



**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

2nd quarter ended June 30, 2012
In Canadian dollars

UNAUDITED

MAYA GOLD & SILVER INC.

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of the Corporation have been prepared by and are the responsibility of the Corporation's management. The Corporation's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements.

Maya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Financial Position

(in Canadian dollars)

	June 30, 2012	December 31, 2011
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	1,954,239	1,905,421
Sales taxes receivable	104,859	44,962
Prepaid expenses	131,027	32,231
	2,190,125	1,982,614
Non-current		
Restricted short-term investment	20,040	20,040
Property and equipment (Note 5)	332,437	378,452
Exploration and evaluation assets (Note 6)	14,909,149	9,347,043
TOTAL ASSETS	17,451,751	11,728,149
LIABILITIES		
Current		
Accounts payable and accrued liabilities	417,724	721,345
Balance of purchase price payable (Note 6)	1,632,400	593,500
	2,050,124	1,314,845
Non-current		
Balance of purchase price payable (Note 6)	1,632,400	-
Debentures (Note 7)	1,760,000	700,000
Deferred income taxes	132,000	132,000
TOTAL LIABILITIES	5,574,524	2,146,845
EQUITY		
Share capital (Note 8)	17,660,557	14,391,012
Share purchase warrants (Note 8)	2,640,748	2,748,943
Share purchase options (Note 9)	777,318	529,563
Contributed surplus	1,549,426	252,098
Deficit	(10,453,947)	(8,340,312)
Cumulative translation adjustment (Note 4)	(296,875)	-
TOTAL EQUITY	11,877,227	9,581,304
TOTAL LIABILITIES AND EQUITY	17,451,751	11,728,149

Going concern (Note 3)

Commitments (Note 6)

Events after the reporting date (Notes 12 and 13)

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

On behalf of the Board,

/s/ Guy Goulet

Guy Goulet, CEO and Director

/s/ Martin Wong

Martin Wong, Director

Maya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Comprehensive Loss

(in Canadian dollars)

	2nd quarter ended June 30,		Six-months ended June 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Expenses and other items				
Management and administration (Note 10)	480,140	472,745	1,144,254	1,170,156
General exploration and evaluation expenses	-	25,615	-	225,869
Cost of re-pricing warrants (Note 8)	721,257	-	721,257	-
Finance expense related to debentures	11,220	-	21,233	-
Net loss	(1,212,617)	(498,360)	(1,886,744)	(1,396,025)
Comprehensive income				
Foreign currency adjustment (Note 4)	(82,891)	-	(296,875)	-
Net loss and comprehensive loss	(1,295,508)	(498,360)	(2,183,619)	(1,396,025)
Basic and diluted loss per share	(0.02)	(0.01)	(0.03)	(0.03)
Weighted average number of shares - basic and diluted	69,045,868	47,897,821	65,571,143	40,042,848

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

Maya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(in Canadian dollars)

	Number of issued and outstanding shares	Share capital	Share purchase warrants	Share purchase options	Contributed surplus	Deficit	Cumulative translation adjustment	Total equity
		\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2011	60,546,967	14,391,012	2,748,943	529,563	252,098	(8,340,312)	-	9,581,304
Private placements (Note 8)	15,900,000	3,269,545	440,455	-	-	-	-	3,710,000
Share issue costs (Note 8)	-	-	27,421	-	-	(226,891)	-	(199,470)
Cost of re-pricing warrants (Note 8)	-	-	721,257	-	-	-	-	721,257
Expiry of warrants (Note 8)	-	-	(1,283,688)	-	1,283,688	-	-	-
Expiry of agent options (Note 8)	-	-	(13,640)	-	13,640	-	-	-
Share-based payments	-	-	-	247,755	-	-	-	247,755
Transactions with owners	15,900,000	3,269,545	(108,195)	247,755	1,297,328	(226,891)	-	4,479,542
Net loss for the period	-	-	-	-	-	(1,886,744)	-	(1,886,744)
Other comprehensive income								
Foreign currency translation adjustment (Note 4)	-	-	-	-	-	-	(296,875)	(296,875)
Balance as at June 30, 2012	76,446,967	17,660,557	2,640,748	777,318	1,549,426	(10,453,947)	(296,875)	11,877,227
Balance as at December 31, 2010	40,633,309	8,939,112	1,589,413	373,618	209,287	(4,998,390)	-	6,113,040
Private placements	6,985,978	2,397,808	745,883	-	-	-	-	3,143,691
Share issue costs	-	-	31,311	-	-	(231,039)	-	(199,728)
Shares issued for mining properties	1,555,555	622,222	-	-	-	-	-	622,222
Exercise of agent options	22,125	10,291	(1,441)	-	-	-	-	8,850
Cancellation of warrants	-	-	(31,311)	-	31,311	-	-	-
Share-based payments	-	-	-	91,618	-	-	-	91,618
Transactions with owners	8,563,658	3,030,321	744,442	91,618	31,311	(231,039)	-	3,666,653
Net loss and comprehensive loss for the period	-	-	-	-	-	(1,396,025)	-	(1,396,025)
Balance as at June 30, 2011	49,196,967	11,969,433	2,333,855	465,236	240,598	(6,625,454)	-	8,383,668

