



# MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine-month  
periods ended September 30,  
2022

# MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis ("MD&A") of the operations, results, and financial position of Aya Gold & Silver Inc. ("Aya") and its subsidiaries (together the "Corporation"), dated November 14, 2022, covers the three and nine-month periods ended September 30, 2022 and should be read in conjunction with the Corporation's condensed interim consolidated financial statements and related notes for the three and nine-month periods ended September 30, 2022 and the audited consolidated financial statements and related notes for the year ended December 31, 2021.

The Corporation's September 30, 2022 condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board. The condensed interim consolidated financial statements and the financial information contained in this MD&A reflect management's best estimates and judgment based on information currently available. All financial results presented in this MD&A are expressed in United States dollars unless otherwise indicated.

This MD&A contains forward-looking information that is subject to risk factors set out in a cautionary note in this MD&A under "Cautionary Statement Regarding Forward-Looking Information". All information contained in the Corporation's condensed interim consolidated financial statements and in this MD&A has been reviewed by the Audit Committee and approved by the Corporation's Board of Directors. This MD&A is current as of November 14, 2022, unless otherwise stated.

## DESCRIPTION OF THE BUSINESS

Aya Gold & Silver Inc. is a Canadian-based precious metals mining corporation focusing on the exploration, development, production, and acquisition of precious metals mining projects. The Corporation is concentrated on producing silver and exploration activities at its flagship project, the Zgounder property. Aya owns 85% of Zgounder Millennium Silver Mine S.A ("ZMSM"), which owns the Zgounder property. The Corporation also owns 85% of the Boumadine polymetallic project and owns the permits related to the Amizmiz, Azegour, Zgounder Regional and Imiter bis properties. These properties are located in the Kingdom of Morocco. Following the acquisition of Algold Resources Ltd. ("Algold") completed on June 10, 2021 (See section Acquisition of Algold Resources Ltd.), Aya owns 75% of the Tijirit project located in Mauritania.

Aya was incorporated under the Canada Business Corporations Act; and its financial year-end is December 31. It trades on the Toronto Stock Exchange under the symbol "AYA" and on the OTCQX under the symbol "AYASF". Aya's issued and outstanding share capital totals 105,006,857 common shares on November 14, 2022. The Zgounder Silver Mine is in operation while all other projects are at the exploration and evaluation stage.



## Q3-2022 QUARTER HIGHLIGHTS

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- Strong operations including record mill and mine throughput
  - Milled a record throughput of 758 tonnes per day (“tpd”) in Q3-2022 with a monthly record of 785 tpd in September
  - Mined a record throughput of 825 tpd in Q3-2022 with a monthly record of 941 tpd in September
  - Produced 451,681 ounces (“oz”) of silver (“Ag”), a 33% improvement from Q3-2021
  - Combined mill recovery of 86.2%, a 7% increase from Q3-2021
- Silver sales of 419,760 oz, a 4% increase from Q3-2021.
- Revenue of \$7.2 million, a 9% decrease from Q3-2021.
- Operating cash flow for the period of \$5.7 million, same as Q3-2021.
- Cash cost per silver ounce sold of \$14.03 compared to \$11.41 in Q3-2021 <sup>(1)</sup>.
- Completed over 7,000 meters (“m”) of drilling on the eastern zone and began directional drilling on the Central Zone at depth
- Launched drill program on Zgounder Regional, testing target areas defined by the spectral and prospecting campaigns
- Exploration of rich regional portfolio located along the South Atlas Fault:
  - Completed 7,500m initial diamond drill hole (“DDH”) program at Boumadine and expanded budget twice to 17,500m, to follow up on promising results
    - Intersected massive sulfide mineralized zones in many holes, confirming extension of the Boumadine structures
  - Received full assay results from Phase I DDH drilling program on Imiter bis, together with final data from airborne geophysics survey
- Advanced Zgounder production expansion on time and on budget:
  - Completed 2,266m of lateral underground development
  - Commenced bulk earthworks on schedule
  - Awarded contracts for the ball mill, crushing equipment package, thickeners, and Merrill Crowe circuit
  - Completed detailed design for the first phase of the new tailings storage facility
- Secured, subject to customary documentation and conditions precedent, a \$100 million debt financing package with the European Bank for Reconstruction and Development (“EBRD”) and Climate Investment Funds’ Clean Technology Fund to support expansion of Zgounder (see press release dated October 25, 2022)
- Solid financial position with \$58 million of cash, cash equivalents and restricted cash <sup>(2)</sup>
- Ranked 18th on the 2022 TSX30 as a top-performing stock with a 3-year share appreciation of 245%

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<sup>(1)</sup> Non-GAAP Measures, refer to pages 12.

<sup>(2)</sup> Non-GAAP Measures, consisting of cash and cash equivalents of \$55,582,119 and restricted cash of \$2,477,353 (September 30, 2021, balances of \$83,315,222 and \$2,757,241 respectively).

## Q3-2022 QUARTER OPERATING AND FINANCIAL HIGHLIGHTS

Key Performance Metrics	Three-month period ended September 30,			Nine-month period ended September 30,		
	2022	2021	Variation	2022	2021	Variation
<b>Operational</b>						
Ore Processed (tonnes)	69,697	53,869	29%	191,693	158,660	21%
Mill Average Feed Grade (g/t Ag)	232	242	(4%)	232	278	(17%)
Mill Recovery (%)	86.2%	80.9%	7%	85.0%	81.9%	4%
Silver Ingots Produced (oz)	184,629	154,331	20%	527,727	519,737	2%
Silver in Concentrate Produced (oz)	267,052	184,293	45%	691,360	647,167	7%
<b>Total Silver Produced (oz)</b>	<b>451,681</b>	<b>338,624</b>	<b>33%</b>	<b>1,219,087</b>	<b>1,166,904</b>	<b>4%</b>
Silver Ingots Sold (oz)	174,243	185,000	(6%)	570,299	510,999	12%
Silver in Concentrate Sold (oz)	245,517	218,950	12%	695,349	664,967	5%
<b>Total Silver Sales (oz)</b>	<b>419,760</b>	<b>403,950</b>	<b>4%</b>	<b>1,265,648</b>	<b>1,175,966</b>	<b>8%</b>
Avg. Net Realized Silver (\$/oz) <sup>(3)</sup>	17.12	19.46	(12%)	19.69	22.34	(12%)
Cash Costs per Silver Ounce Sold <sup>(4)</sup>	14.03	11.41	23%	13.53	11.21	21%
<b>Financial</b>						
Revenue	7,186,702	7,862,243	(9%)	24,923,115	26,276,792	(5%)
Cost of sales	6,412,530	4,772,246	34%	19,358,343	13,657,931	42%
Gross Margin	774,172	3,089,997	(75%)	5,564,772	12,618,861	(56%)
Operating (Loss) Income	(1,329,242)	1,017,868	(231%)	(1,074,545)	5,470,194	(120%)
Net (Loss) Earnings	672,156	1,287,812	(48%)	(565,774)	2,358,175	(124%)
Operating Cash Flow	5,700,895	5,678,979	-%	6,009,539	15,544,852	(61%)
Cash and Restricted Cash <sup>(5)</sup>	58,059,472	88,072,463	(34%)	58,059,472	88,072,463	(34%)
<b>Shareholders</b>						
Earnings (Loss) per Share – basic	0.006	0.013	NM	(0.005)	0.025	NM
Earnings (Loss) per Share – diluted	0.006	0.013	NM	(0.005)	0.023	NM
<b>*NM – Not Meaningful</b>						

