MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine-month periods ended September 30, 2023

GOLD & SILVER

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, 2023, covers the three and nine-month periods ended September 30, 2023 and should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements and related notes for the three and nine-month periods ended September 30, 2023 and the audited consolidated financial statements and related notes for the year ended December 31, 2022.

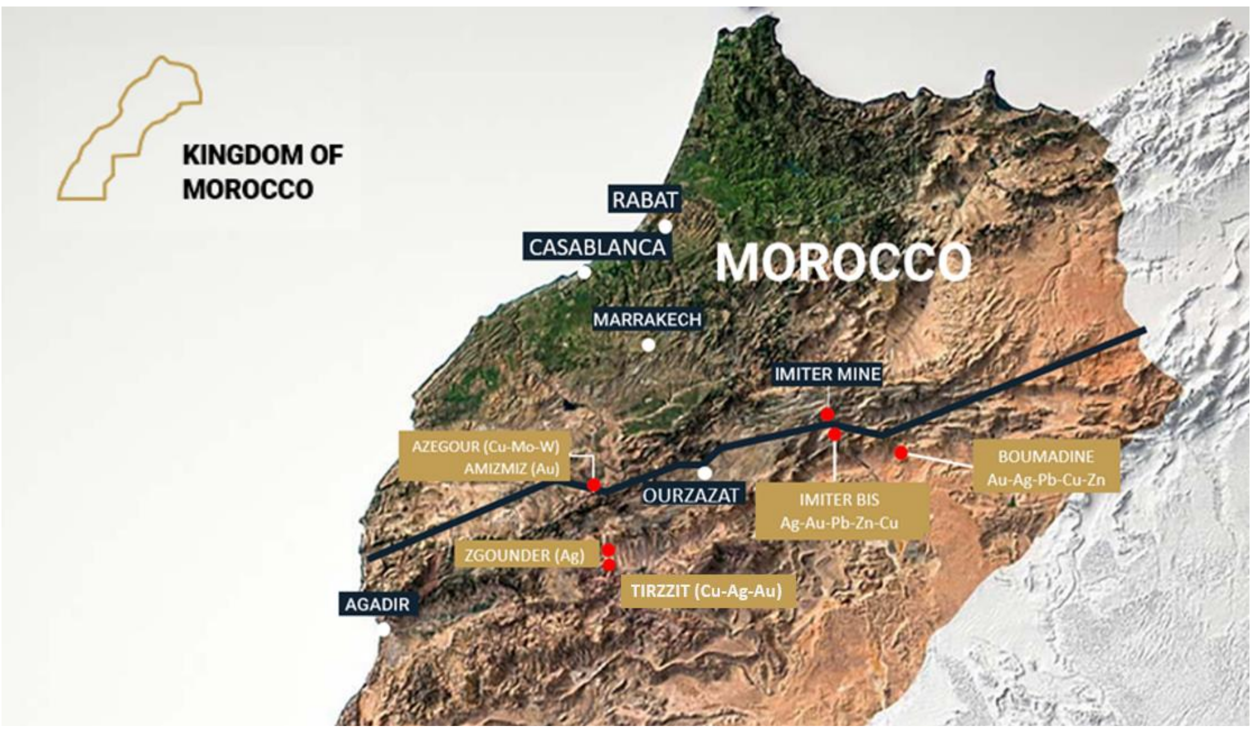
The Corporation's September 30, 2023 unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board. The unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A reflect management's best estimates and judgment based on information currently available. All amounts are stated in thousands of United States dollars ("US"), except for per share amounts, unless otherwise indicated. References to "C$" are to the Canadian dollar.

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 unaudited condensed interim consolidated financial statements and 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, 2023, unless otherwise stated.

Description Of The Business

Aya Gold & Silver Inc. 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 100% 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. On June 28, 2023, the Corporation acquired the Tirzzit Project ("Tirzzit"), a collection of seven permits located 25 kilometers from the Zgounder property. These properties are located in the Kingdom of Morocco. Aya also owns 75% of the Tijirit project located in Mauritania.

Aya was incorporated under the Canada Business Corporations Act; its financial year-end is December 31, and 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 122,377,703 common shares on November 14, 2023. The Zgounder Silver Mine is in operation while all other projects are at the exploration and evaluation stage.



Q3-2023 QUARTER HIGHLIGHTS

Operational and Financial:

- Strong operational quarter:
  - Silver production of 519,085 ounces (“oz”) in Q3-2023 compared to 451,681 oz in Q3-2022.
  - Ore processed increased to 70,258 tonnes (“t”) in Q3-2023 compared to 69,697t in Q3-2022.
  - 132,998 of ore mined in Q3-2023 for an average of 1,446 tonnes per day (“tpd”), on schedule for mine ramp up.
- Revenue of $11.7 million in Q3-2023, a 63% increase from Q3-2022.
- Cash cost per silver ounce sold of $10.73 in Q3-2023 compared to $14.03 in Q3-2022 (1).
- Robust financial position with $71.2 million of cash, cash equivalents and restricted cash as at September 30, 2023, compared to $42 million as at December 31, 2022 (2).
- Ranked 14th on the 2023 TSX30 as a top-performing stock with a 3-year share appreciation of 498%.

Exploration and Development:

- Conducted 4,675 meters (“m”) of diamond drill hole (“DDH”) drilling at Zgounder in Q3-2023.
  - Expanded 2023 drill program by 3,000m to 29,000m.
- Completed 1,923m of DDH on Zgounder Regional, including 830m on the Tourchkal area:
  - Expanded 2023 6,700m DDH program on Zgounder Regional to 14,000m.
  - Acquired 4 Zgounder Regional permits totaling 62.6 km², boosting Zgounder total land package to 425km².
- Doubled the 2023 DDH program at Boumadine to 76,000m with the aim of carrying out infill drilling and extending the strike:
  - Completed 52,400m of the 76,000m DDH program, extending the open-ended strike by 400m to 4.2 kilometers (“km”)
  - Acquired adjacent permit.
- Identified high-grade gold mineralization from 25,176m DDH and reverse-circulation (“RC”) drill program on Tijirit Project in Mauritania.
- Reviewed drill and geophysical data at Tirzzit to inform Q4-2023 fieldwork.

Zgounder Expansion:

- Overall project 60% complete and tracking on budget.
- Underground development on track, with 76% of lateral and 65% of vertical development completed.
- Completed the water storage facilities.
- Received ball mill on site and mobilised contractors for plant assembly.
- Continued construction of the new tailings storage facilities on schedule.
- Drew down $35 million from project facility for Zgounder Mine expansion.

Environmental, Social and Governance:

- 2,731 hours of health and safety training dispensed in the quarter.
- Commissioned the mine rescue station and provided Phase I training to emergency response teams.

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(1) Non-GAAP Measures, refer to pages 16-17.
(2) Non-GAAP Measures, consisting of cash and cash equivalents of $50,610 and restricted cash of $20,563 (December 31, 2022, balances of $39,360 and $2,489 respectively).

