

Harte Gold Announces Fourth Quarter and Full Year 2019 Results

26.03.2020 | [GlobeNewswire](#)

TORONTO, March 25, 2020 - [Harte Gold Corp.](#) (?Harte Gold? or the ?Company?) (TSX: HRT / OTC: HRTFF / Frankfurt: H4O) announces its financial and operational results for the fourth quarter (?Q4?) and full year (?FY?) ended December 31, 2019 and provides an operational update for 2020.

2019 Highlights

- Gold production for FY 2019 was 27,316 ounces, above the revised guidance range of 24,000 to 26,000 ounces
- Q4 2019 production was 8,017 ounces, the highest quarterly result to date and a 32% increase over Q3
- Production in December was 3,151 ounces, the highest month of production to-date
- Revenues generated were \$49.8 million
- Positive Mine EBITDA¹ of \$1.5 million
- Cash Cost² and All-In Sustaining Cost² (?AISC?) per ounce of US\$1,326 and US\$2,079, respectively. As gold production increases, Cash Cost and AISC per ounce are expected to decline

FY 2019 Performance

<i>Figures in C\$ 000</i>	Q1	Q2	Q3	Q4	FY 2019
	Mar 31	Jun 30	Sep 30	Dec 31	
Ore mined (tonnes)	32,044	42,601	46,235	53,659	174,539
Ore processed (tonnes)	38,278	53,216	56,558	53,162	201,214
Average daily throughput (tpd)	425	591	628	591	559
Head grade (g/t)	4.86	4.89	3.61	5.03	4.56
Recovery (%)	92%	93%	92%	93%	93%
Gold ounces produced	5,476	7,754	6,069	8,017	27,316
Key Financial Data (000 \$)					
Net revenues	7,983	11,821	14,477	15,474	49,755
Mine operating profit / (loss)	(5,751)	(1,044)	(4,782)	(2,426)	(14,002)
Mine EBITDA ¹	(2,482)	2,730	(661)	1,910	1,497
Net Loss	(13,354)	(25,900)	(15,182)	(7,145)	(61,581)
Net decrease in cash	(6,579)	3,208	(3,032)	1,206	(5,197)
Cost Statistics (in dollars)					
Cash Cost (US\$/oz) ²	1,527	1,145	1,510	1,225	1,326
AISC (US\$/oz) ²	2,401	1,756	2,259	2,036	2,079

1) Mine EBITDA is a non-IFRS measure, refer to definition of non-IFRS measures below

2) Cash Cost and AISC are non-IFRS measures, refer to definition of non-IFRS measures below. Calculated based on a Canadian / U.S. dollar exchange rate of 0.75

Sam Coetzer, President and CEO of the Company commented:

The Sugar Zone mine experienced a challenging start-up year in 2019. However, most of those growing pains are behind us. The entire team recognizes that its primary focus is on mine development to open new working areas and improve mine scheduling going forward. As a team we are focusing on development rates as a critical indicator for 2020.

I was encouraged by the support we received from investors in completing our recent \$27 million flow through transaction. The capital will create flexibility throughout the mine and will allow for better grade control and mill feed supply.

Our team is now settled in and we are starting to see a cultural shift that will necessitate improvements at site. I look forward to furthering the growth of the Company in 2020.

Impact Of COVID-19 On Outlook and Guidance

Due to the global outbreak of the coronavirus disease (COVID-19), an internal risk assessment and scenario planning was completed in the potential event of an outbreak at site.

Currently, operations remain *normal* with no reported impact from COVID-19. However, the Company's risk profile has increased significantly, including but not limited to the following:

- Potential loss of contractor manpower to site or overall reduction of workforce productivity
- Availability of industry experts and personnel
- Potential of a Harte Gold employee falling ill and causing a disruption to site
- Ability to procure and transport critical supplies and parts to site
- Cancellation of domestic flights causing mobility issues for site staff rotations
- Possible restrictions to its drill program and/or the timing to process drill and other metallurgical testing; and
- Ability to continue operating a remote camp while managing self isolation policies
- A potential curtailment or total shut down of operations by government

If any of these events were triggered, the result could be a complete shutdown of the mine for an undetermined period. To minimize this risk, the following actions have been taken:

- A policy has been instituted supporting employees to work from home where practical
- Preliminary screenings at site
- Any employees or contractors showing potential signs of COVID-19 shall be placed into self isolation
- Special arrangements at the camp have been implemented to maximize social distancing; and
- Tracking of employee travel is under constant review.

The Company is treating the threat of a COVID-19 outbreak very seriously. A care-and-maintenance plan has been prepared and will be executed in the event of an outbreak at site. The Company has entered a cash preservation mode and all non-critical expenditures will be deferred for the foreseeable future. Mine development, critical to the overall growth of the Company, will continue.

