



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended
March 31, 2022, and 2021

Management's Responsibilities over Financial Reporting

The Financial Statements of Aya Gold & Silver Inc. (the "Corporation" or "Aya") are the responsibility of the Corporation's management. The condensed interim consolidated financial statements are prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board and reflect management's best estimates and judgment based on information currently available.

The Board of Directors is responsible for ensuring management fulfills its responsibilities. The Audit Committee reviews the results of the condensed interim consolidated financial statements prior to their submission to the Board of Directors for approval.

Aya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited, in United States dollars)

	March 31, 2022	December 31, 2021
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	74,085,318	81,665,834
Accounts receivable	3,461,381	2,167,539
Sales taxes receivable	5,466,375	4,699,052
Inventories (Note 3)	3,702,388	4,376,272
Prepaid expenses and security deposits	1,338,001	754,683
Options contracts (Note 18)	-	200,793
	88,053,463	93,864,173
Non-current		
Restricted cash (Note 17)	2,508,853	2,519,385
Non-refundable deposits to suppliers	1,617,465	1,355,487
Property, plant, and equipment (Note 4)	41,967,000	37,861,996
Exploration and evaluation assets (Note 5)	27,013,195	25,656,837
TOTAL ASSETS	161,159,976	161,257,878
LIABILITIES		
Current		
Accounts payable and accrued liabilities	16,334,680	13,957,575
Balance of purchase price payable (Note 6)	1,389,574	-
Options contracts (Note 18)	32,358	-
Income tax payable	318,139	3,248,575
Current portion of lease liabilities (Note 7)	234,471	244,634
	18,309,222	17,450,784
Non-current		
Lease liabilities (Note 7)	123,314	181,245
Balance of purchase price payable (Note 6)	-	1,393,461
Asset retirement obligations (Note 8)	1,070,668	1,149,441
Deferred income tax	1,059,808	1,081,258
TOTAL LIABILITIES	20,563,012	21,256,189
EQUITY		
Share capital (Note 9)	170,402,857	169,628,275
Equity reserves	17,343,593	15,560,651
Deficit	(54,391,183)	(52,233,997)
	133,355,267	132,954,929
Non-controlling interests (Note 23)	7,241,697	7,046,760
TOTAL EQUITY	140,596,964	140,001,689
TOTAL LIABILITIES AND EQUITY	161,159,976	161,257,878

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

On behalf of the Board,

Benoit La Salle /s/
President, CEO, Director

Yves Grou /s/
Director

Aya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)

(Unaudited, in United States dollars)

	Three-month periods ended March 31,	
	2022	2021
	\$	\$
Revenue from silver sales (Note 13)	9,162,864	8,541,273
Cost of sales (Note 14)	6,961,784	3,963,251
Gross margin	2,201,080	4,578,022
Expenses		
General and administrative (Note 15)	1,774,205	1,012,464
Share-based payments (Note 11)	677,271	1,107,080
	2,451,476	2,119,544
Operating (loss) income	(250,396)	2,458,478
Net finance expense (Note 15)	1,200,013	561,576
Net (loss) income before income taxes	(1,450,409)	1,896,902
Income tax expense	511,840	1,077,232
Net (loss) income	(1,962,249)	819,670
Net (loss) income attributable to		
Equity holders of Aya Gold & Silver Inc.	(2,157,186)	303,414
Non-controlling interests	194,937	516,256
Net income (loss)	(1,962,249)	819,670
Other comprehensive income		
Items that will subsequently be reclassified to net income:		
Foreign currency translation adjustment	1,445,059	434,287
Comprehensive (loss) income	(517,190)	1,253,957
Basic (loss) income per common share (Note 20)	(0.019)	0.009
Diluted (loss) income per common share (Note 20)	(0.019)	0.008
Weighted average number of shares - basic (Note 20)	104,971,492	94,150,765
Weighted average number of shares – diluted (Note 20)	104,971,492	98,872,066

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

Aya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited, in United States dollars)

	Share Capital		Equity Reserves				Deficit attributable to equity holders of Aya Gold & Silver Inc.	Non-controlling interests	Total equity
	Number of issued and outstanding shares	Share capital	Contributed surplus ^(a)	Accumulated other comprehensive income (loss) ^(b)	Equity Reserves				
Balance as at December 31, 2021	104,879,153	169,628,275	18,012,460	(2,451,809)	15,560,651	(52,233,997)	7,046,760	140,001,689	
Exercise of warrants and options (Note 9 & Note 10)	80,350	774,582	(339,388)	-	(339,388)	-	-	435,194	
Share-based payments (Note 11)	-	-	677,271	-	677,271	-	-	677,271	
	104,959,503	170,402,857	18,350,343	(2,451,809)	15,898,534	(52,233,997)	7,046,760	141,114,154	
Net (loss) income	-	-	-	-	-	(2,157,186)	194,937	(1,962,249)	
Other comprehensive income	-	-	-	1,445,059	1,445,059	-	-	1,445,059	
Comprehensive (loss) income	-	-	-	1,445,059	1,445,059	(2,157,186)	194,937	(517,190)	
Balance as at March 31, 2022	104,959,503	170,402,857	18,350,343	(1,006,750)	17,343,593	(54,391,183)	7,241,697	140,596,964	
Balance as at December 31, 2020	92,181,714	95,513,459	16,155,512	(2,147,399)	14,008,113	(48,487,280)	891,776	61,926,068	
Issuance of shares for purchase of debt	2,133,333	5,457,145	-	-	-	-	-	5,457,145	
Exercise of warrants and options (Notes 9 & 10)	233,114	673,739	(171,472)	-	(171,472)	-	-	502,267	
Share-based payments (Note 11)	-	-	1,107,080	-	1,107,080	-	-	1,107,080	
	94,548,161	101,644,343	17,091,120	(2,147,399)	14,943,721	(48,487,280)	891,776	68,992,560	
Net income	-	-	-	-	-	303,414	516,256	819,670	
Other comprehensive (loss) income	-	-	-	454,852	454,852	-	(20,565)	434,287	
Comprehensive income	-	-	-	454,852	454,852	303,414	495,691	1,253,957	
Balance as at March 31, 2021	94,548,161	101,644,343	17,091,120	(1,692,547)	15,398,573	(48,183,866)	1,387,467	70,246,517	

(a) Contributed surplus reserve records the cumulative amounts of compensation expense recognized under IFRS 2 Share-Based Payments with respect to share purchase options granted, shares purchase warrants, restricted share units and deferred share units issued but not yet exercised.

