

Santacruz Silver Reports First Quarter 2019 Financial Results

31.05.2019 | [Newsfile](#)

Vancouver, May 31, 2019 - [Santacruz Silver Mining Ltd.](#) (TSXV: SCZ) (the "Company" or "Santacruz") reports on the operating and financial results from the Veta Grande Project in Zacatecas, Mexico and the Rosario Project in San Luis Potosi, Mexico for the first quarter of 2019. The full version of the financial statements and accompanying management's discussion and analysis can be viewed on the Company's website at www.santacruzsilver.com or on SEDAR at www.sedar.com. All amounts are in thousands of US dollars unless otherwise indicated.

Q1 2019 Highlights

- Consolidated mining operations resulted in a loss of \$1,846 (Q1 2018 - loss of \$806), a \$2,393 improvement over Q4 2018;
- Consolidated cash cost per silver equivalent ounce sold decreased by 55% and 57% to \$20.64 as compared respectively to Q1 2018 and Q4 2018

"During the first quarter we saw again a significant improvement in our mining operations as our quarter over quarter revenues from mining operations and reduced production costs demonstrate. This trend of increased metal production, reduced production costs and improved cash flow from mining operations has continued into Q2 and is expected to continue for the rest of the year," stated Arturo Préstamo, Chief Executive Officer of Santacruz. "These positive operations developments reflect the results of our ongoing exploration program and mill operational efficiencies at Veta Grande as well as significant mine development works being carried out at both Veta Grande and Rosario. They confirm that the operations initiatives and strategies put in place by our Operating Team, headed by Mr. Carlos Silva, COO, are working."

Selected operating and financial information for the three-month periods ended March 31, 2019, December 31, 2018 and March 31, 2018 is presented below:

	2019 Q1	2018 Q4	2018 Q1
Financial			
Revenue - Mining Operations	2,490	1,258	753
Revenue - Mining Services	790	1,466	2,413
Gross (Loss) Profit ⁽⁴⁾	(514)	(3,073)	(117)
Impairment	-	(1,486)	-
Net Loss	(1,846)	(4,239)	(806)
Net Loss Per Share - Basic (\$/share)	(0.01)	(0.03)	(0.00)
Adjusted EBITDA ⁽⁴⁾	(921)	(2,404)	(209)
Operating			
Material Processed (tonnes milled)	42,904	53,396	48,068
Silver Equivalent Produced (ounces) ⁽¹⁾	257,138	237,542	154,175
Silver Equivalent Sold (payable ounces) ⁽²⁾	195,976	106,757	59,648
Production Cost per Tonne ⁽³⁾ (\$/t)	83.23	89.97	52.97
Cash Cost per Silver Equivalent (\$/oz.) ⁽³⁾	20.64	48.32	45.94
All-in Sustaining Cost per Silver Equivalent (\$/oz.) ⁽³⁾	24.38	56.19	55.84
Average Realized Silver Price per Ounce (\$/oz.) ^{(2) (5)}	15.10	14.40	16.78

(1) Silver equivalent ounces produced in 2019 have been calculated using prices of US\$15.25/oz., US\$1,281/oz., US\$0.94/lb. and US\$1.20/lb. for silver, gold, lead and zinc respectively applied to the metal content of the lead and zinc concentrates produced by the Company. Silver equivalent ounces produced in 2018 have been calculated using prices of US\$17.00/oz., US\$1,295/oz., US\$1.00/lb. and US\$1.35/lb. for silver, gold, lead and zinc respectively applied to the metal content of the lead and zinc concentrates produced by the Company.

(2) Silver equivalent sold ounces have been calculated using the realized silver prices stated in the table above, applied to the payable metal content of the lead and zinc concentrates sold by the Company.

(3) The Company reports non-IFRS measures which include Production Cost per Tonne, Cash Cost per Silver Equivalent, All-in Sustaining Cost per Silver Equivalent and Average Realized Silver Price per Ounce. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions.

(4) The Company reports additional non-IFRS measures which include Gross Profit (Loss) and Adjusted EBITDA. These additional financial disclosure measures are intended to provide additional information.

(5) Average realized silver price per ounce is prior to all treatment, smelting and refining charges.

Financial Results

The Company realized an average silver price of \$15.10 per ounce during Q1 2019 which represents a 10% decrease from Q1 2018 and a 5% increase from Q4 2018.

The Company recorded a net loss of \$1,846 in Q1 2019 compared to a net loss of \$806 in Q1 2018 and a net loss of \$4,239 in Q4 2018. The net losses for all three periods were positively impacted by the operating results from mining services.

