

Calibre Reports Strong First Quarter 2021 Production and Costs, Including Initial High-Grade Ore Delivery from Pavon Norte

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VANCOUVER, May 03, 2021 - [Calibre Mining Corp.](#) (TSX: CXB; OTCQX: CXBMF) ("Calibre" or the "Company") announces financial and operational results for the three months ended March 31, 2021 ("Q1 2021"). The interim consolidated financial statements and management discussion and analysis can be obtained from www.sedar.com and the Company's website, www.calibremining.com. All figures are expressed in U.S. dollars.

Q1 2021 HIGHLIGHTS

- Gold production: 45,452 ounces, highest quarterly production since Q3 2016;
- Production includes the first ore delivery from the Pavon Norte mine to the Libertad mill
 - Demonstrating Calibre's ability to advance new satellite deposits: 'permit to plant' in less than 18 months;
- Positive Pavon gold mine Pre-feasibility Study, currently in production, with strong exploration potential, and an after-tax net present value of \$106 million (at a \$1,700 price of gold and a discount of 5%)²;
- Gold sales of 45,882 ounces generating \$82.0 million in revenue, at an average realized gold price of \$1,788 per ounce;
- Net income of \$16.6 million and basic net income per share of \$0.05;
- All in Sustaining Cost ("AISC")¹ on a consolidated basis of \$1,095 per ounce sold;
- Cash generated from operating activities of \$25.5 million;
- Working capital increase of 13% to \$79.0 million at March 31, 2021, compared to \$70.0 million at December 31, 2020;
- Cash on hand of \$58.2 million, a \$5.0 million increase from December 31, 2020;
- 2021 production and cost guidance remain on track;
 - Growth and exploration capital are currently expected to be H1 weighted;
- More than 200% increase in Mineral Reserves to 864,000 ounces since year-end 2019;
 - Largest Mineral Reserve since 2010 with the highest grade on record, 4.49 g/t Au²;
- High-grade drill results reported at Limon, including:
 - 7.98 g/t Au over 6.8 metres at Atravesada underground;
 - 8.92 g/t Au over 9.8 metres at Atravesada underground;
 - 251.90 g/t Au over 1.0 metres at Limon Norte open pit; and
 - 6.97 g/t Au over 6.1 metres at Panteon underground;
- Commenced an 80,000 metre, 15 rig, resource expansion and discovery drill program focusing on satellite opportunities, emerging districts and near mill growth targets; and
- Initiated a 5,500 metre drilling campaign on high priority near-surface copper and copper-gold mineralization with earn-in partner Rio Tinto Exploration ("Rio Tinto") on the Borosi concessions located in northeastern Nicaragua.

Darren Hall, President and Chief Executive Officer of Calibre, stated: "Calibre had a strong start to the year reflecting the integration and expansion of our 'hub-and-spoke' strategy. Limon to Libertad ore transport continues steadily at approximately 1,000 tonnes per day. As previously disclosed, we initiated mining and hauling high grade ore from Pavon Norte, leading to a 39% increased average grade milled during the quarter compared to Q1 2020. The addition of Pavon, which will continue to ramp up throughout the year, demonstrates the value of adding new mining spokes without the significant capital cost. The strong production numbers re-enforce our ability to meet guidance and therefore we expect to generate solid operating cash flows to self-fund our exploration and growth investments. With this in mind, we have turned our attention to the Eastern Borosi Project, where we have another high-grade inferred resource which we believe we can expand and develop to be our next mining spoke to feed Libertad."

CONSOLIDATED RESULTS - Q1 2021

Consolidated Financial Results

<i>\$'000 (except per share and per ounce amounts)</i>	Q1 2021	Q1 2020
Revenue	\$ 82,034	\$ 61,370
Cost of sales (including depreciation and amortization)	(52,074)	(38,017)
Operating income	\$ 29,960	\$ 23,353
Net income	\$ 16,645	\$ 12,640
Net income per share (basic)	\$ 0.05	\$ 0.04
Net income per share (fully diluted)	\$ 0.05	\$ 0.04
Cash generated from operating activities	\$ 25,522	\$ 20,354
CAPEX: Mine development and PPE	\$ 15,261	\$ 6,918
CAPEX: Exploration	\$ 4,660	\$ 2,783
Average realized gold price (\$/oz) ¹	\$ 1,788	\$ 1,584
Total Cash Costs (\$/oz) ¹	\$ 979	\$ 897
AISC (\$/oz) ¹	\$ 1,095	\$ 1,038

