

Silver X Reports Second Quarter 2023 Financial Results and provides Management Update

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(All dollar amounts expressed in US dollars unless otherwise noted)

VANCOUVER, August 28, 2023 - [Silver X Mining Corp.](#) (TSX-V:AGX)(OTCQB:AGXPF)(F:AGX) ("Silver X" or the "Company") is pleased to report its interim financial results for the three months ended June 30, 2023 ("Q2 2023") for the Nueva Recuperada Project (the "Project") in central Peru and provides Management update.

Second Quarter 2023 Highlights

- Generated revenues of \$4.7 million, representing a 2% increase when compared to the quarter ended March 31, 2023 ("Q1 2023") and 46% increase when compared to the quarter ended June 30, 2022 ("Q2 2022").
- Operating loss of \$0.4 million, partially affected by the changes implemented in the mine planning, lower Zinc prices and unexpected drop in grades in some mineralized areas, compared with an operating gain of \$0.3 million in Q2 2022.
- Net loss before tax of \$1.4 million compared with a net loss of \$1.3 million in Q2 2022.
- Cash costs of \$20.80 per Silver Equivalent ("AgEq") ounce produced ⁽¹⁾⁽²⁾ and All-In-Sustaining Cost ("AISC") ⁽¹⁾⁽²⁾ of \$29.76 per AgEq ounce produced, reflective of the sustaining capital expenditure invested in the development of the Tangana mining unit (\$1.3 million adding \$5.4 per AgEq ounce produced to the AISC). The development expenditure translated into 2,133 meters.

Commenting on the second quarter results, Silver X's CEO, José M. García stated, "During the quarter, we encountered an unforeseen decline in grades within certain mineralized zones, leading to reduced metal output and adversely affecting our bottom line. The company continues actively working with its technical team, consultants, and contractors to implement the previously announced operational reset with the goal of restarting the operations under an improved operating framework. I am very confident that these changes will help transform Nueva Recuperada Project into one of the most attractive silver districts in the region".

Notes:

1. Cash costs per AgEq ounce produced and AISC per AgEq ounce produced are non-IFRS financial ratios. These are based on non-IFRS financial measures that do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers. Please refer to the "Non-IFRS Measures" section of this news release for further information.

2. AgEq ounce produced was calculated using the average sales prices of each metal for each month, and revenues from concentrate sales does not consider metallurgical recoveries in the calculations as the metal recoveries are built into the sales amounts.

Events Subsequent to the End of the Quarter

- On July 7, 2023, the Company announced the closing of the third and final tranche of its non-brokered private placement offering with the placement of 1,384,000 units (the "Units") at a price of C\$0.30 per Unit for gross proceeds of \$ 313,240 (C\$ 415,200).
- On July 26, 2023, the Company announced the pause of its operations for an estimated period between 30 and 45 days to implement a strategic operational reset.

Summary of Selected Financial Results

The information provided below are excerpts from the Company's unaudited interim Financial Statements and Management's Discussion and Analysis ("MD&A"), which can be found on the Company's website at www.silverxmining.com/investor#report or on SEDAR at www.sedar.com.

Note:

1. EBITDA, Adjusted EBITDA and Adjusted EBITDA per share are non-IFRS ratios with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information, including detailed reconciliations to the most directly comparable IFRS measures, see "Non-IFRS Measures" in this news release and the MD&A.

For the three months ended June 30, 2023, the Company recorded:

- Net loss before tax of \$1.4 million, compared to a net loss before tax of \$1.3 million in Q2 2022.
- EBITDA loss of \$0.6 million, compared to an EBITDA loss of \$0.8 million in Q2 2022.
- Adjusted EBITDA loss of \$0.9 million, compared to an Adjusted EBITDA loss of \$0.7 million in Q2 2022.

The increase in loss in the current period was primarily due to increased operating revenues from the sale of mineral production of \$4.7 million compared to \$3.2 million in the prior year (increase of \$1.5M), offset by cost of sales of \$5.0 million compared to \$2.8 million in the prior year (increase of \$2.2 million reflecting the increased mill throughput during the quarter), resulting in a operating loss of \$0.4 million compared to a operating gain of \$0.3 million in the prior period. The Company also had a foreign exchange gain of \$0.4million compared to a foreign exchange loss of \$0.039 million in the comparative period. Loss or gain in translation of foreign operations fluctuates depending on the strength of the Peruvian sol and Canadian dollar against the US dollar.