- Roll-out of community program in collaboration with local authorities:
  - Provided medical and logistical support to survivors of Al Haouz earthquake in the Taroudant region.
  - Mobile health clinics – conducted first ear, nose and throat clinic and third phase of diabetes clinic.
  - Water access program – rolled out in 6 villages.
  - Livelihood projects – planted saffron bulbs and set up irrigation system in Aya's experimental community farm.

Q3-2023 AND YTD-2023 OPERATIONAL AND FINANCIAL HIGHLIGHTS

	Three-month periods ended September 30,			Nine-month periods ended September 30,		
Key Performance Metrics	**2023**	**2022**	**Variation**	**2023**	**2022**	**Variation**
Operational						
Ore Mined (tonnes)	132,998	74,009	80%	317,131	197,597	60%
Ore Processed (tonnes)	70,258	69,697	1%	215,185	191,693	12%
Average Processed Grade (g/t Ag)	261	232	13%	254	232	9%
Mill Recovery (%)	86.6%	86.2%	(0.4%)	87.0%	85.0%	2%
Silver Ingots Produced (oz)	195,913	184,629	6%	567,120	527,727	7%
Silver in Concentrate Produced (oz)	323,172	267,052	21%	953,480	691,360	38%
Total Silver Produced (oz)	**519,085**	**451,681**	**15%**	**1,520,600**	**1,219,087**	**25%**
Silver Ingots Sold (oz)	205,043	174,243	18%	519,664	570,299	(9%)
Silver in Concentrate Sold (oz)	338,940	245,517	38%	985,045	695,349	42%
Total Silver Sales (oz)	**543,983**	**419,760**	**30%**	**1,504,709**	**1,265,648**	**19%**
Avg. Net Realized Silver ($/oz)	21.53	17.12	26%	21.12	19.69	7%
Cash Costs per Silver Ounce Sold [3]	10.73	14.03	(24%)	12.10	13.53	(11%)
Financial						
Revenues	11,714	7,187	63%	31,779	24,923	28%
Cost of sales	5,531	6,413	(14%)	20,766	19,358	7%
Gross Margin	6,183	774	699%	11,013	5,565	98%
Operating Income (Loss)	3,652	(1,329)	(375%)	3,532	(1,074)	(429%)
Net Earnings (Loss)	1,206	672	79%	1,742	(566)	(408%)
Operating Cash Flows	7,724	5,701	35%	15,514	6,010	158%
Cash and Restricted Cash [4]	71,173	58,059	23%	71,173	58,059	23%
Shareholders						
Earnings (Loss) per Share – basic	0.01	0.01	NM	0.01	(0.01)	NM
Earnings (Loss) per Share – diluted	0.01	0.01	NM	0.01	(0.01)	NM

NM – Not Meaningful

[3] 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 pages 16-17 for a reconciliation of non-GAAP to GAAP measures.

[4] Non-GAAP Measures, consisting of cash and cash equivalents of $50,610 and restricted cash of $20,563 as of September 30, 2023, compared with balances of $55,582 and $2,477 respectively as of September 30, 2022.

Q3-2023 Operational Highlights

- Quarterly silver production of 519,085 oz, comprising 323,172 oz as silver concentrate and 195,913 oz as silver ingots.
- Mill average feed grade of 261 grams per tonne (“g/t”) Ag was recorded in Q3-2023 compared to 232 g/t Ag in Q3-2022, an increase of 13%.
- Milling operations reached 764 tpd, continuing to surpass design capacity of 700 tpd.
- Average combined mill recovery of 86.6% in Q3-2023 compared to 86.2% in Q3-2022, an increase of 0.4%.
- Plant availabilities reached 91.9% and 95.6% for the flotation and cyanidation plants, respectively.
- 132,998 tonnes of ore were mined in Q3-2023 for an average of 1,446 tpd mined compared to 74,009 tonnes (804 tpd) in Q3-2022. Mining ramp-up is on schedule as per plan.
- A total of 4,675m of drilling was completed on the Zgounder mine permit in Q3-2023, 1,923m on Zgounder Regional permits, and 21,145m on Boumadine.
- Cost of sales of $5,531 (Q3-2022 – $6,413) with an average cash cost [5] per oz of $10.73 in Q3-2023 compared to $14.03/oz in Q3-2022.

Q3-2023 Financial Highlights

- Revenue from silver sales totaled $11,714 (Q3-2022 – $7,187) in Q3-2023, an increase of 63% representing an average realized price of $21.53 per oz. (Q3-2022 - $17.12/oz).
- Operations generated a gross margin of $6,183 in Q3-2023 compared to $774 in Q3-2022, an increase of 699%.
- Net profit was $1,206 (diluted EPS of $0.01) in Q3-2023, compared to net earnings of $672 (diluted EPS of $0.01) in Q3-2022.
- Cash flow generated by operating activities of $7,724 in Q3-2023, compared to $5,701 generated in operating cash flow in Q3-2022.

YTD-2023 Operational Highlights

- Silver production totaled 1,520,600 oz, of which 953,480 oz as silver concentrate and 567,120 oz as silver ingots, in YTD-2023. The 25% increase compared with the silver ounces produced in YTD-2022, is a direct result of the higher mill throughput, recovery rate and feed grade.
- Mill average feed grade of 254 g/t Ag was recorded in YTD-2023 compared to 232 g/t Ag in YTD-2022, an increase of 9%.
- Milling operations averaged 788 tpd in YTD-2023 compared to 758 tpd in YTD-Q3-2022, an increase of 4%. Combined mill recovery averaged 87% in YTD-2023 compared to 85% in YTD-2022, an increase of 2%.
- 9,066m of DDH were completed on the Zgounder mine permit in YTD-2023.
- Cost of sales of $20,766 (2022 – $19,358) with an average cash cost per silver ounce sold of $12.10/oz in YTD-2023 compared to $13.53/oz in YTD-2022 [6].

YTD-2023 Financial Highlights

- Revenue from silver sales for YTD-2023 totaled $31,779 (YTD-2022 – $24,923), an increase of 28% representing an average realized price of $21.12 per oz. (YTD-2022 - $19.69/oz).
- Operations generated a gross margin of $11,013 in YTD-2023 compared to $5,565 in YTD-2022, an increase of 98%.
- Net income was $1,742 (diluted EPS of $0.01) in YTD-2023, compared to a net loss of $(566) (diluted EPS of $(0.01)) in YTD-2022.
- Cash flow generated by operating activities of $15,514 in YTD-2023, compared to $6,010 generated in operating cash flow for YTD-2022.

[5] Non-GAAP Measures, refer to pages 16-17.
[6] Non-GAAP Measures, refer to pages 16-17.

Acquisition of Tirzzit

On June 28, 2023, the Corporation acquired Tirzzit, a collection of seven permits located 25 kilometers from the Zgounder Silver Mine in the Kingdom of Morocco.

The Corporation issued 622,728 of its shares at C$8.36 (having a value of $3,936) and paid $800 in cash for a total consideration of $4.7 million.

Management concluded that Tirzzit does not meet the definition of a business, and consequently the transaction was accounted for as an asset acquisition. The assets acquired include seven permits within a property of 67.7 square km, comprising five exploration permits and two mining licenses, one of which hosts a high-grade historical copper mine.

