



**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**3<sup>rd</sup> quarter ended September 30, 2017**

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) (Unaudited)

	September 30, 2017	December 31, 2016
	\$	\$
<b>ASSETS</b>		
Current		
Cash	1,815,305	4,266,854
Sales taxes receivable	1,173,997	1,000,446
Inventories	1,898,009	1,947,176
Prepaid expenses and security deposits	95,230	365,982
	4,982,541	7,580,458
Non-current		
Restricted investment	20,000	20,000
Advance to related parties	-	80,477
Non-refundable deposits to suppliers	242,583	502,982
Property, plant and equipment (Note 4)	19,418,927	19,299,124
Exploration and evaluation assets (Note 5)	4,767,613	4,707,871
<b>TOTAL ASSETS</b>	<b>29,431,664</b>	<b>32,190,912</b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	3,962,885	3,107,803
Interest and net profit interest payable to a related party (Note 13)	413,243	607,324
Balance of purchase price payable (Note 5)	2,734,497	2,597,489
Long-term debt (Note 6)	104,633	96,345
Convertible debentures (Note 7)	-	3,004,566
	7,215,258	9,413,527
Non-current		
Balance of purchase price payable (Note 5)	1,130,285	1,024,148
Long-term debt (Note 6)	7,475,298	8,116,677
Asset retirement obligations	985,908	977,779
<b>TOTAL LIABILITIES</b>	<b>16,806,749</b>	<b>19,532,131</b>
<b>EQUITY</b>		
Share capital (Note 8)	47,766,518	45,714,774
Share purchase warrants (Note 8)	3,165,772	2,967,266
Share purchase options (Note 9)	1,257,575	1,724,575
Equity component of convertible debentures	-	2,013,721
Contributed surplus	6,861,204	4,415,483
Deficit	(45,998,485)	(43,840,800)
Accumulated other comprehensive loss	(427,669)	(336,238)
<b>TOTAL EQUITY</b>	<b>12,624,915</b>	<b>12,658,781</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>29,431,664</b>	<b>32,190,912</b>

Going concern (Note 2), Event after the reporting date (Note 15)  
The accompanying notes are an integral part of these condensed interim consolidated financial statements.

On behalf of the Board,

/s/ Nouredine Mokaddem  
Nouredine Mokaddem, President & CEO and Director

/s/ Patrick Musampa  
Patrick Musampa, Chief Financial Officer

# Maya Gold & Silver Inc.

## Condensed Interim Consolidated Statements of Comprehensive Loss

(in Canadian dollars) (Unaudited)

	Three-month period ended		Nine-month period ended	
	September 30,		September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Expenses and other items</b>				
Management and administration (Note 10)	231,748	314,409	991,106	1,135,451
Investor relations and corporate development	31,889	39,275	141,872	121,391
Loss (gain) on foreign exchange	40,351	(233,080)	(301,720)	822,860
<b>Operating loss for the period</b>	<b>303,988</b>	120,604	<b>831,347</b>	2,079,702
Royalties	53,535	88,483	225,779	251,119
Net profit interest to a related party (Note 13)	78,975	107,014	329,320	325,777
Change in fair value of marketable securities	-	-	-	12,723
Gain on disposal of marketable securities	-	-	-	(4,580)
Finance expense	272,572	214,721	506,907	766,391
Gain on extinguishment of debt	-	-	-	(709,571)
<b>Loss before income taxes</b>	<b>709,070</b>	530,822	<b>1,893,353</b>	2,721,561
Income tax expense	(18,705)	-	222,065	-
<b>Net loss for the period</b>	<b>690,365</b>	530,822	<b>2,115,418</b>	2,721,561
<b>Other comprehensive loss</b>				
<b>Items that will subsequently be reclassified to net loss:</b>				
Foreign currency translation of foreign subsidiaries	(160,691)	192,405	91,431	(430,851)
	(160,691)	192,405	91,431	(430,851)
<b>Comprehensive loss for the period</b>	<b>529,674</b>	723,227	<b>2,206,849</b>	2,290,710
Basic and diluted loss per common share for the period	0.00	0.00	0.01	0.01
Weighted average number of shares - basic and diluted	211,573,247	198,667,877	209,495,197	182,488,512

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) (Unaudited)

