

Teranga Gold Increases Gold Reserves at Wahgnion by Almost 40%; Extends Mine Life to 13 Years and Improves First Five-Year Forecast

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Second mine on track for first gold pour by year end 2019

(All amounts are in U.S. dollars unless otherwise stated)

TORONTO, Sept. 24, 2018 - [Teranga Gold Corp.](#) ("Teranga" or the "Company") (TSX: TGZ; OTCQX:TGCDF) is pleased to announce the results of an updated mineral reserve estimate and feasibility study for the Wahgnion development project in Burkina Faso, West Africa.

The update adds 450,000 ounces to reserves, increasing proven and probable mineral reserves at Wahgnion by almost 40% to 1.61 million ounces (31.07 million ore tonnes grading 1.61 g/t). The initial proven and probable mineral reserves in the 2017 feasibility study totalled 1.16 million ounces (21.40 million ore tonnes grading 1.69 g/t). The new mineral resource and mineral reserve estimates (Tables 1 and 2 in Appendix), based on the initial four deposits (Nogbele, Fourkoura, Samavogo and Stinger), include drill results from a 73,000-metre infill drill program completed in 2017.

Highlights of Wahgnion 2018 Mineral Reserve Update

- Open-pit reserves increased by 450,000 ounces of gold, following a 33% increase in mineral resources announced on June 7, 2018
- Extended initial mine life from 9 to 13 years as part of our ongoing goal to increase mine life and improve the mine plan
- Initiating a follow-up development drill program within the existing deposits to further increase reserves and lower strip ratios
- Beyond the four initial deposits, a multi-year exploration drilling program will focus on a number of highly prospective exploration targets within trucking distance of the plant to further extend Wahgnion's mine life and optimize the mine plan

Improved First Five-Year Profile: Increased Production and Lowered All-in Sustaining Costs per Ounce

2020-2024 Metrics (full-years of operation)	2018	2017	% Change	
Average annual production ¹	Koz	132	129	2 %
Average mill grade	g/t	1.83	1.85	-1 %
Average all-in sustaining costs ^{(a),(b)}	\$/oz	761	804	-5 %

(a) Excludes pre-production capital and operating costs.

(b) This is a Non-IFRS Performance Measure and does not have a standard meaning under IFRS. Please see the Non-IFRS Performance Measures section of this press release.

"The 40% increase in Wahgnion reserves announced today exceeded our initial guidance and expectations and, most importantly, led to an improved five and 10-year production and cash flow profile relative to last year's initial feasibility study," stated Richard Young, President and Chief Executive Officer. "With average annual gold production of 132,000 ounces through to 2024, Wahgnion is expected to increase company-wide annual production by 50% to between 300,000 and 350,000 ounces. This will generate free cash flow to fund our growth plans, and move us closer towards our

goal of becoming a multi-asset, mid-tier gold producer in West Africa.”

Due to the material increase in gold reserves announced today, Teranga will file an updated National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* Technical Report (the “2018 Technical Report”) in the coming weeks. Once filed, the 2018 Technical Report will replace the previous NI 43-101 Technical Report filed on October 20, 2017 (the “2017 Technical Report”).

Wahgnion Updated Reserve Highlights (at \$1,250 gold)^{1,2}

		2018 Update	2017 Technical Report	% Change
Proven and probable mineral reserves				
Tonnes	M	31.1	21.4	45 %
Grade	g/t	1.61	1.69	-5 %
Contained gold	Moz	1.61	1.16	38 %
Measured and indicated resources*				
Tonnes	M	50.5	35.3	43 %
Grade	g/t	1.51	1.61	-6 %
Contained gold	Moz	2.44	1.83	33 %
Inferred mineral resources				
Tonnes	M	5.3	15.8	-67 %
Grade	g/t	1.41	1.40	1 %
Contained gold	Moz	0.24	0.71	-66 %
Pre-production capital costs	\$M	240	232	3 %
Pre-production operating costs ^(a)	\$M	28	19	45 %
2020-2024 Metrics (full-years of operation)				
Average annual production	Koz	132	129	2 %
Average mill grade	g/t	1.83	1.85	-1 %
Average all-in sustaining costs** ^(c)	\$/oz	761	804	-5 %
2019-2028 Metrics (first 10 years) ^(b)				
Average annual production	Koz	123	119	3 %
Average mill grade	g/t	1.70	1.69	0 %
Average all-in sustaining costs** ^(c)	\$/oz	854	843	1 %
Life of mine ^(b)				
Average annual production	Koz	114		
Average mill grade	g/t	1.61		
Average all-in sustaining costs** ^(c)	\$/oz	904		

(a) Pre-production operating costs consist of mining ahead of plant commissioning to build up ore stockpiles and operating activities ahead of full commissioning.