Financial Position

The available cash during the period increased by \$0.3 million reflecting the net inflow from its non brokered private placement that further contributed with the continuing development of the Tangana mine unit, which saw higher development rates during the period. The Company continues to actively manage the existing payables either through the cash flow generated from the operations and/or through other available sources of financing to further improve its working capital.

Operational Results

Notes:

1. Average Realized Price, production cost per tonne processed, AgEq sold, cash cost per AgEq ounce produced and AISC per AgEq ounce produced are non-IFRS ratios with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information, including detailed reconciliations to the most directly comparable IFRS measures, see "Non-IFRS Measures" in this news release and the MD&A.

2. AgEq ounces processed and produced were calculated based on all metals processed and produced using the average sales prices of each metal for each month during the period. Revenues from concentrate sales does not consider metallurgical recoveries in the calculations as the metal recoveries are built into the sales amounts.

3. Average realized price corresponds to the average prices for each metal on the following month after delivery, used to calculate the final value of the concentrate delivered in a given month before any deductions.

Non-IFRS Measures

The Company has included certain non-IFRS financial measures and ratios in this news release, as discussed below. The Company believes that these measures, in addition to measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures and ratios 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 financial measures and ratios do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

Cash Costs, All-In Sustaining Cost, EBITDA and Adjusted EBITDA

The Company uses cash costs, cash cost per AgEq ounce produced, AISC, AISC per AgEq ounce produced, EBITDA and Adjusted EBITDA to manage and evaluate its operating performance in addition to IFRS measure because the Company believes that conventional measures of performance prepared in accordance with IFRS do not fully illustrate the ability of its operations to generate cash flows. The Company understands that certain investors use these measures to determine the Company's ability to generate earnings and cash flows for use in investing and other activities. Management and certain investors also use this information to evaluate the Company's performance relative to peers who present this measure on a similar basis.

Cash costs is calculated by starting with cost of sales, and then adding treatment and refining charges, and changes in depreciation and amortization.

Total cash production costs include cost of sales, changes in concentrate inventory, changes in amortization, less transportation and other selling costs and royalties. Cash costs per AgEq ounce produced is calculated by dividing cash costs by the AgEq ounces produced.

AISC and AISC per AgEq ounce produced are calculated based on guidance published by the World Gold Council (and used as a standard of the Silver Institute). The Company presents AISC on the basis of AgEq ounces produced. AISC is calculated by taking the cash costs and adding sustaining costs. Sustaining costs are defined as capital expenditures and other expenditures that are necessary to maintain current production. Management has exercised judgment in making this determination.

The following table reconciles cash costs, cash costs per AgEq ounce, AISC and AISC per AgEq ounce produced to cost of sales, the most directly comparable IFRS measure:

Note:

1. Q2 2023 excludes \$ 320K of evaluation costs related to the Revenues-Virginus Mine M&A project in Ouray County, Colorado.

During the period, the cash cost was commensurate with the increased level of tonnage of ore processed, which amounted to 35,392 tonnes (20,877 tonnes in Q2 2022). This resulted in higher production and sales volumes during the quarter. The Company incurred \$0.7 million in treatment and refining charges (\$0.5 million in Q2 2022).

As part of the cost reduction efforts deployed across the Company, the general and administrative expenses saw a reduction of \$0.4 million during the quarter when compared to Q2 2022.

The capital expenditure deployed in the development of the Tangana mining unit during the quarter of \$1.4 million was the main cost contributor to the AISC (vs. \$0.5 million in Q2 2022). The sustained investment within the mine development will enable the Company to access new production fronts and transition to higher head grades areas.

The following table reconciles the Net Loss to the EBITDA and Adjusted EBITDA:

The following table shows the calculation of the cash costs and AISC per AgEq ounce produced:

Production Cost Per Tonne Processed

A reconciliation between production cost per tonne (excluding amortization and changes in inventories) and the cost of sales is provided below. Changes in inventories are excluded from the calculation of Production Cost per Tonne Processed. Changes in inventories reflect the net cost of concentrate inventory (i) sold during the current period but produced in a previous period or (ii) produced but not sold in the current period. The Company uses Production Cost Per Tonne Processed to evaluate its operating performance in addition to IFRS measure because Company believes that conventional measures of performance prepared in accordance with IFRS do not fully illustrate the ability of its operations to generate cash flows. Management and certain investors also use this information to evaluate the Company's performance relative to peers who present this measure on a similar basis.