	Number of issued and outstanding shares	Share capital	Share purchase warrants	Share purchase options	Equity component of convertible debentures	Contributed surplus	Deficit	Accumulated other comprehensive loss	Total equity
		\$	\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2016	199,339,616	45,714,774	2,967,266	1,724,575	2,013,721	4,415,483	(43,840,800)	(336,238)	12,658,781
Issuance of units (Note 8a)	11,538,460	1,159,812	340,188	-	-	-	-	-	1,500,000
Maturity of convertible debentures	-	-	-	-	(2,013,721)	2,013,721	-	-	-
Share issue costs	-	-	-	-	-	-	(42,267)	-	(42,267)
Warrants exercised (Note 8)	4,301,666	786,932	(141,682)	-	-	-	-	-	645,250
Share purchase options exercised (Note 9)	200,000	105,000	-	(35,000)	-	-	-	-	70,000
Share purchase options expired (Note 9)	-	-	-	(432,000)	-	432,000	-	-	-
	215,379,742	47,766,518	3,165,772	1,257,575	-	6,861,204	(43,883,067)	(336,238)	14,831,764
Net loss for the period	-	-	-	-	-	-	(2,115,418)	-	(2,115,418)
Other comprehensive loss	-	-	-	-	-	-	-	(91,431)	(91,431)
Comprehensive loss for the period	-	-	-	-	-	-	(2,115,418)	(91,431)	(2,206,849)
<b>Balance as at September 30, 2017</b>	<b>215,379,742</b>	<b>47,766,518</b>	<b>3,165,772</b>	<b>1,257,575</b>	<b>-</b>	<b>6,861,204</b>	<b>(45,998,485)</b>	<b>(427,669)</b>	<b>12,624,915</b>
Balance as at December 31, 2015	156,867,116	41,265,911	2,095,215	1,832,830	2,013,721	4,225,842	(39,167,625)	(1,023,360)	11,242,534
Issuance of units	40,672,500	3,729,398	1,254,302	-	-	-	-	-	4,983,700
Share issue costs	-	-	-	-	-	-	(130,865)	-	(130,865)
Share issue as per Long-term Incentive Plan	1,800,000	243,000	-	-	-	-	-	-	243,000
Share purchase options expired	-	-	(72,586)	(117,055)	-	189,641	-	-	-
Share-based payments (Note 9)	-	-	-	8,800	-	-	-	-	8,800
	199,339,616	45,238,309	3,276,931	1,724,575	2,013,721	4,415,483	(39,298,490)	(1,023,360)	16,347,169
Net loss for the period	-	-	-	-	-	-	(2,721,561)	-	(2,721,561)
Other comprehensive loss	-	-	-	-	-	-	-	430,851	430,851
Comprehensive loss for the period	-	-	-	-	-	-	(2,721,561)	430,851	(2,290,710)
<b>Balance as at September 30, 2016</b>	<b>199,339,616</b>	<b>45,238,309</b>	<b>3,276,931</b>	<b>1,724,575</b>	<b>2,013,721</b>	<b>4,415,483</b>	<b>(42,020,051)</b>	<b>(592,509)</b>	<b>14,056,459</b>

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

# Maya Gold & Silver Inc.

## Consolidated Statements of Cash Flows

(in Canadian dollars)

