MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR AND QUARTER ENDED DECMBER 31, 2020

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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") (formerly Maya Gold and Silver Inc.) and its subsidiaries (together the "Corporation"), dated March 25, 2021, covers the year ended December 31, 2020 and should be read in conjunction with the Corporation's audited consolidated financial statements and related notes for the year ended December 31, 2020.

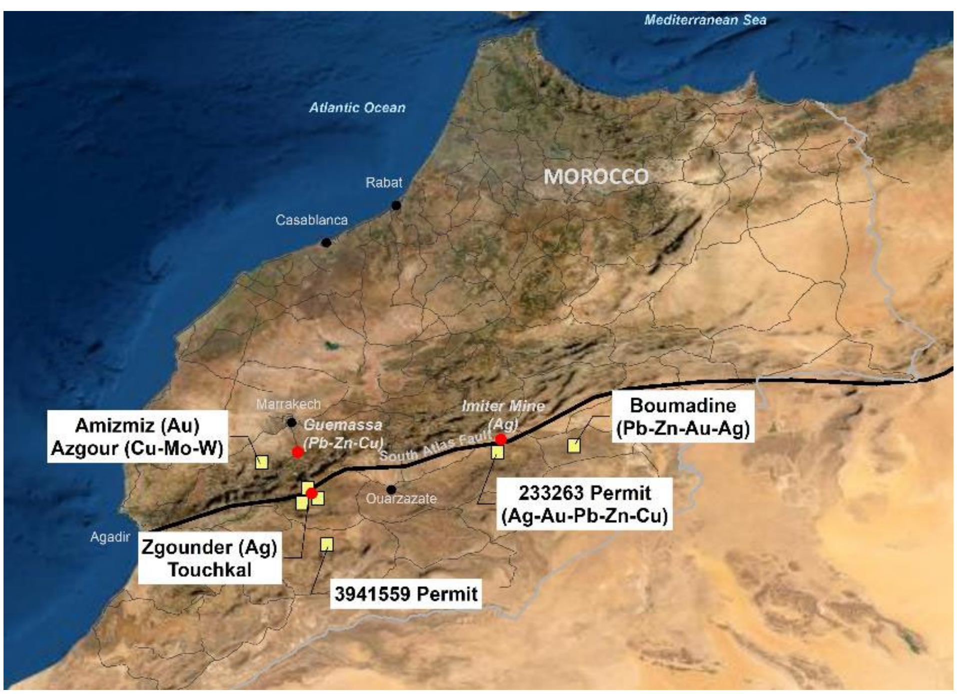
The Corporation's December 31, 2020, consolidated financial statements and the financial information contained in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation of the International Financial Reporting Interpretations Committee ("IFRIC"). All financial results presented in this MD&A are expressed in United States dollars unless otherwise indicated.

This MD&A contains forward-looking information that is subject to risk factors set out in a cautionary note in this MD&A under "Cautionary Statement Regarding Forward-Looking Information". All information contained in the Corporation's consolidated financial statements and this MD&A is current and has been reviewed by the Audit Committee and approved by the Corporation's Board of Directors as of March 25, 2021, unless otherwise stated.

DESCRIPTION OF THE BUSINESS

Aya Gold & Silver Inc. is a Canadian based precious metals mining company 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 Millenium 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 and Azegour properties. All these properties are located in the Kingdom of Morocco.

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". Aya's issued and outstanding share capital totals 92,181,714 common shares on March 25, 2021. The Zgounder Silver Mine is in operation while all other projects are at the exploration and evaluation stage.



2020 Annual Highlights

Key Performance Metrics	2020	2019	Variation '20 vs '19
Operational			
Ore Processed (tonnes)	128,923	100,667	28%
Average Grade (g/t Ag)	255	218	17%
Mill Recovery (%)	68.7%	64.2%	7%
Silver Ingots Produced (oz)	439,448	286,294	53%
Silver in Concentrate for Sale Produced (oz)	286,871	166,122	73%
Total Silver Produced (oz)	**726,319**	**452,416**	**61%**
Silver Ingots Sold (oz)	395,489	262,837	50%
Silver in Concentrate for Sale Sold (oz)	266,079	163,068	63%
Total Silver Sales (oz)	**661,567**	**425,905**	**55%**
Average Realized Silver Price per Ounce ($/oz)	20.89	14.28	46%
Average Silver Production Cost per Ounce ($/oz)	13.46	11.38	18%
Financial			
Revenues	13,822,709	6,081,400	127%
Cost of Sales	9,779,055	5,147,137	90%
Gross Margin	4,043,654	934,263	333%
Operating (Loss)	(832,832)	42,921	(2040%)
Net (Loss) Earnings	(1,779,590)	(576,513)	139%
Operating Cash Flows	1,278,193	3,574,536	(67%)
Cash and Restricted Investments Cash	33,291,691	16,628,989	100%
Change in Working Capital Items	(1,347,195)	1,286,749	(207%)
Shareholders			
(Loss) Earnings per Share ("EPS") – basic & diluted	(0.021)	(0.007)	

Operational Highlights

- Record annual silver production of 726,319 ounces ("oz") of which 439,448 oz silver ingots and 286,871oz as silver concentrate. Compared to 2019 silver production of 452,416 oz, this represents an increase of 61%.
- Beginning of operational turnaround which began to see results in the fourth quarter. Average throughput in Q4 of 566 tonnes per day ("tpd") (81% of nameplate capacity) with milling rate reaching 677 tpd in December and recovery increasing to 80%, from recoveries in the 60% range previously.
- In August, the Corporation announced it had launched a feasibility study for the expansion of its Zgounder Silver mine with DRA with the objective of producing between 4-5 million oz of silver per year.
- COVID-19 impacted the Corporation's business and operations as of March 2020. Movement within Morocco was significantly reduced, and work from home orders in Canada were observed. The pandemic continues to impact the Corporation as travel by contractors, suppliers and employees is limited to essential travel.
- The Corporation expanded its 2020 exploration program twice, completing 284 diamond drill holes over 19,000 meters of new drilling. The 2020 results, along with drilling in 2018 and 2019, were compiled to produce a new mineral resource estimate which the Corporation announced on March 16, 2021.
- Cost of sales of $9,779,055 (2019 – $5,147,137) with an average cost per oz of $13.46/oz compared to $11.38/oz in 2019.