Due to the above risks, there is no assurance at this time that guidance targets will be achieved. The

Company continues to monitor the situation very closely and will provide further disclosure as required.

2020 Outlook

On January 9, 2020, the Company provided full year 2020 production and cash cost guidance:

- 42,000 to 48,000 gold ounces of production, an increase of 54% to 76% over 2019 production levels
- US\$900 to US\$1,000 per ounce operation cash cost
- US\$1,475 to US\$1,650 per ounce AISC

Capital plan for 2020:

- \$18.5 million allocated to development
- All other discretionary capital has been deferred at this time

Longer term, the Company is targeting a return to Feasibility Study Plan levels of production totalling 60,000 to 70,000 gold ounces annually, based on the following relative contributions:

- Sugar Zone: 40,000 to 45,000 gold ounces
- Middle Zone: 20,000 to 25,000 gold ounces

Operations Update

The Company takes pride in its safety performance and year-to-date (?YTD?) is pleased to announce zero lost modified work or lost time incidents reported.

Mine Development Progressing as Per Plan

Mine development is a critical factor to achieving the longer term potential of the mine. The mine is currently lagging in development by about 9 to 12 months. To accelerate this development, the Company raised gross proceeds of \$27 million (see press release dated March 19, 2020), which fully funds the work required to access the Middle Zone and to continue vertical development at the Sugar Zone.

The Company has been achieving its development targets YTD. Based on current rates, management expect to reach the Middle Zone by the beginning of 2021 with initial ore production to follow.

Grade Control Measures in Place

The Company is currently mining on plan from available stopes at the Sugar Zone South area. A policy is in place to manage grade expectations from the feasibility plan stage through to daily muck sampling. Based on mining experiences to-date, a significant amount of free gold appears to be present when mining in higher grade areas of the mine, which has had a net positive effect on reconciled grade from the mill and is an important factor when optimizing scheduling going forward.

The Company currently has limited scheduling flexibility until sufficient development is completed. However, the grade control measures that have been instituted allow the Company to react more quickly when mining in and out of high grade areas and will be a valuable tool for future performance.

Exploration Update

Exploration Strategy, Hiring of Senior Geologist

The Company is currently reviewing exploration objectives for 2020. Critical to this process is the hiring of a senior geologist who will work with the exploration and near mine geology teams to define a strategy that will identify and develop new ore bodies to feed the Sugar Zone mill. While a renewal of the Company's exploration strategy is currently underway, the following targets remain top exploration priorities for 2020.

Sugar Zone South Extension

Drilling in 2019 was successful in identifying a new high-grade zone south of the Sugar Zone mine, extending mineralization 300 metres along strike and 200 metres down dip. The extension remains open in both directions.

Drilling at TT8 Zone

Exploration at the TT8 Zone started in late 2019. To date, a total of 1,800 metres in 15 holes has been completed. Initial drill results were positive with the TT8 quartz vein intersected in 13 of the 15 holes, expanding mineralization 300 metres along strike and 600 metres down-dip from the original showing.

All drilling intersected the same sequence of rock types beginning with hangingwall mafic tuffs, followed by the TT8 quartz vein system and ending in footwall greywacke sediments. This package of rocks is intruded by coarse grained pegmatite and quartz-feldspar porphyry dykes and sills. Visible gold was noted in 10 of the 15 holes drilled. The TT8 quartz vein often hosts 2-5% pyrite, pyrrhotite, 0.5-2% chalcopyrite and sphalerite.

A summary of the assay results from the drill program are indicated below. Highlights of the drill assays include 11.14 g/t Au over 1.18 metres, or 33.3 g/t Au over 0.39 metres, in TT8-20-01 and 33.1 g/t Au over 0.68 metres in TT8-20-06.

The consistency of mineralization and the fact visible gold was observed is considered very encouraging. The Company has not seen this type of consistent gold mineralization, albeit narrow, elsewhere on the Sugar Zone property, other than in the immediate mine site area.

The Company plans to complete a 26 km VLF-mag survey centered over the TT8 drilling in order to try to locate the parent structure that the TT8 vein system is emanating from. Further drilling is expected by the summer.

Drill Assays (TT8 Zone)

Hole	From (m)	To (m)	Width (m)	Grade (g/t Au)
TT8-20-01	11.27	12.45	1.18	11.14
TT8-20-03	16.48	17.48	1.00	4.98
TT8-20-05	10.45	12.00	1.55	4.31
TT8-20-06	23.32	24.00	0.68	33.1
TT8-20-08	42.90	43.37	0.47	29.5
TT8-20-10	27.32	27.83	0.51	12.5
TT8-20-11	69.73	70.18	0.45	3.45
TT8-20-15	40.95	41.38	0.43	15.4

Core intersection lengths approximate 80% true width, assay results are uncut, fire assay with metallic screen on samples > 10 g/t

Additional Property Wide Targets Underway

Top exploration priorities for 2020 include the TT8 Zone, Flat Lake area, K7 South, Wolf-Fox and Lynx

Zones.

