

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States. Accordingly, except as permitted by the Underwriting Agreement (as defined herein) and pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws, these securities may not be offered, sold or delivered, directly or indirectly, in the “United States” (as such term is defined in Regulation S under the U.S. Securities Act) and this short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in the United States. See “Plan of Distribution”.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Aya Gold & Silver Inc. at 1320 boulevard Graham, Suite 132, Mont-Royal, Québec, H3P 3C8, Canada, telephone (514) 512-1320 and are also available electronically under the Aya Gold & Silver Inc. profile at [www.sedar.com](http://www.sedar.com).

## SHORT FORM PROSPECTUS

New Issue

September 9, 2021



### AYA GOLD & SILVER INC.

**\$70,007,500 (6,830,000 COMMON SHARES)**

**\$10.25 PER COMMON SHARE**

This short form prospectus (the “**Prospectus**”) qualifies for distribution an aggregate of 6,830,000 common shares (the “**Offered Shares**”) of Aya Gold & Silver Inc. (“**Aya**” or the “**Company**”) at a price of \$10.25 per Offered Share (the “**Offering Price**”) for aggregate gross proceeds to the Corporation of \$70,007,500 (the “**Offering**”). See “*Plan of Distribution*”.

The Offered Shares are being sold pursuant to the terms of an underwriting agreement dated August 27, 2021 (the “**Underwriting Agreement**”) among the Company and Desjardins Capital Markets (“**Desjardins**”), as co-lead underwriter and sole bookrunner and Sprott Capital Partners LP, as co-lead underwriter (together with Desjardins, the “**Co-Lead Underwriters**”), and Cormark Securities Inc., National Bank Financial, Stifel Nicolaus Canada Inc., and BMO Capital Markets (together with the Co-Lead Underwriters, the “**Underwriters**”). The Offering Price was determined by negotiation between the Company and the Co-Lead Underwriters, on their behalf and on behalf of the Underwriters.

	<b>Price to the Public</b>	<b>Underwriters' Fee<sup>(1)</sup></b>	<b>Net Proceeds<sup>(2)</sup></b>
Per Offering Share	\$10.25	\$0.5125	\$9.7375

Total Offering <sup>(3)</sup>	\$70,007,500	\$3,500,375	\$66,507,125
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**Notes:**

- (1) On the Closing Date (as defined below), Aya will pay the Underwriters a cash commission equal to 5% of the gross proceeds of the Offering (the “**Underwriters’ Fee**”). See “*Plan of Distribution*”.
- (2) These figures represent the net proceeds to Aya before deducting estimated expenses of the Offering, estimated to be \$500,000 (exclusive of any taxes), which will be paid by the Company out of the proceeds of the Offering.
- (3) Aya has also granted to the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to an additional 1,024,500 Offered Shares, or up to 15% of the Offered Shares issued pursuant to the Offering at the Offering Price, on the same terms and conditions as the Offering, exercisable in whole or in part on or after the Closing Date and for a period of 30 days thereafter, to cover over-allotments and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters’ Fee and net proceeds to Aya (before deducting expenses of the Offering) under the Offering will be \$80,508,625, \$4,025,431.25 and \$76,483,193.75, respectively. This Prospectus also qualifies the distribution of the common shares of Aya (“**Common Shares**”) issuable pursuant to the exercise of the Over-Allotment Option (the “**Additional Shares**”). A purchaser who acquires Offered Shares forming part of the Underwriters’ over-allocation position acquires those Offered Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. Unless the context otherwise requires, references herein to the “Offering” and the “Offered Shares” include the Additional Shares issuable pursuant to the exercise of the Over-Allotment Option. See “*Plan of Distribution*”.

<b>Underwriters’ Position</b>	<b>Maximum size or number of securities held</b>	<b>Exercise period</b>	<b>Exercise price</b>
Over-Allotment Option	1,024,500 Additional Shares	Until and including the date that is 30 days following the Closing Date	\$10.25 per Offered Share

The Underwriters, as principals, conditionally offer the Offered Shares for sale, subject to prior sale, if, as and when issued by Aya and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*” and subject to approval of certain legal matters relating to the Offering on behalf of Aya by Dentons Canada LLP and on behalf of the Underwriters by McCarthy Tétrault LLP.

The issued and outstanding Common Shares are listed on the Toronto Stock Exchange (the “**TSX**”) under the symbol “**AYA**”. Aya has applied to list the Offered Shares issued pursuant to the Offering (including the Additional Shares pursuant to the Over-Allotment Option). Listing of the Offered Shares is subject to Aya fulfilling all of the listing requirements of the TSX. On August 23, 2021, the last complete trading day on which the Common Shares traded prior to the announcement of the Offering, the closing price of the Common Shares on the TSX was \$11.43. On September 8, 2021, the last complete trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSX was \$10.13.

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”. The Underwriters propose to offer the Offered Shares initially at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the Offering Price in order to sell any of the Offered Shares remaining unsold. Any such reduction will not affect the proceeds received by Aya. See “*Plan of Distribution*”.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering (other than any Offered Shares issuable pursuant to the exercise of the Over-Allotment Option) will occur on or about September 15, 2021, or such other date that Aya and the Underwriters shall mutually agree in writing (the “**Closing Date**”).

Subject to certain limited exceptions, the Offered Shares will be registered to CDS Clearing and Depository Services Inc. (“CDS”) or its nominee under the book-based system administered by CDS. Subject to certain limited exceptions, no certificates evidencing the Offered Shares will be issued to purchasers and registration will be made in the depository service of CDS. Subject to certain limited exceptions, purchasers of Offered Shares will receive only a customer confirmation from an Underwriter or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares is purchased. See “*Plan of Distribution*”.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

**Investing in the Offered Shares involves significant risks. Prospective investors should carefully read and consider the risk factors described or referenced under the heading “Risk Factors” in this Prospectus and contained in any of the documents incorporated by reference herein.**

The head and registered office of Aya is located at 1320 boulevard Graham, Suite 132, Mont-Royal, Québec, H3P 3C8, Canada.

Dr. Elena Clarici, Dr. Juergen Hambrecht, Nikolaos Sofronis, Robert Taub and Marc Nolet de Brauwere are each directors of the Company that reside outside of Canada. The persons named below have appointed the following agent for service of process:

<u>Name of Person or Company</u>	<u>Name and Address of Service Agent</u>
Dr. Elena Clarici	Dentons Canada LLP 1 Place Ville Marie, 39 <sup>th</sup> Floor Montréal, QC H3B 4M7 Canada
Dr. Juergen Hambrecht	Dentons Canada LLP 1 Place Ville Marie, 39 <sup>th</sup> Floor Montréal, QC H3B 4M7 Canada
Nikolaos Sofronis	Dentons Canada LLP 1 Place Ville Marie, 39 <sup>th</sup> Floor Montréal, QC H3B 4M7 Canada
Robert Taub	Dentons Canada LLP 1 Place Ville Marie, 39 <sup>th</sup> Floor Montréal, QC H3B 4M7 Canada
Marc Nolet de Brauwere	Dentons Canada LLP 1 Place Ville Marie, 39 <sup>th</sup> Floor Montréal, QC H3B 4M7 Canada

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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## NOTICE TO READERS

Unless we have indicated otherwise, or the context otherwise requires, references in this Prospectus to the “Company”, “Aya”, “we”, “us” and “our” refer to Aya Gold & Silver Inc. and/or, as applicable, one or more of its subsidiaries.

### CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This Prospectus, including the documents incorporated herein by reference, contains “forward-looking information” within the meaning of applicable Canadian securities legislation, which reflects management’s expectations regarding Aya’s future growth, results of operations, performance (both operational and financial), business prospects and opportunities (including the timing and development of new deposits and the success of exploration activities), proposed plans with respect to mine plans, anticipated 2021 results, mineral reserves and mineral estimates, anticipated life of mine operating and financial results and the completion of construction of future deposits related thereto and opportunities. Words such as “plans”, “expects”, “does not expect”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipate” or “does not anticipate”, “believe”, “intend” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, have been used to identify such forward-looking information. Although the forward-looking information contained in this Prospectus reflects management’s current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Aya cannot be certain that actual results will be consistent with such forward-looking information.

A number of factors could cause actual results, performance or achievements to differ materially from the results expressed or implied in the forward-looking information, including those listed in the “Risk Factors” section of this Prospectus and those listed in the documents incorporated herein by reference. The documents incorporated by reference herein also identify additional factors that could affect the operating results and performance (both operational and financial) of Aya. These factors should be considered carefully and prospective or existing investors should not place undue reliance on any forward-looking information contained in them. Forward-looking information necessarily involves significant known and unknown risks, assumptions and uncertainties that may cause Aya’s actual results, performance, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking information. Although Aya has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that the forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective or existing investors should not place undue reliance on such forward-looking information. The forward-looking information is stated as of the date of this Prospectus and, except as required under applicable laws, Aya assumes no obligation to update or revise such information to reflect new events or circumstances.

Forward-looking information and other information contained herein concerning, among other things, mineral exploration and management’s general expectations concerning the mineral exploration industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis as well as assumptions based on data and knowledge of the industry which management believes to be reasonable, including, among other things, the ability to obtain any requisite Moroccan and/or Mauritanian governmental approvals, the accuracy of mineral reserve and mineral resource estimates, gold price, exchange rates, fuel and energy costs, future economic conditions and courses of action. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data and presented in this Prospectus and the documents incorporated by reference herein, mineral exploration involves risks and uncertainties and industry data is subject to change based on various factors.

In addition, please note that statements relating to “reserves” or “resources” are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves described can be profitably mined in the future.

All of the forward-looking statements made in this Prospectus and the documents incorporated by reference herein are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Aya. For additional information with respect to our risk factors, reference should be made to the section of this Prospectus entitled “Risk Factors”, to the documents incorporated herein by reference, and to our continuous disclosure materials filed from time to time with Canadian securities regulatory authorities.

## CURRENCY AND EXCHANGE RATE INFORMATION

This Prospectus contains references to Canadian and United States dollars. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars. References to “\$” are to Canadian dollars and references to “US\$” are to United States dollars. The following table shows, for the years and dates indicated, certain information regarding the Canadian dollar/United States dollar exchange rate. The information is based on the daily average exchange rate as reported by the Bank of Canada. Such exchange rate on September 8, 2021, the last business day prior to the date of this Prospectus, was US\$1.00 = \$1.2676 (or \$1.00 = US\$ 0.7889).

	<u>Period End</u>	<u>Average<sup>(1)</sup></u>	<u>Low</u>	<u>High</u>
<b>Year ended December 31,</b>	(\$ per US\$)			
2021 <sup>(2)</sup> .....	\$1.2676	\$1.2497	\$1.2040	\$1.2856
2020.....	\$1.2732	\$1.3415	\$1.2718	\$1.4496
2019.....	\$1.2988	\$1.3269	\$1.2988	\$1.3600

(1) The average of the daily average exchange rates during the relevant period.

(2) For the period ending September 8, 2021.

## DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed by us with securities commissions or similar authorities in Canada. Our disclosure documents listed below and filed with the appropriate securities commissions or similar regulatory authorities in each provinces of Canada are specifically incorporated by reference into and form an integral part of this Prospectus:

- (a) the Company’s revised annual information form dated March 31, 2021 (the “**AIF**”);
- (b) the Company’s management’s discussion and analysis of results of operations and financial condition for the fiscal year ended December 31, 2020 (the “**MD&A**”);
- (c) the Company’s audited consolidated financial statements for the years ended December 31, 2020 and 2019, together with the auditors’ report thereon and notes contained therein (the “**Annual Financial Statements**”);
- (d) the Company’s management information circular dated May 10, 2021 for the annual and special meeting of shareholders held on June 10, 2021;
- (e) the Company’s management’s discussion and analysis of results of operations and financial condition dated August 12, 2021 for the quarter ended June 30, 2021;
- (f) the Company’s unaudited interim condensed consolidated financial statements and the notes thereto for the three and six months ended June 30, 2021 (the “**Interim Financial Statements**”);
- (g) the Company’s material change report dated June 21, 2021 in respect of the closing of the Company’s acquisition of Algold Resources Ltd.;
- (h) the Company’s material change report dated September 2, 2021 in respect of the announcement of the Offering.

- (i) the Company's material change report dated June 21, 2021 and amended on September 9, 2021 in respect of the closing of the Company's acquisition of Algold Resources Ltd; and
- (j) the Company's amended revised annual information form dated March 31, 2021 (the "AIF").

Any document of the type referred to above, including any material change report (other than any confidential material change report), any business acquisition report and any "template version" of "marketing materials" (each as defined in National Instrument 41-101 – *General Prospectus Requirements*) subsequently filed by us with such securities commissions or regulatory authorities in Canada after the date of this Prospectus, and prior to the termination of the distribution under this Prospectus, shall be deemed to be incorporated by reference into this Prospectus.

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

#### TECHNICAL INFORMATION

The disclosure contained or incorporated by reference in this Prospectus of a scientific or technical nature, including, among other things, disclosure of mineral reserves and mineral resources regarding Aya's mineral assets in the Kingdom of Morocco ("**Morocco**") is based on the technical report entitled "Technical Report and Updated Mineral Resource Estimate of the Zgounder Silver Project, Kingdom of Morocco" dated April 30, 2021 (the "**Zgounder Technical Report**") prepared for Aya by P&E Mining Consultants Inc. in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") and other information that has been prepared by or under the supervision of qualified persons (as such term is defined in NI 43-101) and included in this Prospectus with the consent of such persons. The Zgounder Technical Report has been filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and may be accessed electronically under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

Actual recoveries of mineral products may differ from reported mineral reserves and mineral resources due to inherent uncertainties in acceptable estimating techniques. In particular, inferred mineral resources have a significant amount of uncertainty as to their existence, economic and legal feasibility. It cannot be assumed that all or any part of an "inferred" mineral resource will ever be upgraded to a higher category of resource. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Investors are cautioned not to assume that all or any part of the mineral deposits in these categories will ever be converted into proven and probable reserves.

For further information on any scientific or technical disclosure included in this Prospectus and any documents incorporated herein by reference relating to Aya's Moroccan mineral assets, please refer to the Zgounder Technical Report.

#### PRESENTATION OF FINANCIAL INFORMATION

Aya presents its financial statements in United States dollars and its financial statements are prepared in accordance with IFRS. Unless otherwise indicated, financial information included or incorporated by reference in this Prospectus has been prepared in accordance with IFRS. Certain calculations included in tables and other figures in this Prospectus have been rounded for clarity of presentation.

