TMAC Announces Initiatives in Response to COVID-19

30.03.2020 | Business Wire

TMAC Resources Inc. (TSX: TMR) (?TMAC? or the ?Company?) has implemented a number of initiatives to manage the COVID-19 pandemic and to protect its employees and contractors, their families and local communities from the virus. At the present time there are no confirmed cases of COVID-19 at the Hope Bay site or any of the Company?s offices. The Company is also providing an update on the timing for filing its annual results.

COVID-19 PANDEMIC RESPONSE

In response to the health risks associated with COVID-19, TMAC initiated the implementation of an Infectious Disease Control Plan (the ?Plan?) at Hope Bay on March 12, 2020. The Plan will be adapted as required based on additional information from within Canada and abroad. The decision to demobilize Nunavut based workers pursuant to the Plan was communicated to our workforce on March 17, 2020, and all are currently staying at home on standby hourly rates. This was done to eliminate the ongoing risk of transmitting the virus to remote communities. Southern crew change flights continue, but as part of the Plan, enhanced pre-boarding health screening of each passenger by a medical professional was initiated on March 17, 2020. The frequency and rigour of the already robust hygiene measures at Hope Bay have been increased, along with a range of communications and information campaigns to employees and contractors. All non-essential work and visits to Hope Bay have been suspended until further notice.

In line with many other mining operators, TMAC has now made the decision to scale down operations and reduce our workforce as the best course of action. The Company has suspended exploration activities at Hope Bay and development activity of the Madrid North underground and the Naartok East crown pillar. The Company has suspended underground development at Doris and is focusing on producing from developed stopes and bringing ore to surface. The Company expects to run the processing plant for eight to ten weeks with material from its stockpiles and limited mine production, but there may be opportunities to extend this further. If the risk of COVID-19 continues, TMAC will execute a controlled transition into temporary care and maintenance. During any care and maintenance period, on-site personnel would be limited to critical activities necessary to maintain the site until normal operations can resume.

Currently, TMAC has reduced the number of employees and contractors on site to approximately 120, in a camp that accommodates approximately 345 people. The Company would reduce this number further to approximately 30 people should the operations be suspended completely. The Cambridge Bay office of three employees has been closed to the public, while the staff work from home. Employees of the Toronto office have transitioned to working from home.

Jason Neal, President and Chief Executive Officer of TMAC, stated, ?The safety of our employees and communities remains our top priority during this time of unprecedented challenges presented by COVID-19 worldwide and to our industry. At this point we are partially suspending operations to manage risk while putting in place procedures to protect those workers who continue to be engaged. We will continue to evaluate the situation, but also will be actively planning for escalation should that be prudent.?

TMAC continues to monitor and evaluate the progression of the COVID-19 pandemic and its potential effects on its operations, liquidity and workforce at Hope Bay. The Company has been in regular contact with the Government of Nunavut Departments of Health, Justice and Economic Development and Transportation to align the steps taken to manage the situation.

TEMPORARY REGULATORY FILING RELIEF

On March 23, 2020, Canadian securities regulators published temporary blanket relief for market participants from certain regulatory filings as a result of COVID-19. The Company intends to rely on the temporary blanket relief which provides for a 45-day extension to file its financial statements and management?s discussion and analysis, and Annual Information Form for the year ended December 31, 2019 (collectively, the ?Annual Filings?). TMAC now expects to file the Annual Filings on or before May 14, 2020.

The Company confirms that its management and other insiders are subject to the Company?s Insider Trading Policy and such policy reflects the principles in section 9 of National Policy 11-207. The Company also confirms that since the filing of its condensed interim financial statements for the period ended September 30, 2019, there have been no material business developments other than those disclosed above or in prior press releases.

As at March 29, 2020, the Company?s unrestricted cash balance was $16 million.

ABOUT TMAC RESOURCES INC.

TMAC operates the Hope Bay property located in Nunavut, Canada. The property and operations are remote but not isolated, serviced by both a port and airstrip. Hope Bay is an 80 km by 20 km Archean greenstone belt that has been explored by BHP, Miramar, Newmont and TMAC over a period spanning more than 30 years. In that time, more than $1.5 billion of expenditures have been spent in exploration and evaluation, surface infrastructure, and mine and process plant development. TMAC began producing gold in early 2017 from Doris, its first mine at Hope Bay, and processed gold at the Doris processing plant which originally had nameplate capacity of 1,000 tpd and expanded to 2,000 tpd midway through 2018. There is potential to grow TMAC?s established deposits considerably at depth, and then grow resources further through the prioritized exploration of the more than 90 other identified regional targets. TMAC is now permitted to produce from both Madrid and Boston.

FORWARD-LOOKING INFORMATION

This release contains ?forward-looking information? within the meaning of applicable securities laws that is intended to be covered by the safe harbours created by those laws. ?Forward-looking information? includes statements that use forward-looking terminology such as ?may?, ?will?, ?expect?, ?anticipate?, ?believe?, ?continue?, ?potential? or the negative thereof or other variations or comparable terminology.

?Forward-looking information? is not a guarantee of future performance and management bases forward-looking statements on a number of estimates and assumptions at the date the statements are made. Furthermore, such ?forward-looking information? involves a variety of known and unknown risks, uncertainties and other factors, which may cause the actual plans, intentions, activities, results, performance or achievements to be materially different from those expressed or implied. See ?Risk Factors? in the Company?s Annual Information Form dated March 11, 2019, management?s discussion and analysis and other disclosure documents filed and available on SEDAR at www.sedar.com for a discussion of these risks.

For further information please contact:

View source version on businesswire.com: https://www.businesswire.com/news/home/20200330005184/en/

Contact

Jason Neal
President and Chief Executive Officer
Phone: 647-480-3111

Lisa Wilkinson
Vice President, Investor Relations and Strategic Development
Phone: 647-480-3110
Email: Lisa.Wilkinson@tmacresources.com
www.tmacresources.com