	Three-month period ended		Nine-month period ended	
	September 30,		September 30,	
	2017	2016	2017	2016
Cash flows provided by (used in)	\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net loss for the period	(690,454)	(530,822)	(2,115,418)	(2,721,561)
Adjustments for non-cash items				
Share-based payments	-	-	-	251,800
Finance expense	74,820	113,040	262,488	322,732
Unrealized loss (gain) on foreign exchange	(142,811)	(148,548)	(651,681)	881,859
Change in fair value of marketable securities	-	-	-	12,723
Gain on disposal of marketable securities	-	-	-	(4,580)
Gain on extinguishment of debt	-	-	-	(709,571)
Changes in working capital items (Note 12)	296,069	103,317	(61,913)	(1,035,721)
	(462,377)	(463,013)	(2,566,525)	(3,002,319)
<b>INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment	(2,219,994)	(2,559,694)	(7,054,328)	(7,132,709)
Silver sales	1,709,941	2,016,203	8,180,594	8,017,430
Acquisition of exploration and evaluation assets	(34,361)	-	(59,742)	-
Proceed from sale of marketable securities	-	-	-	43,633
	(544,414)	(543,491)	1,066,524	928,354
<b>FINANCING ACTIVITIES</b>				
Share issue costs	(21,990)	-	(42,267)	-
Demand promissory note to a related party	-	(1,058,933)	-	(4,095,684)
Repayment of convertible debentures	-	-	(3,050,000)	-
Long-term debt	(24,533)	1,866,774	(74,531)	6,811,117
Issuance of shares and warrants	-	1,346,370	1,500,000	4,852,835
Proceeds from exercise of warrants and share purchase options	715,250	-	715,250	-
	668,727	2,154,211	(951,548)	7,568,268
<b>Net change in cash</b>	<b>(332,064)</b>	<b>1,147,707</b>	<b>(2,451,549)</b>	<b>5,494,303</b>
Cash, beginning of period	2,153,369	4,722,923	4,266,854	376,327
<b>Cash, end of period</b>	<b>1,815,305</b>	<b>5,870,630</b>	<b>1,815,305</b>	<b>5,870,630</b>

Supplemental cash flow information (Note 12)

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

September 30, 2017 (in Canadian dollars) (Unaudited)

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### 1. GENERAL INFORMATION

Maya Gold & Silver Inc. ("Maya") was incorporated on December 19, 2007 under the Canada Business Corporations Act and is listed on the TSX Venture Exchange ("TSXV") under the symbol "MYA". Maya's registered office is located at Suite 2901, 1 Place Ville-Marie, Montreal, Quebec, Canada.

Maya and its subsidiaries (together the "Corporation") are at the development stage for its Zgounder project and at exploration and evaluation stage for the other projects in Morocco. Their operations include the acquisition, exploration, evaluation and development of mining properties.

The Corporation's Zgounder mine in Morocco, is in the development phase and is currently being commissioned. The Zgounder property is held by Zgounder Millenium Silver Mining S.A ("ZMSM"), which is owned 85% by the Corporation and 15% by L'Office National des Hydrocarbures et des Mines ("ONHYM").

The Corporation has not yet determined whether its other projects contain ore resources that are economically recoverable. The recoverability of amounts shown as exploration and evaluation assets are dependent upon the existence of reserves on these properties, the ability to obtain all required permits, the ability of the Corporation to obtain necessary financing to complete the development of those projects and upon future profitable production from these projects or sufficient proceeds from their disposal thereof. The Corporation will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

### 2. 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 adjustments 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.

For the nine-month period ended September 30, 2017, the Corporation reported a net loss of \$2,115,418 [2016 - \$2,721,561] and a comprehensive loss of \$2,206,849 [2016 - \$2,290,710]. As at September 30, 2017, the Corporation had an accumulated deficit of \$45,998,485 [December 31, 2016 - \$43,840,800] and a negative working capital of \$2,232,713 [December 31, 2016 - \$1,833,069], including cash of \$1,815,305 [December 31, 2016 - \$4,266,854]. Management estimates that these funds will not be sufficient to meet the Corporation's obligations and budgeted expenditures through the next 12 months. In addition to ongoing working capital requirements, the Corporation must secure sufficient funding to meet its existing commitments, including future payments to acquire mineral properties and conduct minimum exploration and evaluation programs, pursue its mining development at Zgounder and pay for general and administration costs.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

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### 2. GOING CONCERN (continued)

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 nine-month period ended September 30, 2017, the Corporation raised proceeds of \$1,500,000 from the issuance of units (2016 - \$4,983,700 from the issuance of units and US\$6,000,000 drawn down from its debt agreement that was closed in 2015) to finance exploration and evaluation programs, development of a mining property and for general corporate purposes.

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. There is no guarantee that the Corporation will be able to raise additional financing to continue the development of its activities, however management has the ability to scale back spending activity to levels of internally generated surplus cash-flow from operations.

### 3. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

The condensed interim consolidated financial statements of the Company for the nine-month periods ended September 30, 2017 and 2016 have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. The same accounting policies and methods of computation were followed in the preparation of these condensed interim consolidated financial statements as were followed in the preparation of the consolidated financial statements for the year ended December 31, 2016 except for the new standards and interpretations effective January 1, 2017. These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2016 which have been prepared in accordance with IFRS.