(b) The 2017 Technical Report assumes 6 months of production during 2019 while 2018 update assumes 1 month of production during 2019.

(c) Excludes pre-production capital and operating costs.

* M&I resources are inclusive of reserves.

** This is a Non-IFRS Performance Measure and does not have a standard meaning under IFRS. Please see the Non-IFRS Performance Measures section of this press release.

Wahgnion Construction Update

Construction at the fully funded Wahgnion development project remains on track. Front-end engineering and detailed design is essentially complete, and the steel fabrication and equipment manufacture in preparation for delivery to site are on schedule. Despite a heavy rainy season, the concrete pour schedule for plant construction remains on schedule for the mill foundations, primary crusher, leach tanks and reclaim areas in preparation for the next phase of construction, mechanical and structural steel erection.

Mining activities have commenced to construct a tailings management facility and to produce a large ore inventory ahead of plant commissioning. Staffing for operations has been progressing well with significant focus on the execution of the operations readiness plan. Additionally, community-housing construction is progressing well with the first wave of households successfully relocated.

“The project is running on schedule with first gold pour expected December 2019,” stated Paul Chawrun, Chief Operating Officer. “The capital budget remains largely in line with the estimates outlined in the initial feasibility study. Half-way through our project commitments and near the end of the rainy season, we are not seeing any material increases other than unfavourable variances for fuel and foreign exchange, which is moderately impacting equipment, labour and material costs. The majority of our project contingency remains.”

“We have made great progress at Wahgnion,” added Mr. Chawrun. “We have materially improved the first five-year cost profile, reducing all-in sustaining costs⁵ by \$43 per ounce compared to the previous plan. We have incorporated a high-grade stockpile strategy, similar to Sabodala’s. And, we have extended the mine life to 13 years, delaying the deposits in the mine plan that are not yet fully drilled off.”

Wahgnion Exploration Program

The 2017 drill program and subsequent resource modeling has identified areas within the reserve deposits that provide opportunity to further increase reserves and lower strip ratios at a number of deposits. In addition, the Company is undertaking a multi-year regional exploration program to target multiple highly-prospective near-mine targets over five permits that cover an area of over 900 km² and surround the mine license. The objective of these regional programs is to extend and optimize the life of mine by identifying additional deposits to process at the centrally located plant.

Operating Costs

Operating costs include all direct costs for the production of gold doré (Table 3 in Appendix). The estimates are based on annual rates determined in the mining schedule (Table 4 in Appendix). There is no material change in unit costs compared to the 2017 Technical Report. The new mine plan includes a minor reduction in unit mining costs due to the inclusion of in pit dumping, while unit processing costs rose marginally as a result of an increase in harder material processed. The most material change in costs compared to the 2017 Technical Report is to the strip ratio (waste to ore mined), which increased from 7.2:1 to 8.3:1. Higher strip ratios are largely incurred in later years of the life of mine. The Company expects future infill drill programs to result in an increase in reserves and a decrease in the strip ratio, especially for the deposits mined later in the mine life. Operating cost assumptions for fuel and currency remain unchanged from the 2017 Technical Report.

Pre-production and Life of Mine Capital Costs

The capital cost to construct Wahgnion is estimated at approximately \$240 million⁴ (Table 5 in Appendix), and includes provision for a processing plant, infrastructure, an owner operated mining fleet and power plant, owner’s cost, contingency, taxes and duties. This represents an increase of \$8 million compared to the capital cost outlined in the 2017 Technical Report and is due to unfavourable variances with respect to fuel and foreign exchange. Currently, the majority of the contingency remains unused.

Mining operations commenced in the second quarter of 2018, ahead of mill start-up in late 2019. The start of mining operations will provide construction material for the tailings storage facility (“TSF”) and ore for a stockpile at the start of production. The operating cost of mining during this period, and other costs incurred prior to commencement of production (approximately \$28 million) has been included in pre-production operating costs. The increase to pre-production operating costs from the 2017 Technical Report is due to costs related to staffing for operations prior to commencement of production and operating activities ahead of full commissioning.