Consolidated Operational Results

	Q1 2021	Q1 2020
Ore Mined (t)	485,654	587,584
Ore Milled (t)	419,340	524,100
Grade (g/t Au)	3.54	2.54
Recovery (%)	91.3	91.8
Gold Production (ounces)	45,452	42,085
Gold Sales (ounces)	45,882	38,755

OPERATING RESULTS

Open Pit Mining Operations

Open pit mine production consisted of 390,614 ore tonnes at an average grade of 3.32 g/t gold. Open pit mine production came from Limon Central ("LC") Phase 2 in the amount of 184,644 ore tonnes at an average grade of 3.50 g/t, Pavon Norte ore in the amount of 111,696 tonnes at a grade of 3.94 g/t, 86,558 tonnes at a grade of 0.48 g/t of previously processed "spent ore" and 7,716 ore tonnes at 21.46 g/t from artisanal small miners.

During the three months ended March 31, 2020, the Company mined 191,619 ore tonnes at an average grade of 4.39 g/t gold at Limon Central. During Q1 2020, Calibre mined ore from LC Phase 1 and was pre-stripping Phase 2 of LC Phase 2 at the time. The difference in grade of ore mined for LC in Q1 2021 compared to Q1 2020 related to mine sequencing. During Q1 2020, Calibre was mining the Jabali Antena open pit which totaled 120,696 ore tonnes at a grade of 2.73 g/t. The phase of Jabali Antena open pit was completed in Q4 2020 with some residual ore processed in Q1 2021, but the Company expects to resume operations at Jabali Antena in the future. The Company was able to efficiently transition mining operations from one open pit operation (Jabali Antena) and effectively replaced that level of mine production at Pavon Norte from Q4 2020 to Q1 2021. Also, during Q1 2020, Calibre utilized larger amounts of "spent ore", totaling 236,815 ore tonnes at an average grade of 0.73 g/t and purchased 6,246 ore tonnes at 13.12 g/t gold from artisanal small miners in the period.

Overall, the open pit mining grade rose from 2.57 g/t to 3.32 g/t, or 29% from Q1 2020 to Q1 2021 as a result of shifting from Jabali Antena to higher grade Pavon Norte ore, a significant reduction in use of lower grade "spent ore", and the higher gold content of artisanal small miner ore.

Waste ore tonnes were significantly reduced in Q1 2021 (4.5 million tonnes) compared to Q1 2020 (5.5 million tonnes) as the mining areas and stages changed period to period. In Q1 2021, waste material was mined from Pavon Norte (0.7 million tonnes) and LC Phase 2 (3.8 million tonnes), while during Q1 2020, waste tonnes were moved from Jabali Antena (2.3 million tonnes) and LC Phase 1 (1.2 million tonnes) and from LC Phase 2 (2.1 million tonnes) where the Company was performing a pre-stripping campaign.

Underground Mining Operations

Underground ore mined in Q1 2021 was 95,040 tonnes at a grade of 3.69 g/t compared to 29,920 ore tonnes mined in Q1 2020 at a grade of 3.87 g/t. Q1 2021 ore production was 45,055 tonnes at a grade of 3.12 g/t from Jabali UG, 21,695 tonnes at a grade of 3.44 g/t from Santa Pancha, 22,750 tonnes at a grade of 4.72 g/t at Veta Nueva and 5,539 tonnes at a grade of 5.05 g/t from development ore at Panteon.

Jabali UG was not in operation in Q1 2020 and resumed operations in Q3 2020. During Q3 and Q4 2020, the Jabali UG mine was being reconditioned. Calibre has steadily increased production since the restart of operations, with ore tonnes mined of 2,648, 25,252 and 45,055 in Q3 2020, Q4 2020 and Q1 2021, respectively.

