

Audited Results for the year ended 31 December 2022

03.05.2023 | [GlobeNewswire](#)

For immediate release

3 May 2023

[Serabi Gold Plc](#)

("Serabi" or the "Company")

Audited Results for the year ended 31 December 2022

[Serabi Gold Plc](#) (AIM:SRB, TSX:SBI), the Brazilian focused gold mining and development company, today releases its audited results for the year ended 31 December 2022, and the unaudited results for the three month period to 31 December 2022.

A copy of the Annual Report and audited Financial Statements can be accessed on the Company's website using the following link -<https://bit.ly/41SIaKy>

Highlights

- Revenue of US\$58.7 million (2021: US\$63.1 million) reflecting lower production year on year.
- Gold production for the full year of 2022 of 31,819 ounces, with fourth quarter production of 7,798 ounces .
- EBITDA for the year of US\$8.8 million (2021: US\$19.1 million).
- Post tax loss for the year of US\$1.0 million, after provision of US\$1.2 million against the recovery of historic tax debts owed to the Company in Brazil.
- Cash held at 31 December 2022 of US\$7.2 million (31 December 2021: US\$12.2 million).
- Loss per share of 1.30 cents compared with a profit per share of 13.85 cents for the 2021 calendar year.
- Net cash outflow from operations for the year (after mine development expenditure of US\$3.6 million) of US\$1.7 million (2021: US\$9.4 million inflow).
- Average gold price of US\$1,785 per ounce received on gold sales during the year (2021: US\$1,776).
- Cash Cost for the three-month period to December 2022 of US\$1,227 per ounce (Q3 2022: US\$1,242 per ounce) representing a 1.2% improvement quarter on quarter.
- All-In Sustaining Cost for the three-month period to December 2022 of US\$1,473 per ounce (Q3 2022 : US\$1,564 per ounce) represents a 5.8% improvement compared to Q3 2022.
- Cash Costs for the full year of US\$1,322 per ounce (2021: US\$1,090) and AISC for the full year of US\$1,615 per ounce (2021: US\$1,429).
- Robust first quarter of 2023 with 8,005 ounces of gold production. Production guidance of between 33,500 and 35,000 ounces of gold for the 2023 calendar year.

Key Financial Information

SUMMARY FINANCIAL STATISTICS FOR THE THREE AND TWELVE MONTHS ENDING 31 DECEMBER 2022

	12 months to 31 Dec 2022	3 months to 31 Dec 2022	12 months to 31 Dec 2021	3 months to 31 Dec 2021
	US\$	US\$	US\$	US\$
Revenue	58,709,328	14,321,024	63,141,437	16,400,215
Cost of Sales	(44,262,769)	(10,184,431)	(37,759,318)	(10,531,621)
Gross Operating Profit	14,446,559	4,136,593	25,382,119	5,868,594
Administration and share based payments	(5,662,441)	(1,218,799)	(6,256,505)	(1,742,471)
EBITDA	8,784,118	2,917,794	19,125,614	4,126,123
Depreciation and amortisation charges	(6,572,461)	(1,975,623)	(6,049,628)	(1,956,539)
Operating profit before finance and tax	2,211,657	942,171	13,075,986	2,169,584
Profit/(loss) after tax	(983,047)	(112,527)	9,949,964	2,288,363
Earnings per ordinary share (basic)	(1.30) cents	(0.15) cents	13.85 cents	3.02 cents
Average gold price received	US\$1,785	US\$1,726	US\$1,776	US\$1,772
			As at	As at
			31 December 2022	31 December 2021
Cash and cash equivalents			7,196,313	12,217,751
Net assets			81,523,063	79,885,501

Cash Cost and All-In Sustaining Cost ("AISC")