Life of mine sustaining capital costs for Wahgnion include mobile fleet upgrades and replacements, road

construction, TSF lifts, resettlement costs and general sustaining capital in support of mining, processing and general and administrative functions (Table 6 in Appendix). Life of mine sustaining capital cost estimates have increased to \$137.6 million, an increase of \$32.8 million compared to the 2017 Technical Report, mainly due to an increase of mining fleet replacements and additional space in the TSF as a result of the additional reserves and extension of the mine life.

Social and Environmental Impact Assessments

The resettlement action plan is progressing well, strongly supported by the local communities. Under the resettlement action plan, approximately 500 households in the villages of Zegnedougou, Nangueledougou, Djondougou, Katolo and Nadjengoala will be relocated over the next five years, with a further 350 households compensated for agricultural land impact. Building on work completed under the previous project ownership, the resettlement and livelihood restoration process is being managed by an experienced team from the global sustainability firm, Environmental Resources Management (ERM).

Resettlement housing construction has commenced at Nogbele on the two villages within the project footprint. Both are scheduled for completion by mid-2019. All of the priority households on the project footprint have now been successfully relocated. Additional resettlement sites have been identified, with the permitting process in progress. A local recruitment committee employs close to 400 local individuals. Livelihood restoration programs are underway with the implementation of community market gardens, cassava farming, and other capacity building programs.

Qualified Persons Statements

The technical information contained in this document relating to the Wahgnion open-pit mineral reserve estimates is based on, and fairly represents, information compiled by Mr. Stephen Ling, P. Eng who is a member of the Professional Engineers Ontario. Mr. Ling is a full time employee of Teranga and is not "independent" within the meaning of NI 43-101. Mr. Ling has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Qualified Person" under NI 43-101 Standards of Disclosure for Mineral Projects. Mr. Ling has consented to the inclusion in this document of the matters based on his compiled information in the form and context in which it appears in this document.

Teranga's exploration programs in Burkina Faso are being managed by Peter Mann, FAusIMM. Mr. Mann was a full time employee of Teranga during the period of this resource update and is not "independent" within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Mann has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Qualified Person" under NI 43-101. The technical information contained in this news release relating to exploration results are based on, and fairly represents, information compiled by Mr. Mann. Mr. Mann has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information. The RC and diamond core samples are assayed at the BIGGS Laboratory in Ouagadougou, Burkina Faso. Mr. Mann has consented to the inclusion in this news release of the matters based on his compiled information in the form and context in which it appears herein.

Teranga's disclosure of mineral reserve and mineral resource information is governed by NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as may be amended from time to time by the CIM ("CIM Standards"). There can be no assurance that those portions of mineral resources that are not mineral reserves will ultimately be converted into mineral reserves.

In 2017, Teranga prepared an independent NI 43-101-compliant technical report for Wahgnion (then known as the Banfora Gold Project), which is available under the Company's SEDAR profile at www.sedar.com: "Technical Report on The Banfora Gold Project, Burkina Faso, West Africa", prepared by Roscoe Postle Associates Inc., and with an effective date of September 7, 2017. Due to the material increase in the updated mineral reserve estimates for the Wahgnion Gold Project, the Company is currently working to update and publish all relevant information included in the technical report and life of mine within 45 days of this press release.

Non-IFRS Financial Performance Measures

The Company has included non-IFRS measures in this document, including "total cash cost per ounce of gold sold"; "all-in sustaining costs per ounce"; and "free cash flow from operations". The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The 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 are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is considered the accepted standard of reporting cash cost of production in North America. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measure of other companies. The World Gold Council ("WGC") definition of all-in sustaining costs seeks to extend the definition of total cash costs by adding corporate general and administrative costs, reclamation and remediation costs (including accretion and amortization), exploration and study costs (capital and expensed), capitalized stripping costs and sustaining capital expenditures and represents the total costs of producing gold from current operations. All-in sustaining cost excludes income tax payments, interest costs, costs related to business acquisitions and items needed to normalize earnings. Consequently, this measure is not representative of all of the Company's cash expenditures. In addition, the calculation of all-in sustaining costs does not include depreciation expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company's overall profitability. Life of mine total cash costs and all-in sustaining costs figures used in this press release are before cash/non-cash inventory movements and exclude any allocation of corporate overheads. Other companies may calculate this measure differently. The Company calculates free cash flow from operations as net cash flow provided by operating activities less sustaining capital expenditures. The Company believes this to be a useful indicator of its ability to generate cash for growth initiatives. Other companies may calculate this measure differently.

