Silver X Reports Strong First Quarter 2024 Financial Results

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

VANCOUVER, May 16, 2024 - Silver X Mining Corp. (TSXV:AGX)(OTCQB:AGXPF)(F:AGX) ("Silver X" or the "Company") is pleased to report its financial results for the three months ended March 31, 2024, for the Nueva Recuperada Project (the "Project") in Central Peru.

Q1 2024 Financial Highlights

- Generated revenues of $4.8 million.
- Cash costs of $15.36 per silver equivalent ("AgEq") ounce produced (1)(2) and All-In Sustaining Cost ("AISC") (1)(2) of $21.36 per AgEq ounce produced, reflective of the sustaining capital expenditure invested in the development of the Tangana mining unit ($1.8 million adding $6.00 per AgEq ounce produced to the AISC).
- Positive EBITDA of $0.3 million and Positive Adjusted EBITDA of $0.4 million.
- Operating income of $6,000 and Net loss before tax of $0.9 million.

Silver X Mining CEO Jose Garcia said, "I am satisfied that as we continue to make operating progress quarter after quarter. Our improved performance in conjunction with our cost reduction initiatives, continue to yield positive results."

"These financial results based on our Q1 production of 363,795 oz AgEq processed confirm our good trajectory. Looking ahead, we anticipate continuing to increase performance over the rest of 2024, which will turn into growth and value creation for our shareholders," added Garcia.

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.silvermining.com or on SEDAR+ at sedarplus.ca.

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.

Three months ended March 31, 2024 vs.2023.

For the three months ended March 31, 2024, the Company recorded:

- Net loss before tax of $0.9 million, compared to a net loss before tax of $1.1M million in the three months ended March 31, 2023.
- EBITDA income of $0.3 million, compared to an EBITDA loss of $0.5 million in the three months ended March 31, 2023.
- Adjusted EBITDA income of $0.4 million, compared to an Adjusted EBITDA loss of $0.6 million in the three months ended March 31, 2023.

Income in the current period was primarily due to increased operating revenues from the sale of mineral production of $4.8 million compared to $4.6 million in the prior period (increase of $0.2 million), decrease of cost of sales of $4.8 million compared to $5.0 million in the prior period (decrease of $0.2 million).

Financial Position

The available cash during the period decreased by $0.2 million reflecting the net outflow from its continuing development of the Tangana mine unit.

On April 12, 2024, the Company completed its non-brokered private placement of gross proceeds of C$5.0 million. 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:

During the period, cash cost decreased with the decrease of the level of tonnage of ore processed, which amounted to 37,903 tonnes for Q1 2024 compared to 40,438 tonnes for Q1 2023. Overall operating efficiencies also improved resulting in a lower production cash cost per tonne of $99 per tonne in Q1 2024 compared to $109 per tonne in Q1 2023.

The capital expenditure deployed in the development of the Tangana mining unit during the period was the main cost contributor to the AISC. 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:

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. A. David Heyl, B.Sc., C.P.G who is a qualified person under NI 43-101, has reviewed and approved the technical content of this news release for Silver X. Mr. A. David Heyl is a consultant for Silver X.

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
José M. García President and CEO

For further information, please contact:
Sebastian Wahl
Vice President, Corporate Development
+1-647-259-6901 x 101
s.wahl@silverxmining.com

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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.

SOURCE: Silver X Mining Corp.

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