## **RISK FACTORS**

An investment in the Offered Shares involves certain risks. A prospective purchaser of Offered Shares should carefully consider the risks and uncertainties described in the documents incorporated by reference into this Prospectus (including subsequent filed documents incorporated by reference into this Prospectus). Discussions of certain risks and uncertainties affecting our business are provided in our AIF and our MD&A (or, as applicable, our annual information form and our management's discussion and analysis for subsequent periods), each of which is incorporated by reference into this Prospectus. These are not the only risks and uncertainties that we face. Additional risks not presently known to us or that we currently consider immaterial may also materially and adversely affect us. If any of the events identified in these risks and uncertainties were to actually occur, our business, financial condition or results of operations could be materially harmed.

In addition, prospective purchasers of Offered Shares should carefully consider, in light of their own financial circumstances, the risk factors set out below, as well as the other information contained in this Prospectus (including the documents incorporated by reference herein) before making an investment decision.

### **Potential Dilution**

The Company's constating documents allow the Company to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as shall be established by the Company's board of directors (the "**Board**"), in many cases, without the approval of our shareholders. The Company may issue Common Shares in public or private offerings (including through the sale of securities convertible into or exchangeable for Common Shares) and on the exercise of stock options or other securities exercisable for Common Shares. The Company may also issue Common Shares to finance or as consideration for future acquisitions and other projects or in connection with the establishment or development of strategic relationships. Any such future issuances of Common Shares could be significant and the Company cannot predict the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for our Common Shares. With any additional issuance of Common Shares, investors will suffer dilution to their voting power and we may experience dilution in our earnings per share.

### **Volatility of Market Price of Offered Shares**

The market price of the Offered Shares may be volatile. The volatility may affect the ability of holders to sell the Offered Shares at an advantageous price. Market price fluctuations in the Offered Shares may be due to the Company's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors, including, without limitation, those set forth under the heading "Cautionary Statement on Forward-Looking Information". In addition, the market price for securities on stock markets, including the TSX, is subject to significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market price of the Offered Shares.

### **Forward-Looking Information May Prove to be Inaccurate**

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this Prospectus under the heading "*Cautionary Statement on Forward-Looking Information*".

### **Positive Return not Guaranteed**

A positive return on an investment in the Offered Shares is not guaranteed. There is no guarantee that an investment in the Offered Shares will earn any positive return in the short term or long term. An investment in the Offered Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Offered Shares is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

### **Leverage Risk**

The Company's degree of leverage could have material adverse consequences for the Company, including, but not limited to: limiting the Company's ability to obtain additional financing for working capital, capital expenditures, project development, debt service requirements, acquisitions and general corporate or other purposes; restricting the Company's flexibility and discretion to operate its business; limiting the Company's ability to declare dividends on its Common Shares; having to dedicate a portion of the Company's cash flows from operations to the payment of interest on its existing indebtedness and not having such cash flows available for other purposes, including operations, capital expenditures and future business opportunities; exposing the Company to increased interest expense on borrowings at variable rates; limiting the Company's ability to adjust to changing market conditions; placing the Company at a competitive disadvantage compared to its competitors that have less debt; making the Company vulnerable in a downturn in general economic conditions; and making the Company unable to make capital expenditures that are important to its growth and strategies.

### **Payment of Dividends**

The Company has not, since the date of its incorporation, declared or paid any dividends on the Common Shares, and does not currently have a policy with respect to the payment of dividends. For the foreseeable future, Aya anticipates that it will retain future earnings and other cash resources for the operation and development of its business. Payment of dividends on the Common Shares is dependent on cash flows of the Company's business and subject to change. The declaration and payment of future dividends will be at the discretion of the Board of Directors, and may be affected by various factors, including the Company's revenues, financial condition, acquisitions and legal, regulatory or contractual restrictions. There can be no assurance that Aya will be in a position to pay dividends at the rate anticipated (or at all) in the future. A reduction or cessation of the payment of dividends could materially adversely affect the trading price of the Common Shares.

### **Alternative Use of Proceeds**

Aya currently intends to allocate the proceeds received from the Offering as described under "*Use of Proceeds*" in this Prospectus. However, management will have discretion in the actual application of the proceeds and may elect to allocate proceeds differently from that described in "*Use of Proceeds*" if it is believed it would be in the best interests of Aya to do so if circumstances change. The failure by management to apply these funds effectively could have a material adverse effect on the business of Aya.

### **Limited Cash and Liquidity Position**

In the management of the Company's current cash and liquidity position, the Company maintains a balance between continuity of funding and flexibility through the use of borrowings. The Company closely monitors its liquidity position and expects, but cannot guarantee that it will, have adequate sources of funding to finance the Company's projects and operations in the future.

### **Use of Proceeds**

The Company intends to allocate the net proceeds it will receive from an offering as described under "*Use of Proceeds*" in the Prospectus. However, the Company will have broad discretion over the use of the net proceeds from the Offering. Because of the number and variability of factors that will determine the Company's use of such proceeds, the Company's ultimate use might vary substantially from its planned use. The failure by the Company to apply these

funds effectively could have a material adverse effect on the business of the Company. Investors may not agree with how the Company allocates or spends the proceeds from the Offering. The Company may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of the Common Shares and that may increase its losses.

## SUMMARY DESCRIPTION OF THE BUSINESS

Aya Gold & Silver Inc. is a publicly traded Canadian company focused on the operation, exploration, acquisition and development of silver and gold deposits in Morocco. On February 27, 2018, articles of amendment were issued to consolidate the common shares of the Company on a four (4) to one (1) basis. Effective July 31, 2020, the Company began trading under the name of Aya Gold & Silver Inc./Aya Or & Argent Inc. The Company is a reporting issuer in all provinces of Canada and its common shares are listed on the Toronto Stock Exchange (“TSX”) under the symbol AYA.

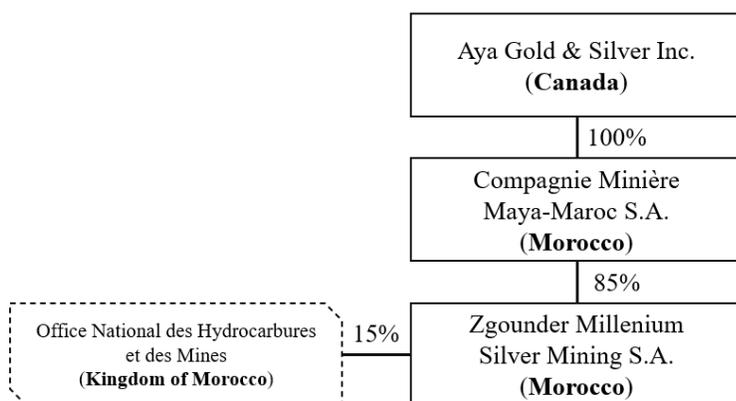
Aya is currently operating mining and milling facilities at its Zgounder Silver Mine located in the central Anti-Atlas mountains of eastern Morocco (“Zgounder”), an 85%-15% joint venture between its subsidiary, Zgounder Millenium Silver Mining SA, and the Office National des Hydrocarbures et des Mines (“ONHYM”) of Morocco. Aya’s mining portfolio also includes the Boumadine polymetallic deposit located in the Anti-Atlas Mountains of eastern Morocco, which is also a project with ONHYM wherein Aya retains an 85% ownership.

Additionally, the Company’s portfolio includes the Amizmiz and Azegour properties, both being 100% owned, with gold, tungsten, molybdenum and copper occurrences in the center of the historical mining district of Morocco, in addition to the Tijirit Gold project (the “Tijirit Project”) located in northwestern Mauritania. Aya’s flagship property, Zgounder, has produced over 3,000,000 oz of silver to date.

