Kennedy, Andrew H. Rees, Glen Macdonald and Brian P. Fowler.

NP 58-201 suggests that the board of directors of every listed corporation should be constituted with a majority of individuals who qualify as "independent" directors under NP 58-201 which provides that a director is independent if he or she has no direct or indirect "material relationship" with Blind Creek. "Material relationship" is defined as a relationship which could, in the view of the Blind Creek Board, be reasonably expected to interfere with the exercise of a director's independent judgement. Of the current directors, Thomas Kennedy is considered "inside" or management directors and accordingly are considered not "independent". Messrs. Rees and Macdonald are considered by the Blind Creek Board to be "independent", within the meaning of NI 52-110.

Board Responsibilities

The mandate of the Blind Creek Board is to manage or supervise the management of the business and affairs of Blind Creek and to act with a view to the best interests of Blind Creek. In doing so, the Blind Creek Board oversees the management of Blind Creek's affairs directly and through its committees (see "Other Board Committees" below). In fulfilling its mandate, the Blind Creek Board, among other matters, is responsible for reviewing and approving Blind Creek's overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that Blind Creek's proposed actions accord with shareholder objectives; reviewing succession planning; assessing management's performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Blind Creek Board; and safeguarding shareholders' equity interests through the optimum utilization of Blind Creek's capital resources. The Blind Creek Board also takes responsibility for identifying the principal risks of Blind Creek's business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. At this stage of Blind Creek's development, the Blind Creek Board does not believe it is necessary to adopt a written mandate, as sufficient guidance is found in the applicable corporate and securities legislation and regulatory policies. However, as Blind Creek grows, the Blind Creek Board will move to develop a formal written mandate.

In keeping with its overall responsibility for the stewardship of Blind Creek, the Blind Creek Board is also responsible for the integrity of Blind Creek's internal control and management information systems and for Blind Creek's policies respecting corporate disclosure and communications.

The Blind Creek Board delegates to management, through the Chief Executive Officer and the Chief Financial Officer, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on Blind Creek's business in the ordinary course, managing Blind Creek's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Blind Creek Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans, and annual operating plans.

The Blind Creek Board currently does not have a Chair and does not consider that, at this stage of Blind Creek's development, it is necessary to have one. Given the size of Blind Creek's current operations, the Blind Creek Board believes that Blind Creek is well serviced. In addition, the Blind Creek Board has found that the fiduciary duties placed on management by Blind Creek's governing corporate legislation and common law and the restrictions on an individual director's participation in decisions of the Blind Creek Board in which the director has an interest under applicable corporate and securities legislation provide the "independent" directors with significant input and leadership in exercising their responsibilities for independent oversight of management. In addition, each member of the Blind Creek Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances and the "independent" directors have the ability to meet independently of management whenever deemed necessary. As of the year ended November 30, 2016 the independent directors have not exercised their right to meet independently of management given Blind Creek's limited operations at the current time; as such the decisions required of the Blind Creek Board have been considered routine and in the ordinary course of business, the independent directors have not deemed it necessary to review such materials separate and apart from management.

The Blind Creek Board, through the Audit Committee, has the responsibility to identify the principal risks of Blind Creek's business. It works with management to implement policies to identify the risks and to establish systems and procedures to ensure that these risks are monitored.

The Blind Creek Board has delegated responsibility for the integrity of internal controls and management information systems to the Audit Committee. Blind Creek's external auditors report directly to the Audit Committee. In its regular meetings with the external auditors, the Audit Committee discusses, among other things, Blind Creek's financial statements and the adequacy and effectiveness of Blind Creek's internal controls and management information systems.

