



**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**For the three-month periods ended March 31, 2018 and 2017**

In Canadian dollars

UNAUDITED

**MAYA GOLD & SILVER INC.**

**Notice to Reader**

The accompanying unaudited condensed interim consolidated financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements.

**Maya Gold & Silver Inc.**  
**Condensed Interim Consolidated Statements of Financial Position**  
(in Canadian dollars) (Unaudited)

	March 31, 2018	December 31, 2017
	\$	\$
<b>ASSETS</b>		
Current		
Cash	11,399,526	7,063,991
Accounts receivable	38,073	16,854
Sales taxes receivable	1,802,791	1,575,668
Inventories	2,536,107	2,034,615
Prepaid expenses and security deposits	100,206	29,164
	15,876,703	10,720,292
Non-current		
Restricted investment	10,000	10,000
Non-refundable deposits to suppliers	233,647	230,834
Property, plant and equipment (Note 4)	20,989,806	20,513,375
Exploration and evaluation assets (Note 5)	5,452,612	4,939,024
<b>TOTAL ASSETS</b>	<b>42,562,768</b>	<b>36,413,525</b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	5,413,175	5,016,389
Interest and net profit interest payable to a related party (Note 13)	525,992	498,176
Balance of purchase price payable (Note 5b)	1,321,187	1,969,497
Current portion of long-term debt (Note 6)	105,000	100,868
	7,365,354	7,584,930
Non-current		
Long-term debt (Note 6)	7,775,800	7,619,462
Balance of purchase price payable (Note 5b)	1,528,141	1,467,998
Asset retirement obligations	1,462,737	1,456,059
<b>TOTAL LIABILITIES</b>	<b>18,132,032</b>	<b>18,128,449</b>
<b>EQUITY</b>		
Share capital (Note 8)	62,130,144	50,985,822
Share capital to be issued (Note 8)	-	3,267,247
Share purchase warrants (Note 8b)	1,377,751	2,318,247
Share purchase options (Note 9)	674,410	1,256,360
Contributed surplus	6,965,204	6,861,204
Deficit	(46,590,327)	(46,067,484)
Accumulated other comprehensive income (loss)	(126,446)	(336,320)
<b>TOTAL EQUITY</b>	<b>24,430,736</b>	<b>18,285,076</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>42,562,768</b>	<b>36,413,525</b>

Contingency (Note 14) and Event after the reporting date (Note 15)  
The accompanying notes are an integral part of these condensed interim consolidated financial statements.

On behalf of the Board,

*/s/ Nouredine Mokaddem*  
Nouredine Mokaddem, President, CEO, Director

*/s/ Mpoyi Patrick Musampa*  
Mpoyi Patrick Musampa, Chief Financial Officer

# Maya Gold & Silver Inc.

## Condensed Interim Consolidated Statements of Comprehensive Loss

(in Canadian dollars) (Unaudited)

	Three-month period ended March 31, 2018	Three-month period ended March 31, 2017
	\$	\$
<b>Expenses</b>		
Management and administration (Note 10)	221,002	419,252
Investor relations and corporate development	56,897	91,888
Loss (gain) on foreign exchange	58,651	(126,031)
<b>Operating loss</b>	(336,550)	(385,109)
Royalty	37,186	82,006
Net profit interest expense to a related party (Note 13)	27,816	93,395
Finance expense (Note 10)	115,093	172,141
<b>Loss before income taxes</b>	(516,645)	(732,651)
Income tax expense	(6,198)	(109,675)
<b>Net loss</b>	(522,843)	(842,326)
<b>Other comprehensive loss</b>		
<b>Items that will be subsequently reclassified to net loss</b>		
Foreign currency translation of foreign subsidiary	209,874	(26,079)
	209,874	(26,079)
<b>Comprehensive loss</b>	(312,969)	(868,405)
Basic and diluted loss per common share	(0.01)	(0.02)
Weighted average number of shares – basic and diluted	61,125,575	51,163,964

*The accompanying notes are an integral part of these condensed interim consolidated financial statements.*

**Maya Gold & Silver Inc.**  
**Condensed Interim Consolidated Statements of Changes in Equity**  
(in Canadian dollars) (Unaudited)