(b) Accumulated other comprehensive income (loss) reserve records the gains and losses arising from the translation of the Corporation's Financial Statements to the reporting currency.

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

Aya Gold & Silver Inc.
Condensed Interim Consolidated Statement of Cash Flows
(Unaudited, in United States dollars)

	Three-month periods ended March 31,	
	2022	2021
Cash flows provided by (used in)	\$	\$
OPERATING ACTIVITIES		
Net income (loss)	(1,962,249)	819,670
Adjustments for non-cash items		
Share-based payments (Note 11)	677,271	1,107,080
Amortization of property, plant, and equipment (Note 4)	1,566,843	813,150
Accretion expense (Note 15)	62,614	56,049
Unrealized loss (gain) on foreign exchange	983,931	(234,178)
Deferred income taxes expense	(21,450)	152,411
Cash received from Options contracts	23,935	14,294
Change in fair value of option contracts	210,023	(15,931)
	1,540,918	2,712,545
Changes in working capital items (Note 19)	(2,333,084)	1,511,019
	(792,166)	4,223,564
INVESTING ACTIVITIES		
Net change in restricted cash	51,988	21,246
Investment in Algold Resources Ltd.	-	(2,824,989)
Deposits to suppliers for capital expenditures	(236,508)	(1,185,764)
Acquisition of property, plant and equipment (Note 4)	(6,805,187)	(1,093,909)
Additions to exploration and evaluation assets (Note 5)	(1,068,743)	(1,656,911)
	(8,058,450)	(6,740,327)
FINANCING ACTIVITIES		
Repayment of lease liabilities (Note 7)	(65,324)	(41,716)
Proceeds from exercise of warrants	35,762	446,337
Proceeds from exercise of options	-	55,930
	(29,562)	460,551
Effect of exchange rate changes on cash in foreign currencies	1,299,662	573,687
Net change in cash	(7,580,516)	(1,482,525)
Cash, beginning of period	81,665,834	30,533,399
Cash, end of period	74,085,318	29,050,874

Supplemental cash flow information (Note 19)

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

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

1. GENERAL INFORMATION

Aya Gold & Silver Inc. (the "Corporation or "Aya") is a Canadian based precious metals mining corporation which focuses 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 is the sole owner of the permits related to the Amizmiz, Azegour and Imiter Bis properties. All of these properties are located in the Kingdom of Morocco. The Corporation also owns through Algold Resources Ltd. ("Algold"), 75% of the Tijirit project located in Mauritania. Aya's registered office is located at 1320 boulevard Graham, suite 132, Mont-Royal, Quebec, Canada, H3P 3C8.

Aya is incorporated under the Canada Business Corporations Act; its financial year-end is December 31 and trades on the Toronto Stock Exchange under the symbol "AYA". All projects other than the Zgounder project are at the exploration and evaluation stage.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The condensed interim consolidated financial statements of the Corporation for the three-month period ended March 31, 2022 and 2021 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB"). IFRS includes IFRSs, International Accounting Standards ("IAS"), and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These condensed interim consolidated financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021 which have been prepared in accordance with IFRS.

The Board of directors approved and authorized for issue these condensed interim consolidated financial statements, on May 12, 2022.

Basis of measurement

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for:

- (i) Option contracts, which are accounted for at fair value;
- (ii) Share-based payment arrangements, which are measured at fair value on grant date;
- (iii) Asset retirement obligations, which are measured at the discounted estimated cost of future remediation;
- (iv) Lease liabilities, which are initially measured at the present value of minimum lease payments; and
- (v) Non-controlling interest in the Tijirit property acquired, which is accounted for as described further below.

Significant accounting judgments and estimates

The preparation of these condensed interim consolidated financial statements requires management to make judgements and estimates that affect the application of accounting policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

reported amounts of revenues and expenses during the reported period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. In preparing these condensed interim consolidated financial statements, the significant judgments made by management applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those described in the Corporation's audited consolidated financial statements for the year ended December 31, 2021.

Significant accounting policies

These condensed interim consolidated financial statements have been prepared following the same accounting policies and methods of computation as the audited annual consolidated financial statements for the year ended December 31, 2021.

Consolidation, functional and presentation currency

These consolidated financial statements include the accounts of Aya and its subsidiaries. Subsidiaries are entities over which the Corporation has control. The Corporation controls an entity when it has power over the entity, when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns. These consolidated financial statements include the accounts of Aya, and its subsidiaries as follows:

Subsidiary	Registered	Ownership, voting Right	Principal activity	Functional Currency
Compagnie Minière Maya-Maroc S.A. ("CMMM")	Morocco	100%	Exploration	Moroccan dirham
Zgounder Millennium Silver Mining S.A. ("ZMSM")	Morocco	85%	Production	Moroccan dirham
Boumadine Global Mining S.A. ("BGM")	Morocco	85%	Exploration	Moroccan dirham
Atlas Gold & Silver S.A.R.L. ("AGS")	Morocco	100%	Exploration	Moroccan dirham
Kanosak (Barbados) Limited ("KANOSAK")	Barbados	100%	Exploration	Canadian dollar
Algold Resources Ltd. ("Algold")	Canada	100%	Exploration	Canadian dollar
Algold Mauritania SARL ("ALGOLD SARL")	Mauritania	100%	Exploration	Mauritanian Ouguiya
Société Tijirit Recherche et Exploration SARL ("TIREX")	Mauritania	75%	Exploration	Mauritanian Ouguiya

Subsidiaries are fully consolidated from the date on which control is transferred to Aya and are de-consolidated from the date that control ceases. All intercompany transactions, balances, income and expenses are eliminated upon consolidation. Where the Corporation's interest in a subsidiary is less than 100%, the Corporation recognizes non-controlling interests. The functional currency of Aya is the Canadian dollar. The functional currency of the Corporation and its subsidiaries has remained unchanged during the reporting period. The Corporation's reporting currency is the US dollar.