For more information regarding these measures, please refer to Teranga's Management's Discussion and Analysis for the three and six months ended June 30, 2018 accessible on the Company's website at www.terangagold.com.

Forward-Looking Statements

This press release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"), which reflects management's expectations regarding Teranga's future growth opportunities, results of operations, performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and other opportunities. Wherever possible, words such as "plans", "expects", "does not expect", "scheduled", "trends", "indications", "potential", "estimates", "predicts", "anticipate" "to establish" or "does not anticipate", "believe", "intend", "ability to" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might", "will", or are "likely" to be taken, occur or be achieved, have been used to identify such forward looking information. Specific forward-looking statements in this presentation include forecasting average annual gold production and average costs. Although the forward-looking information contained in this press release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Teranga cannot be certain that actual results will be consistent with such forward-looking information. Such forward-looking statements are based upon assumptions, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments that management believe to be reasonable and relevant but that may prove to be incorrect. These assumptions include, among other things, the closing and timing of financing, the ability to obtain any requisite governmental approvals, the accuracy of mineral reserve and mineral resource estimates, gold price, exchange rates, fuel and energy costs, future economic conditions, anticipated future estimates of free cash flow, and courses of action. Teranga cautions you not to place undue reliance upon any such forward-looking statements.

In addition, this press release also contains references to estimates of mineral resources and mineral reserves. The estimation of mineral resources is inherently uncertain and involves subjective judgments

about many relevant factors. Estimates of mineral reserves provide more certainty but still involve similar subjective judgements. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation (including estimated future production from the company's projects, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that ultimately may prove to be inaccurate. Mineral resource or mineral reserve estimates may have to be re-estimated based on: (i) fluctuations in the price of gold or other minerals; (ii) results of drilling; (iii) metallurgical testing and other studies; (iv) proposed mining operations, including dilution; (v) the evaluation of mine plans subsequent to the date of any estimates and/or changes in mine plans; (vi) the possible failure to receive required permits, approvals and licences; and (vii) changes in law or regulation.

The risks and uncertainties that may affect forward-looking statements include, among others: the inherent risks involved in exploration and development of mineral properties, including government approvals and permitting, changes in economic conditions, changes in the worldwide price of gold and other key inputs, changes in mine plans and other factors, such as project execution delays, many of which are beyond the control of Teranga, as well as other risks and uncertainties which are more fully described in Teranga's Annual Information Form dated March 29, 2018, and in other filings of Teranga with securities and regulatory authorities which are available at www.sedar.com. Teranga does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Nothing in this document should be construed as either an offer to sell or a solicitation to buy or sell Teranga securities. All references to Teranga include its subsidiaries unless the context requires otherwise.

About Teranga

Teranga is a multi-jurisdictional West African gold company focused on production and development as well as the exploration of more than 6,400 km² of land located on prospective gold belts. Since its initial public offering in 2010, Teranga has produced more than 1.5 million ounces of gold from its operations in Senegal, which as of June 30, 2018 had a reserve base of 2.5 million ounces of gold. Focused on diversification and growth, the Company is advancing its Wahgnion Gold Project in Burkina Faso towards delivering its second producing gold mine, as well as carrying out exploration programs in three West African countries: Burkina Faso, Côte d'Ivoire and Senegal. The Company has 4.1 million ounces of gold reserves from its combined Sabodala Gold operations and Wahgnion Gold Project as of June 30, 2018. Teranga applies a rigorous capital allocation framework for its investment decisions to execute on its growth strategy relying on a combination of cash on the balance sheet, free cash flow from operations and debt.

Steadfast in its commitment to set the benchmark for responsible mining, Teranga operates in accordance with the highest international standards and aims to act as a catalyst for sustainable economic, environmental, and community development as it strives to create value for all of its stakeholders. Teranga is a member of the United Nations Global Compact and a leading member of the multi-stakeholder group responsible for the submission of the first Senegalese Extractive Industries Transparency Initiative revenue report.