January Corporate Financing

On January 25, 2023, the Corporation closed a bought deal public financing and issued 11,151,550 common shares of the Corporation at a price of C$8.25 per common share for gross proceeds of C$92 million ($68.8 million). The common shares were issued by way of a prospectus supplement, filed on January 19, 2023 in each Canadian province, to the short form base shelf prospectus dated January 12, 2023. The Corporation paid a total of $4.2 million in commission, legal, filing, and other fees. The proceeds from the financing are intended for the expansion of the Zgounder Mine, for advancement of its exploration programs at Zgounder, Zgounder Regional and Boumadine, and for general corporate purposes.

Project Facility for Zgounder Silver Mine Expansion

On January 19, 2023, the Corporation entered into a credit agreement for a secured financing facility with the European Bank for Reconstruction and Development ("EBRD") ("the Facility") to provide financing for the construction of the 2,000 tpd process plant for the Zgounder Silver Mine of up to $100,000.

The Facility consists of a $92,000 loan provided by the EBRD ("EBRD Tranche") and an $8,000 tranche (pari-passu with the EBRD) by the Climate Investment Funds ("CTF") ("CTF Tranche"), managed by the EBRD. Amounts borrowed under the Facility incur interest at a rate of SOFR plus 5% for the EBRD Tranche and 9.31% for the CTF Tranche. Interest is paid twice every year on July 19 and January 19.

Interest rate on the CTF tranche may be reduced upon completion of the following three milestones:

- Milestone 1: Task Force on Climate-related Financial Disclosures ("TCFD") report disclosed by end of 2023 will result in a 25% rate reduction;
- Milestone 2: Completion of certain capital expenditure set out in the TCFD report and in the development plan by end of 2024 will result in a 50% rate reduction;
- Milestone 3: Reaching "advanced" maturity on the TCFD's Climate Governance and Strategy recommendation will result in reduction of interest to an all-in rate of 1.00%.

The funds are available for a period of 24 months and a commitment fee representing 1.5% for undrawn amounts during the availability period must be paid to the EBRD.

All debts under the facility are guaranteed by the Corporation and its subsidiaries and secured by the assets of the Corporation and pledges of the securities of the Corporation's subsidiaries, ZMSM. In connection with the Facility, the Corporation must also maintain certain working capital ratios and adhere to other non-financial covenants. As at September 30, 2023, the Corporation was in compliance with these covenants.

As at September 30, 2023, $35 million had been drawn under the Facility and $507 in commitment charges had been paid to the EBRD. In addition, a cost overrun account of $18,000 has been funded and is included in restricted cash.

OPERATING RESULTS

In Q3-2023, the Zgounder operations team focused on the ramp-up of the open pit, reaching 409 tpd of ore in September. Underground production was steady, and mining production for the quarter averaged 1,446 tpd, for a total of 132,998 tonnes of ore.

The 1,950m underground level is now fully operational, and access to the 1,925m level was completed during the quarter. The open pit is now in full production and will be further ramped up after the mill is operational.

In Q3-2023, 70,258t of ore were processed, adding over 63kt of ore to inventory, in line with the 2024 commissioning plan. Steady throughput, recovery and availability of both plants resulted in total silver production of 519,085 oz. Combined silver recovery was 86.6%, while combined mill availability reached 93.7%. The mill feed grade averaged 261 g/t Ag in the quarter.

The quarter also saw commencement of an intensive training program for the mine rescue and emergency response team. By Q1-2024, the team is expected to have a significantly improved response capacity and to be fully operational by Q3-2024.Year to date, the training hours at Zgounder, which have more than doubled every year since 2021, totaled over 7,800 as of quarter-end.

Figure 1: Delivery of the ball mill to the Zgounder mine site

Capital Projects

Capital projects in Q3-2023 were primarily related to the mine and mill expansion, particularly definition drilling to further define underground stopes and open-pit benches for the production ramp-up. Final work was conducted on the two water retention ponds. The following construction lots saw good progress in the quarter: the open pit and haulage road, the Merrill Crowe and silver room building, the electrical substation, the warehouse, garage and reagent storage buildings, the water and tailings piping network, and the mechanical and electrical workshop. Additionally, a firefighting system was installed in the existing flotation plant (see Figure 2). Capital was also continuously allocated to the existing tailings storage facility as per the established plan. Contractors were mobilized to assemble the plant. Construction of the 90km, 60kV powerline continued to progress to plan for commissioning in 2024.

Figure 2: Installation of firefighting system at existing flotation plant

Zgounder Exploration

A total of 4,675m of DDH was completed on the near-mine permits in Q3-2023, of which 2,219m were completed by two rigs from surface. Two underground drill rigs were also mobilized in the quarter, conducting a total of 2,456m of DDH laterally and at depth. The underground program has been designed to explore the down-plunge potential of the Zgounder mineralized system toward the granite, to extend known mineralization, and to expand mineral resources.

The open-pit area near the east continued to return high-grade results in the quarter including ZG-RC-23-2230-212, which intercepted 2,812 g/t Ag over 8m; ZG-RC-CT7-P63-23-63, which intercepted 2,227 g/t Ag over 7.0m; and ZG-RC-C3-23-25 which intercepted 480 g/t Ag over 17m.

During the period, the 2023 drill program on Zgounder was expanded by 3,000m to 29,000m. The additional program will follow up early 2023 surface results east of the deposit and the RC results in the southern part of the open pit.

Zgounder Regional

In Q3-2023, 1,923m of DDH were drilled on Zgounder Regional, including 830m on Tourchkal Area. One drill rig is currently active at Zgounder Regional as part of its 2023 expanded drill program, which now totals 14,000m.

The additional 7,300m in the 2023 regional program will be used to test the potential continuation of the Zgounder deposit, east of the granophyre; test the southern contact of the rhyolite; and to test a new target in the Tourchkal area showing silver grab samples and stream anomalies.

Four new permits located about 25km east of Zgounder (see Figure 3) were acquired during the period as part of a reallocation of exploration permits by the Moroccan Directorate of Mines. As a result, the Zgounder land package now totals 425 km^2.

