BLACKJACK SILVER CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED December 31, 2022

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Blackjack Silver Corp. ("Blackjack" or the "Company") for the year ended December 31, 2022. The MD&A should be read in conjunction with the audited financial statements for the year ended December 31, 2022. The MD&A has been prepared effective September 5, 2023.

All dollar amounts are in United States Dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Except for the historical statements contained herein, this MD&A presents "forward-looking statements", within the meaning of Canadian securities legislation, that involve inherent risks and uncertainties and include predictions, projections, and forecasts. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "planning", "expects" or "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such forward-looking statements may include, among other items: plans for the future exploration activities; completion of a NI43-101 compliant resource estimate; and the timing for, or the ability to successfully obtain, a public listing on a recognized stock exchange.

Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indicators of whether such results will be achieved. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, but not limited to, the factors discussed above and elsewhere in this news release, as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the company to perform as agreed; the successful resolution of the Butte Silver Lead Zinc Project arbitration; changes in commodity prices; the interpretation and actual results of current exploration activities and mineralization; changes in project parameters as plans continue to be refined; the results of regulatory and permitting processes; future metals price; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; the results of economic and technical studies; delays in obtaining governmental and local approvals or financing or in the completion of exploration; timing of assay results; as well as those factors disclosed in Blackjack annual financial statements.

Although Blackjack has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

SCOPE OF ANALYSIS

The following is a discussion and analysis of Blackjack. The Company reports its financial results in United States dollars and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") effective for the year ended December 31, 2022.

HIGHLIGHTS

On July 31, 2023, Blackjack and ISLV entered into a Securities Exchange Agreement. The closing of this transaction on August 29, 2023 resulted in ISLV Partners, LLC ("ISLV") transferring to Blackjack its interest in Butte Blackjack Operating, LLC ("Butte Operating") which in turn has a 50 year lease on certain interests located in Butte, Montana ("Butte Property"). In return, Blackjack issued to ISLV 50,441,360 common shares and 35,215,106 common share purchase warrants. With the restructuring completed, Blackjack owns a 100% direct interest in Butte Operating.

On August 29, 2023, the Company closed a financing, raising $400,000 by issuing 1,000,000 common shares and 1,000,000 common share purchase warrants with an exercise price of $0.60 with an expiry date of August 29, 2025.

TRENDS

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

GENERAL BUSINESS AND DEVELOPMENT

Blackjack, a company incorporated on August 31, 2020 under the laws of Ontario, Canada, is engaged in the acquisition, exploration, development and extraction of natural resources, specifically precious metals. Its head office is located at 2702 – 401 Bay Street, Toronto, ON, Canada M5H 2Y4. It is the Company's goal to obtain a listing on a recognized Canadian stock exchange.

The Company notes that, although the exploration of its existing project is prospective, mineral exploration in general is uncertain. Risk factors to be considered in connection with the Company's search for, and acquisition of, additional mineral properties include: the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by the Company may not result in discoveries of commercial quantities of minerals; environmental risks; risks associated with land title; the competition faced by the Company; and the potential failure of the Company to generate adequate funding for any such acquisitions. Refer to the "Risks and Uncertainties" section for additional information.

On October 30, 2020, the Company entered into an agreement with ISLV to form a special purpose vehicle, Butte Operating, to hold the interests in the Butte Property. The Company paid US$2 million on October 30, 2020 to acquire a 25% interest in Butte Operating subject to an additional payment to ISLV of $2 million, by December 15, 2021, to complete its purchase of the 25% interest. On December 14, 2021, the Company paid the second instalment of US$2 million earning the Company a 25% interest in Butte Operating.

Under the terms of this agreement, during Phase 1, by making certain expenditures totaling $5 million by November 14, 2022, the Company's interest in Butte Operating would increase to 50%. During Phase 2 of the agreement, by spending an additional $5.8 million on certain activities by June 14, 2024, the ownership interest would increase to 75%. At any time on or after the commencement of Phase 2, ISLV had a put option, where it could force the Company to acquire the remaining 25% interest at 85% of fair market value which is to be calculated at that time.

On July 31, 2023, Blackjack and ISLV entered into a Securities Exchange Agreement. The restructuring transaction was completed on August 29, 2023. With the restructuring completed, Blackjack owns a 100% direct interest in Butte Operating. This agreement resulted in ISLV transferring its interest in Butte Operating to Blackjack. In return, Blackjack issued 50,441,360 common shares and 35,215,106 common share purchase warrants to ISLV.

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LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2022, the Company had a cash balance of $319,470 (December 31, 2021 - $1,379,527) and working capital of $1,172,501 (December 31, 2021 - $1,412,751).