	Number of issued and outstanding shares	Share capital	Share capital to be issued	Share purchase warrants	Share purchase options	Equity component of convertible debentures	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)	Total equity
		\$		\$	\$	\$	\$	\$	\$	\$
<b>Balance as at December 31, 2017</b>	<b>56,487,445</b>	<b>50,985,822</b>	<b>3,267,247</b>	<b>2,318,247</b>	<b>1,256,360</b>	<b>-</b>	<b>6,861,204</b>	<b>(46,067,484)</b>	<b>(336,320)</b>	<b>18,285,076</b>
Issuance of units (Note 8a)	3,286,128	3,267,247	(3,267,247)	-	-	-	-	-	-	-
Warrants exercised (Note 8)	6,734,017	6,191,625	-	(940,496)	-	-	-	-	-	5,251,129
Share purchase options exercised (Note 9)	814,375	1,685,450	-	-	(512,950)	-	-	-	-	1,172,500
Share purchase options expired (Note 9)	-	-	-	-	(104,000)	-	104,000	-	-	-
Share purchase options granted (Note 9)	-	-	-	-	35,000	-	-	-	-	35,000
	67,321,965	62,130,144	-	1,377,751	674,410	-	6,965,204	(46,067,484)	(336,320)	24,743,705
Net loss for the period	-	-	-	-	-	-	-	(522,843)	-	(522,843)
Other comprehensive loss	-	-	-	-	-	-	-	-	209,874	209,874
Comprehensive loss for the period	-	-	-	-	-	-	-	(522,843)	209,874	(312,969)
<b>Balance as at March 31, 2018</b>	<b>67,321,965</b>	<b>62,130,144</b>	<b>-</b>	<b>1,377,751</b>	<b>674,410</b>	<b>-</b>	<b>6,965,204</b>	<b>(46,590,327)</b>	<b>(126,446)</b>	<b>24,430,736</b>
<b>Balance as at December 31, 2016</b>	<b>49,834,904</b>	<b>45,714,774</b>	<b>-</b>	<b>2,967,266</b>	<b>1,724,575</b>	<b>2,013,721</b>	<b>4,415,483</b>	<b>(43,840,800)</b>	<b>(336,238)</b>	<b>12,658,781</b>
Issuance of units (Note 8a)	2,884,615	1,159,812	-	340,188	-	-	-	-	-	1,500,000
Maturity of convertible debentures	-	-	-	-	-	(2,013,721)	2,013,721	-	-	-
Share issue costs	-	-	-	-	-	-	-	(20,277)	-	(20,277)
Share purchase options expired (Note 9)	-	-	-	-	(297,000)	-	297,000	-	-	-
	52,719,519	46,874,586	-	3,307,454	1,427,575	-	6,726,204	(43,861,077)	(336,238)	14,138,504
Net loss for the period	-	-	-	-	-	-	-	(842,326)	-	842,326
Other comprehensive loss	-	-	-	-	-	-	-	-	(26,079)	(26,079)
Comprehensive loss for the period	-	-	-	-	-	-	-	(842,326)	(26,079)	(868,405)
<b>Balance as at March 31, 2017</b>	<b>52,719,519</b>	<b>46,874,586</b>	<b>-</b>	<b>3,307,454</b>	<b>1,427,575</b>	<b>-</b>	<b>6,726,204</b>	<b>(44,703,403)</b>	<b>(362,317)</b>	<b>13,270,099</b>

(1) On February 27, 2018, the Company proceeded with the consolidation of its common shares on a 1 for 4 basis (Note 8); the number of shares presented in these consolidated statements of shareholders' equity have all been adjusted to reflect the impact of this share consolidation.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Maya Gold & Silver Inc.

