

NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
for the Annual and Special Meeting
of Shareholders of
Blind Creek Resources Ltd.



to be held on May 22, 2018

Unless otherwise stated, the information herein is given as of April 18, 2018

Information has been incorporated by reference in this document from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Blind Creek Resources Ltd. ("**Blind Creek**") at 804-750 West Pender Street, Vancouver, British Columbia, V6C 2T7, Telephone: (604) 682-2928, and are also available electronically on Blind Creek's website at www.blindcreekresources.com and under Blind Creek's profile at www.SEDAR.com.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

To the Shareholders of Blind Creek Resources Ltd.:

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders of common shares (the “**Blind Creek Shareholders**”) of Blind Creek Resources Ltd. (“**Blind Creek**”) will be held at 804 - 750 West Pender Street, Vancouver, British Columbia on May 22, 2018 at 10:00 A.M. (Vancouver Time) for the following purposes:

1. **TO RECEIVE** the audited financial statements of Blind Creek for the fiscal year ended November 30, 2017, together with the report of the auditors thereon;
2. **TO ELECT** the directors of Blind Creek;
3. **TO APPOINT** the auditors of Blind Creek for the ensuing fiscal year and to authorize the directors of Blind Creek to fix the auditors’ remuneration;
4. **TO CONSIDER**, and if deemed advisable, pass an ordinary resolution, substantially in the form set out in the accompanying management information circular (the “**Circular**”), re-approving the continued use of Blind Creek’s stock option plan;
5. **TO CONSIDER** and, if deemed advisable, to approve, with or without variation, a special resolution of the Blind Creek Shareholders (the “**Arrangement Resolution**”) approving a statutory plan of arrangement (the “**Plan of Arrangement**”) pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) among Blind Creek, the Blind Creek Shareholders and Engineer Gold Mines Ltd. (“**Engineer Gold Mines**”), as more fully described in the Circular;
6. **TO CONSIDER** and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the adoption by Engineer Gold Mines of a rolling 10% stock option plan, subject to stock exchange acceptance, as more fully described in the accompanying Circular; and
7. **TO TRANSACT** such further or other business as may properly come before the Meeting and any adjournments thereof.

AND TAKE NOTICE that Registered Holders have a right of dissent in respect of the proposed Arrangement and to be paid the fair value of their shares in accordance with the provisions of the Plan of Arrangement governing the Arrangement and sections 237 to 247 of the BCBCA. The dissent rights are described in the accompanying Circular (and specifically Schedule “E”). Failure to strictly comply with required procedure may result in the loss of any right of dissent.

Only Blind Creek Shareholders of record at the close of business on April 20, 2018 will be entitled to receive notice of and vote at the Meeting. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting. If you are unable to attend the Meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

It is desirable that as many common shares as possible be represented at the Meeting. Whether or not you expect to attend the Meeting, please exercise your right to vote. Please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any postponement or adjournment thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

This notice is accompanied by the Circular and either a form of proxy for Registered Holders or a voting instruction form for beneficial Blind Creek Shareholders.

THE SECURITIES DESCRIBED IN THE ACCOMPANYING INFORMATION CIRCULAR HAVE NOT BEEN RECOMMENDED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES OR ANY CANADIAN SECURITIES COMMISSION OR REGULATORY AUTHORITY PASSED ON THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Engineer Gold Mines common shares to be distributed under the Arrangement have not been registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”), and are being distributed in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court as described in this Circular. The solicitation of proxies is not subject to the requirements of Section 14(a) of the United States *Securities Exchange Act of 1934*, as amended (the “**U.S. Exchange Act**”). Accordingly, this Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act. Likewise, information concerning the properties and operations of Blind Creek, including those that are to be transferred to Blind Creek as part of the Arrangement, has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies. The terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are Canadian mining terms as defined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects, under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “**CIMM**”) Standards on Mineral Resources and Mineral Reserves Definitions and guidelines adopted by the CIMM Council on August 20, 2000, as amended. While the terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are recognized and required by Canadian regulations, they are not defined terms under Industry Guide 7 of the United States Securities and Exchange Commission (the “**SEC**”). As such, certain information contained in this Circular concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence and there is great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an “Inferred Mineral Resource” will ever be upgraded to a higher category. **Investors are cautioned not to assume that any part or all of an “Inferred Mineral Resource” exists, or is economically or legally mineable.** In addition, the definitions of Proven Mineral Reserves and Probable Mineral Reserves under CIMM standards differ in certain respects from the SEC standards.

DATED at Vancouver, British Columbia this 18th day of April, 2018.

BY ORDER OF THE BOARD
(signed) “Thomas Kennedy”
Thomas Kennedy
Chief Executive Officer and Director

Registered Blind Creek Shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope. If you are a non-registered Blind Creek Shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

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Capitalized terms used in this Notice of Meeting are defined in the Glossary of Terms or elsewhere in the Circular.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Circular contains “forward-looking statements” or “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information is provided as of the date of this Circular or, in the case of documents incorporated by reference herein, as of the date of such documents and neither Blind Creek nor Engineer Gold Mines intend to, nor do they assume any obligation, to update this forward-looking information, except as required by law. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or 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 information is based on reasonable assumptions that have been made by Blind Creek as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Blind Creek to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the risk of Blind Creek not obtaining court, shareholder or stock exchange approvals to proceed with the Arrangement; the risk of unexpected tax consequences to the Arrangement; the risk of unanticipated material expenditures required by Blind Creek prior to completion of the Arrangement; risks of the market valuing Blind Creek and/or Engineer Gold Mines in a manner not anticipated by Blind Creek; risks relating to the benefits of the Arrangement not being realized or as anticipated; risks associated with mineral exploration and development; metal and mineral prices; availability of capital, including the ability of Engineer Gold Mines to complete the Engineer Gold Mines Private Placement (as herein defined) with sufficient proceeds to operate its business and to satisfy the listing requirements of the TSXVE (as herein defined); accuracy of Blind Creek’s projections and estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of activities; government regulation; political or economic developments; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of base and precious metal exploration and development; contests over title to properties; changes and volatility in project parameters as plans continue to be refined; the inherent uncertainties regarding cost estimates, changes in commodity prices, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations; global financial conditions; the market price of Blind Creek’s securities; ability to access capital; changes in interest rates; liabilities and risks inherent in exploration and development operations; uncertainties associated with estimating mineral resources and production; uncertainty as to reclamation and decommissioning liabilities; failure to obtain industry partner and other third party consents and approvals when required; delays in obtaining permits and licenses for development properties; competition for, among other things, capital, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; property title risk; geological, technical and processing problems; the ability of Blind Creek to meet its obligations to its creditors; actions taken by regulatory authorities with respect to mining activities; the potential influence of or reliance upon Blind Creek’s business partners, and the adequacy of insurance coverage; as well as those factors discussed in the sections entitled “Blind Creek Resources Ltd. – Risk Factors” and “Engineer Gold Mines Ltd. – Risk Factors” herein. Other documents incorporated by reference in the Circular, such as the audited financial statements of Blind Creek as at, and for the financial years ended, November 30, 2017 and 2016 (together with the auditors’ report thereon and the notes thereto) and related management’s discussion and analysis for the financial years ended November 30, 2017 and 2016, each include forward-looking information with respect to, among other things, Blind Creek’s corporate development and strategy. Forward-looking information is based on certain assumptions that Blind Creek and Engineer Gold Mines believe are reasonable, including that the required shareholder, court and regulatory and stock option approvals for the transactions described in this Circular will be obtained; that the transactions described in this Circular will be completed as disclosed herein; that the current directors and officers of Blind Creek and Engineer Gold Mines will continue in their respective capacities as directors and officers of Blind Creek and Engineer Gold Mines, as applicable; that sufficient working capital will be available for both Blind Creek and Engineer Gold Mines; that the Engineer Gold Mines common shares will be listed on the TSXVE; and that shareholdings of certain shareholders of Blind Creek will not change prior to the

closing of the transactions described herein; the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that Blind Creek will not experience any material labour dispute, accident, or failure of plant or equipment and such other assumptions and factors as set out herein.

Although Blind Creek has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information. Blind Creek does not undertake to update any forward-looking information contained herein or that is incorporated by reference herein, except in accordance with applicable securities laws.

DATE OF INFORMATION

Information contained in this Circular is as at April 18, 2018, unless otherwise indicated.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

The historical financial statements of Blind Creek and Engineer Gold Mines contained in this Circular are reported in Canadian dollars and have been prepared in accordance with IFRS. All references to dollar amounts in this Circular are to Canadian dollars unless stated otherwise or the context otherwise requires.

CURRENCY

Unless otherwise indicated herein, references to “\$”, “Cdn\$” “Canadian dollars” are to Canadian dollars, and references to “US\$” or “U.S. dollars” are to United States dollars.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Circular from documents filed by Blind Creek with the securities commissions or similar authorities in British Columbia, Alberta, Saskatchewan, Ontario and Yukon. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Blind Creek at 804-750 West Pender Street, Vancouver, British Columbia, V6C 2T7 (Telephone (604) 682-2928). These documents are also available under Blind Creek’s profile on the SEDAR website at www.SEDAR.com.

The following documents are specifically incorporated by reference into, and form an integral part of, this Circular:

1. the audited financial statements of Blind Creek as at, and for the financial years ended, November 30, 2017 and 2016, together with the auditors’ report thereon and the notes thereto;
2. management’s discussion and analysis for the financial years ended November 30, 2017 and 2016;
3. technical report entitled “dated January 18, 2018, prepared by Darren O’Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAusIMM(CP), FGS(CGeol) entitled “Engineer Gold Mine, British Columbia, Canada - 2018”;
4. arrangement agreement effective as of January 19, 2018 between Blind Creek and Engineer Gold Mines;
5. the material change report of Blind Creek filed on April 4, 2018 relating to the closing of the Engineer Gold Mines Private Placement;

6. the material change report of Blind Creek filed on January 25, 2018 relating to the entering into of the Arrangement Agreement;
7. the material change report of Blind Creek filed on January 9, 2018 relating to the appointment of Dale Dobson as Chief Financial Officer of Blind Creek;
8. the material change report of Blind Creek filed on September 21, 2017 relating to the closing of the second tranche of Blind Creek's private placement;
9. the material change report of Blind Creek filed on July 17, 2017 relating to the closing of the first tranche of Blind Creek's private placement;
10. the material change report of Blind Creek filed on July 10, 2017 relating to the announcement of Blind Creek's private placement;
11. the material change report of Blind Creek filed on May 16, 2017 relating to the announcement of Blind Creek's private placement;
12. the material change report of Blind Creek filed on May 3, 2017 relating to the announcement of Blind Creek's private placement; and
13. the material change report of Blind Creek filed on March 7, 2017 relating to the announcement of the entering into of an agreement to acquire a 100% interest in the Engineer Gold Mine property and the adjoining Gold Hill property.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained in this Circular or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

SUMMARY

The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information and financial data and statements contained elsewhere in the Circular, including the schedules hereto. This Summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The information contained herein is as of April 18, 2018 unless otherwise indicated.

Capitalized terms used in this Summary are defined in the Glossary of Terms.

THE MEETING

Time, Date and Place of Meeting

The Meeting of Blind Creek Shareholders will be held on May 22, 2018 at 10:00 A.M. (Vancouver time) at Blind Creek's offices at 804 - 750 West Pender Street, Vancouver British Columbia.

The Record Date

The record date for determining the Registered Holders (as herein defined) entitled to receive notice of and to vote at the Meeting is April 20, 2018.

Purpose of the Meeting

This Circular is furnished in connection with the solicitation of proxies by management of Blind Creek for use at the Meeting.

Election of Directors

The Blind Creek Shareholders will be asked to elect the directors of Blind Creek. See "Particulars of Matters to be Acted Upon – Election of Directors" in this Circular.

Appointment of the Auditor

The Blind Creek Shareholders will be asked to appoint the auditors of Blind Creek and to authorize the directors of Blind Creek to fix the remuneration of the auditors. See "Particulars of Matters to be Acted Upon – Appointment of Auditor" in this Circular.

Blind Creek Stock Option Plan

The Blind Creek Shareholders will be asked to approve, by ordinary resolution, the continuing use of the Blind Creek Stock Option Plan (as defined herein) pursuant to applicable TSXVE policies. See "Particulars of Matters to be Acted Upon – Approval of Blind Creek Stock Option Plan" in this Circular.

The Arrangement

The Blind Creek Shareholders, by Special Resolution, will be asked to approve the Arrangement involving Blind Creek, the Blind Creek Shareholders and Engineer Gold Mines, a wholly-owned subsidiary of Blind Creek incorporated for the purposes of the Arrangement. See "Particulars of Matters to be Acted Upon – Approval of the Arrangement" in this Circular.

At the Effective Time (as herein defined) on the Effective Date (as herein defined), Blind Creek will transfer the Engineer Gold Mines Property (as defined herein) to Engineer Gold Mines in exchange for a specified number of Engineer Gold Mines Common Shares (as defined herein), which number of Engineer Gold Mines Common Shares will be equal to one-half of the number of Blind Creek Common Shares (as defined herein) outstanding at the

Effective Time on a non-diluted basis. Pursuant to the Arrangement, the outstanding Engineer Gold Mines Common Shares will consist of one incorporation share and the Engineer Gold Mines Common Shares issued to Blind Creek as described in the preceding sentence, immediately prior to the Effective Time. In addition, upon satisfaction of the Escrow Release Conditions, the outstanding securities of Engineer Gold Mines will include the 7,600,000 Engineer Gold Mines Common Shares and 3,800,000 Engineer Gold Mines Warrants (as herein defined) to be issued pursuant to the Engineer Gold Mines Private Placement (as herein defined). See “The Engineer Gold Mines Private Placement” below.

The Arrangement will involve certain steps resulting in the Blind Creek Shareholders (other than Dissenting Shareholders) at the Effective Time being entitled to receive Engineer Gold Mines Common Shares on a *pro rata* basis on the reduction of the stated capital of the Blind Creek Common Shares held as at the Effective Time as a return of capital distribution in-kind; provided that the aggregate reduction in the stated capital for the Blind Creek Common Shares shall not exceed the aggregate paid-up capital (as that term is used for the purposes of the Tax Act, as defined herein) of the Blind Creek Common Shares immediately prior to the Effective Time.

The TSXVE has conditionally accepted the Arrangement and Engineer Gold Mines has made application to list the Engineer Gold Mines Common Shares on the TSXVE. Any listing will be subject to Engineer Gold Mines fulfilling all of the listing requirements of the TSXVE. Engineer Gold Mines has also applied for a waiver of the sponsorship requirements under the rules of the TSXVE.

Pursuant to Section 288 of the BCBCA and in accordance with the terms of the Arrangement Agreement, the Arrangement Resolution must be approved, with or without variation, by not less than two-thirds of the votes cast at the Meeting in person or by proxy by Blind Creek Shareholders. See “Particulars of Matters to be Acted Upon – Approval of the Arrangement” in this Circular.

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.

ENGINEER GOLD MINES STOCK OPTION PLAN

The Blind Creek Shareholders will also be asked to approve, by ordinary resolution, the Engineer Gold Mines Option Plan (as defined herein) pursuant to applicable TSXVE policies. See “Particulars of Matters to be Acted Upon – Approval of Engineer Gold Mines Option Plan” in this Circular.

SUMMARY OF THE ARRANGEMENT, THE ISSUERS AND THEIR BUSINESSES

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, which is available on SEDAR under Blind Creek’s profile at www.SEDAR.com and is incorporated by reference herein.

Principal Steps of the Arrangement

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 (other than to Dissenting Shareholders) on the basis of one Engineer Gold Mines Common Share for every two Blind Creek Common Share on the reduction of the stated

capital of the Blind Creek Common Shares held as at the Effective Time 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.

No Fractional Shares

No fractional Engineer Gold Mines Common Shares will be issued. In the event that a Blind Creek Shareholder would otherwise be entitled to a fractional Engineer Gold Mines Common Share under the Plan of Arrangement, the number of Engineer Gold Mines Common 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 Common 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 (as defined herein) shall be aggregated.

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. 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 (as herein defined) and Engineer Gold Mines will hold the Engineer Gold Mines Property (as herein defined).

Engineer Gold Mines will be a reporting issuer in the provinces of British Columbia and Alberta. Engineer Gold Mines has made application to list the Engineer Gold Mines Common Shares on the TSXVE.

Engineer Gold Mines

The Engineer Gold Mines Board 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. See “Engineer Gold Mines – Directors and Officers” in this Circular.

Reasons for the Arrangement and Recommendation of the Board of Directors of Blind Creek

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 “The Arrangement – Arrangement 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.

For further information on the reasons for the Arrangement, see “Particulars of Matters to be Acted Upon – Approval of the Arrangement – Recommendation of the Directors” in this Circular.

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 Companies

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 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. For further information, see “Engineer Gold Mines Property” below.

See “Blind Creek Resources Ltd.” and “Engineer Gold Mines Ltd.” in this Circular for disclosure about each of Blind Creek and Engineer Gold Mines, on a current and post-Arrangement basis.

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.

See “Engineer Gold Mines – Engineer Gold Mines Private Placement”.

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 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 Common Shares on the TSXVE. Any listing will be subject to the approval of the TSXVE.

Value Opinion

Ross Glanville & Associates Ltd. and Bruce McKnight Minerals Advisor Services has provided the Value Opinion (as herein defined) to the Blind Creek Board in respect of the estimated value of the Engineer Gold Mines Property. See “Particulars of Matters to be Acted Upon – Approval of the Arrangement – Value Opinion” in this Circular. The Value Opinion is available for viewing up to the commencement of the Meeting during normal business hours at Blind Creek’s offices located at 804-750 West Pender Street, Vancouver, British Columbia, and will be available for review at the Meeting.

Recommendation of the Directors

After careful consideration, the Board of Directors of Blind Creek, after receiving legal and financial advice, has unanimously determined that the Arrangement is in the best interests of Blind Creek and is fair to the Blind Creek Shareholders. Accordingly, the Board of Directors of Blind Creek unanimously recommends that Blind Creek Shareholders vote FOR the Arrangement Resolution.

The Blind Creek Board recommends that the Blind Creek Shareholders vote in favour of the Arrangement Resolution. Each director and officer of Blind Creek who owns Blind Creek Common Shares has indicated his or her intention to vote his or her Blind Creek Common Shares in favour of the Arrangement Resolution. See “Particulars of Matters to be Acted Upon – Approval of the Arrangement – Recommendation of the Directors” in this Circular.

Additional Terms of the Arrangement Agreement

In addition to the terms and conditions of the Arrangement Agreement set out elsewhere in this Circular, additional terms described below apply. The description of the Arrangement Agreement, both below and elsewhere in this Circular, 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 (as herein defined). See “Particulars of Matters To Be Acted Upon – Approval of the Arrangement – Conduct of Meeting and

Other Approvals” and “Arrangement Agreement – Conditions to the Arrangement Becoming Effective” in this Circular.

Stock Exchange Approvals

The Blind Creek Common Shares are and will continue to be listed and posted for trading on the TSXVE upon completion of the Arrangement, assuming Blind Creek continues to comply with the continued listing requirements of the TSXVE.

TSXVE approval is required in order for Blind Creek 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.

See “Particulars of Matters To Be Acted Upon – Approval of the Arrangement – Conduct of Meeting and Other Approvals” in this Circular. There is no assurance that Engineer Gold Mines and Blind Creek will receive the required approvals.

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 an Interim Order (as herein defined) providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is appended as Schedule “C” to this Circular. A copy of the Notice of Hearing of Petition for the Final Order (as herein defined) approving the Arrangement is appended as Schedule “D” to this Circular.

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.

Under the terms of the Interim Order, each Blind Creek Shareholder will receive proper notice that they will have the right to appear and make representations at the application for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Plan of Arrangement as detailed in the Notice of Hearing of Petition for the Final Order is required to file with the Court and serve upon Blind Creek, at the address set out below, prior to 4:00 P.M. (Vancouver time) on May 22, 2018, the Response to Petition (as herein defined) including his or her address for service, together with any evidence or materials which are to be presented to the Court. The Response to Petition and supporting materials must be delivered, within the time specified, to:

Farris, Vaughan, Wills & Murphy LLP
25th Floor, 700 West Georgia St.
Vancouver, BC V7Y 1B3
Attention: Denise Nawata

See “Particulars of Matters to be Acted Upon – Approval of the Arrangement – Conduct of Meeting and Other Approvals” in this Circular.

DISSENT RIGHTS TO THE ARRANGEMENT

Registered Holders have the right to dissent to the Arrangement. Dissenting Shareholders (as herein defined) who strictly comply with Sections 237-247 of the BCBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, are entitled to be paid the fair value of their Blind Creek Common Shares by Blind Creek if the Plan of Arrangement becomes effective. See the Interim Order appended as Schedule “C” to this Circular. In addition, the dissent rights applicable to the Arrangement are summarized under the heading “Blind Creek Shareholders’ Rights of Dissent to the Arrangement” and the provisions of the BCBCA with regard to the dissent rights are set out in Schedule “E” to this Circular. A Registered Holder is not entitled to dissent with respect to such holder’s shares if such holder votes any of those shares in favour of the Arrangement Resolution.

Dissenting Shareholders should note that the exercise of dissent rights can be a complex, time-sensitive and expensive procedure. Dissenting Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement and the dissent rights.

PROCEDURE FOR RECEIPT OF ENGINEER GOLD MINES COMMON SHARES

As soon as practicable after the Effective Date, the Transfer Agent (as herein defined) will forward to each Registered Holder at the Effective Time who has not dissented to the Arrangement, certificates representing the Engineer Gold Mines Common Shares to which they are entitled under the Arrangement.

Blind Creek will establish the record date for the purpose of determining the Blind Creek Shareholders entitled to receive Engineer Gold Mines Common Shares under the Arrangement in accordance with section 289 of the BCBCA and in accordance with the policies of the TSXVE (the “**Engineer Gold Mines Distribution Record Date**”). It is expected that the payout date for the Engineer Gold Mines Common Shares to be distributed to Blind Creek Shareholders pursuant to the Arrangement will be three Business Days following the Engineer Gold Mines Distribution Record Date.

Blind Creek Shareholders should not deliver certificates for Blind Creek Common Shares to the Transfer Agent as certificates representing Blind Creek Common Shares are not being exchanged pursuant to the Arrangement.

BLIND CREEK SELECTED FINANCIAL INFORMATION

The following table sets out selected consolidated financial information for the periods indicated and should be considered in conjunction with the more complete information contained in the financial statements of Blind Creek for the fiscal years ended November 30, 2017 and 2016, incorporated by reference in this Circular and filed on SEDAR under Blind Creek’s profile at www.SEDAR.com. The financial statements have been prepared in accordance with IFRS.

	Year Ended November 30, 2017 (\$)	Year Ended November 30, 2016 (\$)
Loss	(790,216)	(249,909)
Comprehensive loss	(790,216)	(249,909)
Basic and diluted loss per share	0.04	0.04
Total assets	2,393,502	1,356,407
Mineral interests	2,206,985	1,299,723

BLIND CREEK SELECTED *PRO FORMA* FINANCIAL INFORMATION

The following table sets out selected *pro forma* financial information in respect of Blind Creek as at fiscal 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 Blind Creek appended as Schedule “I” to this Circular.

	Year Ended November 30, 2017 (\$)	Year Ended November 30, 2016 (\$)
Current assets	102,535	5,056
Mineral property interests	1,661,289	249,908
Total assets	1,797,553	249,907
Total liabilities	318,323	149,879
Blind Creek Shareholders’ equity	1,479,483	1,206,527

The following table sets out selected *pro forma* financial information in respect of Blind Creek for the 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 Blind Creek appended as Schedule “I” to this Circular.

	Year Ended November 30, 2017 (\$)	Year Ended November 30, 2016 (\$)
Operating Loss	(595,131)	(111,706)
Net Loss	(591,838)	(249,909)
Net Comprehensive Loss	(591,838)	(249,909)
Loss per Share (basic and diluted)	0.03	0.04

ENGINEER GOLD MINES SELECTED *PRO FORMA* FINANCIAL INFORMATION

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 “H” to this Circular.

	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 "H" to this Circular.

	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

INCOME TAX CONSIDERATIONS

Holders of Blind Creek securities should consult their own tax advisors about the applicable Canadian or United States federal, provincial, state and local tax consequences of the Arrangement. A summary of the principal Canadian federal income tax considerations of the Arrangement is included under "Canadian Federal Income Tax Considerations" in this Circular.

The following disclosure is provided as general information only. Each Blind Creek Shareholder should consult his, her or its own professional advisors to determine the conditions and restrictions applicable to trades in the Engineer Gold Mines Common Shares.

SECURITIES LAWS INFORMATION FOR CANADIAN SHAREHOLDERS

The issuance of the Engineer Gold Mines Common Shares pursuant to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of Canadian securities legislation. The Engineer Gold Mines Common Shares issued pursuant to the Arrangement may be resold in each of the provinces and territories of Canada, provided the holder is not a 'control person' as defined in the applicable legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

Each Blind Creek Shareholder is urged to consult its own professional advisors to determine the conditions and restrictions applicable to trades in such securities.

See "Securities Law Considerations – Canadian Securities Laws and Resale of Securities" in this Circular.

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 Circular prior to voting on the matters being put before them at the Meeting.

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 Common 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 Common 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 Circular.

Blind Creek Shareholders should review carefully the risk factors set forth under "Particulars of Matters to be Acted Upon – The Arrangement – Arrangement Risk Factors", "Blind Creek Resources Ltd. – Risk Factors" and "Engineer Gold Mines Ltd. – Risk Factors".

ENGINEER GOLD MINES STOCK OPTION PLAN

In contemplation of the completion of the Arrangement at the Meeting, Blind Creek Shareholders will be asked to approve the Engineer Gold Mines Option Plan.

See "Particulars of Matters to be Acted Upon – Engineer Gold Mines Option Plan".

GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

Arrangement	The arrangement under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, 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	The arrangement agreement dated as of January 19, 2018, including the Schedules appended thereto, as may be supplemented or amended from time to time, and available on www.SEDAR.com under Blind Creek's profile.
Arrangement Resolution	The special resolution of the Blind Creek Shareholders voting as a single class in respect of the Arrangement to be considered at the Meeting, the full text of which is appended as Schedule "A" hereto.
Audit Committee	The audit committee of Blind Creek.
BCBCA	The <i>Business Corporations Act</i> (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time.
Blende Property	The property described in the Technical Report entitled "Blende Project" dated December 10, 2009 prepared for Blind Creek by BJ Price Geological Consultants Inc. and available on SEDAR under Blind Creek's profile at www.SEDAR.com.
Blind Creek	Blind Creek Resources Ltd., a company incorporated pursuant to the laws of British Columbia.
Blind Creek Board	The duly appointed board of directors of Blind Creek.
Blind Creek Common Shares	The common shares of Blind Creek.
Blind Creek Shareholders	The holders of Blind Creek Common Shares.
Blind Creek Stock Option Plan	The stock option plan of Blind Creek dated May 1, 2012.
Business Day	A day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Toronto, Ontario or Vancouver, British Columbia for the transaction of banking business.
Carve-Out Financial Statements	Audited carve-out consolidated financial statements for the years ended November 30, 2017 and 2016 of Engineer Gold Mines in respect of the Engineer Gold Mines Property.
Circular	This management information circular of Blind Creek dated as of April 18, 2018 prepared and sent to the Blind Creek Blind Creek Shareholders in connection with the Meeting.