The continuation of the Company as a going-concern is dependent on its ability to raise additional capital or debt financing, including on reasonable terms, in order to meet business objectives towards achieving profitable business operations.

SHARE CAPITAL AND OUTSTANDING SHARE DATA

Common Shares

Authorized – Unlimited Common shares without par value; and

Issued and Outstanding as at September 5, 2023: 114,478,876 (December 31, 2022: 61,762,516; December 31, 2021: 51,270,516)

On January 29, 2021, the Company completed a private placement offering for gross proceeds of $1,506,750. The Company issued 6,027,000 units at a price of $0.25 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.50 per warrant for a period of five years. These warrants were assigned a value of $546,657 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: risk free rate of 0.43%; expected life of 5 years; expected volatility 100%; and estimated share price $0.25. The Company also granted finder warrants valued at $42,499 with the private placement.

On February 24, 2021, the Company completed a private placement offering for gross proceeds of $1,158,500. The Company issued 4,634,000 units at a price of $0.25 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.50 per warrant for a period of five years. These warrants were assigned a value of $422,218 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: risk free rate of 0.73%; expected life of 5 years; expected volatility 100%; and estimated share price $0.25. The Company also granted finder warrants valued at $10,963 with the private placement.

On March 24, 2021, the Company completed a private placement offering for gross proceeds of $527,000.

The Company issued 2,108,000 units at a price of $0.25 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.50 per warrant for a period of five years. These warrants were assigned a value of $192,581 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: risk free rate of 0.92%; expected life of 5 years; expected volatility 100%; and estimated share price $0.25. The Company also granted finder warrants valued at $7,309 with the private placement.

On March 29, 2021, the Company completed a private placement offering for gross proceeds of $278,229. The Company issued 1,112,916 units at a price of $0.25 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.50 per warrant for a period of five years. These warrants were assigned a value of $101,744 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows: risk free rate of 0.97%; expected life of 5 years; expected volatility 100%; and estimated share price $0.25. The Company also granted finder warrants valued at $20,924 with the private placement.

On August 3, 2021, the Company completed a private placement offering for gross proceeds of $180,000 by issuing 720,000 units at a price of $0.25 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.50 per warrant for a period of five years. These warrants were assigned a value of $65,620 using the Black-Scholes valuation model. The underlying weighted average assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follow: risk free rate of 0.75%; expected life of 5 years; expected volatility 100%; and estimated share price $0.1593.

In relation to these non-brokered financings closed in 2021, the Company incurred $348,302 in share issue costs and issued 576,080 compensation share options. The value of the compensation options of $58,317 were estimated on the date of the grant using the Black-Scholes option-pricing model. Each compensation option is exercisable at $0.25 per option to acquire one unit, with each unit comprised of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one common share at a price of $0.25 per share for a period of five years.

On January 12, 2022, the Company completed a private placement offering for gross proceeds of $1,386,000 by issuing 2,772,000 units at a price of $0.50 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.75 per warrant for a period of two years. These warrants were assigned a value of $363,865 using the Black-Scholes valuation model.

On February 15, 2022, the Company completed a private placement offering for gross proceeds of $750,000 by issuing 1,500,000 units at a price of $0.50 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.75 per warrant for a period of two years. These warrants were assigned a value of $197,579 using the Black-Scholes valuation model.

On March 10, 2022, RSUs were exercised, resulting in 4,600,000 common shares being issued. These RSU's were assigned a value of $1,694,180.

On March 15, 2022, the Company completed a private placement offering for gross proceeds of $800,000 by issuing 1,600,000 units at a price of $0.50 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.75 per warrant for a period of two years. These warrants were assigned a value of $212,189 using the Black-Scholes valuation model.

On August 5, 2022, the Company completed a private placement offering for gross proceeds of $10,000 by issuing 20,000 units at a price of $0.50 per unit. The unit comprised of a common share and warrant. The warrant has an exercise price of $0.75 per warrant for a period of two years. These warrants were assigned a value of $2,667 using the Black-Scholes valuation model.

In consideration for Crescat Capital LLC's ("Crescat") efforts in securing an agreement with ISLV, and in return for Crescat making a $500,000 payment to ISLV, the Company issued to Crescat 1,275,000 common shares on April 19, 2023.

On July 31, 2023, Blackjack and ISLV entered into a Securities Exchange Agreement. That resulted in Blackjack issuing to ISLV 50,441,360 common shares and 35,215,106 common share purchase warrants.

On August 29, 2023, the Company closed a financing, raising $400,000 by issuing 1,000,000 common shares and 1,000,000 common share purchase warrants with an exercise price of $0.60 and a life of 2 years.