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

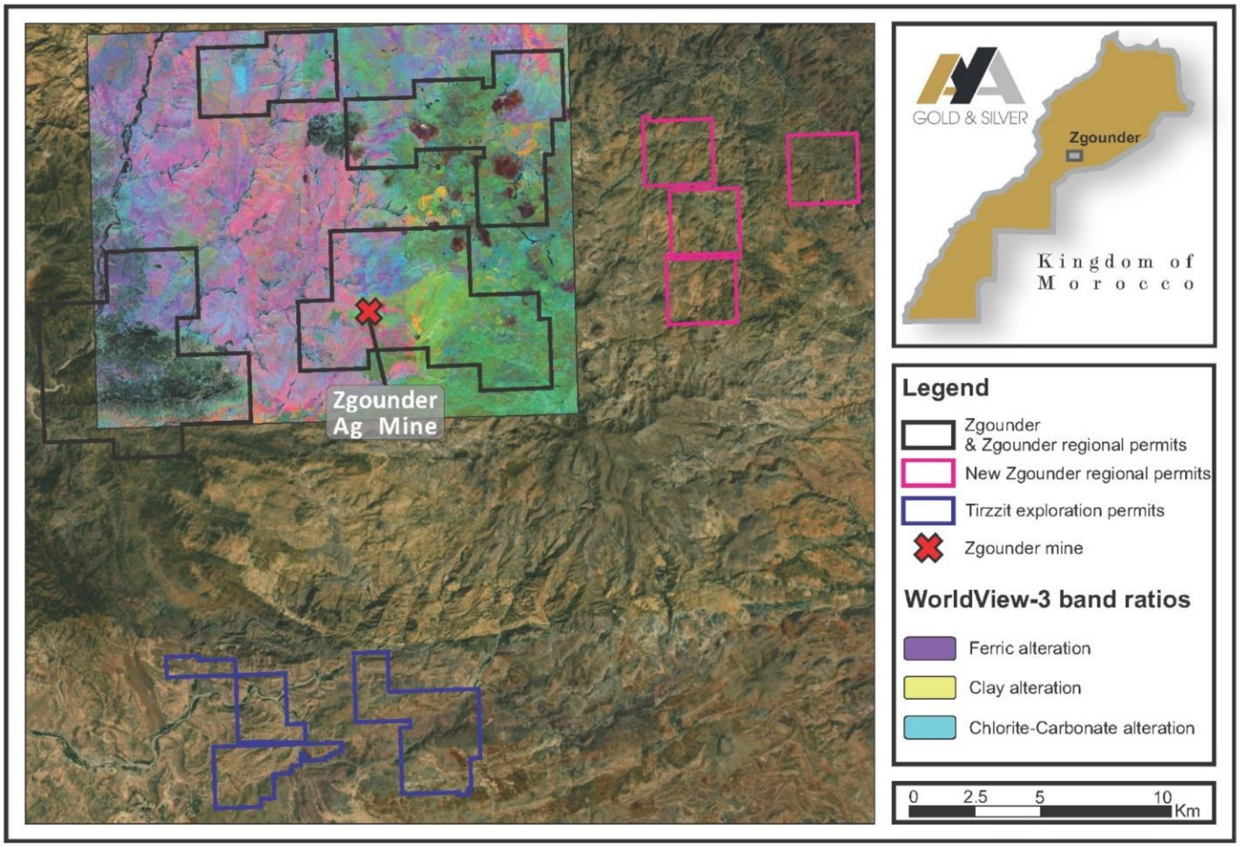

Figure 3: Map of Zgounder with newly acquired permits

Zgounder Construction

The Corporation is in construction to expand the Zgounder Silver Mine from 700 tpd to 2,700 tpd capacity. At the end of Q3-2023, construction of the plant and surface infrastructure continued to track budget. Overall, the expansion project was 60% complete, compared to 45% at the end of last quarter.

At the end of the third quarter, construction of the processing plant was halfway through, with detailed engineering near-complete and procurement well advanced. Earthworks were complete, and most concrete foundations poured in Q2-2023. Several long-lead items were delivered to site in Q3-2023, including the ball mill, thickener steel structures, the intensive leach reactors, and the crusher circuit equipment. Installation of the leach reactors also commenced.

Underground development progressed as planned in Q3-2023. Over 7,145m of lateral and ramp accesses have now been completed since January 2022, representing 76% of the planned lateral infrastructure. Most levels between 1,925m and 2,100m are now connected to the underground ramp. The main ventilation was also commissioned. To date, two of the three ore chutes have been completed, and the second ventilation shaft has begun. In June, the open pit contractor was mobilized, open pit operations commenced, and ore was mined as planned. Overall, open pit and underground mine development were 65% completed.

Figure 4: Ongoing construction of the ore silo

At quarter-end, construction of the tailing storage facility was progressing well and was 86% complete. The two water storage basins were 100% completed. Other infrastructures, such as the camp, roads, workshops, and warehouses, were 55% completed. Furthermore, the powerline and electrical substations progressed to 48% completion.

At the end of Q3-2023, $138 million had been committed across all capital cost categories, and $91 million had been incurred, including $11.5 million in deposits to suppliers. The Aya project team continues to remain confident of completing the project within the original budget of $159 million including contingency.

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

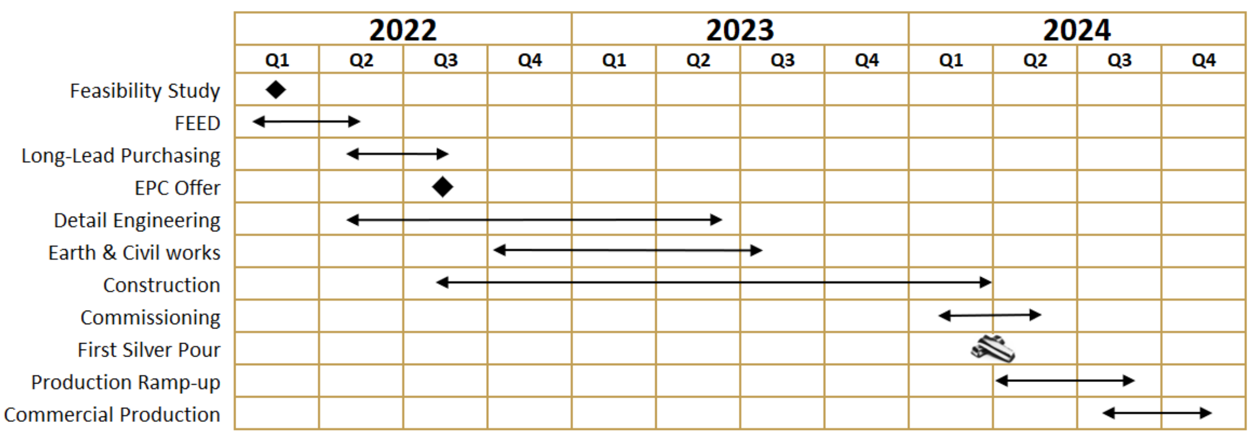

Figure 5: Zgounder expansion project execution simplified Gantt chart

The table below presents the construction progress by main project area:

Area	Progress
Process Plant	50%
Underground and Open-Pit Mines	65%
Tailings	86%
Water management	91%
Electrical Infrastructure	48%
On-site Infrastructure	60%

Boumadine Development

Following successful completion of the initial program in July, the 2023 drill program at Boumadine was more than doubled to total 76,000m DDH.

As a result, six drill rigs were mobilized on the Boumadine property through Q3-2023 with the aim of conducting infill and exploration along strike including on new targets. In mid-September, drilling results were released, extending the main trend mineralization by 400m to 4.2km to the south with BOU-DD23-143, BOU-DD23-161 and BOU-DD23-168 demonstrating continuity (see Figure 6).

The north area returned high-grade intersections, which expand the mineralization both at depth and to the north, with section 5400N to the south also extending Boumadine Main trend. At quarter-end, the drilling program was 69% complete with 52,540m drilled and remains on track for completion in December 2023.

In parallel, the Corporation announced acquisition of a 16 km² exploration permit east of Boumadine as part of a reallocation of exploration permits by the Moroccan Directorate of Mines.