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

3. INVENTORIES

	March 31, 2022	December 31, 2021
	\$	\$
Mining supplies	2,533,903	2,527,912
Silver bars	209,688	745,935
Silver in concentrate	731,566	946,150
Silver in circuit	18,428	22,835
Ore stockpile	208,803	133,440
	3,702,388	4,376,272

For the three-month period ended March 31, 2022, the Corporation recognized \$5,673,893 (2021 - \$1,405,668) of inventory costs in the cost of sales.

4. PROPERTY, PLANT, AND EQUIPMENT

The majority of properties, plant and equipment are located in Morocco and are related to the Zgounder mine. As at March 31, 2022, the Corporation determined that there were no material events or changes in circumstances indicating that the carrying amount of property, plant and equipment related to the Zgounder mine may not be recoverable. As such, no impairment test was performed.

	Drilling and mining equipment	Mining and processing equipment	Mining assets in production	Assets under construction	Right-of- use assets	Total
	\$	\$	\$		\$	\$
Cost						
Balance at January 1, 2021	339,591	9,280,020	14,229,153	1,338,285	552,611	25,739,660
Additions	514,190	4,846,625	-	2,373,861	481,132	8,215,808
Lease termination	-	-	-	-	(131,299)	(131,299)
Transfers from E&E assets (Note 5)	-	-	4,441,126	7,539,974	-	11,981,100
Asset retirement obligation (Note 8)	-	(90,461)	-	-	-	(90,461)
Foreign exchange	(20,400)	(420,164)	(449,629)	(94,399)	(26,860)	(1,011,452)
Balance at December 31, 2021	833,381	13,616,020	18,220,650	11,157,721	875,584	44,703,356
Additions	2,187,759	212,027	1,840,965	2,564,436	-	6,805,187
Asset retirement obligation (Note 8)	-	(86,612)	-	-	-	(86,612)
Foreign exchange	(70,426)	(526,224)	82,804	(731,670)	(78,565)	(1,324,081)
Balance at March 31, 2022	2,950,714	13,215,211	20,144,419	12,990,487	797,019	50,097,850

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

4. PROPERTY, PLANT, AND EQUIPMENT (continued)

	Drilling and mining equipment	Mining and processing equipment	Mining assets in production	Assets under construction	Right-of- use assets	Total
	\$	\$	\$		\$	\$
Depreciation						
Balance at January 1, 2021	126,055	1,429,417	2,080,551	-	301,112	3,937,135
Amortization	46,593	1,546,220	1,413,003	-	192,260	3,198,076
Foreign exchange	(44,121)	(92,595)	(82,681)	-	(74,454)	(293,851)
Balance at December 31, 2021	128,527	2,883,042	3,410,873	-	418,918	6,841,360
Amortization	3,072	622,456	874,342	-	66,973	1,566,843
Foreign exchange	(6,117)	(120,147)	(99,253)	-	(51,836)	(277,353)
Balance at March 31, 2022	125,482	3,385,351	4,185,962	-	434,055	8,130,850
Carrying amounts						
At December 31, 2021	704,854	10,732,978	14,809,777	11,157,721	456,666	37,861,996
At March 31, 2022	2,825,232	9,829,860	15,958,457	12,990,487	362,964	41,967,000

Assets under construction are located in Morocco represent expenditures for the construction and development of assets that will eventually be put into commercial production.

5. EXPLORATION AND EVALUATION ASSETS

During the three-month period ended March 31, 2022 and the year ended December 31, 2021, changes in exploration and evaluation assets were as follows:

	March 31, 2022	December 31, 2021
	\$	\$
Rights on mining properties		
Balance, beginning of the period	21,390,150	3,482,891
Additions	-	18,276,266
Foreign exchange	357,257	(369,007)
Balance, end of the period	21,747,407	21,390,150
Deferred exploration and evaluation expenses		
Balance, beginning of the period	4,266,687	5,106,507
Additions		
Drilling, Sampling, Geology, and others	1,068,743	11,087,543
Foreign exchange	(69,642)	53,737
Transfers to property, plant and equipment	-	(11,981,100)
Balance, end of the period	5,265,788	4,266,687
Total	27,013,195	25,656,837

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

5. EXPLORATION AND EVALUATION ASSETS (continued)

All exploration and evaluation assets are located in Morocco and relate to the Boumadine, Imiter and Azegour projects except for the Tijirit project located in Mauritania.

The following schedule represents the Corporation's exploration and evaluation expenses:

	March 31, 2022					
	Zgounder	Boumadine	Azegour	Imiter	Tijirit	Total
	\$	\$	\$	\$	\$	\$
Opening Balance	-	5,433,910	26,631	718,237	19,478,059	25,656,837
Drilling, Sampling, Geology, and others	-	40,802	230	611,154	416,557	1,068,743
Foreign exchange	-	(3,847)	(44)	(38,800)	330,306	287,615
Closing Balance	-	5,470,865	26,817	1,290,591	20,224,922	27,013,195

	December 31, 2021					
	Zgounder	Boumadine	Azegour	Imiter	Tijirit	Total
	\$	\$	\$	\$	\$	\$
Opening Balance	3,305,567	5,258,217	25,614	-	-	8,589,398
Drilling, Sampling, Geology, and others	8,655,631	93,714	1,050	741,700	1,595,448	11,087,543
Additions to mining rights	-	-	-	-	18,276,266	18,276,266
Transfers to property, plant and equipment	(11,981,099)	-	-	-	-	(11,981,099)
Foreign exchange	19,901	81,979	(33)	(23,463)	(393,655)	(315,271)
Closing Balance	-	5,433,910	26,631	718,237	19,478,059	25,656,837

Tijirit project

The Tijirit permit has been renewed, following the payment of past due applicable fees which have been paid to the Agence Nationale de Recherches Géologiques et du Patrimoine Minier ("ANARPAM"), and is valid from November 18, 2020 for a period of 24 months. The following milestones must be reached during that period:

- (i) Feasibility study needs to be completed within a period of 14 months from the renewal date;
- (ii) Begin the commissioning of a production facility at 24 months of the signing date.

The Corporation has received a letter from the Ministry of Oil, Mines and Energy of Mauritania confirming that the 24-month deadline will reset from the date the exploration work can restart on the permit. To this date, it is uncertain when exploration activities will be able to be restarted.