Company Notice	Ten days after the Blind Creek Blind Creek Shareholders adopt the Arrangement, the notice that Blind Creek sends out to each dissenting Registered Holder who has filed an objection notice that states that the Arrangement Resolution has been adopted.
Consideration	The one (1) Engineer Gold Mines Common Shares that each Blind Creek Shareholder will receive for every two (2) Blind Creek Common Shares held by them.
Court	The Supreme Court of British Columbia.
CRA	Canada Revenue Agency, the federal agency that administers tax laws for the Government of Canada.
Dissent Rights	Has the meaning set forth in section 5 of the Plan of Arrangement.
Dissenting Shareholder	A Registered Holder who has duly exercised the Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Blind Creek Shares in respect of which Dissent Rights are validly exercised by such Registered Holder.
Dissenting Shares	Blind Creek Common Shares the holders of which have duly exercised their Dissent Rights.
Effective Date	The date the Arrangement becomes effective as provided in the Arrangement Agreement.
Effective Time	12:01 a.m. (Vancouver time) on the Effective Date.
Engineer Gold Mines	Engineer Gold Mines Ltd., a company incorporated pursuant to the laws of British Columbia.
Engineer Gold Mines Board	The duly appointed board of directors of Engineer Gold Mines.
Engineer Gold Mines Common Shares	The common shares of Engineer Gold Mines.
Engineer Gold Mines Escrow Release Conditions	<p>(i) all conditions to the completion of the Arrangement pursuant to the Arrangement Agreement (other than the release of the escrowed proceeds of the Engineer Gold Mines Private Placement), shall have been satisfied;</p> <p>(ii) the receipt of all regulatory approvals required for the Arrangement (including that of the TSXVE);</p> <p>(iii) the receipt of all shareholder and director approvals required for the Arrangement;</p> <p>(iv) receipt of gross proceeds of no less than \$500,000 from the Engineer Gold Mines Private Placement;</p> <p>(v) the Supreme Court of British Columbia issuing a final order in connection with the Arrangement;</p> <p>(vi) no “material change” having occurred in respect of Engineer Gold Mines or Blind Creek; and</p> <p>(vii) Engineer shall have delivered a release notice to the subscription receipt agent holding the gross proceeds of the Engineer Gold Mines Private Placement in escrow confirming that items (i) through (vi), inclusive, have been satisfied.</p>

Engineer Gold Mines Escrow Release Deadline	Has the meaning ascribed thereto under “Summary of Circular”.
Engineer Gold Mines Option Plan	The stock option plan of Engineer Gold Mines to be approved by the Blind Creek Shareholders at the Meeting.
Engineer Gold Mines Private Placement	The non-brokered private placement of Engineer Gold Mines of 7,600,000 Engineer Gold Mines Subscription Receipts for total gross proceeds of \$760,000.
Engineer Gold Mines Property	The Engineer Gold Mines property located 32 km west of Atlin in northwestern BC on the east shore of the Taku Arm of Tagish Lake as more particularly described in the Engineer Gold Mines Technical Report.
Engineer Gold Mines Purchasers	Collectively, the subscribers under the Engineer Gold Mines Private Placement.
Engineer Gold Mines Shareholders	The holders of Engineer Gold Mines Common Shares.
Engineer Gold Mines Subscription Receipts	The 7,600,000 subscription receipts of Engineer Gold Mines issued in connection with the Engineer Gold Mines Private Placement at a price of \$0.10 per subscription receipt, each such subscription receipt automatically exercisable into an Engineer Gold Mines Unit upon satisfaction of the Escrow Release Conditions.
Engineer Gold Mines Technical Report	The NI 43-101 technical report dated January 18, 2018, prepared by Darren O’Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAusIMM(CP), FGS(CGeol) entitled “Engineer Gold Mine, British Columbia, Canada - 2018”.
Engineer Gold Mines Unit	The units of Engineer Gold Mines to be issued upon the automatic exercise of the Engineer Gold Mines Subscription Receipts, upon satisfaction of the Escrow Release Conditions, each unit comprised of one Engineer Gold Mines Common Share and one-half of one Engineer Gold Mines Warrant.
Engineer Gold Mines Warrants	The warrants partially comprising the Engineer Gold Mines Units (each such Engineer Gold Mines Unit comprised, inter alia, of one-half of one Engineer Gold Mines 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 24 months following the exercise of the Engineer Gold Mines Subscription Receipts.
Final Order	The final order of the Court pursuant to section 291 of the BCBCA, in a form acceptable to Blind Creek’s approving the Plan of 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.

Holder	A beneficial owner of Blind Creek Common Shares who, for the purposes of the Tax Act: (i) holds Blind Creek Common Shares, and will hold Engineer Gold Mines Common Shares acquired on the Arrangement, as capital property; (ii) deals at arm's length with Blind Creek and Engineer Gold Mines; and (iii) is not "affiliated" with Blind Creek or Engineer Gold Mines for the purposes of the Tax Act.
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board or a successor entity, as amended from time to time.
Interim Order	The interim order of the Court dated April 24, 2018 pursuant to section 291 of the BCBCA containing declarations and directions with respect to the Arrangement and the holding of the Meeting, as such order may be affirmed, amended and modified by the Court (provided that any such amendment is acceptable to Blind Creek).
Intermediary	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.
Management	Management of Blind Creek.
Management Proxyholder	Officers or directors of Blind Creek whose names are printed in the enclosed form of proxy who can vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy.
Meeting	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.
Meeting Materials	The Notice of Meeting, the Circular, and the form of proxy together with any other materials required to be sent to shareholders in respect of the Meeting.
NOBOs	Non-Objecting Beneficial Owners are beneficial owners who do not object to their name being made known to the issuers of securities which they own.
Non-Registered Holders	Blind Creek Shareholders, being NOBOs and OBOs, whose shares are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares.
Notice of Meeting	The notice of the Meeting to be sent to the Blind Creek Shareholders, which notice will accompany the Circular.
NI 43-101	National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
NI 54-101	National Instrument 54-101 – <i>Communication with Beneficial Owners of Securities of Reporting Issuers</i> .

OBOs	Beneficial owners of Blind Creek Common Shares who object to their name being made known to the issuers of securities which they own.
Offer to Purchase	Blind Creek's written offer to each dissenting Registered Holder to pay for the Blind Creek Common Shares held by the dissenting Registered Holder in an amount considered by the directors of Blind Creek to be the fair value thereof, accompanied by a statement showing how the fair value was determined.
Person or person	Is and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof.
Plan of Arrangement	The Plan of Arrangement appended as Schedule "B" to this 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.
Record Date	April 20, 2018, being the date determined by the Blind Creek Board for the determination of which Blind Creek Shareholders are entitled to receive notice of and vote at the Meeting.
Registered Holder	A holder of record of Blind Creek Common Shares.
Response to Petition	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.
SEC	United States Securities Exchange Commission.
Securities Legislation	The securities legislation of the provinces and territories of Canada, the U.S. Exchange Act and the U.S. Securities Act, each as now enacted or as amended, and the applicable rules, regulations, rulings, orders, instruments and forms made or promulgated under such statutes, as well as the rules, regulations, by-laws and policies of the TSXVE.
SEDAR	System for Electronic Document Analysis and Retrieval at www.SEDAR.com .
Special Resolution	A resolution required to be approved under the BCBCA by not less than two-thirds of the votes cast by those Blind Creek Shareholders who vote in person or by proxy at the Meeting for which appropriate notice has been given.
Subsidiary	Is, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary.

Tax Act	The <i>Income Tax Act</i> (Canada) and the regulations made thereunder, as promulgated or amended from time to time.
Transfer Agent	Computershare Investor Services Inc. or such other trust company or transfer agent as may be designated by Blind Creek.
TSXVE	The TSX Venture Exchange.
U.S.	United States.
U.S. Blind Creek Shareholders	Persons in or subject to the securities laws of the United States who are issued Shareholders Engineer Gold Mines Common Shares.
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated from time to time thereunder.
U.S. Securities Act	The United States Securities Act of 1933, as amended, and the rules and regulations promulgated from time to time thereunder.
Value Advisor	Ross Glanville & Associates Ltd. and Bruce McKnight Minerals Advisor Services.
Value Opinion	The Value Opinion provided by the Value Advisor to the Blind Creek Board dated January 26, 2018.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

BLIND CREEK RESOURCES LTD.

804-750 West Pender Street
Vancouver, British Columbia
V6C 2T7

Tel: (604) 682-2928 Fax: (604) 685-6905

MANAGEMENT INFORMATION CIRCULAR

(As at April 18, 2018, except as indicated)

Blind Creek is providing this Circular and a form of proxy in connection with management's solicitation of proxies for use at the Meeting to be held on May 22, 2018 and at any adjournments thereof. Unless the context otherwise requires, reference in this Circular to Blind Creek includes its subsidiaries. Blind Creek will conduct its solicitation by mail and officers and employees of Blind Creek may, without receiving special compensation, also telephone or make other personal contact. Blind Creek will pay the cost of solicitation.

GENERAL PROXY INFORMATION

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a Blind Creek Shareholder's behalf in accordance with the instructions given by the Blind Creek Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are the Management Proxyholders.

A Blind Creek Shareholder has the right to appoint a person other than a Management Proxyholder, to represent the Blind Creek Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Blind Creek Shareholder.

VOTING BY PROXY

Only Registered Holders or duly appointed proxyholders are permitted to vote at the Meeting. Blind Creek Common Shares represented by a properly executed proxy will be voted for or against or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Registered Holder on any ballot that may be called for and if the Registered Holder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a Blind Creek Shareholder does not specify a choice and the Blind Creek Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of Blind Creek knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of Blind Creek's registrar and transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only Registered Holders or the persons they appoint as their proxies are permitted to vote at the Meeting. Registered Holders are holders whose names appear on the share or option register of Blind Creek and are not held in the name of a brokerage firm, bank or trust company. Whether or not you are able to attend the Meeting, Blind Creek Shareholders are requested to vote their proxy in accordance with the instructions on the form of proxy. Most Blind Creek Shareholders are Non-Registered Holders (as herein defined) because the shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company. Blind Creek Common Shares beneficially owned by a Non-Registered Holder are registered either: (i) in the name of an Intermediary that the Non-Registered Holder deals with in respect of their Blind Creek Common Shares (“Intermediaries” include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plan (a “RRSP”), registered retirement income fund (a “RRIF”), registered education savings plan (a “RESP”) and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

There are two kinds of beneficial owners (“**Non-Registered Holders**”): those who object to their name being made known to the issuers of securities which they own (called “**OBOs**” for Objecting Beneficial Owners) and those who do not object (called “**NOBOs**” for Non-Objecting Beneficial Owners).

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “voting instruction form”) which the Intermediary must follow; or
- (b) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Blind Creek, c/o Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of their Blind Creek Common Shares they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the persons named in the form of proxy and insert the Non-Registered Holder or such other person’s name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

REVOCABILITY OF PROXY

Any Registered Holder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a Registered Holder, their attorney authorized in writing or, if the Registered Holder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of Blind Creek, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. Only Registered Holders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for their Intermediary to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of the date hereof, there are 25,677,050 Blind Creek Common Shares issued and outstanding. Each Blind Creek Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. Quorum for the Meeting is one person who is, or represents by proxy, one shareholder holding, in the aggregate, at least five percent (5%) of the issued shares entitled to be voted at the meeting. The record date for the determination of Blind Creek Shareholders entitled to receive notice of, and to vote at, the Meeting has been fixed as April 20, 2018. All such holders of record of Blind Creek Common Shares are entitled either to attend and vote thereat in person the Blind Creek Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Transfer Agent within the time specified in the attached Notice of Annual and Special Meeting of Blind Creek Shareholders, to attend and vote by proxy the Blind Creek Common Shares held by them.

To the knowledge of Blind Creek's directors and executive officers, and based on existing information as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities of Blind Creek carrying 10% or more of the voting rights attached to any class of voting securities of Blind Creek, except as set forth in the table below:

Name	Number of Blind Creek Common Shares Held ¹	Percentage of Blind Creek Shares Outstanding ¹
J. Frank Callaghan	10,216,243	39.78%

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

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of Blind Creek at any time since December 1, 2016 and no associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting, other than directors and executive officers of Blind Creek having an interest in the resolution regarding the approval of the Engineer Gold Mines Option Plan as such persons will be eligible to participate in such plan as directors and executive officers of Engineer Gold Mines.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person (as defined in National Instrument 51-102 - *Continuous Disclosure*) and no associate or affiliate of an informed person has or has had any material interest, direct or indirect, in any transaction since December 1, 2016 or in any proposed transaction which in either such case has materially affected or would materially affect Blind Creek or any of its subsidiaries.

PARTICULARS OF MATTERS TO BE ACTED UPON

ELECTION OF DIRECTORS

Number of Directors to be elected at the Meeting

The Blind Creek Board presently consists of three serving directors and one vacancy. The Blind Creek Board has determined the number of directors to be elected shall be four (4).

Term

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as Management's nominees and the persons proposed by management as proxyholders in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of Blind Creek or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the articles of incorporation of Blind Creek or the provisions of the BCBCA.

Nominees

The following table and notes thereto sets out the name of each person proposed to be nominated by Management for election as a director (each a "**proposed director**"), the province and country in which he is ordinarily resident, all offices of Blind Creek now held by him, his principal occupation, the period of time for which he has been a director of Blind Creek, and the number of Blind Creek Common Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Position, Province and Country of Residence ⁽¹⁾	Principal Occupation During Past Five Years ⁽¹⁾	Period as a Director of Blind Creek	Number of Blind Creek Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾
Andrew H. Rees ⁽³⁾ British Columbia, Canada <i>Director</i>	Public company consultant since 1998; President and CEO of WellStar Energy Corp. since March, 2005.	January 31, 2008	381,400 ⁽⁴⁾
Thomas Kennedy ⁽³⁾ British Columbia, Canada <i>CEO, Secretary and Director</i>	Management consultant, legal consultant and director and or officer of other publically listed mineral and exploration companies.	April 1, 2011	Nil
Glen Macdonald ⁽³⁾ British Columbia, Canada <i>Director</i>	A professional geologist since 1982. Mr. Macdonald consults and manages exploration and mining development projects for major and junior mining companies.	April 8, 2016	Nil

Name, Position, Province and Country of Residence ⁽¹⁾	Principal Occupation During Past Five Years ⁽¹⁾	Period as a Director of Blind Creek	Number of Blind Creek Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾
Brian Fowler British Columbia, Canada <i>President and Proposed Director</i>	Mr. Fowler is a professional geologist who has consulted for 23 years and worked for major companies in management roles for 15 years. For the past 11 years, Mr. Fowler has worked primarily as a geological consultant and mining executive and has founded a number of publicly-traded junior companies. During the preceding five years, Mr. Fowler has held the following positions with the following companies: RedQuest Capital Corp. (Director, President and Chief Executive Officer), BCGold Corp. (Director, President and Chief Executive Officer) and Laurentian Goldfields Ltd. (Director).	N/A	507,335

Notes:

- (1) The information as to the province or state, country of residence and principal occupation, not being within the knowledge of Blind Creek, has been furnished by the respective directors individually.
- (2) The information as to Blind Creek Common Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of Blind Creek has been furnished by the respective directors individually.
- (3) Member of the Audit Committee.
- (4) 181,400 Blind Creek Common Shares are held directly by Mr. Rees. 200,000 Blind Creek Common Shares are held by Hutch Capital Corp., a private company that is wholly-owned and controlled by Mr. Rees.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise indicated, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of Blind Creek.**

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Except as disclosed below, none of the proposed directors (or any of their personal holding companies) of Blind Creek:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company, including Blind Creek, that:
 - (i) was subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days while that person was acting in the capacity as director, executive officer or chief financial officer; or
 - (ii) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, executive officer or chief

financial officer; or

- (b) is as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company, including Blind Creek, 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 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

Thomas Kennedy was a director of Klondike Silver Corp., a TSXVE listed company, on October 10, 2013, at which time the British Columbia Securities Commission (“BCSC”) issued a cease trade order (“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 Blind Creek Board recommends a vote FOR the election of each of the nominated directors. Unless such authority is withheld, the persons named in the enclosed form of proxy intend to vote FOR the election of the individuals set forth in the tables above. Management does not contemplate that any of such nominees will be unable to serve as a director of Blind Creek but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

See “Blind Creek Resources Ltd. – Statement of Executive Compensation for Blind Creek”.

APPOINTMENT OF THE AUDITOR

Management of Blind Creek will recommend the re-appointment of DMCL, Chartered Professional Accountants (formerly known as Dale Matheson Carr-Hilton LaBonte LLP), as auditor of Blind Creek for the ensuing year at a remuneration to be fixed by the directors. DMCL was first appointed as auditor of Blind Creek on March 10, 2017.

The Blind Creek Board recommends a vote FOR the appointment of DMCL as auditors of Blind Creek to hold office until the next annual meeting of shareholders and to authorize the directors of Blind Creek to fix their remuneration. Unless another choice is specified, the persons named in the enclosed form of proxy intend to vote FOR the appointment of DMCL as auditors of Blind Creek to hold office until the next annual meeting of shareholders and to authorize the directors of Blind Creek to fix their remuneration.

APPROVAL OF BLIND CREEK STOCK OPTION PLAN

At the annual and general meeting of the Blind Creek Shareholders held on May 8, 2017, the Blind Creek Shareholders approved the implementation of the Blind Creek Stock Option Plan, which provides that the Blind Creek Board may grant up to ten percent (10%) of the total number of Blind Creek Common Shares issued and outstanding at the date of the stock option grant.

Blind Creek Shareholders will be asked at the Meeting to vote on a resolution affirming and approving the Blind Creek Stock Option Plan for the ensuing year. Pursuant to the Stock Option Plan, the Blind Creek Board may, from time to time, authorize the issue of options to directors, officers, employees and consultants of Blind Creek and its subsidiaries or employees of companies providing management or consulting services to Blind Creek or its subsidiaries (collectively, “**Service Providers**”) the option to purchase Blind Creek Common Shares.

The purpose of the Blind Creek Stock Option Plan is to allow Blind Creek to grant options to Service Providers, as an incentive to dedicate their efforts to advance the success of Blind Creek. The granting of options is intended to align the interests of such persons with that of the Blind Creek Shareholders.

Terms of the Stock Option Plan

A full copy of the Blind Creek Stock Option Plan will be available at the Meeting for review by Blind Creek Shareholders. Shareholders may also obtain copies of the Blind Creek Stock Option Plan from Blind Creek prior to the Meeting on written request. The following is a summary of the material terms of the Stock Option Plan:

- (a) Blind Creek 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 Blind Creek Shares, unless Blind Creek has obtained the approval to do so by a majority of the votes cast by the Blind Creek Shareholders eligible to vote at a shareholders’ meeting, excluding votes attaching to Blind Creek Common Shares beneficially owned by insiders and their associates (“**Disinterested Shareholder Approval**”);
- (b) Blind Creek must not grant an option where the aggregate number of Blind Creek Common Shares reserved for issuance under options granted to insiders may exceed 10% of the outstanding Blind Creek Common Shares, unless Blind Creek has obtained Disinterested Shareholder Approval to do so;
- (c) Blind Creek must not grant an option where the number of optioned Blind Creek Common Shares issued to insiders in any 12 month period exceeds 10% of the outstanding Blind Creek Common Shares, unless Blind Creek has obtained 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 Shares calculated at the date of the grant, without the prior consent of the TSXVE;
- (e) Blind Creek must not grant aggregate options to any one consultant in any 12 month period that exceeds 2% of the outstanding Blind Creek 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 Blind Creek has obtained Disinterested Shareholder Approval to do so;
- (g) persons who are Service Providers to Blind Creek or its affiliates are eligible to receive grants of options under the Blind Creek Stock Option Plan;
- (h) options granted under the Blind Creek Stock 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 (“**Optionee**”) who is an employee, consultant, consultant company or management company employee, Blind Creek represents that the Optionee is a bona fide employee, consultant, consultant company or management company employee, as the case may be, of Blind Creek or its affiliates;
- (j) any option granted to an Optionee other than a director or officer of Blind Creek, will expire within 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee ceases to be employed by or provide services to Blind Creek, but only to the extent that such Option has vested at the date the Optionee ceased to be so employed by or to provide services to Blind Creek;
- (k) any option granted to an Optionee that is a director or officer of Blind Creek, will expire within the earlier of: (i) one (1) year after the date the Optionee ceased to be a director or officer of Blind Creek, (ii) the date of expiration of the term otherwise applicable to such option, and (iii) such shorter period as Blind Creek determines is reasonable, and only to the extent that such option has vested at the date the Optionee ceased to be so employed by or to provide services to Blind Creek;
- (l) if an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to the option;
- (m) in the case of an Optionee being dismissed from employment or service for cause, the 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 Blind Creek 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 Blind Creek 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 Service Provider remaining employed by or continuing to provide services to Blind Creek or its affiliates, as well as, at the discretion of the Blind Creek Board, achieving certain milestones which may be defined by the Blind Creek Board from time to time or receiving a satisfactory performance review by Blind Creek or its affiliates during the vesting period; or (ii) the Service Provider remaining as a director of Blind Creek or its affiliates during the vesting period;
- (p) Blind Creek may withhold and remit income tax payable upon the exercise of stock options to comply with the Tax Act;
- (q) Blind Creek, 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 Blind Creek Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Blind Creek Stock Option Plan with respect to all Shares in respect of options granted under the Blind Creek Stock Option Plan.

At the Meeting, the Blind Creek Shareholders will be asked to approve the following ordinary resolution:

“RESOLVED, as an ordinary resolution, that:

1. the Blind Creek Stock Option Plan, being a “rolling” stock option plan, as described in Blind Creek’s Information Circular dated April 18, 2018, and the grant of options thereunder in accordance therewith, be approved;
2. the Board of Directors of Blind Creek be authorized to make any changes to the Blind Creek Stock Option Plan, as may be required or permitted by the TSXVE; and
3. any director or officer of Blind Creek is hereby authorized and directed for and in the name of and on behalf of Blind Creek to execute or cause to be executed, whether under corporate seal of Blind Creek or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing.”

An ordinary resolution is a resolution passed by the Blind Creek Shareholders at a general meeting by a simple majority of the votes cast in person or by proxy.

The Blind Creek Board recommends that the Blind Creek Shareholders vote in favour of the above resolution. Unless otherwise directed, or where the instructions are unclear, the persons named in the enclosed proxy intend to vote FOR the ratification and approval of the share option plan until the next annual meeting of Blind Creek.

APPROVAL OF THE ARRANGEMENT

The Arrangement will become effective on the Effective Date, subject to satisfaction of the applicable conditions. The disclosure of the principal features of the Arrangement among Blind Creek, the Blind Creek Shareholders and Engineer Gold Mines, as summarized below, is qualified in its entirety by reference to the full text of the Arrangement Agreement, which is available under Blind Creek’s profile on SEDAR at www.SEDAR.com.

REASONS FOR THE ARRANGEMENT

Blind Creek believes that the Arrangement is in the best interests of Blind Creek for numerous reasons, including the fact that Blind Creek will continue as a junior resource company in the business of advancing Blind Creek’s mineral projects; particularly the Blende Property. Blind Creek has a significant market capitalization, a strong balance sheet and a solid management team. The Engineer Gold Mines Property is not required for Blind Creek’s primary business focus. Blind Creek expects to have broad appeal to the investment community with its focus being primarily on the advancement of the Blende Property, and Blind Creek believes that the Arrangement will also minimize the potential dilution of the Blende Property. Following the Arrangement, Engineer Gold Mines is expected to focus on the Engineer Gold Mines Property. The Arrangement will allow the market to value the Engineer Gold Mines Property independently of the Blende Property held by Blind Creek. Engineer Gold Mines will benefit from a strong board of directors and management team with experience acquiring and developing exploration stage assets in Canada. 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. 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 “The Arrangement – Arrangement 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, and did not make specific assessments of, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination. Individual members of the Blind Creek Board may have given different weight to different factors.

PRINCIPAL STEPS OF THE ARRANGEMENT

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

1. each Dissent Share shall be deemed to have been repurchased by Blind Creek for cancellation in consideration for a debt-claim against Blind Creek to be paid the fair value of such Dissent Share in accordance with Article 3 of the Plan of Arrangement, net of any applicable withholding tax, and such Dissenting Share shall thereupon be cancelled;
2. Engineer Gold Mines will purchase for cancellation from Blind Creek for \$1 the initial Engineer Gold Mines Common Share held by Blind Creek;
3. Blind Creek will distribute the Engineer Gold Mines Common Shares to the holders of Blind Creek Common Shares (other than a Dissenting Shareholder) on the basis of one Engineer Gold Mines Common Share for every two Blind Creek Common Share then held as a return of stated capital, and reduction of paid-up capital for purposes of the Tax Act;
4. the foregoing matters will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not being completed until after the Effective Date; and
5. 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.

NO FRACTIONAL SHARES

No fractional Engineer Gold Mines Common Shares will be issued. In the event that a Blind Creek Shareholder would otherwise be entitled to a fractional Engineer Gold Mines Common Share under the Plan of Arrangement, the number of Engineer Gold Mines Common 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 Common 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.

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 without giving effect to the Engineer Gold Mines Shares to be issued pursuant to the Engineer Gold Mines Private Placement (if any). Blind Creek Shareholders will own all of the outstanding Engineer Gold Mines Common Shares, post-Arrangement, as of the Effective Time, other than any Engineer Gold Mines Shares held by Engineer Gold Mines Purchasers pursuant to the Engineer Gold Mines Private Placement.

Blind Creek will continue to hold all of Blind Creek's other mineral properties 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. 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.

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.

AMENDMENTS TO THE PLAN OF ARRANGEMENT

Blind Creek reserves the right to amend, modify or supplement (or do all of the foregoing) the Plan of Arrangement from time to time and at any time prior to the Effective Date provided that any such amendment, modification and/or supplement must be contained in a written document that is:

- (a) filed with the Court and, if made following the Meeting, approved by the Court; and
- (b) communicated to Blind Creek Shareholders in the manner required by the Court (if so required).

Any amendment, modification or supplement to the Plan of Arrangement may be proposed by Blind Creek at any time prior to or at the Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of the Plan of Arrangement for all purposes.

Any amendment, modification or supplement to the Plan of Arrangement which is approved by the Court following the Meeting shall be effective only:

- (a) if it is consented to by Blind Creek; and
- (b) if required by the Court or applicable law, it is consented to by the Blind Creek Shareholders.

Any amendment, modification or supplement to the Plan of Arrangement may be made following the Effective Date unilaterally by Blind Creek, provided that it concerns a matter which, in the reasonable opinion of Blind Creek, is of an administrative nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the financial or economic interest of any holder of Blind Creek Common Shares or Engineer Gold Mines Common Shares.

DIRECTORS AND OFFICERS OF ENGINEER GOLD MINES

The Engineer Gold Mines Board will be comprised of Andrew H. Rees, Glen MacDonald, Brian Fowler and Thomas Kennedy. Executive management of Engineer Gold Mines consists of Thomas Kennedy, Chief Executive Officer and Secretary, Brian Fowler, President and Dale Dobson, Chief Financial Officer. It is the intent of Engineer Gold Mines to add individuals to the Engineer Gold Mines Board and management to ensure Engineer Gold Mines has the appropriate amount of local knowledge and skill sets with respect to Engineer Gold Mines' mineral projects and the jurisdictions in which it operates. Since Blind Creek's focus is primarily as a junior resource company in the business of advancing Blind Creek's mineral project(s) and Engineer Gold Mines' focus will be on the Engineer Gold Mines Property, any common directors on the Engineer Gold Mines Board and the Blind Creek Board are not

expected to be subject to any conflicts of interest. See “Engineer Gold Mines – Directors and Officers” in this Circular.

VALUE OPINION

Mineral Property Value Advisor

Blind Creek has undertaken a number of steps to ensure that the Blind Creek Shareholders are treated in a manner that is fair. It has retained Ross Glanville & Associates Ltd. and Bruce McKnight Minerals Advisor Services (the “**Value Advisors**”) as independent advisors to Blind Creek in order to provide an independent opinion as to the value of the Engineer Gold Mines Property in connection with the Arrangement.

In consideration for its services in connection with the Value Opinion, Blind Creek has agreed to pay the Value Advisors \$10,000 (a flat professional fee for their services). In addition, the Value Advisors may be reimbursed for their reasonable out-of-pocket expenses and to be indemnified by Blind Creek in certain circumstances. The fee for the Value Opinion is not contingent on the conclusion reached in the Value Opinion.

The Value Advisors are not insiders, associates or affiliates of either of Blind Creek or Engineer Gold Mines. The Value Advisors have not acted as advisors to Blind Creek or Engineer Gold Mines or their respective affiliates in connection with the Arrangement. The Value Advisors have no past, present or intended interest in the shares or assets of Blind Creek or Engineer Gold Mines and their respective affiliates.