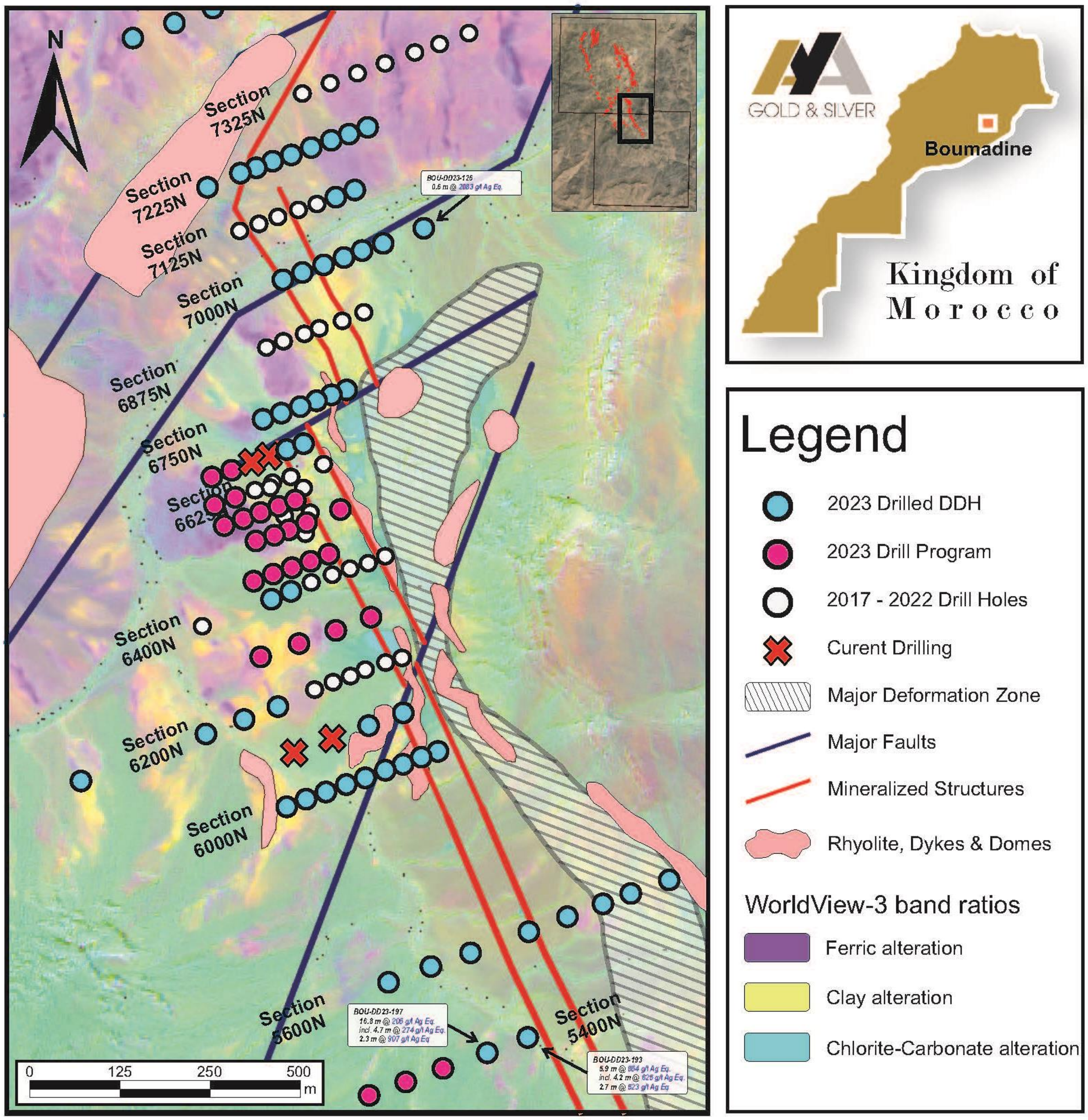

Figure 6: Surface Plan of Boumadine South Zone with 2023 DDH results

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.

Tijirit Development

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, which will initially focus on the Eleonore and Eleonore East deposits, includes a base case scenario of a 1,000 tpd processing plant that can be expanded to 2,000 tpd. In Q3-2023, results from the 25,000 DDH and RC drilling program were released, confirming high-grade gold nuggety mineralization in both the Eleonore and Eleonore East deposits. The 25,000m drill program, which is now complete, totaled 169 RC holes for 22,067m and 13 DDH for a total of 3,109m.

An updated NI-43-101 mineral resource estimate is currently being compiled and will be included in the Tijirit FS.

Tirzzit Exploration

Since its Q2-2023 acquisition, the Corporation has reviewed the historical data on the Tirzzit project, which consists of 57 short drill holes, and some ground geophysics. A fieldwork program is scheduled to commence in early Q4-2023, consisting of a stream sediment program; mapping and prospecting; and acquisition of hyperspectral data with the objective of identifying drill targets for 2024.

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

OVERVIEW OF FINANCIAL PERFORMANCE

For the three and nine-month periods ended September 30, 2023 and 2022 (in thousands of dollars):

	Three-month periods ended September 30,			Nine-month periods ended September 30,			
	2023	**2022**	**Variance**	**2023**	**2022**	**Variance**	
Revenues	**11,714**	**7,187**	**63%**	**31,779**	**24,923**	**28%**	(1)
Cost of sales	5,531	6,413	**(14%)**	20,766	19,358	**7%**	(2)
Gross Margin	**6,183**	**774**	**699%**	**11,013**	**5,565**	**98%**	(3)
General and administrative expenses	1,711	1,390	23%	5,106	4,087	**25%**	(4)
Share-based payments	820	713	15%	2,375	2,552	**(7%)**	(5)
Operating earnings (loss)	**3,652**	**(1,329)**	**375%**	**3,532**	**(1,074)**	**429%**	
Net finance (expense) income	(1,385)	1,879	174%	1,400	1,650	**(15%)**	(6)
Net income (loss) before income taxes	**2,267**	**550**	**312%**	**4,932**	**576**	**756%**	
Income tax expense	1,061	(122)	970%	3,190	1,142	179%	(7)
Net income (loss) for the period	**1,206**	**672**	**79%**	**1,742**	**(566)**	**408%**	(8)
Income (loss) per share (diluted)	0.01	0.01	NM	0.01	(0.01)	NM	(8)

NM – Not Meaningful

Three-month period ended September 30, 2023, compared to the three-month period ended September 30, 2022

1. **Revenues** totaled $11,714 in Q3-2023 compared to $7,187 in Q3-2022, driven by an increase in the average net realized silver price per oz of $21.53/oz ($17.12/oz in Q3-2022) in addition to an overall increase in silver sold of 543,983 oz in Q3-2023 compared to 419,760 oz in Q3-2022.
2. **Cost of sales** in Q3-2023 decreased by 14% relative to Q3-2022, driven by a decrease in depreciation expense of $476 in Q3-2023 compared with $1,135 for Q3-2022 as estimation of useful lives has been increased.
3. **Gross margin** increased by 699% in Q3-2023, driven primarily by the increase in sales revenue and a decrease in cost of sales.
4. **General and administrative expenses** were 23% higher in Q3-2023 compared with Q3-2022. The Corporation now has multiple projects in Morocco and one in Mauritania and, as such, G&A expenses increased to manage these projects. Furthermore, Tijirit has moved from a technical execution phase to a more administrative phase which requires more G&A related costs to manage its affairs.
5. **Share-based payments** represent the cost of restricted share units and deferred share units over the vesting period that the Corporation awarded to certain employees, directors, and officers, resulting in a non-cash expense of $820 in Q3-2023.
6. **Net finance (expense) income** was 174% higher in Q3-2023 than in Q3-2022 due to a foreign exchange loss of $2,295 in Q3-2023 compared to a foreign exchange gain of $1,269 in Q3-2022 partially offset by an increase in

interest income in Q3-2023, which amounted to $744 compared to $263 in Q3-2022, due to a higher cash balance and a higher interest rate on accounts.