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

6. BALANCE OF PURCHASE PRICE PAYABLE

	March 31, 2022	December 31, 2021
	\$	\$
Balance, beginning of the period	1,393,461	1,238,141
Accretion expense	51,525	198,404
Foreign exchange	(55,412)	(43,084)
Balance, end of the period	1,389,574	1,393,461
Current portion	1,389,574	-
Non-current portion	-	1,393,461

The Boumadine property is expected to be transferred to Boumadine Global Mining S.A., 85%-owned by the Corporation and 15% by ONHYM, during the year ending December 31, 2022. A non-interest bearing payable in an amount of 15,000,000 MAD (\$1,553,117) is due at a date not before January 2023.

The Corporation has also agreed to undertake a work program beginning three months after the transfer of the property. For the development of the Boumadine property, the Corporation agreed to realize the following actions correspondingly:

- (i) Certification of reserves (18 months);
- (ii) Testing recovery (6 months);
- (iii) Mining development (48 months); and
- (iv) Research and exploration (60 months).

A period of 60 months is needed to carry out the proposed work mentioned above. As the transfer of the Boumadine property has yet to occur, the timeline has yet to commence.

ONHYM is entitled to receive a 3% royalty on sales from the Boumadine project. In the event that delays in production are greater than 60 months from the date of transfer of the property, the Corporation undertakes to pay the seller a delay royalty of 100,000 dirhams (\$10,354) paid annually until production begins. The timeline of 60 months has not yet begun.

7. LEASE LIABILITIES

The Corporation leases office space, mining vehicles and dwellings for employees. These leases are for a period of one to four years. Certain leases include an option to renew after the end of the contract term and/or provide for payments that are indexed to local inflation rates.

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

7. LEASE LIABILITIES (continued)

The movement in lease liabilities during the three-month period ended March 31, 2022 and the year ended December 31, 2021 is comprised of the following:

	March 31, 2022	December 31, 2021
	\$	\$
Balance, beginning of the period	425,879	316,326
Additions	-	481,132
Terminations	-	(142,917)
Accretion	4,255	16,039
Repayments	(65,324)	(235,106)
Foreign exchange loss (gain)	(7,025)	(9,595)
Balance, end of the period	357,785	425,879
Current portion	234,471	244,634
Long-term portion	123,314	181,245

The undiscounted minimum lease payments on lease liabilities for the forthcoming years are as follows:

	\$
2022 (nine months)	188,397
2023	145,934
2024	28,372
2025	9,497
Total minimum payments	372,200
Less interest	(14,415)
Total minimum capital payments	357,785

The Corporation's weighted average incremental borrowing rate is 4.46%.

8. ASSET RETIREMENT OBLIGATIONS

The asset retirement obligations represent legal and contractual obligations associated with the eventual dismantling of the Corporation's assets. The laws and regulations are continually changing and are generally becoming more restrictive. The Corporation conducts its operations to protect public health and the environment. As at March 31, 2022, the estimated inflation-adjusted discounted cash flows required to settle the asset obligations amounts to \$1,070,668 (\$1,149,441 in 2021). The discount rate used is 2.4% (1.42% in 2021) and the disbursements are expected to be in 2028. The estimated undiscounted value of this liability was estimated using an expected value approach which combines probability weighted outcomes for a variety of different scenarios and taking into consideration an inflation rate over time until 2028, for costs varying from \$1,125,000 to \$1,350,000.

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

8. ASSET RETIREMENT OBLIGATIONS (continued)

	March 31, 2022	December 31, 2021
	\$	\$
Balance, beginning of the period	1,149,441	1,222,335
Foreign exchange	1,005	(710)
Change in assumptions used	(86,613)	(90,461)
Accretion expense	6,835	18,277
Balance, end of the period	1,070,668	1,149,441

9. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Common Shares

As at March 31, 2022, the Corporation had 104,959,503 issued and outstanding common shares (December 31, 2021 - 104,879,153).

Transactions during the three-month period ended March 31, 2022:

- A total of 13,750 share purchase warrants were exercised for a strike price of C\$3.30 for total proceeds of C\$45,375 (\$35,762) and an ascribed value reclassification of C\$11,073 (\$8,727) from contributed surplus to share capital.
- A total of 66,600 share purchase options were exercised for a strike price of C\$7.69 for total proceeds of C\$512,154 (\$399,432) and an ascribed value reclassification of C\$423,976 (\$330,661) from contributed surplus to share capital.

During the period in which the warrants and options were exercised, the Corporation's minimum market share price was C\$9.77 (\$7.69) while the maximum was C\$10.56 (\$8.24).

10. SHARE PURCHASE WARRANTS

The outstanding share purchase warrants as at March 31, 2022 and December 31, 2021 and the respective changes during the period are summarized as follows:

	Three-month period ended		Year ended	
	March 31, 2022		December 31, 2021	
	Number	C\$ ⁽¹⁾	Number	C\$ ⁽¹⁾
Balance, beginning of the period	4,628,198	3.30	6,848,235	3.21
Exercised	(13,750)	3.30	(2,220,037)	3.03
Balance exercisable, end of the period	4,614,448	3.30	4,628,198	3.30

(1) Weighted average exercise price in Canadian dollars.

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10. SHARE PURCHASE WARRANTS (continued)

The number of outstanding share purchase warrants that could be exercised for an equal number of common shares is as follows:

Expiry Date	Number	Three-month period ended
		March 31, 2022
		Exercise Price C\$
September 3, 2023	4,614,448	3.30
Balance exercisable, end of the period	4,614,448	3.30

11. SHARE-BASED PAYMENTS

Share purchase options

The Corporation's incentive share purchase option plan (the "Plan") which provides that the Board of Directors of the Corporation may, from time to time, in its discretion, and in accordance with the TSX policies, grant to directors, officers, employees and consultants to the Corporation, non-transferable share purchase options to purchase common shares of the Corporation, provided that the number of common shares issuable under the Plan, combined with the number of common shares issuable under all share compensation arrangements, shall not exceed 10% of the outstanding common shares as at the date of any grant of options. The vesting period for the share purchase options is determined at the discretion of the Corporation's Board of Directors at the time the share purchase options are granted.

