

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine-month periods
ended September 30, 2025 and 2024



AYA GOLD & SILVER INC.

1320 Graham Boulevard, Suite 132, Mont-Royal, Quebec, Canada, H3P 3C8

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Management's responsibilities over financial reporting

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

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

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Condensed Interim Consolidated Statements of Financial Position

(Expressed in thousands of US dollars - unaudited)

	September 30, 2025	December 31, 2024
	\$	\$
ASSETS		
Current		
Cash	129,184	30,944
Accounts receivable	14,864	1,827
Sales taxes receivable	17,023	9,979
Income tax receivable	-	3,415
Inventories (Note 4)	30,943	27,389
Deposit in trust	-	695
Prepaid expenses and security deposits	4,422	2,249
Options contracts (Note 16)	59	42
	196,495	76,540
Non-current		
Restricted cash (Note 16)	18,163	18,246
Non-refundable deposits to suppliers (Note 5)	2,442	2,787
Deferred tax assets (Note 19)	8,182	3,425
Deferred financing costs (Note 7)	141	-
Investment in associate (Note 6)	7,211	-
Property, plant and equipment (Note 5)	253,933	231,205
Exploration and evaluation assets (Note 6)	98,469	67,904
TOTAL ASSETS	585,036	400,107
LIABILITIES		
Current		
Accounts payable and accrued liabilities	61,426	51,351
Current portion of long-term debt (Note 7)	28,571	-
Income tax payable	8,355	-
Balance of purchase price payable	1,649	1,483
Current portion of lease liabilities	347	282
	100,348	53,116
Non-current		
Lease liabilities	1,081	1,121
Long-term debt (Note 7)	83,192	95,517
Asset retirement obligations	3,316	2,872
Deferred tax liabilities (Note 19)	337	1,000
TOTAL LIABILITIES	188,274	153,626
EQUITY		
Share capital (Note 8)	430,910	323,148
Equity reserves	17,968	(940)
Deficit	(51,956)	(75,732)
	396,922	246,476
Non-controlling interests	(160)	5
TOTAL EQUITY	396,762	246,481
TOTAL LIABILITIES AND EQUITY	585,036	400,107

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

On behalf of the Board,

Benoit La Salle /s/
President, CEO, Director

Yves Grou /s/
Director

Condensed Interim Consolidated Statements of Comprehensive Income

(Expressed in thousands of US dollars, except share and per share amounts - unaudited)

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Revenue from silver sales (Note 11)	54,337	11,024	126,783	29,780
Cost of sales (Note 12)	32,971	9,146	86,225	22,652
Gross profit	21,366	1,878	40,558	7,128
Expenses (income)				
General and administrative expenses (Note 13) ⁽¹⁾	6,195	4,940	20,206	11,405
Net impairment recovery (Note 6)	-	-	(3,987)	-
Gain on sale of Amizmiz project (Note 6)	-	-	(1,828)	-
Operating income (loss)	15,171	(3,062)	26,167	(4,277)
Net finance income (Note 13)	1,444	4,631	11,882	11,330
Share of loss in associate, net of tax (Note 6)	(394)	-	(720)	-
Net income before income taxes	16,221	1,569	37,329	7,053
Income tax expense	3,799	1,832	9,335	3,094
Net income (loss)	12,422	(263)	27,994	3,959
Net income attributable to				
Equity holders of Aya Gold & Silver Inc.	12,404	(227)	28,159	4,073
Non-controlling interests	18	(36)	(165)	(114)
Net income (loss)	12,422	(263)	27,994	3,959
Other comprehensive (loss) income				
Items that will subsequently be reclassified to net income:				
Foreign currency translation adjustment	(6,420)	3,945	8,337	(3,870)
Comprehensive income	6,002	3,682	36,331	89
Basic income (loss) per common share (Note 18)	0.09	(0.00)	0.21	0.03
Diluted income (loss) per common share (Note 18)	0.09	(0.00)	0.20	0.03
Weighted average number of shares - basic (Note 18)	138,547,641	129,727,167	135,073,092	128,969,083
Weighted average number of shares - diluted (Note 18)	143,911,128	129,727,167	140,167,308	133,700,847

⁽¹⁾ Included in general and administrative is share-based payments expense of \$3,345 and \$11,534 during the three and nine-month periods ended September 30, 2025, respectively (\$2,667 and \$4,864 during the three and nine-month periods ended September 30, 2024, respectively).

For the three and nine-month periods ended September 30, 2024, share-based payments expense was previously reported as a separate line item and now has been reclassified into the related functional expense item and therefore has been included in general and administrative (Note 13) for consistency with the current year presentation. This reclassification has no effect on the 2024 period reported net (loss) income.

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

Condensed Interim Consolidated Statement of Changes in Equity

(Expressed in thousands of US dollars - unaudited)

	Share Capital		Equity Reserves			Deficit attributable to equity holders of Aya Gold & Silver Inc.	Non-controlling interests	Total equity
	Number of issued and outstanding shares	Share capital	Contributed surplus ^(a)	Accumulated other comprehensive (loss) income ^(b)	Equity Reserves			
		\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2024	130,770,053	323,148	26,152	(27,092)	(940)	(75,732)	5	246,481
Exercise of options (Note 8)	20,000	36	(16)	-	(16)	-	-	20
Share issued for vested units	381,893	2,508	(2,508)	-	(2,508)	-	-	-
Share-based payments (Note 9)	-	-	13,095	-	13,095	-	-	13,095
Share issuance (Note 8)	10,767,795	105,218	-	-	-	-	-	105,218
Share issue costs, net of tax of \$1,120	-	-	-	-	-	(4,383)	-	(4,383)
	141,939,741	430,910	36,723	(27,092)	9,631	(80,115)	5	360,431
Net income (loss)	-	-	-	-	-	28,159	(165)	27,994
Other comprehensive income	-	-	-	8,337	8,337	-	-	8,337
Comprehensive income (loss)	-	-	-	8,337	8,337	28,159	(165)	36,331
Balance as at September 30, 2025	141,939,741	430,910	36,723	(18,755)	17,968	(51,956)	(160)	396,762
Balance as at December 31, 2023	122,377,703	260,897	19,893	(7,826)	12,067	(52,243)	4,415	225,136
Exercise of options (Note 8)	511,950	3,037	(1,375)	-	(1,375)	-	-	1,662
Shares issued upon vesting of restricted share units (Note 9)	122,768	734	(734)	-	(734)	-	-	-
Share-based payments (Note 9)	-	-	4,864	-	4,864	-	-	4,864
Share issuance (Note 8)	7,573,900	57,297	-	-	-	-	-	57,297
Share issue costs	-	-	-	-	-	(3,316)	-	(3,316)
	130,586,321	321,965	22,648	(7,826)	14,822	(55,559)	4,415	285,643
Net income (loss)	-	-	-	-	-	4,073	(114)	3,959
Other comprehensive loss	-	-	-	(3,870)	(3,870)	-	-	(3,870)
Comprehensive (loss) income	-	-	-	(3,870)	(3,870)	4,073	(114)	89
Balance as at September 30, 2024	130,586,321	321,965	22,648	(11,696)	10,952	(51,486)	4,301	285,732

