Resource Company Report: Aya Gold & Silver Inc.

Report Date	August 17, 2026	**Company Type**	Silver Producer (Morocco-focused) with Growth Pipeline
Company Name	Aya Gold & Silver Inc.	**Stock Symbol**	AYA (TSX / NASDAQ)
Key Assets	Zgounder Silver Mine (operating); Boumadine (pyrite reclaim + development); Moroccan exploration portfolio	**Market Cap (approx.)**	~US$3.7 billion
2026 Production Guidance	6.2 – 6.8 Moz AgEq (Zgounder 5.2–5.8; Boumadine reclaim ~1.0)	**Q2 2026 Production**	~1.68 Moz AgEq (record); Zgounder 1.49 Moz Ag
Q2 Financials	Revenue $97M (+151% YoY); Operating CF $48M; Cash costs improving	**Cash (approx.)**	~US$183 million
Stage	Producing (Zgounder ramped) with Boumadine growth and exploration upside	**CEO**	Benoit La Salle

1. Company Overview & Investment Thesis

Aya Gold & Silver Inc. (TSX/NASDAQ: AYA) is a Canadian precious-metals mining company focused on Morocco. The company's flagship asset is the Zgounder Silver Mine, which completed a major expansion and ramp-up and is now operating above original nameplate capacity. 2026 production guidance is 6.2–6.8 million ounces of silver-equivalent (AgEq), comprising 5.2–5.8 Moz from Zgounder and approximately 1.0 Moz from the Boumadine pyrite reclaim operation. Second-quarter 2026 production was a record approximately 1.68 Moz AgEq (1.49 Moz silver from Zgounder plus ~0.19 Moz AgEq from Boumadine), up 61% year-over-year. Revenue reached US$97 million (up 151% YoY) and operating cash flow was US$48 million. Cash costs at Zgounder improved to approximately US$17.69 per silver ounce sold in the quarter. Cash and cash equivalents were approximately US$183 million. An updated mine plan supports average annual production of ~6 Moz silver over the Zgounder life of mine to 2036. Boumadine is being advanced through economic studies as a larger-scale growth project. Market capitalization is approximately US$3.7 billion. CEO is Benoit La Salle.

Investment Thesis: Aya offers leveraged exposure to silver through a ramped, high-margin Moroccan operation (Zgounder) that is generating strong cash flow, plus growth optionality at Boumadine and a broader exploration portfolio in Morocco. Record Q2 production, rising throughput above nameplate, improving unit costs and a solid cash position support the near-term investment case. Key risks include silver-price cyclicality, single-jurisdiction (Morocco) concentration, operational execution risk as the plant sustains elevated throughput, and the capital and timeline required to advance Boumadine to full production. Relative to pure explorers or single-asset developers with no cash flow, AYA ranks lower risk as a producing silver company; residual commodity and jurisdiction risks remain material.

2. Mining and Development Projects

Aya's production and growth are centered on the Zgounder Silver Mine and the Boumadine project, both in Morocco, supported by a regional exploration portfolio.

2.1 Zgounder Silver Mine (Morocco)

Location / Ownership	Zgounder, Morocco – operating open-pit and underground silver mine; 100% owned; major expansion completed 2024 with commercial production declared late 2024 and ramp-up through 2025
Metals / Interest	Silver (primary) – AgEq contributions from by-products where applicable
Status	Producing / optimized. 2026 guidance 5.2–5.8 Moz AgEq. Q2 2026: 1.49 Moz Ag (record mining ~4,880 tpd; milling ~3,889 tpd, above original ~2,700 tpd nameplate); recovery 91.2%; cash cost ~$17.69/oz Ag sold. Updated mine plan supports ~6 Moz Ag average annual production to 2036. H1 2026 Zgounder production 2.75 Moz Ag
Key Metrics / Work	Plant is sustaining rates well above original design capacity. Tertiary crusher expected to support sustained ~3,850 tpd from early 2027. Cash costs have declined with higher throughput and operational optimization. Strong free-cash-flow generation at current silver prices
Notes	Core cash-flow engine and the foundation of Aya's current valuation and growth funding
Outlook / Catalysts	Delivery of 2026 Zgounder guidance; sustained high throughput; further cost improvement; life-of-mine plan execution

2.2 Boumadine & Moroccan Exploration

Location / Ownership	Boumadine, Morocco – pyrite reclaim operation (current) and larger-scale development project; plus regional exploration properties in Morocco
Metals / Interest	Silver and gold (AgEq) – reclaim operation contributing ~1.0 Moz AgEq guidance in 2026; PEA previously outlined multi-year production potential at attractive returns
Status	Reclaim operating; development studies advancing. Q2 2026 Boumadine reclaim contributed ~188 koz AgEq. Prior PEA indicated strong economics (pre-tax NPV and IRR at base-case prices). Feasibility / updated PEA work ongoing. Exploration portfolio expanded with additional Moroccan properties
Key Metrics / Work	Boumadine is the primary organic growth project that can transform Aya from a ~6 Moz AgEq producer into a substantially larger silver-gold company. Reclaim operation provides near-term incremental production and cash flow while studies progress
Notes	Key growth driver beyond the current Zgounder production base
Outlook / Catalysts	Updated economic study / PEA or feasibility results; continued exploration success; eventual construction decision and financing pathway

Zgounder currently generates the majority of production, revenue and cash flow. Boumadine (reclaim plus full development) and the broader Moroccan exploration portfolio provide the multi-year growth pathway.

