MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year and quarter
ended December 31, 2021

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 March 29, 2022, covers the year ended December 31, 2021 and should be read in conjunction with the Corporation's audited consolidated financial statements and related notes for the year ended December 31, 2021.

The Corporation's December 31, 2021 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 has been reviewed by the Audit Committee and approved by the Corporation's Board of Directors. This MD&A is current as of March 29, 2022, 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 85% of Zgounder Millennium Silver Mine S.A ("ZMSM"), which owns the Zgounder property. The Corporation also owns 85% of the Boumadine polymetallic project and owns the permits related to the Amizmiz, Azegour and Imiter-bis properties. These properties are located in the Kingdom of Morocco. Following the acquisition of Algold Resources Ltd. ("Algold") completed on June 10, 2021 (See section Acquisition of Algold Resources Ltd.), Aya owns 75% of the Tijirit project located in Mauritania.

Aya was incorporated under the Canada Business Corporations Act; 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 104,959,503 common shares on March 29, 2022. The Zgounder Silver Mine is in operation while all other projects are at the exploration and evaluation stage.

2021 ANNUAL HIGHLIGHTS

- Record year in terms of silver production, revenues and operating cash flow.
- Achieved acceptable operating standard at Zgounder which the Corporation can now optimize:
  - Throughput averaged 609 tonnes per day ("tpd") during the year, exceeding design capacity in Q4-2021 by reaching 716 tpd.
  - Combined mill recovery averaged 83%.
  - Global availability of 86% and 90.5% for the flotation and cyanidation plants, respectively.
- Successful drill program at Zgounder:
  - Increased measured and indicated ("M&I") mineral resources by 116% to 96 ("Moz") of silver ("Ag"). Inferred resources grew to 6Moz Ag.
  - 42,000m campaign returned 37 of Zgounder's top 50 best intercepts.
- Zgounder expansion feasibility study advanced to plan in 2021 and was released in February 2022.
- Initial fieldwork from Imiter bis identified a 4km potential strike and five priority drill targets:
  - Scout drilling confirmed the presence of gold ("Au") and Ag in several discovery holes.
- Successfully completed a CA$70 million ($55 million) bought deal public offering.
- Robust financial position with $84.2 million of cash, cash equivalents and restricted cash.
- Launched ESG program and inaugural sustainability reporting.
- Acquired Algold and completed 85% of the Tijirit Project feasibility study by year-end.
- Expanded total land position by 40% in the Zgounder Regional and Azegour areas.
- Ranked #12 on the 2021 TSX30 as a top-performing stock, with a 3-year share appreciation of +253%.

2021 OPERATIONAL AND FINANCIAL HIGHLIGHTS

Key Performance Metrics	2021	2020	Variation '21 vs '20
Operational			
Ore Processed (tonnes)	224,515	128,923	74%
Average Grade (g/t Ag)	269	255	5%
Mill Recovery (%)	82.1%	68.7%	13%
Silver Ingots Produced (oz)	692,392	439,448	58%
Silver in Concentrate Produced (oz)	908,254	286,871	217%
Total Silver Produced (oz)	**1,600,646**	**726,319**	**120%**
Silver Ingots Sold (oz)	640,499	395,489	62%
Silver in Concentrate Sold (oz)	874,057	266,079	228%
Total Silver Sales (oz)	**1,514,556**	**661,567**	**129%**
Avg. Net Realized Silver ($/oz)	22.65	20.89	8%
Avg. Silver Production Cost ($/oz)	11.43	13.46	(15)%
Financial			
Revenues	34,301,914	13,822,709	148%
Cost of Sales	18,292,185	9,779,055	87%
Gross Margin	16,009,729	4,043,654	296%
Operating Income (Loss)	5,879,000	(1,692,329)	447%
Net Earnings (Loss)	1,272,142	(1,779,590)	171%
Operating Cash Flows	17,540,535	1,353,451	1,196%
Cash and Restricted Cash	84,185,219	33,291,691	153%
Shareholders			
Earnings (Loss) per Share – basic	0.013	(0.021)	
Earnings (Loss) per Share – diluted	0.012	(0.021)	

Operational Highlights

- Yearly silver production of 1,600,646 oz, comprised of 908,254 oz as silver concentrate and 692,392 oz as silver ingots. The 120% year-over-year increase in silver ounces produced is a direct result of the operational efficiencies generated by our turnaround plan.
- Milling operations averaged 609 tonnes per day ("tpd") throughput the year. By the end of the year, both plants were operating at or above their nameplate capacities.
- Average combined recovery increased to 82% compared to 69% in 2020, an increase of 13%.
- In 2021, 55,449m of drilling were completed in 2021 at Zgounder and an additional 4,380m at Imiter bis. These drill campaigns were successful, increasing M&I resources at Zgounder by 116% and hitting a discovery hole containing silver and gold at Imiter bis.
- Cost of sales of $18,292,185 (2020 – $9,779,055) with an average cost per oz of $11.43/oz compared to $13.46/oz in last year.