### Operational Highlights

- Quarterly silver production of 451,681 oz, of which 267,052 oz as silver concentrate and 184,629 oz as silver ingots. The 33% year-over-year increase in silver ounces produced this quarter is a direct result of the higher mill throughput and recovery rate.
- Mill average feed grade of 232 g/t Ag was recorded in the quarter compared to 242 g/t Ag in the same quarter the year prior, a reduction of 4%.

<sup>(3)</sup> Includes a reversal of previous provisions of 15,245 ounces from concentrate sales in the previous periods. Without this revision, the average net realized silver price per ounce would have been \$17.77 and \$19.93, respectively, for Q3-2022 and for the nine-month period ended September 30, 2022.

<sup>(4)</sup> The Corporation reports non-GAAP measures, including cash costs per silver ounce, which are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and the methods used by the Corporation to calculate such measures may differ from methods used by other companies with similar descriptions. See “Non-GAAP Measures” on page 12 and 13 for a reconciliation of non-GAAP to GAAP measures.

<sup>(5)</sup> See footnote <sup>(2)</sup> on page 2.

- Milling operations averaged 758 tonnes per day (“tpd”) for the period. Combined mill recovery averaged 86.2% compared to 80.9% in Q3-2021, an increase of 7%.
- 20,769m of surface drilling was completed on the Zgounder property as at September 30, 2022. Four rigs are currently operating at Zgounder.
- Cash cost per silver ounce sold for the quarter was \$14.03 per ounce, compared to \$11.41 per ounce in Q3-2021<sup>(6)</sup>. The increase in cash cost per silver ounces sold was primarily due to a 21% increase in smelting, refining and transport costs and a 30% increase in consumables, supplies, services and other expenses compared to Q3-2021 as the Corporation completed more mine development in Q3-2022 to meet the production targets for the next year, resulting in an increase of \$1,112,436 compared to the same quarter the year before.
- Cost of sales of \$6,412,530 (Q3-2021 – \$4,772,246) with an average cash cost<sup>(6)</sup> per silver ounce sold during the quarter of \$14.03 /oz compared to \$11.41 /oz in Q3-2021.

## Financial Highlights

- The Corporation had cash, cash equivalents and restricted cash of \$58,059,472 as at September 30, 2022 compared to \$88,072,463 as at September 30, 2021<sup>(7)</sup>.
- Revenue from silver sales for the quarter totaled \$7,186,702 (Q3-2021 – \$7,862,243), a decrease of 9% driven by a 12% decrease in the average net silver realized price per silver ounce compared to Q3-2021 and was partially offset by an increase of 4% in ounces sold.
- Operations generated a gross margin of \$774,172 compared to \$3,089,997 in Q3-2021, a decrease of 75%.
- Net income for the period was \$ 672,156 (EPS of \$0.006), compared to a net income of \$1,287,812 (EPS of \$0.013) in Q3-2021.
- Cash flow generated by operating activities totaled \$5,700,895 in the period, compared to \$5,678,979 in Q3-2021.

## OPERATING RESULTS

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### Zgounder Silver Mine

In the third quarter of 2022, the continued focus was accelerating development of the underground mine infrastructure to support the mine expansion. A total of 1,136m meters of permanent horizontal infrastructure was completed in Q3-2022, for a total of 2,266m year to date, in line with the planned ramp-up. Mobilization of the contractor CMAC, a reputable Canadian underground mining contractor, commenced to start construction of the vertical chutes in Q4-2022.

The quarter saw timely commencement of earthworks for the new Zgounder processing plant. Due to the implementation of effective water use measures, there were no water-related impacts on production despite an exceptionally dry season.

### *Mine & Milling Operations*

During the third quarter, record mine and mill throughput of 825 tpd and 758 tpd, respectively, were achieved along with quarterly production of 451,681 oz Ag with a mill feed grade of 232 g/t Ag. A total of 75,907t was mined at a head grade of 216 g/t Ag, with underground mine development being a major focus in the quarter. Silver recovery was 84.5% at the flotation plant and 88.9% at the cyanidation plant for an average recovery of 86.2% in the quarter. Mill availabilities averaged 92.0% for the flotation plant and 95.6% for the cyanidation plant.

As mine operations scale up to reach 2,700 tpd by the end of 2024, management determined that additional definition drilling is required to ensure predictable grade in stopes. Additional equipment and human resources have been added

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<sup>(6)</sup> Non-GAAP Measures, refer to pages 12.

<sup>(7)</sup> See footnote <sup>(2)</sup> on page 2.

to meet this objective. Additional inventory on the Run of Mine (“ROM”) pad will help maintain a more consistent grade sent to the mill.

Infrastructure development continued to ramp up and reached 470m in September 2022, close to the 500m monthly objective for 2023-2024.

New mine levels were put online and will contribute to ensure mine ramp-up in 2023, as per the mine plan. Underground mine production is expected to accelerate in 2023 to accumulate a stockpile of 200,000t for the new plant commissioning in 2024.

### **Capital Projects**

The bulk of capital projects completed this quarter related to mine infrastructures and earthworks for the new plant. Construction of new housing was also completed to accommodate the increasing manpower on site.