In 2021, Aya expanded into Mauritania through its acquisition of Algold Resources Ltd. (“Algold”). As part of the Algold acquisition, the Company acquired the Tijirit Project together with one prospective exploration property.

The Tijirit Project is a development-stage gold deposit located in northwestern Mauritania, approximately 275 kilometers north of the capital Nouakchott, 25 kilometers southeast of the Tasiast Gold Mine. TIREX SA, Algold’s local 75%-owned subsidiary, holds a 28-year mining permit comprising five zones over a 150 square-kilometer area.

The following chart sets out the organizational structure of Aya and each of its material subsidiaries in Morocco, as well as the percentage of ownership and jurisdiction of incorporation of each such material subsidiary:



## CONSOLIDATED CAPITALIZATION

The following summarizes the changes in the Company's consolidated capitalization as at June 30, 2021, the last day of the Company's most recently completed fiscal period in respect of which financial statements have been filed, as well as after giving effect to the Offering. Since June 30, 2021, there have been no material changes to the Company's share and loan capitalization on a consolidated basis, other than as described herein. The following table should be read in conjunction with the Interim Financial Statements and the Company's management's discussion and analysis of results of operations and financial condition dated August 12, 2021 for the same period, each incorporated by reference in this Prospectus.

Description of Capital	Outstanding as at June 30, 2021 <sup>(1)</sup>	Outstanding as at June 30, 2021 after giving effect to the Offering <sup>(1)</sup>	Outstanding as at June 30, 2021 after giving effect to the Offering and to the Over-Allotment Option <sup>(1)</sup>
Common Shares	US\$110,336,054 (96,671,013 Common Shares)	US\$167,401,831 (104,214,563 Common Shares) <sup>(2)</sup>	US\$175,702,460 (105,239,063 Common Shares) <sup>(2)</sup>
Shares to be issued	US\$57,675	US\$57,675	US\$57,675
Equity reserves	US\$17,136,599	US\$17,136,599	US\$ 17,136,599
Deficit	- US\$48,616,682	- US\$51,778,784	- US\$52,193,815
Total equity attributable to the owners	US\$78,913,646	US\$132,817,321	US\$140,702,919

Notes:

- <sup>(1)</sup> As at June 30, 2021, the Company had (i) 5,633,003 share purchase warrants that could result in the issuance of up to 5,633,003 additional Common Shares; and (ii) 2,902,658 exercisable share purchase options that could result in the issuance of up to 2,902,658 additional Common Shares.
- <sup>(2)</sup> Between July 1, 2021 and the date of this Prospectus, (i) an aggregate of 623,550 share purchase warrants were exercised for 623,550 in additional Common Shares; and (ii) an aggregate of 90,000 share purchase options were exercised for 90,000 in additional Common Shares. These issuances are included in the table above. See "Prior Sales".

## USE OF PROCEEDS

Based on the issuance of 6,830,000 Offered Shares pursuant to the Offering for aggregate gross proceeds of \$70,007,500 less the Underwriters' Fee of \$3,500,375 and the estimated expenses of the Offering of \$500,000 (exclusive of any taxes), the net proceeds to Aya from the sale of the Offered Shares will be approximately \$66,007,125. If the Over-Allotment Option is exercised in full, based on the issuance of 7,854,500 Offered Shares pursuant to the Offering for aggregate gross proceeds of \$80,508,625, less the Underwriters' Fee of \$4,025,431 and the estimated expenses of the Offering of \$500,000 (exclusive of any taxes), the net proceeds to Aya from the sale of the Offered Shares, including pursuant to the Over-Allotment Option, will be \$75,983,194. See "Plan of Distribution".

As set out in the table below, we intend to use the net proceeds of the Offering for the expansion of the Zgounder mine, for advancement of our other properties and for general corporate purposes. We may invest funds which we do not immediately use. Such investments may include short-term marketable investment grade securities denominated in Canadian dollars, United States dollars or other currencies.

Principal Purposes	Million \$CAD
Development & Expansion of Zgounder Mine <sup>(1)</sup>	55.0
Advancement of Other Properties <sup>(2)</sup>	6.0

General Corporate Purposes	5.0
<b>Total</b>	<b>66.0</b>

- (1) Aya intends to complete a feasibility study (“FS”) for the Zgounder Project. Aya engaged DRA Met/Chem (“DRA”) to conduct the FS. The FS and its various trade-off analysis will facilitate decision making related to sizing and design of Zgounder Project. Following the FS, the Issuer will engage in project financing with a view to finance and commence construction of the Project expansion. It is estimated that the FS will cost approximately US\$2,400,000 and it is expected to be completed by Q4 2021.
- (2) The Company intends to conduct various field work programs on its various permits including mapping, geophysics, and various drilling.

### **Significant Events, Milestones or Objectives for the Zgounder Project**

As per the Company’s guidance, the Zgounder expansion is currently undergoing a feasibility study with an objective of increasing throughput by 2,000 tons of ore per day. The feasibility study is expected to cost approximately US\$2,400,000 and to be completed by the end of 2021. Until the completion of the feasibility study we cannot opine on the cost of the expansion, the timeline for construction or the size of the final expansion design. The work on the advancement of the other properties is expected to use up the proceeds within a 12-month period.

### **Significant Events, Milestones or Objectives for the Tijirit Project**

Following the acquisition of Tijirit, Aya has launched a feasibility study (the “**Tijirit FS**”) to assess the potential for developing Tijirit. The Tijirit FS, which will initially focus on the Eleonore and Eleonore East deposits, is scheduled for completion within the next twelve months and envisages a base case scenario of a 1,000-tonne-per-day (“**tpd**”) processing plant that can be expanded to 2,000 tpd, which base case scenario deviates from the *Technical Report for the Preliminary Economic Assessment of the Tijirit Project in Mauritania* (the “**Tijirit Technical Report**”), which provided for 3,000 tpd. The proposed initial flowsheet will comprise a conventional primary crush and SAG milling circuit, followed by gravity gold recovery and leaching. Based on the foregoing, the Tijirit Technical Report, as well as its capital costs estimated at \$145.5M for the Pre-Production Period for Phase 1, are no longer current.

A budget estimate of US\$5.6 million has been established for the development of the Tijirit Project to achieve completion of the Tijirit FS. The following activities are expected to take place:

- 15,000 meters of drilling to convert in-pit inferred resources into the M&I categories and to expand the mineral resource base;
- A metallurgical test work program;
- All engineering studies for the completion of the Tijirit FS; and
- All field work programs such as geotechnical and hydrogeological programs.

Negotiations with the Government of Mauritania regarding the waiving of certain conditions in the Tijirit mining permit concluded in the imposition of certain conditions on the said permit whereby the Corporation is required to produce a feasibility study by January 19, 2022 and begin commissioning of the resulting plant by November, 2022. The Corporation is in discussions with the government of Mauritania to extend this delay. As part of the agreement and upon the start of commercial operation, the Corporation has committed to pay US\$ 2 million to the Mauritian government for the development of the mining sector in Mauritania.

We will not, for 90 days after the Closing Date and subject to the Underwriting Agreement, issue securities other than pursuant to this Prospectus.

There can be no assurances the above objectives will be completed prior to the stated deadline or at all. See “*Risk Factors*”.

