

North American Palladium Announces Strong Operational Performance with its First Quarter 2018 Financial Results

03.05.2018 | [GlobeNewswire](#)

TORONTO, May 03, 2018 (GLOBE NEWSWIRE) -- [North American Palladium Ltd.](#) ("NAP" or the "Company") (TSX:PDL) (OTC PINK:PALDF) today announced the financial and operational results for the three months ended March 31, 2018.

Q1 2018 Results Summary

- Adjusted EBITDA¹ for the first quarter of 2018 was \$28.4 million compared to \$6.8 million for the same period in 2017.
- Net income was \$5.6 million this quarter compared to a net loss of \$3.8 million for the same period in 2017.
- Underground production was 569,468 tonnes (6,327 tonnes per day) at an average grade of 3.3 grams per tonne compared to 363,136 tonnes (4,035 tonnes per day) at an average grade of 4.4 grams per tonne in the first quarter of 2017.
- Initial production commenced from the Sheriff Pit this quarter and totaled 127,940 tonnes at a grade of 1.27 grams per tonne.
- Underground mining cost per tonne in the first quarter decreased to \$39 compared to \$56 in the same period in 2017.
- Total tonnes milled increased to 1,021,147 in the quarter compared to 458,382 tonnes in the first quarter of 2017, reflecting the return to full-time milling, supplemented by increased underground production, Sheriff Pit ore and additional surface stockpile tonnage.
- The Company produced 57,053 ounces of payable palladium at an All-Inclusive Sustaining Cost¹ ("AISC") of US\$709 per ounce compared to 40,252 ounces of palladium in 2017 at an AISC of US\$765.

"Our operational and financial key performance indicators improved significantly this quarter compared to this time last year. Underground production has become consistent, reliable and predictable, and should continue to gradually increase this year as we bring more of the lower grade reserves in the upper part of the mine back into production. This quarter we began initial production from the Sheriff Pit, which is expected to produce higher grade material in the second half of the year. Total mill throughput also continued to increase this quarter. All of this indicates further performance improvements throughout 2018," said Jim Gallagher, President and CEO of North American Palladium.

"The recently announced drill results from our Lac des Iles and regional exploration programs highlight the quality and quantity of targets generated from our extensive property holdings. In addition, we recently commenced resource delineation drilling of the Offset South zone, which is our most immediate opportunity to add to the Lac des Iles mineral inventory. We are also seeing positive results from our Greenfields exploration efforts that remain focused on the discovery of another Lac des Iles-type palladium deposit."

"Palladium prices have shown good resilience to recent financial market volatility driven by trade and sanction concerns. The continuing strength in palladium prices reflects the fundamental supply deficit that still exists, with growing automotive demand and flat global supply," continued Mr. Gallagher.

Operating Highlights	Three months ended March 31,	
	2018	2017
Ore mined (tonnes)		
Underground	569,468	363,136
Surface (stockpile and open pit)	480,916	77,600
Total	1,050,384	440,736

Mined ore grade (Pd g/t)		
Underground	3.3	4.4
Surface	1.0	1.0
Milling		
Tonnes milled (dry metric tonnes)	1,021,147	458,382
Palladium recoveries (%)	79.9	82.6
Palladium concentrate grade (g/t)	263	295
Tonnes of concentrate produced	7,162	4,496
Production cost per tonne milled ¹	\$ 47	\$ 70
Payable production		
Palladium – ounces	57,053	40,252
Other results ¹		
Underground cost per tonne mined	\$ 39	\$ 56
AISC per ounce of palladium produced (US\$) ¹	\$ 709	\$ 765
Cash cost per ounce of palladium sold, net of by-product revenues (US\$) ¹	\$ 567	\$ 627
Financial Highlights	Three months ended March 31,	
(expressed in millions of Canadian dollars)	2018	2017
Revenue	\$ 86.6	\$ 44.3
Smelting, Refining, Freight and Royalty	3.9	2.1
Royalty Expense	3.6	2.2
Net Revenue	79.1	40.0
Operating Expenses		
Production Cost		
Mining	30.1	23.9
Milling	12.3	6.8
General and Administration	6.1	5.9
Inventory and Other Cost	(0.1)	(4.7)
Total Production Costs	48.4	31.9
Depreciation and Amortization	12.0	8.1
Inventory price adjustment	-	(0.2)
Loss on disposal of equipment	0.10	0.1
Total Mining Operating Expenses	60.5	39.9
Income (loss) from Mining Operations	\$ 18.6	\$ 0.1
Net Income (loss)	\$ 5.6	\$ (3.8)
Net Income (loss) per share	\$ 0.1	\$ (0.07)
Adjusted EBITDA ¹	\$ 28.4	\$ 6.8
Capital Investment, Excluding Non-Cash Leases	\$ 12.5	\$ 16.3