The Audit Committee approved these condensed interim consolidated financial statements, effective November 21, 2017.

The preparation of these condensed interim consolidated 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. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.



# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

### 4. PROPERTY, PLANT AND EQUIPMENT

	Computers, equipment and office furniture	Exploration and evaluation equipment	Mining assets under construction	Vehicles	Total
	\$	\$		\$	\$
<b>Cost</b>					
Balance at January 1, 2016	38,777	435,508	20,755,099	27,521	21,256,905
Additions	-	-	10,254,267	-	10,254,267
Silver sales	-	-	(10,750,614)	-	(10,750,614)
Changes in asset retirement obligations	-	-	65,308	-	65,308
Foreign exchange	-	-	(1,024,936)	-	(1,024,936)
<b>Balance at December 31, 2016</b>	<b>38,777</b>	<b>435,508</b>	<b>19,299,124</b>	<b>27,521</b>	<b>19,800,930</b>
Additions	-	-	8,298,084	-	8,298,084
Silver sales	-	-	(8,180,594)	-	(8,180,594)
Foreign exchange	-	-	2,313	-	2,313
<b>Balance at September 30, 2017</b>	<b>38,777</b>	<b>435,508</b>	<b>19,418,927</b>	<b>27,521</b>	<b>19,920,733</b>
<b>Accumulated depreciation</b>					
Balance at January 1, 2016, December 31, 2016 and September 30, 2017	38,777	435,508	-	27,521	501,806
<b>Carrying amounts</b>					
At December 31, 2016	-	-	19,299,124	-	19,299,124
At September 30, 2017	-	-	19,418,927	-	19,418,927

Since the Zgounder property is in development stage, the mining assets under construction were not amortized in the periods presented.

All property, plant and equipment is located in Morocco.

The mining assets under construction include equipment under finance lease of 3,000,000 dirham (\$397,500).

Additions to mining assets under construction during the nine-month period ended September 30, 2017 include an amount of \$601,711 [Year ended December 31, 2016 - \$672,979] related to capitalized interests

**Maya Gold & Silver Inc.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2017** (in Canadian dollars) (Unaudited)

**5. EXPLORATION AND EVALUATION ASSETS**

During the nine-month period ended September 30, 2017 and the year ended December 31, 2016, changes in exploration and evaluation assets were as follows:

	September 30, 2017	December 31, 2016
	\$	\$
<b>Rights on mining properties</b>		
Balance, beginning of the period	4,438,257	4,438,257
Additions	-	-
Balance, end of the period	4,438,257	4,438,257
<b>Deferred exploration and evaluation expenses</b>		
Balance, beginning of the period	269,614	113,174
Additions		
Geology and consulting	-	6,648
Administrative	59,742	149,792
Balance, end of the period	329,356	269,614
<b>Total</b>	<b>4,767,613</b>	<b>4,707,871</b>

All exploration and evaluation assets are located in Morocco.

**a) Boumadine project**

In February 2013, the Corporation and L'ONHYM, a Moroccan state institution, entered into an Agreement for the Boumadine polymetallic deposit (the "Convention"). Under the terms of the Convention, the Corporation acquired 85% of the Boumadine project for total cash payments of 28,000,000 dirham (\$3,680,600), comprising the following instalments:

- 6,000,000 dirham (\$719,400) paid by Global Works, Assistance and Trading S.A.R.L ("Glowat"), a related party company acting as project manager on behalf of the Corporation,
- 6,000,000 dirham (\$812,400) also paid in February 2014 by Glowat on behalf of the Corporation,
- 6,000,000 dirham (\$805,800) originally payable in February 2015 but now postponed to December 2017,
- 10,000,000 dirham (\$1,343,000) originally payable in February 2016 but now postponed to December 2018

In addition, an amount of 15,000,000 dirham (\$2,014,500) which relates to past expenses incurred by the seller is payable when a subsidiary will be created and the property be transferred to this new subsidiary. Also, this amount can be applied as a capital contribution of the future subsidiary, at the seller's request.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

### 5. EXPLORATION AND EVALUATION ASSETS (continued)

The transfer of the property will occur once all the following are complete:

- a separate company owned at 85% by the Corporation and 15% by ONHYM has been established in Morocco under the terms of the Convention,
- a letter of credit amounting to 2,200,000 dirham (\$295,460) has been issued by the Corporation to the benefit of OHNYM, and
- all cash payments have been completed.