## SHARE STRUCTURE

Aya's authorized share capital consists of an unlimited number of Common Shares. As of September 8, 2021 we had issued and outstanding 97,330,788 Common Shares.

## DIVIDENDS AND DISTRIBUTIONS

The Company has not, since the date of its incorporation, declared or paid any dividends on the Common Shares, and does not currently have a policy with respect to the payment of dividends. For the foreseeable future, Aya anticipates that it will retain future earnings and other cash resources for the operation and development of its business. The payment of dividends in the future, if any, will be determined by the Board in their sole discretion based upon, among other factors, the cash flow, results of operations and financial condition of the Company, the need for funds to finance ongoing operations, and such other business considerations as the Board considers relevant.

## DESCRIPTION OF SECURITIES OFFERED

### Common Shares

The summary below of the rights, privileges, restrictions and conditions attaching to the Common Shares is subject to, and qualified in its entirety by reference to, the Company's articles and by-laws, which may be accessed electronically under Aya's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Holders of Common Shares are entitled to receive notice of, attend and vote at, all meetings of the shareholders of the Company (except with respect to matters requiring the vote of a specified class or series voting separately as a class or series) and are entitled to one vote for each Common Share on all matters to be voted on by shareholders at meetings of the Company's shareholders. Holders of Common Shares are entitled to receive such dividends, if, as and when declared by the Board, in their sole discretion. All dividends which the Board may declare shall be declared and paid in equal amounts per share on all Common Shares at the time outstanding. On liquidation, dissolution or winding up of the Company, the holders of Common Shares will be entitled to receive the property of the Company remaining after payment of all outstanding debts on a pro rata basis, but subject to the rights, privileges, restrictions and conditions of any other class of shares issued by the Company. There are no pre-emptive, redemption or conversion rights attaching to the Common Shares. All Common Shares, when issued, are and will be issued as fully paid and non-assessable shares without liability for further calls or to assessment.

## PRIOR SALES

The following table summarizes our issuances of Common Shares and securities convertible into Common Shares during the 12 months prior to the date of this Prospectus:

Date	Security	Weighted Average Issue Price or Exercise Price per Security, as applicable	Number of Offered Shares
September 3, 2020	Common Shares	\$2.10	12,488,095 <sup>(1)</sup>
September 3, 2020	Warrants	\$3.30	6,244,047 <sup>(3)</sup>
September 3, 2020	Warrants	\$2.29	604,187 <sup>(2)</sup>
January 12, 2021	Common Shares	\$3.00	2,133,233
January 21, 2021	Common Shares	\$2.29	45,314 <sup>(2)</sup>
January 21, 2021	Common Shares	\$3.30	15,000 <sup>(3)</sup>
February 3, 2021	Common Shares	\$1.43	50,000 <sup>(4)</sup>
February 24, 2021	Common Shares	\$3.30	119,050 <sup>(3)</sup>
February 25, 2021	Common Shares	\$3.30	1,250 <sup>(3)</sup>

<b>Date</b>	<b>Security</b>	<b>Weighted Average Issue Price or Exercise Price per Security, as applicable</b>	<b>Number of Offered Shares</b>
March 3, 2021	Stock Options	\$4.75	383,000
March 3, 2021	Restricted Share Units	\$4.75	137,675
March 18, 2021	Common Shares	\$3.30	2,500 <sup>(3)</sup>
April 9, 2021	Common Shares	\$1.43	30,000 <sup>(4)</sup>
April 20, 2021	Common Shares	\$2.29	365,512 <sup>(2)</sup>
April 22, 2021	Common Shares	\$3.30	587,500 <sup>(3)</sup>
May 12, 2021	Stock Options	\$7.69	400,000
May 18, 2021	Common Shares	\$1.43	333,332 <sup>(4)</sup>
May 25, 2021	Common Shares	\$2.29	15,105 <sup>(2)</sup>
June 2, 2021	Common Shares	\$3.30	59,500 <sup>(3)</sup>
June 9, 2021	Common Shares	\$3.30	7,500 <sup>(3)</sup>
June 10, 2021	Restricted Share Units	\$6.50	25,300
June 10, 2021	Common Shares	\$8.13	687,403 <sup>(5)</sup>
June 14, 2021	Common Shares	\$1.43	40,000 <sup>(4)</sup>
July 2, 2021	Common Shares	\$1.43	50,000 <sup>(4)</sup>
July 8, 2021	Common Shares	\$3.30	2,500 <sup>(3)</sup>
July 8, 2021	Common Shares	\$1.43	40,000 <sup>(4)</sup>
July 9, 2021	Common Shares	\$3.30	2,000 <sup>(3)</sup>
July 16, 2021	Common Shares	\$3.30	309,500 <sup>(3)</sup>
August 12, 2021	Common Shares	\$3.30	71,450 <sup>(3)</sup>
August 17, 2021	Common Shares	\$3.30	238,100 <sup>(3)</sup>

(1) Common shares issued as part of a private placement of units, each consisting of one common share and one-half of one common share purchase warrant (the "2020 Private Placement")

(2) Brokers Warrants issued as part of the 2020 Private Placement

(3) Warrants issued as part of the 2020 Private Placement

(4) Stock Option Exercise

(5) Acquisition of Algold Resources Ltd.

### TRADING PRICES AND VOLUMES

The following table sets forth, for the periods indicated, the reported high and low daily trading prices and the aggregate volume of trading of the Common Shares on the TSX:

<b>Month</b>	<b>TSX</b>		
	<b>High</b>	<b>Low</b>	<b>Volume</b>
	<b>(\$)</b>	<b>(\$)</b>	
August 2020	2.96	2.10	1,642,127
September 2020	2.83	2.10	1,653,686
October 2020	3.29	2.53	1,594,737
November 2020	3.5	2.76	1,835,033
December 2020	3.97	2.79	4,794,701
January 2021	4.87	3.53	7,199,918
February 2021	6.14	3.97	6,250,518
March 2021	5.76	4.10	4,798,008
April 2021	8.03	4.80	6,130,414

Month	TSX		
	High	Low	Volume
	(\$)	(\$)	
May 2021	8.25	6.62	5,116,600
June 2021	9.19	7.16	5,969,837
July 2021	10.62	8.54	4,778,457
August 2021	11.85	9.57	9,587,326
September 1 – 8, 2021	10.24	9.79	1,769,349

Source: <https://money.tmx.com/en/quote/AYA>

### PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement dated August 27, 2021, Aya has agreed to issue and sell an aggregate of 6,830,000 Offered Shares to the Underwriters, and the Underwriters have agreed to purchase such Offered Shares on the Closing Date, subject to the terms and conditions set forth in the Underwriting Agreement, at a price of \$10.25 per Offered Share for aggregate gross proceeds of \$70,007,500.

In consideration for their services in connection with the Offering, the Underwriters will be paid a fee of \$0.5125 per Offered Share by Aya in proportion to the Offered Shares offered by each of them. Aya has also agreed to pay for certain expenses of the Underwriters in connection with the Offering. The Offering Price was determined by arm's-length negotiation between Aya and the Lead Underwriters, on their own behalf and on behalf of the other Underwriters.