3. Exploration & Development Activity

Near-term priorities are sustained high-throughput operation at Zgounder, delivery of the 6.2–6.8 Moz AgEq 2026 guidance, continued optimization of cash costs, advancement of Boumadine economic studies, and exploration across the Moroccan portfolio. Success metrics are on-guidance production, unit-cost performance, free-cash-flow generation, and positive study and drill results at Boumadine and regional targets.

4. Management and Board of Directors

Management

Name	Title	Notes	Experience / Focus
Benoit La Salle	President & CEO	Leadership	Overall strategy, Zgounder operations, Boumadine advancement and capital allocation
Operations / technical team	Mine & project development	Technical	Zgounder optimization, Boumadine studies and Moroccan exploration
Corporate team	Finance & administration	Support	Treasury, reporting and general corporate matters

Board of Directors

Name / Group	Role	Key Background
Board (collective)	Governance	Oversight of operations, growth projects, capital allocation and risk; recent Chair appointment (Ghislane Guedira); women comprise 50% of Board
Independent directors	Oversight	Mining, finance and capital-markets experience (all members except CEO independent)

5. Financial Information

Aya is a cash-flowing silver producer. Second-quarter 2026 revenue was US$97 million (up 151% YoY) with operating cash flow of US$48 million. Cash costs at Zgounder improved to approximately US$17.69 per silver ounce sold. Consolidated AgEq cash costs were approximately US$16.82 per ounce sold. Cash and cash equivalents stood at approximately US$183 million (excluding restricted cash). The company fully repaid the US$15 million Boumadine project loan with the EBRD ahead of schedule. Market capitalization is approximately US$3.7 billion. Exact current debt and liquidity metrics should be confirmed from the latest financial statements. Capital allocation prioritizes sustaining and growth investment at Zgounder and Boumadine while maintaining a strong balance sheet.

Project / Corporate Summary

Line Item	Amount / Notes
Market capitalization (approx.)	~US$3.7 billion
2026 AgEq Production Guidance	6.2 – 6.8 Moz
Q2 2026 AgEq Production	~1.68 Moz (record)
Q2 2026 Revenue / Operating CF	$97M / $48M

Zgounder Cash Cost (Q2)	~$17.69 /oz Ag sold
Cash (approx.)	~US$183 million

Corporate Summary

Item	Value / Notes
Primary listings	TSX / NASDAQ (AYA)
CEO	Benoit La Salle
Strategy	Optimize Zgounder cash flow; advance Boumadine; expand Moroccan exploration portfolio

6. Company Valuation

At a market capitalization of approximately US$3.7 billion, Aya trades as a mid-cap silver producer with growth optionality. Valuation is supported by the ramped Zgounder operation generating strong cash flow at improving unit costs, 2026 guidance of 6.2–6.8 Moz AgEq, a solid cash position (~US$183 million), and the longer-term growth potential of Boumadine and the Moroccan exploration portfolio. Relative valuation should consider peer silver producers and the prevailing silver price environment.

Discounted NPV discussion: A practical framework values the free-cash-flow stream from the Zgounder mine plan (average ~6 Moz Ag per year to 2036) at risk-adjusted discount rates based on guided production and costs, then adds risk-adjusted values for the Boumadine development project (based on PEA/feasibility economics and probability of advancement) and exploration optionality, and adjusts for net cash/debt. Key sensitivities are the silver price, sustained high-throughput performance at Zgounder, unit-cost trajectory, and the timeline and capital requirements of Boumadine. Delivery of 2026 guidance and positive Boumadine study results are the primary near-term valuation catalysts.

Merger & Acquisition Activity

Aya has grown primarily through organic development of Zgounder and Boumadine and through expansion of its Moroccan exploration land package. No formal public takeover offer for the company has been announced. As a cash-flowing silver producer with a clear growth pipeline in a mining-friendly jurisdiction, the company could attract strategic interest from larger precious-metals producers, while management continues to execute the independent growth strategy centered on Morocco.

7. Risks

- Silver (and gold) price cyclicality.
- Single-jurisdiction concentration risk in Morocco.
- Operational execution risk in sustaining elevated throughput and recoveries at Zgounder.
- Cost inflation and cash-cost performance.
- Boumadine development, permitting, financing and construction risk.
- Exploration risk that regional targets do not deliver expected resource growth.
- Political, regulatory and community risk in Morocco.
- General mining, environmental, social and safety risks.

8. Comparative Risk Analysis

On a relative-risk scale of 1 to 7 (1 = lowest risk, 7 = highest risk) versus other junior and intermediate mining companies, Aya Gold & Silver is ranked **3**. The ranking reflects moderate relative risk: a cash-flowing silver producer with a ramped flagship mine (Zgounder) operating above nameplate capacity, 2026 guidance of 6.2–6.8 Moz AgEq, improving unit costs, strong quarterly cash flow and a solid cash position, offset by residual silver-price sensitivity, single-jurisdiction (Morocco) concentration, and the capital and timeline risk associated with advancing Boumadine to full production. Positive factors include record production and revenue, the updated Zgounder mine plan supporting multi-year production, and a clear organic growth pathway. Offsetting factors are the still-concentrated asset base and the early-stage nature of the larger Boumadine development relative to the current producing asset. Relative to pure explorers or single-asset developers with no cash flow, AYA ranks substantially lower risk; relative to larger, multi-jurisdiction senior silver or precious-metals producers, it ranks modestly higher risk. The net result is a risk ranking of 3.

Sources: Company Q2 2026 results, 2026 production guidance, Zgounder technical report and mine plan updates, Boumadine PEA references, and market data as of mid-August 2026.