



SILVER HAMMER
MINING CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE SIX MONTHS ENDED MARCH 31, 2023

Table of Contents

INTRODUCTION.....	3
FORWARD - LOOKING INFORMATION	3
COMPANY OVERVIEW.....	3
FINANCIAL REPORTING AND DISCLOSURE DURING ECONOMIC UNCERTAINTY	4
FISCAL 2023 HIGHLIGHTS.....	4
SUBSEQUENT EVENTS.....	4
EXPLORATION AND EVALUATION ASSETS	5
CHANGE IN MANAGEMENT	7
SELECTED INFORMATION.....	7
SUMMARY OF QUARTERLY INFORMATION	8
RESULT OF OPERATIONS.....	8
LIQUIDITY AND CAPITAL RESOURCES	9
USE OF PROCEEDS.....	10
OUTSTANDING SHARE DATA	11
RELATED PARTY TRANSACTIONS AND BALANCES	12
OFF-BALANCE SHEET FINANCING ARRANGEMENTS.....	14
CRITICAL ACCOUNTING ESTIMATES.....	14
NEW ACCOUNTING STANDARDS	14
COMMITMENTS	14
CONTINGENCIES.....	14
FINANCIAL INSTRUMENTS	14
RISKS AND UNCERTAINTIES	15
MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS	18

INTRODUCTION

This Management Discussion and Analysis (the “MD&A”) of Silver Hammer Mining Corp.’s (“Silver Hammer” or the “Company”) financial position and results of operations for the six months ended March 31, 2023 is prepared as at May 30, 2023. This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company and the notes relating thereto, for the six months ended March 31, 2023. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All financial amounts are stated in Canadian currency unless stated otherwise. Additional information relating to the Company is filed on SEDAR at www.sedar.com.

FORWARD - LOOKING INFORMATION

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

Except for statements of historical fact, this MD&A contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under “Risks and Uncertainties” as well as in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

COMPANY OVERVIEW

The Company was formed on May 2, 2017 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 206-595 Howe Street, Vancouver, British Columbia, Canada.

The Company’s common shares are listed on the Canadian Securities Exchange under the symbol “HAMR”.

SILVER HAMMER MINING CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Six Months Ended March 31, 2023

(Expressed in Canadian Dollars)

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at March 31, 2023, the Company holds interests in early-stage mineral exploration properties and the Company has not yet determined whether the Company's mineral property assets contain a deposit of minerals that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company has four wholly-owned subsidiaries, Silver Strand Exploration Corp. ("Silver Strand"), 123456 US Inc. ("123456 US"), 1304562 BC Ltd. ("BCCO"), and 1304562 Nevada Ltd. ("1304562 Nevada"). Silver Strand and 123456 US became wholly-owned subsidiaries on June 16, 2021, as discussed below. BCCO and 1304562 Nevada became wholly-owned subsidiaries on September 2, 2021, as discussed below.

FINANCIAL REPORTING AND DISCLOSURE DURING ECONOMIC UNCERTAINTY

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic; the Company has not been significantly impacted by the spread of COVID-19. However, the ongoing COVID-19 pandemic, inflationary pressures, rising interest rates, the global financial climate and the conflict in Ukraine are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to raise funds at this time.

FISCAL 2023 HIGHLIGHTS

- On October 25, 2022, the Company reported soil sampling results at the Eliza Project.
- On November 23, 2022, the Company announced the appointment of Warwick Smith as the Company's new Interim President and Interim CEO upon Morgan Lekstrom's resignation as President and CEO.
- On January 4, 2023, the Company reported drill results from the Phase II drilling program at the Silver Strand Project.
- On February 15, 2023, the Company announced the appointment of Peter A. Ball as President, CEO and Director of the Company, replacing Interim President and CEO Warwick Smith. Warwick Smith will continue as an Advisor to the Company. The Company also granted 1,750,000 options with an exercise price of \$0.24 to its directors, officers, employees and consultants. 100,000 options were granted to an IR consultant. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.
- On March 15, 2023, the Company announced the appointment of Donald Birak as Board Advisor to the Company. The Company also granted 185,000 options with an exercise price of \$0.24 to Mr. Birak. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.