Aya has also granted to the Underwriters the Over-Allotment Option to purchase up to an additional 1,024,500 Offered Shares, or up to 15% of the Offered Shares issued pursuant to the Offering, at the Offering Price, on the same terms and conditions as the Offering, exercisable in whole or in part at any time until the date that is 30 days following the Closing Date, to cover over-allotments and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Fee and net proceeds to Aya (before deducting expenses of the Offering) under the Offering will be \$80,508,625, \$4,025,431.25 and \$76,483,193.75, respectively. This Prospectus also qualifies the distribution of the Offered Shares issuable pursuant to the exercise of the Over-Allotment Option. A purchaser who acquires Offered Shares forming part of the Underwriters' over-allocation position acquires those Offered Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. The Underwriters are entitled under the Underwriting Agreement to customary indemnification by the Company against certain liabilities and expenses.

The Offered Shares offered hereby have not been and will not be registered under the U.S. Securities Act or any securities or "blue sky" laws of any state of the United States. Accordingly, the Offered Shares may not be offered, sold or delivered, directly or indirectly, in the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States.

Each Underwriter has agreed that, except as permitted by the Underwriting Agreement pursuant to transactions exempt from the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States, it will not offer or sell the Offered Shares at any time in the United States as part of their distribution. The Underwriting Agreement permits each Underwriter to re-offer and re-sell the Offered Shares that it has acquired pursuant to the Underwriting Agreement to "qualified institutional buyers", as such term is defined in Rule 144A(a)(1) under the U.S. Securities Act, in the United States in accordance with Rule 144A under the U.S. Securities Act and pursuant to similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement provides that each Underwriter will otherwise offer and sell the Offered Shares outside the United States in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Offered Shares that are sold in the United States will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and will be subject to restrictions to the effect that such securities have not been registered under the U.S. Securities Act and may only be

offered, sold or otherwise transferred pursuant to certain exemptions or exclusions from the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Shares in the United States by any dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the U.S. Securities Act and similar exemptions under applicable state securities laws.

It is expected that closing of the Offering (other than any Offered Shares issuable pursuant to the exercise of the Over-Allotment Option) will occur on or about the Closing Date. The Offered Shares (other than any Offered Shares issuable pursuant to the exercise of the Over-Allotment Option) shall be taken up by the Underwriters, if at all, on or before a date not later than 30 days after the date of the receipt for the final short form prospectus in respect of the Offering.

The Underwriters propose to offer the Offered Shares initially at the Offering Price specified herein. After reasonable efforts have been made to sell all of the Offered Shares at the price specified, the Underwriters may subsequently reduce the selling prices to investors from time to time in order to sell any of the Offered Shares remaining unsold. In the event the Offering Price is reduced, the compensation received by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Company for the Offered Shares. Any such reduction will not affect the proceeds received by the Company.

The obligations of the Underwriters under the Underwriting Agreement are joint (the meaning of “several” in common law) and not solidary, and may be terminated at their discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement. Such events include: (i) there shall occur any material change, actual, anticipated or threatened, or any change in a material fact, or there shall exist or be discovered any change in any material fact or previously undisclosed material fact which in the reasonable opinion of the Underwriters has or could reasonably be expected to have a significant effect on the market price or value of the Common Shares; (ii) there should develop, occur or come into effect or existence any event, action, state, or condition or any action, law or regulation, inquiry, including, without limitation, terrorism, accident or major financial, political or economic occurrence of national or international consequence, including by way of COVID-19 (only to the extent that there are material adverse impacts related thereto after August 23, 2021), to the extent that there are any material adverse developments related thereto after the date hereof, or any action, government, law, regulation, inquiry or other occurrence of any nature, which, in the reasonable opinion of the Underwriters, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or the United States or the business, operations or affairs of the Company, or the market price or value of the Common Shares; (iii) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or any order is made or issued under or pursuant to any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality (including without limitation the TSX or any securities regulatory authority), which, in the reasonable opinion of the Underwriters, operates to prevent, restrict or otherwise materially adversely affect the distribution or trading of the Common Shares or any other securities of the Company; (iv) there is a change in any law, rule or regulation, or the interpretation or administration thereof which, in the reasonable opinion of the Underwriters, operates to prevent, restrict or otherwise materially adversely affect the distribution or trading of the Common Shares or any other securities of the Company; (v) an order shall have been made or threatened to cease or suspend trading in the Common Shares or any other securities of the Company by any securities regulatory authority or similar regulatory or judicial authority or the TSX, which, in the reasonable opinion of the Underwriters, operates to prevent, restrict or otherwise materially adversely affect the distribution or trading of the Common Shares or any other securities of the Company; or (vi) the Company is in breach of any material term, condition or covenant of the Underwriting Agreement or any representation or warranty given by it in the Underwriting Agreement is false in any material respect or it is in breach of, default under, non-compliance or alleged non-compliance of any material requirements of applicable securities laws, including any rules or regulations of the TSX.

The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement.

Aya has been advised by the Underwriters that, in connection with the Offering and subject to applicable laws, the Underwriters may effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Aya has agreed that prior to the date that is 90 days after the Closing Date, it will not directly or indirectly, offer, issue, pledge, sell, contract to sell, announce an intention to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise lend, transfer, or otherwise dispose of, any additional Common Shares or any securities convertible or exchangeable into Common Shares, other than (i) pursuant to the exercise of the Over-Allotment Option; (ii) the grant or exercise of stock options and other similar issuances pursuant to the Company's stock option plan and other share compensation arrangements in place prior to the Closing Date; (iii) pursuant to outstanding warrants; and (iv) to satisfy any other currently outstanding instruments or other contractual commitments in relation to any transaction that has been disclosed to the Underwriters, without the prior written consent of Desjardins, on behalf of the Underwriters, such consent not to be unreasonably withheld.

The Closing will be conditional upon all directors and the chief executive officer of the Company agreeing, in a lock-up agreement to be executed concurrently with the closing of the Offering, not to, directly or indirectly, offer, sell, dispose of or otherwise monetize the economic value of any of their Common Shares during the 90-day period commencing on the day after the Closing Date subject to the following exceptions: (i) if the Company receives an offer, which has not been withdrawn, to enter into a transaction or arrangement, or proposed transaction or arrangement, pursuant to which, if entered into or completed substantially in accordance with its terms, a party could, directly or indirectly acquire an interest (including an economic interest) in, or become the holder of, 100% of the total number of Common Shares in the Company, whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buyback, securities issue, reverse takeover, dual-listed Company structure or other synthetic merger, transaction or arrangement; (ii) in respect of sales to affiliates of such directors and chief executive officer of the Company; (iii) as a result of the death of such directors and chief executive officer of the Company, and (iv) the donation of Common Shares by such directors and chief executive officer to a charitable organization, provided that such charitable organization agrees to enter into a lock up agreement for the balance of the lock up period on substantially the same terms as the lock-up agreement.

Aya has applied to list the Offered Shares distributed under this Prospectus pursuant to the Offering. Listing of such securities is subject to Aya fulfilling all of the listing requirements of the TSX.

### **CDS Book-Based Holdings**

Other than pursuant to certain exceptions, the Offering will be effected only through the book-based system administered by CDS or its nominee and the Offered Shares will be deposited with CDS on the Closing Date. Subject to certain limited exceptions, a purchaser of Offered Shares will receive only a customer confirmation from an Underwriter or other registered dealer who is a CDS participant through which the Offered Shares are purchased. Such securities must be purchased or transferred through a CDS participant and all rights of holders of such securities must be exercised through, and all payments or other property to which such holder is entitled will be made or delivered by, CDS or the CDS participant through which the holder holds such securities. Beneficial owners of Offered Shares will not, except in certain limited circumstances, be entitled to receive physical certificates evidencing their ownership of Offered Shares.