Financial Highlights

- Healthy cash position and liquidity: The Corporation has cash, cash equivalents and restricted cash of $33,291,691 as at December 31, 2020 compared to $16,628,989 on December 31, 2019. Decrease in net working capital of ($1,347,195) was mainly due to the increase in receivables driven by larger sales volumes in the year ending December 31, 2020.
- In September 2020, the Corporation closed an underwritten private placement offering for gross proceeds of $20,016,468. The offering included one common share of the Corporation and one half of one warrant with each warrant exercisable for one common share at an exercise price of CA$3.30 until September 3, 2023.
- Revenue from silver sales in the year totaled $13,822,709 (2019 – $6,081,400) from record production and an increase in average realized silver price of $20.89/oz (2019 – $14.28/oz).
- Operations generated a gross margin of $4,043,654 compared to $934,263 in 2019.
- Net loss for the year was $(1,779,590) (EPS of $(0.021)), compared to a net loss of $(576,513) (EPS of $(0.007)) in 2019. Net loss for the year was attributable to the grant of share purchase options yielding an expense of $2,916,399. Excluding this non-cash expense, the net gain would have been $1,136,809.
- Cash flows generated by operating activities for the year of $1,278,193, compared to $3,574,536 generated in operating cash flows for 2019.

Corporate and Other

- In the second quarter of 2020, the Corporation announced major changes in its leadership, nominating a new chairman, CEO, CFO, Moroccan operations general manager and several other key executives.
- In July 2020, the Corporation announced it had changed its name to Aya Gold & Silver.
- For the first time in the Corporation's history, analysts began covering the Corporation with coverage initiated by Desjardins and Sprott in the fourth quarter followed by Cormark and Stifel in early 2021.

2020 FOURTH QUARTER HIGHLIGHTS

COVID-19 Pandemic Impact

During the fourth quarter, the Corporation's operations in Morocco were impacted by the COVID-19 pandemic. Since the beginning of the pandemic, the movement of personnel and contractors to and from the site has been difficult given the national restrictions. The Corporation has maintained operations and begun major maintenance and repair activities. Drilling and exploration activities continued throughout the quarter. As the situation regarding the COVID-19 pandemic remains uncertain, the Corporation continues to monitor and act accordingly. Since the beginning of the pandemic, the Corporation has had 16 confirmed cases of COVID-19 at its operations and three separate confirmed cases at its head office.

Operational Highlights

Following operational changes in Q3, Q4 production increased substantially. Improvements were achieved through four main operational improvements including flowsheet reorganization, grade control, selective mining, and milling throughput. These improvements produced the following results:

- Total silver production of 407,986 oz of which 193,264 oz of silver ingots (Q4-2019 – 64,918 oz) and 214,722 oz of silver (from concentrate) compared to 86,382 oz in Q4-2019.
- Silver sales totaled 443,454 oz (Q4-2019 – 148,513 oz), an increase of 199% compared to the prior year.
- Ore processed of 52,115 tonnes ('t') (Q4-2019 – 8,981 t), an increase of 480% compared to the prior year.
- Feed ore to the mill was 309 grams per tonne silver ("g/t Ag") (Q4-2019 – 191 g/t Ag).

- Cost of sales of $4,991,686 (Q4-2019 – $2,777,132), with an average cost per oz of $12.23/oz compared to $18.36/oz in 2019.
- Average realized silver price of $21.44/oz (Q4-2019 – $17.05/oz), compared to an average silver spot price of $24.39/oz (Q4-2019 – $17.31/oz).

Key Performance Metrics	Three-month periods ended December 31, Q4-2020	Q4-2019	% Variation
Operational			
Ore Processed (tonnes)	52,115	8,981	480%
Average Grade (g/t Ag)	309	191	62%
Mill Recovery (%)	78.9%	64.1%	(71%)
Silver Ingots Produced (oz)	193,264	64,918	198%
Silver in Concentrate for Sale Produced (oz)	214,722	86,382	167%
Total Silver Produced (oz)	**407,986**	**151,300**	**180%**
Silver Ingots Sold (oz)	177,376	65,185	172%
Silver in Concentrate for Sale Sold (oz)	266,079	51,332	158%
Total Silver Sales (oz)	**443,454**	**116,517**	**164%**
Average Realized Silver Price per Ounce ($/oz)	21.44	17.05	26%
Average Silver Production Cost per Ounce ($/oz)	12.23	18.36	(33%)
Financial			
Revenues	9,508,703	1,986,469	379%
Cost of Sales	4,991,686	2,777,132	80%
Gross Margin	4,517,017	(790,663)	(671%)
Operating Income (Loss)	2,960,207	(1,365,150)	(317%)
Net (Loss) Earnings	1,635,140	(1,879,737)	(208%)
Operating Cash Flows	3,409,415	1,105,928	201%
Cash and Restricted Cash	33,291,691	16,628,989	100%
Change in Working Capital Items	(961,157)	1,004,426	(198%)
Shareholders			
(Loss) Earnings per Share ("EPS") – basic & diluted	0.021	(0.024)	

Financial Highlights Q4-2020 vs Q4-2019

- In the fourth quarter, revenue from silver sales totaled $9,508,703 (Q4-2019 – $1,986,469).
- Net income for the quarter was $1,635,140 (EPS of $0.021), compared to a net loss of ($1,879,737) (EPS of ($0.024)) for the same period in 2019.
- Operations generated a gross margin of $4,517,017 compared to ($790,663) in Q4-2019.
- Cash flows generated by operating activities for the quarter of 3,409,415, compared to $1,105,928 generated by operating cash flows for Q4-2019.