Financial Highlights

- The Corporation had cash, cash equivalents and restricted cash of $84,185,219 as at December 31, 2021 compared to $33,291,691 as at December 31, 2020.
- Revenue from silver sales for the year totaled $34,301,914 compared to $13,822,709 in 2020, an increase of 148%. The average realized price in 2021 was $22.65/oz (2020-$20.89/oz). In addition, the Corporation had $1,464,523 in ingot inventory held in consignment ($63,811 in Q4-2020) as the Corporation decided to hold higher inventory as silver prices at the end of the year were abnormally low. These ingots were sold in Q1-2022.
- Operations generated a gross margin of $16,009,729 in 2021 compared to $4,043,654 in 2020, an increase of 296% due to an increase of volume of sales (1,514,556 oz in 2021 compared to 661,567 oz in 2020).
- Net income for the year was $1,272,142 (EPS of $0.013), compared to a net loss of $(1,779,590) (EPS of $(0.021)) in 2020. Net income for the yar was attributable to an important increase in production and silver sales. In addition, the Corporation was also charged an additional 5% COVID-related tax temporarily levied by the Moroccan tax authorities totalling $811,555.
- Cash flows generated by operating activities of $17,540,535 for the year, compared to $1,353,451 generated in operating cash flows for 2020, representing an increase of 1,196%.

Q4-2021 QUARTER OPERATIONAL AND FINANCIAL HIGHLIGHTS

Key Performance Metrics	2021	2020	Three-month period ended December 31, Variation
Operational			
Ore Processed (tonnes)	65,855	52,115	26%
Average Grade (g/t Ag)	248	309	(20)%
Mill Recovery (%)	82.4%	78.9%	4%
Silver Ingots Produced (oz)	172,655	193,264	(11)%
Silver in Concentrate Produced (oz)	261,087	214,722	22%
Total Silver Produced (oz)	**433,742**	**407,986**	**6%**
Silver Ingots Sold (oz)	129,500	177,376	(27)%
Silver in Concentrate Sold (oz)	209,091	266,079	(21%)
Total Silver Sales (oz)	**338,591**	**443,454**	**(24%)**
Avg. Net Realized Silver ($/oz)	23.70	21.44	11%
Avg. Silver Production Cost ($/oz)	10.68	12.23	(13)%
Financial			
Revenues	8,025,122	9,508,703	(16)%
Cost of Sales	4,634,254	4,991,686	(7)%
Gross Margin	3,390,868	4,517,017	(25)%
Operating Income	408,806	3,595,137	(89)%
Net (Loss) Earnings	(1,086,033)	1,635,140	(166)%
Operating Cash Flows	2,088,055	3,484,673	(40)%
Cash and Restricted Cash	84,185,219	33,291,691	153%
Shareholders			
(Loss) Earnings per Share – basic	(0.011)	0.021	
(Loss) Earnings per Share – diluted	(0.011)	0.021	

Operational Highlights

- Quarterly silver production of 433,742 oz, comprising 261,087 oz as silver concentrate and 172,655 oz as silver ingots. The 6% year-over-year increase in silver ounces produced is a direct result of increased throughput and recovery at the flotation plant.
- Milling operations reached 716 tpd, surpassing design capacity.
- Average combined recovery increased to 82.4% compared to 78.9% in Q4-2020, an increase of 4%.
- Plant availabilities reached 89% and 95% for the flotation and cyanidation plants respectively. Availability at the flotation plant was affected by a four-day planned shutdown at the end of December.
- 6,173m of drilling were completed at Zgounder in Q4-2021 along with 4,381m at Imiter bis. The Corporation published its new resource estimate for Zgounder which included 96Moz Ag of M&I resources and 6Moz Ag of inferred resources, an increase of 116% compared to the previous resource estimate.
- Cost of sales of $4,634,254 (Q4-2020 – $4,991,686) with an average cost per oz of $10.68/oz compared to $12.23/oz in Q4-2020.

Financial Highlights

- Revenue from silver sales for the quarter totaled $8,025,122 (Q4-2020 – $9,508,703), a decrease of 16%. representing an average realized price of $23.70/oz. (Q4-2020-$21.44/oz). In addition, the Corporation had $1,464,523 in ingot inventory held in consignment ($63,811 in Q4-2020) as the Corporation decided to hold higher inventory as silver prices at the end of the year were abnormally low. These ingots were sold in Q1-2022.
- Operations generated a gross margin of $3,390,868 compared to $4,517,017 in Q4-2020, a decrease of 25%. This was due to the decrease in the volume of sales during the period (338,591 oz sold in Q4 2021 compared to 443,454 oz sold in Q4 2020).
- Net income for the period was ($1,086,033) (EPS of $(0.011)), compared to a net income of $1,635,140 (EPS of $0.021) in Q4-2020. In addition, the Corporation was also charged an additional 5% COVID-related tax temporarily levied by the Moroccan tax authorities totalling $811,555.
- Cash flows generated by operating activities of $2,088,055 for the period, compared to $3,484,673 generated in operating cash flows for Q4-2020, representing a decrease of 40%.