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

Maya Gold & Silver Inc.

Condensed Interim Consolidated Statements of Cash Flows

(in Canadian dollars)

	2nd quarter ended June 30,		Six-months ended June 30,	
	2012	2011	2012	2011
Cash flows provided by (used in)	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss	(1,212,617)	(498,360)	(1,886,744)	(1,396,025)
Adjustments				
Share-based payments	79,798	41,565	247,755	91,618
Depreciation	947	1,388	1,960	2,776
Cost of re-pricing warrants	721,257	-	721,257	-
Changes in working capital items (Note 11)	(365,766)	(38,824)	(191,750)	43,185
	(776,381)	(494,231)	(1,107,522)	(1,258,446)
INVESTING ACTIVITIES				
Acquisition of property and equipment	-	-	-	(788)
Increase in exploration and evaluation assets	(145,132)	(331,968)	(3,151,599)	(1,476,034)
	(145,132)	(331,968)	(3,151,599)	(1,476,822)
FINANCING ACTIVITIES				
Issuance of shares and warrants, net of issue costs	2,638,369	(61,484)	3,300,530	2,948,763
Issuance of debentures	640,000	-	1,000,000	-
Share capital and warrants to issue	(560,000)	-	-	-
Exercise of agent options	-	-	-	8,850
	2,718,369	(61,484)	4,300,530	2,957,613
Effect of exchange rate changes on cash held in foreign currencies	21,038	-	7,409	-
Net change in cash and cash equivalents	1,817,894	(887,683)	48,818	222,345
Cash and cash equivalents, beginning of period	136,345	1,460,596	1,905,421	350,568
Cash and cash equivalents, end of period	1,954,239	572,913	1,954,239	572,913

Supplemental cash flow information (Note 11)

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

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

1. GENERAL INFORMATION

Maya Gold & Silver Inc. ("Maya") and its subsidiaries (together the "Corporation") are at the exploration and evaluation stage and their operations include the acquisition, exploration, evaluation and development of mining properties. To date, the Corporation has not earned any revenue from mining operations. Maya's common shares are listed on the TSX Venture Exchange ("TSXV") under the symbol MYA.

All financial results in these consolidated financial statements are expressed in Canadian dollars unless otherwise indicated.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements follow the same accounting policies as the Company's most recent annual financial statements and are based on IFRS issued as of August 29, 2012, the date that the Company's Board of Directors approved these condensed interim consolidated financial statements.

These condensed interim consolidated financial statements do not contain all of the information and disclosures required for annual financial statements, and should be read in conjunction with the Corporation's annual audited consolidated financial statements for the years ended December 31, 2011 and 2010.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments and the value of issued securities. Differences may be material.

3. GOING CONCERN

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Corporation's ability to continue as a going concern as described in the following paragraph, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These condensed interim consolidated financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

3. GOING CONCERN (continued)

For the six months ended June 30, 2012, the Corporation reported a net loss of \$1,886,744 and has an accumulated deficit of \$10,453,947 at June 30, 2012. In addition to ongoing working capital requirements, the Corporation must secure sufficient funding to meet its existing commitments, including the balance of the purchase price of the Zgounder project and other related commitments described in Note 6, and pay for general and administration costs. As at June 30, 2012, the Corporation had a working capital of \$140,001, including cash and cash equivalents of \$1,954,239. Management estimates that these funds will not be sufficient to meet the Corporation's obligations and budgeted expenditures through the next 12 months. Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity, debt financing or other means. During the six-month period ended June 30, 2012, the Corporation raised funds of \$4,500,000 from private placements and non-convertible debentures to finance exploration and evaluation programs and for general corporate purposes. Subsequent to the period, the Corporation entered into an agreement for an additional private placement for cash proceeds of \$1,250,000 (Note 13). While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation or that they will be available on terms which are acceptable to the Corporation. If management is unable to obtain new funding, the Corporation may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these condensed interim consolidated financial statements.