Exploration Highlights

- In Q4, the Corporation expanded its 2020 Zgounder exploration program twice, completing 284 diamond drill holes over 19,000 meters of new drilling. The drilling program's focus was on expanding the silver resource at depth, along strike and to convert inferred resources into measured and indicated resources. These new drill holes, along with drilling completed in 2018 and 2019, were compiled to produce a new mineral resource estimate which the Corporation published on March 16, 2021.

2021 GUIDANCE

This section provides management's production outlook and cost guidance for 2021. These are forward-looking estimates and are subject to the cautionary note regarding the risks associated with relying on forward-looking statements at the end of this MD&A. Actual results may vary based on production and other external factors.

The Corporation expects 2021 production from its Zgounder Silver Mine to total 1.2 million oz of silver which represents an increase of 65% compared to 2020 production. This will be realized by continuing to execute on the turnaround plan initiated in Q4-2020. Cash cost at the Zgounder mine is expected to be $11.28/oz. Metal prices and foreign currency assumptions used in the guidance are: silver $25.2/oz; USD/CAD 1.3; and USD/MAD 8.7.

Zgounder Silver Mine

Zgounder production and development will continue to be the Corporation's focus in 2021. The objective is for the Zgounder Silver Mine to sustainably produce at its nameplate capacity by the end of the year. As such, $5 million will be spent in sustaining capital to refurbish and perform maintenance activities that had previously been neglected. The Corporation will also continue to hire skilled labour and invest $3 million in growth capital to improve operation and maintenance execution. This will position the Zgounder Silver Mine for the future and unlock its designed performance. Furthermore $2.4 million will be spent on the Zgounder expansion feasibility study designed to increase annual production to at least four million ounces of silver.

2021 Exploration

Zgounder

A 41,000-meter exploration program is planned at Zgounder with new near-mine targets on strike and at depth to be included in the feasibility study and to support Zgounder's first mineral reserve. In addition, regional exploration will begin on the Zgounder property. To this end, this year's program comprises 35,000 meters of DDH and 6,000 meters of RC drilling, the latter of which will only be carried out regionally.

Two resource estimation updates are planned in 2021: the first, which was announced on March 16, which incorporated drill results carried out between February 2018 and December 2020; and the second, which is scheduled for Q4 2021, will include subsequent data with the objective of converting resources into a maiden reserves statement.

The Zgounder geology budget for 2021 is $6.7 million.

Other Properties

Exploration activities involving field work, geophysics and 9,000 meters of drilling will begin on the Corporation's other properties in Morocco:

- Imiter-bis: 4,000 meters of drilling
- Azegour: 2,500 meters of drilling
- Amizmiz properties: 2,500 meters of drilling

The exploration budget for the Corporation's other properties is $1.9 million.

Algold Transaction

Subsequent to the end of 2020, on February 19, 2021 the Corporation announced it had entered into a binding agreement with Algold where Aya will provide Algold with CA$100,000 in cash and CA$2,500,000 in Aya shares to fund Algold's proposal to its creditors. Aya will also provide CA$2,400,000 in Aya shares to be distributed to Algold current shareholders with a view to become Algold's sole shareholder. On March 5, 2021, the creditors approved Algold's proposal.

On January 11, 2021, Aya announced that it had become the sole secured creditor of Algold by acquiring its approximately CA$10,000,000 secured debt for a consideration of 2,133,333 Aya common shares at a then agreed-to value of CA$3 a share. Since then, Aya has made several secured advances and payments in the context of Algold's restructuring that are expected to total approximately CA$2,900,000 at the time of closing of the transaction.

All considered, the Transaction values Algold at CA$14,700,000, including transaction costs, which would be paid CA$2,900,000 in cash and CA$11,800,000 in shares of Aya. The transaction is expected to close by April 30, 2021.

The mining permit requires the Corporation to produce a feasibility study by January 19, 2022 and commission the first phase of production by November 19, 2022. As such, the Corporation is currently conducting field and desk work to produce the feasibility study. Additionally, the Corporation intends to update the Tijirit resource model shortly after the closing of the transaction, with the inclusion of an additional 23,590 meters that have been drilled on the property since estimation of the 2018 resource. In 2021, the Corporation intends to drill 15,000 meters on the Tijirit property with the aim of converting resources to reserves to support the feasibility study.

In 2021, in addition to the consideration paid for the transaction, the Corporation expects to spend $5.9 million on Tijirit, of which $3.5 million is expected to be on drilling and geology and $1.5 million on engineering and field work.

OPERATING RESULTS

Zgounder Silver Mine

During the year, the Zgounder Silver Mine dealt with a number of operational challenges similar to previous years. As a result, availability for the year prior and silver recovery was 69% compared to 64% for 2019. Significant changes were made towards the end of the third quarter that resulted in much better performance in Q4. Significant changes to operations, maintenance and sustaining capital are required before operations at the Zgounder Silver Mine can produce consistently solid results. The COVID-19 pandemic created a situation where movement within the country was limited, making it difficult to bring contractors, employees, and expatriates to site. This situation will persist until the pandemic is controlled in Morocco.

The substantial increase in production in Q4-2020 was achieved through four main operational improvements including flowsheet reorganization, grade control, selective mining, and milling throughput. The most important improvement was the reconfiguration of the processing flowsheet, which resulted in the separation of the cyanidation and flotation plant operations. By operating in parallel, both plants process ore, which improves the combined milling rates and silver recovery. Prior to their separation, the cyanidation plant processed concentrate produced by the flotation plant. Production was limited by the cyanidation plant's leaching rate of the concentrate, which led to underutilized cyanidation plant milling capacity.