September Corporate Financing

On September 15, 2021, the Corporation closed a bought deal public financing and issued 6,830,000 common shares of the Corporation at a price of CA$10.25 per common share for gross proceeds of CA$70,007,500 ($55,202,199). The common shares were issued pursuant to a short form prospectus dated September 9, 2021, filed in each Canadian province. The Corporation paid a total of $3,440,075 in commissions, legal fees, filing fees and other fees.

The proceeds from the financing are intended for the expansion of the Zgounder Mine, for advancement of other properties and for general corporation purposes. The details of the use of funds, as stipulated in the prospectus, as well as the current expenditures are as follows:

	Earmarked usage		Actual usage	
Principal use	**CA$ (million)**	**$ (million)**	**CA$ (million)**	**$ (million)**
Development & expansion of Zgounder mine	55	46	9	7
Advancement of other properties	6	5	1	1
General corporate purposes	5	4	2	2
Total	66	55	12	10

OPERATING RESULTS

Zgounder Silver Mine

The year 2021 was dedicated to sustaining the operational improvements, methods, and capabilities realized during 2020. A number of new hires occurred during 2021 boosting our Zgounder workforce by more than 30%. Procedures, processes, mining and work methods continued to be refined and resulted in an average throughput of 716 tpd in the fourth quarter, higher than the 670 tpd nameplate capacity of the two combined processing plants. Silver production in Q4-2021 reached 433,742 oz. For the year, the Corporation produced a record total of 1,600,646 oz, a 120% increase over 2020.

Mine & Milling Operations

During 2021, the Corporation significantly changed its mining operations at Zgounder by moving from a shrinkage-stope mining method to a cut-and-fill method. In addition to providing increased productivity and ore recovery, the new method is an inherently safer mining method that aligns with the Corporation's drive to improve its health and safety performance. Furthermore, increased mechanization began in 2021 with the introduction of the mine's first jumbo. The focus at the mine is on training employees in the new methods, equipment and tools as the Corporation scales up towards 2,700 tpd to support the planned expansion.

During the quarter, silver recovery was 82.4% compared to 78.9% over the same period in 2020. The increase in Q4-2021 recovery relative to 80.9% in Q3-2021 was due to a higher silver recovery of 82.1% at the cyanidation plant as the dry season subsided, as expected. During the year global silver recovery was 82.9% compared to 68.7% for 2020.

In the quarter, plant availabilities reached 89% and 95% for the flotation and cyanidation plants, respectively. Availability was affected by a four-day planned shutdown at the flotation plant at the end of December. In 2021, global availability was 86% and 90.5% for the flotation and cyanidation plants respectively.

Figure 1 – Jumbo mobilized at the 1,975 level

Capital Projects

During 2021 many capital infrastructure projects were completed including a complete overhaul of the on-site roads, base camp, administrative buildings, electrical grid, on-site communications, surface water management, water retention and tailings facilities. A new assay lab was built and fitted with modern equipment which allowed the Corporation to double analysis capacity. Construction of the 60,000m^3 water retention basin was completed, and filling of the basin began in March 2022.

The year also saw the completion of several mine and mill capital projects including refurbishment activities at the cyanidation plant, the construction of a new underground explosive depot and the construction of two new mine portals. During the fourth quarter, a new cone crusher at the flotation plant was installed and commissioned, which generated a 15% increase in throughput, resulting in a global milling rate of 716 tpd for the quarter. A major planned shutdown was successfully executed.

Figure 2: Installing the liner on the 60,000m^3 water retention basin

DEVELOPMENT & EXPLORATION

Zgounder Exploration

In the fourth quarter, the Corporation completed 6,173m of drilling at Zgounder. For the year, a total of 55,449m of drilling was completed at Zgounder. The 2021 drilling campaign had two objectives: increase the confidence level of the Exploration Target area identified in March 2021, and further extend mineralization in the eastern part of the deposit. The Corporation succeeded on both counts, extending the mineralized east-west strike from 775m to 1,100m in length and at depth. In December the Corporation published a resource update for the Zgounder deposit. Zgounder remains open with potential to expand existing resources at depth to the granite and through strike extensions to the east.

The updated mineral resource estimate has an effective date of December 13, 2021 and incorporates 516 new drill holes (surface and underground combined) for 41,932m carried out on Zgounder between January and September 10, 2021. Zgounder's M&I mineral resources total 9.8Mt averaging 306 g/t Ag for 96.1M oz Ag. This represents an increase of 116% compared to the March 2021 M&I mineral resources of 44.4M oz Ag. The December 2021 mineral resource estimate formed the basis of the Corporation's maiden mineral reserve estimate in conjunction with the feasibility study for the expansion of the Zgounder project from 700 tpd to 2,700 tpd (the “Feasibility Study”).