**Figure 1: Earthworks for new ROM pad for Zgounder processing plant**

### Zgounder Exploration

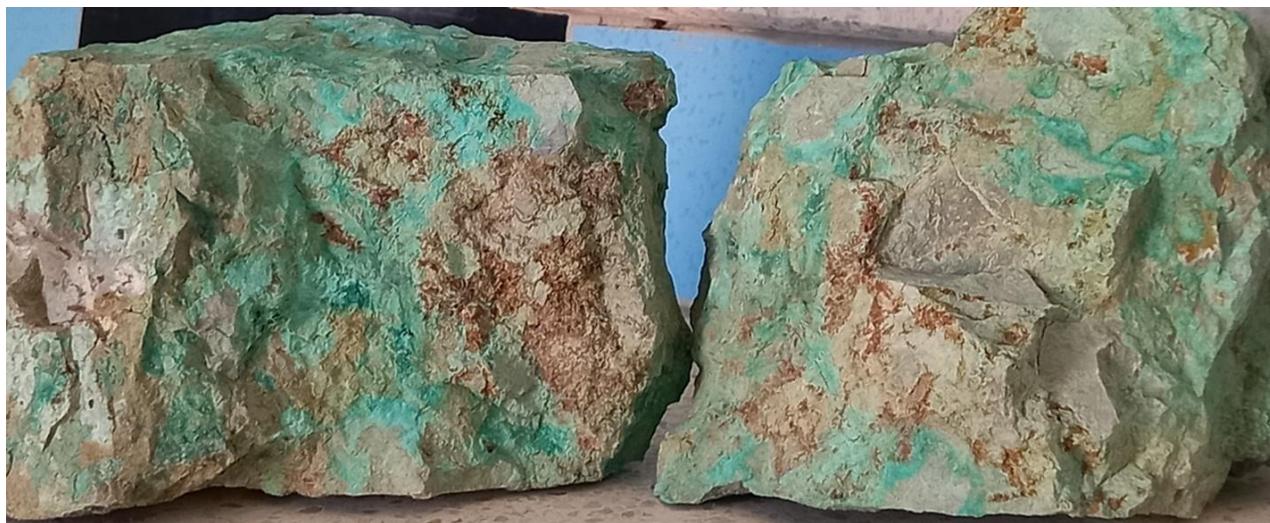
The third quarter saw the Corporation complete its DDH campaign in the eastern zone. The objective was to expand and define the far eastern portion of the deposit for the proposed open pit designation and in the deeper part of the deposits. Several holes were also drilled to confirm the vertical and lateral continuity of known mineralized envelopes.

In the quarter, a total of 7,111m were drilled at Zgounder, bringing the year-to-date total to 20,769m against a budgeted 22,500m. In the fourth quarter, the program will be completed in parallel to the 7,500m drill program on Zgounder Regional properties.

### Zgounder Regional

The final data from the geophysical airborne survey of the Zgounder Regional permits was received late in Q3 and will be combined with the mapping and hyperspectral data to generate new drill targets. Drilling, which had been scheduled in the third quarter, commenced in early October due to a slight delay in building the access road and drilling platform. The Corporation will be testing five different targets highlighted by the spectral and prospecting campaigns. Mapping and prospecting continued in the third quarter. A total of 748 grab samples have been taken year to date, and several geological targets are already emerging.

The technical information relating to the Zgounder Project was reviewed and approved by David Lalonde, B. Sc, Head of Exploration, designated as a Qualified Person under National Instrument 43-101.



**Figure 2: Malachite-rich outcrop from Zgounder Regional mapping program**

### Zgounder Development

On February 22, 2022, the Corporation completed a feasibility study to expand the Zgounder Silver Mine from 700 tpd to 2,700 tpd capacity (see press release dated February 22, 2022). In the third quarter, Aya continued advancing the Zgounder Expansion Project on time and budget, notably by achieving the following items:

- Mine underground development on schedule and aligned with the feasibility study. A total of 2,266m of lateral underground mine development effected to date.
- Quotations for 21 mechanical equipment packages, including all critical path long-lead items, have been received from a pre-approved list of vendors.
- Timely commencement of earthworks:
  - Bulk earthworks for the new process plant and haulage road began on schedule in August 2022 using a well-established Moroccan earthworks contractor. The Corporation's aim is to complete

additional camp upgrades to meet peak construction occupancy by year-end to facilitate the start of process plant erection in 2023.

- Detailed design for the first phase of the new tailings storage facility has been completed, and a competitive Request For Quotation process for its construction has been launched.
- Increasing water storage - the Corporation and Groupement des Consultants et Ingénieurs du Maroc are developing additional water storage facilities to ensure raw water storage capacity prior to commissioning of the new process plant.
- At the end of Q3-2022, negotiations were ongoing for the complete EPC contract for the new processing plant.

The figure below presents the planned timeline for the project expansion.

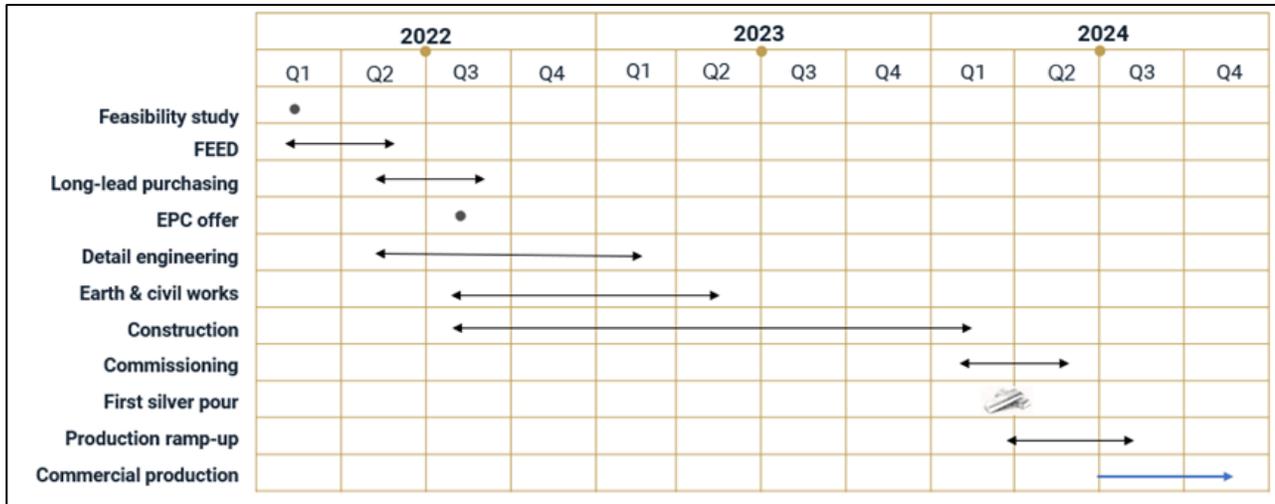


Figure 3 – Zgounder expansion project execution simplified Gantt chart



**Figure 4 – Earthworks for platform of new Zgounder processing plant**

### **Boumadine Development**

The geophysical airborne survey data for the Boumadine permits was received late in Q3. Results will be used to refine the 2023 infill and exploration programs.