Zgounder's grade control methods were also modified to feed higher grade ore to the cyanidation plant and lower grade ore to the flotation plant. In addition, the mills of the cyanidation plant were restarted, and less ore was fed to the primary mill of the flotation plant. As a result, the combined milling rate improved to 566 tpd in the fourth quarter with the milling rate reaching 677 tpd in December. Finally, the steady plant operations, independent of one another, coupled with higher head grade resulted in flotation and cyanidation recoveries increasing to 80.5% and 79.5%, respectively.

DEVELOPMENT & EXPLORATION

Zgounder Exploration

In 2020, an intensive drilling program totalling 284 diamond drill holes (surface and underground combined) for 19,000 meters was carried out on Zgounder. The campaign had two objectives: first, to increase the confidence level of the Mineral Resources by converting the 28.3M Ag oz of Inferred mineral resource into the measured and indicated ("M&I") classification; and second, to identify new prospective mineralization at depth and better characterize the Mineral Resource potential in the eastern part of the deposit. Aya succeeded on both counts, extending the mineralization approximately 90 meters along the eastern strike extension and at depth.

Aya hired P&E Mining Consultants to produce an independent mineral resource estimate. In addition to the mineral resources in **Table 1**, an Exploration Target has been established for Zgounder at depth and along lateral extensions with a grade range between 190 and 295 g/t Ag within 3 to 6 million tonnes containing 20 to 60 million Ag oz (the "Exploration Target"). The Exploration Target was derived from a larger mineralized envelope including all mineral intersects while excluding the Mineral Resources reported in Table 1 (Figure 1). The potential quantity and grade of the Exploration Target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the Exploration Target being delineated as a Mineral Resource.

Table 1: Mineral Resource Estimate, Zgounder, as of March 1, 2021[(1-12)]

Area	Classification	Cut-Off (Ag g/t)	Tonnes (k)	Ag (g/t)	Ag (k oz)
Pit-Constrained	**Measured**	70	534	301	5,158
	Indicated	70	150	190	916
	M&I	**70**	**684**	**277**	**6,074**
Out-of-Pit	**Measured**	125	3,052	303	29,704
	Indicated	125	885	275	7,815
	M&I	**125**	**3,937**	**296**	**37,519**
	Inferred	125	59	209	395
Tailings	**Indicated**	50	272	94	817
Total	**Measured**	70 & 125	3,586	302	34,862
	Indicated	50, 70 & 125	1,307	227	9,548
	M&I	**50, 70 & 125**	**4,893**	**282**	**44,410**
	Inferred	125	59	209	395

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that Mineral Resources will be converted to Mineral Reserves.
2. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
3. The Mineral Resources in this news release were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council, as may be amended from time to time.
4. A silver price of US$20/oz with a process recovery of 85%, US$30/tonne rock process cost, US$20/tonne tailings process cost and US$7/tonne G&A cost were used.
5. The constraining pit optimization parameters were US$2/t mineralized and waste material mining cost and 50-degree pit slopes with a 70 g/t Ag cut-off.

6. The out-of-pit parameters used a US$30/tonne mining cost. The out-of-pit Mineral Resource grade blocks were quantified above the 125 g/t Ag cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Out–of-pit Mineral Resources exhibit continuity and reasonable potential for extraction by the cut and fill underground mining method.
7. The tailings parameters were at a US$2/tonne mining cost, and Mineral Resource grade blocks were quantified above the 50 g/t Ag cut-off.
8. Individual calculations in tables and totals may not sum correctly due to rounding of original numbers.
9. Grade capping of Ag outliers using thresholds based on statistical distribution for each geological domain were as follows: Domain SE100 (7.4 kg/t), Domain NW200 (6.5 kg/t), Domain NE300 (2.3 kg/t) and Domain SW400 (7.4 kg/t).
10. Block bulk density was determined from measurements taken from core samples and averaged 2.75 t/m^3 for the main mineralized host rock type.
11. 1.2m composites were used during grade estimation.
12. Previously mined areas of the deposit were depleted from the Mineral Resource Estimate.