SUBSEQUENT EVENTS

- On April 3, 2023, the Company announced that it completed a property-wide geophysical compilation at its Silver Strand Project. Results were very positive and highlighted multiple new priority targets for the Company's 2023 exploration program.
- On April 5, 2023, the Company filed NI 43-101 Technical Report for the Silver Strand Project in Idaho and announced the voting results from the 2023 Annual General Meeting.
- On April 11, 2023, the Company announced that it has submitted a Plan of Operations to the United States Forest Service to explore its Silver Strand Project.
- On April 18, 2023, the Company announced that it has engaged Precision GeoSurveys for property-wide airborne magnetic and radiometric surveys at both the Eliza and Silverton Projects in Nevada.

SILVER HAMMER MINING CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Six Months Ended March 31, 2023

(Expressed in Canadian Dollars)

- On May 1, 2023, the Company announced a best-efforts private placement of up to 12,000,000 units (the “Units”) of the Company at a price of \$0.25 per Unit for gross proceeds of up to \$3,000,000 pursuant to the listed issuer financing exemption available under Part 5A of National Instrument 45-106 – Prospectus Exemptions (the “Offering”). Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each warrant will be exercisable at \$0.33 for a period of 24 months following the closing date.
- On May 2, 2023, the Company announced that it has submitted a Plan of Operations to the Humboldt-Toiyabe National Forest Ranger District of the United States Forest Service to explore its Eliza Silver Project.
- On May 24, 2023, closed an initial tranche of its Offering for gross proceeds of \$1,824,125.

EXPLORATION AND EVALUATION ASSETS

Philip Mulholland, P.Geo. is the designated Qualified Person (“QP”) under National Instrument 43-101 (NI 43-101), who has reviewed and approved the technical information disclosed in this MD&A.

Silver Strand Project

The Silver Strand Project has a 5.5 km strike length in the Coeur d’Alene mining district in Idaho. Located in north Idaho’s Silver Valley along Interstate 90, the district has been a significant producer of silver globally, with an aggregate total of more than 1.2 billion ounces of silver being recovered since the late 1880’s, along with major quantities of lead and zinc. Presently operating underground mines are exploiting orebodies up to 1,800 meters below surface.

Asset Purchase Agreement with Silver Strand Development LLC

On June 16, 2021, the Company completed the acquisition (the “SS Acquisition”) of all the issued and outstanding securities of Silver Strand. As a result of the SS Acquisition, the Company, through its’ wholly owned subsidiary 123456 US, entered into an asset purchase agreement with a third party, Silver Strand Development LLC (“SSD”), (the “SSD Agreement”) to acquire a 100% interest in certain mineral claims (the “SSD Claims”) located in the State of Idaho, USA.

To acquire 100% interest of the SSD Claims, the Company will have to:

- Pay US\$10,000 to SSD for the transfer of the title to 123456 US of the SSD Claims (the “Transfer of Title”) (paid);
- Pay US\$25,000 to SSD within 5 business days of the SS Acquisition (paid – \$31,171);
- Issue 200,000 common shares of the Company to SSD at the date of the SS Acquisition (issued with fair value of \$50,000);
- Pay US\$25,000 to SSD on the anniversary following the completion of the SS Acquisition (paid – \$32,371); and
- Issue 200,000 common shares of the Company to SSD on the anniversary following the completion of the SS Acquisition (issued with a fair value of \$73,000).

On January 4, 2023, the Company reported drill results from the Phase II drilling program. The Company completed nine drillholes from its previously established underground drilling station that were generally focused on testing the historically mined zone of gold-silver (“Au-Ag”) mineralization at greater depth and further along strike. Going forward, the Company will be updating its 3D model of the Silver Strand deposit, incorporating lithological and alteration information as well as the multi-element geochemical data produced by the drillhole assays from the two drilling programs.