There are no understandings, commitments or agreements between the Value Advisors and either Blind Creek or Engineer Gold Mines or their respective predecessors, subsidiary companies and affiliates with respect to future business dealings. The Value Advisors may in the future in the ordinary course of business perform financial advisory services to a broad spectrum of corporate clients, and perform financial and research services for Blind Creek or Engineer Gold Mines. The management of Blind Creek has determined the Value Advisors to be qualified.

Summary of Value Opinion

The following summary of the Value Opinion is qualified in its entirety by the full text of the Value Opinion. The analyses conducted by the Value Advisors, as described in the Value Opinion, should be considered as a whole. To focus on specific portions of each analysis and of the factors considered, without considering all analyses and factors, could create an incomplete and misleading view of the processes underlying the Value Opinion. The Value Opinion may be inspected at any time up to the commencement of the Meeting during normal business hours at Blind Creek’s offices at 804-750 West Pender Street, Vancouver, BC V6C 2T7 and will be available for review at the Meeting.

In order to provide the Value Opinion, the Value Advisors, among other things, reviewed the technical reports on the Engineer Gold Mine and surrounding properties, reviewed the website of Blind Creek, and considered prior expenditures and exploration results on the Property. The Value Advisors considered a number of factors in arriving at the Value Opinion, including the size of the Engineer Gold Mine Property, access and infrastructure, the recommended exploration programs, the current market for mineral exploration projects, the long-term outlook for the gold price, among others. The Value Advisors have not attributed any particular weight to any of the specific analyses or factors considered by them, but rather they have made qualitative judgments based on their experience in rendering such opinions and on the circumstances and information as a whole.

Based on the foregoing factors, and various calculations and input parameters as set out in the Value Opinion, the Value Advisors estimated the Fair Market Value of the Engineer Property utilizing various valuation methods, including comparable dollars per contained ounce of gold, comparable dollars-per-hectare for similar properties, the adjusted market capitalization of Blind Creek, adjusted appraised value, and prior property transactions.

As a result of their review, the Value Advisors are of the opinion that the fair market value of the Engineer Gold Mine Property is approximately \$1.25 million (the “**Fair Market Value**”). Due to the fact that valuations of early-stage exploration projects are not precise, the Value Advisors are of the opinion that the Fair Market Value would be

somewhere between \$1.0 million and \$1.5 million (approximately minus and plus 20% from the \$1.25 million median value). However, the Value Advisors express no opinion as to the trading prices of the share of Engineer Gold Mines should it become a publicly-traded company (of which there can be no assurances).

Blind Creek commission the Value Report to assist the Blind Creek Board in evaluating the merits of the Arrangement and for purposes of assisting the Engineer Gold Mines Board of Directors in determining the price of the Engineer Gold Mines Subscription Receipts pursuant to the Engineer Gold Mines Private Placement. The Value Report is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the Fair Market Value for the Engineer Gold Mines Property set out in the Value Report will be realized. Please refer to the Value Report, copies of which are available from Blind Creek, which sets out in greater specificity the basis for the Value Report and any qualifications and assumptions made by the Value Advisors. No pre-feasibility or feasibility study in respect of the Engineer Gold Mines Property has been completed.

RECOMMENDATION OF THE DIRECTORS

Blind Creek has reviewed the terms and conditions of the proposed Arrangement, has received the Value Opinion and has concluded that the Arrangement is fair and reasonable to the Blind Creek Shareholders and in the best interests of Blind Creek.

In arriving at this conclusion, the Blind Creek Board considered, among other matters:

1. the financial condition, business and operations of Blind Creek, on both a historical and prospective basis, and information in respect of Engineer Gold Mines on a *pro forma* basis;
2. the procedures by which the Arrangement is to be approved, including the requirement for approval of the Arrangement by the Court after a hearing at which fairness to Blind Creek Shareholders will be considered;
3. the availability of rights of dissent to Registered Holders with respect to the Arrangement;
4. the assets to be held by each of Blind Creek and Engineer Gold Mines after completion of the Arrangement and the unrealized value of the Engineer Gold Mines Property within Blind Creek;
5. the advantages of segregating the property risk profiles of the AB Property (as defined herein) and Blind Creek's other projects and the Engineer Gold Mines Property;
6. historical information regarding the price of the Blind Creek Common Shares;
7. the Canadian tax treatment to Blind Creek Shareholders under the Arrangement;
8. Blind Creek Shareholders will own securities of two publicly-listed companies, if the intended listing of the Engineer Gold Mines Common Shares is obtained; and
9. Blind Creek will be able to concentrate its efforts on the advancement of Blind Creek's mineral project(s) and Engineer Gold Mines will be able to concentrate its efforts on exploring the Engineer Gold Mines Property and may explore potential opportunities for acquisition of additional exploration properties, appealing to prospective investors.

The Blind Creek Board did not assign a relative weight to each specific factor and each director may have given different weights to different factors. Based on its review of all the factors, the Blind Creek Board considers the Arrangement to be advantageous to Blind Creek and fair and reasonable to the Blind Creek Shareholders. The Blind Creek Board also identified disadvantages associated with the Arrangement including the fact that there will be the additional costs associated with running two companies and there is no assurance that the proposed Arrangement will result in positive benefits to Blind Creek Shareholders. See "Particulars of Matters to be Acted Upon –

Approval of the Arrangement – Arrangement Risk Factors”, “Blind Creek Resources Ltd. – Risk Factors” and “Engineer Gold Mines Ltd. – Risk Factors”.

The Arrangement Resolutions are set out in Schedule “A” to this Circular. In order to be approved, the Arrangement Resolutions require the votes in favour of 66 2/3% of the votes cast at the Meeting.

The Blind Creek Board recommends that the Blind Creek Shareholders vote in favour of the Arrangement Resolution. Each director and officer of Blind Creek who owns Blind Creek Common Shares has indicated his or her intention to vote his or her Blind Creek Common Shares in favour of the Arrangement Resolution.

ARRANGEMENT RISK FACTORS

Blind Creek and Engineer Gold Mines should each be considered as 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 Circular prior to voting on the matters being put before them at the Meeting.

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, including receipt of Blind Creek Shareholder approval at the Meeting and receipt of the Final Order. 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 Circular (without limitation, see also “Blind Creek Resources Ltd. – Risk Factors” and “Engineer Gold Mines Ltd. – 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 Circular 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 Common 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 Common 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 Blind Creek or Engineer Gold Mines, after completing the Arrangement, will be successful.
7. While Blind Creek believes that the Engineer Gold Mines Common 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 Common 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.

EFFECTS OF THE ARRANGEMENT ON SHAREHOLDERS' RIGHTS

As a result of the Arrangement, Blind Creek Shareholders will continue to be shareholders of Blind Creek and will also be shareholders of Engineer Gold Mines. Shareholders of Blind Creek and Engineer Gold Mines will have the same rights afforded to them as Blind Creek Shareholders of each respective entity, as both Blind Creek and Engineer Gold Mines are governed by the BCBCA.

CONDUCT OF MEETING AND OTHER APPROVALS

Shareholder Approval of the Arrangement

The Arrangement Resolution must be approved, with or without variation, by not less than two-thirds of the votes cast at the Meeting in person or by proxy by Blind Creek Shareholders.

Court Approval of the Arrangement

Under the BCBCA, Blind Creek is required to obtain the approval of the Court to the calling and holding of the Meeting and to the Arrangement. On April 24, 2018, prior to mailing the material in respect of the Meeting, Blind Creek obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order and the Notice of Hearing of Petition for Final Order are appended as Schedules "F" and "G", respectively, to this Circular. As set out in the Notice of Hearing of Petition for Final Order, the Court hearing in respect of the Final Order is scheduled to take place at 10:00 A.M. (Vancouver time) on May 24, 2018, following the Meeting 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, subject to the approval of the Arrangement Resolution at the Meeting. **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, any Blind Creek Shareholders who wish to participate or to be represented or to present evidence or argument may do so, subject to the rules of the Court. Although the authority of the Court is very broad under the BCBCA, the Court will consider, among other things, the procedural and substantive fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. In addition, it is a condition of the Arrangement that the Court will have determined, prior to approving the Final Order, that the terms and conditions

of the issuance of securities comprising the Arrangement are procedurally and substantively fair to the Blind Creek Shareholders.

Under the terms of the Interim Order, each Shareholder will receive proper notice that they will have the right to appear and make representations at the application for the Final Order. Any person desiring to appear at the hearing to be held by the Court to approve the Arrangement pursuant to the Notice of Hearing of Petition for Final Order is required to file with the Court and serve upon Blind Creek, at the address set out below, prior to 4:00 P.M. (Vancouver time) on May 22, 2018, the Response to Petition, including his address for service, together with any evidence or materials which are to be presented to the Court. The Response to Petition and supporting materials must be delivered to:

Farris, Vaughan, Wills & Murphy LLP
25th Floor, 700 W Georgia St.
Vancouver, BC V7Y 1B3

Attention: Denise Nawata

Regulatory Approvals

If the Arrangement Resolution is approved by the requisite two-thirds of the Blind Creek Shareholders voting together as a single class, final regulatory approval must be obtained for all the transactions contemplated by the Arrangement before the Arrangement may proceed.

The Blind Creek Common Shares are currently listed and posted for trading on the TSXVE. Blind Creek is expected to be a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario and Yukon. Approval from the TSXVE is required for the completion of the Arrangement, conditional acceptance having been obtained on April 18, 2018. Upon completion of the Arrangement, it is expected that Engineer Gold Mines is expected to be a reporting issuer in British Columbia, Alberta, Saskatchewan and Yukon and intends to seek a listing of the Engineer Gold Mines Common Shares on the TSXVE. Engineer Gold Mines has made an application to list the Engineer Gold Mines Common Shares on the TSXVE. Any listing will be subject to the approval of the TSXVE. There can be no assurances that Engineer Gold Mines will be able to attain a listing on the TSXVE or any other stock exchange. Engineer Gold Mines has also applied for a waiver of the sponsorship requirements under the rules of the TSXVE. There can be no assurances that such a waiver will be available. There is no assurance that such a waiver will be available to Engineer Gold Mines.

Blind Creek Shareholders should be aware that certain of the foregoing approvals, including a listing on the TSXVE or a determination that Engineer Gold Mines will be a reporting issuer in the specified jurisdictions, have not yet been received from the regulatory authorities referred to above. There is no assurance that such approvals will be obtained.

DIRECTORS AND OFFICERS

The following table discloses the current positions and security holdings of directors and executive officers of Blind Creek as well as the anticipated positions and shareholdings in Engineer Gold Mines, post-arrangement.

Director and/or Executive Officer	Principal Occupation During Past Five Years ⁽¹⁾	Blind Creek Position(s), Blind Creek Common Shares ⁽¹⁾	Post-Arrangement Engineer Gold Mines Position(s) and Engineer Gold Mines Common Shares ⁽²⁾
Andrew H. Rees ⁽³⁾ British Columbia, Canada	Barkerville Gold Mines (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).	Director 381,400 Blind Creek Shares ⁽⁴⁾	Director 190,700 Engineer Gold Mines Shares
Thomas Kennedy British Columbia, Canada	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); 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); 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); and Vanc Pharmaceuticals Inc. (formerly Nuva Pharmaceuticals Inc.) (Director and CEO).	Director and CEO Nil	Director and CEO Nil
Glen Macdonald ⁽³⁾ British Columbia, Canada	Angel Bioventures (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); Harvest One Cannabis (Director); Hybrid Minerals Inc. (formerly Savoy Ventures) (Director and CEO); Klondike Silver (Director); LeenLife Pharma International Inc. (Director); Maxim Resources (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	Director Nil	Director Nil

	Resources Ltd. (Director); WPC Resources (Director); Vinergy Resources Ltd. (Director); and Zanzibar Gold Inc.		
Brian Fowler, British Columbia, Canada	RedQuest Capital Corp. (Director, President and Chief Executive Officer), BCGold Corp. (Director, President and Chief Executive Officer) and Laurentian Goldfields Ltd. (Director).	President, Proposed Director 507,335 Blind Creek Shares	Director and President 253,667 Engineer Gold Mines Shares and 200,000 Engineer Gold Mines Units ⁽⁵⁾
Dale Dobson British Columbia, Canada	Amador Gold Corp. (CFO); Golden Cariboo Resources Ltd. (CFO); and Starr Peak Exploration Ltd. (CFO).	Chief Financial Officer Nil	Chief Financial Officer Nil

Notes:

1. The information as to principal occupation and Blind Creek Common Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of Blind Creek, has been furnished by the respective directors individually.
2. Holders of Blind Creek Common Shares will receive one Engineer Gold Mines Common Share for every two Blind Creek Common Shares as described in the Plan of Arrangement. See "Particulars of Matters to be Acted Upon – Approval of the Arrangement – Principal Steps of the Arrangement".
3. Member of the Audit Committee of Engineer Gold Mines.
4. 181,400 Common shares are held directly by Mr. Rees. 200,000 Common shares are held by Hutch Capital Corp. a private company that is wholly- owned and controlled by Mr. Rees.
5. Each Engineer Gold Mines Unit is comprised of one Engineer Gold Mines Common Share and one half of one Engineer Gold Mines Warrant.

PROCEDURE FOR RECEIPT OF ENGINEER GOLD MINES COMMON SHARES

As soon as practicable following the Effective Date, Engineer Gold Mines will forward or cause to be forwarded by the Transfer Agent or otherwise, by registered mail (postage prepaid) to Blind Creek Shareholders as of the Effective Date at the address specified in the register of Blind Creek Shareholders, certificates representing the number of Engineer Gold Mines Common Shares to be delivered to such Blind Creek Shareholders under the Arrangement. Only registered holders of Blind Creek Shares will receive a certificate representing Engineer Gold Mines Common Shares. Non-Registered Holders should consult with their brokers regarding the Engineer Gold Mines Common Shares to be received by such shareholders.

Blind Creek will establish the Engineer Gold Mines Distribution Record Date for the purpose of determining the Blind Creek Shareholders entitled to receive Engineer Gold Mines Common Shares under the Arrangement in accordance with section 289 of the BCBCA and in accordance with the policies of the TSXVE. It is expected that the payout date for the Engineer Gold Mines Common Shares to be distributed to Blind Creek Shareholders pursuant to the Arrangement will be three Business Days following the Engineer Gold Mines Distribution Record Date.

Blind Creek Shareholders should not deliver certificates for Blind Creek Common Shares to the Transfer Agent as certificates representing Blind Creek Common Shares are not being exchanged pursuant to the Arrangement.

FEES AND EXPENSES

Blind Creek will pay the costs, fees and expenses of the Arrangement.

EFFECTIVE DATE OF ARRANGEMENT

If: (1) the Arrangement Resolution is approved by Special Resolution of the Blind Creek Shareholders, (2) the Final Order of the Court is obtained approving the Arrangement; (3) the required TSXVE approvals to the completion of the Arrangement are obtained; (4) every requirement of the BCBCA relating to the Arrangement has been complied with; and (5) all other conditions disclosed under “Arrangement Agreement – Conditions to the Arrangement Becoming Effective” are met or waived, the Arrangement will become effective on the Effective Date.

The full particulars of the Arrangement are contained in the Plan of Arrangement appended as Schedule “B” to this Circular. See also “Arrangement Agreement” below.

Notwithstanding receipt of the above approvals, Blind Creek may abandon the Arrangement without further approval from the Blind Creek Shareholders.

ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the provisions of the BCBCA and will be effected in accordance with the Arrangement Agreement, the Interim Order and the Final Order. The steps of the Arrangement, as set out in the Arrangement Agreement, are summarized under “Particulars of Matters to be Acted Upon – The Arrangement – Principal Steps of the Arrangement” herein.

The general description of the Arrangement Agreement which follows is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is available for review by Blind Creek Shareholders, at the head office of Blind Creek as shown on the Notice of Meeting, during normal business hours prior to the Meeting and under Blind Creek’s profile on SEDAR at www.SEDAR.com.

GENERAL

Effective January 19, 2018, Blind Creek and Engineer Gold Mines entered into the Arrangement Agreement which includes the Plan of Arrangement. The Plan of Arrangement is reproduced as Schedule “B” to this Circular. Pursuant to the Arrangement Agreement, Blind Creek and Engineer Gold Mines agree to effect the Arrangement pursuant to the provisions of Section 288 of the BCBCA on the terms and subject to the conditions contained in the Arrangement Agreement.

In the Arrangement Agreement, Blind Creek and Engineer Gold Mines provide representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

Under the Arrangement Agreement, Blind Creek agrees to call the Meeting for the purpose of, among other matters, the Blind Creek Shareholders approving the Arrangement Resolution, and that, if the approval of the Blind Creek Shareholders of the Arrangement Resolution as set forth in the Interim Order is obtained by Blind Creek, as soon as reasonably practicable thereafter, Blind Creek will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order.

CONDITIONS TO THE ARRANGEMENT BECOMING EFFECTIVE

The respective obligations of Blind Creek and Engineer Gold Mines to complete the transactions contemplated by the Arrangement Agreement are subject to the satisfaction, on or before the Effective Date, of a number of conditions precedent, certain of which may only be waived in accordance with the Arrangement Agreement. The mutual conditions precedent, among others, are as follows:

- (a) the Interim Order shall have been granted in form and substance satisfactory to Blind Creek;
- (b) the Arrangement Resolution, with or without amendment, shall have been approved at the Meeting, in accordance with the Interim Order;
- (c) the Court shall have determined that the terms and conditions of the Arrangement are procedurally and substantively fair to the Blind Creek Shareholders and the Final Order shall have been granted in form and substance satisfactory to Blind Creek, and shall not have been set aside or modified in a manner unacceptable to Blind Creek, on appeal or otherwise;
- (d) the TSXVE shall have conditionally approved the listing of the Engineer Gold Mines Common Shares, subject only to compliance with the usual requirements of the TSXVE;
- (e) all governmental, court, regulatory, third party and other approvals, consents, expiry of waiting periods, waivers, permits, exemptions, orders and agreements and all amendments and modifications to, and terminations of, agreements, indentures and arrangements considered by Blind Creek to be necessary or desirable for the Arrangement to become effective shall have been obtained or received on terms that are satisfactory to Blind Creek;
- (f) no action will have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of or relating to the Arrangement and there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and no cease trading or similar order with respect to any securities of any of the parties will have been issued and remain outstanding;
- (g) none of the consents, orders, rulings, approvals or assurances required for the implementation of the Arrangement will contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by Blind Creek;
- (h) no law, regulation or policy will have been proposed, enacted, promulgated or applied that interferes or is inconsistent with the completion of the Arrangement; and
- (i) the Arrangement Agreement shall not have been terminated.

The obligations of each of Blind Creek and Engineer Gold Mines to complete the Arrangement are subject to the further condition that the covenants of the other party shall have been duly performed.

AMENDMENT OF ARRANGEMENT AGREEMENT

Subject to any restrictions under the BCBCA or in the Final Order, the Arrangement Agreement (including the schedules appended thereto) may, at any time and from time to time before or after the holding of the Meeting, but not later than the Effective Date, be amended by written agreement of the parties thereto without, subject to applicable law, further notice to, or authorization on the part of, the Blind Creek Shareholders. Without limiting the generality of the foregoing, any such amendment may:

- (a) change the time for performance of any of the obligations or acts of the parties;
- (b) waive any inaccuracies or modify any representation contained in the Arrangement Agreement or in any document to be delivered pursuant to the Arrangement Agreement;
- (c) waive compliance with or modify any of the covenants contained in the Arrangement Agreement or waive or modify performance of any of the obligations of the parties; or

- (d) make such alterations in the Arrangement Agreement (including the Plan of Arrangement) as the parties may consider necessary or desirable in connection with the Interim Order or the Final Order.

Notwithstanding the foregoing, certain terms of the Arrangement and the Arrangement Agreement, including required Court, regulatory and Shareholder approval, shall not be amended in any material respect without obtaining any required approval of the Shareholder in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

TERMINATION

The Arrangement Agreement may, at any time before or after the holding of the Meeting but prior to the Effective Date, be unilaterally terminated by Blind Creek without further notice to, or action on the part of, the Blind Creek Shareholders for whatever reason Blind Creek may consider appropriate. The Arrangement Agreement will terminate without any further action by the parties if the Effective Date has not occurred on or before June 1, 2018 or such later date as Blind Creek may determine.

Upon the termination as provided in the Arrangement Agreement, neither party shall have any liability or further obligation to the other party.

RIGHTS OF DISSENTING BLIND CREEK SHAREHOLDERS

As indicated in the Notice of Meeting, any Registered Holder is entitled to be paid the fair value of his, her or its Blind Creek Common Shares in accordance with Sections 242 to 247 of the BCBCA if such holder dissents to the Plan of Arrangement and the Plan of Arrangement becomes effective.

A Registered Holder is not entitled to dissent with respect to such holder's Blind Creek Common Shares if such holder votes any of their Blind Creek Common Shares in favour of the Arrangement Resolution. For greater certainty, a Proxy submitted by a Registered Holder that does not contain voting instructions will, unless revoked, be voted in favour of the Arrangement. A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below.

Strict Compliance with Dissent Provisions Required

The following summary does not purport to provide a comprehensive statement of the procedures to be followed by a dissenting Shareholder who seeks payment of the payout value of his Blind Creek Common Shares. Section 244 of the BCBCA requires strict adherence to the procedures established therein and failure to do so may result in the loss of all dissenter's rights. Accordingly, each Shareholder who might desire to exercise the dissenter's rights should carefully consider and comply with the provisions of the section, the full text of which is set out in Schedule "E" to this Circular, and consult such holder's legal advisor.

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Shareholder should seek independent legal advice, as failure to comply strictly with the provisions of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of all Dissent Rights.

Dissent Provisions of the BCBCA

A written notice of dissent from the Arrangement Resolution pursuant to Section 242 of the BCBCA, must be sent to Blind Creek by a dissenting Blind Creek Shareholder by 4:00 p.m., Vancouver time, on Friday, May 18, 2018. The notice of dissent should be delivered by registered mail to Blind Creek at the address for notice described below. After the Arrangement Resolution is approved by Blind Creek Shareholders and within one month after Blind Creek notifies the dissenting Blind Creek Shareholder of Blind Creek's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, the dissenting Blind Creek Shareholder must send to Blind Creek, a written notice that such Blind Creek Shareholder requires the purchase of all of the Blind Creek Shares in

respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those Blind Creek Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Blind Creek Shareholder on behalf of a beneficial holder). A dissenting Blind Creek Shareholder who does not strictly comply with the dissent procedures or, for any other reason, is not entitled to be paid fair value for his, her or its Dissenting Shares will be deemed to have participated in the Plan of Arrangement on the same basis as non-dissenting Blind Creek Shareholders.

Any dissenting Blind Creek Shareholder who has duly complied with Section 244(1) of the BCBCA or Blind Creek may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Blind Creek to apply to the Court. The dissenting Blind Creek Shareholder will be entitled to receive the fair value that the Dissenting Shares had immediately before the passing of the Arrangement Resolution.

Address for Notice

All notices of dissent to the Arrangement pursuant to Section 242 of the BCBCA should be sent, within the time specified, to:

Blind Creek Resources Ltd.
804-750 West Pender Street
Vancouver, British Columbia V6C 2T7

Attention: Thomas Kennedy
Chief Executive Officer

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

THE TAX CONSEQUENCES OF THE ARRANGEMENT MAY VARY DEPENDING UPON THE PARTICULAR CIRCUMSTANCES OF EACH BLIND CREEK SHAREHOLDER AND OTHER FACTORS. ACCORDINGLY, BLIND CREEK SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT.

In the opinion of Wildeboer Dellelce LLP, Canadian counsel to Blind Creek, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act relating to the Arrangement applicable to a beneficial owner of Blind Creek Common Shares who, for the purposes of the Tax Act: (i) holds Blind Creek Common Shares, and will hold Engineer Gold Mines Common Shares acquired on the Arrangement, as capital property; (ii) deals at arm's length with Blind Creek and Engineer Gold Mines; and (iii) is not "affiliated" with Blind Creek or Engineer Gold Mines for the purposes of the Tax Act (a "**Holder**").

Blind Creek Common Shares and Engineer Gold Mines Common Shares will generally be considered to be capital property to a Holder unless such securities are held by the Holder in the course of carrying on a business of buying and selling securities or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the current administrative practices and assessing policies of the Canada Revenue Agency (the "**CRA**"). This summary also takes into account all specific proposals to amend the Tax Act (the "**Proposed Amendments**") announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and assumes that all Proposed Amendments will be enacted in the form proposed. There can be no assurance that the Proposed Amendments will be enacted in the form proposed or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action or decision, nor does it take into account other federal or any provincial, territorial or foreign income tax considerations, which may differ from the Canadian federal income tax considerations discussed below.

This summary is not applicable to a Holder: (i) that is a “financial institution” as defined in the Tax Act for the purposes of the “mark-to-market property” rules contained in the Tax Act; (ii) that is a “specified financial institution” or “restricted financial institution” as defined in the Tax Act (iii) who has acquired Blind Creek Common Shares on the exercise of a Blind Creek Option; (iv) an interest in which is, or whose Blind Creek Common Shares are, a “tax shelter investment” as defined in the Tax Act; (v) to who has made a “functional currency” reporting election under section 261 of the Tax Act apply; or (vi) that has entered, or will enter, into a “derivative forward agreement”, as defined in the Tax Act, with respect to the Blind Creek Common Shares or Engineer Gold Mines Common Shares. Such Holders should consult their own tax advisors.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT, AND IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR HOLDER AND NO REPRESENTATIONS WITH RESPECT TO THE TAX CONSEQUENCES TO ANY PARTICULAR HOLDER ARE MADE. THIS SUMMARY IS NOT EXHAUSTIVE OF ALL CANADIAN FEDERAL INCOME TAX CONSIDERATIONS. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES.

Holders Resident in Canada

The following portion of this summary applies to a Holder who, at all relevant times is or is deemed to be resident in Canada for purposes of the Tax Act (a “**Resident Holder**”).

Certain Resident Holders whose Blind Creek Common Shares or Engineer Gold Mines Common Shares might not otherwise be capital property may, in certain circumstances, be entitled to make an irrevocable election under subsection 39(4) of the Tax Act to have such shares, and every other “Canadian security” as defined in the Tax Act owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years, deemed to be capital property. **Any Resident Holder contemplating making a subsection 39(4) election should consult their tax advisor for advice as to whether the election is available or advisable in their particular circumstances.**

Distribution of the Engineer Gold Mines Common Shares

Blind Creek has informed counsel that the aggregate fair market value of the Engineer Gold Mines Common Shares to be distributed by Blind Creek is not expected to exceed the “paid-up capital”, as defined in the Tax Act, of the Blind Creek Common Shares immediately before the Effective Date. Accordingly, Resident Holders are not expected to be deemed to receive a dividend with respect to the distribution of the Engineer Gold Mines Common Shares. Rather, such distribution will reduce a Resident Holder’s adjusted cost base of its Blind Creek Common Shares by the fair market value of the Engineer Gold Mines Common Shares distributed (determined at the time of distribution). The paid-up capital of such Blind Creek Common Shares will also be reduced by such amount.

BLIND CREEK HAS DETERMINED THE VALUE OF THE ENGINEER GOLD MINES COMMON SHARES WHICH WILL BE USED FOR THE PURPOSE OF DETERMINING THE CANADIAN FEDERAL INCOME TAX CONSEQUENCES OF THE EXCHANGE. COUNSEL IS NOT QUALIFIED TO COMMENT ON THE ACCURACY OR REASONABLENESS OF THE VALUATION DETERMINATION.

In the event that the fair market value of all Engineer Gold Mines Common Shares (determined at the time of distribution) exceeds the paid-up capital of the Blind Creek Common Shares, the Resident Holders will be deemed to receive a dividend on such Blind Creek Common Shares equal to the amount of such excess.