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

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

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

Condensed Interim Consolidated Statement of Cash Flows

(Expressed in thousands of US dollars - unaudited)

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
Cash flows provided by (used in)	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net income (loss)	12,422	(263)	27,994	3,959
Adjustments for non-cash items				
Share-based payments recorded in net income (Note 9)	3,607	2,667	12,371	4,864
Depreciation and depletion of property, plant and equipment (Note 12 and Note 13)	4,734	528	13,712	1,368
Net impairment recovery (Note 6)	-	-	(3,987)	-
Gain on sale of Amizmiz project (Note 6)	-	-	(1,828)	-
Share of loss in associate (Note 6)	394	-	720	-
Write-down of inventory (Note 12)	-	-	135	-
Finance costs (Note 7)	2,820	-	8,058	-
Accretion expense (Note 13)	61	33	147	149
Loss (gain) on foreign currency translation	1,486	(3,284)	(20,249)	(7,780)
Deferred income taxes	(199)	-	(4,300)	-
Change in fair value of options contracts (Note 16)	(89)	(13)	(181)	(104)
	25,236	(332)	32,592	2,456
Changes in working capital items (Note 17)	(2,846)	(11,435)	5,507	(11,666)
	22,390	(11,767)	38,099	(9,210)
INVESTING ACTIVITIES				
Net change in restricted cash	-	-	103	2,240
Deposits to suppliers for capital expenditures	(140)	(183)	(2,475)	(1,348)
Additions of property, plant and equipment (Note 5 and Note 17)	(10,466)	(8,209)	(25,468)	(56,371)
Liquidated damages related to mine expansion (Note 20)	7,248	-	7,248	-
Additions to mining rights (Note 6)	-	-	(414)	-
Additions to exploration and evaluation assets (Note 6 and Note 17)	(14,126)	(7,566)	(25,445)	(17,822)
	(17,484)	(15,958)	(46,451)	(73,301)
FINANCING ACTIVITIES				
Repayment of lease liabilities	(110)	(70)	(312)	(250)
Deferred financing costs	(268)	-	(353)	-
Proceeds from long-term debt (Note 7)	15,000	-	15,000	40,000
Payment of borrowing costs on long-term debt (Note 7)	(4,376)	(4,336)	(9,002)	(6,526)
Proceeds from exercise of options (Note 9)	-	775	20	1,662
Proceeds from share issuance (Note 8)	-	-	105,218	57,297
Share issue costs	(13)	-	(5,503)	(3,316)
	10,233	(3,631)	105,068	88,867
Effect of exchange rate changes on cash in foreign currencies	213	1,046	1,524	(1,350)
Net change in cash	15,352	(30,310)	98,240	5,006
Cash, beginning of period	113,832	85,146	30,944	49,830
Cash, end of period	129,184	54,836	129,184	54,836

Supplemental cash flow information (Note 17)

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

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in thousands of US dollars unless otherwise noted - unaudited)

1. GENERAL INFORMATION

Aya Gold & Silver Inc. ("Aya" or the "Corporation") is a Canadian-based precious metals mining corporation active across the full mining lifecycle; from discovery and development through to production. The Corporation operates primarily in Morocco, a politically stable jurisdiction with supportive regulatory environment, offering low operating costs and well-developed infrastructure.

Aya's flagship asset is the Zgounder Silver Mine, recognized for its rare, high-grade silver mineralization. The mine is located along the Anti-Atlas fault, one of North Africa's most geologically rich and underexplored regions, known for hosting world-class silver, gold, and base metal deposits. Aya also owns an 85% interest in the Boumadine polymetallic project, which is currently at the exploration and evaluation stage.

Aya is incorporated under the Canada Business Corporations Act; its financial year-end is December 31, and it trades on the Toronto Stock Exchange under the symbol "AYA" and on the OTCQX under the symbol "AYASF".

2. BASIS OF PRESENTATION

Statement of compliance

The consolidated financial statements of the Corporation have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" of the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Board of Directors approved and authorized for issue these consolidated financial statements on November 10, 2025.

Basis of measurement

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

- (i) Option contracts, which are accounted for at fair value;
- (ii) Share-based payment arrangements, which are measured at fair value on grant date;
- (iii) Asset retirement obligations, which are measured at the discounted estimated cost of future remediation;
- (iv) Lease liabilities, which are initially measured at the present value of minimum lease payments;
- (v) Non-controlling interest which is initially measured at the proportionate share of the acquiree's identifiable net assets as at the date of acquisition; and
- (vi) Investment in an associate: the Corporation accounts for its investment in an associate using the equity method. Under the equity method, the Corporation's investment is initially recognized at cost and subsequently increased or decreased to recognize the Corporation's share of net income/loss and other comprehensive income/loss of the investee, after any adjustments necessary to give effect to uniform accounting policies, any other movement in the investee's reserves, and for impairment losses after the initial recognition date. The Corporation's share of earnings or losses of its investee is recognized in the Corporation's Statement of Income/Loss and Comprehensive Income/Loss during the period.

Functional and presentation currency

The functional currency of Aya Gold & Silver Inc. is the Canadian dollar. The functional currency of the Corporation and its subsidiaries has remained unchanged during the reporting period. The Corporation's presentation currency is the US dollar.

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in thousands of US dollars unless otherwise noted - unaudited)

3. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

Material accounting policies

These condensed interim consolidated financial statements have been prepared following the same accounting policies and methods of computation as the audited annual consolidated financial statements for the year ended December 31, 2024 except for these accounting policies, estimates and judgements that were adopted during the period ended September 30, 2025.

Investment in associate

An associate is an entity over which the Corporation has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those decisions. The Corporation is presumed to have significant influence if it holds, directly or indirectly, 20% or more of the voting power of the investee, unless it can be clearly demonstrated that the Corporation does not have significant influence.

