

# Anaconda Mining Reports Q1 2021 Production Results and Provides Operations Update

22.04.2021 | [ACCESS Newswire](#)

TORONTO, April 22, 2021 - [Anaconda Mining Inc.](#) ("Anaconda" or the "Company") (TSX:ANX)(OTCQX:ANXGF) is today announcing production results and certain financial information from the three months ended March 31, 2021 ("Q1 2021"), as well as providing an operational update with regards to production based on Q1 2021 results. All dollar amounts are in Canadian Dollars. The Company expects to file its first quarter financial statements and management discussion and analysis by May 6, 2021.

## First Quarter 2021 Highlights

- Anaconda sold 3,119 ounces of gold in Q1 2021, generating metal revenue of \$7.4 million at an average realized gold price<sup>1</sup> of \$2,358 (US\$1,862) per ounce sold.
- Point Rousse produced 2,540 ounces of gold in Q1 2021, a 49% decrease compared to Q1 2020, driven mainly by lower mined grade from certain benches of the Argyle Mine and lower mill throughput.
- Mine operations moved 59,157 tonnes of ore during the first quarter from Argyle, lower than the previous year but ahead of plan for 2021, at a strip ratio of 9.3 waste tonnes to ore tonnes. However, the mined grade was 35% lower than the mine plan, due to mining challenges in shallowly dipping areas of the Argyle Deposit.
- Point Rousse has implemented increased production drill sampling to provide better grade definition on each bench, increased ore delineation drilling where drill density is lower, and adopted preferential mining methods for shallowly dipping areas of the Argyle Deposit.
- Based on the 162,714 total ore tonnes mined from Argyle to the end of Q1 2021, Anaconda has also revised its top-cut parameter downward to better reflect the actual results from mining and the resulting mill reconciliation.
- As a result of the lower grade mined in Q1 2021 and the top-cut adjustment, the Company is revising its 2021 guidance downward to 16,000 to 17,000 ounces of gold produced. Gold production will be weighted towards the second half of 2021 (and into 2022) as accelerated waste development in Q2 2021 provides increased access to ore.
- The operating cash costs for the remainder of the year (Q2 through Q4) are expected to be between \$1,450 and \$1,500 (US\$1,125 - US\$1,175). Operating cash costs per ounce<sup>1</sup> for the full year are now expected to be between \$1,625 and \$1,675 per ounce of gold sold (US\$1,225 - US\$1,275) (based on an exchange rate of 0.775).
- The Pine Cove Mill processed 92,533 tonnes during Q1 2021 and achieved a recovery rate of 84.9%, a decrease in throughput of 18% compared to Q1 2020, the result of unplanned maintenance relating to the ball mill and the jaw crusher. Throughput is now running at normal levels.
- Ongoing drilling at the Stog'er Tight Deposit continues to provide encouraging results, both from an infill and expansionary perspective. Based on these results, the Company is updating its internal pit designs and resource estimates in anticipation of a potential development scenario at Stog'er Tight.
- As of March 31, 2021, the Company had a cash balance of \$14.5 million and preliminary working capital<sup>1</sup> of \$11.2 million.

<sup>1</sup> Refer to Non-IFRS Measures Section below.

"Anaconda had a challenging first quarter at its Point Rousse operation, whereby better than plan ore tonnage was significantly offset by lower than plan mined grade, resulting in gold production of 2,540 ounces of gold and 3,119 ounces of gold sold. The operation in particular experienced mining challenges in shallowly dipping areas of the Argyle Deposit. We have been working hard to update our understanding of the deposit, including an active program of ore delineation and grade control drilling to enable a more preferential mining approach with limited mining dilution. As a result of our Q1 2021 results and our updated understanding of the Argyle Deposit, we are revising our 2021 production guidance to 16,000 to 17,000 ounces of gold. We are confident with our plan going forward and we continue to review near-term opportunities at Point Rousse, including throughput and cost savings, which may provide further upside."