The initial 7,500m DDH program was completed in August on the Central Zone, and was subsequently extended by an additional 10,000m to follow up the promising results. By quarter-end, a total of 11,772m had been drilled. Massive sulfide mineralized zones were intersected in many holes, confirming the extension of the Boumadine structures. Results from the first 6,500m were released in September and include some high-grade intersections such as BOU-DD22-036 which returned 32.8m at 2.12 g/t Au; 233 g/t Ag; 8.4% Zn and 4.2% Pb. More results are expected in the fourth quarter.

The technical information relating to the Boumadine Project was reviewed and approved by David Lalonde, B. Sc, Head of Exploration, designated as a Qualified Person under National Instrument 43-101.

### **Imiter bis Exploration**

In the quarter, the remaining assay results from the Imiter bis Phase I drilling program were received, together with the remaining data from the geophysical airborne survey received late in Q3. Phase II drilling, which had been scheduled for Q4-2022, will be postponed to 2023 to focus on Boumadine.

The technical information relating to the Imiter bis Project was reviewed and approved by David Lalonde, B. Sc, Head of Exploration, designated as a Qualified Person under National Instrument 43-101.

## Tijirit Development – Mauritania

Following the acquisition of Algold in June 2021, the Corporation launched a feasibility study (“Tijirit FS”) to assess the potential for developing Tijirit. Several globally recognised engineering consultants including Lycopodium Minerals Canada, SGS Canada Inc., DRA Americas Inc., and GCIM have been mandated to complete the Tijirit FS.

The Tijirit FS focuses on the Eleonore and Eleonore East deposits, with a base case scenario of a 1,000 tpd processing plant that can be easily expanded to 2,000 tpd. The flowsheet will comprise a conventional primary crush and SAG milling circuit, followed by gravity gold recovery and leaching. A work program has been established to complete the Tijirit FS which includes:

- As at September 30, 2022, the Tijirit FS was 85% complete (design of the processing plant and related infrastructure).
- A metallurgical testwork program aimed at defining the leaching conditions and expected recovery of the carbon-in-leach plant was completed in Q3-2021. A second phase of the testwork program that focuses on heap leach testing the Sophie and Lily deposits was completed in Q3-2022.
- Field work at Tijirit resumed in September 2022 with artisanal pit filling and drill pad preparation. The 25,000-meter drilling program began in mid-October with the aim of converting in-pit inferred resources into the M&I categories and expanding the mineral resource base. As of October 31, 2022, a total of 4,700m had been drilled.

## SUSTAINABILITY

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### Q3-2022 Update

The Corporation has anchored responsible mining and positive social impact at the heart of its Zgounder growth plan. Under the third-quarter Environment, Social and Governance (“ESG”) programs, the team achieved the following:

- Together with local health authorities, improved community health outcomes by:
  - Co-funding and conducting a mobile eyecare clinic: a total of 400 schoolchildren obtained eye exams, 100 of whom received prescription eyeglasses, and 75 received specialist referrals
- Helped strengthen educational capacity by completing renovation of two local schools.



**Figure 5: Mobile eyecare clinic for schoolchildren**

## OVERVIEW OF FINANCIAL PERFORMANCE

For the three and nine-months period ended September 30, 2022, and 2021 (in dollars):

	Three-month periods ended September 30			Nine-month periods ended September 30		
	2022	2021	Variance	2022	2021	Variance
<b>Revenue</b>	<b>7,186,702</b>	<b>7,862,243</b>	<b>(9%)</b>	<b>24,923,115</b>	<b>26,276,792</b>	<b>(5%)</b> (1)
Cost of sales	6,412,530	4,772,246	34%	19,358,343	13,657,931	42% (2)
<b>Gross Margin</b>	<b>774,172</b>	<b>3,089,997</b>	<b>(75%)</b>	<b>5,564,772</b>	<b>12,618,861</b>	<b>(56%)</b> (3)
General and administrative expenses	1,389,890	1,408,744	(1%)	4,086,934	3,678,996	11% (4)
Share-based payments	713,524	663,385	8%	2,552,383	3,469,671	(26%) (5)
<b>Operating earnings (loss)</b>	<b>(1,329,242)</b>	<b>1,017,868</b>	<b>(231%)</b>	<b>(1,074,872)</b>	<b>5,470,194</b>	<b>(120%)</b>
Net finance (income) expense	(1,879,486)	(659,573)	185%	(1,650,871)	496,883	(432%) (6)
<b>Net income before income taxes</b>	<b>550,244</b>	<b>1,677,441</b>	<b>(67%)</b>	<b>576,326</b>	<b>4,973,311</b>	<b>(88%)</b>
Income tax (recovery) expense	(121,912)	389,629	(131%)	1,142,100	2,615,136	(56%) (7)
<b>Net (loss) income for the period</b>	<b>672,156</b>	<b>1,287,812</b>	<b>(48%)</b>	<b>(565,774)</b>	<b>2,358,175</b>	<b>(124%)</b> (8)
Income (loss) per share (basic and diluted)	0.006	0.013	NM	(0.005)	0.025	NM (8)

**NM – Not meaningful**

### Three-month period ended September 30, 2022, compared to three-month period ended September 30, 2021

- Revenue** for the quarter decreased by 9% compared to the same quarter in the previous year due to the average realized price of silver sold that decreased from \$19.46/oz in Q3-2021 to \$17.12 in Q3-2022, representing a 12% decrease, partially offset by an increase of 4% in ounces sold.
- Cost of sales** in the period were 34% higher than in the same period of the previous year largely due to an increase in tonnes mined and 29% more tonnes processed to produce ounces which were sold. Consumables, supplies, services, and other expenses were 30% higher as the Corporation completed more mine development in Q3-2022 to meet the production targets for the next year, resulting in an increase of \$1,112,436 compared to the same quarter the year before. It has also completed more definition drilling in Q3-2022 compared to Q3-2021 to define more production faces to support production for the next 12 months. Fuel costs have also increased by \$157,231 this current quarter compared to last year. These variations resulted in an increase of 23% in cash cost per silver ounce sold (\$14.03/oz in Q3-2022 vs \$11.41/oz in Q3-2021) <sup>(6)</sup>.
- Gross margin** in the quarter was down 75% compared to the corresponding period last year resulting from the increased costs and lower average net realized price of silver sold as explained above.
- General and administrative expenses** in Q3-2022 increased slightly by 1% due to increases in salaries and professional fees compared to the same period last year.
- Non-cash share-based payments** represent the compensation cost of options, DSUs and RSUs that the Corporation awarded to certain employees, directors, and officers, resulting in an additional expense of \$713,524 for the quarter compared to the corresponding period last year.
- Net finance (income) expense** was higher than in the same period last year principally due to a gain on foreign exchange of \$1,183,136 compared to a gain of \$388,644 for the same period a year earlier. The Corporation also recorded a gain of \$492,427 on the fair value of its option contracts compared to a gain of \$294,167 in the same quarter in the year prior.
- Income tax expense** during the period was (131%) lower than in the same period of the previous year, primarily due to a loss in pre-tax earnings from our Moroccan operating entity.
- As a result of the foregoing, a **net income** of \$672,156 (EPS of \$0.006) was recorded for the quarter compared to a net income of \$1,287,812 (EPS of \$0.013) in the same quarter of the year prior.