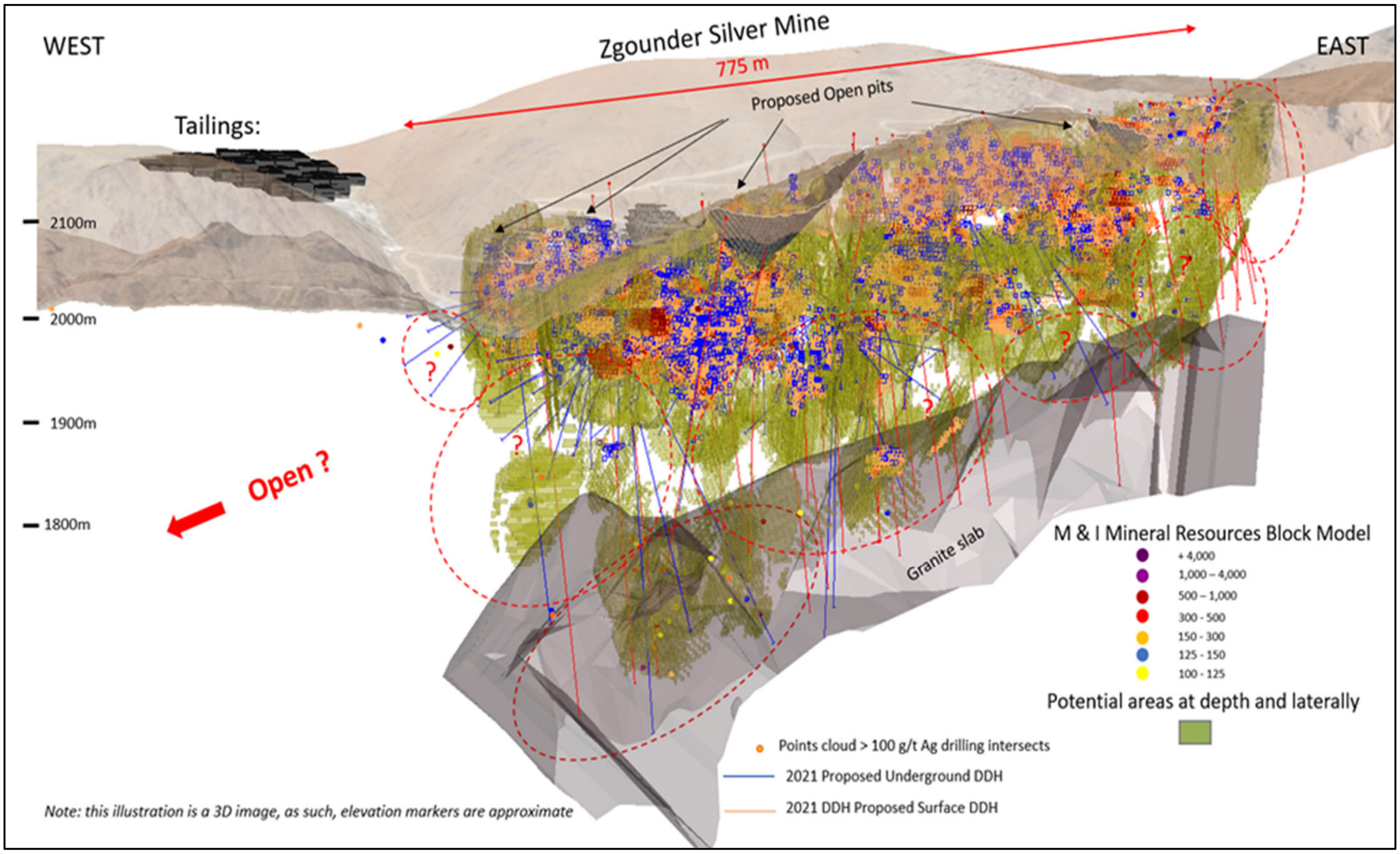


Figure 1 – Measured and Indicated Mineral Resources with 2021 Proposed Surface and Underground Drilling Testing Exploration Targets

Zgounder Development

In August, the Corporation launched a feasibility study for the expansion of its Zgounder Silver Mine with DRA Met-Chem, a division of DRA Global Ltd (“DRA”). Aya has also engaged several contractors with specific competencies related to the feasibility study. Geotechnical, hydrological and metallurgical field work have already begun.

Other Properties

Exploration work focused on Zgounder in 2020. As such, no exploration was conducted on the other properties. Exploration on Azegour, Amizmiz and Imiter will start in the second half of 2021.

OVERVIEW OF FINANCIAL PERFORMANCE

For the three-month and twelve-month periods ended December 31, 2020 and 2019 (in dollars):

	Three-month period ended December 31, 2020	2019	% Variance	Year ended December 31, 2020	2019	% Variance	
Revenues	**9,508,703**	**1,986,469**	**379%**	**13,822,709**	**6,081,400**	**127%**	(1)
Cost of sales	4,991,686	2,717,238	84%	9,779,055	4,943,918	98%	(2)
Net profit interest to a related party	-	59,894	NM	-	203,219	NM	(3)
Gross Margin	**4,517,017**	**(790,663)**	**(671%)**	**4,043,654**	**934,263**	**333%**	(4)
General and administrative expenses	285,986	223,374	28%	2,511,131	670,507	275%	(5)
Share-based compensation	512,116	-	NM	2,916,399	-	NM	(6)
Investor relations and corporate development	123,778	18,796	559%	308,453	130,020	137%	
(Gain) loss on foreign exchange	635,137	332,317	91%	(859,497)	90,815	(1,046%)	
Operating earnings	**2,960,000**	**(1,365,150)**	**(317%)**	**(832,832)**	**42,921**	**(2,040%)**	
Net finance expense (income)	369,203	(144,056)	(356%)	(403,918)	(59,214)	582%	(7)
Other expenses (income)	41,250	-	NM	413,136	-	NM	(8)
Net income (loss) before income taxes	**2,549,547**	**(1,221,094)**	**(309%)**	**(842,050)**	**102,135**	**(924%)**	
Income tax expense	914,407	658,643	39%	937,540	678,648	38%	
Net income (loss) for the period	**1,635,140**	**(1,879,737)**	**(187%)**	**(1,779,590)**	**(576,513)**	**209%**	(9)
Income (loss) per share (basic and diluted)	0.021	(0.024)	NM	(0.021)	(0.007)	NM	(10)

NM – Not meaningful

Three-month period ended December 31, 2020 compared to three-month period ended December 31, 2019

1. **Revenues** for the quarter increased by 379% compared to the same quarter in the previous year due to a 60% increase in the average realized silver price per ounce ($21.44/oz vs $17.05/oz). This is driven by an increase in silver sales volumes (443,454 oz in Q4-2020 compared to 116,517 oz in Q4-2019).
2. **Cost of sales** in the period was higher (84%) than in the same period of the year previous based on higher production volume (407,986 oz in Q4-2020 vs 151,300 oz in Q4-2019) and an increase in maintenance costs. Cost per oz decreased to $12.23/oz, compared to $18.36/oz in Q4-2019, indicating increased economies of scale with a (33%) reduction in cost per oz.
3. **A net profit interest to a related party** is evaluated at $nil. This is due to an interpretation in calculating the NPI which the Corporation believes appropriately reflects the agreement in the year ended December 31, 2020.
4. **Gross margin** in the quarter was up 671% due to an 81% increase in the average realized silver price of $21.44/oz for the three-month period ended December 31, 2020 compared to $17.05/oz during the same period in the prior year and a significant increase in production during the period.
5. **General and administrative expenses** were up significantly, in large part because of the increase in personnel as the Corporation continues to build out operations, exploration and development.
6. **Share-based payments** represent the vesting of options that the Corporation awarded to certain employees, directors and officers, resulting in an additional expense of $512,116 for the quarter. The corporation awarded 5,305,000 share purchase options with different vesting periods for the year.
7. **Net finance income** decreased significantly, mainly due to a gain on debt extinguishment of $520,452 that is related to the balance of the purchase price for Boumadine that was recognized in Q1 2020. In 2020, the Corporation and ONHYM agreed to postpone payment of the MAD 15,000,000 to a date not before January 2023. As the terms of the extension were significantly different from the original terms, the extension is considered an extinguishment of the balance of purchase price payable. The balance of the purchase price was measured at the date of modification at fair value, based on discounted cash flows using a discount rate of 16%.