On April 3, 2023, the Company announced that it completed a property-wide geophysical compilation at its Silver Strand Project. Results were very positive and highlighted multiple new priority targets for the Company’s 2023 exploration program. Fifteen moderate to priority exploration target zones were identified from the geophysical surveys. The highest ranked targets are associated with chargeability anomalies and moderate to low conductivity. Most of the targets are located within the Revett Formation, which hosts the Silver Strand Mine.

On April 5, 2023, the Company filed NI 43-101 Technical Report for the Silver Strand Project. The Technical Report is available for review under the Company's profile on SEDAR at www.sedar.com and the Company's website at www.silverhammermining.com.

On April 11, 2023, the Company announced that it has submitted a Plan of Operations to the United States Forest Service to explore its Silver Strand Project. The Plan of Operations includes a proposal for surface disturbance, outlines a comprehensive property-wide exploration program, exploration follow-up on 2021 and 2022 exploration results and evaluation of several priority drill targets.

Eliza Silver Project and Silverton Silver Project

On September 2, 2021, the Company completed the acquisition (the "BCCO Acquisition") of all the issued and outstanding securities of BCCO. As a result of the BCCO Acquisition, the Company now owns a 100% interest in the Eliza Silver Project and the Silverton Silver Project.

Eliza Silver Project

The Eliza Silver Project is located in the general area of the Hamilton silver mining district in western White Pine County, Nevada. A number of small high-grade silver mines and prospects were developed in the district in the late 1800's.

During the year ended September 30, 2022, the Company entered into an asset purchase agreement with Treasure Hill Resources LLC ("TH Resources") to acquire certain patented mining claims and associated property rights in White Pine County, Nevada (the "California Patent") with an amount of \$31,263 (US\$25,000). TH Resources will retain a 1% NSR from the production of minerals from the California Patent.

On October 25, 2022, the Company reported soil sampling results that have defined significant anomalies that extend well beyond the small historical mine areas. A total of 518 soil samples were collected from the northern area of Eliza with results ranging from below detection limit to 26.95 grams per tonne silver. The purpose of the soil sampling program was to further define the extent of mineralization within the northern area and examine any geochemical patterns that may exist. The soil sampling program has outline four distinct areas, which are now being further evaluated. The historic mining areas include the California, Passynak and Belmont mines; a new fourth area, the Western Anomaly will also be addressed going forward.

On April 18, 2023, the Company announced that it has engaged Precision GeoSurveys for property-wide airborne magnetic and radiometric surveys at the Eliza Silver Project. The helicopter supported surveys will use magnetic sensors flown in non-magnetic and non-conductive nose stinger configuration, with gamma sensors internal to the aircraft away from variable fuel cell attenuation, to allow for reduced terrain clearance minimizing noise and improving resolution and accuracy.

On May 2, 2023, the Company announced that it has submitted a Plan of Operations to the Humboldt-Toiyabe National Forest Ranger District of the United States Forest Service to explore its Eliza Silver Project. The Plan of Operations proposes 17 drill sites, 1.3 kilometres of road construction and rehabilitation and up to 2,100 metres of drilling. It also outlines a comprehensive exploration program including an aerial geophysical program, geologic mapping and structural analysis.

Silverton Silver Project

The Silverton Project is located in south-central Nevada about 100 kilometers southwest of the Eliza Project. The Company's original six-claim mineral property covers the historic Silverton mine, a small 19th century producer of silver.

SILVER HAMMER MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
For the Six Months Ended March 31, 2023
(Expressed in Canadian Dollars)

During the year ended September 30, 2022, the Company made a reclamation deposit of US\$22,600 as collateral for the project in the event of future operations. As of March 31, 2023, the balance of the reclamation deposit was \$30,577 (US\$22,600) (September 30, 2022 – \$31,049 (US\$22,600)).