<sup>(6)</sup> Non-GAAP Measures, refer to page 12.

## Nine-month period ended September 30, 2022, compared to nine-month period ended September 30, 2021

- Revenue** for the nine-month period ended September 30, 2022, totaled \$24,923,115 compared to \$26,276,792 in the prior year representing a 5% decrease. For the nine-month period ended September 30, 2022, a total of 1,265,648 ounces were sold (1,175,966 oz in 2021) representing an 8% increase year over year. Although the amount of silver ounces sold increased, the average realized price of silver sold affected the revenue more negatively since it decreased by 12% to \$19.69/oz (\$22.34/oz in 2021).
- Cost of sales** in the period was 42% higher than in the same period of the previous year largely due to an increase in tonnes mined and 21% increase in tonnes processed to produce ounces which were sold. Consumables, supplies, services, and other expenses were 39% higher as the Corporation completed more mine development in 2022 to meet the production target for the next year, resulting in an increase of \$1,151,126 compared to the same period the year before. It has also completed more definition drilling in 2022 compared to 2021 to define more production faces to support production for the next 12 months, resulting in an increase of \$654,833 this year compared to last year. Fuel costs have also increased by \$398,543 this year compared to last year. These variations resulted in an increase of 21% in cash cost per silver ounce sold (\$13.53/oz in 2022 vs \$11.21/oz in 2021)<sup>9</sup>.
- Gross margin** in the first half of the year was 56% lower than in the same period a year ago, due to a 42% increase in the cost of sales. The decrease in gross margin in the first nine months of the year is a direct result of the lower grade mined in Q1-2022 combined with a decrease of 12% in the average net realized silver price per oz, as well as the additional cost of sales as explained above.
- General and administrative expenses** were up by 11% compared to the corresponding period last year, largely because of the increase in personnel as the Corporation continues to build out operations, exploration and development teams.
- Non-cash share-based payments** represent the compensation cost of options that the Corporation awarded to certain employees, directors, and officers, resulting in an additional expense of \$2,552,383 for the period compared to the corresponding period last year. The Corporation awarded 475,230 Restricted Share Units and 125,102 Deferred Share Units during the period.
- Net finance (income) expense** in the period was higher than in the same period the year before due to a gain on foreign exchange of \$985,604 compared to a loss of \$755,304 for the same period a year earlier. The Corporation also increased its interest income by 269% from \$119,910 to \$442,508 on a year-over-year basis.
- Income tax expense** in the period was (56%) lower than in the same period of the previous year, primarily due to a decrease in pre-tax earnings from our Moroccan operating entity.
- As a result of the foregoing, a **net loss** of \$(565,774) (EPS of \$(0.005)) was recorded for the first nine months of 2022 compared to a net income of \$2,358,175 (EPS of \$0.025) in the same period of the year prior.

## SUMMARY OF QUARTERLY RESULTS

### Selected Quarterly Information

Quarter ended	Revenue \$	Net profit (loss) \$	Net profit (loss) per share (basic) \$
September 30, 2022	7,186,702	672,156	0.006
June 30, 2022	8,573,549	724,319	0.007
March 31, 2022	9,162,864	(1,962,249)	(0.019)
December 31, 2021	8,025,122	(1,086,033)	(0.011)
September 30, 2021	7,862,243	1,287,812	0.013
June 30, 2021	9,873,276	250,693	0.003
March 31, 2021	8,541,273	819,670	0.009
December 31, 2020	9,508,703	1,635,140	0.021

<sup>9</sup> Non-GAAP Measures, refer to page 12.

**Revenues** this quarter decreased 16% from Q2-2022 due to the average net realized price of silver sold which decreased from \$19.53 in Q2-2022 to \$17.12 in Q3-2022 and the decrease in silver ounces sold that went from 439,080 in Q2-2022 to 419,760 in Q3-2022. The net income remained consistent in the Q3-2022 and Q2-2022 periods, with an decrease of \$68,732 in the most recent quarter.

For the quarter ended March 31, 2022 the loss of \$(1,962,249) was mainly due to the head grade of 192 g/t Ag achieved during the quarter and consumables and supplies were significantly higher this quarter due to the lower grade of ore mined and processed. The Corporation completed more definition drilling in Q1-2022 to define more production faces to support production for the remainder of the year.

## NON-GAAP MEASURES

In addition to the corresponding GAAP figures, the Corporation uses non-GAAP key performance metrics to monitor and assess the operational performance of each active mining unit by calculating the cash cost per ounce to assess operating performance at each of its active mining units. This indicator is commonly used as a measure of performance in the mining sector, but they are presented in addition to the IFRS indicators, although there is no consistent definition. These indicators are used by management and investors to assess the cost of operations compared to peers and the performance of each mine in the portfolio.

The below indicators are non-GAAP performance indicators and were calculated using World Gold Council (or "WGC") guidelines. WGC is not an industry regulatory agency and therefore does not have the authority to develop accounting standards for disclosure specifications. Due to differences in underlying accounting rules and procedures, the different groupings used in the presentation on Non-GAAP measures, other mining companies may calculate cash costs in a variety of ways.

In accordance with the condensed interim financial statements, the following table reconciles cash costs, cash costs per ounce produced, and cash costs per ounce sold on an attributable basis to cost of sales.