Further to the updated resource estimate, the Feasibility Study reported by the Corporation in February 2022, includes naugural Mineral Reserves that were estimated by DRA Global Limited ("DRA") in accordance with the CIM Definition Standards for National Instrument 43-101 reporting. The Inferred material within the pit design was treated as waste.

The updated mineral resources and maiden reserves for the Zgounder deposit are presented in Table 1.

Table 1 Mineral Reserves and Resource for Zgounder

	Tonnes (k)	Grade (Ag g/t)	Content (Ag k oz)
Proven reserves	3,100	288	28,748
Probable reserves	5,490	239	42,128
P&P reserves	**8,590**	**257**	**70,876**
Measured resources (incl. reserves)	3,511	347	39,183
Indicated resources (incl. reserves)	6,254	283	56,874
M&I resources (incl. reserves)	**9,765**	**306**	**96,057**
Inferred resources	196	367	6,400

For more information please refer to the Corporation's press release published on February 22, 2022, titled "Aya Gold & Silver Announces Robust Expansion Feasibility Study for Zgounder; Pre-Tax IRR of 57%, Payback Period of 1.7 Years" at the following link.

The technical information relating to the Zgounder Project was reviewed and approved by Marc-Antoine Audet, Ph.D. P. Geo, Geological Consultant designated as a Qualified Person under National Instrument 43-101.

Zgounder Development

On February 22, 2022 the Corporation announced positive results from its Feasibility Study to expand the Zgounder Silver Mine located in the Kingdom of Morocco from 700 tpd to 2,700 tpd capacity.

Highlights of the 2,000 tpd Expansion Feasibility Study:

- Robust project economics (base case at $22/oz silver):
  - Before-tax 5% net present value ("NPV"): $471 million
  - Before-tax internal rate of return ("IRR"): 57%
  - After-tax 5% NPV: $373 million
  - After-tax IRR: 48%
  - Payback period: 7 years post expansion
  - Initial life of mine of 11 years
- Increased throughput expected to drive annual silver production to 7.9Moz by 2024.
- Annual revenue expected to increase from $34M in 2021 to $172M by 2024.
- LOM all-in sustaining cost ("AISC")1 of $9.58/oz.
- Low initial capital expenditures: $139.4 million, including $16.6 million in contingency cost.
- First silver pour planned in Q1-2024.
- Further optimisation opportunities:
  - Exploration along strike and at depth
  - Potential to optimise the flow sheet during the front-end engineering design and the mine plan as part of the underground expansion
- Enhanced ESG plan: Reduction in water consumption and carbon emissions intensity.

[1] AISC is a non-IFRS measure and is calculated in accordance with the standard adopted by the World Gold Council.

Mine development is currently underway. Zgounder will be a significant economic driver in the Kingdom of Morocco with the expansion providing more than 400 jobs during construction, 450 jobs during operation and extending the mine life by 11 years. For more information please refer to the Corporation's press release published on February 22, 2022, titled "*Aya Gold & Silver Announces Robust Expansion Feasibility Study for Zgounder; Pre-Tax IRR of 57%, Payback Period of 1.7 Years*" at the following link.

The Corporation has received its regulatory approval for the Environmental Impact Assessment on February 28, 2022.

Imiter-bis Exploration

The Corporation's initial fieldwork program at its Imiter bis project identified a north-south structure extending over four kilometers long. The 2021 drill exploration program at Imiter bis consisted of 33 diamond drill ("DDH") for a total of 4,381m over 4 target areas (South Zone, Middle Zone, Northeast Zone and Central Zone).

The geology and preliminary results indicate the presence of a low to neutral sulphidation Au-Ag epithermal system. Crustiform banded and pseudo-colloform textures in quartz +/- carbonate veins are widely present both in the Middle Zone and the Northeast Zone. The vein system of the main 4km structure is located close to a major contact between granodiorite and a wide mafic dyke. The 2021 drill exploration program confirmed continuity at depth with increasing widths in the Middle Zone.

Preliminary results confirm the presence of both Au and Ag in the system. Hole IM-DD21-014 intercepted 1.8 g/t Au and 40.0 g/t Ag over 2.2m (part of a wider vein system intercepting 0.9 g/t Au and 19.6 g/t Ag over 8.8m). This intersection is located on the northern most section drilled in the Middle Zone. The next phase of drilling will focus on the north extension of the middle zone and in trying to locate the "boiling zone", which could hold richer mineralization in both Au and Ag. The geophysical airborne survey, which was postponed in Q4-2021 due to COVID-related border closures, is expected to begin before the end of Q1-2022.