	3 months to 31 December 2022	3 months to 31 December 2021	12 months to 31 December 2022	12 months to 31 December 2021
Gold production for cash cost and AISC purposes	7,798 ozs	7,658 ozs	31,819 ozs	33,848 ozs
Total Cash Cost of production (per ounce)	US\$1,227	US\$1,238	US\$1,322	US\$1,095
Total AISC of production (per ounce)	US\$1,473	US\$1,608	US\$1,615	US\$1,425

Clive Line, CFO of Serabi commented,

"The past twelve month period was always planned to be a year of investment as the Group continued its work on the development of the Coringa project that had started midway through 2021. The ability to process and sell gold from the development ore being mined from Coringa was not originally planned for but with approximately 1,000 ounces of gold produced in the second six months of 2022 the additional cash flow that this has generated has helped offset the operating costs of the initial mine development.

"The year was also one when we needed to push ahead with rebuilding the mineral resource inventory particularly for the Palito deposit. During the pandemic period of 2020 and 2021 with, at times, a significantly reduced work force at site, resource drilling was reduced or halted impacting the ability to maintain required resource replenishment rates. It was essential that this situation be reversed, and the Board agreed to a significant programme during 2022 to meet this objective. US\$2.1 million has been spent on this programme in 2022 and before the end of the second quarter of 2023, the results from this will be confirmed in a new NI 43-101 mineral resource estimate for the Palito and Sao Chico deposits. We anticipate that there should be a significant increase in the reported mineral resources at Palito which will more than offset the expected reduction in the level of mineral resources at Sao Chico a result of the mining issues encountered there in the first quarter of 2022.

"We have also seen steady quarter on quarter improvements in cash costs and AISC as the year progressed. This is despite the heavy investment on underground drilling the cost of which has been taken as an operating expense during 2022, the general headwind of costs inflation affecting key consumables such as cyanide, mill liners and grinding materials as well as rising costs of diesel and electricity. Whilst these remain subject to price controls in Brazil, as with other countries they have nonetheless risen year on year which has impacted on the plant operating costs particularly the costs of power generation but also vehicle running costs for the annual dam recycling programmes.

"We were successful in generating US\$5 million of short-term loan funding through a Brazilian bank to provide some additional working capital which was necessary to compensate for the lower than forecast production levels that became apparent towards the end of the first quarter of 2022, resulting from the mining problems encountered at the Sao Chico deposit. The nature of this arrangement is such that it must be physically repaid through the Brazilian Central Bank. In February 2023 the Group was offered a further similar unsecured loan arrangement for US\$5.0 million with Santander Bank in Brazil. The Santander loan is repayable as a bullet payment on 22 February 2024 and carries an interest coupon of 7.96 per cent. The proceeds raised from the loan will be used for working capital and secure adequate liquidity to repay the initial loan which is due to be repaid on 12 May 2023. During the year, the Group also finalised an unsecured facility with HSBC Bank plc allowing the Group to enter into leasing of precious metals for up to 12 months at a time. The Group has not utilised this facility, but it provides a further opportunity for accessing short-term working capital."

We have already seen a strong start to the year with production from Coringa being especially pleasing, demonstrating the potential that this project has to support the Group's future growth. The completion of the ECI study is, we believe, a significant step to securing the longer-term licencing for Coringa. A strong gold price is helping cash flow and we look forward to keeping shareholders informed on further good news through the rest of 2023."

STATEMENT FROM THE CHAIR OF SERABI

Dear Shareholder

I am very pleased to introduce this Annual Report, the first since I took on the role of Chair of Serabi in August 2022. These first nine months have served to reinforce my belief in Serabi's potential to deliver strong growth for its shareholders. We have seen initial gold production being generated from the Coringa mine as development of this mine continues. Gold production from Coringa was more than 2,000 ounces during the first quarter of 2023 and the grades being mined and the continuity of these high-grade areas have, so far, exceeded our expectations. This bodes well for the future, and we remain hopeful that the completion of the licencing process later this year will provide the opportunity to secure financing and allow the Group to develop Coringa to its full potential.