The Veta Nueva underground mine reached commercial production in January 2021. The Panteon underground mine, which has delivered ore from development drifts in Q1 2021, is expected to deliver ore from stopes during the second quarter. The Company expects to commence ore deliveries from the Atravesada underground mine to the Libertad mill by the first quarter of 2023, which will begin development during the second quarter of 2021. Panteon and Atravesada are high-grade underground discoveries made during 2020.

PROCESSING OPERATIONS

Limon Mill

	Q1 2021	Q1 2020
Ore Milled (t)	124,149	130,485
Grade (g/t Au)	4.42	5.11
Recovery (%)	89.3	89.5
Gold Production (ounces)	16,337	20,636
Gold Sales (ounces)	16,651	18,525

The mill at Limon produced 16,337 ounces driven by an average mill grade of 4.42 g/t gold and recovery of 89.3% from 124,149 tonnes of ore milled. Gold production at Limon in Q1 2021 was below Q1 2020 as a result of 13% lower grade, and 5% less ore processed. The lower grade ore was impacted by mine sequencing at the Limon Central open pit in Q1 2021.

Libertad Mill

	Q1 2021	Q1 2020
Ore Milled (t)	295,191	393,615
Grade (g/t Au)	3.17	1.69
Recovery (%)	92.4	94.2
Gold Production (ounces)	29,115	21,449
Gold Sales (ounces)	29,231	20,230

The Libertad mill processed 295,191 tonnes of ore at a grade of 3.17 g/t in Q1 2021 vs 393,615 tonnes of ore at a grade of 1.69 g/t in Q1 2020. The decrease in tonnage was planned as the focus is to process higher grade ores, resulting in 29,115 ounces produced, an increase of 36% over Q1 2020. The higher-grade ores resulted from significantly more ore from Limon Central, ore from the start-up of the Pavon Norte mine, Jabali underground (which was on standby in Q1 2020) and ore from Artisanal miners.

The "hub-and-spoke" strategy to deliver ore to Libertad ramped up significantly over the last year with 86,855 tonnes of ore delivered to the Libertad processing facility in Q1 2021 at a grade of 3.36 g/t compared to 20,944 ore tonnes at a grade of 3.08 g/t delivered in Q1 2020 from Limon Central and development ore from Veta Nueva.

Pavon Norte is another example of the "hub-and-spoke" strategy for the Libertad processing facility. Calibre

expects to gradually ramp up Pavon Norte mill feed haulage to approximately 1,000 tonnes per day by the end of 2021.

CONSOLIDATED Q1 2021 FINANCIAL REVIEW

Mining Operations

During Q1 2021, the Company sold 45,882 ounces of gold, at an average realized price ⁽¹⁾ of \$1,788 per ounce, for revenue of \$82.0 million. This compares to Q1 2020 revenue of \$61.4 million from selling 38,755 ounces at an average realized price ⁽¹⁾ of \$1,584 per ounce. The \$20.6 million increase in revenue is the result of \$12.7 million related to higher ounces sold and \$7.9 million from higher realized gold prices.

Gold sold of 45,882 ounces in Q1 2021 was 7,127 ounces higher than Q1 2020 as a result of higher-grade ores processed at Libertad from significantly more ore from Limon Central, ore from the start-up of the Pavon Norte mine, Jabali underground (which was on standby in Q1 2020) and ore from artisanal small miners. The increased production directly results from our "hub-and-spoke" operating strategy to deliver additional ore to Libertad, which increased significantly over the prior year.

The total cost of sales for Q1 2021 was \$52.1 million, which included production costs of \$41.5 million, royalties and production taxes of \$3.2 million, refinery and transportation of \$0.3 million, and depreciation of \$7.1 million.

Total production costs were \$41.5 million in Q1 2021 compared to \$32.1 million in Q1 2020 from 18% higher gold sales, lower grade ore mined from the Limon Central pit from mine sequencing and higher costs from the Jabali underground mine. Q1 2020 benefited from the lower cost Jabali Antena open pit mine ore, which concluded its mining phase at the end of 2020. Royalty, production taxes, refinery and transport increased 27% in Q1 2021 compared to Q1 2020, in line with the 34% increase in gross revenue. Depreciation and amortization in Q1 2021 was \$7.1 million compared to \$3.2 million for Q1 2020. The higher depreciation in Q1 2021 relates to higher gold sales, mining more reserves as it relates to the updated reserves and resource as of December 31, 2020 and an updated interpretation of the Limon Central pit.