RESULTS OF OPERATIONS

During the year ended December 31, 2022, the Company incurred a net loss of $4,468,223 (year ended December 31, 2021 - $1,097,481). Stock-based compensation is non-cash in nature, with the expense recognized when the stock-based securities vest and calculated using the Black-Scholes option pricing model. During the year-ended December 31, 2022, the Company incurred an expense of $3,319,513 (year ended December 31, 2021 - $NIL).

During 2022, the Company allocated more costs to Butte Operating as more activity was considered related to the operations in Montana. This included consulting fees, general and administration expenses and professional fees, resulting in a decrease to these expenses year-over-year. Promotion costs increased due to efforts related to promoting the Company, and its project in Montana, with a view to attracting investors.

SELECTED QUARTERLY INFORMATION

SUMMARY OF FINANCIAL RESULTS FOR EIGHT MOST RECENTLY COMPLETED QUARTERS

The following table summarizes the financial results of operations for the eight most recent fiscal quarters:

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Expenses	32,293	355,837	151,186	3,358,384
Loss of associate	131,757	176,828	134,142	274,932
Net loss	106,542	471,618	259,131	3,630,932
Loss per share	0.00	0.01	0.00	0.06

	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Expenses	144,250	164,595	225,595	81,874
Loss of associate	213,241	105,254	138,128	31,375
Net loss	359,798	264,917	360,563	112,203
Loss per share	0.01	0.01	0.01	0.00

The pace of development of its properties will be determined by the Company's ability to raise capital. The ability of the Company to access new working capital through additional financings could be adversely affected by many factors including a downturn in mineral prices, a general economic downturn, poor results from exploration programs on its properties and a variety of other factors.

RELATED PARTY TRANSACTIONS

Related parties include officers, directors, close family members, other key management individuals, and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The Company incurred the following charges with directors and/or officers of the Company and/or companies controlled by them for the years ended December 31, 2022 and 2021:

	December 31, 2022 ($)	December 31, 2021 ($)
Consulting fees – Past President and CEO	**---**	103,740
Consulting - CFO	**---**	35,910
Stock-based compensation – Officers and Directors	**2,837,365**	---
Management fees – Chairman	**143,840**	71,820
	2,981,205	211,470

On March 7, 2022, the Company issued 4,450,000 restricted share units and 4,100,000 stock options to the Company's officers and directors.

CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the consolidated financial statements are:

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Significant accounting judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations that have the most significant effect on the amounts recognized in the Company's financial statements, are related to the functional currency assessment, measure of shares issued for non-cash consideration, related parties, the provision for reclamation and obligation, when and if deferred taxes are recoverable and the assumption that the Company will continue as a going concern.

The Company made a determination that its functional currency and that of its subsidiaries is the United States dollar. Management considered all of the relevant factors in making this determination.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company's financial instruments that are carried in the financial statements and how the fair value of financial instruments is measured.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into 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 the active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. prices) or indirectly (derived from prices).
- 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).

Categories of Financial Instruments	**December 31, 2022**	**December 31, 2021**
Financial Assets—amortized cost		
Cash	**$ 319,470**	$ 1,379,527
Amounts receivable	**27,023**	21,366
Financial Liabilities—amortized cost		
Accounts payable and accrued liabilities	**$ 38,632**	$ 25,794

The fair values of all the Company's financial instruments approximate the carrying value due to the short-term nature of the financial instruments. The Company's activities expose it to a variety of financial risks:

credit risk, liquidity risk and market risk (currency fluctuations, interest rates and commodity prices). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer is unable to meet its contractual obligations and arises principally from the Company's accounts receivable. The Company's cash is held with Canadian chartered banks.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company has established a standard of ensuring that it has enough resources available to withstand any downturn in the industry. As the Company's industry is very capital intensive, the majority of its spending is related to its capital programs. The Company prepares periodic capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on both operated and non-operated projects to further manage capital expenditures. The Company's goal is to prudently spend its capital while maintaining its credit reputation amongst its suppliers.

Market Risk

Market risk is the risk that changes in interest rates, foreign exchange rates and commodity and equity prices will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of the Canadian chartered bank.

Commodity and equity risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Equity price risk is the potential adverse impact on the Company's comprehensive earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of certain precious and base metals. Precious and base metals prices have fluctuated widely in recent years. There is no assurance that, even if commercial quantities of precious and base metals are produced in the future, a profitable market will exist for them.

CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying natural resource properties. The Company's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Company considers its capital structure to include cash and working capital. In order to maintain or adjust the capital structure, the Company may from time-to-time issue shares and adjust its capital spending to manage current and projected debt levels. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The December 31, 2022 financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates.

RISKS AND UNCERTAINTIES

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk and uncertainties that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.