Where the fair market value of the Engineer Gold Mines Common Shares distributed (determined at the time of distribution) to a Resident Holder exceeds the adjusted cost base of the Blind Creek Common Shares held by such Resident Holder the excess will be deemed to be a capital gain from the disposition of the Blind Creek Common Shares to such Resident Holder. The cost of the Engineer Gold Mines Common Shares received by a Resident

Holder on the Distribution will be equal to the fair market value of such Engineer Gold Mines Common Shares at the time of the distribution.

Dividends on Blind Creek Common Shares and Engineer Gold Mines Common Shares

A Resident Holder who is an individual and who is deemed to receive a dividend on its Blind Creek Common Shares or who receives a dividend paid on its Engineer Gold Mines Common Shares will be required to include in income such dividend, and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by Blind Creek or Engineer Gold Mines, as the case may be, as “eligible dividends”, as defined in the Tax Act.

A Resident Holder that is a corporation will be required to include in income any dividend received or deemed to be received on its Blind Creek Common Shares or paid on its Engineer Gold Mines Common Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income. A “private corporation” as defined in the Tax Act or a “subject corporation” as defined in the Tax Act may be liable under Part IV of the Tax Act to pay a refundable tax of 38½% on any dividend that it receives or is deemed to receive on its Blind Creek Common Shares or Engineer Gold Mines Common Shares to the extent that the dividend is deductible in computing the corporation’s taxable income.

Disposition of Engineer Gold Mines Common Shares

A Resident Holder that disposes or is deemed to dispose of an Engineer Gold Mines Common Share in a taxation year will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the share exceed (or are less than) the aggregate of the adjusted cost base to the Resident Holder of such share, determined immediately before the disposition, and any reasonable costs of disposition. The Resident Holder will be required to include any resulting taxable capital gain in income, or be entitled to deduct any resulting allowable capital loss, in accordance with the usual rules applicable to capital gains and capital losses. See “Holders Resident in Canada — Taxation of Capital Gains and Capital Losses”. A Resident Holder that acquired an Engineer Gold Mines Common Share on the distribution by Blind Creek pursuant to the Arrangement will generally be considered to have acquired such Engineer Gold Mines Common Share at a cost equal to the fair market value of such Engineer Gold Mines Common Share at the time of the distribution.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder will be required to include in computing its income for a taxation year one half of the amount of any capital gain (a “**taxable capital gain**”) realized by it in that year. A Resident Holder will generally be required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years, subject to the detailed rules contained in the Tax Act.

A capital loss realized on the disposition of an Engineer Gold Mines Common Share by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the Tax Act, be reduced by the amount of dividends received or deemed to have been received by the corporation on such shares (or on a share for which such share is substituted or exchanged). Similar rules may apply where shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. **Resident Holders to whom these rules may be relevant should consult their own advisors.**

Alternative Minimum Tax on Resident Holders who are Individuals

A capital gain realized, or a dividend received, by a Resident Holder who is an individual (including certain trusts and estates) may give rise to liability for alternative minimum tax under the Tax Act.

Additional Refundable Tax on Canadian-Controlled Private Corporations

A Resident Holder that is a “Canadian-controlled private corporation” as defined in the Tax Act may be required to pay an additional 10% refundable tax on certain investment income, including certain amounts in respect of net taxable capital gains, dividends or deemed dividends and interest.

Eligibility for Investment

Engineer Gold Mines Common Shares will be qualified investments under the Tax Act for a trust governed by a RRSP, RRIF, deferred profit sharing plan, registered education savings plan, registered disability savings plan or a tax-free savings account (a “TFSA”), at any particular time, provided that, at that time, the Engineer Gold Mines Common Shares are listed on a “designated stock exchange” (which currently includes the Canadian Securities Exchange, the TSXVE and the Toronto Stock Exchange).

Notwithstanding the foregoing, if the Engineer Gold Mines Common Shares are a “prohibited investment” for the purposes of a TFSA, an RRSP or an RRIF, the holder of such TFSA or the annuitant of such RRSP or RRIF, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Engineer Gold Mines Common Shares will not be a prohibited investment for a TFSA, RRSP or RRIF provided the holder or annuitant thereof, as the case may be, (i) deals at arm’s length with Engineer Gold Mines for purposes of the Tax Act, and (ii) does not have a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in Engineer Gold Mines. In addition, the Engineer Gold Mines Common Shares will not be a “prohibited investment” for a TFSA, RRSP or RRIF if such shares are “excluded property” as defined in the Tax Act for trusts governed by such TFSA, RRSP or RRIF. Resident Holders who intend to hold Engineer Gold Mines Common Shares in a TFSA, RRSP or RRIF are advised to consult their own tax advisors.

Dissenting Resident Holders

Subject to the commentary below, a Resident Holder who dissents in respect of the Arrangement (a “**Resident Dissenter**”) and who is entitled to receive payment from Blind Creek equal to the fair value of the Resident Dissenter’s Blind Creek Common Shares will be considered to have disposed of the Blind Creek Common Shares for proceeds of disposition equal to the amount received by the Resident Dissenter, less the amount of any interest awarded by a court, as the case may be. A Resident Dissenter generally will be deemed to have received a dividend equal to the amount by which such proceeds exceed the paid-up capital of such shares, and such deemed dividend will reduce the proceeds of disposition for purposes of computing any capital gain (or a capital loss) on the disposition of such Blind Creek Common Shares. The tax treatment accorded to any deemed dividend is discussed above under the heading, “Holders Resident in Canada — Dividends on Blind Creek Common Shares and Engineer Gold Mines Common Shares”.

A Resident Dissenter will also realize a capital gain (or a capital loss) to the extent that the proceeds of disposition of such Blind Creek Common Shares, as reduced by the amount of any deemed dividend as discussed above, exceed (or are less than) the adjusted cost base of such shares immediately before the disposition and any reasonable costs of disposition. The tax treatment of capital gains and capital losses (including the potential reduction of a capital loss due to the receipt of a deemed dividend) is discussed above under the heading, “Holders Resident in Canada — Taxation of Capital Gains and Capital Losses”.

Interest awarded by a court to a Resident Dissenter will be included in the Resident Dissenter’s income for a particular taxation year to the extent the amount is received or receivable in that year, depending upon the method regularly followed by the Resident Dissenter in computing income. Where the Resident Dissenter is a corporation, partnership or, subject to certain exceptions, a trust, the Resident Dissenter must include in income for a taxation year the amount of interest that accrues to it before the end of the taxation year, or becomes receivable or is received before the end of the year (to the extent not included in income for a preceding taxation year). **Resident Dissenters who are contemplating exercising their dissent rights should consult their own tax advisors.**

Holders Not Resident in Canada

The following portion of the summary applies to a Holder who, for the purposes of the Tax Act: (i) at all relevant times is not and is not deemed to be resident in Canada; and (ii) does not and will not use or hold, and is not and will not be deemed to use or hold, Blind Creek Common Shares or Engineer Gold Mines Common Shares in connection with carrying on a business in Canada (a “**Non-resident Holder**”). This portion of the summary is not applicable to a Non-resident Holder that is: (i) an insurer carrying on an insurance business in Canada and elsewhere; (ii) a “financial institution” as defined in the Tax Act; or (iii) an “authorized foreign bank” as defined in the Tax Act.

Dividends on Blind Creek Common Shares and Engineer Gold Mines Common Shares

Dividends paid or credited, or deemed to be paid or credited, on Blind Creek Common Shares or Engineer Gold Mines Common Shares to a Non-resident Holder generally will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the dividend, unless the rate is reduced under the provisions of an applicable income tax convention. The rate of withholding tax under the U.S. Treaty applicable to a Non-resident Holder, who is a resident of the United States for the purposes of the U.S. Treaty, is the beneficial owner of the dividend, is entitled to all of the benefits under the U.S. Treaty generally will be 15% (5% for a company that holds at least 10% of the voting stock of Blind Creek or Engineer Gold Mines, as the case may be). Blind Creek or Engineer Gold Mines, as the case may be, will be required to withhold the required amount of withholding tax from the dividend, and to remit it to the CRA for the account of the Non-resident Holder.

Disposition of Engineer Gold Mines Common Shares

A Non-resident Holder that disposes or is deemed to dispose of an Engineer Gold Mines Common Share in a taxation year will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the share exceed (or are less than) the aggregate of the adjusted cost base to the Non-Resident Holder of such share, determined immediately before the disposition, and any reasonable costs of disposition.

Such gain will not be subject to tax in Canada unless the Engineer Gold Mines Common Shares are “taxable Canadian property” to the Non-resident Holder. The Engineer Gold Mines Common Shares will be taxable Canadian property to a Non-resident Holder if, at any time in the 60 month period preceding the disposition, 25% or more of the issued shares of any class of the capital stock of Engineer Gold Mines were owned by any combination of (a) the Non-resident holder, (b) persons with whom the Non-resident holder did not deal at arm’s length and (c) partnerships in which persons referred to in (a) or (b) holds a membership interest (directly or indirectly through one or more partnerships), and more than 50% of the fair market value of the Engineer Gold Mines Common Shares was derived from, directly or indirectly, any combination of (i) real or immovable property situated in Canada, (ii) Canadian resource property, (iii) timber resource property, and (iv) options in respect of, or interests in, the property described in (i) to (iii). If the Engineer Gold Mines Common Shares constitute taxable Canadian property, a capital gain arising on the disposition of such shares may be exempt from tax in Canada under the terms of a tax treaty between Canada and the country of residence of the Non-resident Holder. **Such holders should consult their tax advisors about their particular circumstances.**

Dissenting Non-resident Holders

A Non-resident Holder who dissents in respect of the Arrangement (a “**Non-resident Dissenter**”) will be entitled to receive a payment from Blind Creek equal to the fair value of such Non-resident Dissenter’s Blind Creek Common Shares and, subject to the commentary below, will be considered to have disposed of such shares for proceeds of disposition equal to the amount received by the Non-resident Dissenter, less the amount of any interest awarded by a court (if applicable). A Non-resident Dissenter generally will be deemed to have received a dividend equal to the amount by which such proceeds exceed the paid-up capital of such shares and such deemed dividend will reduce the proceeds of disposition for purposes of computing any capital gain (or capital loss) on the disposition of such Blind Creek Common Shares. The deemed dividend will be subject to Canadian withholding tax as described above under “Holders Not Resident in Canada — Dividends on Blind Creek Common Shares and Engineer Gold Mines Common Shares”.

A Non-resident Dissenter will also realize a capital gain to the extent that the proceeds of disposition for such shares, as reduced by the amount of any deemed dividend as discussed above, exceed the adjusted cost base of such Blind Creek Common Shares immediately before the disposition and any reasonable costs of disposition. A Non-resident Dissenter generally will not be subject to income tax under the Tax Act in respect of any such capital gain provided such shares do not constitute taxable Canadian property of the Non-resident Dissenter, as described above under “Holders Not Resident in Canada —Disposition of Engineer Gold Mines Common Shares”.

Any interest paid to a Non-resident Dissenter upon the exercise of dissent rights will not be subject to Canadian withholding tax.

SECURITIES LAW CONSIDERATIONS

The following is a brief summary of the securities law considerations applicable to the transactions contemplated herein.

CANADIAN SECURITIES LAWS AND RESALE OF SECURITIES

Each Blind Creek Shareholder is urged to consult such holder’s professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Engineer Gold Mines Common Shares.

Blind Creek is a “reporting issuer” in the provinces of British Columbia, Alberta, Saskatchewan, Ontario, and Yukon. The Blind Creek Common Shares are currently listed and posted for trading on the TSXVE.

Upon completion of the Arrangement, Engineer Gold Mines is expected to be a reporting issuer in British Columbia, Alberta, Saskatchewan and Yukon. Engineer Gold Mines has made an application to list the Engineer Gold Mines Common Shares on the TSXVE. There can be no assurances that Engineer Gold Mines will be able to obtain such a listing in the TSXVE or any other stock exchange. Any listing will be subject to the approval of the TSXVE. Engineer Gold Mines has also applied for a waiver of the sponsorship requirements under the rules of the TSXVE.

The issuance of the Engineer Gold Mines Common Shares pursuant to the Arrangement will constitute a distribution of securities, which is exempt from the prospectus requirements of Canadian securities legislation. The Engineer Gold Mines Common Shares issued to Blind Creek Shareholders may be resold in each of the provinces and territories of Canada provided the holder is not a ‘control person’ as defined in the applicable Securities Legislation, no unusual effort is made to prepare the market or create a demand for those securities and no extraordinary commission or consideration is paid in respect of that sale.

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.

A full copy of the Engineer Gold Mines Option Plan will be available at the Meeting for review by Blind Creek Shareholders. Shareholders may also obtain copies of the Engineer Gold Mines Option Plan from Blind Creek prior to the meeting on written request. 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 Common 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 Common 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.

Unless such authority is withheld, the persons named in the enclosed proxy intend to vote for the approval of the Engineer Gold Mines Option Plan.

At the Meeting, Blind Creek Shareholders will be asked to pass an ordinary resolution, with or without amendment, in substantially the form set forth below:

“RESOLVED THAT:

1. subject to completion of the Arrangement, a stock option plan for Engineer Gold Mines, being a “rolling” stock option plan, as described in Blind Creek’s Information Circular dated April 18, 2018, and the grant of options thereunder in accordance therewith, be approved; and
2. any director or officer of Blind Creek is hereby authorized and directed, acting for, in the name of and on behalf of Blind Creek, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer be necessary or desirable to carry out the foregoing resolution.”

Recommendation of the Directors

The Blind Creek Board has reviewed the proposed resolution and concluded that it is fair and reasonable to the Blind Creek Shareholders and in the best interests of Engineer Gold Mines.

The Blind Creek Board recommends that Blind Creek Shareholders vote in favour of the resolution to approve the Engineer Gold Mines Option Plan.

BLIND CREEK RESOURCES LTD.

The following information is provided by Blind Creek and is reflective of the current business, financial and share capital position of Blind Creek and includes certain information reflecting the status of Blind Creek following the completion of the Arrangement. Unless otherwise indicated, all currency amounts are stated in Canadian dollars.

SUMMARY DESCRIPTION OF BUSINESS

Blind Creek is a Vancouver-based junior resource company focused on lead-zinc-silver and gold-silver project acquisition, exploration and development in Yukon, Northwest Territories (the “**AB Property**”) and British Columbia. Blind Creek’s flagship property is the Blende Property in north-central Yukon. Blind Creek signed an agreement to acquire a 100% interest in the AB Property (MV-Type Zinc-Lead) in the Northwest Territories and has also purchased the historic and fully-permitted Engineer Gold Mines Property, situated 32 km southwest of Atlin, B.C. The Engineer Gold Mines 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. Additionally, Blind Creek intends to seek and acquire additional similar stage properties which would complement its flagship assets.

For further information regarding Blind Creek and its principal asset, the Blende Property, the AB Property and the Engineer Gold Mines Property, see the documents incorporated by reference in this Circular which are available at www.SEDAR.com under Blind Creek’s profile.

BUSINESS OBJECTIVES

Blind Creek’s objective is to complete the Arrangement and to continue to explore and develop the Blende Project.

AUTHORIZED AND ISSUED SHARE CAPITAL

The authorized share capital of Blind Creek consists of an unlimited number of common shares, of which 25,677,050 Blind Creek Common Shares are issued and outstanding as of the date of this Circular. The Arrangement will not have any impact on the number of Blind Creek Common Shares issued and outstanding.

Blind Creek Shareholders are entitled to one vote per Blind Creek Common Share at all meetings of Blind Creek Shareholders. Blind Creek Shareholders are entitled to receive dividends as and when declared by the Blind Creek Board and to receive a pro rata share of the assets of Blind Creek available for distribution to Blind Creek Shareholders in the event of the liquidation, dissolution or winding-up of Blind Creek. All Blind Creek Common Shares rank equally as to all benefits which might accrue to the Blind Creek Shareholders.

BLIND CREEK SELECTED FINANCIAL INFORMATION

The following table sets out selected financial information for the periods indicated and should be considered in conjunction with the more complete information contained in the financial statements of Blind Creek for the fiscal years ended November 30, 2017 and 2016 incorporated by reference in this Circular and filed on SEDAR at www.SEDAR.com.

	Year Ended November 30, 2017 (\$)	Year Ended November 30, 2016 (\$)
Loss	(790,216)	(249,909)
Comprehensive loss	(790,216)	(249,909)
Basic and diluted loss per share	0.04	0.04
Total assets	2,393,502	1,356,407
Mineral interests	2,206,985	1,299,723

The following table sets out selected *pro forma* financial information in respect of Blind Creek 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 Blind Creek appended as Schedule “I” to this Circular.

	Year ended November 30, 2017 (\$)
Current assets	102,535
Mineral property interests	1,661,289
Total assets	1,797,553
Total liabilities	318,323
Blind Creek Shareholders’ equity	1,479,483

The following table sets out selected *pro forma* financial information in respect of Blind Creek as at 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 Blind Creek appended as Schedule “I” to this Circular.

	Year Ended November 30, 2017 (\$)	Year Ended November 30, 2016 (\$)
Operating Loss	(595,131)	(111,706)
Net Loss	(591,838)	(249,909)
Net Comprehensive Loss	(591,838)	(249,909)
Loss per Share (basic and diluted)	0.03	0.04

ENGINEER GOLD MINES SELECTED *PRO FORMA* FINANCIAL INFORMATION

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 “H” to this Circular.

	Year ended November 30, 2017 (\$)
Current assets	760,001
Mineral property interests	545,696
Total assets	1,355,697
Total liabilities	Nil
Engineer Gold Mines Shareholders’ Equity	1,355,697

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 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 “H” to this Circular.

	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)	(249,909)
Loss per Share (basic and diluted)	(0.00)	0.00

CONSOLIDATED CAPITALIZATION

There have not been any material changes in the share and loan capital of Blind Creek since the date of Blind Creek’s most recently filed November 30, 2017 financial statements. There will be no changes to Blind Creek’s share and loan capital as a result of the Arrangement. For details of the share and loan capital of Blind Creek upon completion of the Arrangement, please refer to the *pro forma* financial statements of Blind Creek appended at Schedule “I” to this Circular.

PRIOR SALES

The following table summarizes details of the Blind Creek Common Shares issued by Blind Creek during the 12 month period prior to the date of this Circular.

Month of Issuance	Security	Price per Security (\$)	Number of Securities
July 2017	Common Shares	0.20	1,342,335
August 2017	Common Shares	0.19	1,000,000
September 2017	Common Shares	0.20	2,070,000
October 2017	Common Shares	0.20	830,000
February 2018	Common Shares	0.12	250,000

Stock Options

The following table summarizes details of the stock options issued by Blind Creek during the 12 month period prior to the date of this Circular.

Month of Issuance	Security	Price per Security (\$) ⁽¹⁾	Number of Securities
January 2017	Stock Options	0.12	1,500,000
February 2017	Stock Options	0.20	350,000

Note: (1) Exercise price of the stock options.

TRADING PRICE AND VOLUME

The Blind Creek Common Shares are listed and posted for trading on the TSXVE under the symbol “BCK”. The following table sets forth information relating to the trading of the Blind Creek Common Shares on the TSXVE for the months indicated.

Month	High (\$)	Low (\$)	Volume
January 2017	0.18	0.115	686,743
February 2017	0.27	0.13	953,755
March 2017	0.335	0.23	1,192,906
April 2017	0.28	0.215	404,530
May 2017	0.27	0.225	785,193
June 2017	0.38	0.21	1,798,486
July 2017	0.245	0.19	655,485
August 2017	0.21	0.175	695,015
September 2017	0.235	0.18	451,400
October 2017	0.235	0.155	707,588
November 2017	0.20	0.17	506,500
December 2017	0.22	0.17	329,338
January, 2018	0.375	0.17	2,116,341

February 2018	0.36	0.27	1,355,785
March 2018	0.35	0.215	1,396,373
April 2018 ⁽¹⁾	0.285	0.16	956,719

Note:

(1) From April 1 to 17, 2018.

At the close of business on April 17, 2018, the price of the Blind Creek Common Shares as quoted by the TSXVE was \$0.16.

STATEMENT OF EXECUTIVE COMPENSATION FOR BLIND CREEK

The table below sets out historical compensation information for those named executive officers (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) (the “**Named Executive Officers**”) and the directors of Blind Creek that will also be executive officers and directors of Engineer Gold Mines.

Summary Compensation Table

The following table sets forth a summary of the total compensation paid to, or earned by the directors of Blind Creek and the Named Executive Officers of Blind Creek who are or will be executive officers of Engineer Gold Mines, during the two most recently completed financial years ended November 30, 2017 and 2016:

COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Fiscal Year	Salary, Consulting Fees, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All other compensation (\$)	Total compensation (\$)
Brian Fowler, President	2017 2016	90,000 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	90,000 Nil
Thomas Kennedy, Chief Executive Officer and Director	2017 2016	48,000 Nil	Nil Nil	Nil Nil	Nil Nil	Nil \$24,000	48,000 24,000
Chris Cherry ⁽¹⁾ Chief Financial Officer	2017 2016	24,000 9,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	24,000 9,000
Glen MacDonald, Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Andrew H. Rees, Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Note:

(1) Mr. Cherry resigned as Chief Financial Officer on January 8, 2018 and Mr. Dale Dobson was appointed Chief Financial Officer effective January 9, 2018.

Blind Creek does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

Stock Options and Other Compensation Securities

The following table sets forth for the directors and the Named Executive Officers of Blind Creek that will also be the directors and the Named Executive Officers of Engineer Gold Mines, the value vested during the financial year ended on November 30, 2017 for options awarded under Blind Creek’s Stock Option Plan, as well as the value earned under non-equity incentive plans for the same period.

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and percentage of class (#)	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at year end (\$)	Expiry Date
Brian Fowler, President	Stock Option	50,000	January 11, 2017	0.12	0.12	0.19	January 10, 2019
		350,000	February 21, 2007	0.20	0.20	0.19	February 21, 2019
Thomas Kennedy, Chief Executive Officer	Stock Option	250,000	January 11, 2017	0.12	0.12	0.19	January 10, 2019
Chris Cherry, Chief Financial Officer ⁽¹⁾	Stock Option	250,000	January 11, 2017	0.12	0.12	0.19	January 10, 2019
Glen MacDonald Director	Stock Option	250,000	January 11, 2017	0.12	0.12	0.19	January 10, 2019
Andrew H. Rees, Director	Stock Option	250,000	January 11, 2017	0.12	0.12	0.19	January 10, 2019

Note:

- (1) Mr. Cherry resigned as Chief Financial Officer on January 8, 2018 and Dale Dobson was appointed Chief Financial Officer effective January 9, 2018.

Exercise of Stock Options and Other Compensation Securities

During the financial year ended November 30, 2017, the following compensation securities were exercised by the directors and Named Executive Officers of Blind Creek that will also be the directors and the Named Executive Officers of Engineer Gold Mines:

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND OFFICERS							
Name and Position	Type of Compensation Security	Number of underlying Securities exercised	Exercise Price per Security (\$)	Date of Exercise	Closing Price per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value of Date of Exercise (\$)
Thomas Kennedy	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Chris Cherry ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Fowler	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Andrew H. Rees	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Glen Macdonald	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note:

- (1) Mr. Cherry resigned as Chief Financial Officer on January 8, 2018 and Dale Dobson was appointed Chief Financial Officer on January 9, 2018.

Except as disclosed herein, Blind Creek has no arrangements, standard or otherwise, pursuant to which directors were compensated by Blind Creek for their services in their capacity as directors, or for committee participation, for involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Circular.

As disclosed elsewhere in this Circular, Blind Creek has adopted the Blind Creek Stock Option Plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist Blind Creek in compensating, attracting, retaining and motivating the directors of Blind Creek and to closely align the personal interests of such persons to that of the Blind Creek Shareholders.

During the year ended November 30, 2017, no directors (who are not also a Named Executive Officer) received compensation for their services as directors, for committee participation, for involvement in special assignments or for services as consultant or expert.

A description of the significant terms of the Blind Creek Stock Option Plan is found under the heading “Annual Approval of Blind Creek Stock Option Plan”.

Pension Plan Benefits

Blind Creek does not have any form of pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement. Blind Creek does not have any form of deferred compensation plan.

Employment, Consulting and Management Agreements

During the years ended November 30, 2017 there was no agreement or arrangement under which compensation was provided or is payable in respect of services provided to Blind Creek that were performed by a director, Named

Executive Officers or was performed by any other party but are services typically provided by a director or Named Executive Officer.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Compensation of Named Executive Officers

Blind Creek has no plans or arrangements in respect of remuneration received or that may be received by the Named Executive Officers in Blind Creek's most recently completed financial year or current financial year in respect of compensating such officer in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

There are no employment contracts between Blind Creek and the Named Executive Officers.

There are no compensatory plans, contracts or arrangements between Blind Creek and any Named Executive Officer, where the Named Executive Officer is entitled to receive more than \$50,000 from Blind Creek, including periodic payments or installments, in the event of:

- (a) the resignation, retirement or any other termination of employment of the Named Executive Officer's employment with Blind Creek;
- (b) a change of control of Blind Creek; or
- (c) a change of the Named Executive Officer's responsibilities following a change in control.

During the years ended November 30, 2017, Blind Creek had two Named Executive Officers: Thomas Kennedy (CEO) and Christopher Cherry (CFO).

Compensation Discussion and Analysis

The Blind Creek Board is responsible for ensuring that Blind Creek has in place an appropriate plan for executive compensation and for making recommendations with respect to the compensation of Blind Creek's executive officers. The Blind Creek Board ensures that total compensation paid to its Named Executive Officers is fair and reasonable and is consistent with Blind Creek's compensation philosophy.

Executive Compensation Program

Given Blind Creek's current stage of development, the Blind Creek Board has not established a formal compensation committee. The Blind Creek Board as a whole is responsible for determining the final compensation (including long-term incentive in the form of stock options) to be granted to Blind Creek's executive officers and directors to ensure that these arrangements reflect the responsibilities and risks associated with each position.

Management directors must abstain from voting in respect of their own compensation; this requirement provides the independent members of the Blind Creek Board with considerable input as to executive compensation. The plan must be competitive and rewarding so as to attract, retain and motivate executives who will provide the leadership required to enhance the growth and profitability of Blind Creek.

Blind Creek's executive compensation program focuses primarily on rewarding the efforts of its executives in increasing shareholder value and meeting Blind Creek's goals. On an annual basis, the Blind Creek Board reviews the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Blind Creek Board also takes into consideration Blind Creek's overall performance, shareholder returns, and the value of similar incentive awards to executive officers at comparable companies, and the awards given to executive officers in past years.

The Blind Creek Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of Blind Creek and may include a "pay-for-performance" element which supports Blind Creek's commitment to delivering strong performance for the Blind Creek Shareholders.

Executive compensation is comprised of three elements: base fees (may be consulting fees) or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (share options). The Blind Creek Board reviews all three components in assessing the compensation of individual executive officers and of Blind Creek as a whole. Each component of the compensation program is discussed below.

Base Salaries or Management Fee Arrangements and Benefits

Base salaries or management fees are intended to provide current compensation for executive officers to meet Blind Creek's goals, as well as to remain competitive with the industry. They represent compensation for job responsibilities and reflect the level of skills, expertise, and capabilities demonstrated by the executive officers.

The compensation paid to Blind Creek's Named Executive Officers is determined primarily by comparison of the remuneration paid by Blind Creek to the remuneration paid by other reporting issuers in the Canadian junior mining sector that the Blind Creek Board believe are similar to Blind Creek in terms of size and stage of development. While Blind Creek takes into consideration the compensation paid to similar executive officers in comparable junior resource companies, Blind Creek does not engage in the practice of benchmarking by comparing compensation across a designated peer group of companies. Blind Creek may consider benchmarking and other more formal compensation policies, objectives and criteria in the future should circumstances warrant.

Other components of compensation may include personal benefits that are consistent with the compensation strategy. In addition to base fee or salary, the Named Executive Officers are reimbursed by Blind Creek for reasonable out-of-pocket expenses incurred in connection with their employment with Blind Creek. Blind Creek does not provide any pension or retirement benefits to the Named Executive Officers.