The indigenous impact report ("ECI") that has been undertaken on behalf of the Group in relation to Coringa, was finalised at the end of April 2023, and is now being reviewed by the indigenous communities and will then be passed to FUNAI, the government agency responsible for the Brazilian indigenous people, for their final approval. We expect that these approvals will unlock the delay in the award of the Installation Licence by SEMAS, the state environmental authority. In the meantime, we are separately progressing the renewal of the existing trial mining licence ("GUIA") under which the current mining activities are authorised, to ensure that mine development and ore production can continue. With the ECI completed and therefore the requirement of the Brazilian court order satisfied, we believe the legal departments of SEMAS and the ANM will not be restricted in their ability to issue new licences for the project.

After a difficult start to 2022, it was pleasing to see that management were able to deliver on and in fact

exceed the revised production guidance for 2022. The Palito deposit continues to grow and it seems that every month the geological team identifies a new vein either through mine development or from underground drilling for mine planning purposes. From the information available to us today, we anticipate that the Palito deposit will continue to be able to successfully produce in the region of 30,000 ounces per annum potentially for many years to come, as the ore body remains open at depth and along strike. The ability to start gold production from Coringa so early in its development has helped offset the ongoing mining and development costs and will help take up some of the shortfall in production that will arise from the plan to focus on growing the mineable resource at Sao Chico over the next twelve to eighteen months, during which time the mining activities at Sao Chico will be suspended.

The strategy to initially install only a crushing plant and ore sorter at Coringa, and trucking the upgraded ore for processing at Palito, will significantly reduce the upfront capital requirements for the project. We have all become aware of significant cost inflation affecting all industry sectors over the past two years, and this provides a solution with a much reduced financial and operational risk compared with building a full-scale process plant from the outset. We want to retain the optionality to construct a full plant in the future, but this strategy will nonetheless allow the Group's gold production to expand to approximately 60,000 ounces over the next couple of years as output from Coringa grows. Depending on how further evaluation of Sao Chico and Coringa develops during this time, an optimised decision can be made and, with an expanded production base and therefore cash flow, this should make financing of any new plant easier.

Whilst I and the rest of your Board will continue to work closely with management on the operational and financial aspects of the business, I will also be focussed on enhancing some other aspects and in particular to ensure that the Board is closely monitoring the Group's Health and Safety obligations and also improving its level of ESG reporting and seeking to ensure that it is meeting best practice. Increasingly we are seeing institutional investors adopting stricter mandates for their qualifying investments and we need to ensure that Serabi continues to attract the widest possible investor audience. We have recently established a Sustainability Committee and its scope is summarised later in this Annual Report. It will investigate ways in which the Group can improve its environmental performance, monitor our tailings dam exposure and our commitments to local communities. Serabi is already in the lower half for gold producers for greenhouse gas emissions and reduced its CO2 levels per gold ounce by 10% between 2021 and 2022. However, we will look at ways in which we can continue to improve, in particular given the sensitivities that we face in operating in this part of Brazil.

I am aware that the last couple of years have been challenging for Serabi and it has faced some difficult headwinds in being able to move forward with the development of Coringa. Whilst I have no doubt regarding the challenges ahead, I do believe that there are many reasons to have optimism for the future. I would like to convey my thanks to my predecessor, Nicolas Bañados, for his work in helping to guide Serabi through this period and leaving the Group in a position where it is now able to capitalise on the opportunities that are presented. I hope that over the coming months I will have the opportunity to meet in person with some of our shareholders and look forward to sharing the challenges and rewards that the next 12 months present.

Michael D Lynch-Bell

Chair

2 May 2023

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018.

The person who arranged the release of this statement on behalf of the Company was Clive Line, Director.

Enquiries:

The audited financial statements for the year ended 31 December 2022 will be presented to shareholders for adoption at the Annual General Meeting of the Company's shareholders and filed with the Registrar of Companies.

The following information, comprising, the Income Statement, the Group Balance Sheet, Group Statement of Changes in Shareholders' Equity, and Group Cash Flow, is extracted from these financial statements.