The Corporation accounts for its investment in an associate using the equity method. Under the equity method, the Corporation's investment is initially recognized at cost and subsequently increased or decreased to recognize the Corporation's share of net earnings/loss and other comprehensive earnings/loss of the associate, after any adjustments necessary to give effect to uniform accounting policies, any other movement in the associate's reserves, and for impairment losses after the initial recognition date. The Corporation's share of the associate's losses that are in excess of its investment are recognized only to the extent that the Corporation has incurred legal or constructive obligations or made payments on behalf of the associate. The Corporation's share of earnings or losses of its associate are recognized in net earnings during the period. Dividends and repayment of capital received from the associate are accounted for as a reduction in the carrying amount of the Corporation's investment. Unrealized gains and losses between the Corporation and its associate are recognized only to the extent of unrelated investors' interests in the associate. Intercompany balances and interest expense and income arising on loans and borrowings between the Corporation and its associate are not eliminated.

In order to apply the equity method, management aligned Mx2's accounting policies with those of the Corporation, which required among other things management to assess whether indicators of impairment related to the Mx2 exploration and evaluation assets are present.

Areas of judgement

Determination of control or significant influence over investee

The assessment of whether the Corporation has a significant influence or control over an investee requires the application of judgement when assessing factors that could give rise to a significant influence or control. Factors evaluated when making a judgement of control or significant influence over an investee include, but are not limited to, ownership percentage, representation on the board of directors, participation in the policy-making process, material transactions and contractual arrangements between the Corporation and the investee, interchange of managerial personnel, provision of essential technical information and potential voting rights. In evaluating these factors, the Corporation determines the level of influence over the investee the Corporation has. Changes in the Corporation's assessment of the factors used in determining if control or significant influence exists over an investee would impact the accounting treatment of the investment in the investee.

4. INVENTORIES

	September 30, 2025	December 31, 2024
	\$	\$
Mining supplies	21,289	11,094
Silver bars	1,525	2,636
Sliver in concentrate	-	1,187
Silver in circuit	790	545
Ore stockpile	7,339	11,927
	30,943	27,389

For the three and nine-month periods ended September 30, 2025, the Corporation recognized \$30,463 and \$79,345 of inventory costs in cost of sales (\$8,922 and \$20,842 for the three and nine-month periods ended September 30, 2024 respectively).

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in thousands of US dollars unless otherwise noted - unaudited)

5. PROPERTY, PLANT AND EQUIPMENT

The majority of properties, plant and equipment are located in Morocco and are related to the Zgounder mine. As at September 30, 2025, the Corporation determined that there were no material events or changes in circumstances indicating that the carrying amount of property, plant and equipment may not be recoverable.

	Mining equipment	Mining assets in production	Assets under construction	Right-of-use assets	Total
	\$	\$	\$	\$	\$
Cost					
As at January 1, 2024	3,381	61,292	113,614	1,311	179,598
Additions	646	12,158	55,737	612	69,153
Disposals	(237)	(392)	-	-	(629)
Transfer	7,232	146,000	(153,232)	-	-
Borrowing costs (Note 7)	71	8,872	-	-	8,943
Asset retirement obligation	-	355	-	-	355
Foreign exchange	(234)	(4,469)	(281)	(249)	(5,233)
As at December 31, 2024	10,859	223,816	15,838	1,674	252,187
Additions	430	6,835	11,021	158	18,444
Transfers	314	13,034	(13,348)	-	-
Liquidated damages related to mine expansion (Note 20)	-	(7,248)	-	-	(7,248)
Asset retirement obligation	-	277	-	-	277
Foreign exchange	1,227	25,223	1,343	126	27,919
As at September 30, 2025	12,830	261,937	14,854	1,958	291,579
Accumulated depreciation					
As at January 1, 2024	430	17,455	-	211	18,096
Transfers	1,578	(1,578)	-	-	-
Depreciation	1,158	2,043	-	303	3,504
Disposals	(27)	-	-	-	(27)
Foreign exchange	(67)	(520)	-	(4)	(591)
As at December 31, 2024	3,072	17,400	-	510	20,982
Depreciation	1,079	12,779	-	265	14,123
Foreign exchange	367	2,120	-	54	2,541
As at September 30, 2025	4,518	32,299	-	829	37,646
Carrying amounts					
At December 31, 2024	7,787	206,416	15,838	1,164	231,205
At September 30, 2025	8,312	229,638	14,854	1,129	253,933

Assets under construction at September 30, 2025 are located in Morocco and represent expenditures for the construction and development of assets which the Corporation intends to put into production by the end of 2025.

Since July 1, 2023, all mining assets in production are amortized over the expected mineral reserve as reported in the Feasibility Study on the Zgounder Silver Mine published on June 16, 2022.

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in thousands of US dollars unless otherwise noted - unaudited)

6. EXPLORATION AND EVALUATION ASSETS

During the nine-month period ended September 30, 2025 and the year December 31, 2024, changes in exploration and evaluation assets were as follows:

	September 30, 2025	December 31, 2024
	\$	\$
Rights on mining properties		
Balance, beginning of the period	5,554	24,114
Impairment loss	-	(18,276)
Additions	414	223
Foreign exchange	191	(507)
Balance, end of the period	6,159	5,554
Deferred exploration and evaluation expenses		
Balance, beginning of the period	62,350	35,898
Impairment recovery (loss)	3,987	(9,074)
Disposal of exploration and evaluation asset	(5,517)	-
Additions:		
Drilling, Sampling, Geology, and others	24,206	36,841
Foreign exchange	7,284	(1,315)
Balance, end of the period	92,310	62,350
Total	98,469	67,904

All exploration and evaluation assets are located in Morocco and relate to the Boumadine, Imiter Bis, Azegour, Tirzzit, and Zgounder Regional projects. The following schedule represents the Corporation's exploration and evaluation expenses:

	September 30, 2025					
	Boumadine	Zgounder Regional	Tirzzit	Amizmiz	Others	Total
	\$	\$	\$	\$	\$	\$
Opening Balance	53,721	6,991	4,845	990	1,357	67,904
Additions to mining rights	414	-	-	-	-	414
Drilling, sampling, geology, and others	22,701	1,408	-	97	-	24,206
Impairment (loss) recovery on exploration and evaluation assets	-	-	(395)	4,382	-	3,987
Disposal of exploration and evaluation asset	-	-	-	(5,517)	-	(5,517)
Foreign exchange	6,280	765	235	48	147	7,475
Closing Balance	83,116	9,164	4,685	-	1,504	98,469

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in thousands of US dollars unless otherwise noted - unaudited)

6. EXPLORATION AND EVALUATION ASSETS (continued)

	December 31, 2024						
	Boumadine	Zgounder Regional	Tirzzit	Tijrit	Amizmiz	Others	Total
	\$	\$	\$	\$		\$	\$
Opening Balance	22,926	4,112	4,817	26,489	971	697	60,012
Additions to mining rights	223	-	-	-	-	-	223
Drilling, sampling, geology, and others	31,641	2,974	360	1,024	45	797	36,841
Impairment on mining rights	-	-	-	(18,276)	-	-	(18,276)
Impairment loss on exploration and evaluation assets	-	-	-	(9,074)	-	-	(9,074)
Foreign exchange	(1,069)	(95)	(332)	(163)	(26)	(137)	(1,822)
Closing Balance	53,721	6,991	4,845	-	990	1,357	67,904

Tijrit project

As at December 31, 2024, the Corporation deemed the recoverable amount of the Tijrit exploration and evaluation asset to be \$nil and recorded an impairment of \$27,350. This followed the Mauritanian government's decision to grant a six-month extension expiring in June, 2025 to start construction of the mine. In June 2025, the Corporation was informed by the Mauritanian Government that the permit was revoked. The Corporation disagrees with this decision and is currently assessing its rights.