Cash Bonuses

Executive officers are also eligible to receive discretionary bonuses as determined by the Blind Creek Board based on each officer's responsibilities, his or her achievement of individual and corporate objectives and Blind Creek's financial performance. Cash bonuses are intended to reward the Named Executive Officers for meeting or exceeding the individual and corporate performance objectives set by the Blind Creek Board and the amount of any bonus is discretionary and may be affected substantially by the monetary position of Blind Creek at the time the bonuses are considered.

Long Term Incentives and Stock Options

Stock options are an important part of Blind Creek's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of Blind Creek's shares over a set period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance as measured through the price of Blind Creek's shares and enables executives to acquire and maintain an ownership position in Blind Creek. The Blind Creek Board ultimately decides the number of options to be granted to each Name Executive Officer. In making this decision, the Blind Creek Board takes into account Blind Creek's contractual obligations, Blind Creek's budget and financial strength, and the award history for all participants in the Stock Option Plan. The allocation of stock options is regarded as an important element to attract and retain Named Executive Officers for the long term and to align their interests with the interests of shareholders.

The Blind Creek Board has not directly considered the implications of the risks associated with Blind Creek's compensation policies and practices.

Blind Creek does not restrict on its Named Executive Officers or other employees from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or directly or

indirectly held by the Named Executive Officer or employee. To Blind Creek's knowledge, none of the Named Executive Officers have purchased any such financial instruments.

Share-based Awards

Blind Creek does not have a share-based award incentive plan.

Option-based Awards

Executive officers of Blind Creek, as well as directors, employees and consultants, are eligible to participate in the Blind Creek Stock Option Plan to receive grants of stock options. Individual stock options are granted by the Blind Creek Board as a whole in keeping with the regulations of the stock exchange. The size of an option grant takes into consideration many factors, including each officer's level of responsibility, authority and importance to Blind Creek and the degree to which an officer's long term contribution to Blind Creek will be crucial to its overall long-term success.

Stock options grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within Blind Creek. The Blind Creek Board will evaluate the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants. Options are usually priced at the closing trading price of the Blind Creek shares on the business day immediately preceding the date of grant, bearing in mind that Blind Creek must follow stock exchange policy when setting the terms of the option grant; the current policy of the Blind Creek Board is that options expire two to ten years from the date of grant. See "Particulars of Matters to be Acted Upon - Approval of the Blind Creek Stock Option Plan" for information regarding the material terms of the Blind Creek Stock Option Plan.

Blind Creek had no arrangements, standard or otherwise, under which the Blind Creek directors are compensated by Blind Creek for their services in their capacity as directors, or for committee participation, or involvement in special assignments during the most recently completed financial year or subsequently, up to and including the date of this Circular.

Blind Creek has a formalized stock option plan for the granting of incentive stock options to its officers, employees, consultants and the Blind Creek directors. During the most recently completed financial year 1,850,000 stock options were granted and no stock options were exercised.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. Blind Creek's approach to corporate governance is provided in Schedule "J".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The Blind Creek Stock Option Plan was previously approved by the TSXVE and last approved by the Blind Creek Shareholders at the previous annual general meeting held on May 8, 2017. The Blind Creek Stock Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in Blind Creek and thereby encourage their continued association with Blind Creek. The Blind Creek Stock Option Plan is administered by the Blind Creek Board and provides that the number of Common Shares issuable under the Stock Option Plan may not exceed 10% of the issued and outstanding Blind Creek Common Shares at any time. All options granted under the Blind Creek Stock Option Plan expire on a date not later than ten years after the date of grant of such option, and are exercisable at an exercise price set by the Blind Creek Board in its sole discretion which price may not be less than the Discounted Market Price (as defined in the Blind Creek Stock Option Plan).

The following table provides information regarding compensation plans under which securities of Blind Creek are authorized for issuance to directors, officers, employees and consultants in effect as of November 30, 2017:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a) ⁽²⁾
Equity Compensation Plans Approved By Securityholders⁽¹⁾	1,850,000	N/A	692,705
Equity Compensation Plans Not Approved By Securityholders	N/A	N/A	N/A
Total	1,850,000	N/A	692,705

Notes:

- (1) For a description of the terms of the Stock Option Plan see “Particulars of Matters to be Acted Upon –Approval of the Blind Creek Stock Option Plan”.
- (2) Blind Creek currently has a rolling stock option plan. The aggregate number of the Blind Creek Common Shares reserved for issuance is a maximum of 10% of the issued and outstanding share capital of Blind Creek as at the date of grant. As at November 30, 2017, a total of 692,705 options remained available for issuance.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At any time during the Blind Creek’s last completed financial year, no director, executive officer, employee, proposed management nominee for election as a director of Blind Creek nor any associate of any such director, executive officer, or proposed management nominee of Blind Creek or any former director, executive officer or employee of Blind Creek or any of its subsidiaries is or has been indebted to Blind Creek or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Blind Creek or any of its subsidiaries, other than routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Circular, and other than transactions carried out in the ordinary course of business of Blind Creek or any of its subsidiaries, none of the directors or executive officers of Blind Creek, a director or executive officer of a person or company that is itself an informed person or subsidiary of Blind Creek, nor any shareholder beneficially owning, directly or indirectly, the Blind Creek Common Shares or exercising control or direction over the Blind Creek Common Shares, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding Blind Creek Common Shares nor an associate or affiliate of any of the foregoing persons has since the Record Date any material interest, direct or indirect, in any transactions which materially affected or would materially affect Blind Creek or any of its subsidiaries.

MANAGEMENT CONTRACTS

Except as otherwise disclosed herein, the management functions of Blind Creek are substantially performed by the directors and officers of Blind Creek and not to any substantial degree by any other persons other than the directors and executive officers of Blind Creek.

AUDIT COMMITTEE

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee’s charter, the composition of the audit committee and the fees paid to the external auditor. A copy of the audit committee charter is attached hereto as Schedule “K”.

Composition of the Audit Committee

At present the members of the Audit Committee are: Thomas Kennedy, Andrew H. Rees and Glen Macdonald. Messrs. Rees and Macdonald are independent as defined in applicable securities regulations. Mr. Kennedy is not considered to be independent. Each member of the Audit Committee is financially literate. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with Blind Creek. A material relationship means a relationship which could, in the view of the Blind Creek Board reasonably interfere with the exercise of a member’s independent judgment.

All audit committee members have the ability to read and understand 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 Blind Creek’s financial statements and are therefore considered financially literate.

Relevant Education and Experience

All of the Audit Committee members are businessmen with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields.

Audit Committee Oversight

At no time during Blind Creek’s fiscal year ended November 30, 2017 and at no time since the commencement of Blind Creek’s most recently completed financial year were any Audit Committee’s recommendations to nominate or compensate an external auditor not adopted by the Blind Creek Board.

Reliance on Certain Exemptions

At no time since the commencement of Blind Creek’s most recently completed financial year has Blind Creek relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Blind Creek Board to review the performance of Blind Creek’s external auditor and approve in advance provision of services other than auditing and to consider the independence of the external auditor, including reviewing the range of services provided in the context of all consulting services bought by Blind Creek. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other members of the Audit Committee of such non-audit or additional work.

External Auditor Service Fees (By Category)

The aggregate fees billed by Blind Creek’s external auditor in each of the last fiscal year for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
November 30, 2017	\$14,000	Nil	\$5,000	Nil
November 30, 2016	\$10,000	Nil	Nil	Nil

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of Blind Creek’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

Exemption

Blind Creek has relied upon the exemption provided by section 3.1(3) and 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

INTEREST OF EXPERTS

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

Wildeboer Dellelce LLP, Canadian tax counsel to Blind Creek, provided the Canadian tax advice contained within this Circular. As of the date of this Circular, the partners and associates of Wildeboer Dellelce LLP own less than 1% of the issued and outstanding Blind Creek Common Shares.

Darren O’Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAusIMM(CP), FGS(CGeol) prepared the Engineer Gold Mines Technical Report. As of the date of this Circular, none of them own any of the issued and outstanding Blind Creek Common Shares.

Ross Glanville & Associates Ltd. and Bruce McKnight Minerals Advisor Services provided the Value Opinion with respect to the Arrangement. As of the date of this Circular, neither Ross Glanville & Associates Ltd. and Bruce McKnight Minerals Advisor Services nor any of its partners and associates own any of the issued and outstanding Blind Creek Common Shares.

RISK FACTORS

In addition to the other information contained in this Circular, the following factors, among others, should be considered carefully when considering risks related to Blind Creek’s business (including, without limitation, the documents incorporated by reference). The risks described herein and in the documents incorporated by reference in this Circular are not the only risks facing Blind Creek. Additional risks and uncertainties not currently known to Blind Creek, or that Blind Creek currently deems immaterial, may also materially and adversely affect its business. Furthermore, if the Arrangement is completed, Blind Creek Shareholders will be shareholders of Blind Creek and Engineer Gold Mines and will be subject to the Engineer Gold Mines risk factors. See “Engineer Gold Mines Ltd. – Risk Factors”.

Future Sales or Issuances of Securities

Blind Creek may issue additional securities to finance future activities. Blind Creek cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Blind Creek Common Shares. Sales or issuances of substantial numbers of Blind Creek Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Blind Creek Common Shares. With any additional sale or issuance of Blind Creek Common Shares, investors will suffer dilution to their voting power and Blind Creek may experience dilution in its earnings per share.

Regulatory Compliance

As a reporting issuer listed on the TSXVE, Blind Creek is subject to various rules and regulations governing matters such as timely disclosure, continuous disclosure obligations and corporate governance practices. Non-compliance with such rules and regulations may result in enforcement actions by the applicable securities regulatory authorities and/or the TSXVE and Nasdaq Stockholm.

ENGINEER GOLD MINES LTD.

The following information is provided by Engineer Gold Mines, is presented on a post-Arrangement basis and is reflective of the proposed business, financial and share capital position of Engineer Gold Mines. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. The following information should be read together with the audited financial statements for the period from incorporation to February 28, 2018 appended hereto as Schedule “F” and related management discussion and analysis appended hereto as Schedule “M”, the *Pro Forma* Financial Statements appended hereto as Schedule “H”, and the audited carve-out consolidated financial statements for the years ended November 30, 2017 and 2016 (the “**Carve-Out Financial Statements**”) of the Engineer Gold Mines Property appended hereto as Schedule “G” and the related management discussion and analysis appended hereto as Schedule “L”.

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 Circular, 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.

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.

GENERAL DESCRIPTION OF THE BUSINESS

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. See “Engineer Gold Mines Property - Exploration” below for information on Engineer Gold Mines’ proposed exploration program on the Engineer Gold Mines Property.

INTERCORPORATE RELATIONSHIPS

Engineer Gold Mines currently has no subsidiaries.

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.

TRENDS

Management is not aware of any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on Engineer Gold Mines’ business, financial condition or results of operations as at the date of this Circular, except as otherwise disclosed herein or except in the ordinary course of business.

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 from the NI 43-101 technical report dated January 18, 2018, prepared by Darren O’Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAuslMM(CP), FGS(CGeol) titled “Engineer Gold Mine, British Columbia, Canada - 2018” with an effective date of January 18, 2018 (the “**Engineer Gold Mines Technical Report**”). The Engineer Gold Mines Technical Report is available under Blind Creek’s profile on SEDAR 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 herein related to the Engineer Gold Mines Property.

PROJECT DESCRIPTION, LOCATION AND ACCESS

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 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 Limited (Golder Associates) conducted a Preliminary Environmental Review (or “PER Report”) of the Engineer Gold Mine (Golder, 2007). This included a site visit to observe the results of past mining activities, and a review of available project data.

The PER 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 recommended that a “Site Profile” be prepared following Ministry of Mines 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 sampling continued from those six locations at regular intervals to build up an environmental baseline database.

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 ore 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 ore 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 ore 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 ore 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 ore 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 Mineral Resource estimate was restated in the NI 43-101 Technical Report dated January 18, 2018, prepared by Darren O’Brien, P. Geo, Michael Redfearn, P. Eng. and Dr. Simon Dominy, FAusIMM(CP), FGS(CGeol) titled “Engineer Gold Mine, British Columbia, Canada - 2018” with an effective date of January 18, 2018 (the “**Technical Report**”). The Engineer Gold Mine Mineral Resource estimate is reported the table below.

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: Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. It is uncertain if further exploration will result in upgrading the Inferred Mineral Resource to an Indicated or Measured Mineral Resource category. The Mineral Resource is reported at a 5 g/t Au cut-off where the resource margin is defined by historical payability with the assumption extraction would be by narrow vein methods. Grades diluted to a 1 m stope width.

This 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/m³ 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.

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 up to 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, ranging up to 50 g/t Au. The system has received attention from mineral collectors (Mauthner et al., 1996) for its rare gold-associated mineralogy, including alledmontite (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 ore-shoots within the Engineer Vein occur where the vein is kinked to form extensional jogs, or in close proximity to vein-parallel dikes.

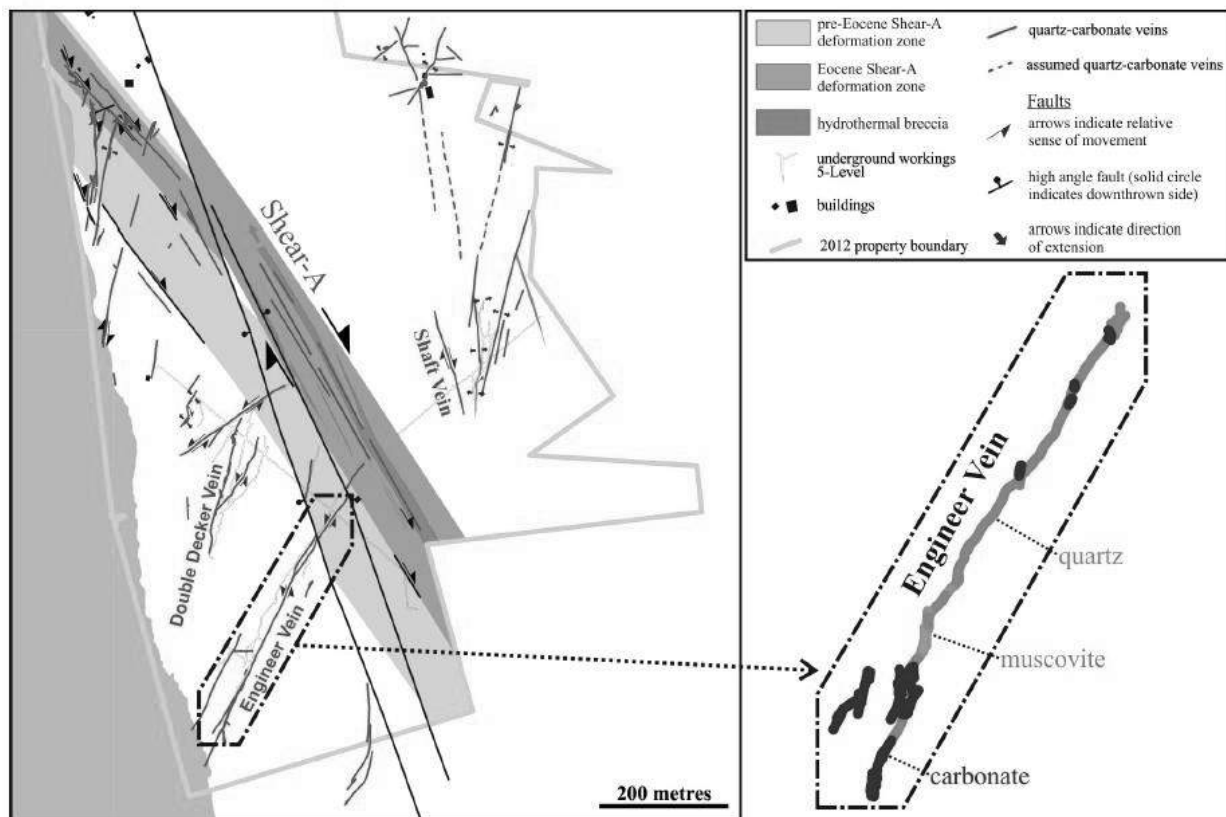


Figure 1: OVERVIEW OF VEINS AT THE ENGINEER GOLD MINES PROPERTY. SHOWS DISTRIBUTION OF GANGUE PHASES OF THE ENGINEER VEIN ON THE 5TH MINE LEVEL

(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).

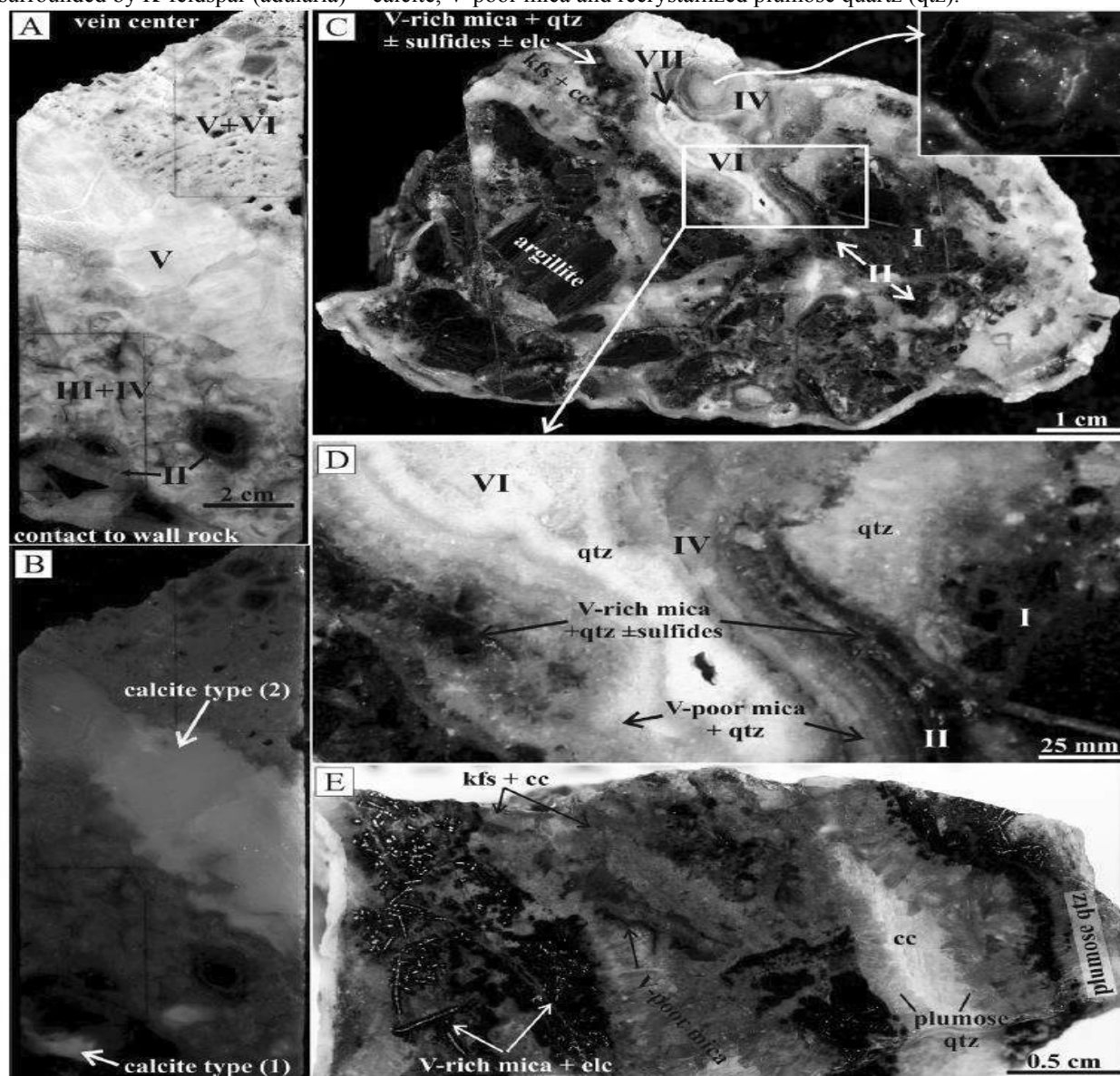


Figure 2: ENGINEER VEIN SAMPLES SHOWING VARIOUS STAGES OF VEIN DEVELOPMENT (MILLONIG, 2017)

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 alledmontite (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 Circular.

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 Circular.

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 up to 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.

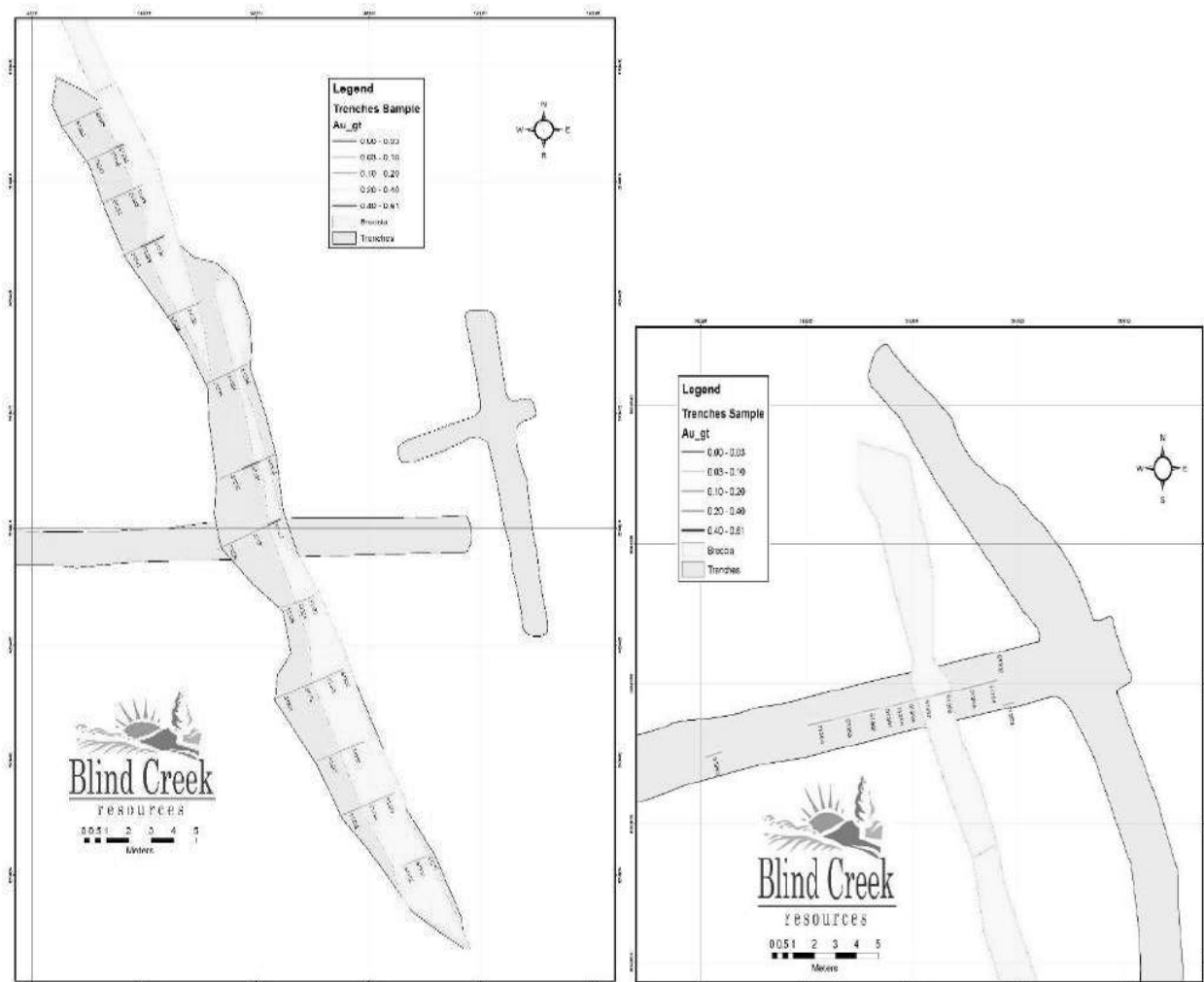


Figure 3: SHEAR B NORTH CHANNEL SAMPLES

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 $49.90 \text{ Ma} \pm 0.25 \text{ Ma}$. 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 ore-forming fluid was boiling at ~220 °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**.

Table 1: BULK SAMPLE DESCRIPTIONS (2011 PROGRAM)

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	-	-

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 Metallurgical 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)

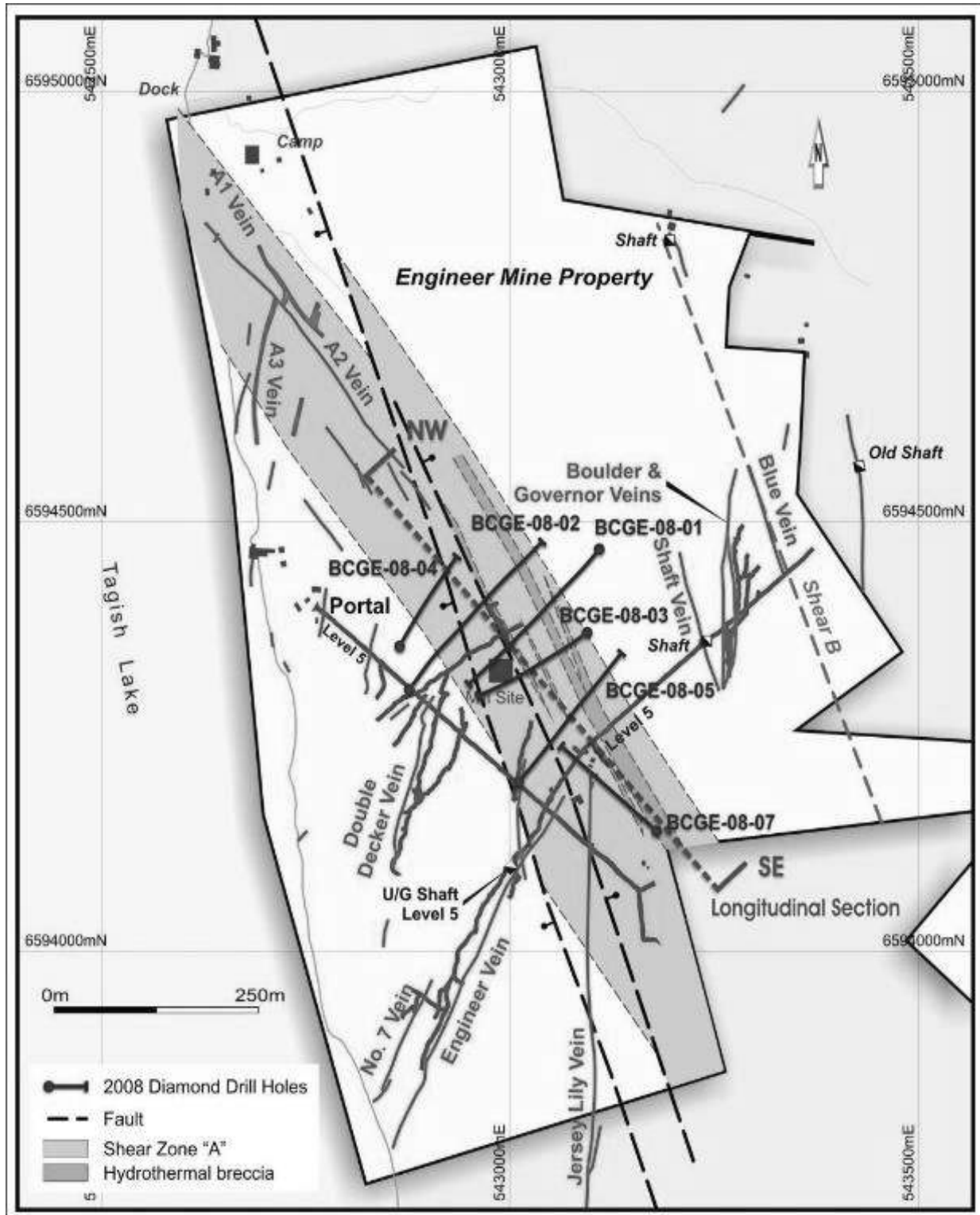


Figure 4: 2008 DRILL PLAN WITH SHEAR ZONE A, VEINS, AND UNDERGROUND WORKINGS

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

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

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	

Decker Vein at depth.

