

Anaconda Mining Announces Q2 2021 Production Results and Strengthens Liquidity With \$3 Million Revolving Credit Facility

20.07.2021 | [ACCESS Newswire](#)

TORONTO, July 20, 2021 - [Anaconda Mining Inc.](#) ("Anaconda" or the "Company") (TSX:ANX) (OTCQX:ANXGF) is today announcing production results and certain financial information from the three and six months ended June 30, 2021 ("Q2 2021"). The Company is also pleased to announce it has obtained a \$3 million credit facility with the Royal Bank of Canada ("RBC"), further strengthening its financial liquidity. All dollar amounts are in Canadian Dollars. The Company expects to file its second quarter financial statements and management discussion and analysis on or around July 29, 2021.

Second Quarter 2021 Highlights

- Anaconda sold 3,156 ounces of gold in Q2 2021, generating metal revenue of \$6.9 million at an average realized gold price¹ of \$2,197 (US\$1,789) per ounce sold.
- Point Rousse produced 3,201 ounces of gold in Q2 2021, a 26% increase from the first quarter of 2021, driven by higher throughput and stronger average recovery. Gold production is expected to increase further in the second half of 2021 as accelerated waste development provides increased access to higher grade ore.
- Mine operations moved 29,558 tonnes of ore during Q2 2021 from Argyle, approximately 50% lower than Q1 2021, as operations focused on mine development to increase access to ore, as demonstrated by the strip ratio of 19.7 waste tonnes to ore tonnes.
- Average mill grade for the second quarter of 2021 was 0.98 grams per tonne ("g/t") gold, down slightly from the first quarter as per the updated mine plan, as throughput was supplemented by lower grade Pine Cove stockpiles as mine development progressed. Argyle ore will be the predominant feed in the second half of 2021.
- The Pine Cove Mill processed 117,030 tonnes during Q2 2021, a 26% increase from the first quarter of 2021 when the mill was impacted by unplanned maintenance relating to the ball mill and the jaw crusher. During Q2 2021, the mill was consistently above plan target for throughput, recovery, and availability.
- The Company continued to announce encouraging drill results from its infill drill program at the Stog'er Tight Deposit, which are being incorporating into pit designs and a resource estimate in anticipation of a potential development scenario at Stog'er Tight.
- On May 28, 2021, Anaconda completed a brokered charity flow-through financing of \$8.5 million with Raymond James Ltd., which will accelerate its highly prospective exploration and diamond drill programs in Atlantic Canada.
- The Company has further strengthened its financial position with a \$3 million revolving credit facility with the Royal Bank of Canada, supported by ongoing cash flows from Point Rousse and providing further financial flexibility.
- As of June 30, 2021, the Company had a cash balance of \$14.6 million and preliminary working capital¹ of \$11.7 million, reflecting quarterly expenditures of \$2.9 million and \$1.3 million for Goldboro development and exploration in Newfoundland, respectively.

¹ Refer to Non-IFRS Measures Section below.

"Anaconda experienced some significant challenges in the first quarter of 2021 when it commenced mining at the Argyle Deposit, and we immediately implemented delineation and grade control programs and a preferential mining approach. Our second quarter results are in line with our updated plan, with gold production of 3,201 ounces demonstrating a 26% increase from the first quarter, mainly due to better throughput and recovery. The mill grade reflects the use of lower grade Pine Cove ore stockpiles to supplement mill throughput in accordance with our plan while we focus on mine development, which will provide enhanced access to higher grade Argyle ore in the second half of the year. The Company continues to maintain its guidance of 16,000 to 17,000 ounces of gold for 2021. We are also pleased to announce a \$3 million revolving credit facility with RBC which provides further low-cost liquidity for the Company going

forward, which is underpinned by our updated mine plan and continued positive drill results from Stog'er Tight."