Contact Information

Richard Young
President & CEO
T: +1 416-594-0000 | E: ryoung@terangagold.com

Trish Moran
Head of Investor Relations
T: +1 416-564-4290 | E: tmoran@terangagold.com

APPENDIX

Table 1: Open-pit Mineral Resources Summary

Deposit	Measured Resources		Indicated Resources		Measured + Indicated Resources		Inferred Resources	
	MTonnes	Grade (Au g/t)	MTonnes	Grade (Au g/t)	MTonnes	Grade (Au g/t)	MTonnes	Grade (Au g/t)

Nogbele N/Nangolo	1.62	1.26	0.07	22.50	1.40	1.02	24.12	1.39	1.08	2.65	1.27	0.11
Samavogo	0.00	0.00	0.00	8.06	1.91	0.49	8.06	1.91	0.49	1.46	1.65	0.08
Stinger	0.16	2.15	0.01	8.30	1.56	0.42	8.46	1.58	0.43	0.57	1.56	0.03
Nogbele S	0.46	1.81	0.03	4.71	1.29	0.19	5.18	1.33	0.22	0.33	1.14	0.01
Fourkoura	0.59	1.63	0.03	4.10	1.42	0.19	4.69	1.45	0.22	0.24	1.53	0.01
Total	2.83	1.48	0.13	47.67	1.51	2.31	50.50	1.51	2.44	5.25	1.41	0.24

Notes for Mineral Resources Estimate (effective May 31, 2018)

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported at cut-off grades ranging from 0.320 g/t Au to 0.403 g/t Au in oxide, and at cut-off grades ranging from 0.388 g/t Au to 0.541 g/t Au in transition and primary rock.
3. High-grade assays were capped at grades ranging from 5 to 48 g/t Au.
4. Mineral Resources are estimated using a long-term gold price of US\$1,500 per ounce, adjusted to match existing industry standards.
5. A minimum thickness of two metres was applied.
6. Mineral Resources are inclusive of Mineral Reserves.
7. Mineral Resources are constrained by resource pit shells.
8. Totals may not add due to rounding.

Table 2: Open-pit Mineral Reserves Summary

Deposit	Proven Reserves			Probable Reserves			Proven + Probable Reserves		
	Ore MTonnes	Grade (Au g/t)	Gold Moz	Ore MTonnes	Grade (Au g/t)	Gold Moz	Ore MTonnes	Grade (Au g/t)	Gold Moz
Nogbele N/Nangolo	1.39	1.30	0.06	12.49	1.54	0.62	13.88	1.51	0.68
Samavogo				5.19	1.98	0.33	5.19	1.98	0.33
Stinger	0.15	2.06	0.01	5.60	1.65	0.30	5.75	1.66	0.31
Nogbele S	0.42	1.80	0.02	2.93	1.34	0.13	3.35	1.39	0.15
Fourkoura	0.49	1.71	0.03	2.41	1.57	0.12	2.90	1.60	0.15
Total	2.44	1.51	0.12	28.63	1.62	1.49	31.07	1.61	1.61

Notes for Mineral Reserves Estimates (effective May 31, 2018)

1. CIM definitions were followed for Mineral Reserves.
2. Mineral Reserve cut-off grades range from 0.38 g/t to 0.48 g/t Au for oxide and 0.53 g/t to 0.64 g/t Au for fresh rock.
3. Mineral Reserve is based on a \$1,250/oz gold price.
4. Mineral Reserves account for mining dilution and mining ore loss.
5. A minimum mining width of 2.5 metres was used.
6. Proven Mineral Reserves are based on Measured Mineral Resources only.
7. Probable Mineral Reserves are based on Indicated Mineral Resources only.
8. Sum of individual amounts may not equal due to rounding.

Table 3: Life of Mine Operating Costs³

	Life of Mine Total	
Mining ^(a)	\$/t	2.17
Processing	\$/t	11.49
General & administrative ^(a)	\$/t	4.27

(a) Includes pre-production operating costs.

Table 4: Life of Mine Production Plan

	Life of Mine	2019- 2028	2020- 2024	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030		
				Total	Average	Average	Yr-1	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9		
Ore mined	Mt	31	2.3	2.5	0.1	0.7	2.3	2.4	2.5	2.7	2.5	2.7	2.4	2.7	2.5	1.5	1.9	
Wasted mined	Mt	259	18.0	17.4	2.2	5.9	14.4	18.4	18.0	18.2	18.0	21.7	21.7	21.7	22.1	22.6	21.6	
Ore milled	Mt	31	2.4	2.4		0.2	2.6	2.2	2.4	2.5	2.4	2.5	2.3	2.5	2.6	2.4	2.3	
Mill head grade	g/t	1.61	1.70	1.83		3.05	1.74	2.07	1.94	1.79	1.63	1.58	1.73	1.45	1.30	1.21	1.29	
Contained gold	Koz	1,612	133		142		20	145	146	147	145	128	129	126	117	108	94	94
Recovered gold	Koz	1,489	123		132		18	136	135	136	136	117	120	116	109	99	87	84