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.

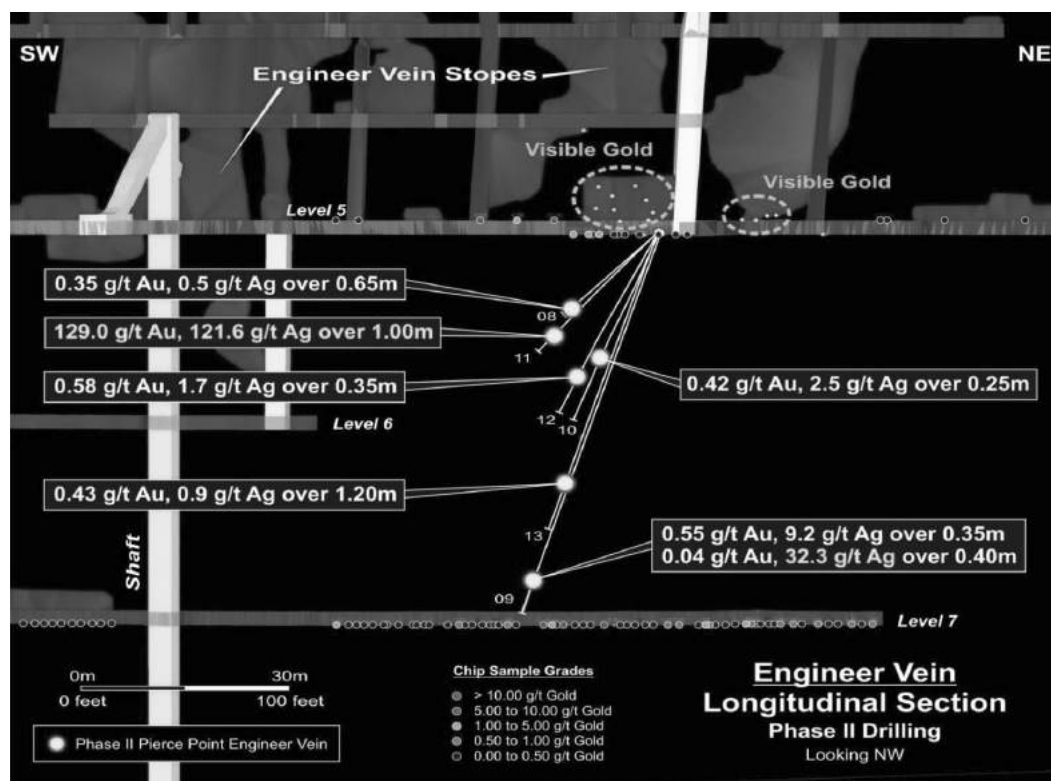


Figure 5:

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
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

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 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. 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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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. Samples were analyzed for gold, silver and other elements using a combination of metallic screen assaying (method Au-MET1000-AA), ore 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:H₂O) solution at 95°C. 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 ore 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.

MINERAL PROCESSING AND METALLURGICAL 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, riffing 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.

	Composite	As Rec'd Wet Weight (kg)	Dry Weight (kg)	Assay g/t Au	Contained 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
	Composite	As Rec'd Wet Weight (kg)	Dry Weight (kg)	Assay g/t Au	Contained 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 Weight (gr)	Dry Weight (grams)	Assay g/t Au	Contained 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:

- 1 only 4 kg (approximately) for shipment
- 3 only 0.5 kg (approximately) for future use
- 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).
- 2nd and 3rd 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:

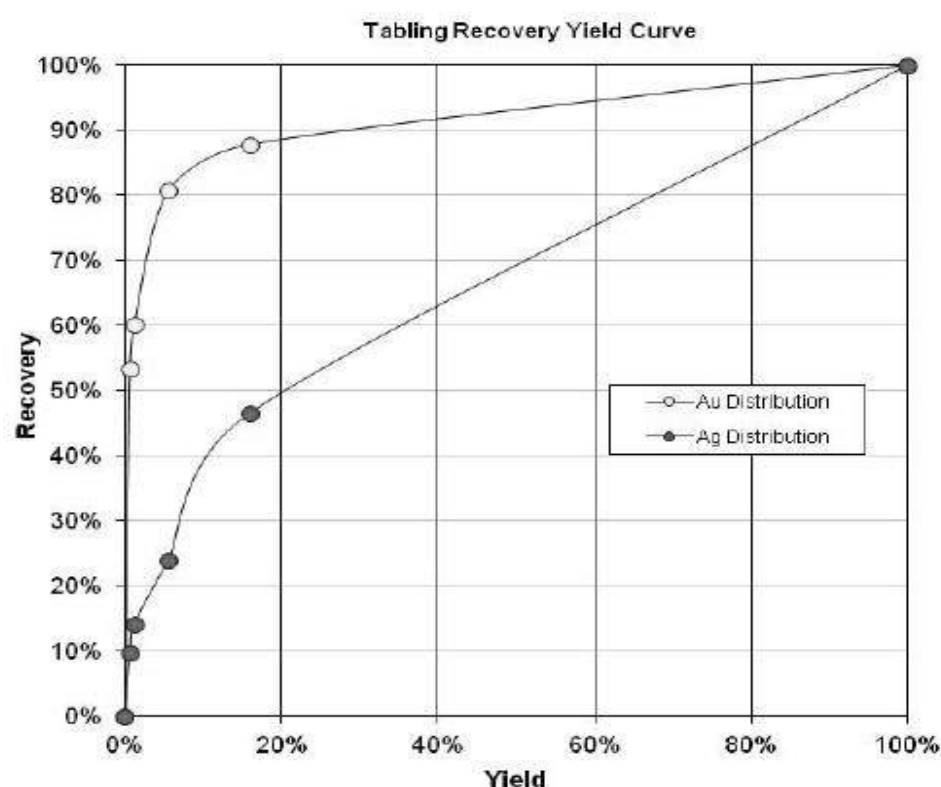
- A calculated ROM head grade of 54.9 g/t gold and 40.6 g/t silver.
- High gold and silver recoveries of up to 71.4% and 67.8%, respectively, using only gravity concentration methods, produced a concentrate grading 379.2 g/t Au and 260.5 g/t Ag.

- 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 11**, **Table 12**, and **Table 13** at varying cut-off grades. This estimate only includes the Double Decker and Engineer veins. This is a restatement of the first 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 11 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.

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 11: NOVEMBER 2017 MINERAL RESOURCE ESTIMATE AT A NOMINAL 0.1 G/T AU CUT-OFF

Table 12 reports the Mineral Resource based on a nominal cut-off of 5 g/t Au where the resource margin is defined by historical pay limits/payability.

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

Table 12: NOVEMBER 2017 MINERAL RESOURCE ESTIMATE AT A NOMINAL 5 G/T AU CUT-OFF

Table 13 reports the Mineral Resource based on a nominal cut-off of 25 g/t Au where the resource margin is defined by historical pay limits/payability. 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.

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

Table 13: NOVEMBER 2017 MINERAL RESOURCE ESTIMATE AT A NOMINAL 25 G/T AU CUT-OFF

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 Mines Property.

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 NI 43-101. Dr. Dominy is independent of Blind Creek Resources as defined by NI 43-101.

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 Engineer Gold Mines 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 Gold 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:

- VLP (long section) approach with projection of mineralized shoots down-dip and along strike based on surface exposure and/or underground development;
- the global grade applied to each vein structure is based on a probabilistic approach, with grades assigned to domains from historical production figures;
- all grades were diluted to minimum stoping width of 1 m; and
- a density factor of 2.8 t/m³ 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.

In collaboration with Dr. Dominy, 3D models were created for the Double Decker and Engineer veins using Vulcan software. 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.

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 block(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 pay 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.

Vein	Ore 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 Decker	#1	5	35	20	143.9	2,138.6

	#1	8	15	20	32.8	305.8
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Table 14: SUMMARY OF HISTORICAL CHANNEL SAMPLE DATA FOR VEIN DRIVE LEVELS (AFTER JUTRAS, 2008)

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 ore.

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 (\approx 18 g/t Au over 1m) (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.

Table 15 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.

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

Table 15: COMPILATION OF LOWER GRADE TRIAL MINING PARCELS REPORTED IN BRINKER (1927)

In addition, Brinker (1927) reports mean channel sample grades within various sections of the Engineer Vein (**Table 15**).

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 ore 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 “payable” regions is very high grade ore. 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.

Global grade assignment for each vein is presented in **Table 16** and **Table 17** 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.

Domain	Mean Grade (g/t Au)	Fraction Grade (g/t Au)	Fraction	Fraction Grade (g/t Au)	Fraction
		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 16: 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 Grade (g/t Au)	Fraction	Fraction Grade (g/t Au)	Fraction
		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	

Table 17: GRADE ASSIGNMENT FOR THE DOUBLE DECKER VEIN AT 0.1 G/T AU AND 5 G/T AU CUT-OFFS

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.

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 18 and **Table 19** 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/m³ was used. No determinations have been undertaken. The figure is based on general experience of quartz minor-sulphide veins and slate/argillite host rocks.

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 18: 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	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	

Table 19: TONNAGE AND GRADE CALCULATIONS FOR DOUBLE DECKER VEIN MINERAL RESOURCE ESTIMATE

Bulk Sampling Program Results

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 sensu 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.

The bulk sample data are summarised in **Table 20**.

Bulk sample	Vein/location	Comment	Mined tonnes (t)	Processed (t)	Reconciled (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

Table 20: SUMMARY OF 2011 BULK SAMPLE DATA

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 11**).

A reconciliation of bulk sample results with resource grades is provided in **Table 21**.

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%

Table 21: COMPARISON BETWEEN 2011 BULK SAMPLE DATA AND RESOURCE ESTIMATE GRADES FOR BOTH VEINS ACROSS TWO CUT-OFF GRADES

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 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 – 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 Gold 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 the 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 stopping 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.

Interpretation and Conclusions

The Engineer Gold Mine is an advanced exploration Project that possesses a small, but high-grade, Inferred Mineral Resource. Recent diamond drilling, surface trenching, underground sampling, and geological mapping have confirmed the geological continuity of the Engineer and Double Decker veins. Other veins such as the Boulder-Governor, Shaft, Andy and Jersey Lily are targets that could possibly add to the mineral resource base with further exploration success.

Trenching and diamond drilling are suitable for delineating the vein extents, but bulk sampling is the best method for determining grade. Channel and panel sampling are suitable methods for defining mineralized shoots within the veins, but tend to underestimate the gold grade.

The Engineer Gold Mine Project can also be advanced with exploration along the known shear zones (Shear A and Shear B). Shear A has a strike length of over 6 km, while Shear B has a strike length of approximately 4 km. Both shears host significant widths of silica-rich hydrothermal breccia with low- grade gold mineralization near the

Historic mine workings. With the exception of the 2008 drill program, there has been very little exploration work completed on these shear zones. Preliminary soil geochemical surveys have shown that these shear structures are anomalous in gold pathfinder elements such as arsenic and antimony. A systematic, property-wide soil survey would be the initial step to identify any higher-grade anomalies for drill testing.

Bulk Sampling/Test Milling

The bulk sampling at the Engineer Gold Mine in 2011 was designed to:

- test the effect of large tonnage sampling on grade and grade variability;
- replicate the historic mining grade;
- potentially add gold resources to the current mineral resource;
- refine mining techniques;
- confirm metallurgical recovery using gravity concentration; and
- collect sample material for metallurgical test-work.

The six bulk samples totalling 246.1 t returned a reconciled head grade of 16.9 g/t Au, including one 68.9 t bulk sample returning 44.6 g/t Au. The bulk samples consistently returned higher gold grades than predicted by smaller volume channel samples collected in previous programs. This can be attributed to the high nugget nature of the vein-hosted gold mineralization that is often associated with nodules of roscelite and electrum.

While there were not enough channel samples to return representative grades for each bulk sample, the QP is of the opinion that bulk sampling returned the most representative gold grade for vein-hosted mineralization at the Engineer Gold Mine.

Metallurgy

Preliminary metallurgical test-work was conducted by Inspectorate Laboratory and Gekko Systems to possibly improve gold recovery by studying the tailings material generated during the 2011 bulk sampling/test-milling program. Both consultants have recommendations that are discussed below.

Inspectorate reported a combined gravity and rougher concentrate recovery of 82.7% was achieved from the HG tailings composite within a mass of 7.4%. 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 HG Tailings Concentrate to a saleable grade, but would result in lower overall recovery. They 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);
- 2nd and 3rd 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; and
- Mineralogical study on ground samples to study liberation characteristics and mineral associations.

Gekko's 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 their test-work that Engineer Vein material would respond very positively to using an 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 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 reported two possible modifications to the Engineer flow-sheet that should be investigated. Both with and without the existing triple deck Deister tables. Gekko also proposed to undertake mineralogy analysis on the -75 µm fraction after re-grinding to better understand the characterization for increased liberation and recovery of gold and silver at the finer particle sizes.

The QP is of the opinion that both flotation and gravity metallurgy test-work conducted to date is positive and that further upside in gold recovery should continue to be investigated.

Resource Estimation

The current Mineral Resource is characterized by a number of uncertainties the led to the Inferred Mineral Resource classification. The risks are reviewed in **Table 22**.

Factor	Risk	Comment
Bulk density	Moderate	The current value of 2.8 t/m3 is a default value and not based on verified determinations.
Sample collection, preparation and assaying	High	Historical sampling methods and protocols are not verifiable. With coarse gold (electrum) present in notable quantities, then sampling uncertainty is likely to high as a result of the nugget effect (sampling errors).
QAQC	Moderate-High	No rigorous QAQC program was in operation during historical sampling (pre-2010). The 2010 drilling program and 2012 underground panel sampling QAQC were to industry standard.
Geological data and model	Moderate-High	General geological control is reasonable, though there is a lack of detailed understanding of the geology, in particular small-scale local continuity issues which lead to a high nugget effect. Vein is known to pinch-and-swell and pinch out in places, but extent of characteristic unknown.
Grade estimate	High	The grade estimate bears a high uncertainty due to a very high-nugget effect, sampling and historical data uncertainties. The QP has not been able to verify all original assay data. The current estimate relies on a global grade for each vein, applied to an essentially polygonal model. Grades are thus projected over relatively large areas, but with gross geological control. The estimate is global in nature and the exact location of high-grade zones (VHG) is unknown at present.
Tonnage estimate	Moderate-High	The current estimate is reasonable, given that volume is based on a Vulcan model constrained by drilling and development. Actual tonnage will be variable based on bulk density value and variation and payability.
Resource up-rating and extension	Moderate	Resource up-rating will be based on further linear and/or vertical (raise) development. Resource extension will require further drilling. For the Double Decker and Engineer veins, there is immediate potential down

Factor	Risk	Comment
		dip. Other veins within the mine setting have the potential to provide additional Mineral Resources with appropriate drilling.
Economic factors including mineral processing	Moderate	Based on the current resource, the Engineer Gold Mine has reasonable prospects for economic extraction as a small narrow-vein operation. The Engineer Gold Mines Property already has a good infrastructure and plant. Preliminary metallurgical test-work and test-milling indicated gold recovery is achievable using gravity or leaching methods. Further metallurgy work required to optimize gold recovery. No preliminary economic assessment has been undertaken. No Mineral Reserves have been defined.
Accuracy of the estimate	Moderate-High	On a global basis, the QP believes the accuracy of tonnage estimate to be within -50% to -15%, and for grade within $\pm 50\%$ range based on general experience of this style of mineralization. Head grade from the Engineer Gold Mine is expected to be highly variable (potentially up to $\pm 100\%$) on a short-term (days) small-scale (few 100's t) basis, as is typical of high-nugget effect systems.
Overall rating	High	The current resource estimate carries high uncertainty and risk. This risk is principally related to the use of historical data and a high inherent nugget effect in the Double Decker and Engineer veins. This rating is reflected by the sole use of the "Inferred Mineral Resource" category.

Table 22: RISK MATRIX FOR THE ENGINEER GOLD MINERAL RESOURCE ESTIMATE MINING OPERATIONS

The Engineer Gold Mine does not have any NI43-101 compliant economic assessments or proposed mining plans. The Property does contain approximately 5,500 m of historic underground workings including access drifts on 8 mining levels, portal access from 5 and 1 levels, and an internal 3- compartment shaft from 5 to 8 levels. The drifts are typically less than 2 m wide and historic miners generally drifted on veins. The exceptions are the cross-cuts on 5 and 8 levels providing access to the various veins and to the 5 Level Portal (see Figure 59 and Figure 60).

Historic miners created jackleg stopes above the drifts and often did not leave pillars between the mine levels (see Figure 56 and Figure 57). The majority of the mining tonnes were from development on the Engineer and Double Decker veins. There is no crown pillar on the Engineer Vein and stopes are exposed at surface. It is estimated the 14,000 t of material was mined primarily between the years 1913 and 1931 (BC Ministry of Mines Annual Reports 1913 to 1945).

There is no back-filling material within the historic mine workings. Mine levels 6, 7 and 8 are flooded.

Approximately 600 metres of mining track were installed in 1994 on 5 Level along with air and ventilation services. The 5 Level services were utilized in 2011 when 350 t of bulk sample material was mined from the Engineer Vein and extracted via the 5 Level Portal.

In 2012, the interval shaft manway was rehabilitated from 5 to 7 levels (approximately 200 vertical feet) when the 6 and 7 levels were dewatered and geologically mapped and sampled. Ground conditions were generally in good condition. Mining tracks were still in place on 6 and 7 levels but were in poor condition and would need to be rehabilitated.

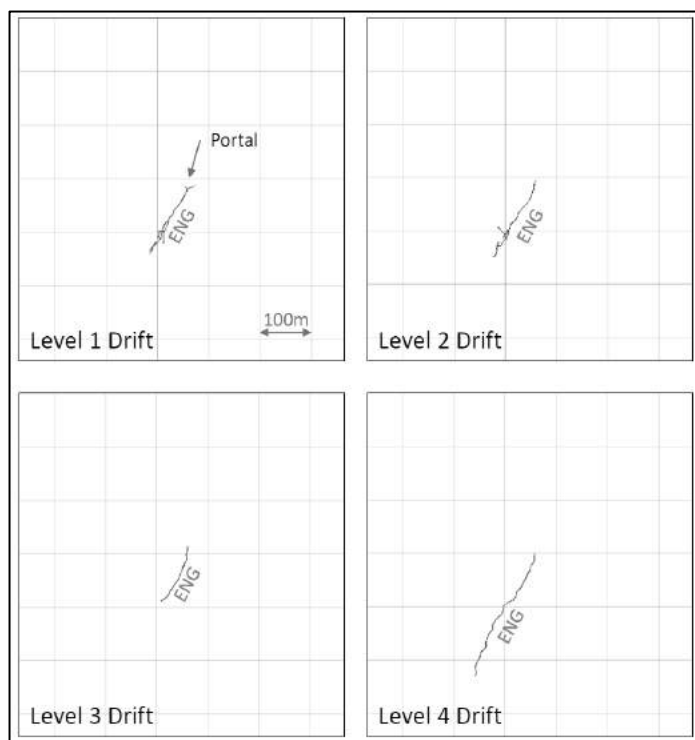


FIGURE 59 HISTORIC MINING DRIFTS (LEVELS 1-4) FOLLOWING ENGINEER VEIN (ENG)

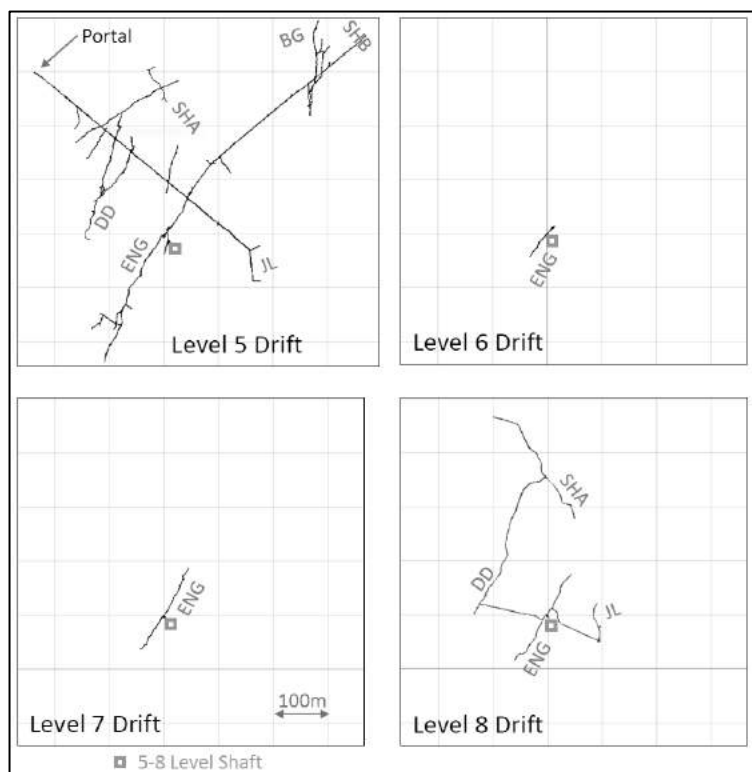


FIGURE 60 HISTORIC MINING DRIFTS (LEVELS 5-8) FOLLOWING ENGINEER (ENG), DOUBLE DECKER (DD), BOULDER- GOVERNOR (BG), JERSEY LILY (JL), SHEAR A (SHA) AND SHEAR B (SHB). INTERNAL SHAFT SHOWN IN GREEN.

PROCESSING AND RECOVERY OPERATIONS

A bulk sampling and test-milling program was completed in 2011. The 30 tonne-per-day gravity separation mill circuit was refurbished 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 and the performance of the mill.

A total of six composite bulk samples for 400 tonnes 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.

A subset of 246 t were processed through the on-site gravity separation mill, producing 969 kg of dry table concentrate grading 2,193 g/t Au (64.0 oz/t). The amount of contained gold in the concentrate was 68.3 ozs.

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.

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.

Mill recovery of gold reporting to the table concentrate averaged 51.3%, with a range of 41.8% to 58.6% for the six individual bulk samples.

Metallurgy testwork was conducted on the table concentrate to determine composition and to estimate gold recovery. 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 Vein 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%

Figure 55 shows two possible modifications to the current Engineer mill flow sheet that could improve gold recovery. Proposed Flow Sheet #1 incorporates the existing triple deck Deister tables. Proposed Flow Sheet #2 is streamlined as such:

- 1) Jaw and cone crusher
- 2) Ball mill (mill to 600 micron)
- 3) InLine Pressure Jig (recover 71.4% of gold into 9.67% mass; >90% mass to tails)
- 4) Secondary ball mill (mill to 106 micron)
- 5) InLine Spinner (recover 61.3% of gold into 1.55% mass; remaining >8% mass to tails)
- 6) Final concentrate

The proposed flow sheets are preliminary in nature. Further study is required to establish plant design, equipment selection, and requirements for energy, water, and process materials.

It should be noted that the metallurgy work and proposed recovery flow sheets detailed in this report utilize material primarily mined from the Engineer Vein.

INFRASTRUCTURE, PERMITTING AND COMPLIANCE ACTIVITIES

The Engineer Gold Mine Property is isolated and requires itself to be self-sufficient in power and supplies. All power is generated on site via a diesel generator. Communications are via satellite phone and/or satellite internet. The current trailer camp at site can host approximately 20 people. In 1995, a small open-air recovery plant was installed at the mine site which consists of primary and secondary crushing (jaw and rolls crushers), a ball mill, jig, and triple deck Deister tables. The mill can process approximately 30 tonnes per day. There is mine waste and a small tailings pond located at the mill site.

Access to the Property from Atlin, BC is by helicopter or float plane (approximately 15 minutes travel time). Winter access to Atlin is also available via snowmobile. In the summer season, boat access to the Property is available from the communities of Tagish (90 km) or by barge from Carcross (80 km) is best for servicing an exploration program. Both communities are located at the north end of Tagish Lake in the Yukon. Beyond each of these towns, excellent highways connect to Watson Lake and Skagway or Whitehorse the main supply centre of the region. Daily flights are available to Whitehorse, Yukon from Vancouver, BC. The distance from Whitehorse to Atlin by Highway is 176 kilometres.

In British Columbia, applications for mineral and coal exploration activities, placer mines, and smaller- scale industrial mineral mines and aggregate quarries are made online through the FronterCounterBC website. These “Notice of Work” (NoW) applications are made under the BC Mines Act and are reviewed by regional offices of the BC Ministry of Energy and Mines. To date, exploration work at the Engineer Gold Mine including surface and underground drilling, surface trenching, geophysics, underground mapping, and bulk sampling have operated under NoW applications.

Under the BC Mineral Tenure Act Regulation (“MTAR”; s.17), a bulk sample of up to 10,000 t may be extracted from a mineral claim not more than once every five years. The normal annual production limit on a mineral claim is restricted to a maximum of 1,000 t from each mineral cell claim or each legacy mineral claim. Production in excess of this limit can only occur on a mining lease or crown grant.

There is no restriction in the MTAR on what the bulk sample may be used for once it is mined. In other words, it can be subjected to testing on site, moved off-site, or sold.

The underground workings of the Engineer Gold Mine are within six crown granted mineral claims with surface and mineral rights with grandfathered provisions from a previous Mines Act. The full rights granted are described in the crown grant documents and do not expire at a defined date, which is the case with modern mining leases.

The current NoW application was approved as a multi-year area-based (MYAB) permit MX-1-767 with a reclamation security deposit of \$50,000 and an approval completion date of March 31, 2020. The MYAB permit covers 17 mineral cell claims and legacy claims, and six crown granted mineral claims.

Exploration activities approved under MX-1-767 include:

- Use of a camp
- 52 mechanical trenches
- 88 surface drill pads
- 1.6 km of newly constructed access trails
- 50 m³ of marketable timber cutting with associated Free Use Permit
- Underground drilling and development on Levels 5, 6 & 7
- Blasting under associated Explosive Storage and Use Permit BC-1285 (requires annual notification for re-issuance)
- 4,000 t underground bulk sample to be processed at onsite mill
- 200 t waste dump
- Waste Discharge as permitted by Ministry of Environment under the *Environmental Management Act* (Permit PE-14978)

Under Section 11.1 of the Mineral Tenure Act, the Chief Inspector of Mines, after considering practicable alternative means of access, may grant a special use permit under the Forest Practices Code of British Columbia Act allowing the Property holder the right to construct access to the mineral title or crown grant. Currently the Engineer Gold Mine has a Free Use Permit allowing cutting of 50 m³ of marketable timber. The Free Use Permit is associated with MX-1-767 and has the same expiration date.

The Engineer Gold Mine Crown Grants provide additional rights with respect to timber that requires further investigation. The crown grants state:” ...the right to the use and possession of the surface of such mineral claim, including the use of all the timber thereon, for the purpose of winning and getting from and out of such claim the minerals contained therein, including all operations connected therewith or with the business of mining.”

The effluent Permit PE-14978 was originally issued to the Engineer Mining Corporation on June 15, 1998, and the permit was transferred to Blind Creek Resources in 2017, and authorizes discharge of effluent from 3 locations:

- the 5 Level Portal to Tagish Lake;
- the Processing Mill to a settling pond (tailings pond), and under certain additional conditions, from the settling pond, to two additional ponds, then to Engineer Creek; and
- a temporary discharge from the portal while de-watering the underground levels of the mine.

Permit PE-14978 authorizes the discharge of “effluent from a 50 t/day gravity separation gold mill” and ground water from the underground workings and establishes certain discharge quality standards.

Achievement of these standards, in part, is influenced by the ML/ARD aspects of the various wastes, and mine water discharged. Environmental sampling collection programs provide data considered useful in terms of characterizing runoff and other contact water quality influenced by the waste materials.

In 2012, AllNorth Consultants were contracted to create a ML/ARD Management Plan in support of the 4,000 t bulk sample (see Section 20.1 for further details).