7. **Income tax expense** in Q3-2023 was 970% higher than in Q3-2023 due to an increase in net taxable income at our Moroccan operating entity and an increase in the tax rate of 3.5% in 2023.
8. **Net income** of $1,206 (diluted EPS of $0.01) was recorded in Q3-2023 compared to net income of $672 (diluted EPS of $0.01) in Q3-2022.

Nine-month period ended September 30, 2023, compared to the nine-month period ended September 30, 2022

1. **Revenues** totaled $31,779 in YTD-2023 compared to $24,923 in YTD-2022, representing a 28% increase in YTD-2023. The increase is largely due to the volume of silver sold which increased by 19% from 1,265,648 oz YTD-2022 to 1,504,709 oz in YTD-2023 and by an increase in the average net realized silver price per oz of $21.12/oz ($19.69/oz in YTD-2022).
2. **Cost of sales** were 7% higher in YTD-2023 than in YTD-2022.The main reason for the increase in the cost of sales is attributable to an increase of 20% in depreciation, which amounted to $4,824 in YTD-2023 compared to $4,038 in YTD-2022. The increase is also explained by an increase in operations costs associated with preparation for the expansion, mine ramp-up and efforts in health and safety.
3. **Gross margin** was 98% higher in YTD-2023 than in YTD-2022. It was affected positively by the increase in the volume of sales, partially offset by an increase in the cost of sales.
4. **General and administrative expenses** were up by 25% in YTD-2023 compared to YTD-2022. This increase is attributed in large part to the increase in personnel as the Corporation continues to build out operations, exploration and development teams. The Corporation now has multiple projects in Morocco and one in Mauritania and, as such, G&A expenses increase to manage these projects. Furthermore, Tijirit has moved from a technical execution phase to a more administrative phase, which requires more G&A related costs to manage its affairs.
5. **Share-based payments** represent the vesting of options that the Corporation awarded to certain employees, directors, and officers, resulting in an additional expense of $2,375 in YTD-2023. The Corporation awarded 406,758 restricted share units and 118,522 deferred share units in YTD-2023 as part of its annual grant program to employees and directors.
6. **Net finance (expense) income** in YTD-2023 was 15% lower than in YTD-2022 mainly due to recognition of a foreign exchange loss of $686 in YTD-2023 compared to a foreign exchange gain of $1,120 in in YTD-2022 offset by an increase in interest income in YTD-2023, which amounted to $1,908 compared to $442 in YTD-2022, due to a higher cash balance and a higher interest rate on accounts.
7. **Income tax expense** in YTD Q3-2023 was 179% higher than in YTD Q3-2022 due to an increase in taxable income of our Moroccan operating entity and an increase in the tax rate of 3.5% in 2023.
8. As a result of the foregoing, a **net income** of $1,742 (diluted EPS of $0.01) was recorded in YTD-2023 compared to a net loss of $(566) (diluted EPS of $(0.01)) in YTD-2022.

SUMMARY OF QUARTERLY RESULTS

Selected Quarterly Information

	Revenues	Net Income (loss)	Net Income (loss) per share (diluted)
Quarter ended	**$**	**$**	**$**
September 30, 2023	11,714	1,206	0.01
June 30, 2023	9,621	(525)	(0.00)
March 31, 2023	10,444	1,061	0.01
December 31, 2022	13,322	1,963	0.02
September 30, 2022	7,187	672	0.01
June 30, 2022	8,574	725	0.01
March 31, 2022	9,163	(1,962)	(0.02)
December 31, 2021	8,025	(1,086)	(0.01)

Revenues in Q3-2023 increased by 24% from Q2-2023 mainly due to the increase in sales volume in Q3-2023 to 543,983 oz compared with 439,080 oz in Q2-2023, resulting in a net profit of $1,206 compared to a net loss of $(525) in Q2-2023.

Revenues in Q2-2023 decreased by 8% from Q1-2023 mainly due to the decrease in sales volume in Q2-2023 to 452,523 oz compared with 508,204 oz in Q1-2023, resulting in a net loss of $525 compared to a net profit of $1,061 in Q1-2023.

Revenues in Q1-2023 decreased by 22% from Q4-2022 due to a 24% decrease in the sales volume to total 508,204 oz sold in Q1-2023, compared to 669,506 oz sold in Q4-2022. The net profit was negatively affected by the cash cost[7] per silver ounce sold that went from $10.94 in Q4-2022 to $14.56 in Q1-2023. This increase in cash cost was partially offset by the average net realized silver price per ounce that went from $19.90 in Q4-2022 to $20.55 in Q1-2023, resulting in a net profit of $1,060 in Q1-2023 compared to $1,963 in Q4-2022.

Revenues in Q4-2022 increased by 85% from Q3-2022 due to a 56% increase in the volume of sales to total 669,506 oz sold in Q4-2022, compared to 419,760 oz sold in Q3-2022.

Revenues in Q3-2022 decreased 16% compared to 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 oz in Q2-2022 to 419,760 oz in Q3-2022.

In Q1-2022, the loss of $(1,962) was mainly due to the head grade of 192 g/t Ag achieved in addition to significantly higher consumables and supplies 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. These indicators are commonly used as measures 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 financial statements, the following table reconciles cash costs and cash costs per ounce sold on an attributable basis to cost of sales.

[7] Non-GAAP Measures, refer to pages 16-17.

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
Zgounder Silver Mine – Morocco	**2023**	**2022**	**2023**	**2022**
Cost of sales [8]	5,531	6,413	20,766	19,358
Depreciation	(476)	(1,135)	(4,824)	(4,038)
Cost of sales, excluding depreciation	**5,055**	**5,278**	**15,942**	**15,320**
Add:				
Smelting, refining and transport costs [9]	782	610	2,264	1,802
Adjusted Operating Cash Costs (A)	**5,837**	**5,888**	**18,206**	**17,122**
Silver Ounces Sold (B)	**543,983**	**419,760**	**1,504,709**	**1,265,648**
Cash Cost per Silver Ounce sold (A/B)	**10.73**	**14.03**	**12.10**	**13.53**

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2023, the Corporation had working capital of $39,001 compared to $35,574 as at December 31, 2022) [10] including cash and cash equivalents of $50,610 ($39,360 on December 31, 2022). The Corporation has sufficient liquidity to finance its operations for at least the next 12 months. Although the Corporation generated $15,514 of operating cash flow in YTD-2023, principally from the Zgounder operation, the Corporation's principal sources of financing in the past have been equity and debt financing. The success of equity and debt financings is dependent on capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its exploration, development, expansion activities and be able to support its ongoing operations, the Corporation may be required to raise further equity financing or debt in the capital markets (see section January Corporate Financing and Project Facility for Zgounder Silver Mine Expansion).