Deconsolidation of Amizmiz project in Mx2 Maroc SARLAU, and investment in associate

Effective April 15, 2025, the Corporation transferred its rights to the Amizmiz gold project by selling Amizmiz International Holding and Mx2 Maroc SARLAU, wholly owned subsidiaries of the Corporation to Mx2 Mining Inc. ("Mx2"). As consideration for the transaction, the Corporation received 20,000,000 shares of Mx2 priced at C\$0.50 per share for a total of C\$10,000 (\$7,210).

In conjunction with the transaction, Mx2 also completed a brokered private placement for gross proceeds of C\$16,000 priced at C\$0.50 per unit of which the Corporation participated for C\$1,000 (\$722) and obtained 2,000,000 shares of Mx2.

As a result, the Corporation holds 22,000,000 common shares of Mx2's outstanding 52,000,001 shares, an interest of 42.3% in Mx2. Management determined it has significant influence but not control over Mx2 and began to account for the investment using the equity method from the date of the transaction.

The Corporation derecognized the net assets of \$1,000 in Amizmiz International Holding and Mx2 Maroc SARLAU from its consolidated statement of financial position at the date of the transaction, which was comprised of the following table:

	\$
Current assets	
Prepaid expenses and security deposits	9
Sales taxes receivable	4
Non-current assets	
Exploration and evaluation assets	1,135
Current Liabilities	
Accounts payable and accrued liabilities	(148)
Total net assets	1,000

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2025 and 2024

(Expressed in thousands of US dollars unless otherwise noted - unaudited)

6. EXPLORATION AND EVALUATION ASSETS (continued)

The Corporation recognized the equity interest received in Mx2 for the net assets sold at fair value, recording it as an investment in an associate at \$7,210 as of the transaction date, April 15, 2025. Consequently, the fair value exceeded the carrying amount of the project thereby resulting in a gain on the disposition of the Amizmiz project.

However, in 2014, the Corporation fully impaired the Amizmiz project and an impairment loss of \$4,382 (C\$6,077) was recorded in the consolidated statement of comprehensive loss at that time. As a result of the sale in 2025, the Corporation reversed this impairment loss recorded from 2014 and recorded a net gain on sale of Amizmiz project of \$1,828. The following table details the gain on sale:

	\$
Fair value of consideration received	7,210
Carrying amount of consolidated Amizmiz International Holding entity	(1,000)
Recovery of impairment on Amizmiz project	(4,382)
Gain on sale of Amizmiz project	1,828

Investment in associate:

	\$
Fair value of consideration received	7,210
Increase in investment in associate from private placement	721
Share of loss in associate	(720)
Balance as at September 30, 2025	7,211

7. LONG-TERM DEBT

European Bank for Reconstruction and Development loan - Zgounder Expansion

On January 19, 2023, the Corporation entered into a credit agreement for a secured project financing facility with the European Bank for Reconstruction and Development ("EBRD") (the "Facility") to provide financing for the Zgounder expansion of up to \$100,000.

The loan consists of a \$92,000 loan provided by the EBRD ("EBRD Tranche") and an \$8,000 tranche (pari-passu with the EBRD) by the Climate Investment Funds ("CTF") ("CTF Tranche"), managed by the EBRD. Amounts borrowed under the loan incur interest at a rate of SOFR plus 5% for the EBRD Tranche and 1% for the CTF Tranche. Payments are made bi-annually in January 19 and July 19. The loan includes a two-year principal grace period.

All debt under the loan are guaranteed by the Corporation and its subsidiaries and secured by the assets of the Corporation and pledges of the securities of the Corporation's subsidiary, ZMSM. The loan is subject to adherence to debt covenants. As at September 30, 2025, ZMSM was in compliance with its financial covenants.

In addition, a cost overrun account of \$18,000 is funded and included in restricted cash and has been since inception of loan. Once the expansion has reached financial completion, as defined in the credit agreement, the cost overrun account will be liberated and replaced with a Debt Service Reserve Account ("DSRA") and a balance up to \$16,250 which will be considered restricted cash.

European Bank for Reconstruction and Development loan - Boumadine project

On June 23, 2025, the Corporation entered into another separate credit agreement for a Corporate financing facility with EBRD for up to \$25,000 to fund the exploration and development activities at the Boumadine project. Amounts borrowed under the loan incur interest at a rate of SOFR plus 5% per annum, with interest payable semi-annually on January 19 and July 19. The loan is repayable in full on the second anniversary of the agreement date (June 23, 2027). The loan is subject to adherence to debt covenants. As at September 30, 2025, the Corporation was in compliance with its financial covenants.

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7. LONG-TERM DEBT (continued)

As at September 30, 2025, the Corporation had drawn \$15,000 on this loan. The Corporation paid a front-end commission, an underwriting fee, commitment charges and related transaction costs for a total of \$346 and \$205 was recorded in transaction costs and \$141 was recorded as deferred financing fees, in proportion to the amount drawn on the facility to the total available facility.

Both long-term debt has been recorded at amortized cost, net of transaction costs, and will be accreted to face value over the life of the long-term debt using the effective interest rate method.

	September 30, 2025	December 31, 2024
	\$	\$
Balance, beginning of the period	99,928	59,622
Drawdown in cash	15,000	40,000
Payments on interest and fees	(9,002)	(6,526)
Interest expense	8,058	9,456
Gain resulting from the change in expected cash flows	-	(430)
Transaction costs	(205)	(2,194)
Balance, end of the period	113,779	99,928
Current portion of long-term debt	(28,571)	-
Interest payable and commitment charges, presented in accounts payable and accrued liabilities	(2,016)	(4,411)
Long-term debt	83,192	95,517

The contractual repayments of principal related to the long-term debt for the forthcoming years:

	Carrying Amount	Contractual cash flows	2025	2026	2027	2028	2029
	\$	\$	\$		\$		\$
Long-term debt (excluding interest)	111,763	115,000	-	28,571	43,571	28,571	14,287

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8. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Common Shares

As at September 30, 2025, the Corporation had 141,939,741 issued and outstanding common shares (December 31, 2024 - 130,770,053).