Directorships

The following directors of Blind Creek and proposed nominees are directors of other reporting issuers:

Name of Director	Reporting Issuer
Brian Fowler	Pure Gold Mining Inc.
Thomas Kennedy	Amador Gold Corp., Big Blockchain Intelligence Group Inc., Golden Cariboo Resources Ltd., Klondike Silver Corp., Rift Valley Resources Corp., Silver Pursuit Resources Ltd., and Starr Peak Exploration Ltd.
Andrew H. Rees	Barkerville Gold Mines; CobalTech mining Inc.; Doubleview Capital Corp., Golden Cariboo Resources Ltd., Klondike Silver Corp., Starr Peak Resources Ltd. and Wellstar Energy Corp.
Glen MacDonald	Angel Bioventures; Columbus Energy Limited, Firebird Resources Inc., GAR Limited, Glenmac Capital Inc., Global Li-Ion Graphite Corp., Golden Cariboo Resources Ltd., Harvest One Cannabis; Hybrid Minerals Inc.; Klondike Silver; LeenLife Pharma International Inc., Maxim Resources; Nishal Capital Inc., Noram Ventures Inc., Pistol Bay Mining Inc., Priyanka Capital Inc., Ravensden Capital Inc., Real Difference Capital Inc., Shoshoni Gold Ltd., Starr Peak Resources Ltd., True North Gems Inc., Westminster Resources Ltd., WPC Resources; Vinergy Resources Ltd., and Zanzibar Gold Inc.

Orientation and Continuing Education

The skills and knowledge of the Blind Creek Board as a whole is such that no formal continuing education process is currently deemed required. The Blind Creek Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors, and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to Blind Creek's records.

Blind Creek provides continuing education to its directors as such need arises and encourages open discussion at all meetings which format encourages learning by the directors. Members of the Blind Creek Board are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation; and to attend related industry seminars and visit Blind Creek's operations.

Ethical Business Conduct

The Blind Creek Board expects management to operate the business of Blind Creek in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute Blind Creek's business plan and to meet performance goals and objectives.

However, to date, the Blind Creek Board has not adopted a formal written Code of Business Conduct and Ethics. The Blind Creek Board has found that the fiduciary duties placed on individual directors by Blind Creek's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate and securities legislation on the individual director's participation in decisions of the Blind Creek Board in which the director has an interest, have been sufficient to ensure that the Blind Creek Board operates independently of management and in the best interests of Blind Creek and its shareholders.

In addition, the limited size of Blind Creek's operations and the small number of officers and employees allows the Blind Creek Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As Blind Creek grows in size and scope, the Blind Creek Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

Given its current size and stage of development, the Blind Creek Board has not appointed a nominating committee and these functions are currently performed by the Blind Creek Board as a whole. Nominees are generally the result of recruitment efforts by the Blind Creek Board members, including both formal and informal discussions among the Blind Creek Board members and the Chief Executive Officer, and proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Blind Creek Board prior to the proposed director's nomination.

Compensation

The quantity and quality of the Blind Creek Board compensation is reviewed on an annual basis. At present, the Blind Creek Board is satisfied that the current Blind Creek Board compensation arrangements, Given Blind Creek's current size and stage of development, the Blind Creek Board has not appointed a formal compensation committee, but instead the independent directors make recommendations to the Blind Creek Board regarding executive compensation (including longterm incentive in the form of stock options) to be paid to Blind Creek's executive officers having regard to the responsibilities and risks associated with each position. In addition, compensation to be paid to executive officers who are also directors must be approved by the disinterested directors thereby providing the nonexecutive officer directors with significant input into compensation decisions.

Other Board Committees

The Blind Creek Board has no other committees other than the Audit Committee. As Blind Creek evolves, and its operations and management structure become more complex, the Blind Creek Board will likely find it appropriate to constitute additional standing committees, such as a formal Governance Committee, a Compensation Committee, and a Nominating Committee, and to ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

Assessments

The Blind Creek Board does not, at present, have a formal process in place for assessing the effectiveness of the Blind Creek Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on Blind Creek's current size, its stage of development and the limited number of individuals on the Blind Creek Board, the Blind Creek Board considers a formal assessment process to be inappropriate at this time. The Blind Creek Board plans to continue evaluating its own effectiveness and the effectiveness and contribution of its committees or individual directors on an ad hoc basis.