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

Royal Bank of Canada Revolving Credit Facility

In July 2021, the Company strengthened its liquidity by obtaining a \$3 million revolving credit facility with RBC (the "Facility"). The Facility is subject to an existing general security agreement with RBC and a debt service coverage ratio covenant to be measured on an annual basis. The Facility was arranged with the support of Export Development Canada ("EDC"), which has provided a performance guarantee over 75% of the Facility limit. The interest rate is calculated as the Royal Bank Prime rate plus 1.50%, which at today's rate results in an interest cost of 3.95%, inclusive of EDC guarantee fees. The Facility remains undrawn as at the date of this press release.

Second Quarter Operating Statistics

	Three months ended June 30, 2021	Three months ended June 30, 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Mine Statistics				
Ore produced (tonnes)	20,556	111,167	88,715	214,388
Waste produced (tonnes)	51,001	561,950	1,132,707	1,123,714
Total material moved (tonnes)	71,559	673,117	1,221,422	1,338,102
Waste: Ore ratio	2.7	5.1	12.8	5.2
Mill Statistics				
Availability (%)	97.1	98.4	90.0	98.1
Dry tonnage processed	117,030	118,333	209,563	231,469
Tonnes per day ("tpd")	324	1,321	1,287	1,296
Grade (grams per tonne)	0.98	1.11	0.99	1.34
Recovery (%)	86.4	86.4	85.7	87.0
Gold Produced	3,205	3,657	5,741	8,654

Gold			
Ounces	3,712	6,275	8,843
Sold			

Operations Overview for the Three Months Ended June 30, 2021

Anaconda sold 3,156 ounces of gold during the second quarter of 2021, generating gold revenue of \$6.9 million at an average realized gold price¹ of \$2,197 (US\$1,789) per ounce sold. Gold production of 3,201 ounces was 12% lower than Q2 of the previous year due to lower grade from the initial benches at Argyle, however, represented a 26% improvement from the first quarter of 2021 as a result of better throughput and average recovery.

After the challenges encountered in the first quarter when commencing production at Argyle, particularly in shallowly dipping areas of the deposit, the Point Rousse operation has doubled production drill sampling to provide better grade definition on each bench and increased delineation drilling where drill density is lower. This has enabled an optimized preferential mining approach to minimize mining dilution. The top-cut parameter was also revised downward to better reflect the actual results from mining and the resulting mill reconciliation, enabling a better prediction of grade in the mine plan.

During Q2 2021, the mine operations moved 29,558 tonnes of ore which was approximately 50% lower than the first quarter of 2021 as we focused on mine development to enhance access to higher-grade Argyle ore while obtaining a permit to modify Argyle Pond, located within the hanging wall of the deposit and within the open pit design, which has now been received. Accordingly, a second mining crew has been mobilized now to further accelerate development. Mined ore was 73% lower than the corresponding period of 2020, when mine operations were focused in the higher-tonnage Pine Cove Pit. The strip ratio of 19.7 waste tonnes to ore tonnes reflects continued mine development, which is expected to remain elevated into the third quarter now that the Company has the permit modify Argyle Pond and continue pit development.

The Pine Cove Mill processed 117,030 tonnes during Q2 2021, a 26% increase compared to the first quarter of 2021 when the mill was impacted by unplanned maintenance relating to the ball mill and the jaw crusher. Availability and throughput returned to normal levels during the second quarter, consistent with the performance in the comparative period of 2020. The average grade during Q2 2021 of 0.98 g/t reflected the use of low-grade ore stockpile to supplement throughput. Despite the lower grade processed, the mill achieved an average recovery rate of 86.4%, an increase over the first quarter of 2021 and consistent with the corresponding quarter of 2020.

¹ 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 definitive 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.

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. 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

Reseau ProMarket Inc.

Dany Cenac Robert

Investor Relations

(514) 722-2276 x456

Dany.Cenac-Robert@ReseauProMarket.co

SOURCE: [Anaconda Mining Inc.](#)

View source version on accesswire.com:

<https://www.accesswire.com/656162/Anaconda-Mining-Announces-Q2-2021-Production-Results-and-Strengthens-Liquidity>

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/389365--Anaconda-Mining-Announces-Q2-2021-Production-Results-and-Strengthens-Liquidity-With-3-Million-Revolving-Cre>

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](#).