## Condensed Interim Consolidated Statements of Cash Flows

(in Canadian dollars)

	Three-month period ended March 31, 2018	Three-month period ended March 31, 2017
<b>Cash flows provided by (used in)</b>	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Net loss	(522,843)	(842,326)
Adjustments for non-cash items		
Finance expense	115,093	114,741
Share-based remuneration	35,000	-
Unrealized (gain) loss on foreign exchange	466,444	(60,967)
Changes in working capital items (Note 12)	(226,046)	208,761
	(132,352)	(579,791)
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(2,665,679)	(3,244,966)
Silver sales	2,091,046	3,599,146
Additions of exploration and evaluation assets	(513,588)	(8,920)
	(1,088,221)	345,260
<b>FINANCING ACTIVITIES</b>		
Repayment of convertible debentures	-	(445,000)
Repayment of long-term debt	(57,914)	(24,699)
Repayment of balance of purchase price payable	(809,607)	-
Issuance of shares and warrants and options, net of issue costs	6,423,629	1,179,723
	5,556,108	710,024
<b>Net change in cash</b>	<b>4,335,535</b>	<b>475,493</b>
Cash, beginning of period	7,063,991	4,266,854
<b>Cash, end of period</b>	<b>11,399,526</b>	<b>4,742,347</b>

*Supplemental cash flow information (Note 12)*

*The accompanying notes are an integral part of these condensed interim consolidated financial statements.*

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

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### 1. GENERAL INFORMATION

Maya Gold & Silver Inc. ("Maya") was incorporated on December 19, 2007 under the Canada Business Corporations Act and is listed on the TSX Venture Exchange ("TSXV") under the symbol "MYA". Maya's registered office is located at Suite 2901, 1 Place Ville-Marie, Montreal, Quebec, Canada.

Maya and its subsidiaries (together the "Corporation") are at the development stage for its Zgounder project and at exploration and evaluation stage for the other projects in Morocco. Their operations include the acquisition, exploration, evaluation and development of mining properties.

The Corporation's Zgounder mine in Morocco, is in the development phase and is currently being commissioned. The Zgounder property is held by Zgounder Millenium Silver Mining S.A ("ZMSM"), which is owned 85% by the Corporation and 15% by L'Office National des Hydrocarbures et des Mines ("ONHYM").

In regard to its other projects, the Corporation has not yet determined whether they contain ore resources that are economically recoverable. The recoverability of amounts shown as exploration and evaluation assets are dependent upon the existence of reserves on these properties, the ability to obtain all required permits, the ability of the Corporation to obtain necessary financing to complete the development of these projects and upon future profitable production from these projects or sufficient proceeds from their disposal thereof. The Corporation may periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, some external factors like global economy or commodities market could limit the success of capital raising in the future.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

The condensed interim consolidated financial statements of the Company for the three-month periods ended March 31, 2018 and 2017 have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. The same accounting policies and methods of computation were followed in the preparation of these condensed interim consolidated financial statements as were followed in the preparation of the consolidated financial statements for the year ended December 31, 2017 except for the new standards and interpretations effective January 1, 2018. These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2017 which have been prepared in accordance with IFRS.

The Audit Committee approved these condensed interim consolidated financial statements, effective May 24, 2018.

The preparation of these condensed interim consolidated financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

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### 3. ADOPTION OF NEW ACCOUNTING STANDARDS

These consolidated interim financial statements have been prepared following the same accounting policies and methods of computation as the audited annual consolidated financial statements for the year ended December 31, 2017, except for the following new accounting standards and amendments to standards and interpretations, which were effective January 1, 2018, and were applied in preparing these consolidated interim financial statements. These are summarized as follows:

#### **IFRS 9 - Financial Instruments**

In July 2014, the IASB issued the final version of IFRS 9 (2014) - Financial Instruments ("IFRS 9") to replace IAS 39 Financial Instruments: Recognition and Measurement. Effective April 1, 2014 the Company early adopted all of the requirements of IFRS 9 (2013), which was the previously issued version of IFRS 9.

The Company adopted IFRS 9 (2014) effective January 1, 2018, with no impact on the Company's consolidated financial statements.

IFRS 9 (2014) has a single, forward-looking 'expected credit loss' model for assessing impairment of financial assets (the "ECL model"), as opposed to an incurred loss model under IFRS 9 (2013). The application of the ECL model had minimal impact on the financial statements of the Company as the credit risk related to the financial assets of the Company is low and historically, customer defaults have been negligible.

#### **IFRS 15 - Revenue from Contracts with Customers**

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which replaces IAS 11 Construction Contracts and IAS 18 Revenue. The objective of IFRS 15 is to establish a single, principles based model to be applied to all contracts with customers in determining how and when revenue is recognized. IFRS 15 also requires entities to provide users of financial statements with more informative and relevant disclosures.