The increase in gross revenue from higher gold sales, partially offset by increases in production costs, resulted in mine operating income for Q1 2021 of \$30.0 million, a favourable increase of 28% from Q1 2020 of \$23.4 million.

Total Cash Costs ⁽¹⁾ for Q1 2021 were \$979 per ounce, and AISC ⁽¹⁾ was \$1,095 per ounce. For Q1 2020, Total Cash Costs ⁽¹⁾ were \$897, and AISC ⁽¹⁾ was \$1,038 per ounce. The higher costs in 2021 relate to lower-grade ore mined from Limon Central in 2021 from mine sequencing and higher sustaining capital from Jabali underground and Veta Nueva development.

Total Cash Costs ⁽¹⁾ of \$979 and AISC ⁽¹⁾ of \$1,095 per ounce for Q1 2021 are in line with annual guidance issued on January 12, 2021, being Total Cash Costs ⁽¹⁾ of between \$950 to \$1,050 and AISC of between \$1,040 to \$1,140 per ounce.

Expenses and Net Income

For the three months ended March 31, 2021, corporate G&A was \$2.0 million compared to \$2.4 million for the same period in Q1 2020 from lower consulting and professional fees, and reduced travel and investor relations activities which were impacted by the COVID-19 pandemic.

Share-based compensation for Q1 2021 was \$0.7 million (Q1 2020 - \$1.4 million). The reduction in expense year-over-year relates to the Company's vesting of options and RSUs granted in prior years, specifically a portion of awards that have now vested related to options and RSUs in October 2019 combined with the forfeiture of certain options and RSUs during Q1 2021.

Total finance expense for Q1 2021 was \$0.3 million versus \$0.7 million in Q1 2020. Q1 2020 included \$0.4

million on accretion on the deferred payment to B2Gold which was paid off in full in Q4 2020.

Current and deferred income tax expense was \$10.4 million during Q1 2021 and \$6.6 million for Q1 2020. Q1 2021 saw an increase in current and deferred tax expense when compared to Q1 2020. Ad Valorem rose due to higher revenues and increases in accruals for anticipated higher corporate taxes in 2021, due to having lower benefits of loss-carry forwards in Nicaragua which were entirely utilized the first quarter of 2021.

As a result of the above, net income per share in Q1 2021 was \$0.05 (Q1 2020: \$0.04) for both basic and diluted.

2021 OUTLOOK (based on a gold price assumption of \$1,800 per ounce)

	Consolidated
Gold Production/Sales (ounces)	170,000 - 180,000
Total Cash Costs ¹ (\$/ounce)	\$950 - \$1,050
AISC ¹ (\$/ounce)	\$1,040 - \$1,140
Growth Capital (\$ million)	\$35 - \$40
Exploration Capital (\$ million)	\$14 - \$17
G&A (\$ million)	\$7 - \$8

2021 Growth Capital: Summary/Analysis - Figure 1

2021 Exploration Capital: Summary/Analysis - Figure 2

The Company's initial guidance for 2021 represents a production increase of approximately 30% from 2020 gold production at a marginally higher AISC¹ (an increase of approximately 5% using the mid-point of guidance).

Growth capital outside AISC¹ includes underground development at Panteon to bring on a second, high-grade ore shoot, Pavon for the start-up of the mine and Limon stripping in excess of the planned life-of-mine stripping rate, land acquisition and advancing our Eastern Borosi Project, which is expected to be the next "spoke" for the Libertad complex.

Q1 2021 FINANCIAL RESULTS CONFERENCE CALL DETAILS

First-quarter financial results will be released after market close on Monday, May 3, 2021, and management will be hosting a conference call to discuss the results and outlook in more detail.

Date: Tuesday, May 4, 2021
 Time: 10:00 a.m. (EDT)
 Dial-in: +1 (866) 221-1882 or +1 (470) 495-9179 (International)
 Webcast Link: <https://edge.media-server.com/mmc/p/959r9vnh>
 Conference ID: 2695652

The live webcast can be accessed here or at www.calibremining.com under the Events and Media section under the Investors tab. The live audio webcast will be archived and made available for replay at www.calibremining.com. Presentation slides that will accompany the conference call will be made available in the Investors section of the Calibre website under Presentations prior to the conference call.