#### b) Balance of purchase price payable related to acquisition of Boumadine property

	September 30, 2017	December 31, 2016
	\$	\$
Balance at beginning of the period	3,621,637	4,290,268
Accretion expense	208,925	238,869
Gain on extinguishment of debt	-	(709,571)
Foreign exchange	34,220	(197,929)
Balance at end of the period	3,864,782	3,621,637
Current portion	2,734,497	2,597,489
Non-current portion	1,130,285	1,024,148

### 6. LONG-TERM DEBT

	September 30, 2017	December 31, 2016
	\$	\$
Loan (\$US6,000,000)	7,364,618	7,923,834
Obligation under finance lease	215,313	289,188
	7,579,931	8,213,022
Current portion	104,633	96,345
Non-current portion	7,475,298	8,116,677

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

### 6. LONG-TERM DEBT (continued)

The instalments on debt for the forthcoming years are as follows:

	Loan	Obligation under finance lease
	\$	\$
2017	-	112,702
2018	-	112,702
2019	3,375,450	18,784
2020	3,375,450	-
2021	613,718	-
Total minimum payments	7,364,618	244,188
Amounts included in minimum payments - interest		(28,875)
		215,313

### 7. CONVERTIBLE DEBENTURES

	September 30, 2017	December 31, 2016
	\$	\$
Balance at beginning of the period	3,004,566	2,800,393
Accretion expense	45,434	204,173
Repayments	(3,050,000)	-
Balance at end of the period	-	3,004,566
Current portion	-	3,004,566
Non-current portion	-	-

During the nine-month period ended September 30, 2017, all remaining convertible debentures reached maturity and as at March 31, 2017 the conversion rights associated with all of the remaining unpaid convertible debentures had expired. Accordingly, the Corporation transferred the balance in equity component of convertible debentures in the condensed interim consolidated statement of changes in equity, amounting to \$2,013,721, to contributed surplus.

**Maya Gold & Silver Inc.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2017** (in Canadian dollars) (Unaudited)

**8. SHARE CAPITAL**

**Authorized**

Unlimited number of common shares without par value.

**a) Common Shares**

**Issuances during the nine-month period ended September 30, 2017**

In March 2017, the Corporation completed a private placement of 11,538,460 units at \$0.13 per unit for a total cash consideration of \$1,500,000. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to subscribe to one common share of the Corporation at a price of \$0.20 until September 2018. Four directors of the Corporation purchased a total of 10,384,616 units. An amount of \$340,188 was allocated to the share purchase warrants.

The fair value of the warrants was determined based on the Black-Scholes option pricing model using an expected volatility of 76%, a risk-free interest rate of 0.87%, and expected dividend yield of 0% and an expected life of 18 months.

In connection with the private placement, financing costs consisting of cash payments totaled \$20,277.

**b) Share purchase warrants**

The outstanding warrants as at September 30, 2017 and December 31, 2016 and the respective changes during the nine-month period and year then ended are summarized as follows:

	<b>Nine-month period ended</b>		<b>Year ended</b>	
	<b>September 30, 2017</b>		<b>December 31, 2016</b>	
	Number	Weighted average exercise price (\$)	Number	Weighted average exercise price (\$)
Balance, beginning of period	73,586,598	0.24	31,314,098	0.36
Private placement	11,538,460	0.20	40,672,500	0.15
Issuance related to modifications of the terms of the loan	-	-	4,000,000	0.28
Exercised	(4,301,666)	0.15	-	-
Expired	-	-	(2,400,000)	0.50
<b>Balance, end of period</b>	<b>80,823,392</b>	<b>0.24</b>	<b>73,586,598</b>	<b>0.24</b>

During the period ended September 30, 2017, a total of 4,301,666 warrants were exercised at a price of \$0.15 per common share, while the closing market prices of the shares was between \$0.19 and \$0.39.