The following table summarizes the Corporation's cash flow activity during the three- and nine-month periods ended September 30, 2023 and 2022:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
Cash Flow	**2023**	**2022**	**2023**	**2022**
Cash generated by or (used) in operating activities	7,724	5,701	15,514	6,010
Cash generated by or (used) in investing activities	(51,031)	(11,817)	(112,909)	(27,648)
Cash generated by or (used) in financing activities	45,640	(57)	108,836	262
Effect of exchange rate changes on cash in foreign currencies	(1,291)	(3,693)	(191)	(4,707)
Increase (decrease) in cash and cash equivalents	**1,042**	**(9,866)**	**11,250**	**(26,083)**
Cash and cash equivalents, beginning of the year	49,568	65,448	39,360	81,665
Cash and cash equivalents, end of period	**50,610**	**55,582**	**50,610**	**55,582**

(8) As per note 13 of the Unaudited Condensed Interim Consolidated Financial Statements for the total of cost of sales.
(9) As per note 12 of the Unaudited Condensed Interim Consolidated Financial Statements for treatment, smelting and refining costs reported as net of sales.
(10) Non-GAAP Measures, consisting of current assets of $77,734 less current liabilities of $38,733 (December 31, 2022, current assets of $59,815 less current liabilities of $24,241).

The Corporation’s cash flow from operating, investing and financing activities during Q3-2023 is summarized as follows:

Cash generated by operating activities of $7,724 in Q3-2023 primarily due to:

- Cash flow from operating activities of $5,675 before movements in working capital items.

Net of:

- Net change in working capital items of $2,049 during Q3-2023, including an increase in accounts payable and accruals of $4,450, an increase in sales tax receivable of $3,131 a collection of accounts receivable of $2,429, an increase in inventory of $2,790, an increase in income tax payable of $282 and a decrease in prepaid expenses and security deposit of $809.

Cash used in investing activities of $51,031 in Q3-2023 primarily due to:

- The cash outflow for the acquisition of property plant and equipment for $28,609 for the mine development and the Zgounder Silver Mine Expansion;
- The investment in exploration and evaluation assets $4,422 to continue advancing the Zgounder Regional and the Boumadine property;
- Increase in restricted cash of $18,000.

Cash provided by financing activities of $45,640 in Q3-2023 primarily due to:

- Proceeds from the exercise of warrants of $10,288;
- Proceeds from the exercise of stock options of $1,051;
- Proceeds from the long-term debt of $35,000.

Net of:

- The payment of deferred financing fees for $507 for the Facility;
- The repayment of lease obligations of $49;
- The payment of transactions costs of $143.

The Corporation’s cash flow from operating, investing and financing activities during YTD-2023 is summarized as follows:

Cash generated by operating activities of $15,514 in YTD-2023 primarily due to:

- Cash flow from operating activities of $10,337 before movements in working capital items.

Net of:

- Net change in working capital items of $5,177 in YTD-2023, including an increase in accounts payable and accruals of $13,568, an increase in sales tax receivable of $5,408, a decrease in accounts receivable of $1,837, an increase in inventory of $6,637, an increase in income tax payable of $938 and a decrease in prepaid expenses and security deposit of $879.

Cash used in investing activities of $112,909 in YTD-2023 primarily due to:

- The acquisition of property plant and equipment for $66,941 for the mine development and the Zgounder Silver Mine Expansion;
- The investment in exploration and evaluation assets for $14,238 to continue advancing the Zgounder Regional and Boumadine properties including $800 for the acquisition of Tirzzit;
- The payment to suppliers for capital expenditures for $12,930 for the Zgounder Silver Mine Expansion;
- Increase in restricted cash of $18,000.

Cash provided by financing activities of $108,836 in YTD-2023 primarily due to:

- Proceeds from share issuance of $68,765;
- Proceeds from the exercise of warrants of $11,276;
- Proceeds from the exercise of stock options of $2,124;
- Proceeds from long term debt of $35,000.

Net of:

- The payment of deferred financing fees for $3,911 for the Facility;
- The repayment of lease obligations of $222;
- The payment of transactions costs of $4,196.

Use of Proceeds

January 25, 2023 Financing

On January 25, 2023, the Corporation closed a bought deal public financing and issued 11,151,550 common shares of the Corporation at a price of C$8.25 per common share for gross proceeds of C$92 million ($68.8 million) - ($64.7 million net proceeds). The common shares were issued by way of a prospectus supplement, filed on January 19, 2023 in each Canadian province, to the short form base shelf prospectus dated January 12, 2023 for up to an aggregate initial offering of C$200 million at any time during the 25-month effective period of the prospectus. Below is an update, in tabular form, reflecting the actual use of the funds as of September 30, 2023, compared to the budgeted amounts initially set out in the prospectus:

	Earmarked usage		Actual usage	
Principal use	**C$ (million)**	**$ (million)**	**C$ (million)**	**$ (million)**
Development & expansion of Zgounder Silver Mine	77	58	77	58
Advancement of other properties	8	6	8	6
General corporate purposes [11]	7	5	7	5
Total	**92**	69	**92**	69

Financing Sources

Financing sources for amounts received during the last 8 quarters				
Date	**Type**	**Financings**	**Gross Amounts ($)**	**General description of the use of proceeds**
Jan 25, 2023	Short Form Prospectus	Common shares	68,765	The net proceeds of the financing after deductions of the financing costs, were used for the expansion of the Zgounder Mine; for advancement of its exploration programs at Zgounder, Zgounder Regional and Boumadine; and for general corporation purposes
From Oct 15, 2021 to Sept. 2, 2023	Warrants	Common shares	11,859	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 Mar 9, 2022 to Sept. 20, 2023	Options exercised	Common shares	2,670	The net proceeds from the exercise of options are being used to fund general administrative expenses, investing activities and other working capital needs.

(11) Includes $4,054 in share issue costs related to the January 25, 2023 C$92 million financing.

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 in Q3-2023.

Commitments And Contingency

Engineering Procurement and Construction Contract ("EPC")

On November 30, 2022 the Corporation's subsidiary entered into the Engineering Procurement and Construction ("EPC") agreement with Duro Felguera S.A. ("DF") to construct a 2,000 tpd process plant at Zgounder. The EPC agreement has fixed price components of EUR 32.6 million, $19.6 million and MAD 265 million for an equivalent of approximately $80 million based on closing rates as at September 30, 2023. As at September 30, 2023, the Corporation recorded $39 million in relation to DF agreement (December 31, 2022 - $9 million) which was recorded as assets under construction.