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

Figure 3 – Trenchwork at Imiter bis

Boumadine Development

Following a review of optimal processing methods in Q4-2021, a 7,500m drill exploration program has been planned for H2-2022 at the Boumadine polymetallic property, located in east central Morocco. Initial flotation tests were promising despite initial processing challenges related to high sulfide ore. Gold recoveries will continue to be evaluated through oxidative test work in 2022. Execution of the drill program is predicated on positive metallurgical test results. A geophysical airborne survey will be flown over Boumadine following the fly-over of Zgounder.

Tijirit Development – Mauritania

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

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

- 25,000m of drilling to convert in-pit inferred resources into the M&I categories and to expand the mineral resource base.
- A metallurgical testwork program aimed at defining the leaching conditions and expected recovery of the CIL plant was completed in Q3-2021. A second phase of the testwork program has been started that will focus on heap leach testing the Sophie and Lily areas. This will be completed in Q1-2022.

- As at December 31, the Tijirit FS was 85% complete.
- All field work programs such as drilling, geotechnical and hydrogeological programs, are currently delayed by the ongoing presence of illegal artisanal miners. Resumption of fieldwork is currently unknown.

Illegal artisanal miners have been present onsite since the Corporation's decision to begin fieldwork and are impeding the Corporation's ability to pursue its work program. The Government of Mauritania is aware of the situation and is working with the Corporation to resolve the issue. In particular, the Government of Mauritania has suspended the Corporation's obligations associated to the beginning of construction and operations and has been agreed that the two-year timeline to first gold pour will begin once the Corporation is able to work freely on site.

2022 GUIDANCE

This section provides management's production outlook and cost guidance for 2022. 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 2022 total production from Zgounder to range between 1.65 and 1.80 million silver ounces. Based on the midpoint of the guidance range, the Corporation expects silver ounces to increase by 7% compared to 2021. A cash cost of $12/oz is projected at Zgounder in 2022, a 6% increase compared to 2021 cost that is mainly driven by increased investment in the mine's health and safety plan and procedures. The following metal prices and foreign currency assumptions were used in the guidance: silver $24/oz; USD/CAD 1.28; and USD/MAD 8.8.

The table below provides the Corporation's outlook for Zgounder in 2022:

Zgounder	**2022 Guidance**
Silver production (M oz)	1.65 – 1.80
Silver cash cost ($/oz)	12
Recovery (%)	84
Tonnes processed ('000 t)	245
Average grade processed (g/t Ag)	264
Capital Expenditures	**(millions $)**
Growth Capital	4.2
Sustaining Capital	4.3
Development Capital	9.8

2022 Exploration Program

An initial exploration program of $14 million has been set for 2022, more than twice the exploration budget set in 2021 The objective is to complete 72,500m of drilling, of which 60% will be dedicated to exploration and the addition of new resources and reserves. The Corporation's three priority target properties include Zgounder (30,000m), Imiter bis (10,000m), and Boumadine (7,500m).

At Zgounder, 22,500m of the 30,000m DDH program will build on the successful 2021 drill program and has been designed to expand existing resources at depth and test strike extensions to the east. A total of 7,500m of reverse-circulation ("RC") drilling and DDH will be completed on the Zgounder Regional permits in H2-2022 to follow up on the targets identified by the airborne geophysics and mapping programs.

The 10,000m DDH program scheduled at Imiter bis in 2022 will test new prospective areas defined by the airborne survey and follow-up on the Q4-2021 drill results. The bulk of the program will be carried out on three of the priority areas.

At Boumadine, an initial 7,500m drill exploration program has been established to test priority areas identified by the spectral survey and historical drilling. These areas will be enhanced by targets generated by the upcoming airborne geophysics.

Additionally, a 25,000m drilling program will be carried out on the Tijirit Project once the situation on the ground resolves. The program, which will consist of 3,000m DDH and 22,000m RC drilling, has the aim of converting resources into reserves in support of the feasibility study.

2022 Sustainability Outlook

The Corporation has anchored responsible mining and positive social impact at the heart of its transformational growth plan and sustainable impact strategy. The team will continue to develop its ambitious ESG action plan, with a focus on the following:

- Implementing its environment and social management system, which is based on ISO 45001 and 14001 standards and is aligned with the International Finance Corporation ("IFC") Performance Standards.
- Enhancing occupational health and safety measures and procedures through capital investment initiatives including emergency preparedness, refurbishment of the entire electrical system, training, and external audits.
- Implementing the Global Industry Standard on Tailings Management and continuing water monitoring.
- Promoting local wealth creation through a five-year sustainable economic development plan that has been created in partnership with the Biotechnology for Sustainable Development in Africa Foundation ("BDA").
- The plan empowers local agribusinesses that focus on the valorisation of local biodiversity and facilitates their direct access to international markets.
- Expanding and improving ESG disclosure and metrics including Scope 1 and 2 greenhouse gas emissions, and reduction of carbon footprint through the ONYEN reporting platform.