The outstanding share purchase options as at March 31, 2022 and as at December 31, 2021 and the respective changes during the period then year ended are summarized as follows:

	Three-month period ended		Year ended	
	March 31, 2022		December 31, 2021	
	Number	C\$ ⁽²⁾	Number	C\$ ⁽²⁾
Balance, beginning of the period	6,151,334	2.29	6,195,000	1.69
Granted	-	-	783,000	6.25
Exercised	(66,600)	7.69	(826,666)	1.52
Balance, end of the period	6,084,734	2.23	6,151,334	2.29
Exercisable	4,140,392	2.10	4,079,324	2.11

The following table reflects the share purchase options that could be exercisable for an equal number of common shares:

	March 31, 2022		
	Number outstanding	Number exercisable	Exercise price C\$ ⁽²⁾
January 24, 2023	50,000	50,000	2.00
May 4, 2023	800,000	800,000	3.30
July 1, 2030	4,518,334	2,968,331	1.43
March 3, 2031	383,000	255,329	4.75
May 12, 2031	333,400	66,732	7.69
	6,084,734	4,140,392	

(2) Weighted average exercise price in Canadian dollar.

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11. SHARE-BASED PAYMENTS (continued)

The fair value of share purchase options granted was determined using Black & Scholes valuation model based on the following weighted average assumptions:

	Three-month period ended March 31, 2022	Three-month period ended March 31, 2021
Weighted average fair value of awards	-	C\$3.92
Unvested forfeiture rate	-	0%
Grant option price	-	C\$4.75
Market share price	-	C\$4.75
Volatility	-	83.31%
Risk-free rate	-	1.40%
Dividend yield	-	0%
Expected life	-	10

A share-based payment expense of \$539,986 was recognized during the three-month period ended March 31, 2022 (\$979,926 during the three-month period ended March 31, 2021). The expected underlying volatility was based on the historical data of the Corporation's shares over a period equivalent to the expected average life of the options.

Restricted share units

The RSU Plan provides for a maximum number of common shares available and reserved for issuance to 10% of the Corporation's issued and outstanding common shares, less any shares reserved for issuance under the Plan and the DSU Plan. The RSUs are time-based awards and all the amount of RSUs granted will vest upon the continuous employment of the Participants on the third anniversaries of the RSU grant, starting from the date of the grant or such other period not exceeding three years determined by the Board of Directors.

Pursuant to the terms of the RSU Plan, Participants will receive, upon vesting of the RSUs, common shares of the Corporation issued from treasury. The outstanding RSU's as at March 31, 2022 are as follows:

	Three-month period ended March 31, 2022		Year ended December 31, 2021	
	Number	C\$(³)	Number	C\$
Balance, beginning of the period	131,819	8.44	-	-
Granted	-	-	133,503	8.44
Canceled	-	-	(1,684)	7.48
Balance, end of the period	131,819	8.44	131,819	8.44
Exercisable	-	-	-	-

(3) Weighted average fair value in Canadian dollars.

A share-based compensation payment of \$71,344 was recognized during the three-month ended March 31, 2022 (\$11,768 during the three-month period ended March 31, 2021).

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11. SHARE-BASED PAYMENTS (continued)

Deferred share units

The DSU Plan provides for a maximum number of common shares available and reserved for issuance to 10% of the Corporation's issued and outstanding common shares, less any shares reserved for issuance under the Plan and the RSU Plan. The DSUs are time-based awards and all the amount of DSUs granted will vest on termination of service.

Pursuant to the terms of the DSU Plan, Directors will receive, upon vesting of the DSUs, common shares of the Corporation issued from treasury. The outstanding DSU's as at March 31, 2022 are as follows:

	Three-month period ended		Year ended	
	March 31, 2022		December 31, 2021	
	Number	C\$(⁴)	Number	C\$
Balance, beginning of the period	60,273	7.94	-	-
Granted	9,002	9.29	60,273	7.94
Balance, end of the period	69,275	8.12	60,273	7.94
Exercisable	-	-	-	-

(4) Weighted average fair value in Canadian dollars.

A share-based compensation payment of \$65,941 was recognized during the three-month period ended March 31, 2022 (\$115,386 during the three-month period ended March 31, 2021).

12. SEGMENTED INFORMATION

All of the Corporation's operations are within the mining industry and its major products are precious metals ingots and concentrate which are refined or smelted into pure silver and sold to global metal brokers. A reporting segment is defined as a component of the Corporation that:

- engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's executive management; and
- for which discrete financial information is available.

For the three-month period ended March 31, 2022, the Corporation's reporting segments include the production segment, with its Zgounder silver project in Morocco, as a significant reporting segment. All other properties are segmented in the "non-producing properties" category (i.e. referred to as Exploration, evaluation and development segment) for the period ended March 31, 2022 and March 31, 2021. The "Others" segment consists primarily of the Corporation's corporate assets including cash and cash equivalents, intercompany eliminations, and corporate expenses which are not allocated to operating segments.

Management evaluates segment performance based on mine operating earnings. Therefore, other income and expense items are not allocated to the segments. Significant information relating to the Corporation's reportable operating segments is summarized in the tables below.

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12. SEGMENTED INFORMATION (continued)

	March 31, 2022		
	Total non- current assets	Total assets	Total liabilities
	\$	\$	\$
Production (Zgounder Silver Mine - Morocco)	38,334,726	55,564,153	12,753,110
Exploration, evaluation, and development (Morocco)	6,778,062	6,778,062	626,345
Exploration, evaluation, and development (Mauritania)	20,224,922	20,224,922	2,398,162
Corporate	7,768,803	78,592,839	4,785,395
Total per consolidated statement of financial position	73,106,513	161,159,976	20,563,012

	December 31, 2021		
	Total non- current assets	Total assets	Total liabilities
	\$	\$	\$
Production (Zgounder Silver Mine - Morocco)	35,155,831	50,069,671	13,205,896
Exploration, evaluation, and development (Morocco)	6,178,777	6,178,777	701,852
Exploration, evaluation, and development (Mauritania)	19,478,059	19,478,059	228,316
Corporate (Canada)	6,581,038	85,531,371	7,120,125
Total per consolidated statement of financial position	67,393,705	161,257,878	21,256,189

Three months ended March 31, 2022 and 2021		Cost of		G&A	Operating
		Revenue	sales	expenses	income (loss)
Production (Zgounder Silver Mine)	2022	9,162,864	6,961,784	14,063	2,187,017
	2021	8,541,273	3,963,251	-	4,578,022
Exploration	2022	-	-	-	-
	2021	-	-	-	-
Corporate	2022	-	-	2,470,522	(2,470,522)
	2021	-	-	2,119,544	(2,119,544)
Consolidated	2022	9,162,864	6,961,784	2,451,476	(250,396)
	2021	8,541,273	3,963,251	2,119,544	2,458,478

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13. ADDITIONAL INFORMATION ON THE NATURE OF REVENUE FROM SILVER SALES

The following is a breakdown of the nature of revenue included in silver sales for the three-month period ended March 31, 2022, and 2021:

Revenue from sales	Three-month periods ended	
	2022	March 31, 2021
	\$	\$
Ingots	4,856,850	4,149,425
Silver concentrate	4,897,974	4,940,001
Less: treatment, smelting, and refining costs	(591,960)	(548,153)
	9,162,864	8,541,273

The Corporation's sales are with two clients (2021 – two clients) located in Switzerland.