	<b>Three-month period ended September 30,</b>	
<b>Zgounder Silver Mine - Morocco</b>	<b>2022</b>	<b>2021</b>
Cost of sales <sup>(10)</sup>	6,412,530	4,772,246
Amortization	(1,135,280)	(666,135)
<b>Cost of sales, excluding amortization</b>	<b>5,277,250</b>	<b>4,106,111</b>
<u>Add:</u>		
Smelting, refining and transport costs <sup>(11)</sup>	610,019	503,342
<b>Adjusted Operating Cash Costs (A)</b>	<b>5,887,269</b>	<b>4,609,453</b>
<b>Silver Ounces Produced (C)</b>	<b>451,681</b>	<b>338,624</b>
<b>Silver Ounces Sold (D)</b>	<b>419,760</b>	<b>403,950</b>
<b>Cash Cost per Silver Ounce Produced (A/C)</b>	<b>13.03</b>	<b>13.61</b>
<b>Cash Cost per Silver Ounce sold (A/D)</b>	<b>14.03</b>	<b>11.41</b>

## LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2022, the Corporation had working capital <sup>(12)</sup> of \$52,541,312 (\$76,413,389 as at December 31, 2021) including cash and cash equivalents of \$55,582,119 (\$81,665,834 at December 31, 2021) The Corporation has

<sup>(10)</sup> As per note 12 of the condensed interim consolidated financial statements for the total of cost of sales.

<sup>(11)</sup> As per note 11 of the condensed interim consolidated financial statements for treatment, smelting and refining costs reported as net of sales.

<sup>(12)</sup> Non-GAAP Measures consisting of current assets of \$71,995,727 less current liabilities of \$19,454,415 (December 31, 2021: current assets of \$93,864,173 less current liabilities of \$17,450,784).

sufficient liquidity to finance its operations for at least the next 12 months. Although the Corporation had an operating cash flow of \$6,009,539 for the nine-month period ended September 30, 2022, principally from the Zgounder operation, the Corporation's principal sources of financing in the past have been equity and debt financing. The success of debt and equity financings are dependent on capital markets, the attractiveness of exploration companies to investors, and metal prices. Although the Corporation has secured, subject to customary documentation and conditions precedent, a \$100 million debt financing package with the European Bank for Reconstruction and Development (see press release dated October 25, 2022), to continue its exploration and evaluation activities and be able to support its ongoing operations and future mine expansion, the Corporation may be required to raise further equity financing in the capital markets. Although the Corporation filed a preliminary short form base shelf prospectus on November 4, 2022, there is no certainty any securities will be offered or sold under the shelf prospectus within the 25-month period.

## Financing sources

The table below presents the financing amounts received during the last eight quarters up to date of this report.				
Date	Type	Financings	Gross Amounts (\$)	Description of the use of proceeds
Sep. 15, 2021	Short Form Prospectus	Common shares	\$55,202,199	The net proceeds of the financing after deductions of the financing costs, are being used for the expansion of the Zgounder Mine, for advancement of other properties and for general corporation purposes.
From Jan. 21, 2021 to Apr. 4, 2022	Warrants	Common shares	\$4,313,504	The net proceeds from the exercise of warrants are being used for the expansion of the Zgounder Mine, for advancement of other properties and for general corporation purposes.
From Jan. 21, 2021 to Sep. 2, 2021	Brokers warrants	Common shares	\$1,101,811	The net proceeds from the exercise of brokers warrants are being used for the expansion of the Zgounder Mine, for advancement of other properties and for general corporation purposes.
From Feb. 3, 2021 to Mar. 9, 2022	Options exercised	Common shares	\$1,414,516	The net proceeds from the exercise of options are being used to fund general administrative expenses, investing activities and other working capital needs.

## CAPITAL MANAGEMENT

The Corporation defines capital as equity. When managing capital, the Corporation's objectives are to:

- Ensure sufficient liquidity to pursue its strategy of organic growth combined with strategic acquisitions;
- Ensure the externally imposed capital requirements relating to debt obligations are being met;
- Increase the value of the Corporation's assets; and
- Achieve optimal returns to shareholders.

These objectives are achieved by operating its assets efficiently, identifying the right exploration and evaluation projects, adding value to these projects, and ultimately taking them to production or obtaining sufficient proceeds from their disposal. Management adjusts the capital structure as necessary to support the acquisition, exploration and evaluation and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Corporation's management team to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach is appropriate given the relative size of the Corporation. There were no changes in the Corporation's approach to capital management for the period ended September 30, 2022.

## **RISKS AND UNCERTAINTIES**

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The operations of the Corporation are speculative due to the high-risk nature of its business, which are the operation, acquisition, financing, exploration, evaluation, and development of mineral projects. The risks below are not the only ones facing the Corporation. Additional risks not currently known to the Corporation or that the Corporation currently deems immaterial, may also impair the Corporation's operations. If any of the following risks actually occur, the Corporation's operating, exploration, and financial results may be significantly different from those expected as at the date of this MD&A.

### **Financial Risk Factors**

Disclosure and description of the Corporation's capital management, financial risks and financial instruments in notes 14, 15 and 16 of the condensed interim consolidated financial statements for the three and nine-month periods ended September 30, 2022 contain the risk factors associated with the Corporation.

### **Risks Inherent to Mining Exploration**

The Corporation is engaged in the business of operating, exploring, developing, and acquiring mineral properties in the hope of locating or expanding on economic mineral deposits. Except for the Zgounder Silver Mine, all of the Corporation's property interests are at the exploration stage and are without a known mineral reserve. Accordingly, there is little likelihood that the Corporation will realize any profits in the short- to medium term from these properties. Any profitability in the future from the Corporation's business will be dependent upon locating economic mineral deposits. There can be no assurance, even if an economic mineral deposit is located, that it can be commercially mined.

### **Uncertainty in the Calculation of Mineral Reserves, Resources and Silver Recovery**

There is a degree of uncertainty attributable to the estimation of Mineral Reserves and Mineral Resources (as defined in National Instrument 43-101). Until Mineral Reserves or Mineral Resources are mined, extracted, and processed, the quantity of minerals and their grades must be considered estimates only. In addition, the quantity of Mineral Reserves and Mineral Resources may vary depending on, among other things, applicable metal prices. Any material change in the quantity of Mineral Reserves, Mineral Resources, grade or mining widths may affect the economic viability of some or all of the Corporation's mineral properties and may have a material adverse effect on the Corporation's operational results and financial condition. Mineral Resources on the Corporation's properties have been estimated based on economic factors at the time of calculation; variations in such factors may have an impact on the amount of the Corporation's Mineral Resources. In addition, there can be no assurance that silver recoveries or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production, or that the existing known and experienced recoveries will continue.

### **Uninsured Risks**

The Corporation's business is subject to several risks and hazards, including environmental conditions, adverse environmental regulations, political and foreign country uncertainties, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Corporation's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

### **Metal Price Volatility**

The profitability of the Corporation's operations will be significantly affected by changes in metal prices. Metal prices are volatile, can fluctuate substantially and are affected by numerous factors beyond the Corporation's control. In addition, metal prices are sometimes subject to rapid short-term changes because of speculative activities.