**Maya Gold & Silver Inc.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**September 30, 2017** (in Canadian dollars) (Unaudited)

**8. SHARE CAPITAL** (continued)

At September 30, 2017, the outstanding number of warrants exercisable into common shares is as follows:

	Number of warrants December 31, 2016	Issued	Exercised	Number of warrants September 30, 2017	Exercise price	Expiry date
Private placement- September 2015	1,430,000	-	-	<b>1,430,000</b>	0.35	September 2018
Broker warrants – September 2015	85,800	-	-	<b>85,800</b>	0.35	September 2018
Issuance related to conversion of debentures	27,398,298	-	-	<b>27,398,298</b>	0.35	July 2018
Private placement – March 2016	30,372,500	-	(4,301,666)	<b>26,070,834</b>	0.15	March 2018
Private placement – July 2016	10,300,000	-	-	<b>10,300,000</b>	0.17	June 2019
Issuance related to modification of terms of the loan	4,000,000	-	-	<b>4,000,000</b>	0.28	November 2019
Private placement – March 2017	-	11,538,460	-	<b>11,538,460</b>	0.20	September 2018
	<b>73,586,598</b>	<b>11,538,460</b>	<b>(4,301,666)</b>	<b>80,823,392</b>		

**9. SHARE PURCHASE OPTIONS**

The outstanding options as at September 30, 2017 and December 31, 2016 and the respective changes during the nine-month period and year then ended are summarized as follows:

	Nine-month period ended September 30, 2017		Year ended December 31, 2016	
	Number	\$ <sup>(1)</sup>	Number	\$ <sup>(1)</sup>
Balance, beginning of the period	<b>8,210,000</b>	<b>0.40</b>	8,310,000	0.40
Granted	-	-	250,000	0.25
Exercised	<b>(200,000)</b>	<b>0.35</b>	-	-
Expired	<b>(2,185,000)</b>	<b>0.36</b>	(350,000)	0.45
Balance, end of the period	<b>5,825,000</b>	<b>0.41</b>	8,210,000	0.40

(1) Weighted average exercise price

During the period ended September 30, 2017, a total of 200,000 share purchase options were exercised at a price of \$0.35 per common share, while the market prices of the shares was \$0.35.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

### 9. SHARE PURCHASE OPTIONS (continued)

The following table reflects the share purchase options issued and outstanding at September 30, 2017:

Issue date	Number	Exercise	Remaining	Number of options
	of options	price	contractual life (years)	Options exercisable
	Number	\$	Number	Number
March 2013	3,025,000	0.35	0.29	3,025,000
July 2013	50,000	0.35	0.75	50,000
May 2014	2,500,000	0.50	1.58	2,500,000
May 2016	250,000	0.25	0.50	250,000
	5,825,000	0.41	0.84	5,825,000

### 10. MANAGEMENT AND ADMINISTRATION EXPENSES

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Salaries and benefits	100,423	198,196	275,349	456,101
Consulting fees	5,477	39,958	304,519	117,769
Share-based payments	-	-	-	251,800
Office	15,142	44,787	116,702	125,058
Professional fees	102,313	7,076	259,748	125,429
Reporting issuer costs	8,393	24,392	34,788	59,294
	231,748	314,409	991,106	1,135,451

### 11. FINANCIAL INSTRUMENTS

Current financial instruments are represented by cash, advance to related parties, restricted investment, accounts payable and accrued liabilities (except salaries and employee benefits) and interest and net profit interest payable to a related party. Their carrying values are considered to be a reasonable approximation of their fair value because of their short-term maturity and /or contractual terms of these instruments.

The fair values of the balance of purchase price payable for the acquisition of the Boumadine property, obligation under finance lease and the loan are not materially different from their carrying values as there was no material change in the assumptions used for fair value determination at inception. Therefore, its principal amount approximates its fair value.