Revenues in Q1 2019 of \$3,280 include mining operations of \$2,490 (Q1 2018 - \$753; Q4 2018 - \$1,258) and mining services of \$790 (Q1 2018 - \$2,413; Q4 2018 - \$1,466). The \$790 of mining services revenues recorded in Q1 2019 reflects a short-term decrease in service requirements from Carrizal Mining. Management anticipates that it will resume providing mining services to Carrizal Mining during Q3 2019.

The Company recorded a gross loss from operations of \$514 during Q1 2019 (Q1 2018 - loss of \$117; Q4 2018 - loss of \$3,073). During these periods the mining operations resulted in gross losses of \$1,304, \$2,129 and \$4,539 for Q1 2019, Q1 2018 and Q4 2018 respectively while mining services resulted in gross profits of \$790, \$2,012 and \$1,466 for the same periods. On a project basis, Veta Grande recorded a gross loss from mining operations of \$976 in Q1 2019 (Q1 2018 - loss of \$1,152; Q4 2018 - loss of \$2,313) and Rosario recorded a gross loss of \$328 in Q1 2019 (Q1 2018 - loss of \$977; Q4 2018 - loss of \$2,226).

Management expects that results from operations will improve in Q2 2019 and thereafter as preliminary production estimates for April 2019 indicate that the consolidated production for the Company was 20,300 tonnes processed resulting in 125,600 silver equivalent ounces being produced, sourced as to 13,600 tonnes and 82,170 silver equivalent ounces from Veta Grande and 6,700 tonnes and 43,430 silver equivalent ounces from Rosario.

Operational Results and Costs

Cash cost per ounce in Q1 2019 was \$20.64 per payable ounce of silver sold, a decrease of 55% from \$45.94 per ounce in Q1 2018 and a decrease of 57% from \$48.32 per ounce in Q4 2018. The decrease in cash cost in Q1 2019 reflects improved head grade and metal recoveries at Veta Grande resulting in increased silver equivalent ounces produced.

All-in Sustaining Cost per ounce in Q1 2019 was \$24.38 per payable ounce of silver sold, a decrease of 56% from \$55.84 per ounce in Q1 2018 and a decrease of 57% from \$56.19 per ounce per ounce in Q4 2018. The changes occurred for the same reasons as those relating to the cash cost per ounce changes referenced above.

About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver company with two producing silver projects (Veta Grande Project and Rosario Project) and two exploration properties (Minillas Property and Zacatecas Properties). The Company is managed by a technical team of professionals with proven track records in developing, operating and discovering silver mines in Mexico. Our corporate objective is to become a mid-tier silver producer.

'signed'

Arturo Préstamo Elizondo,
President and CEO

For further information please contact:

Arturo Prestamo
[Santacruz Silver Mining Ltd.](#)
Email: info@santacruzsilver.com
Telephone: (011) (52) 81 8378 5707

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward looking information

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions. In making the forward-looking statements included in this news release, the Company has applied several material assumptions, that the Company's financial condition and development plans do not change as a result of unforeseen events, that third party mineralized material to be milled by the Company will have properties consistent with management's expectations, that the Company will receive all required regulatory approvals, and that future metal prices and the demand and market outlook for metals will remain stable or improve. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, which could result in lower revenue, higher cost, or lower production levels; delays and/or cessation in planned work; changes in the Company's financial condition and development plans; delays in regulatory approval; risks associated with the interpretation of data (including in respect of the third party mineralized material) regarding the geology, grade and continuity of mineral deposits; the possibility that results will not be consistent with the Company's expectations, as well as the other risks and uncertainties applicable to mineral exploration and development activities and to the Company as set forth in the Company's continuous disclosure filings filed under the Company's profile at www.sedar.com. There can be no assurance that any forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. The Company undertakes no obligation to update forward-looking information or statements, other than as required by applicable law.

Rosario Project

The decisions to commence production at the Rosario Mine, Cinco Estrellas Property and Membrillo Prospect were not based on a feasibility study of mineral reserves demonstrating economic and technical viability, but rather on a more preliminary estimate of inferred [Mineral Resources Ltd.](#) Accordingly, there is increased uncertainty and economic and technical risks of failure associated with this production decision. Production and economic variables may vary considerably, due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101.

Veta Grande Project

The decision to commence production at Veta Grande Project was not based on a feasibility study on

mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with this production decision. Production and economic variables may vary considerably due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/45191>

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/327348--Santacruz-Silver-Reports-First-Quarter-2019-Financial-Results.html>

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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).