On April 18, 2023, the Company announced that it has engaged Precision GeoSurveys for property-wide airborne magnetic and radiometric surveys at the Silverton Silver Project. The helicopter supported surveys will use magnetic sensors flown in non-magnetic and non-conductive nose stinger configuration, with gamma sensors internal to the aircraft away from variable fuel cell attenuation, to allow for reduced terrain clearance minimizing noise and improving resolution and accuracy.

CHANGE IN MANAGEMENT

On November 23, 2022, the Company announced the appointment of Warwick Smith as the Interim President and Interim CEO. The Company also announced the resignation of Morgan Lekstrom as President and CEO of the Company.

On February 15, 2023, the Company announced the appointment of Peter A. Ball as President, CEO and Director of the Company. Warwick Smith will continue as an Advisor to the Company.

On March 15, 2023, the Company announced the appointment of Donald Birak as Board Advisor to the Company.

SELECTED INFORMATION

	For the six months ended		
	March 31, 2023	March 31, 2022	March 31, 2021
	\$	\$	\$
Operating expenses	1,126,871	849,411	57,493
Interest and miscellaneous income	-	-	-
Net loss for the period	(1,126,871)	(849,411)	(57,493)
Comprehensive loss for the period	(1,167,363)	(866,972)	(57,493)
Basic and diluted loss per share:			
- net loss	(0.02)	(0.02)	(0.01)

As at	March 31, 2023	September 30, 2022	September 30, 2021
	\$	\$	\$
Working capital	357,780	1,371,934	1,640,916
Total assets	8,336,878	9,350,541	7,894,134
Total liabilities	143,528	352,723	274,852
Share capital	11,281,349	11,281,349	8,154,807
Deficit	4,932,867	3,805,996	1,766,365

The fluctuation in operating expenses and corporate costs is attributable to variations in various expense items, such as management and consulting fees, investor relations and promotions, professional fees, regulatory and transfer agents, travel and general and administrative expenses, which occur due to the administrative, exploration and fund-raising activities occurring during a particular period and to the availability of funds in those periods to pay for those activities. There is no seasonality to these variations, nor are they indicative of any trend. As the Company became more active and undertook acquisitions during the year ended September 30, 2022 and subsequently continued exploration activities into the September 30, 2023 fiscal year, the related expenditures and total assets fluctuated accordingly compared to prior periods.

SUMMARY OF QUARTERLY INFORMATION

	Three months ended			
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
	\$	\$	\$	\$
Interest income	-	-	-	-
Net loss	(837,741)	(289,130)	(639,373)	(550,847)
Comprehensive loss	(839,947)	(327,416)	(477,167)	(506,133)
Basic and diluted loss per share	(0.02)	(0.00)	(0.01)	(0.01)

	Three months ended			
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
	\$	\$	\$	\$
Interest income	-	-	-	-
Net loss	(401,195)	(448,216)	(315,160)	(1,193,295)
Comprehensive loss	(421,702)	(445,270)	(307,990)	(1,193,295)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.09)

The variations in operating expenses in the previous periods are primarily a result of the Company completing its exploration and evaluation asset acquisitions and listing on the Canadian Securities Exchange. Fluctuations reported were the result of the level of activity of the Company in each given reporting period.

RESULT OF OPERATIONS

Three Months Ended March 31, 2023 compared with the Three Months Ended March 31, 2022

The Company is in the exploration stage and has no revenue from operations. During the three months ended March 31, 2023, the Company recorded a net loss of \$837,741, an increase of \$436,546, compared to a net loss of \$401,195 for the three months ended March 31, 2022. The increase in net loss was a result of increased business and exploration activity.