The difference between the nominal value of the balance of purchase price of $1,547,415 and its fair value of $1,026,963 is recorded as a gain on debt extinguishment.

8. **Other expenses** in the quarter totaled $41,249, due to a write-off from a previously recorded sales tax receivable from 2016 to 2018 that the Corporation no longer believes it can recover.

9. As a result of the foregoing, a **net income (loss)** of $2,037,612 (EPS of $0.026) was recorded for the quarter compared to a net loss of ($1,879,737) (EPS of ($0.024)) in the same quarter the year prior.

Year ended December 31, 2020 compared to year ended December 31, 2019

1. **Revenues** for the year ended December 31, 2020 totaled $13,822,709 compared to $6,081,400 in the prior year driven by the increase in silver produced and sold. For the year ended December 31, 2020, a total of 726,319 oz was produced (452,416 oz in 2019) and 661,567 oz were sold (425,905 oz in 2019). In addition, the average realized price per of silver was $20.89/oz ($14.28/oz in 2019), representing a 46% increase.

2. **Cost of sales** for the year ended December 31, 2020 of $9,779,055, compared to $5,147,137 in the prior year, due to a 61% increase in production (726,319 oz in YTD-2020 vs 452,416 oz in YTD-2019). In addition, maintenance costs were higher in 2020 as maintenance had been neglected in the past which continues to undermine plant performance. Finally, after a review of the Corporation's inventory records, a write down of inventory of $1,057,638 was also booked in Q2 2020, further increasing the cost of sales.

3. **A net profit interest to a related party** is evaluated at $nil. This is due to an interpretation in calculating the NPI which the Corporation believes appropriately reflects the agreement in the year ended December 31, 2020.

4. **Gross margin** for the year ended December 31,2020 was $4,043,654 (934,263 in 2019) which represents a 333% increase from the prior year. Without the inventory adjustment, gross margin would have been $5,101,292 for the year ended December 31, 2020.

5. **General and administrative expenses** were up significantly in large part because of the increase in personnel and professional fees as the Corporation continues to streamline operations and the inclusion of the previous CEO's severance of $372,033.

6. **Share-based payments** represent the vesting of options that the Corporation awards to certain employees, directors and officers, resulting in an additional expense of $2.9 million for the year. The Corporation awarded 5,305,000 share purchase options with different vesting periods during the year.

7. **Net finance income** increased significantly, mainly due to a gain on debt extinguishment of $520,452 for the year ended December 31, 2020 as described in more detail in point 7 above.

8. **Other expenses** for the year ended December 31, 2020 consisted mainly of $179,883 representing the value of the silver bar theft that occurred in Q1-2020 and $341,798 representing a write-off from previously recorded sales-tax receivables between 2016 and 2018.

9. As a result of the foregoing, a **net income (loss)** of ($1,779,590) (EPS of ($0.021)) was recorded for the year ended December 31, 2020 compared to a net loss of ($576,513) (EPS of ($0.007)) in the same period the year prior.

SUMMARY OF QUARTERLY RESULTS

Selected Quarterly Information

	Revenues	Net profit (loss)	Net profit (loss) per share (basic and diluted)
Quarter ended	**$**	**$**	**$**
December 31, 2020	9,508,703	1,635,140	0.021
September 30, 2020	1,748,191	(1,784,504)	(0.021)
June 30, 2020	2,040,753	(1,194,493)	(0.015)
March 31, 2020	525,062	(435,733)	(0.005)
December 31, 2019	1,986,469	(1,879,737)	(0.02)
September 30, 2019	1,533,754	345,242	0.016
June 30, 2019	1,504,981	691,363	0.01
March 31, 2019	1,056,196	384,944	0,01

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2020, the Corporation had working capital of $32,521,881 ($15,555,521 as at December 31, 2019). The increase in working capital is mainly due to the increase in cash generated from the Corporation's issuance of units in Q3-2020. Although the Corporation's Zgounder operation produces cash flow, the Corporation's principal source of financing is equity and debt financing, the success of which depends on capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its exploration and evaluation activities and be able to support its ongoing operations, the Corporation may be required to raise further equity financing in the capital markets.

CAPITAL MANAGEMENT

The Corporation defines capital as equity and long-term debt. 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 will be 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 in order to support the acquisition, exploration and evaluation and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Corporation's management team to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach is appropriate given the relative size of the Corporation. There were no changes in the Corporation's approach to capital management for the periods ended December 31, 2020.

COMMITMENTS AND CONTINGENCY

Royalties

As per terms of the property purchase agreements, the Corporation is 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 on an 8 km radius area of interest;
- 2.5% royalty to Ouiselat Mines on revenue from the Azegour property;
- 3.0% royalty to ONHYM on revenue from the Zgounder property; and
- 3.0% royalty to ONHYM on revenue from the Boumadine property.

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. The Corporation is currently reviewing the terms and agreements of set agreement following the departure of the former CEO.

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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 below are not the only ones facing the Corporation. Additional risks not currently known to the Corporation or that the Corporation currently deems immaterial, may also impair the Corporation’s operations. If any of the following risks actually occur, the Corporation’s operating, exploration, and financial results may be significantly different from those expected as at the date of this MD&A.