14. ADDITIONAL INFORMATION ON THE NATURE OF COST OF SALES

The following is a breakdown of the nature of cost of sales for the three-month period ended March 31, 2022 and 2021:

Cost of sales	Three-month periods ended	
	2022	March 31, 2021
	\$	\$
Consumables, supplies, services, and other expenses	5,315,640	2,717,500
Freight outbound	111,470	133,031
Royalties	233,521	299,570
Amortization (Note 4)	1,301,153	813,150
	6,961,784	3,963,251

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15. ADDITIONAL INFORMATION ON THE NATURE OF COMPREHENSIVE (LOSS) INCOME COMPONENTS

The following is a breakdown of the nature of expenses included in general and administrative expenses and finance expense for the three-month period ended March 31, 2022 and 2021:

General and administrative expenses	Three-month periods ended	
	March 31,	
	2022	2021
	\$	\$
Salaries and benefits	575,885	253,269
Consulting fees	330,051	224,955
Investor relations	209,156	78,073
Amortization – G&A	232,581	-
Office	107,309	97,146
Professional fees	293,006	319,972
Reporting issuer costs	26,217	39,049
	1,774,205	1,012,464

Finance (income) expense	Three-month periods ended	
	March 31,	
	2022	2021
	\$	\$
Fair value adjustment on options contracts	210,023	(15,931)
Interest income	(120,628)	(39,713)
Loss gain on foreign exchange	1,048,004	561,171
Accretion expense	62,614	56,049
	1,200,013	561,576

Expenses recognized for employee benefits	Three-month periods ended	
	March 31,	
	2022	2021
	\$	\$
Salaries and bonuses	2,026,955	1,017,966
Fringe benefits costs	288,170	391,100
Post-employment benefits and short-term employee benefits	54,697	28,885
Post-employment benefits from government plans	48,971	27,560
Share-based payments (Note 11)	677,271	1,107,080
	3,096,064	2,572,591

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16. 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.

The Corporation will achieve these objectives by effectively 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 operation, 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. As at March 31, 2022, managed capital is \$133,355,267 (\$132,954,929 as at December 31, 2021) representing total equity before non-controlling interest. 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 during the three-month period ended March 31, 2022.

17. FINANCIAL RISK MANAGEMENT

The Corporation is exposed to various financial risks resulting from both its operations and its investment activities. There were no changes to the financial objectives, policies and processes during the three-month period ended March 31, 2022 and 2021. The Corporation's main financial risks exposure and its financial risks management policies are as follows:

Credit risk

Credit risk refers to the risk of an unexpected loss if a party to its financial instrument fails to meet its contractual obligations. The Corporation's financial assets exposed to credit risk are primarily composed of cash and cash equivalents, accounts receivable, options contracts, and long-term restricted cash. The Corporation's cash is mostly held with reputable Canadian or Moroccan banks.

Credit risk arises from the possibility that the clients which the Corporation sells its product to may experience financial difficulties and be unable to fulfil their obligations. The Corporation requires that it is paid the majority of what it is owed on transfer of property and deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Corporation monitors the credit risk of customers through credit rating reviews and constant communication with customers. The Corporation establishes an allowance for doubtful accounts taking into account the credit risk of specific customers, historical trends and other information. For the periods ended March 31, 2022 and 2021, the Corporation sells its ingots and silver concentrated ore to a limited number of large customers and has never experienced a credit loss. Consequently, credit risk is considered to be limited. In management's opinion, the maximum credit risk exposure for all of the Corporation's current financial assets is the carrying value of those assets.

Commodity price risk

The Corporation's profitability is exposed to commercial risks notably those linked to the price of silver. The Corporation does not have financial instruments to hedge exposures to silver price fluctuations.

Liquidity risk

Liquidity risk refers to the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's liquidity and operating results may be adversely affected if the Corporation's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters

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17. FINANCIAL RISK MANAGEMENT (continued)

specific to the Corporation. Over the years, the Corporation generates cash flow from its financing activities and from the sales realized at the Zgounder mine.

The following are the contractual maturities of financial liabilities and other liabilities, including interest where applicable as at March 31, 2022:

	Carrying Amount	Contractual cash flows	0-12 months	12-24 months	More than 24 months
	\$	\$	\$	\$	\$
Accounts payable & accrued liabilities	16,334,680	16,334,680	16,334,680	-	-
Balance of purchase price payable	1,389,574	1,553,117	1,553,117	-	-
Lease liabilities	357,785	372,200	234,471	93,803	29,511
	18,082,039	18,259,997	18,122,268	93,803	29,511

The following are the contractual maturities of financial liabilities as at December 31, 2021:

	Carrying Amount	Contractual cash flows	0-12 months	12-24 months	More than 24 months
	\$	\$	\$	\$	\$
Accounts payable & accrued liabilities	13,957,575	13,957,575	13,957,575	-	-
Balance of purchase price payable	1,393,461	1,616,310	-	-	1,616,310
Lease liabilities	425,879	444,971	244,634	143,434	37,811
	15,776,915	16,018,856	14,202,209	143,434	1,654,121

Currency risk

In the normal course of operations, the Corporation is exposed to currency risk due to business transactions in foreign countries denominated in a currency other than the functional currency of each entity in the group, being the Canadian dollar for all the entities within the consolidated group except for CMMM, ZMSM, BGM and AGS, for which the functional currency is the Moroccan dirham, and for TIREX and ALGOLD S.A.R.L., for which the functional currency is the Mauritanian Ouguiya. Transactions related to the Corporation's exploration and evaluation activities are mainly denominated in Moroccan dirhams and Mauritanian ouguiyas. Foreign currency denominated financial assets and liabilities which expose the Corporation to currency risk are presented below.