During the three months ended March 31, 2023, the Company incurred the following significant expenditures:

- Consulting fees of \$76,000 (March 31, 2022 – \$76,500) which includes general consulting services, corporate advisory services as well as fees paid of:
 - \$25,000 (March 31, 2022 - \$nil) to the Company’s current President and CEO; and
 - \$25,000 (March 31, 2022 - \$nil) to the Company’s Former Interim President and CEO (related party);
- General and administrative of \$117,722 (March 31, 2022 - \$14,670) which were incurred as a result of a direct hire placement fee paid to The Personnel Department Ltd. in recruiting the current President and CEO;
- Investor relations and promotion of \$153,661 (March 31, 2022 – \$175,448) which were incurred as a result of marketing and advisory services, social media services, conferences and seminars attended by the Company and business and corporate development services;
- Professional fees of \$95,461 (March 31, 2022 – \$122,070) which were paid for corporate secretary services, legal fees, audit, accounting and tax fees. Accounting fees of \$33,280 (March 31, 2022 – \$33,280) were paid to Quantum Advisory Partners LLP (related party), a partnership in which the CFO is an incorporated partner;
- Regulatory and transfer agents of \$14,283 (March 31, 2022 – \$12,985) which were paid to the Canadian Securities Exchange for listing fees as well as transfer agent and AGM fees paid to Endeavor Trust Corporation and Broadridge; and
- Share-based payments of \$362,895 (March 31, 2022 - \$nil) was recognized as a result of the number of options granted during the three months ended March 31, 2023.

Six Months Ended March 31, 2023 compared with the Six Months Ended March 31, 2022

The Company is in the exploration stage and has no revenue from operations. During the six months ended March 31, 2023, the Company recorded a net loss of \$1,126,871, an increase of \$277,460, compared to a net loss of \$849,411 for the six months ended March 31, 2022. The increase in net loss was a result of increased business and exploration activity.

During the six months ended March 31, 2023, the Company incurred the following significant expenditures:

- Consulting fees of \$152,000 (March 31, 2022 – \$153,000) which includes general consulting services, corporate advisory services as well as fees paid of:
 - \$25,000 (March 31 2022 - \$nil) to the Company's current President and CEO,
 - \$37,500 (March 31, 2022 - \$nil) to the Company's Former Interim President and CEO (related party); and
 - \$37,500 (March 31, 2022 - \$75,000) to the Company's Former President and CEO (related party);
- General and administrative of \$134,244 (March 31, 2022 - \$31,830) which were incurred as a result of a direct hire placement fee paid to The Personnel Department Ltd. in recruiting the current President and CEO;
- Investor relations and promotion of \$300,833 (March 31, 2022 – \$431,124) which were incurred as a result of marketing and advisory services, social media services, conferences and seminars attended by the Company and business and corporate development services;
- Professional fees of \$142,540 (March 31, 2022 – \$195,141) which were paid for corporate secretary services, legal fees, audit, accounting and tax fees. Accounting fees of \$64,480 (March 31, 2022 – \$65,000) were paid to Quantum Advisory Partners LLP (related party), a partnership in which the CFO is an incorporated partner;
- Regulatory and transfer agents of \$20,983 (March 31, 2022 – \$23,592) which were paid to the Canadian Securities Exchange for listing fees as well as transfer agent and AGM fees paid to Endeavor Trust Corporation and Broadridge; and
- Share-based payments of \$362,895 (March 31, 2022 - \$nil) was recognized as a result of the number of options granted during the six months ended March 31, 2023.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2023, the Company had working capital of \$357,780 (September 30, 2022 – \$1,371,934) including cash of \$376,406 (September 30, 2022 – \$1,427,556).

Negative cash outflows of \$884,609 were recorded from operating activities during the six months ended March 31, 2023. This is primarily due to outflows relating to consulting fees, general and administrative, investor relations and promotion, professional fees, regulatory and transfer agents and travel.

The Company's activities have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained then the Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

On May 1, 2023, the Company announced a private placement of up to 12,000,000 units of the Company at a price of \$0.25 per unit for gross proceeds of up to \$3,000,000. Each unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each warrant will be exercisable at \$0.33 for a period of 24 months following the closing date.

SILVER HAMMER MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
For the Six Months Ended March 31, 2023
(Expressed in Canadian Dollars)

USE OF PROCEEDS

April 2021

The proposed use of proceeds for the April 2021 initial public offering consisted of exploration activity on the Company's Lacy Property and for general working capital purposes.