~ Kevin Bullock, President and CEO, [Anaconda Mining Inc.](#)

### 2021 Guidance and Operating Plan

Anaconda has revised its 2021 guidance downward to 16,000 to 17,000 ounces of gold, from 18,000 and 19,000 ounces of gold in 2021. Mill feed will continue to be predominantly from mining at Argyle, with accelerated development in Q2 2021 allowing for greater access to ore in the second half of the year. Throughput will be maintained with supplemental ore feed from Pine Cove and marginal stockpiles, although the Company continues to investigate opportunities to defer marginal ore feed. Operating cash costs per ounce<sup>1</sup> for the full year are now expected to be between \$1,625 and \$1,675 per ounce of gold sold (US\$1,225 - US\$1,275 at an approximate exchange rate of 0.775), up from \$1,425 and \$1,475 per ounce of gold sold, reflecting the impact of operating cash costs per ounce sold in Q1 2021 and the expected grade profile from Argyle over the remainder of the year. The operating cash costs for the remainder of the year (Q2 through Q4) are expected to be between \$1,450 and \$1,500 (US\$1,125 - US\$1,175 at an approximate exchange rate of 0.775). The Company still anticipates grade to increase towards the end of 2021 at Argyle which, along with a decrease in the stripping ratio, will lead to a marked decrease in operating cash costs per ounce sold.

The Company now expects to incur approximately \$5,500,000 of sustaining capital expenditures for the mine and mill operations in 2021, a decrease from \$6,600,000, as accelerated development in Q2 2021 results in a lower allocation of mining costs to capital in the second half of the year. Looking further ahead at Point Rousse, the Company continues to see positive results from infill and expansion drilling at the Stog'er Tight extension and has advanced baseline permitting activities, given its strong potential to extend the life of mine of the Point Rousse operation.

### First Quarter Operating Statistics

	Three months ended March 31, 2021	Three months ended March 31, 2020
<b>Mine Statistics</b>		
Ore production (tonnes)	59,157	103,222
Waste production (tonnes)	551,706	561,763
Total material moved (tonnes)	610,863	664,985
Waste: Ore ratio	9.3	5.4
<b>Mill Statistics</b>		
Availability (%)	82.7	97.8
Dry tonnes processed	92,533	113,136
Tonnes per day	1,243	1,271
Grade (grams per tonne)	1.01	1.57
Recovery (%)	84.9	87.4
Gold Ounces Produced	2,540	4,997
Gold Ounces Sold	3,119	5,132

### Operations Overview for the Three Months Ended March 31, 2021

Anaconda sold 3,119 ounces of gold during the first quarter of 2021, generating gold revenue of \$7.4 million at an average realized gold price<sup>1</sup> of \$2,358 (US\$1,862) per ounce sold. Gold production of 2,540 ounces was 49% lower than Q1 2020, predominantly driven by lower mined grade from the initial benches at Argyle and lower mill throughput. The Company expects to recognize a write-down of certain portions of its metal inventory as of March 31, 2021 to net realizable value in its quarterly financial statements.

During Q1 2021, the mine operations moved 59,157 tonnes of ore which was higher than plan for the

quarter, however a decrease of 43% compared to the comparable period of 2020 when Point Rousse was mining in the higher-tonnage Pine Cove Pit. The strip ratio of 9.3 waste tonnes to ore tonnes was lower than planned for the first quarter, due to a combination of earlier development in Q4 2020 and an expected acceleration of mine development in Q2 2021, when the strip ratio will increase to provide increased access to ore in Q3 and Q4 of 2021. However, the impact of a 35% lower mine grade significantly impacted production, particularly in flat lying areas of the Argyle Deposit.

To improve production moving forward, the mine operations have doubled production drill sampling to provide better grade definition on each bench and increased delineation drilling where drill density is lower. This will enable an optimized preferential mining approach, especially for shallower dipping areas of the Argyle Deposit, to minimize mining dilution. Point Rousse has also revised its top-cut parameter downward to better reflect the actual results from mining and the resulting mill reconciliation to provide a better prediction of grade in the mine plan.

The Pine Cove Mill processed 92,533 tonnes during Q1 2021, a decrease of 18% compared to the first quarter of 2020, due to unplanned maintenance relating to the ball mill and the jaw crusher. Operating risk mitigation plans were executed successfully and while COVID-19 did impact the delivery and timing of certain equipment, throughput has returned to normal levels. The average grade during Q1 2021 of 1.01 g/t reflected the mining challenges noted above, which had an attendant impact on the average recovery rate of 84.9%, reflecting a decrease of 3% compared to the first quarter of 2020.