Adjusted EBITDA¹ for the quarter was \$28.4 million compared to \$6.8 million in the first quarter of 2017. Net income for the quarter was \$5.6 million compared to a loss of \$3.8 million in 2017. Revenue for the quarter was \$86.6 million compared to \$44.3 million in the first quarter of 2017. The higher revenue in the quarter was primarily due to an increase in palladium prices and payable palladium sold.

Total production cost for the quarter before inventory and other cost adjustments was \$48.5 million (\$47 per tonne milled) compared to \$36.6 million (\$80 per tonne milled) in the first quarter of 2017. Cash provided by operations prior to changes in non-cash working capital for the quarter was \$23.8 million compared to \$6.3 million for the same period in 2017.

The AISC per ounce of palladium produced decreased to US\$709 per ounce for the quarter, compared to US\$765 per ounce in the first quarter of 2017. Sustaining capital expenditures in the first quarter were \$8.6 compared to \$7.0 in 2017. Cash costs for the quarter were US\$567 per ounce sold, compared to US\$627 per ounce sold in Q1 2017.

Financial Liquidity

As at March 31, 2018, the Company had cash and cash equivalents of \$20.7 million compared to \$18.1 million for the same period in 2017. During the quarter, the Company extended the term of its US\$60 million credit facility to December 31, 2018. At quarter end, the Company had total debt of \$102.9 million compared to \$123.3 million for the same period of 2017. As at April 15, 2018, the Company had credit available of US\$14 million under the Company's credit facility.

Exploration

Exploration expenditures were \$3.8 million for the quarter, compared to \$0.5 million for the same period in 2017. The increased costs are attributable to an increase in greenfields exploration and drilling activity at the recently acquired Sunday Lake project.

A total of 14,067 metres of drilling was completed in the quarter. This includes 6,264 metres of underground and surface drilling at Lac des Iles mine ("LDI"), 5,582 metres of drilling at the Sunday Lake project and 2,221 metres of drilling at the Legris Lake project. Results from these programs were announced in the Company's March 27, 2018, April 3, 2018 and April 5, 2018 news releases.

In the second quarter, the Company plans to complete resource definition and conversion drilling on the Offset South zone. Additional drilling programs at LDI will test underground targets near the Offset zone and near surface targets in the eastern part of the mine property. NAP expects to provide an update to its LDI mineral resource estimate later this year. Preparations are ongoing for a several month field program of trenching, mapping, geophysical surveying and surface prospecting on selected greenfields properties.

Further updates on exploration activities will be provided as significant, new results become available.

Outlook

The Company's previously stated 2018 guidance of palladium production between 230,000 and 240,000 ounces of palladium at an average AISC cost of US\$640-660 per ounce remains unchanged.

Shareholder Information

The complete condensed consolidated interim financial statements of the Company for the three months ended March 31, 2018 and the related management's discussion and analysis can be found on NAP's website at www.nap.com, and on SEDAR at www.sedar.com.