4. CHANGE IN ACCOUNTING ESTIMATE

Functional currency

Until December 31, 2011, the functional currency of Compagnie Minière Maya-Maroc S.A.R.L. ("CMMM"), the Company's wholly-owned Moroccan subsidiary, was the Canadian dollar. On January 1, 2012, given the increased level of activity undertaken by the Company in Morocco and that amounts disbursed in Morocco are mostly denominated in the local currency, CMMM changed prospectively its functional currency from the Canadian dollar to the Moroccan dirham.

Effective January 1, 2012, assets, liabilities and transactions of CMMM are therefore translated into Canadian dollars on consolidation, whereby assets and liabilities are translated into Canadian dollars using the reporting date closing exchange rate. Income and expenses are translated into the Corporation's presentation currency at the average exchange rate over the reporting period. Exchange differences are presented as other comprehensive income and recognised in the currency translation adjustment reserve in equity.

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

5. PROPERTY AND EQUIPMENT

	Computers and other office equipment	Exploration and evaluation equipment	Vehicles	Total
	\$	\$	\$	\$
Cost				
Balance at December 31, 2011	70,286	466,877	82,390	619,553
Foreign exchange (Note 4)	(3,083)	(4,364)	(8,205)	(15,652)
Balance at June 30, 2012	67,203	462,513	74,185	603,901
Accumulated depreciation				
Balance at December 31, 2011	37,711	160,983	42,407	241,101
Depreciation	4,184	29,957	5,119	39,260
Foreign exchange (Note 4)	(1,008)	(5,197)	(2,692)	(8,897)
Balance at June 30, 2012	40,887	185,743	44,834	271,464
Carrying amounts				
At December 31, 2011	32,575	305,894	39,983	378,452
At June 30, 2012	26,316	276,770	29,351	332,437

A depreciation expense of \$1,960 (2011 - \$2,776) is included in the condensed interim consolidated statement of comprehensive loss and an amount of \$37,300 (2011 - \$50,408) was charged to deferred exploration and evaluation expenses.

Property and equipment are located as follows:

	Computers and other office equipment	Exploration and evaluation equipment	Vehicles	June 30, 2012 Total
	\$	\$	\$	\$
Canada – corporate office	13,800	-	-	13,800
Morocco	12,516	276,770	29,351	318,637
	26,316	276,770	29,351	332,437

Maya Gold & Silver Inc.
Notes to Condensed Interim Consolidated Financial Statements
June 30, 2012 (in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

Changes in exploration and evaluation assets were as follows:

	June 30, 2012	December 31, 2011
	\$	\$
Rights on mining properties		
Opening balance	4,627,618	1,300,050
Additions – for shares	-	797,223
Additions – for cash ¹	2,382,450	1,936,845
Additions – balance of purchase price payable	3,264,800	593,500
Foreign exchange (Note 4)	(131,341)	-
Ending balance	10,143,527	4,627,618
Advances for property acquisition and exploration and evaluation work		
Opening balance	245,806	646,074
Advances during the period ²	825,000	2,210,000
Applied on acquisition of rights and mining properties ²	(595,500)	(1,893,259)
Applied as deferred exploration and evaluation expenses	(226,019)	(717,009)
Foreign exchange (Note 4)	23,741	-
Ending balance	273,028	245,806
Deferred exploration and evaluation expenses		
Opening balance	4,473,618	3,620,368
Additions		
Salaries and benefits	33,384	178,880
Drilling and sampling	-	43,837
Geology and consulting	17,357	300,973
Supplies and others	101,550	34,323
Administrative	25,851	194,423
Depreciation	37,300	100,815
Foreign exchange (Note 4)	(196,466)	-
Ending balance	4,492,594	4,473,619
Balance, end of period	14,909,149	9,347,043

¹ In February 2012, the Corporation paid an amount of \$2,382,450 (20,000,000 dirham) as a deposit towards the acquisition of the Zgounder Silver project in Morocco.

