BLACKJACK SILVER CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED December 31, 2021

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, 2021. The MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021. The MD&A has been prepared effective July 27, 2022.

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

HIGHLIGHT

COVID-19

Beginning in the first quarter of 2020, the outbreak of the novel strain of coronavirus ("COVID-19"), has resulted in governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused an economic slowdown and material disruption to certain businesses. Although management has experienced increased activity as a result of improved interest in the mining sector, travel restrictions imposed by various governments have created somewhat of a slow-down in the ability to transact business as a result of the self-isolating measures. Government has reacted with interventions intended to stabilize economic conditions. While Company operations have not been materially impacted, the duration and future impact of the COVID-19 outbreak and, more importantly, government's responses to it, is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial performance and financial position of the Company in future periods.

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 30, 2021.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. 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.

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. The Company intends on completing a prospectus for the purposes of going public on a 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 August 31, 2020, the Company entered into an agreement with ISLV Partners, LLC ("ISLV") to form a special purpose vehicle, Butte Blackjack Operating, LLC, ("Butte Operating") to hold the interests in the Butte properties. The Company paid $2 million on October 30, 2020 to acquire a 25% interest in Butte Operating. To maintain its 25% interest, the Company was required topay ISLV an additional $2 million by December 15, 2021, failing which its interest is reduced to 12.5%. On December 14, 2021, the Company paid another instalment of US$ 2million per the agreement, and thus the Company held a 25% interest in Butte Operating as at December 31, 2021.

During Phase 1 of the agreement, by making certain expenditures totaling $5 million by November 14, 2022, the Company's interest in Butte Operating increases 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 increases to 75%. At any time on or after the commencement of Phase 2, ISLV has a put option, where it can force the Company to acquire the remaining 25% interest at 85% of fair market value which is to be calculated at that time.

On August 1, 2021, Dan Hrushewsky was appointed President and CEO of the Company.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2021 the Company had a cash balance of $1,379,527 (December 31, 2020 - $3,180,737) and working capital of $1,412,751 (December 31, 2020 - $2,946,660).

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

<u>Common Shares</u>

Authorized – Unlimited Common shares without par value; and

Issued and Outstanding as at December 31, 2021: 51,270,516

Issued and Outstanding as at the date of this document: 61,742,516

On August 31, 2020, the Company was incorporated, and 1,000 shares were issued for a nominal value of $0.10.

On September 10, 2020, the Company issued 15,000,000 common shares to various shareholders as founders for finding and securing the Butte project in Montana. These shares were valued at $0.116 per common share and recorded as $1,740,000 in acquisition payments.

On September 28, 2020, the Company closed a private placement with its Chairman and CEO totaling $22,793 (C$30,000) who subscribed for 120,000 units at a price of CDN$0.25 per unit. Each unit is 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 CDN$0.25 per share for a period of three years. These warrants were assigned a value of $8,681 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 0.27%; expected life of 3 years; expected volatility 100%; and estimated share price $0.25.

On October 26, 2020, the Company closed a private placement with its Chairman and CEO who subscribed for 8,000,000 units at a price of $0.25 per unit for gross proceeds of $2,000,000. Each unit is 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 three years. These warrants were assigned a value of $761,411 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 0.21%; expected life of 3 years; expected volatility 100%; and estimated share price $0.25.

On December 4, 2020, the Company closed a non-brokered private placement totaling $768,100 by issuing 3,072,400 units priced at $0.25 per unit. Each unit is 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 $0.50 per share for a period of five years. These warrants were assigned a value of $299,881 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.

On December 14, 2020, the Company closed a non-brokered private placement totaling $1,873,250 by issuing 7,493,000 units priced at $0.25 per unit. Each unit is 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 US$0.50 per share for a period of five years. These warrants were assigned a value of $ 731,353 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 $70,716 with the private placement.

On December 30, 2020, the Company closed a non-brokered private placement totaling $745,550 by issuing 2,982,200 units priced at $0.25 per unit. Each unit is 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 $0.50 per share for a period of five years. These warrants were assigned a value of $ 291,077 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 $21,987 with the private placement.

In relation to these non-brokered financings closed in December 2020, the Company accrued $239,875 in share issue costs and issued 949,712 compensation share options. The value of the compensation options of $175,703 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 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.

RESULTS OF OPERATIONS

SELECTED QUARTERLY INFORMATION

During the year ended December 31, 2021, the Company incurred a net loss of $1,097,481. The major expenditures in 2021 were acquisition payments of $Nil, and advertising and promotion costs of $65,575.

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 (the Company started operations August 31, 2020):

	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

	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Expenses	174,402	1,744,165	---	---
Loss of associate	3,326	---		
Net loss	177,728	1,744,165	---	---
Loss per share	0.01	0.17	---	---

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 the Board of Directors, close family members, other key management individuals and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Included in 2021 consulting fees on the statement of operations is $71,820 paid to the Company's Chairman (2020 - $NIL), $103,740 paid to the Company's CEO (2020 - $3,727) and $35,910 paid to the Company's CFO (2020 - $3,727)

At December 31, 2021, the Company's Chairman was owed expenses totaling $8,216, which amount was included in accounts payable.

On September 10, 2020, the Company issued 15,000,000 common shares to various shareholders as founders for finding and securing the Butte project in Montana. These shares were valued at $0.116 per common share and recorded as $1,740,000 in share capital.

On September 10, 2020, the Company closed a private placement with its Chairman and CEO who subscribed for 120,000 units at a price of CDN$0.25 per unit. Each unit is 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 CDN$0.25 per share for a period of three years.

On October 26, 2020, the Company closed a private placement with its Chairman and CEO who subscribed for 8,000,000 units at a price of $0.25 per unit. Each unit is 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 three years.

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).

As at December 31, 2021 and 2020, the Company did not have any financial instruments measured at fair value.

Categories of Financial Instruments	December 31, 2021	December 31, 2020
Financial Assets—amortized cost		
Cash	**$1,379,527**	$ 3,180,737
Amounts receivable	**21,366**	3,290
Financial Liabilities—amortized cost		
Accounts payable and accrued liabilities	**$ 25,794**	$ 239,331

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, 2021 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.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this discussion, including information as to future activities, events and financial or operating performance of the Company and its projects, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties that could cause actual events or results to, differ materially from estimated or anticipated activities, events or results implied or expressed in such forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.

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", "believes", or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made.

Many factors could cause actual activities and events and the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. These include metal prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions.

These forward-looking statements are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainly therein.

OTHER INFORMATION

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