The following tables sets forth the intended and actual use of proceeds from the April offering:

Intended Use of Proceeds of April 2021 Initial Public Offering	Actual Use of Proceeds from April 2021 Initial Public Offering	(Over)/under expenditure	Explanation of Variance and impact on business objectives	
\$	\$	\$		
To complete the recommended exploration program on the Lacy Property for 12 months	105,950	101,788	4,162	Actual expenditures came under budget; no impact on business objective.
To provide funding sufficient to meet administrative costs for 12 months	91,872	130,534	(38,662)	Additional working capital to fund operations; no impact on business objective.
Agent's commission	24,000	24,000	-	N/A
Agent's corporate finance fee	25,000	7,500	17,500	Actual fees assessed; no impact on business objective.
Estimated expenses of the offering	49,000	32,000	17,000	Actual fees assessed; no impact on business objective.
Estimated working capital as at February 28, 2021	5,822	5,822	-	N/A
Total	301,644	301,644	-	

June 2021

The proposed use of proceeds for the June 2021 unit offering consisted of exploration activities on the Company's Lacy Property, exploration on Silver Strand Project and for general working capital purposes.

The following table sets forth the actual use of proceeds from the June 2021 unit offering:

Actual Use of Proceeds from June 2021 Unit Offering		\$
Exploration on the Lacy Property		-
Exploration on the Silver Strand Project		1,177,296
Exploration on the Eliza Silver Project		93,803
Exploration on Silvertown Silver Project		55,087
General working capital purposes		2,195,304
Total		3,521,490

June 2022

The proposed use of proceeds for the June 2022 unit offering consists of exploration of the Silver Strand Project in Idaho, the Eliza Silver Project in Nevada, the Silverton Silver-Gold Project in Nevada, and for general and working capital purposes. The Company has allocated funds to date consistent with the proposed use of funds.

Variances from the intended and actual use of proceeds are a result of exploration which was focused on the Silver Strand Project and the Eliza Silver Project as initially proposed for the Lacy Property. The focus has been on the drill program at the Silver Strand Project as well as the rock sampling program at the Eliza Silver Project.

OUTSTANDING SHARE DATA

At March 31, 2023, the Company had 46,713,662 (September 30, 2022 – 46,713,662) common shares issued and outstanding with a value of \$11,281,349 (September 30, 2022 – \$11,281,349).

Escrow Shares

On March 4, 2021, the Company entered into an escrow agreement pursuant to National Policy 46-201 *Escrow for Initial Public Offerings*, whereby common shares will be held in escrow and are scheduled for release as follows:

- On the Listing Date: 250,000 common shares (released)
- On November 3, 2021: 375,000 common shares (released)
- On May 3, 2022: 375,000 common shares (released)
- On November 3, 2022: 375,000 common shares (released)
- On May 3, 2023: 375,000 common shares (released subsequent to March 31, 2023)
- On November 3, 2023: 375,000 common shares
- On May 3, 2024: 375,000 common shares

As of March 31, 2023, there were 1,125,000 common shares held in escrow (September 30, 2022 – 1,500,000).

During the six months ended March 31, 2023

- No share capital transactions occurred.
- No warrants were issued, exercised or expired.
- The Company granted 750,000 options with an exercise price of \$0.24 to its newly appointed President and CEO. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.
- The Company granted 1,000,000 options with an exercisable price of \$0.24 to its directors, officers, employees and consultants. 100,000 options were granted to an IR consultant. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.
- The Company granted 185,000 options with an exercise price of \$0.24 to its Board Advisor. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.
- 300,000 options previously granted to a former officer of the Company were cancelled.

Subsequent to March 31, 2023

- 61,250 warrants were exercised for proceeds of \$6,125.
- On May 1, 2023, the Company announced a best-efforts private placement of up to 12,000,000 units (the “Units”) of the Company at a price of \$0.25 per Unit for gross proceeds of up to \$3,000,000 pursuant to the listed issuer financing exemption available under Part 5A of National Instrument 45-106 – Prospectus Exemptions (the “Offering”). Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each warrant will be exercisable at \$0.33 for a period of 24 months following the closing date.