The Company invites you to join its webcast and conference call on Friday, May 4, 2018 at 8:30 a.m. ET. A recording of the conference call will be available within 24 hours following the call at the Company's website.

Conference Call and Webcast Details:

<i>Date:</i>	Friday, May 4, 2018
<i>Time:</i>	8:30 a.m. ET
<i>Dial In:</i>	North America: 1-800-319-4610 International: 1-604-638-5340
<i>Webcast:</i>	http://services.choruscall.ca/links/nap20180504.html
<i>Replay:</i>	North America: 1-855-669-9658
<i>Replay Passcode:</i>	2198

Notes:

¹Non-IFRS measure. Please refer to Non-IFRS Measures in the MD&A.
All figures are in Canadian dollars except where noted.

Qualified Person

The technical content of this news release was reviewed and approved by the Company's Vice-President, Exploration, Dr. Dave Peck. Dr. Peck is a Qualified Person under the meaning of National Instrument 43-101 and a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario, the Association of Professional Engineers and Geoscientists of British Columbia, and the Association of Professional Engineers and Geoscientists of Manitoba.

Cautionary Statement on Forward-Looking Information

Certain information contained in this news release constitutes 'forward-looking statements' and 'forward-looking information' within the meaning of applicable Canadian securities laws. All statements other than statements of historical fact are forward-looking statements. The words 'target', 'plan', 'should', 'could', 'estimate', 'guidance', and similar expressions identify forward-looking statements. Forward-looking statements in this news release include, without limitation: information pertaining to the Company's strategy, plans or future financial or operating performance, such as statements with respect to, long term fundamentals for the business, operating performance expectations, project timelines, tailings management plan, mining method change, production forecasts, operating and capital cost estimates, expected mining and milling rates, cash balances, projected grades, mill recoveries, metal price and foreign exchange rates and other statements that express management's expectations or estimates of future performance. Forward-looking statements involve known and unknown risk factors that may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. Such risks include, but are not limited to: the possibility that metal prices and foreign exchange rates may fluctuate, the risk that the Lac des Iles mine may not perform as planned, that the Company may not be able to meet production forecasts, the possibility that the Company may not be able to generate sufficient cash to service its indebtedness and may be forced to take other actions, inherent risks associated with development, exploration, mining and processing including environmental risks and risks to tailings capacity, employment disruptions, including in connection with collective agreements between the Company and unions and the risks associated with obtaining necessary licenses and permits. For more details on these and other risk factors see the Company's most recent management's discussion and analysis and the Company's annual information form on file with Canadian securities regulatory authorities on SEDAR at www.sedar.com under the heading 'Risk Factors'.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The factors and assumptions contained in this news release, which may prove to be incorrect, include, but are not limited to: that the Company will be able to continue normal business operations at its Lac des Iles mine, that metal prices and exchange rates between the Canadian and United States dollar will be consistent with the Company's expectations, that there will be no significant disruptions affecting operations, and that prices for key mining and construction supplies, including labour, will remain consistent with the Company's expectations. The forward-looking statements are not guarantees of future performance. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise, except as expressly required by law. Readers are cautioned not to put undue reliance on these forward-looking statements.

About North American Palladium

[North American Palladium Ltd.](#) (TSX:PDL) (OTC PINK:PALDF) is a Canadian company with over 25 years of production at Lac des Iles mine, located northwest of Thunder Bay, Ontario. North American Palladium is the only pure play palladium producer in the world. With over 600 employees, Lac des Iles mine features a unique world class ore body, modern infrastructure, including both an underground mine and an open pit mine, and a world class exploration portfolio.

SOURCE: [North American Palladium Ltd.](#)

For further information:

[North American Palladium Ltd.](#)
Investor Relations

Telephone: 416-360-7374
Email: IR@nap.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/297812--North-American-Palladium-Announces-Strong-Operational-Performance-with-its-First-Quarter-2018-Financial-Resu>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).