² In April 2012, the final payment in the amount of \$595,500 (5,000,000 dirham), related to the acquisition of permit No. 183208 (Azegour), was made from the amount of advances available at June 30, 2012.

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation assets at June 30, 2012 are as follows:

	Mexico	Morocco	Total
	\$	\$	\$
Rights on mining properties	148,408	9,995,119	10,143,527
Advances for property acquisition and exploration and evaluation work	-	273,028	273,028
Deferred exploration and evaluation expenses	11,377	4,481,217	4,492,594
	159,785	14,749,364	14,909,149

Acquisition of the Zgounder Silver project

In January 2012, the Corporation and l'Office National des Hydrocarbures et des Mines ("ONHYM"), a Moroccan public institution, entered into an Assignment Agreement for the Zgounder Silver project. Under the terms of the Assignment Agreement, the Corporation acquired 85% of the Zgounder Silver project for total cash payments of \$5,647,250 (48,000,000 dirham), including an amount of \$2,382,450 (20,000,000 dirham) paid in February 2012, an amount of \$1,632,400 (14,000,000 dirham) payable in March 2013 and a final amount of \$1,632,400 (14,000,000 dirham) payable in September 2013. The transfer of the property will occur once a separate company has been established in Morocco for this purpose, to be held as to 85% by the Corporation and 15% by l'ONHYM, and a letter of credit has been subscribed to by the Corporation to the benefit of l'ONHYM, in the amount of \$326,480 (2,800,000 dirham), representing 10% of the balance of the purchase price of the project.

Under the terms of the Assignment Agreement, the Corporation also agreed to make an additional cash payment to l'ONHYM, no later than 6 months following the completion of a feasibility study and the decision to bring the project into production, which events are to occur no later than 24 months following the transfer of the property to the Corporation; such payment is to total \$1.5 million if the established mineral reserves are at least 10 million ounces of silver, \$3.0 million if the established mineral reserves exceed 20 million ounces of silver and \$4.0 million if the established mineral reserves exceed 30 million ounces of silver. The Corporation has also agreed to undertake a \$5.0 million exploration program to be spent within 24 months of the approval of the Assignment Agreement and to spend an amount of \$9.5 million in rehabilitation and development expenditures within 18 months of the approval of the Assignment Agreement. L'ONHYM will receive a 3% royalty on sales from the Zgounder project.

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

7. DEBENTURES

On February 13, 2012, April 5, 2012 and June 14, 2012 the Corporation completed financings of non-convertible debentures. The principal amount for each of the financing amounted to \$200,000, \$280,000 and \$580,000 respectively. All debentures will mature on December 31, 2013. The Corporation agreed to reimburse the principal amount of the debentures by the delivery of silver ingots produced by the Corporation on the basis of one silver ingot of 10 kg for each tranche of \$10,000 in capital. Should the Corporation not be in a position to deliver such silver ingots on the maturity date, the Corporation agreed to reimburse the principal amount of the debentures in cash, with interest at the rate of 5% per annum.

As part of the April 5, 2012 financing, debentures of \$60,000 were issued as settlement of a bonus payment due to a director and officer of the Corporation.

8. SHARE CAPITAL AND WARRANTS

Authorized

Unlimited number of common shares without par value.

Issuance of securities

The following table details private placements completed during the six-month period ended June 30, 2012:

	Number of units issued (1)	Shares issued	Proceeds (2)	Warrant exercise price (3) (4)	Expiry date of warrants
February 13, 2012	10	3,000,000	\$700,000	\$0.35	December 31, 2013
April 5, 2012	14	4,200,000	\$980,000	\$0.35	December 31, 2013
June 14, 2012	29	8,700,000	\$2,030,000	\$0.35	December 31, 2013
Total	53	15,900,000	\$3,710,000	\$0.35	

(1) Units were issued at a price of \$70,000 per unit. Each unit consists of 300,000 common shares and 150,000 common share purchase warrants. Each warrant entitles the holder thereof to purchase one common share of the Corporation at an exercise price of \$0.35, exercisable at any time on or before December 31, 2013. The securities issued under the private placement are subject to a four-month hold period.