Statement of Comprehensive Income

For the year ended 31 December 2022

		Group	
		For the year ended	For the year ended
		31 December 2022	31 December 2021
	Notes	US\$	US\$
Revenue		58,709,328	63,141,437
Cost of sales		(43,110,870)	(37,759,318)
Provision for impairment of taxes receivable		(1,151,899)	-
Depreciation and amortisation charges		(6,572,461)	(6,049,628)
Total cost of sales		(50,835,230)	(43,808,946)
Gross profit		7,874,098	19,332,491
Administration expenses		(5,447,224)	(5,825,655)
Share-based payments		(249,210)	(270,631)
Gain /(loss) on disposal of fixed assets		33,993	(160,219)
Operating profit	3	2,211,657	13,075,986
Foreign exchange (loss)/gain		131,938	(41,456)
Finance expense	4	(3,411,784)	(261,825)
Finance income	4	291,885	585,840
(Loss) / profit before taxation		(776,304)	13,358,545
Income tax expense	5	(206,743)	(3,408,581)
(Loss) / profit for the period(1)		(983,047)	9,949,964
Other comprehensive income (net of tax)			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		2,371,399	(4,643,212)
Total comprehensive profit for the period(1)		1,388,352	5,306,752
Earnings per ordinary share (basic) (1)	7	(1.30c)	13.85c
Earnings per ordinary share (diluted) (1)	7	(1.30c)	12.92c

(1) The Group has no non-controlling interests, and all losses are attributable to the equity holders of the parent company

Balance Sheet as at 31 December 2022

	Group		
	At 31 December	At 31 December	
	2022	2021	
Note	US\$	US\$	
Non-current assets			
Deferred exploration costs	8	18,621,180	34,857,905
Property, plant and equipment	8	48,482,519	27,575,335
Right of use assets		5,374,042	2,600,631
Taxes receivable		3,446,032	605,125
Deferred taxation		1,545,684	1,224,360
Total non-current assets		77,469,457	66,863,356
Current assets			
Inventories		8,706,351	6,973,207
Trade and other receivables		5,291,924	2,307,458
Prepayments		1,572,149	2,316,669
Cash and cash equivalents		7,196,313	12,217,751
Total current assets		22,766,737	23,815,085
Current liabilities			
Trade and other payables		5,830,872	5,624,511
Interest-bearing liabilities		6,111,126	290,060
Accruals		461,857	397,400
Total current liabilities		12,403,855	6,311,971
Net current assets		10,362,882	17,503,114
Total assets less current liabilities		87,832,339	84,366,470
Non-current liabilities			
Trade and other payables		3,800,886	427,663
Provisions		1,190,175	2,581,431
Deferred tax liability		480,922	861,430
Derivative financial liabilities		-	165,495
Interest-bearing liabilities		837,293	444,950
Total non-current liabilities		6,309,276	4,480,969
Net assets		81,523,063	79,885,501
Equity			
Share capital		11,213,618	11,213,618
Share premium reserve		36,158,068	36,158,068
Option reserve		1,324,558	1,075,348
Other reserves		14,459,255	13,694,731
Translation reserve		(66,276,771)	(68,648,170)

Retained surplus	84,644,335	86,391,906
Equity shareholders' funds attributable to owners of the parent	81,523,063	79,885,501