OVERVIEW OF FINANCIAL PERFORMANCE

For the three and twelve-month periods ended December 31, 2021, and 2020 (in dollars):

	Three-month period ended December 31			Twelve-month period ended December 31			
	2021	**2020**	**Variance**	**2021**	**2020**	**Variance**	
Revenues	**8,025,122**	**9,508,703**	**(16%)**	**34,301,914**	**13,822,709**	**148%**	(1)
Cost of sales	4,634,254	4,991,686	(7%)	18,292,185	8,721,417	110%	(2)
Inventory write-down	-	-	NM	-	1,057,638	NM	(3)
Gross Margin	**3,390,868**	**4,517,017**	**(25%)**	**16,009,729**	**4,043,654**	**296%**	(4)
General and administrative expenses	2,139,892	409,764	422%	5,818,888	2,819,584	106%	(5)
Share-based payments	842,170	512,116	64%	4,311,841	2,916,399	48%	(6)
Operating earnings	**408,806**	**3,595,137**	**(89%)**	**5,879,000**	**(1,692,329)**	**447%**	
Net finance expense (income)	(188,121)	1,004,340	(119%)	308,762	(1,263,415)	124%	(7)
Other expenses (income)	452,855	41,250	998%	452,855	413,136	10%	(8)
Net income (loss) before income taxes	**144,072**	**2,549,547**	**(94%)**	**5,117,383**	**(842,050)**	**708%**	
Income tax expense	1,230,105	914,407	35%	3,845,241	937,540	310%	(9)
Net income (loss) for the period	**(1,086,033)**	**1,635,140**	**(166%)**	**1,272,142**	**(1,779,590)**	**171%**	(10)
Income (loss) per share (basic)	(0.011)	0.021	NM	0.013	(0.021)	NM	(10)
Income (loss) per share (diluted)	(0.011)	0.021	NM	0.012	(0.021)	NM	(10)

NM – Not meaningful

Three-month period ended December 31, 2021, compared to three-month period ended December 31, 2020

1. **Revenues** for the three-month period ended December 31, 2021 totaled $8,025,122 compared to $9,508,703 in the prior year driven by the increase in silver produced and decrease in silver sold. For the three-month period December 31, 2021, a total of 433,742 oz was produced (407,896 oz in 2020) and 338,591 oz were sold (443,454 oz in 2020). In addition, the average realize price per oz of silver was $25.69/oz ($21.44/oz in 2020), representing a 20% increase.
2. **Cost of sales** in the period was 7% lower than in the same period of the previous year based on lower production (433,742 oz in Q4-2021 vs 407,986 oz in Q4-2020), representing a 6% decrease in production.
4. **Gross margin** in the quarter was down 25% due in large part to a 24% decrease in total silver sales.
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 teams.
6. **Share-based payments** represent the cost of options, restricted share units and deferred share units over the vesting period that the Corporation awarded to certain employees, directors, and officers, resulting in an additional expense of $842,170 for the quarter, as the Corporation implemented a new RSU and DSU plan, in addition to the granting of options.
7. **Net finance expense (income)** in the period were 119% lower than in the same period of the previous year due to a gain on foreign exchange of $141,173 (of which a loss of $329,612 was realized and a gain of $470,785) was unrealized) compared to a loss of $635,137 for the same period a year earlier.
8. **Other expenses** in the period were 998% higher due a fiscal audit that was performed resulting on non-recurring interest penalties on the tax values of assets, totalling $401,602.
9. **Income tax expense** in the period was higher (35%) than in the same period of the previous year due the levy of an additional 5% COVID tax by the Moroccan tax authorities.
10. As a result of the foregoing, a **net loss** of $(1,086,033) (EPS of $(0.011)) was recorded for the quarter compared to a net gain of $1,635,140 (EPS of $0.021) in the same quarter of the year prior.

For the twelve-month period ended December 31, 2021 and 2020 (in dollars):

1. **Revenues** for the twelve-month period ended December 31, 2021, totaled $34,301,914 compared to $13,822,709 in the prior year driven by the increase in silver produced and sold. For the twelve months ended December 31, 2021, a total of 1,600,646 oz was produced (726,319 oz in 2020) and 1,514,556 oz were sold (661,567 oz in 2020). In addition, the average realized price per oz of silver was $22.65/oz ($20.89/oz in 2020), representing an 8% increase.
2. **Cost of sales** increased significantly in 2021 compared to the pervious year due to an increase in operations and maintenance costs associated with increased production. Unit costs are significantly lower as production has increased significantly compared to costs.
3. **Inventory write-down** for the comparative twelve-month period ended December 31, 2020, of $1,057,638 was recorded following a thorough review of the Corporation's inventories. Inventory is reviewed regularly; in 2021, the realizable value of the Corporation's inventories was higher than the carrying amount and no write-downs were required.
4. **Gross margin** in the twelve-month period ended December 31, 2021 was 296% higher than a year ago, due to increase in revenues in absolute and relative to cost of sales.
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 teams.
6. **Share-based payments** represent the cost of options, restricted share units and deferred share units over the vesting period that the Corporation awarded to certain employees, directors, and officers, resulting in an additional expense of $4,311,841 for the period. The Corporation awarded 783,000 share purchase options,131,819 Restricted Share Units and 60,273 Deferred Share Units during the year.