(2) As part of the April 5, 2012 private placement, three units for a total amount of \$210,000 were issued as settlement of a bonus payment due to a director and officer of the Corporation.

(3) The warrants are subject to an accelerated expiry if, following the hold period of four months and one day from the closing date of the private placement, the weighted average trading price (as such term is defined in the TSXV Exchange Policies) of the common shares of the Corporation is equal to or greater than \$0.50 for any 20 consecutive trading days (after taking into account the change in strike price from \$1.00 to \$0.50 related to the February 13 and April 5, 2012 private placements (see detail of change in *Share purchase warrants* section)). In that event, the holder will be given notice that the warrants will expire within 30 days following the date of such notice.

(4) The exercise price of the warrants originally issued between March 4, 2011 and April 5, 2012 was amended from \$0.70 to \$0.35 per common share on June 14, 2012 (see detail of change in *Share purchase warrants* section).

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

8. SHARE CAPITAL AND WARRANTS (continued)

Issuance of securities (continued)

The fair value of the warrants issued was measured based on the Black-Scholes option pricing model. The following table details the fair value and the assumptions used for each private placement of 2012:

	Fair value	Volatility	Risk-free Interest rate	Expected dividend yield	Expected life
February 13, 2012	\$71,265	100%	1.1%	0%	1.9 year
April 5, 2012	\$92,050	100%	1.2%	0%	1.8 year
June 14, 2012	\$277,140	100%	1.1%	0%	1.5 year
Total	\$440,455				

In connection with the private placements completed in 2012, the Corporation paid finders' fees totaling \$171,100 to arm's length parties and issued 60,000 broker warrants, at an exercise price of \$0.35 per common share, exercisable at any time on or before December 31, 2013. The fair value of the broker warrants, estimated at \$27,421 was measured based on the Black-Scholes option pricing model using an expected volatility of 100%, a risk-free interest rate of 1.1%, an expected dividend yield of 0% and an expected life of 1.9 years. Other share issue costs totalled \$28,370.

Share purchase warrants

At June 30, 2012, the outstanding number of warrants exercisable into common shares is as follows:

	Number of warrants			Number of Warrants	Price per share	Expiry date
	Dec 31, 2011	Issued	Expired (1)	June 30, 2012		
Private placement – June 2009	2,386,779	-	(2,386,779)	-	-	-
Private placement – January 2010	4,079,625	-	(4,079,625)	-	-	-
Private placement – July 2010	4,000,800	-	(4,000,800)	-	-	-
Private placement – Sept 2010	2,000,000	-	(2,000,000)	-	-	-
Private placement – November 2010	5,438,428	-	-	5,438,428	0.40	Dec 2012
Private placement – March 2011	6,985,978	-	-	6,985,978	0.35	March 2013
Private placement – November 2011	5,400,000	-	-	5,400,000	0.35	Dec 2013
Broker warrants – November 2011	210,000	-	-	210,000	0.35	Dec 2013
Private placement – February 2012	-	1,500,000	-	1,500,000	0.35	Dec 2013
Broker warrants – February 2012	-	60,000	-	60,000	0.35	Dec 2013
Private placement – April 2012	-	2,100,000	-	2,100,000	0.35	Dec 2013
Private placement – June 2012	-	4,350,000	-	4,350,000	0.35	Dec 2013
	30,501,610	8,010,000	(12,467,204)	26,044,406	0.36	

(1) A total of 12,467,204 share purchase warrants granted in 2009 and 2010 expired unexercised in June 2012.

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

8. SHARE CAPITAL AND WARRANTS (continued)

Share purchase warrants (continued)