The private placement is conducted by Echelon Wealth Partners Inc. (“Echelon”) as lead agent and bookrunner, along with a syndicate of agents, (together with Echelon, the “Agents”).

At the closing of the private placement, the Company will pay to the Agents a cash commission equal to 8% of the aggregate gross proceeds of the private placement and will issue the broker warrants to the Agents equal to 8% of the number of units sold under the private placement, each broker warrant is exercisable for a period of 24 months following the closing of the private placement to acquire a common share at an exercise price at \$0.25.

- On May 24, 2023, closed an initial tranche of its Offering for gross proceeds of \$1,824,125.

As at the date of this MD&A, the Company had the following common shares, options and warrants issued and outstanding:

- 54,191,412 common shares;
- 15,408,738 Warrants with exercise prices ranging from \$0.25 to \$0.50; and
- 4,035,000 stock options with exercise prices ranging from \$0.24 to \$0.65.

RELATED PARTY TRANSACTIONS AND BALANCES

The Company’s related parties as defined as IAS 24, Related Party Disclosures, include the Company’s subsidiaries and the following directors, executive officers, key management personnel, and enterprises which are controlled by these individuals:

Related Party	Relationship
Peter A. Ball	President, CEO and Director
Alnesh Mohan	CFO, Director and Corporate Secretary
Lawrence Roulston	Director
Joness Lang	Director
Ron Burk	Director, Technical Advisor
Quantum Advisory Partners LLP	A partnership in which the CFO is a partner
Warwick Smith	Former Interim CEO, Former Interim President
Morgan Lekstrom	Former CEO and Former President
Michael Dake	Former Director, Former CEO and Former Corporate Secretary
David Grandy	Former Director
Sean McGrath	Former Director
All Mine Consulting	A company controlled by the Former CEO and Former President
Harbourside Consulting	A company controlled by the Former Interim CEO and Former Interim President

SILVER HAMMER MINING CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
For the Six Months Ended March 31, 2023
(Expressed in Canadian Dollars)

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following table discloses the total compensation incurred to the Company's key management personnel during the six months ended March 31, 2023 and 2022:

	For the six months ended	
	March 31, 2023	March 31, 2022
	\$	\$
Peter Ball, CEO, President, Director⁽¹⁾		
Consulting fees	25,000	-
Share-based payments	145,992	-
	170,992	-
Alnesh Mohan, CFO, Director, Corporate Secretary⁽²⁾		
Professional fees	64,480	65,000
Share-based payments	36,011	-
	100,491	65,000
Lawrence Roulston, Director		
Share-based payments	36,011	-
	36,011	-
Joness Lang, Director		
Share-based payments	36,011	-
	36,011	-
Ron Burk, Director, Technical Advisory		
Share-based payments	36,011	-
	36,011	-
Morgan Lekstrom, Former CEO, Former President⁽³⁾		
Consulting fees	37,500	75,000
	37,500	75,000
Warwick Smith, Former Interim CEO, Former Interim President, Former Director⁽⁴⁾		
Consulting fees	37,500	-
	37,500	-
TOTAL	454,516	140,000

(1) Paid to Ariston Capital Corp.

(2) Paid to Quantum Advisory Partners LLP, a partnership in which the CFO is an incorporated partner, for professional services including accounting support.

(3) Paid to All Mine Consulting.

(4) Paid to Harbourside Consulting.

SILVER HAMMER MINING CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Six Months Ended March 31, 2023

(Expressed in Canadian Dollars)

The balances due to the Company's directors and officer included in accounts payables and accrued liabilities were \$33,906 as at March 31, 2023 (September 30, 2022 – \$11,156) of which \$20,924 is owed to Ariston Capital Corp. (September 30, 2022 - \$nil) and \$12,982 owed to Quantum Advisory Partners LLP (September 30, 2022 - \$11,156). These amounts are unsecured, non-interest bearing and payable on demand.