Statements of Changes in Shareholders' Equity

For the twelve month period ended 31 December 2022

Group	Share capital US\$	Share premium US\$	Share option reserve US\$	Other reserves US\$	Translation reserve US\$	Retained earnings US\$
Equity shareholders' funds at 31 December 2020	8,905,116	21,905,976	1,173,044	10,254,048	(64,004,958)	79,510,226
Foreign currency adjustments	-	-	-	-	(4,643,212)	-
Profit for year	-	-	-	-	-	9,949,000
Total comprehensive income for the year	-	-	-	-	(4,643,212)	9,949,000
Shares issued in period	2,308,502	14,252,092	-	-	-	-
Transfer to taxation reserve	-	-	-	3,440,683	-	(3,440,683)
Share options lapsed in period	-	-	(368,327)	-	-	368,327
Share option expense	-	-	270,631	-	-	-
Equity shareholders' funds at 31 December 2021	11,213,618	36,158,068	1,075,348	13,694,731	(68,648,170)	86,391,906
Foreign currency adjustments	-	-	-	-	-	(983,399)
Profit for year	-	-	-	-	2,371,399	-
Total comprehensive income for the year	-	-	-	-	2,371,399	(983,399)
Transfer to taxation reserve	-	-	-	764,524	-	(764,524)
Share option expense	-	-	249,210	-	-	-
Equity shareholders' funds at 31 December 2022	11,213,618	36,158,068	1,324,558	14,459,255	(66,276,771)	84,644,335

Other reserves comprise a merger reserve of US\$361,461 and a taxation reserve of US\$14,097,794 (2021: merger reserve of US\$361,461 and taxation reserve of US\$13,333,270).

Cash Flow Statement

For the twelve month period ended 31 December 2022

Group

	For the year ended 31 December 2022 US\$	For the year ended 31 December 2021 US\$
Cash outflows from operating activities		
(Loss)/profit for the period	(983,047)	9,949,964
Net financial expense	2,987,961	(282,559)
Depreciation - plant, equipment and mining properties	6,572,461	6,049,628
Provision for impairment of taxes receivable	1,151,899	-
Taxation expense	206,743	3,408,581
Share-based payments	249,210	270,631
(Gain)/loss on fixed asset sales	(33,993)	160,219
Taxation paid	(129,426)	(1,125,382)
Interest paid	(208,592)	(1,302,708)
Foreign exchange (loss)/gain	(191,328)	(104,531)
Changes in working capital		
Increase in inventories	(1,435,025)	(331,400)
Increase in receivables, prepayments and accrued income	(6,465,608)	(1,259,952)
Increase/(decrease) in payables, accruals and provisions	234,314	(637,285)
Net cash inflow/(outflow) from operations	1,955,569	14,795,206
Investing activities		
Acquisition payment for subsidiary	-	(5,500,000)
Acquisition of other property rights	-	(101,106)
Purchase of property, plant, equipment, and projects in construction	(4,447,588)	(4,132,914)
Mine development expenditure	(3,629,505)	(5,400,933)
Geological exploration expenditure	(855,607)	(4,102,530)
Pre-operational project costs	(2,328,113)	(4,354,954)
Proceeds from sale of assets	171,824	379,347
Interest received and other finance income	126,390	-
Net cash outflow on investing activities	(10,962,599)	(23,213,090)
Financing activities		
Issue of ordinary share capital (net of costs)	-	16,560,593
Issue of warrants	-	333,936
Receipt of short-term loan	4,917,775	-
Repayment of convertible loan	-	(2,000,000)
Payment of convertible loan arrangement fee	-	(300,000)
Payment of lease liabilities	(1,027,151)	(355,836)
Net cash inflow/(outflow) from financing activities	3,890,624	14,238,694
Net (decrease)/increase in cash and cash equivalents	(5,116,406)	5,820,810
Cash and cash equivalents at beginning of period	12,217,751	6,603,620
Exchange difference on cash	94,968	(206,679)
Cash and cash equivalents at end of period	7,196,313	12,217,751

Notes

1. General Information

The financial information set out above for the years ended 31 December 2022 and 31 December 2021 does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006 but is derived from those accounts. Whilst the financial information included in this announcement has been compiled in accordance with UK-adopted international accounting standards (UK IAS), this announcement itself does not contain sufficient financial information to comply with UK IAS. A copy of the statutory accounts for 2021 has been delivered to the Registrar of Companies and those for 2022 will be delivered to the Registrar of Companies following approval by shareholders at the Annual General Meeting. The full audited financial statements for the years end 31 December 2022 and 31 December 2021 comply with IFRS.