Re-pricing and change in acceleration clause of warrants

On June 14, 2012, the Corporation applied to the TSXV to reduce the exercise price of all its outstanding common share purchase warrants with an exercise price of \$0.70 per share. These warrants, which total 15,985,978, were originally issued between March 4, 2011 and April 5, 2012 as part of non-brokered private placements of the securities of the Corporation. The Corporation was seeking reduction of the exercise price of these warrants from \$0.70 to \$0.35, in line with the terms and conditions of the warrants issued on June 14, 2012. With the exception of those warrants issued in March 2011, the Corporation was also seeking to adjust the weighted average trading price of the common shares that triggers the accelerated expiry provisions of these warrants from \$1.00 to \$0.50, again in line with the terms and conditions of the warrants issued on June 14, 2012. The Corporation received TSXV approval related to these changes on June 18, 2012. Pursuant to the policies of the TSXV, the accelerated expiry provisions of those warrants issued in March 2011, being 6,985,978 warrants, would rather be amended to provide that the exercise period of such warrants will be reduced to 30 days if, for any 10 consecutive trading days during the unexpired term of such warrants, the closing price of the Corporation's common shares on the TSXV exceeds \$0.467. The 30 day period will begin 7 calendar days after such 10 consecutive trading day period.

Consequently, the resulting adjustment to the fair value of warrants in the amount of \$721,257 was charged to comprehensive loss during the 2nd quarter ended June 30, 2012. The adjustment was measured based on the Black-Scholes option pricing model using a volatility of 100%, a risk-free interest rate of 1.1%, an expected dividend yield of 0% and an expected life of 1.5 years.

Agent options

The 67,500 outstanding agent options at December 31, 2011 expired unexercised in January 2012. There are no remaining outstanding agent options at June 30, 2012.

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

9. SHARE PURCHASE OPTIONS

On March 6, 2012, the Board of Directors approved, subject to shareholder approval, an increase in the number of common shares reserved for issuance under the Corporation's fixed number stock option plan (the "Plan") from 4,000,000 to 7,000,000.

On March 6, 2012, the Corporation granted to directors, officers, employee and consultants, 1,560,000 share purchase options with a five year term. The share purchase options are exercisable at \$0.35 per share. A total of 390,000 of the share purchase options granted vested on the date of grant, 390,000 is scheduled to vest on September 6, 2012 and 780,000 will vest by March 6, 2013. The fair value of these share purchase options, estimated at \$0.20 per share, was calculated using the Black-Scholes option pricing model using an expected volatility of 100%, a risk-free interest rate of 1.7%, an expected dividend yield of 0% and an expected life of 5.0 years.

The following table reflects the share purchase options issued and outstanding at June 30, 2012:

Issue date	Number of options	Exercise price	Remaining contractual life (years)	Number of options exercisable
	Number	\$	Number	Number
April 2008	1,600,000	0.25	0.9	1,600,000
March 2009	50,000	0.40	0.5	50,000
July 2009	50,000	0.40	2.1	50,000
September 2009	200,000	0.40	2.2	200,000
October 2009	50,000	0.48	2.3	50,000
February 2010	150,000	0.40	2.6	150,000
July 2010	875,000	0.25	3.0	875,000
March 2011	250,000	0.45	3.7	250,000
June 2012	1,560,000	0.35	4.7	-
	4,785,000	0.31	2.8	3,225,000
Weighted average exercise price (\$)				0.29

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

10. MANAGEMENT AND ADMINISTRATION EXPENSES

	2 nd quarter ended June 30,		Six-months ended June 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Salaries and benefits	30,795	54,327	70,712	47,217
Bonuses	-	-	-	340,000
Consulting fees	125,512	121,707	309,579	232,024
Investor relations and travel	97,046	122,175	290,884	208,169
Share-based payments	79,798	41,565	247,755	91,618
Office	84,146	49,492	120,363	102,357
Professional fees	54,883	79,853	82,442	144,236
Regional office – Mexico	-	-	3,546	-
Reporting issuer costs	7,013	-	17,013	-
Depreciation	947	1,388	1,960	2,776
Loss on foreign exchange	-	2,238	-	1,759
	480,140	472,745	1,144,254	1,170,156

11. SUPPLEMENTAL CASH FLOW INFORMATION

	2 nd quarter ended June 30,		Six-months ended June 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Changes in working capital items				
Sales taxes receivable	(60,499)	19,673	(59,905)	(16,185)
Prepaid expenses	(110,931)	23,956	(99,593)	41,170
Accounts payable and accrued liabilities	(194,336)	(82,453)	(32,252)	18,200
	(365,766)	(38,824)	(191,750)	43,185