A temporary amendment to Discharge Permit PE-14978 was received to allow additional discharge while dewatering of levels 6 and 7 of the underground workings. The maximum discharge rate was raised to 75 m³/hour, 24 hours a day, after which the rate was returned to 7 m³/hour to maintain water levels in the underground. The company did on occasion exceed the discharge volumes while dewatering and received an advisory letter from the BC Ministry of Environment. It is recommended that Blind Creek Resources request a maximum discharge of 150 m³/hour in future amendments to the permit. The increased discharge allows the use of a larger volume pump which is required to lift water over 200 feet (61 m) within the internal shaft.

Commercial development to the extent currently foreseen by Blind Creek Resources would be subject by Ministry of Mines to the Mines Act. The NoW may require further amendments dependant upon the level of mining activity requested by Blind Creek Resources. The amended NoW would include plans for waste management, water management, environmental protection, closure and reclamation and community coordination. The level of mining activity currently foreseen would be below the threshold level for application of the BC Environmental Assessment Act. Depending on the required actions from Fisheries and Oceans Canada (“DFO”), the project may or may not be subject to the Canadian Environmental Assessment Act (“CEAA”), but in any event the project would be subject to environmental assessment as part of the NoW application.

CAPITAL AND OPERATION COSTS

This section is not applicable.

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.

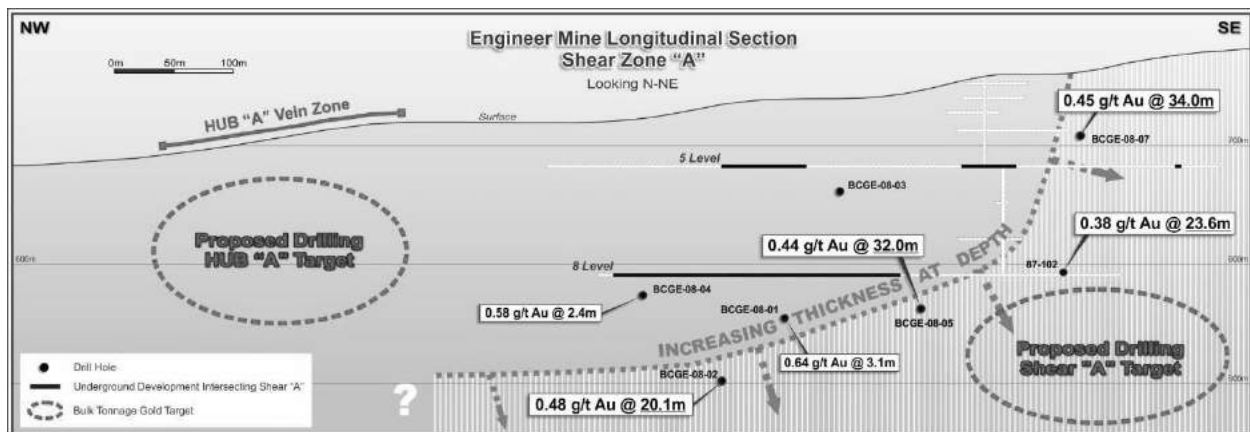


Figure 6: SHEAR ZONE 'A' LONG-SECTION WITH DRILL TARGETS

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.

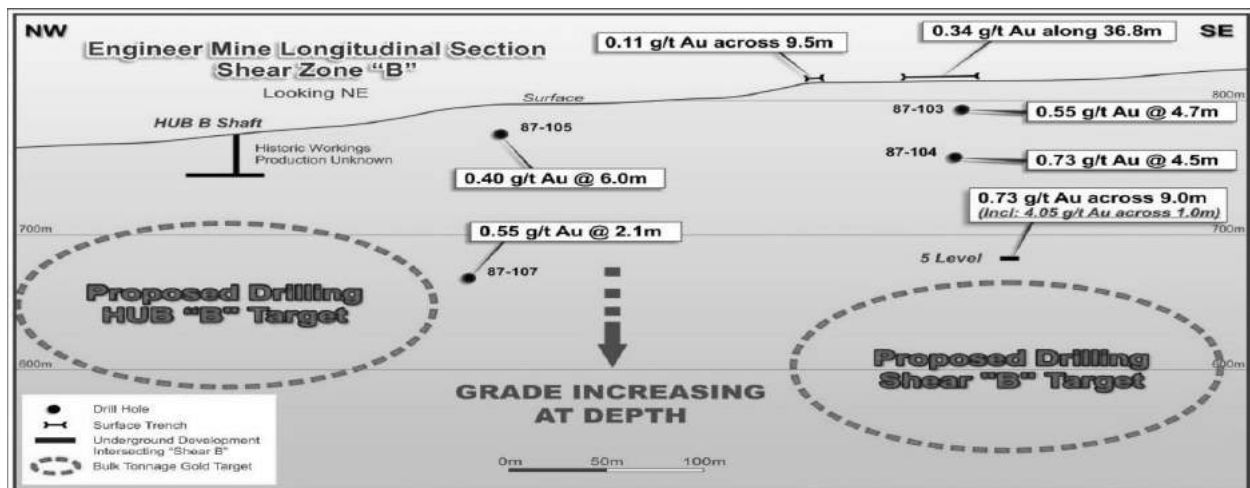


Figure 7: SHEAR ZONE 'B' LONG-SECTION WITH DRILL TARGETS

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.

Summary of Proposed Costs

The following two-stage program is recommended to continue advancing the Engineer Gold Mine Project. The objective of the program are as follows:

- Targeted exploration along the shear zones to define higher-grade gold mineralization hosted by hydrothermal breccia.
- Investigate the Wann prospect in the context of the Engineer Gold Mine mineralized system. Program should include re-logging of 2011 drill core and select re-sampling of mineralized intercepts using QA/QC protocols.
- Investigate the lowest level (8 Level) of the historic mine workings as potential to increase Mineral Resource.
- Metallurgy test-work to improve gold recovery circuit of current mill.
- Improve grade control, mining costs, and confidence in the Mineral Resource with bulk sampling.

Phase 1 of the program (**Table 23**) can proceed immediately and focuses on resource expansion through finalizing metallurgy test-work and detailed design and costing to rehabilitate the lower levels of the mine. The proposed Phase 1 budget is C\$200,000.

Item	Details	Budget
8 Level Exploration	Design, budget and permit an 8 Level exploration program that includes geotechnical and geologic mapping, and panel sampling. Mineralogy studies on tails material.	\$50,000
Metallurgy	Conduct Rougher-Cleaner flotation testing on the tails sample without gravity concentration. Conduct 2nd and 3rd cleaner stage testing to increase concentrate Au grade to saleable grade.	\$75,000
Bulk Sampling	Design, budget and permit program to extract 3,800 T sample from 505-3 and 505-5 shoots.	\$75,000
	Total:	\$200,000

Table 23: PHASE 1 - PROPOSED WORK PROGRAM AND BUDGET

A Phase 2 program (**Table 24**) focuses on surface exploration, exploration of 8 Level of the mine, and processing a bulk sample of the Engineer Vein from 6 Level. The Phase 2 proposed budget is C\$6.0M

Item	Details	Budget (C\$)
Surface Exploration	Soil geochemistry grid investigating Shear A and B. Soil orientation survey and prospecting at Wann prospect.	\$350,000
Drilling	9,000 m program testing the four target areas defined along Shear A and B, and any new anomalies.	\$2,250,000
8 Level Exploration	Dewatering and install services to 8 Level. Geotechnical and geologic mapping, and panel sampling of 8 Level.	\$1,000,000
Metallurgy / Mill Improvements	Permit and modifying current mill to process bulk sample utilizing flotation and/or gravity recovery circuit. Dewater 6 Level, install hoist conveyance, install track, drive drifts to 505-3 and 505-5 stopes.	\$750,000
Bulk Sampling		\$600,000
Extract 3,800 T bulk sample		\$700,000
Milling of bulk sample		\$350,000
	Total:	\$6,000,000

Table 24: PHASE 2 – PROPOSED WORK PROGRAM AND BUDGET**ENGINEER GOLD MINES SELECTED *PRO FORMA* FINANCIAL INFORMATION**

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 “H” to this Circular.

	November 30, 2017
	(\$)
Current assets	760,001
Mineral property interests	545,696
Total assets	1,355,697
Total liabilities	Nil
Engineer Gold Mines 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 “H” to this Circular.

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

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 Common 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 Common Shares and 3,800,000 Engineer Gold Mines Warrants will be issued on exercise of the Engineer Gold Mines Subscription Receipts.

DIVIDEND POLICY

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.

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 Common Shares.

DESCRIPTION OF THE ENGINEER GOLD MINES SUBSCRIPTION RECEIPTS

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 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 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.

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 “F” to this Circular, and the Carve Out Financial Statements of Engineer Gold Mines appended as Schedule “G” to this Circular.

OPTIONS AND OTHER RIGHTS TO PURCHASE SHARES

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. See “Particular of Matters to be Acted Upon – Engineer Gold Mines Option Plan”.

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 Common Shares. As such, the market value of the Engineer Gold Mines Common Shares underlying the Engineer Gold Mines Options has not been determined.

The full text of the Engineer Gold Mines Option Plan is available for viewing up to the date of the Meeting at Blind Creek's offices at 804-750 West Pender Street, Vancouver, British Columbia V6C 2T7 and will also be available for review at the Meeting.

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.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL 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.

RESALE RESTRICTIONS

See "Securities Law Considerations" in this Circular.

There is currently no market through which the Engineer Gold Mines Common Shares may be sold and, unless the Engineer Gold Mines Common Shares are listed on a stock exchange, Blind Creek Shareholders may not be able to resell the Engineer Gold Mines Common 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.

PRINCIPAL SHAREHOLDERS

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.

DIRECTORS AND 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 Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement ⁽³⁾	Percentage of Engineer Gold Mines Common Shares Issued and Outstanding Immediately Following the Completion of the Arrangement ⁽⁴⁾

Name, Jurisdiction of Residence and Position(s) ⁽¹⁾⁽²⁾	Principal Occupation During Past Five Years ⁽¹⁾	Number of Engineer Gold Mines Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement ⁽³⁾	Percentage of Engineer Gold Mines Common Shares Issued and Outstanding Immediately Following the Completion of the Arrangement ⁽⁴⁾
Andrew H. Rees ⁽⁵⁾ British Columbia, Canada <i>Director</i>	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 <i>Director, CEO and Corporate Secretary</i>	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); Meadow Bay Gold Corporation (Secretary); M.E. Resource Corp. (Director); NanoStruck Technologies Inc. (formerly Blue Gold Water Technologies Ltd. and formerly	Nil	Nil

Name, Jurisdiction of Residence and Position(s) ⁽¹⁾⁽²⁾	Principal Occupation During Past Five Years ⁽¹⁾	Number of Engineer Gold Mines Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement ⁽³⁾	Percentage of Engineer Gold Mines Common Shares Issued and Outstanding Immediately Following the Completion of the Arrangement ⁽⁴⁾
	<p>Golden Cross Resources Inc.) (Director, CEO, President and Secretary);</p> <p>Rift Valley Resources Corp. (Director);</p> <p>Sedex Mining Corp. (Director);</p> <p>Silver Pursuit Resources Ltd. (Director and Secretary);</p> <p>Simba Gold Corp. (Secretary);</p> <p>Starr Peak Exploration Ltd. (Director, CEO and Secretary);</p> <p>Urastar Gold Corp. (formerly Urastar Energy Inc.) (Secretary); and</p> <p>Vanc Pharmaceuticals Inc. (formerly Nuva Pharmaceuticals Inc.) (Director and CEO).</p>		
<p>Glen Macdonald British Columbia, Canada <i>Director</i></p>	<p>Angel Bioventures (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); Harvest One Cannabis (Director); Hybrid Minerals Inc. (formerly Savoy Ventures) (Director and CEO); Klondike Silver (Director); LeenLife Pharma International Inc. (Director); Maxim Resources (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</p>	Nil	Nil

Name, Jurisdiction of Residence and Position(s) ⁽¹⁾⁽²⁾	Principal Occupation During Past Five Years ⁽¹⁾	Number of Engineer Gold Mines Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly, Immediately Following the Completion of the Arrangement ⁽³⁾	Percentage of Engineer Gold Mines Common Shares Issued and Outstanding Immediately Following the Completion of the Arrangement ⁽⁴⁾
	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); WPC Resources (Director); Vinergy Resources Ltd. (Director); and Zanzibar Gold Inc.		
Brian Fowler, British Columbia, Canada <i>Director and President</i>	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 <i>Chief Financial Officer</i>	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 Circular.
- (4) Assuming approximately 24,238,525 Engineer Gold Mines Common Shares are outstanding after completion of the Arrangement, which includes the 7,600,000 Engineer Gold Mines Common 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 Common Shares Assuming approximately 24,238,525 Engineer Gold Mines Common Shares are outstanding after completion of the Arrangement, which includes the 7,600,000 Engineer Gold Mines Common 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 Circular, or has been, within ten years before the date of this Circular, 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 Circular, or has been within 10 years before the date of this Circular, 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 Circular, 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.

Indebtedness of Directors, Executive Officers and Senior 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.

STATEMENT OF 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 Circular. Please see "Blind Creek Resources Ltd. – Statement of Executive Compensation for Blind Creek" in this Circular. 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 Circular.

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.

No stock options have been granted by Engineer Gold Mines since the date of its incorporation on January 17, 2018 and Engineer Gold Mines does not have a share-based awards program.

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.

AUDIT COMMITTEE 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 Circular as Schedule "K".

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

Corporate Governance

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

RISK FACTORS

In addition to the other information contained in this Circular, 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 Common 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 Common 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 Common 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 Common Shares and Engineer Gold Mines' financial results may be significantly adversely affected by a decline in the price of copper, 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 Common 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.

PROMOTER

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 Common 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 Common Shares will be distributed to the Blind Creek Shareholders pursuant to the Arrangement.

LEGAL PROCEEDINGS

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.

INTEREST 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.

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. The auditors of Engineer Gold Mines

will be present at the Meeting, and will be able to respond to questions with respect to the Carve-Out Financial Statements.

REGISTRAR AND TRANSFER AGENT

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

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 Common 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.

A copy of any material agreement may be inspected at any time up to the commencement of the Meeting during normal business hours at Engineer Gold Mines' offices located at 804-750 West Pender Street, Vancouver, British Columbia V6C 2T7 and under Blind Creek's profile on the SEDAR website at www.SEDAR.com.

INTEREST OF 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 Circular, neither Mr. O'Brien, Mr. Redfearn nor Mr. Dominy own any of the issued and outstanding Engineer Gold Mines Common Shares.

OTHER MATTERS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information relating to Blind Creek is on SEDAR at www.sedar.com. Blind Creek Shareholders may contact Blind Creek at (604) 682-2928 to request copies of Blind Creek's financial statements and management's discussion and analysis.

Financial information is provided in Blind Creek's comparative audited financial statements and management's discussion and analysis for its most recently completed financial years ended November 30, 2017 and 2016 which are filed on SEDAR.

DIRECTOR'S APPROVAL

The contents of this Circular and the sending thereof to the Blind Creek Shareholders have been approved by the Blind Creek Board.

DATED at Vancouver, British Columbia, this 18th day of April, 2018.

BY ORDER OF THE BLIND CREEK BOARD

(signed) "Thomas Kennedy"
Chief Executive Officer

SCHEDULE “A”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

ARRANGEMENT RESOLUTION

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE BLIND CREEK SHAREHOLDERS THAT:

1. The arrangement (the “Arrangement”) involving Blind Creek Resources Ltd., a corporation existing under the laws of British Columbia (“Blind Creek”), its shareholders ((the “Blind Creek Shareholders”) and Engineer Gold Mines Ltd., a corporation existing under the laws of British Columbia (“Engineer Gold Mines”), as it may be modified, supplemented or amended from time to time in accordance with its terms, all as more particularly described and set forth in the management information circular (the “Circular”) of Blind Creek dated April 18, 2018 accompanying the notice of meeting, is hereby authorized, approved and adopted.
2. The plan of arrangement, as it has been or may be modified, supplemented or amended in accordance with its terms (the “Plan of Arrangement”), under Section 288 of the *Business Corporations Act* (British Columbia) (the “BCBCA”) implementing the Arrangement, the full text of which is set out in Schedule “B” to the Circular, is hereby authorized, approved and adopted.
3. The arrangement agreement, as may be, or may have been, modified or amended in accordance with its terms (the “Arrangement Agreement”) between Blind Creek and Engineer Gold Mines dated January 19, 2018 and all the transactions contemplated therein, the actions of the directors of Blind Creek in approving the Arrangement and the actions of the directors and officers of Blind Creek in executing and delivering the Arrangement Agreement and causing the performance by Blind Creek of its obligations thereunder are hereby confirmed, ratified, authorized and approved.
4. Notwithstanding that this resolution has been passed (and the Plan of Arrangement approved and agreed to) by the Blind Creek Shareholders, voting as a single class, or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Blind Creek are hereby authorized and empowered, without further notice to, or approval of, the Blind Creek Shareholders of Blind Creek:
 - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.
5. Any director or officer of Blind Creek is hereby authorized and directed, for and on behalf and in the name of Blind Creek, to execute and deliver, whether under the corporate seal of Blind Creek or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:
 - (a) all actions required to be taken by or on behalf of Blind Creek, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
 - (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Blind Creek;

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE “B”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

PLAN OF ARRANGEMENT UNDER THE PROVISIONS OF SECTION 288

OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

(see attached)

**PLAN OF ARRANGEMENT
UNDER THE PROVISIONS OF SECTION 288
OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)**

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

“Arrangement” means the arrangement under Part 9, Division 5 of the BCBCA on the terms and subject to the conditions set out in the Arrangement Agreement and this Plan of Arrangement, 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;

“Arrangement Agreement” means the arrangement agreement dated as of January 19, 2018 between Blind Creek and Engineer, including the Schedules, Appendices and Exhibits attached hereto, as may be supplemented or amended from time to time, of which this Plan of Arrangement is Schedule “A”;

“Arrangement Resolution” means the Special Resolution of the Blind Creek Shareholders in respect of the Arrangement to be considered at the Meeting, the full text of which is attached as Appendix “A” hereto;

“BCBCA” means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57, as amended, together with all rules and regulations promulgated thereunder or with respect thereto;

“Blind Creek” means Blind Creek Resources Inc., a corporation incorporated pursuant to the laws of the Province of British Columbia;

“Blind Creek Common Shares” means the common shares in the capital of Blind Creek;

“Blind Creek Shareholders” means the holders of Blind Creek Common Shares at the applicable time;

“Board of Directors” means the duly appointed board of directors of the applicable company;

“Business Day” means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Toronto, Ontario or Vancouver, British Columbia for the transaction of banking business;

“Circular” means the management information circular of Blind Creek to be prepared and sent to the Blind Creek Shareholders in connection with the Meeting;

“Court” means the Supreme Court of British Columbia;

“Dissent Rights” has the meaning set forth in section 5.1 hereto;

“Dissenting Shareholder” means a Blind Creek Shareholder who has duly exercised the Dissent Rights;

“Dissent Shares” means Blind Creek Common Shares held by a Dissenting Shareholder who has demanded and perfected Dissent Rights in respect of the Blind Creek Common Shares in accordance with the Interim Order and who, as of the Effective Time, has not effectively withdrawn or lost such Dissent Rights;

“Effective Date” means the date the Arrangement becomes effective as agreed to by the Parties;

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

“Encumbrances” means any mortgage, charge, pledge, lien, hypothec, prior claim, assignment for security interest, guarantee, right of third parties or other charge, encumbrance, or any collateral securing the payment obligation of any

person, as well as any other agreement or arrangement with any similar effect whatsoever;

“Engineer” means Engineer Gold Mines Ltd., a corporation incorporated pursuant to the laws of the Province of British Columbia

“Engineer Common Shares” means the common shares of Engineer;

“Engineer Distribution Shares” has the meaning set forth in section 2.1(b) hereto;

“Engineer Gold Mine Properties” means the mineral rights, claims, concessions, properties and other assets all as set out in greater detail in Schedule “B” of the Arrangement Agreement;

“Engineer Incorporation Share” means the one Engineer Common Share held by Blind Creek that was issued to Blind Creek on the incorporation of Engineer;

“Final Order” means the final order of the Court pursuant to Section 291(4) of the BCBCA, after a hearing upon, among other things, the procedural and substantial fairness of the terms and conditions of the Arrangement, in a form acceptable to Blind Creek approving the Arrangement as such order may be amended, modified, supplemented or varied by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal, and after notice and a hearing at which all Blind Creek Shareholders have the right to appear;

“Interim Order” means the interim order of the Court under Section 291(2) of the BCBCA containing declarations and directions with respect to the Arrangement and providing for, among other things, the calling and holding of the Meeting and the requisite majority for the approval of the Arrangement by the Blind Creek Shareholders;

“Meeting” means the special meeting of Blind Creek Shareholders 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 Meeting to be sent to the Blind Creek Shareholders, which notice will accompany the Circular;

“Parties” means Engineer and Blind Creek and **“Party”** means any one of them;

“Person” or **“person”** means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;

“Plan of Arrangement” means this plan of arrangement and any amendments or variations thereto made in accordance with the Arrangement Agreement, this Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Blind Creek;

“Securities Act” means the Securities Act, R.S.B.C 1996, c. 418, as amended or replaced from time to time, together with all rules and regulations promulgated thereunder or with respect thereto;

“Special Resolution” means a resolution passed by a majority of not less than two-thirds of the votes cast by Blind Creek Shareholders in respect of such resolution at the Meeting;

“Tax Act” means the *Income Tax Act* (Canada) and the regulations made thereunder, as promulgated or amended from time to time;

“Transfer Agreement” means the transfer agreement providing for, among other things, the transfer of the Transferred Assets to Engineer in exchange for the issuance by Engineer of the Engineer Distribution Shares;

“Transferred Assets” means all of Blind Creek’s right, title and interest in the Engineer Gold Mine Properties and all related assets as set out in greater detail in Schedule “B” of the Arrangement Agreement;

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

“TSXV” means the TSX Venture Exchange.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Sections and Headings

The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires, words importing the singular number shall include the plural and vice versa, and words importing gender shall include all genders.

1.4 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.5 Currency

Unless otherwise stated all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

1.6 Business Day

In the event that the date on which any action is required to be taken hereunder by either of the Parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.7 Governing Law

This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.8 Binding Effect

This Plan of Arrangement will become effective at, and be binding at and after, the Effective Time on: Blind Creek and all registered and beneficial Blind Creek Shareholders and all Dissenting Shareholders. This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in Section 2.1 in accordance with the terms of the Arrangement Agreement.

ARTICLE 2 ARRANGEMENT

2.1 Arrangement

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

- (a) Each Blind Creek Common Share in respect of which a Blind Creek Shareholder has exercised Dissent Rights shall be, and shall be deemed to be, transferred to Blind Creek free and clear of any Encumbrances for cancellation without any further act or formality and

- (i) such Dissenting Shareholders shall cease to be the holders of such Blind Creek Common Shares, and to have any rights as holders of Blind Creek Common Shares, other than the right to be paid fair value for such Blind Creek Common Shares as set out in Article 5 hereof;
 - (ii) such Dissenting Shareholders' names shall be removed as the holders of such Blind Creek Common Shares from the register of Blind Creek Common Shares maintained by or on behalf of Blind Creek; and
 - (iii) Blind Creek shall be deemed to be the transferee and legal and beneficial holder of such Blind Creek Common Share (free and clear of all Encumbrances) shall be entered as the registered holder of such Blind Creek Common Share in the register of Blind Creek Common Shares maintained by or on behalf of Blind Creek;
- (b) Blind Creek will transfer the Transferred Assets to Engineer in accordance with the Transfer Agreement in consideration for that number of Engineer Common Shares (the "**Engineer Distribution Shares**") as is equal to one half of the number of Blind Creek Common Shares issued and outstanding immediately prior to the Effective Time on such record date as determined by Blind Creek less the number of Blind Creek Common Shares transferred to Blind Creek pursuant to Section 2.1(a) above, and Blind Creek shall be added to the register of Engineer Common Shares maintained by or on behalf of Engineer, and in connection therewith, in accordance with the BCBCA, Engineer shall add to the stated capital account maintained by Engineer for the Engineer Common Shares an amount that shall equal the fair market value of the Engineer Distribution Shares issued to Blind Creek;
- (c) Blind Creek will be deemed to have reduced the stated capital of the Blind Creek Common Shares with the same effect as if reduced pursuant to Section 74 of the BCBCA, by an amount equal to the fair market value of the Engineer Distribution Shares, and Blind Creek will be deemed to have effected the reduction of capital of the Blind Creek Common Shares by being deemed to have paid and distributed the Engineer Distribution Shares to the Blind Creek Shareholders, other than the Dissenting Shareholders, on the basis of one Engineer Distribution Share for every two Blind Creek Common Shares held immediately prior to the Effective Time as a return of capital distribution in-kind; provided that the aggregate reduction in the stated capital for the Blind Creek Common Shares shall not exceed the aggregate paid-up capital (as that term is used for the purposes of the Tax Act) of the Blind Creek Common Shares immediately prior to the Effective Time;
 - (iii)
- (d) the Engineer Distribution Shares will be distributed to the holders of Blind Creek Common Shares (other than a Dissenting Shareholder) pursuant to section 2.1(c) above and the names of the Blind Creek Shareholders shall be added to (and Blind Creek removed from) the register of Engineer Common Shares maintained by or on behalf of Engineer;
- (e) the Engineer Incorporation Share issued to Blind Creek on incorporation shall be cancelled for no consideration and as a result thereof:
 - (i) Blind Creek shall cease to be, and shall be deemed to have ceased to be, the holder of the Engineer Incorporation Share and to have any rights as a holder of the Engineer Incorporation Share; and
 - (ii) Blind Creek shall be removed as the holder of the Engineer Incorporation Share from the register of Engineer Common Shares maintained by or on behalf of Engineer.

ARTICLE 3 CERTIFICATES AND FRACTIONAL SHARES

3.1 Delivery of Securities

As soon as practicable following the Effective Date, Engineer will forward or cause to be forwarded by the Transfer Agent or otherwise, by registered mail (postage prepaid) or hand delivery to Blind Creek Shareholders as of the Effective Date at the address specified in the register of Blind Creek Shareholders, certificates representing the number of Engineer Distribution Shares to be delivered to such Blind Creek Shareholders under the Arrangement.

3.2 Withholding Rights

Blind Creek and the Transfer Agent shall be entitled to deduct and withhold from any amount otherwise payable to any Blind Creek Shareholder such amounts as Blind Creek or the Transfer Agent is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Blind Creek Shareholder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

3.3 No Fractional Shares

No fractional Engineer Distribution Shares will be issued. In the event that a Blind Creek Shareholder would otherwise be entitled to a fractional Engineer Distribution Share hereunder, the number of Engineer Distribution Shares issued to such Blind Creek Shareholder shall, without any additional compensation, be rounded down to the next lesser whole number of Engineer Distribution 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 their nominee shall be aggregated.

3.4 No Encumbrances

Any distribution of securities pursuant to this Plan of Arrangement shall be free and clear of any Encumbrances.

3.5 Paramountcy

From and after the Effective Time (i) this Plan of Arrangement shall take precedence and priority over any and all Blind Creek Common Shares issued prior to the Effective Time; (ii) the rights and obligations of the registered holders of Blind Creek Common Shares and Blind Creek, Engineer, the Transfer Agent and or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Blind Creek Common Shares shall be deemed to have been settled, compromised, released and determined without liability to Blind Creek or Engineer except as set forth herein.

ARTICLE 4 AMENDMENTS

4.1 Right to Amend

Blind Creek reserves the right to amend, modify or supplement (or do all of the foregoing) this Plan of Arrangement from time to time and at any time prior to the Effective Date provided that any such amendment, modification and/or supplement must be contained in a written document that is:

- (a) filed with the Court and, if made following the Meeting, approved by the Court; and
- (b) communicated to Blind Creek Shareholders in the manner required by the Court (if so required).