Table 5: Pre-production Capital Costs^{2, 4}

	(\$M)
Indirect project construction	21.2
Processing plant	50.6
Reagent & plan services	13.2
Infrastructure	57.5
Mining infrastructure and equipment	27.9
EPCM costs	17.7
Owner's project costs	33.2
Subtotal	221.3
Contingency	18.5
Total^{(a),(b),(c)}	239.8

(a) Sum of individual amounts may not equal due to rounding.

(b) Excludes cost to mine and stockpile 668 Kt at 2.13 g/t or 46Koz prior to mill production, which has been included in mining operating costs.

(c) Excludes \$16 million used for construction readiness activities spent prior to major construction.

Table 6: Life of Mine Sustaining Capital Costs²

	(\$M)
Mining fleet replacement and mine sustaining	40.1
Processing sustaining	17.6
General and administration sustaining and other	4.7
TSF	44.7
Deferred resettlement action plan costs	30.5
Total	137.6

Table 7: Life of Mine Cash Flow^{3 (a), (b)}

	Life of Mine	2019- 2028	2020- 2024	2018	2019	2020	2021	2022	2023	2024	2025	
				Total	Average	Average	Yr-1	Yr1	Yr2	Yr3	Yr4	
Gold produced	Koz	1,489	123	132		18	136	135	136	136	117	12
Gold price	\$/oz	1,250	1,250	1,250		1,250	1,250	1,250	1,250	1,250	1,250	1,250
Gold sales	\$M	1,861	154	165		23	169	169	170	169	146	14

Cash costs	\$M	(1,091)	(84)	(78)	(12)	(72)	(78)	(78)	(78)	(83)	(87)
Royalties & gov't payments ^(c)	\$M	(118)	(10)	(10)	(1)	(10)	(10)	(10)	(10)	(9)	(10)
Sustaining capital	\$M	(138)	(12)	(13)		(10)	(22)	(14)	(5)	(12)	(12)
All-in sustaining costs ^(d)	\$M	(1,346)	(105)	(100)	(14)	(92)	(110)	(102)	(94)	(104)	(104)
All-in sustaining costs ^(d)	\$/oz	904	854	761	750	678	813	752	691	888	911
Income taxes, W/C and other ^(e)	\$M	(36)	(4)	(3)	(2)	(3)	(3)	(2)	(2)	(4)	(6)
Free cash flow from operations ^(d)	\$M	479	45	62	7	75	57	66	74	39	34
Pre-production operating costs	\$M	(28)			(14)	(13)					
Pre-production capital costs	\$M	(240)			(134)	(106)					
Net cash flow	\$M	211	32	62	(148)	(112)	75	57	66	74	39

(a) Sum of individual amounts may not equal due to rounding.

(b) All figures on a 100% basis.

(c) Includes royalties, business license tax, mortmain taxes and surface taxes.

(d) This is a Non-IFRS Performance Measure and does not have a standard meaning under IFRS. Please see the Non-IFRS Performance Measures section of this release.

(e) Includes income taxes, refundable VAT movements, government social fund, pre-production surface tax and rehabilitation and equipment residual value. Excludes all project financing costs and allocation of corporate overhead costs.

Endnotes

1. This production target is based on proven and probable reserves only from Wahgnion. The estimated ore reserves underpinning this production target have been prepared by a qualified person or persons (see Qualified Persons Statements above).

2. Life of mine assumptions include:

- Gold price: \$1,250 per ounce
- Heavy fuel oil (HFO): \$0.59 per litre
- Light fuel oil (LFO): \$1.04 per litre (\$0.88 per litre during construction period)
- Euro to USD Exchange Rate: 1.10:1

3. Free cash flow excludes Wahgnion financing, resource development, and exploration expenditures.

4. Excludes \$16 million used for construction readiness activities spent prior to major construction.

5. This is a Non-IFRS Performance Measure and does not have a standard meaning under IFRS. Please see the Non-IFRS Performance Measures section of this release.

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