The Corporation enters into put option contracts to mitigate the risk of fluctuations in the exchange rate of its holdings of US dollars. Changes in the fair value of the contracts and the corresponding gains or losses are recorded quarterly and are included in the fair value adjustment on option contracts on the consolidated statement of comprehensive income (loss). The Corporation's management strategy is to reduce the risk of fluctuations associated with foreign exchange rate changes. The foreign currency option contracts are held to maturity and are either exercised for a net loss or expire at no obligation to the Corporation.

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17. FINANCIAL RISK MANAGEMENT (continued)

The fair value of option contracts, which represents the amount that would be received/(paid) by the Corporation if the contracts were terminated at March 31, 2022 was (\$32,358) (\$200,793 as at December 31, 2021). As at March 31, 2022 the Corporation had cash collateral balances related to option contracts being held of \$2,508,853 (\$2,519,385 as at December 31, 2021). They are reflected as restricted cash in escrow in the condensed interim consolidated statement of financial position.

Balances are dominated in US dollars, the presentation currency of the Corporation:

March 31, 2022	USD	EUR	MAD	Total
	\$	\$		\$
Cash and cash equivalents	35,779,853	-	-	35,779,853
Accounts receivable	3,052,183	-	-	3,052,183
Accounts payable and accrued liabilities	(1,777,510)	(366,136)	(198,672)	(2,342,318)
Balance of purchase price payable	-	-	(1,389,574)	(1,389,574)
	37,054,526	(366,136)	(1,588,246)	35,100,144

December 31, 2021	USD	MAD	Total
	\$	\$	\$
Cash and cash equivalents	30,280,474	-	30,280,474
Accounts receivable	3,379,250	-	3,379,250
Accounts payable and accrued liabilities	(619,603)	(198,387)	(817,990)
Balance of purchase price payable	-	(1,393,461)	(1,393,461)
	33,040,121	(1,591,848)	31,448,273

The impact on net earnings and equity of a 10% increase or decrease in foreign currencies on the Corporation's financial instruments based on balances on March 31, 2022 would be approximately \$3,510,000 (\$3,145,000 as December 31, 2021).

18. FINANCIAL INSTRUMENTS

The classification of financial instruments is summarized as follows, as at March 31, 2022:

Financial Assets	Classification	March 31, 2022	December 31, 2021
		\$	\$
Cash and cash equivalents	Financial assets at amortized cost	74,085,318	81,665,834
Accounts receivable	Financial assets at amortized cost	3,461,381	2,167,540
Restricted cash	Financial assets at amortized cost	2,508,853	2,519,385
		80,055,552	86,352,759

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18. FINANCIAL INSTRUMENTS (continued)

Financial Liabilities	Classification	March 31,	December 31,
		2022	2021
		\$	\$
Accounts payable and accrued liabilities	Financial liabilities at amortized cost	16,334,680	13,957,575
Balance of purchase price payable	Financial liabilities at amortized cost	1,389,574	1,393,461
		17,724,254	15,351,036

Financial Assets (Liabilities)	Classification	March 31,	December 31,
		2022	2021
		\$	\$
Option contracts	Fair value through profit & loss	(32,358)	200,793
		(32,358)	200,793

Fair value of financial instruments

Current financial instruments that are not measured at fair value are represented by cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. Their carrying values are considered to be a reasonable approximation of their fair value because of their short-term maturity and/or of the contractual terms of these instruments. The fair value of the balance of purchase price for the acquisition of the Boumadine property is a reasonable approximation of its fair value as it is discounted using the effective interest rate, which approximates the current rate that could be obtained with similar terms and credit risk. Fair value of restricted cash is very similar to the amortized cost due to the nature of the underlying asset.

Foreign currency options contracts

Foreign currency options contracts are recognized on the Corporation's consolidated statement of financial position when the Corporation becomes party to the contractual provisions of the instrument. The instrument is derecognized from the consolidated statement of financial position when the contractual rights or obligations arising from that instrument expire or are extinguished. Forward currency contracts are recognized at fair value through profit and loss. The variation of fair value is in the consolidated statement of comprehensive income (loss). The premium at inception is accounted for against the fair value of the instrument at each reporting date.

Fair value hierarchy

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

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

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

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

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18. FINANCIAL INSTRUMENTS (continued)

As at March 31, 2022, the following represents the classification of fair value instruments:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Option contracts	-	(32,358)	-	(32,358)

The Corporation's foreign currency option contracts are not traded in active markets. The fair value of these instruments has been determined using observable forward exchange rates. The effects of non-observable inputs are not significant for foreign contract positions.

19. SUPPLEMENTAL CASH FLOW INFORMATION

	Three-month periods ended	
	March 31,	March 31,
	2022	2021
	\$	\$
Accounts receivable	(1,293,841)	870,801
Sales tax receivable	(767,323)	(138,402)
Inventories	673,884	(500,924)
Prepaid expenses and security deposits	(583,318)	119,903
Accounts payable and accruals	2,548,988	1,159,608
Income tax payable	(2,911,474)	-
Non-refundable deposits to suppliers	-	33
	(2,333,084)	1,511,019
Non-cash transactions		
Variation of unpaid stock options included in accounts receivable	399,432	-

20. EARNINGS (LOSS) PER COMMON SHARE

Basic earnings or loss per share is the net earnings or loss available to common shareholders divided by the weighted average number of common shares outstanding during the period. Diluted net earnings or loss per share adjusts basic net earnings per share for the effects of potential dilutive common shares such as options, RSUs, DSUs and warrants. The calculations for basic and diluted earnings per share for the three-month period ended March 31, 2022 and 2021 are as follows:

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20. EARNINGS (LOSS) PER COMMON SHARE (continued)

	Three-month periods ended	
	March 31,	
	2022	2021
	\$	\$
Net earnings (loss)	(1,962,249)	819,670
Weighted average number of shares – basic	104,971,492	94,150,765
Impact of dilutive securities		
Broker warrants	-	279,636
Regular warrants	-	4,402,850
Stock options, RSUs	-	38,815
Weighted average number of shares – diluted	104,971,492	98,872,066
Earnings per share – basic	(0.019)	0.009
Earnings per share – diluted	(0.019)	0.008

A total of 2,606,844 stock options, warrants and units were not considered in the calculation of earnings per share for March 31, 2022 since their effect would have been anti-dilutive.