Qualified Person

Darren Hall, MAusIMM President and Chief Executive Officer of [Calibre Mining Corp.](http://www.calibremining.com) is a "qualified person" as set out under NI 43-101 has reviewed and approved the scientific and technical information in this news release.

ON BEHALF OF THE BOARD

"Darren Hall"

Darren Hall
President and Chief Executive Officer

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About Calibre Mining Corp.

Calibre Mining is a Canadian-listed gold mining and exploration company with two 100%-owned operating gold mines in Nicaragua. The Company is focused on sustainable operating performance and a disciplined approach to growth. Since the acquisition of the Limon, Libertad gold mines and Pavon Gold Project, Calibre has proceeded to integrate its operations into a 'hub-and-spoke' operating philosophy whereby the Company can take advantage of reliable infrastructure, favorable transportation costs, and multiple high-grade ore sources that can be processed at either Limon or Libertad, which have a combined 2.7 million tonnes of annual mill throughput capacity.

Note 1: Non-IFRS Measures:

Calibre has included certain non-IFRS measures in this news release, as discussed below. The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provides investors with an improved ability to evaluate the underlying performance of the Company. These non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Total Cash Costs per Ounce of Gold Sold ("Total Cash Costs")

Total Cash Costs include mine site operating costs such as mining, processing, and local administrative costs (including stock-based compensation related to mine operations), royalties, production taxes, mine standby costs and current inventory write-downs, if any. Production costs are exclusive of depreciation and depletion, reclamation, capital, and exploration costs. Total Cash Costs are net of by-product silver sales and are divided by gold ounces sold to arrive at a per ounce figure.

All-In Sustaining Costs per Ounce of Gold Sold ("AISC")

AISC is a performance measure that reflects the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company's definition is derived from the definition, as set out by the World Gold Council in its guidance dated June 27, 2013 and November 16, 2018, respectively. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure is useful to external users in assessing operating performance and the ability to generate free cash flow from operations.

Calibre defines AISC as the sum of Total Cash Costs (per above), sustaining capital (capital required to maintain current operations at existing production levels), capital lease repayments, corporate general and

administrative expenses, exploration expenditures designed to increase resource confidence at producing mines, amortization of asset retirement costs and rehabilitation accretion related to current operations. AISC excludes capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to resource growth, rehabilitation accretion not related to current operations, financing costs, debt repayments, and taxes. Total AISC is divided by gold ounces sold to arrive at a per ounce figure.

Average Realized Price per Ounce Sold

Average realized price per ounce sold is a common performance measure that does not have any standardized meaning. The most directly comparable measure prepared in accordance with IFRS is revenue from gold sales.

Note 2: Technical Reports:

Technical Report on El Limon Complex, Leon and Chinandego Departments, Nicaragua dated March 30, 2021 and effective December 31, 2020 prepared by SLR Consulting (Canada) Ltd., (formerly Roscoe Postle Associates Inc.) in accordance with NI 43-101 as filed on SEDAR (www.sedar.com).

Technical Report on La Libertad Complex, Nicaragua dated March 30, 2021 and effective December 31, 2020 prepared by SLR Consulting (Canada) Ltd., (formerly Roscoe Postle Associates Inc.) in accordance with NI 43-101 as filed on SEDAR (www.sedar.com).

Cautionary Note Regarding Forward Looking Information

This news release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian securities legislation, including: the Company's projected gold production from Limon (the "Limon Production"); the Company's projected gold production from Libertad (the "Libertad Production"); and outlook, guidance, forecasts, or estimates relating to the Limon Production or the Libertad Production. All statements in this news release that address events or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are often identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond Calibre's control. For a listing of risk factors applicable to the Company, please refer to the Company's Annual Information Form for the year ended December 31, 2020, available on www.sedar.com. This list is not exhaustive of the factors that may affect Calibre's forward-looking statements.

Calibre's forward-looking statements are based on the applicable assumptions and factors management considers reasonable as of the date hereof, based on the information available to management at such time. Calibre does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, and actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, undue reliance should not be placed on forward-looking statements.

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