Non-cash transactions

Balance of purchase price of the Zgounder project (Note 6)	3,264,800	-	3,264,800	-
Exploration and evaluation assets included in payable and accruals	-	1,184,894	-	1,184,894
Share issue for the acquisition of exploration and evaluation assets	-	822,222	-	822,222
Share issue costs included in accounts payable and accruals	-	4,800	-	4,800
Units issued in lieu of a bonus payment	210,000	-	210,000	-
Debentures issued in lieu of a bonus payment	60,000	-	60,000	-
Share issue expenses – broker warrants and agent options	-	31,311	27,421	31,311
Depreciation included in exploration and evaluation assets	18,236	25,808	37,300	50,408

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

12. RELATED PARTY TRANSACTIONS

In the normal course of operations, for the six-month period ended June 30, 2012 and 2011:

- a) A firm, of which a director of the Corporation is a partner, charged professional fees amounting to \$26,811 recorded as professional fees and share issue expenses. (\$5,641 in 2011 recorded as professional fees);
- b) A company controlled by a director, who is also an officer of the Corporation, charged fees of nil in 2012 (\$12,000 in 2011 recorded as general exploration and evaluation expenses);
- c) A company controlled by an officer, who is also a director of the Corporation, charged consulting fees of \$100,000 (\$121,667 in 2011);
- d) A company controlled by an officer charged professional fees of \$11,660 in 2012 recorded as professional fees (\$18,839 in 2011 recorded as consulting fees);
- e) Glowat SARL ("Glowat"), a Moroccan private company owned by a party related to an officer who is also director of the Corporation, charged as part of a project management agreement, management and service fees of \$37,550 which were capitalized to exploration and evaluation assets (\$27,545 in 2011);
- f) An officer who is also a director of the Corporation received in April 2012, in lieu of a bonus payment, 3 units at a price of \$70,000 per unit as describe in note 8a) and debentures for a principal amount of \$60,000 as describe in note 7 for a total of \$270,000;
- g) An officer of the Corporation charged consulting fees of \$17,496 (nil in 2011).

In July 2012, the Corporation advanced an amount of \$238,365 to an officer who is also a director of the Corporation. This advance is non-interest bearing and repayable on demand. During the six-month period ended June 30, 2012, the Corporation advanced \$825,000 to Glowat for the acquisition of mining rights and exploration and evaluation work (\$1,250,000 in 2011). As at June 30, 2012, the remaining advances to Glowat amounted to \$273,028 (\$245,806 as at December 31, 2011), which is included in exploration and evaluation assets. As at June 30, 2012, the balance due to the related parties amounted to \$70,389 (\$19,505 at December 31, 2011). This amount is subject to the same conditions as those of non related parties.

Remuneration of key management personnel of the Corporation

The remuneration of key management personnel, including all directors and officers, is as follows:

	2 nd quarter ended June 30,		Six-months ended June 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Salaries and benefits, bonuses and management consulting fees	107,496	144,500	217,496	587,334
Share-based payment	62,385	-	195,931	117,055
	169,881	144,500	413,427	704,389

Maya Gold & Silver Inc.

Notes to Condensed Interim Consolidated Financial Statements

June 30, 2012 (in Canadian dollars)

13. EVENT AFTER THE REPORTING DATE

On July 12, 2012, the Corporation entered into a share exchange agreement (the "Exchange Agreement") and a subscription agreement (the "Subscription Agreement") with AIM-listed Praetorian Resources Limited ("Praetorian").

Pursuant to the Exchange Agreement, the Corporation issued to Praetorian 7,000,000 common shares of its share capital at a deemed issue price of \$0.25 per common share (for a total deemed value of \$1,750,000) and will issue to Praetorian 3,500,000 share purchase warrants, enabling Praetorian to purchase one additional common share of the Company at a price of \$0.35 per share, in exchange for 2,185,315 ordinary shares of Praetorian at a price of £0.50 per ordinary share, and 1,092,657 subscription shares of Praetorian. Each subscription share of Praetorian entitles Maya to purchase one additional ordinary share of Praetorian at a price of £0.70 per share, payable in full on subscription. The expiry date for conversion is the last business day in July 2015. The common shares issued by the Corporation under the Exchange Agreement are subject to a four-month hold period, expiring in November 2012

Pursuant to the Subscription Agreement, Praetorian has agreed to subscribe for 5,000,000 units of Maya at a price of \$0.25 per unit for total proceeds to Maya of \$1,250,000. The 5,000,000 units shall be issued to Praetorian at closing of the said private placement.