Transactions during the nine-month period ended September 30, 2025:

- A total of 20,000 share purchase options were exercised for a strike price of C\$1.43 for total proceeds of C\$29 (\$20) and ascribed value reclassification of C\$23 (\$16) from contributed surplus to share capital.
- A total of 324,202 common shares were issued upon vesting of restricted share units during the period at an issued average price of C\$8.96 for an ascribed value reclassification of C\$2,904 (\$2,073) from contributed surplus to share capital.
- A total of 57,691 common shares were issued upon vesting of deferred share units during the period at an issued price of C\$10.47 for an ascribed value reclassification of C\$604 (\$435) from contributed surplus to share capital.
- On June 18, 2025, the Corporation closed its bought deal financing and issued 10,767,795 common shares at a price of C\$13.35 per share for total consideration of C\$143,750 (\$105,218).

During the period in which the options were exercised, the Corporation's minimum market share price was C\$8.96 (\$6.29) while the maximum was C\$15.11 (\$10.93).

Transactions during the nine-month period ended September 30, 2024:

- On February 14, 2024 the Corporation closed its bought deal financing and issued 7,573,900 common shares at a price of C\$10.25 per share for total consideration of C\$77,632 (\$57,297).
- A total of 266,850 share purchase options were exercised for a strike price of C\$1.43 for total proceeds of C\$382 (\$280) and an ascribed value reclassification of C\$313 (\$231) from contributed surplus to share capital.
- A total of 245,100 share purchase options were exercised for a strike price of C\$7.69 for total proceeds of C\$1,885 (\$1,382) and an ascribed value reclassification of C\$1,561 (\$1,144) from contributed surplus to share capital.
- A total of 122,768 common shares were issued upon vesting of restricted share units during the period at an issued average price of C\$8.22 for an ascribed value reclassification of C\$1,009 (\$734) from contributed surplus to share capital.

During the period in which the options were exercised, the Corporation's minimum market share price was C\$9.75 (\$7.20) while the maximum was C\$17.40 (\$12.87).

9. SHARE-BASED PAYMENTS

Share purchase options

The Corporation's incentive share purchase option plan (the "Plan") which provides that the Board of Directors of the Corporation may, from time to time, in its discretion, and in accordance with the TSX policies, grant to directors, officers, employees and consultants to the Corporation, non-transferable share purchase options to purchase common shares of the Corporation, provided that the number of common shares issuable under the Plan, combined with the number of common shares issuable under all share compensation arrangements, shall not exceed 10% of the outstanding common shares as at the date of any grant of options. The vesting period for the share purchase options is determined at the discretion of the Corporation's Board of Directors at the time the share purchase options are granted. The stock options granted prior to 2024 were vested on an annual pro-rata basis over two years with one-third vesting on the date of grant for which accelerated

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9. SHARE-BASED PAYMENTS (continued)

compensation expense was recorded. The stock options granted in 2024 are vested on an annual pro-rata basis evenly over three years for which accelerated compensation expense is recorded.

The outstanding share purchase options and their exercise price in Canadian dollars as at September 30, 2025 and as at December 31, 2024 are summarized as follows:

	Nine-month period ended September 30, 2025		Year ended December 31, 2024	
	Number	C\$ ⁽¹⁾	Number	C\$ ⁽¹⁾
Balance, beginning of the period	9,589,451	9.02	5,101,401	2.07
Granted	-	-	5,000,000	15.63
Exercised	(20,000)	1.43	(511,950)	4.43
Balance, end of the period	9,569,451	9.03	9,589,451	9.02
Exercisable	6,236,118	5.51	4,589,451	1.81

⁽¹⁾ Weighted average exercise price in Canadian dollars.

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

	September 30, 2025		
Expiry Date	Number outstanding	Number exercisable	Exercise price C\$
July 1, 2030	4,121,484	4,121,484	1.43
March 3, 2031	359,667	359,667	4.75
May 12, 2031	88,300	88,300	7.69
August 23, 2034	5,000,000	1,666,667	15.63
	9,569,451	6,236,118	

	December 31, 2024		
Expiry Date	Number outstanding	Number exercisable	Exercise price C\$
July 1, 2030	4,141,484	4,141,484	1.43
March 3, 2031	359,667	359,667	4.75
May 12, 2031	88,300	88,300	7.69
August 23, 2034	5,000,000	-	15.63
	9,589,451	4,589,451	

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9. SHARE-BASED PAYMENTS (continued)

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

August 23, 2024

Weighted average fair value of awards	6.57 C\$
Market share price	15.85 C\$
Grant option exercise price	15.63 C\$
Volatility	39.7% - 45.1%
Risk-free rate	2.92 %
Dividend yield	0%
Expected life	4.0 - 5.7

Share-based payments of \$2,770 and \$9,784 were recognized during the three and nine-month periods ended September 30, 2025, respectively (\$1,560 during the three and nine-month periods ended September 30, 2024) included in the following line items:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
General and administrative expenses	2,454	1,560	8,671	1,560
Cost of sales	152	-	536	-
Property, plant and equipment	46	-	161	-
Exploration and evaluation assets	118	-	416	-
	2,770	1,560	9,784	1,560

Restricted share units

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

Pursuant to the terms of the RSU Plan, Participants will receive, upon vesting of the RSUs, either cash or common shares of the Corporation issued from treasury. The outstanding RSUs as at September 30, 2025 and as at December 31, 2024 are as follows:

	Nine-month period ended September 30, 2025		Year ended December 31, 2024	
	Number	C\$(²)	Number	C\$(²)
Balance, beginning of the period	1,120,750	9.97	982,328	9.52
Granted	400,062	11.37	450,006	10.13
Settled	(324,202)	8.96	(306,500)	8.77
Forfeited	(22,888)	10.63	(5,084)	10.19
Balance, end of the period	1,173,722	10.71	1,120,750	9.97
Vested	-	-	-	-

(²) Weighted average fair value in Canadian dollars at grant date.