- VLF-mag geophysical surveys and subsequent diamond drilling are currently planned for the TT8 and Flat Lake Zones
- VLF surveys have been completed on K7 South and drill targets identified
- Downhole IP surveys, and subsequent drill testing, are planned for the Wolf-Fox and Lynx Zones

Technical Information

Scientific and technical information contained in this news release was reviewed and approved by Dr. Martin Raffield and David Stevenson, M.Sc. P.Geo., who are both a "qualified person" as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

The company has implemented a quality assurance and control program to ensure sampling and analysis of mine and exploration work is conducted in accordance with industry standards. Drill core is sawn in half with one half of the core shipped to Activation Laboratories located in Thunder Bay, ON, while the other half is retained at the Company's core facilities in White River, ON, for future verification. Gold analysis is performed by fire assay using atomic absorption, gravimetric or pulp metallic finish.

About Harte Gold Corp.

Harte Gold holds a 100% interest in the Sugar Zone Mine located in White River, Canada. The Sugar Zone Mine entered commercial production in 2019. The Company previously disclosed its production guidance for 2020 of 42,000 to 48,000 gold ounces (for more information refer to the Company's News Release dated January 9, 2020). The Company has further potential through exploration at the Sugar Zone Property, which encompasses 79,335 hectares covering a significant greenstone belt. Harte Gold trades on the Toronto Stock Exchange under the symbol "HRT", on the OTC under the symbol "HRTFF" and on the Frankfurt Exchange under the symbol "H4O".

For further information, please visit www.hartegold.com or contact:

Shawn Howarth
Vice President, Corporate Development and Investor Relations
Tel: 416-368-0999
E-mail: sh@hartegold.com

Non-IFRS Financial Measures:

In this press release we use the terms "mine EBITDA", "cash operating cost" and "All-In Sustaining Cost" or "AISC". These should be considered non-IFRS financial measures as defined in applicable Canadian securities laws and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Mine EBITDA does not have a standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other issuers. Mine EBITDA comprises earnings before income taxes, interest expense (income) and financing expense (income), amortization expense, foreign exchange loss (gain) and other expenses including management fees, sales commissions; gain on sale of property, plant and equipment and impairment charges. Certain investors use Mine EBITDA in addition to conventional measures prepared in accordance with IFRS as an indicator to the Company's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations and fund capital expenditures. A reconciliation of Mine EBITDA is provided in the Company's Management Discussion and Analysis.

Cash Cost and AISC are common financial performance measures in the gold mining industry that does not have a standard meaning under IFRS. The Company reports total Cash Costs on a per ounce of gold produced basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as costs of sales and cash flows from operating activities, certain investors use this information to evaluate the Company's performance and ability to generate operating income and cash flow from its mining operations. Management uses this metric as an important tool to monitor operating costs and all-in costs. A reconciliation of Cash Cost and AISC is provided in the Company's Management Discussion

and Analysis.

For additional information regarding non-IFRS financial measures used by the Company, please refer to the heading "Non-IFRS Measures" in the Company's Management Discussion and Analysis for the twelve months ended December 31, 2019 available at www.sedar.com.

Cautionary note regarding forward-looking information:

This news release includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Specific forward-looking statements in this press release include, but are not limited to, forecasting gold production and operating cost guidance for 2020 and 2020 capital expenditures guidance. Forward-looking statements are necessarily based upon a number of estimates and assumptions including material estimates and assumptions related to the factors set forth below that, while considered reasonable by the Company as at the date of this press release in light of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic, and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements, and undue reliance should not be placed on such statements and information.

Such risks and uncertainties include, but are not limited to, there being no events of default or breaches of key financing agreements, including agreements with BNP Paribas and Appian; the Company being able to attract and retain qualified candidates to join the Company's management team and board of directors, risks associated with the mining industry, including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of the Company to obtain all permits, consents or authorizations required for its operations and activities; and health, safety and environmental risks, the risk of commodity price and foreign exchange rate fluctuations, the ability of Harte Gold to fund the capital and operating expenses necessary to achieve the business objectives of Harte Gold, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as other risks and uncertainties which are more fully described in the Company's Annual Information Form dated April 1, 2019, and in other filings of the Company with securities and regulatory authorities which are available on SEDAR at www.sedar.com.

Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements.

Readers are cautioned that the foregoing list of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

A photo accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/86ac1b2b-06b6-4ca1-9a7c-7968e3d30a6b>

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/347470--Harte-Gold-Announces-Fourth-Quarter-and-Full-Year-2019-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](#).