4.2 Amendment Before the Meeting

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Blind Creek at any time prior to or at the Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

4.3 Amendment After the Meeting

Any amendment, modification or supplement to this Plan of Arrangement which is approved by the Court following the Meeting shall be effective only:

- (a) if it is consented to by Blind Creek; and

- (b) if required by the Court or applicable law, it is consented to by the Blind Creek Shareholders voting in the manner directed by the Court.

4.4 Amendment After the Effective Date

Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by Blind Creek, provided that it concerns a matter which, in the reasonable opinion of Blind Creek, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interest of any holder of Blind Creek Common Shares or Engineer Common Shares.

ARTICLE 5 RIGHTS OF DISSENT

5.1 Rights of Dissent

Pursuant to the Interim Order, registered holders of Blind Creek Common Shares may exercise rights of dissent (the “**Dissent Rights**”) under section 238 of the BCBCA, and in the manner as set forth under sections 242 to 247 of the BCBCA, all as modified by this Article 5, the Interim Order and the Final Order, with respect to Blind Creek Common Shares in connection with the Arrangement, provided that the written notice setting forth the objection of such registered Blind Creek Shareholders to the Arrangement and exercise of Dissent Rights must be received by Blind Creek not later than 5:00 p.m. (Vancouver time) on the Business Day that is two Business Days before the Meeting or any date to which the Meeting may be postponed or adjourned and provided further that holders who exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their Dissent Shares, which fair value, notwithstanding anything to the contrary contained in the BCBCA, shall be determined immediately prior to the approval of the Arrangement Resolution, shall be deemed to have transferred their Dissent Shares to Blind Creek as of the Effective Time in consideration for a debt claim against Blind Creek to be paid the fair value of such Dissent Shares and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Blind Creek Common Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Blind Creek Common Shares.

5.2 Recognition of Dissenting Shareholders

In no circumstances shall Blind Creek or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is a registered holder of those Blind Creek Common Shares in respect of which such rights are sought to be exercised. From and after the Effective Date, neither Blind Creek nor any other Person shall be required to recognize a Dissenting Shareholder as a shareholder of Blind Creek and the names of the Dissenting Shareholders shall be deleted from the register of holders of Blind Creek Common Shares previously maintained or caused to be maintained by Blind Creek.

5.3 General Dissent Rights

For greater certainty, in addition to any other restrictions in the BCBCA, no Blind Creek Shareholders who vote in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights.

5.4 Deduction against Stated Capital Account

The aggregate of all amounts paid to Blind Creek Shareholders by Blind Creek in respect of the Blind Creek Common Shares for which Dissent Rights are exercised in accordance with Article 5 hereof shall be deducted from the stated capital account maintained by Blind Creek for the Blind Creek Common Shares.

ARTICLE 6 FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur at the time and in the manner set out in this Plan of Arrangement without any further act or formality, Blind Creek and Engineer shall make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

ARTICLE 7 TERMINATION

7.1 Termination

Notwithstanding any prior approvals by the Court or by the Blind Creek Shareholders, the Board of Directors of Blind Creek may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution adopted at the Meeting without further approval of the Court or the Blind Creek Shareholders.

7.1 Automatic Termination

This Plan of Arrangement shall automatically terminate and be of no further force and effect upon the termination of the Arrangement Agreement in accordance with its terms.

**APPENDIX “A”
ARRANGEMENT RESOLUTION**

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE BLIND CREEK SHAREHOLDERS THAT:

1. The arrangement (the “**Arrangement**”) under section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving Blind Creek Resources Ltd., a corporation incorporated pursuant to the laws of the Province of British Columbia (“**Blind Creek**”), its shareholders and Engineer Gold Mines Ltd., a corporation incorporated pursuant to the laws of the Province of British Columbia (“**Engineer**”), all as more particularly described and set forth in the management information circular (the “**Circular**”) of Blind Creek dated April 18, 2018 accompanying the notice of meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
2. The plan of arrangement (the “**Plan of Arrangement**”), implementing the Arrangement, the full text of which is appended to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
3. The arrangement agreement (the “**Arrangement Agreement**”) between Blind Creek and Engineer dated January 19, 2018 and all the transactions contemplated therein, the actions of the directors of Blind Creek in approving the Arrangement and the actions of the directors and officers of Blind Creek in executing and delivering the Arrangement Agreement and any amendments thereto are hereby confirmed, ratified, authorized and approved.
4. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the shareholders of Blind Creek or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Blind Creek are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Blind Creek:
 - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).
5. Any one director or officer of Blind Creek is hereby authorized and directed, for and on behalf and in the name of Blind Creek, to execute and deliver, whether under the corporate seal of Blind Creek or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:
 - (a) all actions required to be taken by or on behalf of Blind Creek, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
 - (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Blind Creek;

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE “C”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

INTERIM ORDER

(see attached)

Petitioner, the Blind Creek Shareholders, and Engineer Gold Mines Ltd. ("**Engineer Gold Mines**") as described in the Plan of Arrangement attached as Schedule B to the draft management information circular (the "**Circular**") which is attached as Exhibit "A" to the Affidavit #1 of Thomas Kennedy, Chief Executive Officer and Director of Blind Creek sworn on April 20, 2018 (the "**Kennedy Affidavit #1**"), and to transact such other business as may properly come before the Meeting.

3. The Meeting shall be called, held and conducted in accordance with the provisions of the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57 (the "**BCBCA**"), the articles of the Petitioner, and the Circular, all subject to the terms of this Order, and any further order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.
4. The record date (the "**Record Date**") for determination of the Blind Creek Shareholders entitled to notice of, and to vote at, the Meeting shall be April 20, 2018. The Record Date will not change in respect of any adjournment of postponement of the Meeting.

Notice of Meeting

5. The following information (the "**Meeting Materials**"):

- (a) the Circular; and
- (b) the Form of Proxy or Voting Instruction Form;

in substantially the same form referred to in the Kennedy Affidavit #1, with such amendments and inclusions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such amendments and inclusions are not inconsistent with the terms of this Interim Order, shall be sent to the following:

- (i) the registered Blind Creek Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:
 - (A) by pre-paid ordinary or first class mail at the addresses of the Blind Creek Shareholders as they appear on the central securities register of the Petitioner, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of the Petitioner;
 - (B) by delivery, in person or by recognized courier service, to the address specified in (A) above; or
 - (C) by facsimile or electronic transmission to any Blind Creek Shareholder, who is identified to the satisfaction of the Petitioner, who requests such transmission in writing and, if required by the

Petitioner, who is prepared to pay the charges for such transmission;

- (ii) non-registered holders of Blind Creek Common Shares by providing sufficient copies of the Meeting Materials, as applicable, to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and
 - (iii) the respective directors and auditors of the Petitioner by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting.
6. Good and sufficient notice of the Meeting for all purposes will be given by the Petitioner by the sending of the Meeting Materials in accordance with paragraph 5 of this Order. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and the Petitioner shall not be required to send to the Blind Creek Shareholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.
7. The sending of the Meeting Materials, which includes the Notice of Hearing of Petition and the Interim Order (collectively the "**Court Materials**"), in accordance with paragraph 5 of this Order shall constitute good and sufficient service of the Court Materials and the within proceedings and such service shall be effective on the business day after the said Court Materials are mailed, whether those persons reside within the jurisdiction of British Columbia or within another jurisdiction, and no other form of service need be made and no other material, including the Petition and supporting Affidavits, need be served on such persons in respect of these proceedings except upon written request to the solicitors for the Petitioner at their address for delivery set out in the Petition.
8. Accidental failure or omission by the Petitioner to give notice of the Meeting or to distribute the Meeting Materials or the Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of the Petitioner, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of the Petitioner, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

Amendments to the Arrangement and Plan of Arrangement

9. Subject to the terms and conditions of the Plan of Arrangement, after the date of this Interim Order and prior to the time of the Meeting, the Petitioner is authorized to make such amendments, revisions or supplements to the Plan of Arrangement as it may determine, without any additional notice to the Blind Creek Shareholders, and the Plan of Arrangement as so amended, revised and supplemented shall be the Plan of Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.
10. If any amendments, revisions or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 9 above, would, if disclosed, reasonably be expected to affect a Blind Creek Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, revision or supplement shall be distributed, subject to further order of this Court, by news release, newspaper advertisement, or by notice sent to Blind Creek Shareholders by one of the methods specified in paragraph 5 of this Interim Order.

Chair of the Meeting

11. The Chair of the Meeting shall be an officer or director of the Petitioner or such other person as may be appointed by the Blind Creek Shareholders for that purpose.
12. The Chair of the Meeting is at liberty to call on the assistance of legal counsel at any time and from time to time, as the Chair of the Meeting may deem necessary or appropriate, during the Meeting, and such legal counsel is entitled to attend the Meeting for this purpose.
13. The Chair of the Meeting shall be permitted to ask questions of, and demand the production of evidence, from Blind Creek Shareholders, the Petitioner or such other persons in attendance or represented at the Meeting, as he or she considers appropriate having regard to the orderly conduct of the Meeting, the authority of any person to vote at the Meeting, and the validity and propriety of the votes cast and the proxies submitted in respect of the Arrangement Resolution.
14. The Chair of the Meeting may, in the Chair's sole discretion, waive the deadline specified in the Form of Proxy for the deposit of proxies.
15. The Chair or another representative of the Petitioner present at the Meeting, shall, in due course, file with the Court an affidavit verifying the actions taken and the decisions reached at the Meeting with respect to the Arrangement.

Adjournments and Postponements

16. The Petitioner, if it deems advisable, is specifically authorized to adjourn or postpone the Meeting for any reason on one or more occasions, subject to the terms of the Arrangement Agreement, without the necessity of first convening the Meeting, or first obtaining any vote of the Blind Creek Shareholders respecting the adjournment or postponement. Notice of any such adjournments or postponements shall be given by

such method and in the time that is reasonable in the circumstances, as the Petitioner may determine appropriate. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Quorum

17. The quorum required at the Meeting shall be one person who is, or represents by proxy, one shareholder holding in the aggregate, at least five percent (5%) of the issued shares entitled to be voted at the Meeting.

Voting

18. The vote of the Blind Creek Shareholders required to pass the Arrangement Resolution shall be at least two thirds of the votes cast on the Arrangement Resolution by the Blind Creek Shareholders, voting together as a single class, present in person or by proxy at the Meeting.
19. The only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be the registered Blind Creek Shareholders who hold Blind Creek Common Shares as of the close of business on the Record Date each of whom is entitled to one (1) vote for each Blind Creek Share registered in his/her/its name. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

Solicitation and Revocation of Proxies

20. The Petitioner is authorized to use the form of proxy (the "**Form of Proxy**") substantially in the form of the draft attached to Kennedy Affidavit #1, with such amendments, revisions or supplemental information as the Petitioner may determine are necessary or desirable. The Petitioner is authorized at its expense to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives, including proxy advisory firms, as they may retain for the purpose, by mail or such other forms of personal or electronic communication as it may determine. The Petitioner may waive generally, in its discretion, the time limits set for the deposit or revocation of proxies, if the Petitioner considers it advisable to do so.

Dissent Rights

21. Any registered Blind Creek Shareholder is entitled to be paid the fair value of his Blind Creek Common Shares in accordance with Sections 242 to 247 of the BCBCA if such holder dissents to the Plan of Arrangement and the Plan of Arrangement becomes effective.
22. A registered Blind Creek Shareholder is not entitled to dissent with respect to such holder's Blind Creek Common Shares if such holder votes any of their Blind Creek Common Shares in favour of the Arrangement Resolution. For greater certainty, a Proxy

submitted by a registered Blind Creek Shareholder that does not contain voting instructions will, unless revoked, be voted in favour of the Arrangement. A brief summary of the provisions of Sections 237 to 247 of the BCBCA is set out below.

23. A written notice of dissent from the Arrangement Resolution pursuant to Section 242 of the BCBCA, must be sent to Blind Creek by a dissenting Blind Creek Shareholder by 4:00 p.m., Vancouver time, on Friday, May 18, 2018. The notice of dissent should be delivered by registered mail to Blind Creek at the address for notice described below. After the Arrangement Resolution is approved by Blind Creek Shareholders and within one month after Blind Creek notifies the dissenting Blind Creek Shareholder of Blind Creek's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, the dissenting Blind Creek Shareholder must send to Blind Creek, a written notice that such Blind Creek Shareholder requires the purchase of all of the Blind Creek Shares in respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those Blind Creek Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Blind Creek Shareholder on behalf of a beneficial holder). A dissenting Blind Creek Shareholder who does not strictly comply with the dissent procedures or, for any other reason, is not entitled to be paid fair value for his, her or its Dissenting Shares will be deemed to have participated in the Plan of Arrangement on the same basis as non-dissenting Blind Creek Shareholders.
24. Any dissenting Blind Creek Shareholder who has duly complied with Section 244(1) of the BCBCA or Blind Creek may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Blind Creek to apply to the Court. The dissenting Blind Creek Shareholder will be entitled to receive the fair value that the Dissenting Shares had immediately before the passing of the Arrangement Resolution.
25. All notices of dissent to the Arrangement pursuant to Section 242 of the BCBCA must be sent, within the time specified, to:

Blind Creek Resources Ltd.
804-750 West Pender St.
Vancouver, BC V6C 2T7

Attention: Thomas Kennedy
Chief Executive Officer

Application for Final Order

26. Upon obtaining, in the manner set forth in this Interim Order, the approval of the Arrangement required by this Interim Order, Blind Creek may apply to this court for a final order approving the Arrangement contemplated by the Plan of Arrangement (the "Final Order"), at which the court will be advised that the court's approval of the Arrangement, if granted, which includes a finding of fairness of the terms and conditions of the Arrangement, will form the basis of a claim to an exemption from registration

requirements of the US Securities Act provided by section 3(a)(10) thereof with respect to the Engineer Gold Mines Common Shares to be issued pursuant to the Arrangement, and the hearing shall be set down for hearing before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on May 24, 2018 at 9:45 a.m., or as soon thereafter as the hearing of the Final Order can be heard, or at such other date and time as this Court may direct.

27. Any Blind Creek Shareholder may appear and make submissions at the application for the Final Order provided that such person shall file a Response to Petition, in the form prescribed by the Rules of Court of the Supreme Court of British Columbia, with this Court and deliver a copy of the filed Response to Petition, together with a copy of all material on which such person intends to rely at the application for the Final Order to the solicitors for the Petitioner at their address for delivery as set out in the Petition, on or before 4:00 p.m. on May 22, 2018, or as the Court may otherwise direct.
28. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

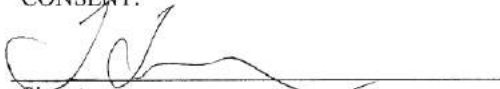
Precedence

29. To the extent of any inconsistency or discrepancy between this Interim Order and the articles of the Petitioner, the Circular, the BCBCA or applicable securities laws, this Interim Order shall govern.

Variance and Direction

30. The Petitioner and the Blind Creek Shareholders, the directors and auditors shall, and hereby do, have liberty to seek leave to vary this Interim Order or apply for such further order or orders or to seek such directions as may be appropriate.

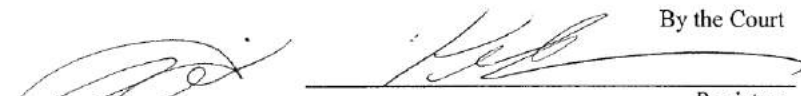
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature

☐ Party ☒ Lawyer for the Petitioner

Teresa M. Tomchak



By the Court
Registrar



SCHEDULE “D”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

NOTICE OF HEARING OF PETITION FOR FINAL ORDER

(see attached)

No. S-185018
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF SECTION 288 OF THE
BUSINESS CORPORATIONS ACT S.B.C. 2002, c. 57, AS AMENDED**

**IN THE MATTER OF A PROPOSED ARRANGEMENT AMONG
BLIND CREEK RESOURCES LTD. AND ITS SHAREHOLDERS AND
ENGINEER GOLD MINES LTD.**

BLIND CREEK RESOURCES LTD.

PETITIONER

NOTICE OF HEARING OF PETITION

TO: Blind Creek Shareholders

NOTICE IS HEREBY GIVEN that a Petition has been filed by Blind Creek Resources Ltd. ("**Blind Creek**"), in the Supreme Court of British Columbia for approval of an arrangement (the "**Arrangement**") pursuant to Section 288 of the *Business Corporations Act* S.B.C. 2002, c. 57, as amended, as contemplated in an arrangement agreement dated January 19, 2018.

AND NOTICE IS FURTHER GIVEN that by an Interim Order of the Supreme Court of British Columbia pronounced April 24, 2018, the Court has given directions as to the calling of a meeting of the Blind Creek Shareholders for the purpose of considering and voting on the Arrangement.

AND NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the meeting, the Petitioner intends to apply for an order approving the Arrangement and declaring it to be fair and reasonable (the "**Final Order**") at a hearing before a Judge of the Supreme Court of British Columbia at the Courthouse, at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on or about May 24, 2018 at 9:45 a.m. (PT), or so soon thereafter as counsel may be heard, or at such later date as the Court may direct.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE PETITION OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition", in the form prescribed by the Rules of Court of the Supreme Court of British Columbia, along with any evidence or materials which you intend to present to the Court, at the Vancouver Registry of the Court and **YOU MUST ALSO DELIVER** a copy of the filed Response to Petition, together with a copy of all evidence or materials on which you intend to rely at the application for the

Final Order, to the solicitors for the Petitioner at their address for delivery, which is set out below, on or before 4:00 p.m. (PT) on May 22, 2018, or as the Court may otherwise direct.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of "Response to Petition" at the Registry. The address of the Registry is: 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

IF YOU DO NOT FILE A RESPONSE TO PETITION and do not attend either in person or by counsel at the time of such hearing, the Court may approve the Arrangement, as presented at that time, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will significantly affect the rights of the Blind Creek Shareholders.

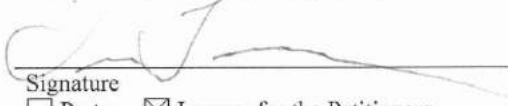
A copy of the said Petition and other documents in the proceedings will be furnished to any Blind Creek Shareholder, director or auditor of the Petitioner upon request in writing addressed to the solicitors of the Petitioners at their address for delivery set out below.

The Petitioners' address for delivery is:

Farris, Vaughan, Wills & Murphy LLP
Barristers & Solicitors
2500 – 700 West Georgia Street
Vancouver, British Columbia
V7Y 1B3

Attention: Teresa M. Tomchak

DATED this 24th day of April, 2018.



Signature
☐ Party ☒ Lawyer for the Petitioners
Teresa M. Tomchak

SCHEDULE “E”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

DISSENT PROVISIONS

DISSENT PROVISIONS

SECTIONS 237 TO 247 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

Definitions and application

237 (1) In this Division:

“dissenter” means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

“notice shares” means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

“payout value” means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(5) This Division applies to any right of dissent exercisable by a shareholder except to the extent that:

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
 - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or
 - (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
 - (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
 - (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
 - (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
 - (g) in respect of any other resolution, if dissent is authorized by the resolution;
 - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must
- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
 - (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

- (b) (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
 - (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

- 240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a statement advising of the right to send a notice of dissent.
- (3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,
- (a) a copy of the resolution,
 - (b) a statement advising of the right to send a notice of dissent, and
 - (c) if the resolution has passed, notification of that fact and the date on which it was passed.

- (4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 (1) If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
- (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
- (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
- (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
- (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
 - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii)
 - (iv) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and
 - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) (ii) the date on which the notice of dissent was received, or
 - (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.
- (2) A notice sent under subsection (1) (a) or (b) of this section must
- (a) be dated not earlier than the date on which the notice is sent,
 - (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
 - (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
- (b) the certificates, if any, representing the notice shares, and
- (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

- (a) the dissenter is deemed to have sold to the company the notice shares, and
- (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or

- (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
 - (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
 - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
 - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must
 - (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
 - (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),
 - (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
 - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.
- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
 - (a) (a) the company is insolvent, or
 - (b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;

- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 (1) If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE “F”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

ENGINEER GOLD MINES LTD. FINANCIAL STATEMENTS

(see attached)

ENGINEER GOLD MINES LTD.

1.1 Financial Statements

1.2 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
1.3	ASSETS	
1.4	Current	
	Cash	-
LIABILITIES AND SHAREHOLDERS' EQUITY		
1.5	Current	
1.6	Bank indebtedness	\$ 6
1.7		
1.8		
1.9	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.
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED FEBRUARY 28, 2018
(Expressed in Canadian Dollars)

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)
:	
1.10	
1.11 CASH FLOWS FROM FINANCING ACTIVITIES	
Issuance of shares, net	1
Change in cash during the period	(6)
Cash, beginning of the period	-
1.12	
1.13 Bank indebtedness, end of period	\$ (6)

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 Blind 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 “G”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

**AUDITED CARVE-OUT COMBINED FINANCIAL STATEMENTS FOR
THE YEARS ENDED NOVEMBER 30, 2017 AND 2016**

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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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
1.14 ASSETS		
Reclamation bond (Note 5)	\$ 50,000	\$ -
Exploration and evaluation assets (Note 5)	545,696	1
	<u>\$ 595,696</u>	<u>\$ 1</u>
1.15		
1.16		
1.17 OWNER'S NET INVESTMENT		
Owner's net investment (note 6)	\$ 595,696	\$ 1
	<u>595,696</u>	<u>1</u>
	<u>\$ 595,696</u>	<u>\$ 1</u>
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
1.18 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)	-
1.19 CASH FLOWS FROM INVESTING ACTIVITIES		
Reclamation bond	(50,000)	-
Exploration and evaluation asset expenditures	(545,695)	-
Net cash used in investing activities	(595,695)	-
1.20 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	-	-
1.22 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 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 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, entities 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's 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
- (iv)

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's 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	

The Engineer Gold Mines Exploration Business of Blind Creek Resources Ltd
Notes to the Carve-out Financial Statements
Year Ended November 30, 2017
(Expressed in Canadian Dollars)

Meals and accommodation	2,059	
Reporting	17,041	
Sampling	<u>18,145</u>	<u>93,228</u>
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:

1.24	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 “H”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

ENGINEER GOLD MINES LTD. PRO FORMA FINANCIAL STATEMENTS

(see attached)

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.
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
1.26 ASSETS					
1.27 Cash	\$ -	\$ -	\$ 760,001	4 b)	\$ 760,001
Reclamation bond	-	50,000	-		(vi)
Exploration and evaluation assets	-	545,696	-		545,696
	\$ -	\$ 595,696	\$ 760,001		\$ 1,355,697
1.28					
1.29					
1.30 LIABILITIES AND SHAREHOLDERS' EQUITY					
1.31 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
1.32 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					(xi)
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.

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)

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.

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)

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
	<u>20,438,526</u>	<u>\$ 1,355,697</u>

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 “I”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

BLIND CREEK RESOURCES LTD. PRO FORMA FINANCIAL STATEMENTS

(see attached)

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)

Blind Creek Resources 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)

	Blind Creek Resources Ltd.	Engineer Gold Mines Ltd. Carve-out	Pro forma Adjust ments	Note	Blind Creek Resources Ltd. Pro Forma
ASSETS					
Current					
Cash	\$ 26,203	-			\$ 26,203
Receivables and prepaids	76,332	-			76,332
	102,535	-	-		102,535
Investment	2,550	-			2,550
Equipment	31,432	-			31,432
Reclamation bond	50,000				-
Exploration and evaluation assets	2,206,984	(545,696)	-		1,661,289
	\$ 2,393,502	(595,696)	-		\$ 1,797,533
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current					
Accounts payable	\$ 246,841	-			\$ 246,841
Accrued liabilities	10,000	-			10,000
Due to related parties	61,482	-			61,482
	318,323	-	-		318,323
Shareholders' equity					
Share capital	16,867,388	-	(595,696)	4 a)	16,271,692
Share based payment reserve	3,032,994	-	-		3,032,994
Owner's net investment	-	(595,696)	595,696	4 a)	-
Deficit	(17,825,203)	-	-		(17,825,203)
	2,075,179	(595,696)	-		1,479,483
	\$ 2,393,502	(595,696)	-		\$ 1,797,533

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)

	Blind Creek Resources Ltd.	Engineer Gold Mines Ltd. Carve-out	Pro forma Adjustmen ts	Note	Blind Creek Resources Ltd. Pro Forma
1.33 EXPENSES					
Amortization	\$ 9,996	(2,499)	-		\$ 7,497
Bank charges, interest and accretion	4,596	(1149)	-		3,447
Consulting fees	147,872	(36,968)	-		110,904
Filing and transfer agent fees	34,066	(8,517)	-		25,549
Management fees	128,000	(32,000)	-		96,000
Office and miscellaneous	7,596	(1,899)	-		5,697
Professional fees	118,579	(29,645)	-		88,934
Share-based payments	143,500	(35,875)	-		107,625
Travel, trade shows and promotion	199,304	(49,826)	-		149,478
	(793,509)	198,378			(595,131)
OTHER ITEMS					
Recovery of exploration and evaluation assets	10,000	-	-		10,000
(Loss) Gain on settlement of debt	943	-	-		943
Other than temporary investment impairment	(7,650)	-	-		(7,650)
	3,293	-	-		3,293
Net and Comprehensive Loss	\$ (790,216)	\$ 198,378	\$ -		\$ (591,838)
1.34					
Basic and diluted net loss per common share	\$ (0.04)	\$ -	\$ -		\$ (0.03)
1.35					
Weighted average number of common shares outstanding	20,520,835	-	-		20,520,835

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)
PLAN OF ARRANGEMENT

These unaudited pro forma statements of Blind Creek Resource Ltd. (“Blind Creek” or the “Company”) have been prepared for inclusion in the Information Circular of 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 Gold Mines Ltd. for the year ended November 30, 2017.

On January 19, 2018 the Company announced its intention to transfer its Engineer Gold Mine property and the adjoining Gold Hill Property which it acquired from Pan Andean in early 2017 together with certain claims it had previously acquired to Engineer Gold Mines Ltd. (“Engineer”), a wholly-owned subsidiary of the Company 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 Gold Mines Ltd. was incorporated January 17, 2018 and its registered office is located at 804 - 750 West Pender Street, Vancouver, British Columbia V6C 2T7.

1. 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 Resources Ltd. 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 Blind Creek for the transfer of certain of Blind Creek assets to Engineer.

The pro forma statements 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.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these unaudited pro forma financial statements are those set out in the November 30, 2017 Blind Creek Financial Statements.

3. PRO FORMA TRANSACTIONS

The unaudited pro forma financial statements incorporated 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 to Blind Creek.

SCHEDULE “J”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

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.

SCHEDULE “K”

BLIND CREEK AUDIT COMMITTEE CHARTER

**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.

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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 “L”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

**ENGINEER GOLD MINES LTD. MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEARS
ENDED NOVEMBER 30, 2017 AND 2016 FOR THE AUDITED CARVE-OUT FINANCIAL
STATEMENTS FOR THE YEARS ENDED NOVEMBER 30, 2017 AND 2016**

(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 Property 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 became fully permitted to conduct surface and underground exploration, mine dewatering, 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 exercisable for Engineer Gold Mines Units upon satisfaction of the Escrow Release Conditions. Each such Engineer Gold Mines 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.

c) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. 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.

d) Credit Risk

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.

e) 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.

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 market 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
	<u>(198,378)</u>

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
	<u>\$ 545,696</u>

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	1	1	1	1	1	1	1	1
outstanding								

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.

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.

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 off 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.

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.

f) Market Risk

g)

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.

h) 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.

i) Interest Rate Risk:

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.

j) Credit Risk

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.

k) 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.

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 market 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 an 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. Blind Creek 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

Engineer Gold Mines' had no general and administrative expenses and no resource property expenditures for the year ended November 30, 2016.

SCHEDULE “M”

TO THE MANAGEMENT INFORMATION CIRCULAR OF BLIND CREEK RESOURCES LTD.

**ENGINEER GOLD MINES LTD. MANAGEMENT DISCUSSION AND ANALYSIS FOR THE PERIOD
FROM INCORPORATION (JANUARY 17, 2018) TO FEBRUARY 28, 2018**

(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 market 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 any breaches 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 exercisable for Engineer Gold Mines Units upon satisfaction of the Escrow Release Conditions. Each such Engineer Gold Mines 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.