### **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

In the opinion of Dentons Canada LLP, counsel to Aya, and McCarthy Tétrault LLP, counsel to the Underwriters, the following summary describes, as of the date hereof, the principal Canadian federal income tax considerations pursuant to the *Income Tax Act* (Canada), as amended, including the regulations promulgated thereunder ("**Tax Act**"), generally applicable to a holder who: (i) acquires the Offered Shares pursuant to this Offering as beneficial owner; (ii) for purposes of the Tax Act and at all relevant times, acquires and holds the Offered Shares as capital property; and (iii) for purposes of the Tax Act and at all relevant times, deals at arm's length and is not affiliated with the Company and the Underwriters (a "**Holder**"). Generally, the Offered Shares will be considered to be capital property to a Holder thereof provided that the Holder does not hold or use the Offered Shares in the course of carrying on a business of

trading or dealing in securities and such Holder has not acquired them or been deemed to have acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a “financial institution” (as defined in the Tax Act for the purposes of the mark-to-market rules); (ii) that has an interest in which would be a “tax shelter investment” (as defined in the Tax Act); (iii) that is a “specified financial institution” (as defined in the Tax Act); (iv) that has elected to report its “Canadian tax results” (as defined in the Tax Act) in a currency other than Canadian currency; (v) who enters into or has entered into a “synthetic disposition arrangement” or a “derivative forward agreement” (as defined in the Tax Act) with respect to the Offered Shares; (vi) that receives dividends on Offered Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act); or (vii) that is a corporation resident in Canada and is, or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of Offered Shares, controlled by a non-resident person, or, if no single non-resident person has or acquires control, by a group of non-resident persons that do not deal with each other at arm’s length for the purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such investors should consult their own tax advisors with respect to an investment in the Offered Shares.

This summary is based upon: (i) the provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) in force as of the date hereof; (ii) all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”); and (iii) counsel’s understanding of the current published administrative and assessing policies and practices of the Canada Revenue Agency (the “**CRA**”) published in writing by the CRA prior to the date hereof. This summary assumes the Proposed Amendments will be enacted in the form proposed, however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed, if at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law, whether by legislative, regulatory, administrative governmental or judicial decision or action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. This summary also does not take into account any change in the administrative policies or assessing practices of the CRA.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder or prospective Holder of Offered Shares, and no representations with respect to the tax consequences to any holder or prospective Holder are made therein. Consequently, holders and prospective Holders of Offered Shares should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring, holding and disposing of Offered Shares pursuant to this Offering, having regard to their particular circumstances.**

### **Holders Resident in Canada**

The following discussion applies to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be resident in Canada (a “**Resident Holder**”). Certain Resident Holders who might not otherwise be considered to hold their Offered Shares as capital property may, in certain circumstances, be entitled to have their Offered Shares, and all other “Canadian securities” (as defined in the Tax Act) owned by such Resident Holders in the taxation year of the election and in all subsequent taxation years, deemed to be capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Resident Holders should consult their own tax advisors regarding this election.

#### *Receipt of Dividends on Offered Shares*

Dividends received or deemed to be received on Offered Shares held by a Resident Holder will be included in the Resident Holder’s income for the purposes of the Tax Act.

Such dividends received by a Resident Holder who is an individual (other than certain trusts) will be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Company as “eligible dividends” in accordance with the provisions of the Tax Act. There may be limitations on

the ability of the Company to designate dividends as “eligible dividends” and the Company has made no commitments in this regard. Any such designation will be disclosed by the Company on its website unless otherwise notified.

Taxable dividends received or deemed to be received by a Resident Holder who is an individual (other than certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act. Resident Holders who are individuals should consult their own tax advisors in this regard.

Dividends received or deemed to be received on Offered Shares by a Resident Holder that is a corporation will be included in computing such Resident Holder’s income for the taxation year and will generally also be deductible in computing its taxable income for that taxation year, subject to all relevant restrictions under the Tax Act. In certain circumstances a dividend received or deemed to be received by a Resident Holder that is a corporation may be deemed to be proceeds of disposition or a capital gain pursuant to subsection 55(2) of the Tax Act. Resident Holders that are corporations should consult their own tax advisors with respect to the application of subsection 55(2) of the Tax Act having regard to their own circumstances.

A Resident Holder that is a “private corporation” or “subject corporation” (as such terms are defined in the Tax Act) may be liable to pay an additional tax under Part IV of the Tax Act on dividends received or deemed to be received on the Offered Shares to the extent such dividends are deductible in computing the Resident Holder’s taxable income. Such additional tax may be refundable in certain circumstances. Resident Holders that are corporations should consult their own tax advisors regarding their own circumstances.

#### *Disposition of Offered Shares*

A disposition or a deemed disposition of an Offered Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) by a Resident Holder will generally result in the Resident Holder realizing a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Offered Share exceed (or are less than) the aggregate of the adjusted cost base to the Resident Holder thereof immediately before the disposition or deemed disposition and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under “*Taxation of Capital Gains and Capital Losses*”. The adjusted cost base to a Resident Holder of Offered Shares acquired pursuant to this Offering will be determined by averaging the cost of such Offered Shares with the adjusted cost base of all other Offered Shares (if any) held by the Resident Holder as capital property at that time.

#### *Taxation of Capital Gains and Capital Losses*

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder in a taxation year must be included in the Resident Holder’s income for the year, and one-half of any capital loss (an “**allowable capital loss**”) realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains realized in a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years (but not against other income), to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition or deemed disposition of an Offered Share may, in certain circumstances, be reduced by the amount of any dividends received or deemed to be received by it on such Offered Share (or on a share for which the Offered Share has been substituted) to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Offered Shares, directly or indirectly, through a partnership or a trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is, throughout the relevant taxation year, a “Canadian-controlled private corporation”, as defined in the Tax Act, may be liable to pay an additional tax (refundable under certain circumstances) on its “aggregate investment income”, which is defined in the Tax Act to include taxable capital gains. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Capital gains realized by an individual (including certain trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Resident Holders who are individuals should consult their own tax advisors in this regard.

### **Holders Not Resident in Canada**

The following summary applies to a Holder who, at all relevant times, for purposes of the Tax Act and any relevant income tax treaty or convention: (i) is neither resident nor deemed to be resident in Canada; and (ii) does not, and is not deemed to, use or hold Offered Shares in carrying on a business in Canada (a “**Non-Resident Holder**”). In addition, this discussion does not apply to a Non-Resident Holder that is “registered non-resident insurer” or “an authorized foreign bank” (as such terms are defined in the Tax Act).

#### *Disposition of Offered Shares*

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition or deemed disposition of an Offered Share unless the Offered Shares constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident. In addition, capital losses arising on a disposition or deemed disposition of an Offered Share will not be recognized under the Tax Act, unless the Offered Shares constitute “taxable Canadian property” (as defined in the Tax Act) at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident.

Provided the Offered Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes the TSX), at the time of disposition, Offered Shares generally will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60 month period that ends at the time of the disposition of the Offered Shares: (i)(a) the Non-Resident Holder; (b) persons with whom the Non-Resident Holder did not deal at arm’s length; (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; or (d) the Non-Resident Holder together with such persons, owned 25% or more of the issued shares of any class of the capital stock of the Company; and (ii) more than 50% of the fair market value of the Offered Shares was derived directly or indirectly from one or any combination of: (a) real or immovable property situated in Canada; (b) “Canadian resource properties” (as defined in the Tax Act); (c) “timber resource properties” (as defined in the Tax Act); and (d) options in respect of, or interests in or for civil law rights in, property described in (a) to (c), whether or not such property exists. Notwithstanding the foregoing, Offered Shares may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act.