### **Additional Funding Requirements**

To continue exploration and development of its projects, the Corporation will require additional capital. In addition, a positive production decision at the projects or any other development projects acquired in the future would require significant capital for project engineering and construction. Accordingly, the continuing development of the

Corporation's projects will depend upon the Corporation's ability to obtain financing through debt financing, equity financing, the joint venturing of projects or other means. There is no assurance that the Corporation will be successful in obtaining the required financing for these or other purposes.

## **Regulatory Requirements**

Mining operations, development and exploration activities are subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Changes in these regulations or in their application are beyond the control of the Corporation and could adversely affect its operations, business, and results of operations.

Government approvals and permits are currently, and may in the future be, required in connection with the Projects. To the extent such approvals are required and not obtained, the Corporation may be restricted or prohibited from proceeding with planned exploration or development activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

## **Environmental Matters**

The Corporation's operations are subject to environmental regulations, which can make operations expensive or prohibit them altogether.

The Corporation may be subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products which could occur because of its mineral exploration, development, and production. Additionally, other environmental hazards may exist on a property in which the Corporation directly or indirectly holds an interest that are unknown to the Corporation at present which have been caused by previous or existing owners or operators of the property. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties.

To the extent the Corporation is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Corporation. If the Corporation is unable to fully remedy an environmental problem, it may be required to suspend operations or execute interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Corporation.

## **Risk of Project Delay**

There is significant risk involved in the development and construction of mining projects. There could be project delays due to circumstances beyond the Corporation's control. Risks include but are not limited to delays in acquiring necessary mining and surface rights, project economics, capital funding, delays in obtaining environmental and construction authorizations and permits, as well as unforeseen difficulties encountered during the development process including labour disputes. Any of these factors among many others could cause delays in the Corporation's ability to achieve its targeted timelines.

## **Risk on the Uncertainty of Title**

Although the Corporation has obtained title opinions with respect to its key properties and has taken all necessary measures to ensure proper title to its properties, including filing of necessary documents and payment of rents to local regulatory authorities, there is no guarantee that the title to any of its properties will not be challenged. Third parties may, unbeknownst to the Corporation, have valid claims underlying portions of the Corporation's interests.

## **Risk Linked to Conflict of Interest**

Certain directors and officers of the Corporation may also serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. Furthermore, certain directors and

officers of the Corporation may also serve as directors of other companies involved in mineral exploration and development. Consequently, the possibility of conflict of interest exists at several levels.

To the extent that such other companies may participate in ventures in which the Corporation is also participating, or participate in business transactions with the Corporation, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each Corporation's participation. Canadian law requires the directors and officers of the Corporation to act honestly, in good faith, and in the best interests of the Corporation and its shareholders. However, in conflict-of-interest situations, our directors and officers may owe the same duty to another Corporation and will need to balance the competing obligations and liabilities of their actions or declare and refrain from voting on any matters in which such directors have a conflict of interest.

## **Human Resource Risk**

The Corporation is dependent on its ability to attract, retain and develop highly skilled and experienced workforce and key management employees. The loss of these employees may adversely affect its business and operations. To this effect, the Corporation offers competitive remuneration and benefits and it also implemented regular training sessions to improve general and specific skills of its work force. As part of its succession planning, the Corporation also identified a limited number of high potential employees whose development aims at making them key managers within a short to medium term.

## **Reputational Risk**

The consequence of reputational risk is a negative impact to the Corporation's public image, which may influence its ability to acquire future mining projects and retain or attract key employees. Reputational risk may arise under many situations including, among others, cyber-attacks and media crisis. Prior to acquiring a particular project, the Corporation mitigates reputational risk by performing due diligence, which includes a review of the mining project, the country, the scope of the project and local laws and culture. Once the decision to participate in a mining project has been taken, the Corporation continues to assess and mitigate reputational risk through regular Board and Board Committees reviews.

## **Political Risk**

Aya operates in the Kingdom of Morocco and in Mauritania following the acquisition of Algold.

### ***Morocco***

The government of Morocco supports the development of its natural resources by foreign companies, but there is no assurance that, in the future, the government will not adopt different policies or new interpretations respecting foreign ownership of mineral resources, exchange rates, environmental protection, labour relations, and repatriation of income or return of capital. Any limitation on transfer of cash or other assets between Aya and our subsidiaries could restrict our ability to fund our operations or materially adversely affect our financial condition and results of operation.

Moreover, mining tax regimes in foreign jurisdictions are subject to differing interpretations and constant changes and may not include fiscal stability provisions. Our interpretation of taxation law, including fiscal stability provisions, as applied to our transactions and activities may not coincide with that of the tax authorities. As a result, taxes may increase and transactions may be challenged by tax authorities and our operations may be assessed, which could result in significant taxes, penalties, and interest. The possibility that a future government may adopt substantially different policies or interpretations, which might extend to the expropriation of assets, cannot be ruled out. Political risk also includes the possibility of civil disturbances and political instability in this or neighbouring countries.

### ***Mauritania***

The Mauritanian government supports the development of its natural resources by foreign companies, but there is no assurance that it will maintain this policy respecting foreign exploration and mining operations, exchange rates, environmental protection, labour relations, and repatriation of income or return of capital. Therefore, notwithstanding the Corporation's constructive relationship with the Mauritanian government, the Corporation remains subject to certain risks associated with foreign ownership, including currency fluctuations, inflation, geographical and political risk. Both mineral exploration and mining activities and production activities in foreign countries may be affected in varying degrees by political stability, local conditions, and government changes to the operating environment and regulations relating to the mining industry.

Changes in local regulations and shifts in political conditions are beyond the Corporation's control and may adversely affect its business or ability to operate and carry out normal industry operations and engagement of international consultants and personnel. Travel and access to the projects may be curtailed due to political instability, risks to personnel in remote areas, or contagion. The Corporation's operations may be affected to varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings, capital controls, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety.

### Impact of Epidemics

Aya's operations are subject to the risk of emerging infectious diseases or the threat of viruses or other contagions or epidemic diseases, including COVID-19. Any outbreak or threat of an outbreak of a virus or other contagions or epidemic disease could have a material adverse effect on the Corporation's business, results of operations and financial condition.