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9. SHARE-BASED PAYMENTS (continued)

Share-based payments of \$788 and \$2,502 were recognized during the three and nine-month periods ended September 30, 2025, respectively (\$791 and \$2,413 during the three and nine-month periods ended September 30, 2024, respectively) as included in the following line items:

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
General and administrative expenses	630	791	2,054	2,413
Cost of sales	110	-	301	-
Property, plant and equipment	10	-	31	-
Exploration and evaluation assets	38	-	116	-
	788	791	2,502	2,413

Deferred share units

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

Pursuant to the terms of the DSU Plan, Directors will receive, on the second December after the termination date, common shares of the Corporation issued from treasury. The outstanding DSU's as at September 30, 2025 and as at December 31, 2024 are as follows:

	Nine-month period ended September 30, 2025		Year ended December 31, 2024	
	Number	C\$ ⁽³⁾	Number	C\$ ⁽³⁾
Balance, beginning of the period	457,124	9.85	328,512	8.41
Granted	81,780	12.75	128,612	13.53
Settled	(57,691)	10.47	-	-
Balance, end of the period	481,213	10.27	457,124	9.85
Exercisable	74,266	9.58	37,503	9.50

⁽³⁾ Weighted average fair value in Canadian dollars at grant date.

Share-based payments of \$261 and \$809 were recognized in general and administrative expenses during the three and nine-month periods ended September 30, 2025, respectively (\$316 and \$891 during the three and nine-month periods ended September 30, 2024, respectively).

10. SEGMENTED INFORMATION

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

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

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10. SEGMENTED INFORMATION (continued)

For the three and nine-month periods ended September 30, 2025 and 2024 the Corporation's operating segments include the production segment, with its Zgounder silver project in Morocco. All other properties are in the "non-producing properties" segment (i.e. referred to as Exploration, evaluation and development segment) for the three and nine-month periods ended September 30, 2025 and 2024.

Corporate consists primarily of the Corporation's corporate assets including cash and corporate expenses which are not allocated to operating segments.

Management evaluates segment performance based on segment operating income (loss). Therefore, finance income and expense items and income taxes are not allocated to the segments. Significant information relating to the Corporation's operating segments is summarized in the tables below.

	Total non-current assets	September 30, 2025	
		Total assets	Total liabilities
	\$	\$	\$
Production	263,325	353,609	158,876
Exploration, evaluation, and development	100,005	105,979	26,172
Corporate	25,211	125,448	3,226
Total per consolidated statement of financial position	388,541	585,036	188,274

	Total non-current assets	December 31, 2024	
		Total assets	Total liabilities
	\$	\$	\$
Production	236,733	282,794	138,968
Exploration, evaluation, and development	68,836	73,370	10,975
Corporate	17,998	43,943	3,683
Total per consolidated statement of financial position	323,567	400,107	153,626

As at September 30, 2025, all production and exploration, evaluation and development segments are located in Morocco, except for one exploration, evaluation and development segment that is located in Mauritania, that has total assets of \$2 (December 31, 2024 - \$8) and total liabilities of \$179 (December 31, 2024 - \$166). Corporate is based in Canada.

Three-month periods ended September 30, 2025 and 2024		Revenue	Cost of sales	G&A expenses	Other operating income	Operating income (loss)
		\$	\$	\$	\$	\$
Production (Zgounder Silver Mine)	2025	54,337	32,971	841	-	20,525
	2024	11,024	9,146	522	-	1,356
Exploration	2025	-	-	-	-	-
	2024	-	-	177	-	(177)
Corporate unallocated costs	2025	-	-	5,354	-	(5,354)
	2024	-	-	4,241	-	(4,241)
Consolidated	2025	54,337	32,971	6,195	-	15,171
	2024	11,024	9,146	4,940	-	(3,062)

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10. SEGMENTED INFORMATION (continued)

Nine-month periods ended September 30, 2025 and 2024		Revenue	Cost of sales	G&A expenses	Other operating income	Operating income (loss)
		\$	\$	\$	\$	\$
Production (Zgounder Silver Mine)	2025	126,783	86,225	2,543	-	38,015
	2024	29,780	22,652	1,266	-	5,862
Exploration	2025	-	-	50	(5,815)	5,765
	2024	-	-	485	-	(485)
Corporate unallocated costs	2025	-	-	17,613	-	(17,613)
	2024	-	-	9,654	-	(9,654)
Consolidated	2025	126,783	86,225	20,206	(5,815)	26,167
	2024	29,780	22,652	11,405	-	(4,277)

Corporate is mainly unallocated items from the Corporation's head office that comprises of corporate assets (mainly cash and restricted cash), liabilities and expenses for the three and nine-month periods ended September 30, 2025 and 2024.

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

The following is a breakdown of the nature of revenue included in silver sales for the three and nine-month periods ended September 30, 2025 and 2024:

Revenue from sales	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Ingots	54,651	4,109	122,368	10,339
Silver concentrate	-	7,743	5,410	21,715
Less: treatment, smelting, and refining costs	(314)	(828)	(995)	(2,274)
	54,337	11,024	126,783	29,780

The Corporation's sales are with two clients (2024 – two clients) located in Switzerland.

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12. ADDITIONAL INFORMATION ON THE NATURE OF COST OF SALES

The following is a breakdown of the nature of cost of sales for the three and nine-month periods ended September 30, 2025 and 2024:

Cost of sales	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Production costs	25,996	8,160	66,886	20,052
Share-based payments (Note 9)	262	-	837	-
Freight outbound	406	160	1,001	416
Inventory write-down	-	-	135	-
Royalties	1,630	331	3,803	890
Depreciation and depletion	4,677	495	13,563	1,294
	32,971	9,146	86,225	22,652

13. ADDITIONAL INFORMATION ON THE NATURE OF COMPREHENSIVE INCOME COMPONENTS

The following is a breakdown of the nature of expenses included in general and administrative expenses and finance expense for the three and nine-month periods ended September 30, 2025 and 2024:

General and administrative expenses	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Salaries and benefits	1,137	707	3,435	2,303
Share-based payments (Note 9)	3,345	2,667	11,534	4,864
Consulting fees	570	557	1,746	1,644
Investor relations	388	341	1,002	904
Depreciation	57	33	149	74
Office	289	304	883	801
Professional fees	346	284	1,294	684
Reporting issuer costs	63	47	163	131
	6,195	4,940	20,206	11,405

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13. ADDITIONAL INFORMATION ON THE NATURE OF COMPREHENSIVE INCOME COMPONENTS (continued)

Finance income (expense)	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Change in fair value of options contracts	89	13	181	104
(Expense) interest income	(1,685)	1,067	(6,117)	3,294
Gain on foreign exchange	3,101	3,584	17,965	8,081
Accretion expense	(61)	(33)	(147)	(149)
	1,444	4,631	11,882	11,330

Expenses recognized for employee benefits (including capitalized amounts)	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Salaries and fringe benefits	5,287	3,675	15,521	10,684
Share-based payments (Note 9)	3,558	2,667	12,286	4,864
	8,845	6,342	27,807	15,548

14. CAPITAL MANAGEMENT

The Corporation defines capital as long-term debt and total equity. When managing capital, the Corporation's objectives are to:

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

These objectives are achieved by operating its assets efficiently, identifying the right exploration and evaluation projects, adding value to these projects, and ultimately taking them to production or obtaining sufficient proceeds from their disposal. Management adjusts the capital structure as necessary to support the acquisition, exploration and evaluation and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Corporation's management team to sustain the future development of the business. As at September 30, 2025, managed capital is \$508,685 (December 31, 2024 - \$341,993) representing long-term debt and total equity before non-controlling interest. To facilitate the management of its capital requirements, the Corporation prepares long-term cash flow projections that consider various factors, including successful capital deployment, general industry conditions and economic factors. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Corporation, is reasonable. There have been no changes in the Corporation's capital management approach during the year.