7. **Net finance expense (income)** in the period were 124% higher than in the previous year due to a loss on foreign exchange of $614,131 (of which $274,480 was realized and $339,651 was unrealized) compared to a gain of $859,497 for the prior year.
8. **Other expenses** in the period were 10% higher due a fiscal audit that was performed resulting on non-recurring interest penalties on the tax values of assets, totalling $401,602.
9. **Income tax expense** in the period was higher (310%) than in the previous year due to an increase in net earnings of our Moroccan operating entity in additional to the levy of a 5% COVID tax by the Moroccan tax authorities.
10. As a result of the foregoing, a **net income** of $1,272,142 (EPS of $0.013) was recorded for the twelve-month period ended December 31, 2021 compared to a net loss of $(1,779,590) (EPS of $(0.021)) in the prior year.

SUMMARY OF QUARTERLY RESULTS

Selected Quarterly Information

	Revenues	Net profit (loss)	Net profit (loss) per share (basic)
Quarter ended	**$**	**$**	**$**
December 31, 2021	8,025,122	(1,086,033)	(0.011)
September 30, 2021	7,862,243	1,287,812	0.011
June 30, 2021	9,873,276	250,693	0.003
March 31, 2021	8,541,273	819,670	0.009
December 31, 2020	9,508,703	1,635,140	0.021
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)

Revenues increased 2.07% from Q3 2021 due to the 3% increase in the average grade of silver extracted (248 g/t in Q4 2021 vs 242 g/t in Q4 2020) and a 1% increase in mill recovery (82% in Q4 2021 vs 81% in Q3 2021). These economies of scale decreased the cost of sales by 3%. The average realized price increased to $25.69/oz compared to $21.13/oz in Q3 2021, however total sales volume decreased by 16% with 338,591 oz sold in Q4 2021 compared to 403,950 oz sold in Q3 2021. This, along with a 216% increase in income taxes ($1,230,105 in Q4 2021 vs $389,629 in Q3 2021), led to an overall decrease in net profits of 184% (($1,086,033) Q4 2021 vs $1,287,812 Q3 2021).

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2021, the Corporation had working capital, calculated current assets less current liabilities, of $76,413,390 ($32,521,881 as at December 31, 2020) including cash and cash equivalents of $81,665,834 ($30,533,399 at December 31, 2020). The increase in working capital is mainly due to the increase in cash generated from the Corporation’s bought deal financing of $55,202,199 in September 2021. The Corporation has sufficient liquidity to finance its operations for at least the next 12 months. Although the Corporation generated $17,540,535 of operating cash flow during the year ended December 31, 2021, principally from the Zgounder operation, the Corporation’s principal sources of financing in the past have been equity and debt financing. The success of debt and equity financings is dependent on capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its exploration, evaluation activities, future expansion and be able to support its ongoing operations and future mine expansion, the Corporation may be required to raise further equity financing or debt in the capital markets.

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 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 year ended December 31, 2021.

COMMITMENTS AND CONTINGENCY

Royalties

As per 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;
- 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.

The Corporation has paid $423,265 ($697,500 in 2020 representing the balance owed from the three preceding years) to ONHYM for the 3% royalty on the Zgounder property during the current year.

Tijirit commitments

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

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

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

- Between 4.0%-6.5% royalty 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 December 31, 2021.

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 agreement is subject to a dispute following the departure of the former CEO.

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 19, 20 and 21 of the audited consolidated financial statements for the year ended December 31, 2021 contain the risk factors associated with the Corporation.

Risks Inherent to Mining Exploration

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

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

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

Uninsured Risks

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

Metal Price Volatility

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

Additional Funding Requirements

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

Regulatory Requirements

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

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

Environmental Matters

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

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

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

Risk of Project Delay

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

Risk on the Uncertainty of Title

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

Risk Linked to Conflict of Interest

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

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

Human Resource Risk

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

Reputational Risk

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

Political Risk

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

Morocco

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

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

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

Mauritania

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

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

Impact of Epidemics

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

OTHER FINANCIAL INFORMATION

Share Purchase Options

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

Expiry date	Number of options	Exercise Price
	Number	CA$
January 24, 2023	50,000	2.00
May 4, 2023	800,000	3.30
July 1, 2030	4,518,334	1.43
March 3, 2031	383,000	4.75
May 12, 2031	333,400	7.69
	6,084,734	

Share Purchase Warrants

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

Expiry date	Number of warrants	Exercise Price
	Number	**CA$**
September 3, 2023	4,614,448	3.30
	4,614,448	

Outstanding Share Data

	Number of shares outstanding (diluted)
Outstanding as of March 29, 2022	104,959,503
Shares reserved for issuance pursuant to share purchase options	6,084,734
Shares reserved for issuance pursuant to warrants	4,614,448
	115,658,685

Off-Balance Sheet Arrangements

At December 31, 2021, 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 condensed interim consolidated financial statements and the related notes.