## OTHER FINANCIAL INFORMATION

### Share Purchase Options

The following table reflects the share purchase options issued and outstanding as at the date of this MD&A:

Expiry date	Number	Exercise
	of options	Price
	Number	CA\$
January 24, 2023	50,000	2.00
May 4, 2023	800,000	3.30
July 1, 2030	4,498,334	1.43
March 3, 2031	373,000	4.75
May 12, 2031	333,400	7.69
	<b>6,054,734</b>	

### Share Purchase Warrants

Expiry date	Number	Exercise
	of warrants	Price
	Number	CA\$
September 3, 2023	4,609,448	3.30
	<b>4,609,448</b>	

### Outstanding Share Data

	Number of shares outstanding (diluted)
Outstanding as of November 14, 2022	105,006,857
Shares reserved for issuance pursuant to share purchase options	6,054,734
Shares reserved for issuance pursuant to warrants	4,609,448
Restricted share units	591,017
Deferred share units	173,021
	<b>116,435,077</b>

### Off-Balance Sheet Arrangements

At September 30, 2022 the Corporation had no material off-balance sheet arrangements such as contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that generate financing, liquidity,

market or credit risk to the Corporation, other than contingent liabilities and vendor liability and interest, as disclosed in this MD&A and the condensed interim consolidated financial statements and the related notes.

## Related Party Disclosures

During the three and nine-month periods ended September 30, 2022 and 2021 and the year ended December 31, 2021 the following related party transactions occurred in the normal course of operations:

- Management and consulting fees to SRG Guinee S.A.R.L., a wholly owned subsidiary of SRG Mining Inc, a public company of which the Corporation's Chief Executive Officer is also the Director and Executive Chairman of the Board, of \$11,985 and \$43,664 for the three-month and nine-month periods ended September 30, 2022 respectively (\$19,471 and \$47,291 for the three-month and nine-month periods ended September 30, 2021 respectively) and exploration and evaluation fees amounting to \$13,724 and \$41,079 for the three-month and nine-month periods ended September 30, 2022 respectively (\$12,077 and \$34,745 for the three-month and nine-month periods ended September 30, 2021 respectively). As at September 30, 2022, \$nil (December 31, 2021 - \$nil) was due to that company;
- Management and consulting fees to Groupe Conseils Grou, La Salle Inc., a company owned by the President and Chief Executive Officer of \$181,718 and \$555,178 for the three-month and nine-month periods ended September 30, 2022 respectively (\$188,756 and \$411,728 for the three-month and nine-month periods ended September 30, 2021 respectively) and general and administrative fees of \$nil for the three-month and nine-month periods ended September 30, 2022 (\$11,787 and \$35,587 for the three-month and nine-month periods ended September 30, 2021 respectively). As at September 30, 2022, \$273,049 (December 31, 2021 - \$445,141) was due to that company;

## Remuneration of key management personnel of the Corporation

Key management includes members of the Board of Directors and executive officers of the Corporation. During the three and nine-month periods ended September 30, 2022, and 2021, the remuneration awarded to key management personnel (including the amounts above) is as follows:

	Three-month periods ended		Nine-month periods ended	
	September 30,		September 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Salaries and benefits	224,395	242,918	800,399	528,952
Management consulting and professional fees	296,175	208,845	815,768	501,754
Director fees	-	72,283	23,261	223,627
Share based payments	509,552	260,550	1,618,040	1,593,535
	1,030,122	784,596	3,257,468	2,847,868

## ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

### Critical Accounting Judgments and Estimates

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions about future events that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates.

In preparing the Corporation's condensed interim consolidated financial statements for the three and nine-month periods ended September 30, 2022, and 2021, the Corporation applied the critical judgments and estimates disclosed in note 3 of its audited consolidated financial statements for the year ended December 31, 2021.

## MANAGEMENT'S REPORT ON INTERNAL CONTROLS AND FINANCIAL REPORTING

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### Disclosure Controls and Procedures

The Corporation's board, officers and management are responsible for establishing and maintaining disclosure controls and procedures (DC&P) for the Corporation. Disclosure controls and procedures are designed to provide reasonable assurance that material information regarding our reports filed or submitted under securities legislation fairly presents the financial information of Aya and its subsidiaries and to ensure that required information is gathered and communicated to the Corporation's management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as is appropriate to permit timely decisions regarding public disclosure. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

An evaluation of the effectiveness of the Corporation's disclosure controls and procedures, as defined under the rules of the Canadian Securities Administration, was conducted as at December 31, 2021 under the supervision of the Corporation's Disclosure Committee and with the participation of management.

Based on the results of that evaluation, the CEO and the CFO concluded that the Corporation's disclosure controls and procedures were effective as at December 31, 2021 providing reasonable assurance that the information required to be disclosed in the Corporation's annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported in accordance with securities legislation.

Since the December 31, 2021 evaluation, there have been no material changes to the Corporation's disclosure controls and procedures and their design remains effective.

### Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (ICFR) as defined in NI 52-109. A Corporation's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable generally accepted accounting principles.

A Corporation's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Corporation; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Corporation; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Corporation's assets that could have a material effect on the financial statements. It should be noted that a control system, no matter how well conceived or operated, can only provide reasonable assurance, not absolute assurance, that the objectives of the control system are met. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate. Management, under the supervision of the Certifying Officers, has evaluated the design of ICFR and based on that evaluation, the Certifying Officers have concluded that the Corporation's ICFR was effective as at December 31, 2021. In making this assessment, management used the criteria set forth in the Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

### Changes in Internal Control over Financial Reporting

There were no changes to the Corporation's ICFR for the quarter ended September 30, 2022, that have materially affected, or are reasonably likely to materially affect, the Corporation's ICFR.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

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This MD&A may contain "forward-looking information", within the meaning of Canadian securities laws. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results

“may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by the forward-looking information. Specifically, this MD&A includes, but is not limited to, forward-looking information regarding: the potential of the Corporation’s properties; results of exploration activities and interpretation of such results; the Corporation’s capacity to acquire new projects; plan, cost and timing of future exploration and development; requirements for additional capital; continuous access to capital markets; and other statements relating to the future financial and business performance and strategic plans of the Corporation.

Resource exploration, development and operations are highly speculative, characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral resources but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. Although management of the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

There can be no assurance that such forward-looking information will prove to be accurate and actual results could differ materially from those suggested by this forward-looking information for various reasons. Accordingly, readers should not place undue reliance on forward-looking information. The Corporation undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Corporation does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

#### **ADDITIONAL INFORMATION AND CONTINUOUS DISCLOSURE**

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Additional information on the Corporation, including the Corporation’s Annual Information Form and the Corporation’s condensed interim consolidated financial statements for the quarter ended September 30, 2022, is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation’s website at [www.ayagoldsilver.com](http://www.ayagoldsilver.com).