21. COMMITMENTS AND GUARANTEES

The Corporation has the following commitments regarding its properties:

Royalties

As per terms of property purchase agreements, the Corporation is also committed to pay the following royalties:

- 2.5% Net Smelter Royalty (“NSR”) to Société d’Exploration Géologique des Métaux (“SEGM”) on the Amizmiz property and an 8 km radius area of interest;
- 2.5% royalty to Ouiselat Mines (a private Moroccan company) on revenue from the Azegour property;
- 3.0% royalty to ONHYM on revenue from the Zgounder property or 2,214,592 dirhams (\$233,521) for the three-month period ended March 31, 2022 (2,657,314 dirhams (\$299,570)) for the three-month period ended March 31, 2021);
- 3.0% royalty to ONHYM on revenue from the Boumadine property;
- For the Tijirit property:
 - o Between 4.0%-6.5% royalty to the government of Mauritania depending on the price of gold. For production above 50,000oz, an additional 0.25% royalty, for every additional 100,000oz;
 - o 1.5% NSR to Osisko Gold Royalties which is 50% purchasable by the Corporation; and
 - o \$100,000 to ANARPAM on production of up to 30,000oz of gold and an additional \$1/oz produced on production between 30,001 - 300,000oz of gold.

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21. COMMITMENTS AND GUARANTEES (continued)

Tijirit commitments

The Tijirit project has the following commitments associated with the project:

- C\$1,500,000 to Endeavour Mining, payable upon achieving a NI-43-101 compliant mineral reserve of 1Moz of gold;
- \$2,000,000 to ANARPAM at the commencement of production.

Net profit interest

In 2013, the Corporation entered into a net-profit interest ("NPI") agreement with Global Works, Assistance and Trading S.A.R.L. ("Glowat"), a related party to the previous CEO and director of the Corporation, equal to 5% of the gross revenues generated from the operations of the Zgounder silver mine, less mining and milling costs. The agreement is subject to a dispute following the departure of the former CEO.

22. RELATED PARTY TRANSACTIONS

During the three-month period ended March 31, 2022 and 2021 and the year ended December 31, 2021 and 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, of \$21,295 (\$nil for the three-month period ended March 31, 2021) and exploration and evaluation fees amounting to \$13,209 (\$nil for the three-month period ended March 31, 2021). As at March 31, 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 \$177,644 (\$90,754 for the three-month period ended March 31, 2021) and general and administrative fees of \$nil (\$11,718 for the three-month period ended March 31, 2021). As at March 31, 2022, \$70,967 (December 31, 2021 - \$445,141) was due to that company;

Remuneration of key management personnel of the Corporation

Key management included members of the Board of Directors and executive officers of the Corporation. During the three-month period ended March 31, 2022 and 2021, the remuneration awarded to key management personnel (including the amounts above) is as follows:

	Three-month periods ended	
	March 31,	
	2022	2021
	\$	\$
Salaries and benefits	272,093	71,988
Management consulting and professional fees	250,873	137,428
Director fees	231,923	78,957
Share based payments	256,041	729,834
	1,010,930	1,018,207

As at March 31, 2022, \$222,215 (December 31, 2021 - \$65,717) in directors' fees are unpaid. The outstanding directors' fees have been converted in DSU's on April 7, 2022.

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Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

23. NON-CONTROLLING INTEREST

The Corporation's condensed interim consolidated financial statements include three subsidiaries, ZMSM, BGM, and TIREX, with material non-controlling interests ("NCI").

ONHYM has 15% non-dilutive participation in BGM and a 15% dilutive interest in ZMSM. ANARPAM has 15% non-dilutive participation in TIREX and WAFA has a 10% dilutive participation in TIREX.

The Corporation had the following NCIs for the three-month period ended March 31, 2022 and the year-ended December 31, 2021:

	Proportion of ownership interest and voting rights held by NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
	2022	2021	2022	2021	2022	2021
	%	%	\$	\$	\$	\$
BGM	15.00	15.00	1,097	(4,717)	11,372	10,274
ZMSM	15.00	15.00	193,840	1,583,501	2,654,126	2,460,286
TIREX	25.00	-	-	-	4,576,200	4,576,200
			194,937	1,578,784	7,241,697	7,046,760

Aya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2022 (Unaudited, in United States dollars unless otherwise noted)

23. NON-CONTROLLING INTEREST (continued)

	BGM		ZMSM		TIREX		Total NCI	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Non-current assets	844,855	879,715	31,065,076	27,585,764	18,376,172	18,376,172	50,286,103	46,841,651
Current assets	246,905	248,224	23,435,322	21,077,286	417,695	417,695	24,099,922	21,743,205
Total assets	1,091,760	1,127,939	54,500,398	48,663,050	18,793,867	18,793,867	74,386,025	68,584,856
Non-current liabilities	-	-	21,376,644	15,759,930	-	-	21,376,644	15,759,930
Current liabilities	1,015,948	1,059,443	15,429,583	16,501,216	489,068	489,068	16,934,599	18,049,727
Total liabilities	1,015,948	1,059,443	36,806,227	32,261,146	489,068	489,068	38,311,243	33,809,657
Net Assets	75,811	68,496	17,694,172	16,401,904	18,304,799	18,304,799	36,074,782	34,775,199
Net assets attributable to NCI	11,372	10,274	2,654,125	2,460,286	4,576,200	4,576,200	7,241,697	7,046,760
Revenues for the period	-	-	8,405,852	9,985,682	-	-	8,405,852	9,985,682
Profit attributable to parent	-	-	1,098,426	4,047,243	-	-	1,098,426	4,047,243
Profit attributable to NCI	-	-	193,840	714,219	-	-	193,840	714,219
Profit (loss) for the period	-	-	1,292,266	4,761,462	-	-	1,292,266	4,761,462
Net cash from (used in) operating activities	-	-	678,542	2,513,297	-	-	678,542	2,513,297
Net cash from (used in) investing activities	-	-	(263,291)	(2,038,073)	-	-	(263,291)	(2,038,073)
Net cash from (used in) financing activities	-	-	110,918	192,114	-	-	110,918	192,114
Non-controlling interest	-	-	526,169	667,338	-	-	526,169	667,338