The Company adopted IFRS 15 effective January 1, 2018, with no material impact on the Company's consolidated financial statements. In accordance with IFRS 15, the Company based its accounting policy with respect to revenue recognition as follows:

When the Company will reach commercial phase of its Zgounder project, the Company will recognize revenue when it transfers control of a product to the customer. The principal activity from which the Company generates its revenue is the sale of silver to third parties. Delivery of the silver is considered to be the only performance obligation. Revenue is measured based on the consideration specified in the contract with the customer.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 4. PROPERTY, PLANT AND EQUIPMENT

	Computers, equipment and office furniture	Exploration and evaluation equipment	Mining assets under construction	Vehicles	Total
	\$	\$		\$	\$
<b>Cost</b>					
Balance at January 1, 2017	38,777	435,508	19,299,124	27,521	19,800,930
Additions	-	-	11,667,965	-	11,667,965
Silver sales	-	-	(11,119,263)	-	(11,119,263)
Changes in asset retirement obligations			467,372		467,372
Write-off	(38,777)	-	-	-	(38,777)
Foreign exchange	-	-	198,177	-	198,177
Balance at December 31, 2017	-	435,508	20,513,375	27,521	20,976,404
Additions	-	-	2,538,942	-	2,538,942
Silver sales	-	-	(2,091,047)	-	(2,091,047)
Foreign exchange	-	-	28,536	-	28,536
Balance at March 31, 2018	-	435,508	20,989,806	-	21,452,835
<b>Accumulated depreciation</b>					
Balance at January 1, 2017	38,777	435,508	-	27,521	501,806
Write-off	(38,777)	-	-	-	(38,777)
Balance at December 31, 2017 and March 31, 2018	-	435,508	-	27,521	463,029
<b>Carrying amounts</b>					
At December 31, 2017	-	-	20,513,375	-	20,513,375
At March 31, 2018	-	-	20,989,806	-	20,989,806

Since the Zgounder property is in development stage, the mining assets under construction were not amortized in the periods presented.

All properties, plant and equipment are located in Morocco.

The mining assets under construction include equipment under finance lease of 3,000,000 dirham (\$420,000).

Additions to mining assets under construction during the three-month period ended March 31, 2018 include an amount of \$180,449 [Year ended December 31, 2017 - \$887,338] related to capitalized interests.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 5. EXPLORATION AND EVALUATION ASSETS

During the three-month period ended March 31, 2018 and the year ended December 31, 2017, changes in exploration and evaluation assets were as follows:

	March 31, 2018	December 31, 2017
	\$	\$
<b>Rights on mining properties</b>		
Balance, beginning of the period	4,438,257	4,438,257
Additions	-	-
Balance, end of the period	4,438,257	4,438,257
<b>Deferred exploration and evaluation expenses</b>		
Balance, beginning of the period	500,767	269,614
Additions		
Geology and consulting	332,429	92,553
Administrative	181,159	138,600
Balance, end of the period	1,014,355	500,767
Total	5,452,612	4,939,024

All exploration and evaluation assets are located in Morocco.

#### a) Boumadine project

In February 2013, the Corporation and L'ONHYM, a Moroccan state institution, entered into an Agreement for the Boumadine polymetallic deposit (the "Convention"). Under the terms of the Convention, the Corporation acquired 85% of the Boumadine project for total cash payments of 43,000,000 dirham (\$5,155,700), comprising the following instalments:

- 6,000,000 dirham (\$719,400) paid by Global Works, Assistance and Trading S.A.R.L ("Glowat"), a related party company acting as project manager on behalf of the Corporation,
- 6,000,000 dirham (\$812,400) also paid in February 2014 by Glowat on behalf of the Corporation,
- 6,000,000 dirham (\$809,607) paid on January 9, 2018,
- 10,000,000 dirham (\$1,400,000) originally payable in February 2016 but now postponed to December 2018, and
- 15,000,000 dirham (\$2,100,000) which relates to past expenses incurred by the seller will be payable only when a future subsidiary will be created, which should not be earlier than January 2020.