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14. CAPITAL MANAGEMENT (continued)

	September 30, 2025	December 31 2024
	\$	\$
Long-term debt (including current portion)	111,763	95,517
Total equity before non-controlling interest	396,922	246,476
	508,685	341,993

15. FINANCIAL RISK MANAGEMENT

The Corporation is exposed to various financial risks resulting from both its operations and its investment activities. There were no changes to the financial objectives, policies and processes during the three and nine-month periods ended September 30, 2025 and 2024. The Corporation's main financial risks exposure and its financial risks management policies are as follows:

Credit risk

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

Credit risk arises from the possibility that its customers may experience financial difficulties and be unable to fulfil their obligations. The Corporation requires that it is paid the majority of what it is owed on transfer of property and deals with only creditworthy counterparties to mitigate the risk of financial loss from defaults. The Corporation monitors the credit risk of customers through credit rating reviews and constant communication with customers. The Corporation establishes an allowance for expected credit losses taking into account the credit risk of specific customers, historical trends and other information. As at September 30, 2025 and December 31, 2024, the Corporation sells its ingots and silver concentrated ore to a limited number of large customers and has never experienced a credit loss. Consequently, credit risk is considered to be limited. In management's opinion, the maximum credit risk exposure for all of the Corporation's current financial assets is the carrying value of those assets.

Commodity price risk

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

Liquidity risk

Liquidity risk refers to the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's liquidity and operating results may be adversely affected if the Corporation's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Corporation. The organization has instituted a comprehensive planning and budgeting process designed to ascertain the financial resources necessary to sustain its standard operational requirements and developmental initiatives. Over the years, the Corporation generates cash flow from its financing activities.

As part of its \$100,000 financing with EBRD ([Note 7](#)), the Corporation is required to maintain \$18,000 in restricted cash for a Cost Overrun Facility ("COF") to cover potential cost overruns on the Zgounder project. Upon Project Completion, as defined in the credit agreement, any unused portion of the COF may be reallocated to fund the \$16,250 Debt Service Reserve Account ("DSRA").

With the start of commercial production phase of the new Zgounder mill effective at the end of 2024, the Corporation currently intends to take into account the anticipated cash flows generated from operational activities to contribute to its business commitments.

The following are the contractual maturities of financial liabilities and other liabilities, including interest that is included in accounts payable as at September 30, 2025:

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15. FINANCIAL RISK MANAGEMENT (continued)

	Carrying Amount	Contractual cash flows	0-12 months	12-24 months	More than 24 months
	\$	\$	\$	\$	\$
Accounts payable & accrued liabilities	61,426	61,426	61,426	-	-
Long-term debt (excluding interest)	111,763	115,000	28,571	43,571	42,858
Balance of purchase price payable	1,649	1,649	1,649	-	-
Lease liabilities	1,428	1,648	422	342	884
	176,266	179,723	92,068	43,913	43,742

The following are the contractual maturities of financial liabilities as at December 31, 2024:

	Carrying Amount	Contractual cash flows	0-12 months	12-24 months	More than 24 months
	\$	\$	\$	\$	\$
Accounts payable & accrued liabilities	51,351	51,351	51,351	-	-
Long-term debt (excluding interest)	95,517	100,000	-	28,571	71,429
Balance of purchase price payable	1,483	1,483	1,483	-	-
Lease liabilities	1,403	1,650	356	330	964
	149,754	154,484	53,190	28,901	72,393

Foreign currency risk

In the normal course of operations, the Corporation is exposed to currency risk due to business transactions in foreign countries denominated in a currency other than the functional currency of each entity in the group, being the Canadian dollar for all the entities within the consolidated group except for AGSM, ZMSM, BGM and AGS, for which the functional currency is the Moroccan dirham. Transactions related to the Corporation's exploration and evaluation activities are mainly denominated in Moroccan dirhams.

Foreign currency denominated financial assets and liabilities which expose the Corporation to currency risk are presented below.

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

The fair value of option contracts, which represents the amount that would be received/(paid) by the Corporation if the contracts were terminated at September 30, 2025 was \$59 (December 31, 2024 - \$42).

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15. FINANCIAL RISK MANAGEMENT (continued)

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

September 30, 2025	USD	EUR	CAD	MAD	Total
	\$	\$	\$	\$	\$
Cash	37,338	56	-	-	37,394
Restricted cash	18,000	-	-	-	18,000
Accounts receivable	14,177	-	-	-	14,177
Current portion of long-term debt	(28,571)	-	-	-	(28,571)
Long-term debt	(86,429)	-	-	-	(86,429)
Accounts payable and accrued liabilities	(5,556)	(1,406)	(283)	-	(7,245)
Balance of purchase price payable	-	-	-	(1,649)	(1,649)
	(51,041)	(1,350)	(283)	(1,649)	(54,323)

December 31, 2024	USD	EUR	CAD	MAD	Total
	\$	\$	\$	\$	\$
Cash	7,774	179	-	-	7,953
Restricted cash	18,000	-	-	-	18,000
Accounts receivable	1,053	-	-	-	1,053
Long-term debt	(100,000)	-	-	-	(100,000)
Accounts payable and accrued liabilities	(5,514)	(1,060)	(666)	-	(7,240)
Balance of purchase price payable	-	-	-	(1,483)	(1,483)
	(78,687)	(881)	(666)	(1,483)	(81,717)

The impact on net income and equity of a 10% increase or decrease in foreign currencies on the Corporation's financial instruments based on balances on September 30, 2025 would be approximately \$5,432 (December 31, 2024 - \$8,172).