2. Auditor's Opinion

The auditor has issued an unqualified opinion in respect of the financial statements for both 2022 and 2021 which do not contain any statements under the Companies Act 2006, Section 498(2) or Section 498(3).

3. Basis of Preparation

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The parent and consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards (UK IAS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into the UK law and became UK-adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. The Group prepares its consolidated financial statements in accordance with UK IAS.

Accounting standards, amendments and interpretations effective in 2022

The Group has not adopted any standards or interpretations in advance of the required implementation dates.

The following accounting standards came into effect as of 1 January 2022

	Effective Date
Property, Plant and Equipment - Proceeds before Intended Use (amendments to IAS 16)	1 January 2022
Onerous Contracts- Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018-2020	1 January 2022
Reference to Conceptual Framework (Amendments to IFRS 3)	1 January 2022

The adoption of these standards has had no effect to date on the financial results of the Group. The updated standard Property, Plant and Equipment - Proceeds before Intended Use (amendments to IAS 16) which is effective 1 January 2022 will impact the Group as it develops the Coringa mine. At such time as the Group generates revenues from the processing of ore from Coringa in future periods, this will be reflected as operational revenue of the business and the Group will account for the costs incurred in relation to this income as a cost of sale. Previously, under IAS16, the sales would have been treated as a deduction from the cost of bringing an item (or items) of property, plant and equipment to the location and condition necessary to be capable of operating in the manner intended by management.

There are a number of standards, amendments to standards, and interpretations which have been issued that are effective in future periods and which the Group has chosen not to adopt early.

IFRS 17 Insurance Contracts, including Amendments to IFRS 17	1 January
Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Classification of Liabilities as Current or Non-current - Deferral of Effective Date	1 January

4. Going concern and availability of finance

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Group Strategic Report. The financial position of the Group, its cash flows, and liquidity position are described in the Chief Financial Officer's Review and set out in the Group Financial Statements. Further details of the Group's commitments and maturity analysis of financial liabilities are set out in note 23 and 25 respectively of the Group Financial Statements. In addition, note 22 to the Group Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The Directors have a reasonable expectation that, after taking into account reasonably possible changes in trading performance, and the current macroeconomic situation, the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Financial Statements. Further details are provided in Going Concern section of the Group Strategic Report on pages 23 and 24.

5. Finance expense and income

	Group	
	12 months ended December 2022	12 months ended December 2021
	US\$	US\$
Interest and fines on state sales tax	(1,819,909)	-
Provision for interest on disputed tax refunds claimed	(1,090,586)	-
Interest on short term unsecured bank loan	(211,793)	-
Interest in finance leases	(148,650)	-
Interest on short term trade loan	(59,942)	-
Variation on discount on rehabilitation provision	(80,904)	-
Interest expense on property acquisition payment	-	(23,854)
Interest expense on convertible loan	-	(47,502)
Loss in respect of non-substantial modification	-	(40,469)
Amortisation of arrangement fee for convertible loan	-	(150,000)
Total finance expense	(3,411,784)	(261,825)
Gain on revaluation of warrants	165,495	168,441
Variation on discount on rehabilitation provision	-	417,399
Interest income	126,390	-
Total finance income	291,885	585,840
Net finance (expense)/income	(3,119,899)	324,015

6. Taxation

The Group has recognised a deferred tax asset to the extent that the Group has reasonable certainty as to the level and timing of future profits that might be generated and against which the asset may be recovered. The Group has registered an increase of US\$683,433 in its deferred tax asset during the year to 31 December 2022 (31 December 2021 - deferred tax release of US\$1,121,976). The Group has also incurred a tax charge on profits in Brazil for the year to 31 December 2022 of US\$890,176 (31 December 2021 - US\$2,286,605)