Related Party Disclosures

During the years ended December 31, 2021 and 2020, the following related party transactions occurred in the normal course of operations:

- Legal fees to Lavery de Billy, L.L.P., a firm of which a former director of the Corporation is a partner, of $nil (December 31, 2020 - $99,688). As at December 31, 2021, $nil (December 31, 2020 – $1,479) was due to that firm;
- Accounting consulting fees to ATP Inc., a firm of which a former director and interim CFO of the Corporation is a partner, of $nil (December 31, 2020 - $66,599). As at December 31, 2021, $nil (December 31, 2020 - $80,527) was due to that firm;
- A net profit interest to Glowat, a private company owned by a party related to a former officer and director of the Corporation, of $nil. As at December 31, 2021, $195,241 (December 31, 2020 - $195,133) was due to Glowat;
- General and administrative fees to SRG Mining Inc., a public company where the Corporation's Chief Executive Officer is also the Director and Executive Chairman of the Board, of $9,564 (December 31, 2020 - $3,686). In addition, management and consulting fees of $nil (December 31 2020 - $69,848). As at December 31, 2021, $nil (December 31, 2020 - $693) was due to that company;
- Management and consulting fees to SRG Guinee S.A.R.L., a wholly owned subsidiary of SRG Mining Inc, of $65,909 (December 31, 200 - $nil). In addition, exploration and evaluation expenses of $47,273 (December 31, 2020 - $nil). As December 31, 2021, $nil (December 31, 2020 - $nil) was due to that company;
- Management and consulting fees to Groupe Conseils Grou, La Salle Inc., a company owned by the President and Chief Executive Officer and a Director of $743,087 (December 31, 2020 - $324,881) and general and administrative fees of $35,519 (December 31, 2020 – $33,327). As at December 31, 2021, $445,141 (December 31, 2020 - $190,953) was due to that company;

- Management and consulting fees to TMR Advisory Inc., a company of which an officer of the Corporation is the sole owner of $53,052 (December 31, 2020 - $78,861). As at December 31, 2021, $nil (December 31, 2020 - $19,043) was due to that company.

Remuneration of the Corporation's Key Management Personnel

Key management included members of the Board of Directors and executive officers of the Corporation. During the years ended December 31, 2021 and 2020, the remuneration awarded to key management personnel (including the amounts above) is as follows:

		Year ended December 31,
	2021	2020
	$	$
Salaries and benefits	**583,252**	570,268
Management consulting & professional fees	**862,048**	570,028
Director fees	**289,919**	163,045
Share-based compensation	**2,079,795**	1,932,554
Cost of sales	**576,051**	212,490
Exploration and evaluation assets	**168,654**	-
	4,559,719	3,448,385

As at December 31, 2021, $392,925 (December 31, 2020 - $405,451) is included in accounts payable and accrued liabilities related to the former CEO's severance. As at December 31, 2021, $65,717 (December 31, 2020 - $107,510) in directors' fees are unpaid.

ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

Critical Accounting Judgments and Estimates

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

In preparing the Corporation's consolidated financial statements for the year ended December 31, 2021, the Corporation applied the critical judgments and estimates disclosed in note 3 of its audited consolidated financial statements for the year ended December 31, 2021.

MANAGEMENT'S REPORT ON INTERNAL CONTROLS AND FINANCIAL REPORTING

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.

At the end of the period covered by this MD&A, management, including the CEO and CFO, conducted an evaluation of the effectiveness of the Corporation's disclosure controls and procedures pursuant to National Instrument 52-109 "Certification of Disclosure in Issuers Annual and Interim Filings" ("NI 52-109"). Based upon that evaluation, the Corporation's CEO and CFO have concluded that, as of the end of the period covered by this MD&A, DC&P were effective to give reasonable assurance that the information required to be disclosed by the Corporation in reports that it files or submits is (i) recorded, processed, summarized and reported, within the time periods specified under applicable securities legislation in Canada, and (ii) accumulated and communicated to management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

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 Company's ICFR was effective as at December 31, 2021. In making this assessment, management used the criteria set forth in the Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Changes in Internal Control over Financial Reporting

In previous periods, management had determined that a significant deficiency was present in the Corporation's DC&P & ICFR and described the significant deficiency and a remediation plan. As part of the remediation plan, which began in 2020, the Corporation restructured its management team, completely overhauled its accounting team, including a new CEO, CFO, affiliate general manager, corporate controller, affiliate director of finance, mine site controller and an internal audit manager. 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 adopted 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.

Based on its assessment, management has concluded that, as of December 31, 2021, the Corporation's internal control over financial reporting has been remediated from previous periods and were deemed effective.

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, 2021, is available on SEDAR at www.sedar.com and on the Corporation’s website at www.ayagoldsilver.com.