As at September 30, 2023, the Corporation has committed to incur approximately $138 million, including $41 million to DF, for costs related to assets under construction. In addition, the Corporation has made $11.5 million of deposits to suppliers in connection with the expansion of the Zgounder Silver Mine, including $6.9 million to DF (see section January Corporate Financing and Project Facility for Zgounder Silver Mine Expansion).

Royalties

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

- 3.0% royalty to ONHYM on revenue from the Zgounder property or $343 and $953 for the three and nine-month periods ended September 30, 2023 respectively ($240 and $729 for the three and nine-month periods ended September 30, 2022, respectively);
- 3.0% royalty to ONHYM on revenue from the Boumadine property;
- 2.5% Net Smelter Royalty ("NSR") to Société d'Exploration Géologique des Métaux ("SEGM") on the Amizmiz property and on an 8 km radius area of interest; and
- 2.5% royalty to Ouiselat Mines on revenue from the Azegour property.

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 estimation of 1,000,000 ounces of gold; and
- $2,000,000 to ANARPAM at the commencement of production

- $4,200,000 is in the form of a non-demand, interest-free advance reimbursable only when the Corporation's Tijirit project generates revenues and would be reimbursed by paying Wafa Mining & Petroleum SA a 10% pro-rata share of the funds that might be available from Tirex's future cashflows.

In addition, the Corporation is committed to pay the following royalties and annual payments for the Tijirit project:

- Between 4.0%-6.5% royalties to the government of Mauritania depending on the price of gold. For production above 50,000 ounces, an additional 0.25% royalty, on top of the above-mentioned royalties, for every additional 100,000 ounces;
- 1.5% NSR to Osisko Gold Royalties which is 50% purchasable by the Corporation; and
- $100,000 to ANARPAM on production of up to 30,000 ounces of gold and an additional $1 per ounce produced on production between 30,001 - 300,000 ounces of gold.

No amounts have been paid as of September 30, 2023.

Net Profit Interest

In 2013, the Corporation agreed to 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. On June 28, 2023, the Corporation paid $1.6 million that was due to Glowat under the NPI and the parties terminated the NPI agreement. As part of the settlement, all court procedures in Canada and Morocco between the Corporation, the former CEO and Glowat have been withdrawn.

RISKS AND UNCERTAINTIES

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 and uncertainties 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. See "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2022 for other risks affecting the Corporation generally. If any of these 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. Important risk factors to consider, among others, are risks: inherent to mining exploration, uncertainty in the estimation of mineral reserves, resources and silver recovery, related to indebtedness, uninsured risks, metal price volatility, additional funding requirements, regulatory requirements, environmental matters, project delay, uncertainty of title, conflict of interest, human resources, reputational, political, impact of epidemics, changes in climate, inaccuracies in production and cost estimates.

Financial Instruments and Risk Management

Disclosure and description of the Corporation's capital management, financial risks and financial instruments in notes 15, 16 and 17 of the unaudited condensed interim consolidated financial statements for the three and nine-month periods ended September 30, 2023 contain the risk factors associated with the Corporation.

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 of options	Exercise Price
	Number	**C$**
July 1, 2030	4,408,334	1.43
March 3, 2031	359,667	4.75
May 12, 2031	333,400	7.69
	5,101,401	

Outstanding Share Data

	Number of shares outstanding (diluted)
Outstanding as of November 14, 2023	122,377,703
Shares reserved for issuance pursuant to share purchase options	5,101,401
Shares reserved for issuance pursuant to deferred share units	294,499
Shares reserved for issuance pursuant to restricted share units	982,328
	128,755,931

Off-Balance Sheet Arrangements

At September 30, 2023, 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 commitments, contingent liabilities and vendor liability and interest, as disclosed in this MD&A and the consolidated financial statements and the related notes.

Related Party Disclosures

During the three and nine-month periods ended September 30, 2023 and the year ended December 31, 2022, 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 $10 and $32 for the three-month and nine-month periods ended September 30, 2023 respectively ($12 and $44 for the three-month and nine-month periods ended September 30, 2022 respectively) and exploration and evaluation fees amounting to $nil for the three-month and nine-month periods ended September 30, 2023 respectively ($14 and $41 for the three-month and nine-month periods ended September 30, 2022 respectively). As at September 30, 2023 and December 31, 2022 no amount was due to the company;
- Management and consulting fees to Groupe Conseils Grou, La Salle Inc., a company owned by the President and Chief Executive Officer of $187 and $565 for the three-month and nine-month periods ended September 30, 2023 respectively ($182 and $555 for the three-month and nine-month periods ended September 30, 2022 respectively). As at September 30, 2023, $292 (December 31, 2022 - $406) 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 and nine-month periods ended September 30, 2023 the remuneration awarded to key management personnel (including the amounts above) was as follows:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2023	2022	**2023**	2022
	$	$	**$**	$
Salaries and benefits	**184**	224	**562**	800
Management consulting and professional fees	**259**	296	**782**	816
Share based payments	**617**	510	**1,712**	1,618
	1,060	1,030	**3,056**	3,234

ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

Critical Accounting Judgments and Estimates

The preparation of unaudited 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 unaudited condensed interim consolidated financial statements for the three- and nine-month periods ended September 30, 2023 and 2022, the Corporation applied the critical judgments and estimates disclosed in note 3 of its audited consolidated financial statements for the year ended December 31, 2022.

Change in accounting policies

In the three- and nine-month periods ended September 30, 2023, the Corporation has adopted the following accounting policy:

Debt and borrowing costs

Debt is initially recorded at fair value, net of any transaction costs, and subsequently carried at amortized cost. Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of that asset until the asset is substantially complete and ready for its intended use. All other borrowing costs are expensed as incurred.

PROPOSED TRANSACTION

As at September 30, 2023, and the date hereof, the Corporation had no disclosable proposed transaction.

MANAGEMENT'S REPORT ON INTERNAL CONTROLS AND FINANCIAL REPORTING

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, 2022 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, 2022 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, 2022 evaluation, there have been no material changes to the Corporation's disclosure controls and procedures.

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 effectiveness of ICFR and based on that evaluation, the Certifying Officers have concluded that the Corporation's ICFR was effective as at December 31, 2022. 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, 2023, that have materially affected, or are reasonably likely to materially affect, the Corporation's ICFR.

Limitations of Control and Procedures

The Corporation's management, including the CEO and the CFO, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

The Corporation's management makes judgments in its process of applying the Corporation's accounting policies in the preparation of its unaudited interim condensed consolidated financial statements. In addition, the preparation of financial data requires that the Corporation's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Corporation's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Corporation's assets and liabilities are accounted for prospectively. The critical judgments, estimates and assumptions applied in the preparation of these unaudited condensed interim consolidated financial statements were the same as those described in note 3 of the Corporation's audited annual consolidated financial statements for the year ended December 31, 2022

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

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

Additional information on the Corporation, including the Corporation’s Annual Information Form and the Corporation’s unaudited condensed interim consolidated financial statements for the quarter ended September 30, 2023, is available on SEDAR+ at www.sedarplus.ca and on the Corporation’s website at www.ayagoldsilver.com.