The transfer of the property will occur once all the following are complete:

- a separate company owned at 85% by the Corporation and 15% by ONHYM has been established in Morocco under the terms of the Convention,
- a letter of credit amounting to 2,200,000 dirham (\$308,000) has been issued by the Corporation to the benefit of ONHYM, and
- all cash payments have been completed.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 5. EXPLORATION AND EVALUATION ASSETS (continued)

#### b) Balance of purchase price payable related to acquisition of Boumadine property

	March 31, 2018	December 31, 2017
	\$	\$
Balance at beginning of the period	3,437,495	3,621,637
Accretion expense	108,415	278,586
Repayments	(809,607)	
Gain on extinguishment of debt	-	(549,352)
Foreign exchange	113,025	86,624
Balance at end of the period	2,849,328	3,437,495
Current portion	1,321,187	1,969,497
Non-current portion	1,528,141	1,467,998

### 6. LONG-TERM DEBT

	March 31, 2018	December 31, 2017
	\$	\$
Loan	7,705,800	7,527,000
Obligation under finance lease	175,000	193,329
	7,880,800	7,720,329
Current portion	105,000	100,868
Non-current portion	7,775,800	7,619,462

The instalments on debt for the forthcoming years are as follows:

	Loan	Obligation under finance lease
	\$	\$
2018	-	119,082
2019	3,531,825	79,388
2020	3,531,825	-
2021	642,150	-
Total minimum payments	7,705,800	198,470
Amounts included in minimum payments - interest		(23,470)
		175,000

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 7. CONVERTIBLE DEBENTURES

	March 31, 2018	December 31, 2017
	\$	\$
Balance at beginning of the period	-	3,004,566
Accretion expense	-	45,434
Repayments	-	(3,050,000)
Balance at end of the period	-	-

During the year ended December 31, 2017, all remaining convertible debentures were repaid. Accordingly, the Corporation transferred the balance in equity component of convertible debentures in the consolidated statement of changes in equity, amounting to \$2,013,721, to contributed surplus.

### 8. SHARE CAPITAL

#### Authorized

Unlimited number of common shares without par value.

#### a) Common Shares

##### Issuances during the three-month period ended March 31, 2018

During the three-month period ended March 31, 2018, 6,734,017 share purchase warrants and 814,375 share purchase options were exercised for total aggregate value of \$6,423,649.

On February 27, 2018, the Company proceeded with the consolidation of its common shares on a 1 for 4 basis. The consolidation was approved at the special meeting of the shareholders held on February 2, 2018. The consolidation resulted in each shareholder of the Company receiving one post-consolidation share for every four pre-consolidation common shares held. The number of shares, warrants and stock options and earnings per share data presented in these consolidated financial statements, have all been adjusted to reflect the impact of this share consolidation.

##### Issuances during the three-month period ended March 31, 2017

In March 2017, the Corporation completed a private placement of 2,884,615 units at \$0.52 per unit for a total cash consideration of \$1,500,000. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to subscribe to one common share of the Corporation at a price of \$0.80 until September 2018. Four directors of the Corporation purchased a total of 2,596,154 units. An amount of \$340,188 was allocated to the share purchase warrants.

The fair value of the warrants was determined based on the Black-Scholes option pricing model using an expected volatility of 76%, a risk-free interest rate of 0.87%, and expected dividend yield of 0% and an expected life of 18 months.

In connection with the private placement, financing costs consisting of cash payments totaled \$20,277.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 8. SHARE CAPITAL (continued)

#### b) Share purchase warrants

The outstanding warrants as at March 31, 2018 and December 31, 2017 and the respective changes during the three-month period and year then ended are summarized as follows:

	Three-month period ended		Year ended	
	March 31, 2018		December 31, 2017	
	Number	Weighted average exercise price (\$)	Number	Weighted average exercise price (\$)
Balance, beginning of period	14,277,210	0.96	18,396,650	0.96
Private placement	-	-	2,884,615	0.80
Exercised	<b>6,734,018</b>	<b>0.78</b>	(7,004,055)	0.88
Expired	-	-	-	-
Balance, end of period	<b>7,543,192</b>	<b>1.10</b>	14,277,210	0.96

At March 31, 2018, the outstanding number of warrants exercisable into common shares is as follows:

	Number of warrants		Number of warrants		Exercise price	Expiry date
	December 31, 2017	Issued	Exercised	March 31, 2018		
Private placement- September 2015	<b>357,500</b>	-	-	<b>357,500</b>	1.40	July 2018
Broker warrants – September 2015	<b>21,450</b>	-	-	<b>21,450</b>	1.40	July 2018
Issuance related to conversion of debentures	<b>4,825,712</b>	-	(863,393)	<b>3,962,319</b>	1.40	July 2018
Private placement – March 2016	<b>4,920,625</b>	-	(4,870,625)	<b>50,000</b>	0.60	March 2018
Private placement – July 2016	<b>2,575,000</b>	-	-	<b>2,575,000</b>	0.68	June 2019
Issuance related to modification of terms of the loan	<b>1,000,000</b>	-	(1,000,000)	-	1.12	November 2019
Private placement – March 2017	<b>576,923</b>	-	-	<b>576,923</b>	0.80	Sept 2018
	<b>14,277,210</b>	-	(6,734,018)	<b>7,543,192</b>	<b>1.10</b>	

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 9. SHARE PURCHASE OPTIONS

The outstanding options as at March 31, 2018 and December 31, 2017 and the respective changes during the three-month period and year then ended are summarized as follows:

	Three-month period ended		Year ended	
	March 31, 2018		December 31, 2017	
	Number	\$ <sup>(1)</sup>	Number	\$ <sup>(1)</sup>
Balance, beginning of the period	1,593,750	1.60	2,052,500	1.60
Granted	50,000	2.00	-	-
Expired	(162,500)	1.40	(408,750)	1.48
Exercised	(814,375)	1.44	(50,000)	1.40
Balance, end of the period	656,875	1.63	1,593,750	1.60

(1) Weighted average exercise price

The following table reflects the share purchase options issued and outstanding at March 31, 2017:

Issue date	Number	Exercise	Remaining	Number of options
	of options	price	contractual life (years)	Options exercisable
	Number	\$	Number	Number
July 2013	37,500	1.40	0.50	37,500
May 2014	579,375	2.00	1.30	579,375
January 2018	50,000	2.00	5.00	50,000
	656,875	1.63	1.50	656,875
Weighted average exercise price (\$)		1.63		

### 10. ADDITIONAL INFORMATION ON THE NATURE OF COMPREHENSIVE LOSS COMPONENTS

The following is a breakdown of the nature of expenses included in management and administration expenses and finance expense for the three-month periods ended March 31:

#### Management and administration expenses

	2018	2017
	\$	\$
Salaries and benefits	28,230	112,752
Share-based remuneration	35,000	-
Consulting fees	29,603	162,724
Office	39,755	80,615
Professional fees	70,641	57,541
Reporting issuer costs	17,773	5,620
	221,002	419,252

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

### 10. ADDITIONAL INFORMATION ON THE NATURE OF COMPREHENSIVE LOSS COMPONENTS (continued)

#### Finance expense

	2018	2017
	\$	\$
Interest expense	6,678	57,400
Accretion expense	108,415	114,741
	115,093	172,141

### 11. FINANCIAL INSTRUMENTS

The following table classifies financial assets and liabilities that are recognized on the condensed interim consolidated statement of financial position at fair value in a hierarchy that is based on significance of the inputs used in making the measurements. The levels in the hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table provides information about financial assets and liabilities measured at fair value in the condensed interim consolidated statement of financial position and categorized by level according to the significance of the inputs in making the measurements.

	March 31, 2018			
Recurring measurements	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Balances of purchase price payable	-	-	(2,849,328)	(2,849,328)
Loan	-	-	(7,705,800)	(7,705,800)
	-	-	(10,555,128)	(10,555,128)

During the three-month period ended March 31, 2018, there were no transfers between Level 1, Level 2 and Level 3 (2017 – None).

Current financial instruments that are not measured at fair value on the condensed interim consolidated statement of financial position are represented by cash, advance to related parties, restricted investment, accounts payable and accrued liabilities (except salaries and employee benefits) and interest and net profit interest payable to a related party. Their carrying values are considered to be a reasonable approximation of their fair value because of their short-term maturity and /or contractual terms of these instruments.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

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### 11. FINANCIAL INSTRUMENTS (Continued)

The fair values of the balance of purchase price payable for the acquisition of the Boumadine property, Convertible debentures, obligation under finance lease and the loan are not materially different from their carrying values as there was no material change in the assumptions used for fair value determination at inception. Therefore, its principal amount approximates its fair value.