Unless otherwise noted, all related party balances are unsecured, non-interest bearing with no fixed terms of repayment.

OFF-BALANCE SHEET FINANCING ARRANGEMENTS

As of March 31, 2023, and the date of this MD&A, the Company did not have any off-balance sheet financing arrangements.

CRITICAL ACCOUNTING ESTIMATES

The financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

NEW ACCOUNTING STANDARDS

There were no new or amended IFRS pronouncements effective October 1, 2022 that impacted the Company's unaudited condensed consolidated interim financial statements for the six months ended March 31, 2023.

COMMITMENTS

The Company does not have any significant commitments except for the mineral property commitments noted above under Exploration and Evaluation Assets.

CONTINGENCIES

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay damages in any form by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

FINANCIAL INSTRUMENTS

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to

these risks are provided in various tables in note 9 of our unaudited condensed consolidated interim financial statements for the six months ended March 31, 2023. For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to note 2 of the financial statements for the year ended September 30, 2022.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring and exploring mineral properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subjected to variations in commodity prices, market sentiment, exchange rates for currency, inflations and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

Insufficient Capital

The Company does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Company will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Company's interest in the Silver Strand Project, the Eliza Silver Project and the Silverton Silver Project.

There can be no assurance that financing will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs until the Company achieves positive cash flow. If the Company is unable to obtain the financing necessary to support its operations, it may be unable to continue as a going concern. The Company currently has no commitments for any credit facilities such as revolving credit agreements or lines of credit that could provide additional working capital. The Company has no long-term debt, capital lease obligations, operating leases or any other long-term obligations.

Negative Operating Cash Flow

The Company has negative operating cash flow. The failure of the Company to achieve profitability and positive operating cash flows could have a material adverse effect on the Company's financial condition and results of operations. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of its cash reserves to fund such negative cash flow. The Company expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its properties. There is no guarantee that the Company will ever be profitable.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and

environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will, in part, be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Permits and Government Regulations

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Company's properties. On March 24, 2022, the Company received permits to drill at Silverton Project. The Company currently does not have any permits in place for any of other projects.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

Fluctuating Mineral Prices and Currency Risk

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in

mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in US dollars.

Management

The success of the Company is currently largely dependent 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 the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Public Health Crisis

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, on March 12, 2020, the World Health Organization declared the outbreak a pandemic and on March 13, 2020, the U.S. declared that the COVID-19 outbreak in the United States constitutes a national emergency. Over the past couple of years, there were a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and China. The outbreak has also caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary and a number of jurisdictions, including in Canada and the United States, have started to lift certain COVID-19 related restrictions, the duration of the various disruptions to businesses locally and internationally and related financial impact cannot be reasonably estimated at this time.

Public health crises such as COVID-19 can result in volatility and disruptions in the supply and demand for gold, silver and other metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest.

While the impact of the COVID-19 pandemic is not expected to last indefinitely, the circumstances relating to the pandemic are dynamic and its impacts on the Company's business operations cannot be reasonably estimated at this time. However, it is not expected that the COVID-19 pandemic will have a material adverse impact on the Company's business, results of operations, financial position and cash flows in 2023 and going forward. As the government decreed that mining has been determined an essential service, the Company has resumed operations and have put in place the appropriate safety policies and procedures related to COVID-19.

Current Global Financial Condition

Current global financial conditions have been subject to increased volatility. Access to financing has been negatively impacted by both sub-prime mortgages in the United States and elsewhere and the liquidity crisis affecting the asset-backed commercial paper market. As such, the Company is subject to counterparty risk and liquidity risk. The Company is exposed to various counterparty risks including, but not limited to: (i) through financial institutions that hold the Company's cash; (ii) through companies that have payables to the Company; and (iii) through the Company's insurance providers. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Common Shares could be adversely affected.

SILVER HAMMER MINING CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Six Months Ended March 31, 2023

(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.