7. Earnings per share

	For the year ended 31 December 2022	For the year ended 31 December 2021
(Loss) / profit attributable to ordinary shareholders (US\$)	(983,047)	9,949,964
Weighted average ordinary shares in issue	75,734,551	71,829,223
Basic profit per share (US cents)	(1.30)	13.85
Diluted ordinary shares in issue (1)	81,488,078	76,999,420
Diluted profit per share (US cents)	(1.30)(2)	12.92

1. Based on 1,750,000 options vested and exercisable and 4,003,527 unexercised warrants as at 31 December 2022 (31 December 2021: 1,166,670 options and 4,003,527 unexercised warrants)
2. As the effect of dilution is to reduce the loss per share, the diluted loss per share is considered to be the same as the basic loss per share

8. Deferred exploration costs and Property, plant and equipment

Reflecting the commencement of gold production from the Coringa project and notwithstanding that this project is not yet in commercial production, management has reallocated capitalised costs of US\$20,287,902 related to Coringa from Deferred exploration costs to Mining property.

9. Post balance sheet events

On 14 February 2023, the Group entered into hedging contracts with an international bank whereby it acquired sell options over monthly quantities of gold over the period March 2023 to February 2024 totalling 10,215 ounces of gold at a price of US\$1,800. At the same time, it sold to the bank options in favour of the bank to buy the equivalent monthly quantities of gold at prices ranging between US\$2,000 and US\$2,065 per ounce. It also acquired options to sell monthly receipts of US Dollars ranging between US\$2.3 million and US\$1.15 million for Brazilian Real at an exchange rate of BRL5.10 to USD1.00. At the same time, it sold to the bank options in favour of the bank to buy from the Group the equivalent Brazilian Real receipts at exchange rates ranging from 5.325 to 5.800 over the same 12 month period. In this way the Group has secured a minimum equivalent gold price in Brazilian Real of BRL9,180 per ounce in respect of 10,215 ounces and sold options in favour of the bank of future prices ranging between BRL10,650 per ounce and BRL11,997 per ounce depending on the option expiry date. Since January 2021 the BRL price for gold peaked at BRL10,340 in November 2021 and was at a low of BRL8,556 in October 2022. The hedging arrangements are unsecured and not subject to margin calls.

On 28 February 2023, the Group completed a US\$5.0 million unsecured loan arrangement with Santander Bank in Brazil. The loan is repayable as a bullet payment on 22 February 2024 and carries an interest coupon of 7.96 per cent. The proceeds raised from the loan will be used for working capital and secure adequate liquidity to repay a similar arrangement which is due to be repaid on 12 May 2023.

Except as set out above, there has been no item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the continuing operation of the entity, the results of these operations, or the state of affairs of the entity in future financial periods.

Qualified Persons Statement

The scientific and technical information contained within this announcement has been reviewed and

approved by Michael Hodgson, a Director of the Company. Mr Hodgson is an Economic Geologist by training with over 35 years' experience in the mining industry. He holds a BSc (Hons) Geology, University of London, a MSc Mining Geology, University of Leicester and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK, recognising him as both a Qualified Person for the purposes of Canadian National Instrument 43-101 and by the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009.

Assay Results

The assay results reported within this release include those provided by the Company's own on-site laboratory facilities at Palito which may not have been independently verified. Serabi closely monitors the performance of its own facility against results from independent laboratory analysis for quality control purpose. As a matter of normal practice the Company sends duplicate samples derived from a variety of the Company's activities to accredited laboratory facilities for independent verification. Based on the results of this work, the Company's management are satisfied that the Company's own facility shows good correlation with independent laboratory facilities. The Company would expect that in the preparation of any future independent Reserve/Resource statement undertaken in compliance with a recognised standard, the independent authors of such a statement would not use Palito assay results but only use assay results reported by an appropriately certificated laboratory.

Forward-Looking Statements

Certain statements in this announcement are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

ENDS

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/442259--Audited-Results-for-the-year-ended-31-December-2022.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](#).