Average Realized Price

Average realized price is a non-IFRS financial measure. The Company uses "average realized price per ounce of silver", "average realized price per ounce of gold", "average realized price per ounce of zinc" and "average realized price per ounce of lead" because it understands that in addition to conventional measures prepared in accordance with IFRS, certain investors and analysts use this information to evaluate the Company's performance as compared with "average market prices" of metals for the period.

Average realized metal prices represent the sale price of the metal. Average realized price corresponds to the average prices for each metal on the following month after delivery, used to calculate the final value of the concentrate delivered in a given month before any deductions:

Management Update

The Company announces that its Chief Financial Officer (CFO), Mr. Ronald Marino, will be stepping down from his role effective September 23, 2023 to pursue new personal endeavors. Mr. Marino will continue to support the Company as CFO over the next month to ensure a smooth transition. The Company is in the process of finding a suitable replacement.

Mr. Garcia stated, "I sincerely thank Ronald for his significant contributions as CFO during a foundational period for the Company. His many achievements include constructing the early version of the Company financial systems and processes and enabling the financings post Company's merger in 2021. We wish him well in his future endeavors".

Mr. Garcia continued. "The Company has initiated a search for a new Chief Financial Officer and will provide updates on the progress of the search as appropriate".

Cautionary Note regarding Production without Mineral Reserves

The decision to commence production at the Nueva Recuperada Project and the Company's ongoing mining operations as referenced herein (the "Production Decision and Operations") are based on economic models prepared by the Company in conjunction with management's knowledge of the property and the existing estimate of measured, indicated and inferred mineral resources on the property. The Production Decision and Operations are not based on a preliminary economic assessment, a pre-feasibility study or a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with the Production Decision and Operations, in particular: the risk that mineral grades will be lower than expected; the risk that additional construction or ongoing mining operations are more difficult or more expensive than expected; and production and economic variables may vary considerably, due to the absence of a current NI 43-101 compliant technical report that demonstrates economic and technical viability and allows classification of some measured and indicated resources to be classified as mineral reserves.

Refer to the Company's MD&A for more details of the financial results and for reconciliations of the

Company's non- IFRS performance measures to the nearest IFRS measure. The full version of the unaudited interim financial statements and accompanying management discussion and analysis can be viewed on the Company's website at www.silverxmining.com and on SEDAR at www.sedar.com. All financial information is prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in US dollars unless otherwise stated.

Qualified Person

Mr. Enrique Garay, MSc. P. Geo (AIG Member), who is a qualified person under NI 43-101, has reviewed and approved the technical content of this news release for Silver X. Mr. Enrique Garay is the Company's Chief Operating Officer.

About Silver X Mining Corp.

Silver X is a rapidly-expanding silver developer and producer. The Company owns the 20,000-hectare Nueva Recuperada Silver District in Central Peru and produces silver, gold, lead and zinc from the Tangana Mining Unit. Our mission is to be a premier silver company delivering outstanding value to all stakeholders and we aim to achieve this by consolidating and developing undervalued assets, creating value by adding resources and increasing production while aspiring to social and environmental excellence. For more information visit our website at www.silverxmining.com.

ON BEHALF OF THE BOARD

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Cautionary Statement Regarding "Forward-Looking" Information

This press release contains forward-looking information within the meaning of applicable Canadian securities legislation ("forward-looking information"). Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain acts, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All information contained in this press release, other than statements of current and historical fact, is forward looking information. Forward-looking information contained in this press release may include, without limitation, exploration plans, results of operations, expected performance at Recuperada Silver Project (the "Project"), the ability of the new zones at the Project to feed production at the Company's Nueva Recuperada Plant in the near term, the Company's belief that the Tangana system will provide considerable resource expansion potential, that the Company will be able to mine the Tangana Mining Unit in an economic manner, and the expected financial performance of the Company.

The following are some of the assumptions upon which forward-looking information is based: that general business and economic conditions will not change in a material adverse manner; demand for, and stable or improving price for the commodities we produce; receipt of regulatory and governmental approvals, permits and renewals in a timely manner; that the Company will not experience any material accident, labour dispute

or failure of plant or equipment or other material disruption in the Company's operations at the Project and Nueva Recuperada Plant; the availability of financing for operations and development; the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; that the estimates of the resources at the Project and the geological, operational and price assumptions on which these and the Company's operations are based are within reasonable bounds of accuracy (including with respect to size, grade and recovery); the Company's ability to attract and retain skilled personnel and directors; and the ability of management to execute strategic goals.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information, including but not limited to those risks described in the Company's annual and interim MD&As and in its public documents filed on www.sedar.com from time to time. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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