Financial Risk Factors

Disclosure and description of the Corporation’s capital management, financial risks and financial instruments in notes 18, 19 and 20 of the audited consolidated financial statements for the year ended December 31, 2020 contain the risk factors associated with the Corporation.

Risks Inherent to Mining Exploration

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

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

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

Uninsured Risks

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

Metal Price Volatility

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

Additional Funding Requirements

To continue exploration and development of the Corporation's projects, it will require additional capital. In addition, a positive production decision at the projects or any other development projects acquired in the future would require significant capital for project engineering and construction. Accordingly, the continuing development of the Corporation's projects will depend upon the Corporation's ability to obtain financing through debt financing, equity financing, the joint venturing of projects or other means. There is no assurance that the Corporation will be successful in obtaining the required financing for these or other purposes.

Regulatory Requirements

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

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

Environmental Matters

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

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

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

Risk of Project Delay

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

Risk on the Uncertainty of Title

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

Risk Linked to Conflict of Interest

Certain directors and officers of the Corporation may also serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. Furthermore, certain directors and officers of the Corporation may also serve as directors of other companies involved in mineral exploration and development. Consequently, the possibility of conflict of interest exists at several levels.

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

Human Resource Risk

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

Reputational Risk

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

Political Risk

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

Moreover, mining tax regimes in foreign jurisdictions are subject to differing interpretations and constant changes and may not include fiscal stability provisions. Our interpretation of taxation law, including fiscal stability provisions, as applied to our transactions and activities may not coincide with that of the tax authorities. As a result, taxes may increase and transactions may be challenged by tax authorities and our operations may be assessed, which could result in significant taxes, penalties and interest.

The possibility that a future government may adopt substantially different policies or interpretations, which might extend to the expropriation of assets, cannot be ruled out. Political risk also includes the possibility of civil disturbances and political instability in this or neighbouring countries.

Impact of Epidemics

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

OTHER FINANCIAL INFORMATION

Share Repurchase Program

The Corporation had an ongoing share repurchase program that ended on April 30, 2020, to repurchase up to 5,567,799 common shares or approximately 10% of the Corporation's issued and outstanding shares. The normal course issuer bids are carried through the facilities of the Toronto Stock Exchange and alternative Canadian marketplaces.

During 2020, the Corporation repurchased and cancelled 59,701 common shares for a total consideration of $50,689, through a normal course issuer bid in the open market as approved by the Toronto Stock Exchange.

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	**CA$**
January 24, 2023	50,000	2.00
May 4, 2023	800,000	3.30
June 19, 2023	40,000	3.30
July 1, 2030	5,255,000	1.43
	6,145,000	

Share Purchase Warrants

Expiry date	Number of warrants	Exercise Price
	Number	**CA$**
September 3, 2023	558,772	2.29
September 3, 2023	6,108,748	3.30
	6,667,520	

Outstanding Share Data

	Number of shares outstanding (diluted)
Outstanding as of March 25, 2021	94,545,661
Shares reserved for issuance pursuant to share purchase options	6,145,000
Shares reserved for issuance pursuant to warrants	6,667,520
	107,358,181

Off-Balance Sheet Arrangements

At December 31, 2020, the Corporation had no material off-balance sheet arrangements such as contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that generate financing, liquidity, market or credit risk to the Corporation, other than contingent liabilities and vendor liability and interest, as disclosed in this MD&A and the consolidated financial statements and the related notes.

Related Party Disclosures

During the years ended December 31, 2020 and 2019, the following related party transactions occurred in the normal course of operations:

- A firm, of which a former director of the Corporation is a partner, charged professional fees amounting to $99,688 recorded as professional fees (2019 - $32,935). As at December 31, 2020, $1,479 (December 31, 2019 – ($9,117)) was due to that firm;

- A firm, of which a former director and acting CFO of the Corporation is a partner, charged professional fees amounting to $66,599 recorded as professional fees (2019 - $nil). As at December 31, 2020, $80,527 (December 31, 2019 - $nil) was due to that firm;

- An NPI to Glowat, a private company owned by a party related to a former officer and director of the Corporation, was $nil (2019 - $203,219). As at December 31, 2020, $195,133 (December 31, 2019 - $191,423) was due to Glowat;

- A company where the Corporation's Chief Executive Officer is also the Director and Executive Chairman of the Board charged management and consulting fees amounting to $69,848 (2019 - $nil) and $3,686 in general and administrative fees (2019 - $nil). As at December 31, 2020, $693 (December 31, 2019 - $nil) was due to that company;

- A company owned by the Chief Executive Officer and a Director of the Corporation charged management and consulting fees of $324,881 (2019 - $nil) and general and administrative fees of $33,327 (2019 - $nil). As at December 31, 2020, $190,953 (December 31, 2019 - $nil) was due to that company;

- A consulting company, of which an officer of the Corporation is the sole owner, charged professional fees amounting to $78,861 recorded as professional fees (December 31, 2019 - $nil). As at December 31, 2020, $19,043 (December 31, 2019 - $nil) was due to that company.

Remuneration of the Corporation's Key Management Personnel

Key management include members of the Board of Directors and executive officers of the Corporation consisting of the Chief Executive Officer, President and Chief Financial Officer. During the three-month periods and years ended December 31, 2020 and 2019, the remuneration awarded to key management personnel (including the amounts above) was as follows:

	Three-month period ended December 31,		Year ended December 31,	
	2020	2019	**2020**	2019
	$	$	**$**	$
Salaries and benefits	**115,777**	35,363	**570,268**	261,061
Management consulting and professional fees	**179,710**	32,033	**570,028**	32,033
Director fees	**69,219**	35,797	**163,045**	35,797
Share-based compensation	**308,558**	-	**1,932,554**	-
	673,264	103,193	**3,235,895**	328,891

As at December 31, 2020, $405,451 is included in accounts payable and accrued liabilities related to the former CEO's severance.

As at December 31, 2020, $107,510 in directors' fees are unpaid.

ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

Critical Accounting Judgments and Estimates

The preparation of 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 consolidated financial statements for the three-month and year ended December 31, 2020, the Corporation applied the critical judgments and estimates disclosed in note 2 and 3 of its audited consolidated financial statements for the year ended December 31, 2020.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

As a public entity, management must take steps to ensure that material information regarding our reports filed or submitted under securities legislation fairly presents the financial information of Aya and its subsidiaries. Responsibility for this resides with management, including the President and Chief Executive Officer and Chief Financial Officer. Management is responsible for establishing, maintaining and evaluating disclosure controls and procedures, as well as internal control over financial reporting.

Disclosure Controls and Procedures (DC&P) & Internal Control over Financial Reporting (ICFR)

The management and board of directors of the Corporation are responsible for establishing and maintaining the Corporation's DC&P, including adherence to the Disclosure Policy adopted by the Corporation. The Disclosure Policy requires all staff to keep senior management fully apprised of all material information affecting the Corporation so that they may evaluate and discuss this information and determine the appropriateness and timing for public release. The CEO and CFO evaluated the effectiveness of the Corporation's DC&P as required by National Instrument 52-109 issued by the Canadian Securities Administrators. Since the December 31, 2019 evaluation, changes as part of the remediation plan, as summarized below, have been enacted. Given that the Corporation operated with inadequate and deficient DC&P throughout the year, it must be concluded that as at December 31, 2020 the Corporation's DC&P were inadequate and deficient. As of 2021, this disclosure is expected to change.

Management developed a system for ICFR which they believed provided reasonable assurance with regards to the reliability of the financial information published and the preparation of the consolidated financial statements in accordance with IFRS. The CEO and the CFO evaluated the effectiveness of the ICFR as at December 31, 2020, based on the framework and criteria established in Internal Control – Integrated Framework as issued by the Committee of Sponsoring

Organizations (COSO) of the Treadway Commission, and based on their evaluation, management has concluded that the Corporation's ICFR continue to be inadequate and deficient.

Throughout the year, management took proactive steps to correct the following deficiencies outlined below.

Description of the Significant Deficiency

At the beginning of 2019 and until May 15, 2020, in the absence of a permanent, full-time chief financial officer (CFO) and supporting accounting team, the Corporation decided to outsource its financial and tax reporting functions to the same Firm. Also, the internal communication channels of the Corporation were not sufficiently established. This was considered a material weakness in our 2019 MD&A.

On October 25, 2019, the Corporation hired a recognized accounting firm (the "Firm") to assist with the review of its compliance with National Instrument 52-109 for Certification of Disclosure in Issuers' Annual and Interim Filings. The Firm's mandate was to review the DC&P and ICFR of the Corporation and its effectiveness and make recommendations to the management. In March 2021, the Corporation hired a dedicated resource to document and audit the Corporation's DC&P and ICFR.

Since May 15, 2020, management has made changes and improvements to the accounting function and as of the date of this MD&A and accompanying financial statements, management is now fully staffed and has produced the financial statements and MD&A in house without the aid of external consultants.

The internal communication channels of the Corporation have been modified and are now deemed effective.

However, as these controls and procedures were not in place consistently throughout 2020 and has not completed its remediation plan, management has concluded a significant deficiency exists and continues to improve its DC&P and ICFR.

Impact of the Significant Deficiency

During 2019 and for Q1-2020, the Corporation did not have a full-time CFO and supporting accounting team, and instead decided to outsource these functions. Given this, with the exception of former CEO, it became difficult for management and the board of directors to have in-depth, full oversight of the Corporation's operations.

When using external consultants to provide accounting services, some facts and supporting documentation may not be communicated in a timely fashion to ensure proper documentation and formulate adequate conclusions of its accounting positions. Management has ultimate responsibility of the financial statements and must ensure they are in conformity with IFRS. Until the new management team was put in place in April 2020, accounting transactions performed by the Firm were not reviewed in enough detail by the management of the Corporation. All accounting is now conducted, reviewed and managed in-house.

Remediation Plan

As part of the remediation plan, which began in 2020, the Corporation has restructured its management team and has appointed Mr. Benoit La Salle FCPA, CPA as President and Chief Executive Officer and Mr. Ugo Landry-Tolszczuk, Ing., CFA as Chief Financial Officer. In addition, the Corporation has hired a new managing director responsible for the operations of its subsidiaries in Morocco and a corporate controller with more than ten years' experience in the mining sector acting as corporate controller. Additionally, a new director of finance was hired locally, and a mine site controller is now on site to put in place appropriate controls and procedures. Management reviewed Q1-2020 transactions and its accounting to ensure conformity.

Additional remediation steps have been determined and completed as at the date of this MD&A. The Corporation has continued to expand its accounting, controls and purchasing teams, which it now deems adequately staffed with qualified individuals which have been given full oversight and authority on accounting and financial controls. Furthermore, the Corporation has hired a dedicated resource to document and audit the Corporation's DC&P and ICFR.

Not withstanding the travel restrictions imposed by COVID-19, the accounting team has visited its subsidiaries to oversee the accounting activities. Senior managers will continue to periodically visit subsidiaries and divisional operations to continue to strengthen oversight. Video conferencing and cloud-based tools, including a more appropriate accounting software, are being put in place and team members will be trained on how to use these tools effectively. These changes will allow individuals responsible for financial reporting to capture all relevant internal and external information that may impact the financial information in a timely fashion.

Furthermore, the Corporation has adopted and implemented a Code of Conduct and a whistleblowing policy and has modified the Audit Committee to include new board members with extensive Audit Committee experience. The Audit Committee is mandated with overseeing the development and implementation of the disclosure policy, and with reviewing and evaluating the financial statements and other disclosures by the Corporation.

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 audited consolidated financial statements for the year ended December 31, 2020, is available on SEDAR at www.sedar.com and on the Corporation’s website at www.ayagoldsilver.com.