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in thousands of US dollars unless otherwise noted - unaudited)

16. FINANCIAL INSTRUMENTS

The classification of financial instruments is summarized as follows, as at September 30, 2025 and 2024:

Financial Assets	Classification	September 30, 2025	December 31, 2024
		\$	\$
Cash	Financial assets at amortized cost	129,184	30,944
Accounts receivable	Financial assets at amortized cost	14,864	1,827
Deposit in trust	Financial assets at amortized cost	-	695
Restricted cash	Financial assets at amortized cost	18,163	18,246
		162,211	51,712

Financial Liabilities	Classification	September 30, 2025	December 31, 2024
		\$	\$
Current portion of long-term debt (Note 7)	Financial liabilities at amortized cost	28,571	-
Long-term debt (Note 7)	Financial liabilities at amortized cost	83,192	95,517
Accounts payable and accrued liabilities	Financial liabilities at amortized cost	61,426	51,351
Balance of purchase price payable	Financial liabilities at amortized cost	1,649	1,483
		174,838	148,351

Financial Assets	Classification	September 30, 2025	December 31, 2024
		\$	\$
Option contracts	Fair value through profit & loss	59	42
		59	42

Fair value of financial instruments

Current financial instruments that are not measured at fair value consist of by cash, accounts receivable, restricted cash, accounts payable and accrued liabilities, balance of purchase price payable and long-term debt. Their carrying values are considered a reasonable approximation of their fair value because of their short-term maturity. The long-term debt is predominantly subject to a variable interest rate. As a result, the carrying value is considered to be its fair value.

Fair value hierarchy

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

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(Expressed in thousands of US dollars unless otherwise noted - unaudited)

16. FINANCIAL INSTRUMENTS (continued)

As at September 30, 2025, the following represents the classification of instruments measured at fair value :

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Option contracts	-	59	-	59

As at December 31, 2024, the following represents the classification of instruments measured at fair value :

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Option contracts	-	42	-	42

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

17. SUPPLEMENTAL CASH FLOW INFORMATION

	Three-month periods ended September 30,		Nine-month periods ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Accounts receivable	(3,174)	(3,191)	(12,473)	(5,880)
Sales tax receivable	(1,847)	(1,883)	(5,767)	976
Income tax receivable	73	286	3,670	(1,389)
Inventories	2,667	(3,767)	(343)	(9,355)
Prepaid expenses and security deposits	(209)	(116)	(1,914)	(376)
Accounts payable and accruals	(3,264)	(2,764)	14,203	7,416
Income tax payable	2,908	-	8,131	(3,058)
Changes in working capital items	(2,846)	(11,435)	5,507	(11,666)
Non-cash transactions				
Additions of new lease right-of-use assets	78	88	158	137
Addition of new lease liabilities	(78)	(88)	(158)	(137)
Net change in deposits to suppliers for capital expenditures	1,607	3,531	3,114	8,012
Change in accounts payable and accrued liabilities related to PP&E	(3,182)	1,702	(10,488)	(9,523)
Change in accounts payable and accrued liabilities related to E&E assets	(4,798)	4,017	(1,771)	7,758
Share-based compensation in PP&E additions	56	-	192	-
Share-based compensation in E&E additions	156	-	532	-
Investment in associate	-	-	7,931	-

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in thousands of US dollars unless otherwise noted - unaudited)

18. INCOME (LOSS) PER COMMON SHARE

Basic income per share is the net income available to common shareholders divided by the weighted average number of common shares outstanding during the period. Diluted net income per share adjusts basic net income per share for the effects of potential dilutive common shares such as options, RSUs and DSUs.

The calculations for basic and diluted income per share for the three and nine-month periods ended September 30, 2025 and 2024 are as follows:

	Three-month periods ended		Nine-month periods ended	
	September 30,		September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Net income	12,422	(263)	27,994	3,959
Weighted average number of shares – basic	138,547,641	129,727,167	135,073,092	128,969,083
Impact of dilutive securities				
Stock options, RSUs and DSUs	5,363,487		5,094,216	4,731,764
Weighted average number of shares – diluted	143,911,128	129,727,167	140,167,308	133,700,847
Income per share - basic	0.09	(0.00)	0.21	0.03
Income per share - diluted	0.09	(0.00)	0.20	0.03

Weighted average number of shares - diluted excludes the effects of 3,333,333 share purchase options as at September 30, 2025 as they were anti-dilutive. There were no anti-dilutive securities as at September 30, 2024.

19. DEFERRED INCOME TAX

During the nine-month period ended September 30, 2025, the Corporation recognized deferred tax assets of \$4,757 in relation to unrealized gains on foreign exchange in the current period that will be deductible against future taxable income in Morocco, offset by a deferred tax liability of \$457 in the Canadian entity.

The Corporation also recorded deferred tax assets of \$1,120 recognized in equity for share issues costs incurred.

20. CONTINGENT LIABILITY

On August 5, 2025, the Corporation received net proceeds of \$7,248 in connection with the enforcement of liquidated damages against to Duro Felguera S.A. ("DF"), the contractor for the mine expansion. The amount received has been applied against Mining assets in production. Subsequent to the disbursement of funds, DF sought to suspend the application and reverse the underlying decision allowing the execution of the performance bonds in several jurisdictions in Spain. To that end, DF filed an appeal seeking to overturn the judgment and recover the settlement amount which appeal has not yet been admitted by the court. Their action seeking the suspension of the execution in another jurisdiction was rejected on October 22, 2025.

Management has reviewed the facts and circumstances of the case, together with external legal counsel, and believes that it is not probable that the Corporation will be required to repay any portion of the funds received in the course of procedures in Spain. Accordingly, no provision has been recognized in the consolidated financial statements as at September 30, 2025.

However, since the outcome of the appeal cannot be determined with certainty at this time, any potential repayment, if required, would be recognized in the period in which the obligation becomes probable and can be reliably measured.

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in thousands of US dollars unless otherwise noted - unaudited)

21. RELATED PARTY TRANSACTIONS

During the three and nine-month periods ended September 30, 2025 and 2024 and the year ended December 31, 2024, the following related party transaction occurred in the normal course of operations for management and consulting fees to Groupe Conseils Grou, La Salle Inc., a company owned by the President and Chief Executive Officer, in the amount of \$227 and \$676 for the three and nine-month periods ended September 30, 2025, respectively (\$234 and \$703 for the three and nine-month periods ended September 30, 2024, respectively). As at September 30, 2025, \$335 (December 31, 2024 - \$370) was due to that company.

Remuneration of key management personnel of the Corporation

Key management included members of the Board of Directors and executive officers of the Corporation. During the three and nine-month periods ended September 30, 2025 and 2024 the remuneration awarded to key management personnel (including the amounts above) was as follows:

	Three-month periods ended		Nine-month periods ended	
	September 30,		September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Salaries and benefits	355	320	1,177	981
Management consulting and professional fees	320	324	956	972
Share-based compensation*	2,661	1,550	9,271	3,142
	3,336	2,194	11,404	5,095

* Share-based payments represent a non-cash expense related to the vesting of equity-based awards granted to directors and executive officers, including stock options, restricted share units, and deferred share units.