A Non-Resident Holder contemplating a disposition of Offered Shares that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.

In the event that an Offered Share constitutes taxable Canadian property of a Non-Resident Holder and any capital gain that would be realized on the disposition thereof is not exempt from tax under the Tax Act or pursuant to an applicable income tax convention, the income tax consequences discussed above for Resident Holders under “*Disposition of Offered Shares*” will generally apply to the Non-Resident Holder.

#### *Receipt of Dividends on Offered Shares*

Any dividends paid or credited, or deemed to be paid or credited, on the Offered Shares to a Non-Resident Holder will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder’s country of residence. For instance, where the Non-Resident Holder is a resident of the United States that is entitled to full benefits under the Canada-United States Income Tax Convention (1980) as amended (the “**Treaty**”), and is the beneficial owner of the dividends, the rate of Canadian withholding tax applicable to dividends is generally reduced to 15% (or 5% in the case of a Non-Resident Holder that is a corporation entitled to full benefits under the Treaty

beneficially owning at least 10% of the Company's voting shares). Non-Resident Holders should consult their own tax advisors in this regard.

### **INTEREST OF EXPERTS**

Certain legal matters relating to the Offering will be passed upon on behalf of the Company by Dentons Canada LLP. Certain legal matters relating to the Offering will be passed upon on behalf of the Underwriters by McCarthy Tétrault LLP. As of the date hereof, partners and associates of Dentons Canada LLP own beneficially, directly or indirectly, less than 1% of the Company's outstanding securities or of any of the Company's associates or affiliates. As of the date hereof, partners and associates of McCarthy Tétrault LLP own beneficially, directly or indirectly, less than 1% of the Company's outstanding securities or of any of the Company's associates or affiliates.

Certain information of a scientific or technical nature relating to the Company's mineral projects in the documents incorporated by reference herein has been derived from technical reports prepared by the experts named below and has been included in reliance on such person's expertise.

<b>Name</b>	<b>Description</b>
William Stone, P.Geo.	Co-Author of the Zgounder Technical Report
Fred Brown, P.Geo.	Co-Author of the Zgounder Technical Report
Jarita Barry, P.Geo.	Co-Author of the Zgounder Technical Report
David Burga, P.Geo.	Co-Author of the Zgounder Technical Report
Ewald Pengel, P.Geo.	Co-Author of the Zgounder Technical Report
D. Grant Feasby, P.Eng.	Co-Author of the Zgounder Technical Report
Antoine Yassa, P.Geo.	Co-Author of the Zgounder Technical Report
Eugene Puritch, P.Eng., FEC, CET	Co-Author of the Zgounder Technical Report
Yann Camus, Eng	Qualified Person for Mineral Resource Estimate, Tijirit

To the best of the Company's knowledge, after reasonable inquiry, as of the date hereof, each of the aforementioned firms or persons held less than one percent of any class of the Company's securities or of any of the Company's associates or affiliates when they prepared the technical reports and estimates referred to above or following the preparation of such technical reports and estimates, as the case may be. None of the aforementioned persons received any direct or indirect interest in any of our securities or property or of any of our associates or affiliates in connection with the preparation of such technical reports or estimates.

### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Dentons Canada LLP, counsel to Aya, and McCarthy Tétrault LLP, counsel to the Underwriters, based on the current provisions of the Tax Act, the Regulations and provided the Offered Shares are listed on a designated stock exchange (which currently includes the TSX) at all relevant times, the Offered Shares acquired pursuant to the Offering will be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans ("RRSP"), registered retirement income funds ("RRIF"), registered education savings plans ("RESP"), deferred profit sharing plans ("DPSP"), registered disability savings plans ("RDSP") and tax-free savings accounts ("TFSA") (each as defined in the Tax Act).

Notwithstanding the foregoing, the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF, or the subscriber of the RESP, as applicable, will be subject to a penalty tax in respect of the Offered Shares held in the TFSA, RRSP, RRIF, RESP or RDSP, as applicable, if such Offered Shares are "prohibited investments" under the Tax Act for such plan. The Offered Shares generally will not be "prohibited investments" unless the holder of the TFSA or RDSP, the annuitant of the RRSP or RRIF, or the subscriber of the RESP, as the case may be: (i) does not deal at arm's length with Aya for purposes of the Tax Act; or (ii) has a "significant interest" (as defined in the Tax Act) in Aya. In addition,

the Offered Shares generally will not be a prohibited investment if such shares are “excluded property” (as defined in the Tax Act) for trusts governed by a TFSA, RRSP, RRIF, RESP or RDSP.

Holders who intend to hold Offered Shares in a TFSA, RRSP, RRIF, RDSP, RESP or DPSP should consult their own tax advisors.

#### **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The auditors of the Company were previously Raymond Chabot Grant Thornton LLP. Raymond Chabot Grant Thornton LLP has confirmed that it was independent, to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada, as of March 25, 2021 as auditors for the Annual Financial Statements and throughout the period covered by the financial statements of the Company on which they reported.

The auditors of the Company are currently KPMG LLP. KPMG LLP has confirmed that it is independent to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada.

The transfer agent and registrar for the Common Shares in Canada is Computershare Investor Service Inc. at its principal office in Montréal, Québec.

#### **PURCHASERS’ STATUTORY AND CONTRACTUAL RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of these rights or consult with a legal advisor.

**CERTIFICATE OF THE COMPANY**

Dated: September 9, 2021

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required as required by the securities legislation of each of the provinces of Canada.

**AYA GOLD & SILVER INC.**

*“Benoit La Salle”*

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Benoit La Salle  
President and Chief Executive Officer

*“Ugo Landry-Tolszczuk”*

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Ugo Landry-Tolszczuk  
Chief Financial Officer

On behalf of the Board of Directors,

*“Elena Clarici”*

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Dr. Elena Clarici  
Director

*“Yves Grou”*

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Yves Grou  
Director

**CERTIFICATE OF THE UNDERWRITERS**

Dated: September 9, 2021

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

**DESJARDINS SECURITIES INC.**

By: *“Maciej Pach”*

Name: \_\_\_\_\_  
Maciej Pach  
Title: Managing Director

**SPROTT CAPITAL PARTNERS LP**

By: *“David Wargo”*

Name: \_\_\_\_\_  
David Wargo  
Title: Managing Director, Head of  
Investment Banking

**CORMARK SECURITIES INC.**

By: *“Tyron Breytenbach”*

Name: \_\_\_\_\_  
Tyron Breytenbach  
Title: Managing Director, Investment  
Banking

**NATIONAL BANK FINANCIAL**

By: *“Thomas Bachand”*  
Name: \_\_\_\_\_  
Thomas Bachand  
Title: Managing Director, Investment  
Banking

**STIFEL NICOLAUS CANADA INC.**

By: *“Egizio Bianchini”*  
Name: \_\_\_\_\_  
Egizio Bianchini  
Title: Vice Chairman, Head of Mining  
Investment Banking

**BMO CAPITAL MARKETS**

By: *“Ilan Bahar”*

Name: \_\_\_\_\_  
Ilan Bahar  
Title: Managing Director & Co-Head, Global  
Metals & Mining Investment Banking