<sup>1</sup> Refer to Non-IFRS Measures Section below.

#### Qualified Person

Kevin Bullock, P. Eng., President and CEO, [Anaconda Mining Inc.](#), is a "qualified person" as such term is defined in National Instrument 43-101 and has reviewed and approved the technical information and data included in this press release.

#### ABOUT ANACONDA

Anaconda Mining is a TSX and OTCQX-listed gold mining, development, and exploration company, focused in the top-tier Canadian mining jurisdictions of Newfoundland and Nova Scotia. The Company is advancing the Goldboro Gold Project in Nova Scotia, a significant growth project with Measured and Indicated Mineral Resources of 1.9 million ounces (16.0 million tonnes at 3.78 g/t) and Inferred Mineral Resources of 0.8 million ounces (5.3 million tonnes at 4.68 g/t) (Please see The Goldboro Gold Project Technical Report dated March 30, 2021), which is subject to an ongoing feasibility study. Anaconda also operates mining and milling operations in the prolific Baie Verte Mining District of Newfoundland which includes the fully-permitted Pine Cove Mill, tailings facility and deep-water port, as well as ~15,000 hectares of highly prospective mineral property, including those adjacent to the past producing, high-grade Nugget Pond Mine at its Tilt Cove Gold Project.

#### NON-IFRS MEASURES

Anaconda has included certain non-IFRS performance measures as detailed below. In the gold mining industry, these are common performance measures but may not be comparable to similar measures presented by other issuers. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is 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.

**Average Realized Gold Price per Ounce Sold** - In the gold mining industry, average realized gold price per ounce sold is a common performance measure that does not have any standardized meaning. The most directly comparable measure prepared in accordance with IFRS is gold revenue. The measure is intended to assist readers in evaluating the revenue received in a period from each ounce of gold sold.

**Operating Cash Costs per Ounce of Gold** - Anaconda calculates operating cash costs per ounce by dividing operating expenses per the consolidated statement of operations, net of silver sales by-product revenue, by the gold ounces sold during the applicable period. Operating expenses include mine site operating costs such as mining, processing and administration as well as royalties, however, excludes depletion and depreciation and rehabilitation costs.

**Working Capital** - Working capital is a common measure of near-term liquidity and is calculated by deducting

current liabilities from current assets.

#### FORWARD-LOOKING STATEMENTS

*This news release contains "forward-looking information" within the meaning of applicable Canadian and United States securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Anaconda to be materially different from those expressed or implied by such forward-looking information, including risks associated with the exploration, development and mining such as economic factors as they effect exploration, future commodity prices, changes in foreign exchange and interest rates, actual results of current production, development and exploration activities, government regulation, political or economic developments, environmental risks, permitting timelines, capital expenditures, operating or technical difficulties in connection with development activities, employee relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of resources, contests over title to properties, and changes in project parameters as plans continue to be refined as well as those risk factors discussed in Anaconda's annual information form for the year ended December 31, 2020, available on [www.sedar.com](http://www.sedar.com). Although Anaconda has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Anaconda does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*

#### FOR ADDITIONAL INFORMATION CONTACT:

[Anaconda Mining Inc.](#)

Kevin Bullock  
President and CEO  
(647) 388-1842  
[kbullock@anacondamining.com](mailto:kbullock@anacondamining.com)

Reseau ProMarket Inc.

Dany Cenac Robert  
Investor Relations  
(514) 722-2276 x456  
[Dany.Cenac-Robert@ReseauProMarket.com](mailto:Dany.Cenac-Robert@ReseauProMarket.com)

SOURCE: [Anaconda Mining Inc.](#)

View source version on [accesswire.com](http://accesswire.com):

<https://www.accesswire.com/641667/Anaconda-Mining-Reports-Q1-2021-Production-Results-and-Provides-Operations>

---

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/381248--Anaconda-Mining-Reports-Q1-2021-Production-Results-and-Provides-Operations-Update.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](#).