### 12. SUPPLEMENTAL CASH FLOW INFORMATION

	Three-month period ended March 31, 2018	Three-month period ended March 31, 2017
	\$	\$
<b>Changes in working capital items</b>		
Accounts receivable	(21,219)	-
Sales taxes receivable	(177,775)	(167,162)
Inventories	(418,135)	256,827
Advance to related parties	-	75,962
Prepaid expenses and security deposits	(63,557)	76,262
Non-refundable deposits to suppliers	19,854	501,204
Interest and net profit interest payable to a related party	27,816	(506,605)
Accounts payable and accrued liabilities	406,970	(27,727)
	<b>(226,046)</b>	208,761
<b>Non-cash transactions</b>		
Finance expense recorded in property, plant and equipment	180,449	8,226
Additions of property, plant and equipment not paid	129,551	102,727
	<b>310,000</b>	110,953
<b>Interest paid</b>		
Interest paid, included in operating activities	-	(57,400)

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

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### 13. RELATED PARTY TRANSACTIONS

During the three-month period ended March 31, 2018 and 2017 the following related party transactions occurred in the normal course of operations:

- A firm, of which a director of the Corporation is a partner, charged professional fees amounting to \$14,705 recorded as professional fees. (2017 - \$14,901);
- Glowat, a private company owned by a party related to an officer and director of the Corporation charged a net profit interest expense of \$27,816 (2017 - \$93,395).
- An officer of the Corporation charged consulting fees of \$16,500 (2017 - \$31,250);
- A director and former officer charged consulting fees through a company which he is owner of \$nil (2017 - 128,333).

During the three-month period ended March 31, 2018, the Corporation paid \$nil (2017 – \$300,000) to Glowat in settlement of amounts owing. As at March 31, 2018, the Corporation had a liability to Glowat amounting to \$525,992 (2017 - \$498,176).

As at March 31, 2018, the balance due to related parties amounted to \$50,613 (included salaries, consulting fees and director fees) (2017 - \$103,374). This amount is subject to the same conditions as those of non-related parties. All amounts were paid in April 2018.

#### Remuneration of key management personnel of the Corporation

Key management included members of the Board of Directors and executive officers of the Corporation consisting of the Chief Executive Officer, President and Chief Financial Officer. During the three-month periods ended March 31, 2018 and 2017, the remuneration awarded to key management personnel (including the amounts above) is as follows:

	2018	2017
	\$	\$
Salaries	88,000	126,853
Consulting fees	16,500	159,583
Director fees	4,500	15,042
	<b>109,000</b>	<b>301,478</b>

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

March 31, 2018 (in Canadian dollars) (Unaudited)

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### 14. CONTINGENCY

On July 2014, Société d'Exploration Géologique des Métaux ("SEGM") filed a lawsuit against the wholly-owned subsidiary of the Corporation in Morocco, alleging that SEGM, beneficiary of a 2.5% net smelter return royalty on the Amizmiz property, suffered damage resulting from the Corporation not having started production at its Amizmiz property. The Corporation is of the position that it has complied with all of its obligations and has made all requested work on the property. At this stage, the results of the work programs concluded do not justify the start of production on the Amizmiz property. The Corporation contested this lawsuit, which it considered unfounded. The Corporation also has filed a counterclaim against SEGM, alleging that the acquisition of this property was made on the basis of a technical report delivered by SEGM that was misleading as to the advancement of the work programs on the property. The Corporation claims reimbursement for all expenses incurred on the Amizmiz property.

In 2016 the court rejected the SEGM claim and ask to both parties to find an agreement. Later in 2016, SEGM appeals and the case is currently under review by the Cessation Court for final decision.

### 15. EVENT AFTER THE REPORTING DATE

On April 13, 2018, the Corporation closed a non-brokered private placement of \$28,397,000 through the issuance of 8,605,152 common shares, at a price of \$3.30 per common share.

From April 1, 2018 to May 24, 2018, 207,500 share purchase options were exercised for an aggregate total of \$392,500 and 661,607 share purchase warrants were exercised for an aggregate total of \$514,250.