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

### 12. SUPPLEMENTAL CASH FLOW INFORMATION

	Three-month period ended		Nine-month period ended	
	September 30,		September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Changes in working capital items</b>				
Sales taxes receivable	92,387	11,182	(171,348)	(176,421)
Inventories	(135,120)	(624,927)	53,585	(251,193)
Prepaid expenses and security deposits	155,008	(40,929)	268,299	(27,080)
Advances to related parties	3,137	6,561	79,099	10,959
Accounts payable and accrued liabilities	21,465	(751,430)	(97,467)	(591,986)
Interest and net profit interest payable to a related party	159,192	-	(194,081)	-
	<b>296,069</b>	103,317	<b>(61,913)</b>	(1,035,721)
<b>Non-cash transactions</b>				
Finance expense recorded in property, plant and equipment	-	-	353,557	-
Variation of unpaid additions of property, plant and equipment	501,142	-	952,973	-
Non-refundable deposits to suppliers reclassified to property, plant and equipment	132,500	-	264,723	-
Additions of property, plant and equipment paid	-	(1,001,009)	-	(1,001,009)
Common shares issued pursuant to the long-term incentive plan	-	-	-	243,000
<b>Interest paid</b>				
Interest paid, included in operating activities	-	110,843	46,667	443,659
Interest paid, included in investing activities	-	17,063	353,557	175,033



# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

### 13. RELATED PARTY TRANSACTIONS

In the normal course of operations, for the nine-month period ended September 30, 2017 and 2016:

- A firm, of which a director of the Corporation is a partner, charged professional fees amounting to 49,474 recorded as issuance costs and \$19,857 recorded as professional fees (\$91,053 recorded as professional fees and issuance costs issuance in 2016);
- Glowat, a private company owned by a party related to an officer and director of the Corporation, charged as part of a project management agreement, management and service fees of \$nil which were capitalized to exploration and evaluation assets (2016 - \$19,512), a net profit interest expense of \$329,320 (2016 - \$325,777) and interest of \$nil (2016 - \$162,010);
- A former director and former officer charged consulting fees through a company which he is owner \$303,333 (2016 – nil).
- A former officer of the Corporation charged consulting fees of \$73,311 (\$93,750 in 2016).

In March 2017, a director of the Corporation acquired a portion of the interest and net profit interest payable owed to Glowat for an amount of \$300,000 equivalent to the net book of this portion. The Corporation repaid in full the debt in March 2017.

During the nine-month period ended September 30, 2017, the Corporation paid \$300,000 to Glowat in settlement of amounts owing. As at September 30, 2017, the Corporation had a liability to Glowat amounting to \$413,243 (2016 – 491,711).

As at September 30, 2017, the balance due to related parties (excluding the accounts payable and accrued liabilities to Glowat which is presented separately in the condensed interim consolidated statements of financial position) amounted to \$67,806 (2016 - \$48,755). This amount is subject to the same conditions as those of non-related parties.

#### Remuneration of key management personnel of the Corporation

Key management included members of the Board of Directors and executive officers of the Corporation consisting of the Chief Executive Officer, President and Chief Financial Officer. The remuneration awarded to key management personnel is as follows:

	Three-month period ended September 30,		Nine-month period ended September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Salaries and benefits and bonuses	71,163	215,165	278,875	487,925
Management consulting and professional fees	86,196	39,234	396,630	204,315
Directors fees	4,421	7,527	29,129	49,612
Share-based payments	-	-	-	251,800
	161,780	261,926	704,634	993,652

# Maya Gold & Silver Inc.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2017 (in Canadian dollars) (Unaudited)

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### 14. CONTINGENCY

On July 2014, Société d'Exploration Géologique des Métaux ("SEGM") filed a lawsuit against the wholly-owned subsidiary of the Corporation in Morocco, alleging that SEGM, beneficiary of a 2.5% net smelter return royalty on the Amizmiz property, suffered damage resulting from the Corporation not having started production at its Amizmiz property. The Corporation is of the position that it has complied with all of its obligations and has made all requested work on the property. At this stage, the results of the work programs concluded do not justify the start of production on the Amizmiz property. The Corporation contested this lawsuit, which it considered unfounded. The Corporation also has filed a counterclaim against SEGM, alleging that the acquisition of this property was made on the basis of a technical report delivered by SEGM that was misleading as to the advancement of the work programs on the property. The Corporation claims reimbursement for all expenses incurred on the Amizmiz property.

In 2015, the court required that a technical expert rule on the situation. In 2016 the court rejected the SEGM claim and asked both parties to come to an agreement. Later in 2016, SEGM lodged an appeal and the case is currently under review by the Cessation Court for a final decision.

### 15. EVENT AFTER THE REPORTING DATE

Since September 30, 2017, 625,000 Common Share purchase warrants were exercised. Following these exercises, the Corporation received an aggregate amount of \$93,750.