

# Marathon Gold Announces 2023 First Quarter Results

15.05.2023 | [GlobeNewswire](#)

TORONTO, May 15, 2023 - [Marathon Gold Corp.](#) ("Marathon" or the "Company"; TSX: MOZ) today announces its financial results for the three months ended March 31, 2023, and provides an update on the Company's activities at the Valentine Gold Project (the "Project") in the central region of Newfoundland and Labrador ("NL").

First Quarter Financial Results (all figures are in Canadian dollars unless otherwise noted):

- Cash and cash equivalents at March 31, 2023 of \$130 million;
- Capital Expenditures of \$61 million for the three months ended March 31, 2023, including \$52 million related to construction of the Project;
- The Project's cost-to-complete, including contingency, was estimated at \$463 million at October 31, 2022 and C\$403 million at March 31, 2023, reflecting a variance trend of +\$4 million on the estimated cost at completion. Project construction costs incurred from November 1, 2022 to the end of March 2023 were \$64 million, of a total \$144 million committed. An aggregate \$2.6 million of contingency had been drawn against a total contingency reserve of \$38.9 million at March 31, 2023; and
- Net Loss of \$0.9 million for the three months ended March 31, 2023.

First Quarter 2023 Highlights

- On January 25, 2023, the Company announced an Amended and Restated US\$225 million Credit Facility (the "Facility") with Sprott Resource Corporation. A first draw of US\$50 million was made on the Facility in February 2023;
- On January 25, 2023, the Company Exercised an option to acquire 0.5% of the 2.0% net smelter returns royalty ("NSR") on the Project held by Franco Nevada Corporation ("FNV") for US\$7 million;
- Subsequent to the end of the quarter, the Company announced that it has completed a Socio-Economic Agreement with the Miawpukek First Nation; and
- Subsequent to the end of the quarter, the Company announced that Mr. George Faught, Chairperson of the Board of Directors of Marathon, has decided not to run for re-election at the upcoming annual general and special meeting of shareholders ("AGM") so that his position on the Board is available to a new director whose election would result in the Company satisfying its Board gender diversity target of 30%. Ms. Teodora Dechev has been nominated by the Company to stand for election as a new independent director at the AGM. It is currently proposed that Mr. Peter MacPhail would be appointed the new independent Chairperson of the Board, subject to his re-election at the AGM and subsequent approval by the Board.

Project KPIs (at March 31, 2023)

- In the first quarter of 2023, 149,289 hours of work have been completed at the site with zero lost time incidents and zero reportable environmental incidents;
- 440 persons were employed directly or contracted to the Project. On the basis of voluntary declaration, 14% of the persons employed by the Company or contracted to the Project are female, 5% are Indigenous persons, 4% are visible minorities, 1% are persons with disabilities, 24% are residents of the six communities within Project's socio-economic area of influence and 72% are residents of the province of NL;
- Overall completion at the Project stood at 27% compared to a plan of 26%. Engineering progress stood at 71%, procurement at 51% and construction at 9%;
- 1.35 mtonnes of waste rock had been mined at the Leprechaun pit for construction purposes. In the month of March 2023, mining productivity has averaged 11,815 tonnes per day, successfully supporting ongoing civils work, including construction of haul roads and the Project's process plant site; and
- The Project remains on schedule for ore delivered to the mill by the end of 2024 and first gold in the first quarter of 2025.

Financial Performance

The results of operations for the three months ended March 31, 2023 are summarized below (all figures are in Canadian dollars unless otherwise noted):

(Stated in thousands of Canadian dollars)	For the Three Months Ended March 31,	
	2023	2022
<b>EXPENSES</b>		
General and administrative expense	\$ 1,766	\$ 2,325
Finance income, net	(1,065 )	(100 )
Other income	(81 )	(42 )
Loss before tax	620	2,183
Deferred income tax expense	253	1,622
Net Loss	\$ 873	\$ 3,805
Capital expenditures <sup>1</sup>	\$ 60,883	\$ 13,352

1. Capital expenditures are presented on a cash basis.

Factors affecting financial results for the three months ended March 31, 2023:

General and administrative expenses decreased from \$2.33 million in the three months ended March 31, 2022, to \$1.76 million in the three months ended March 31, 2023. The principal components of this decrease include decreases in professional and advisory fees related to the Company's project financing and a decrease in share-based compensation expense due to a decrease in the number of stock options granted in the three months ended March 31, 2023, compared to the same period in 2022, offset partially by slight increases in salaries and wages and professional fees.

Finance income, net increased from \$0.01 million in the three months ended March 31, 2022 to \$1.06 million in the three months ended March 31, 2023, primarily as a result of an increase in interest income due to a higher cash balance and higher interest rates compared to the same period in 2022, and a net increase in foreign exchange gains, offset partially by standby fees related to the Company's lease agreement with Caterpillar Financial Services Limited.

Deferred income tax expense decreased from \$1.62 million in the three months ended March 31, 2022 to \$0.02 million in the three months ended March 31, 2023, due to an increase in deferred tax assets related to capitalized interest in the three months ended March 31, 2023, compared to the same period in 2022.

Capital expenditures were \$47.53 million higher in the three months ended March 31, 2023 than the comparable period in the prior year primarily as a result of an increase in project construction capital spending and the repurchase of 0.5% of the 2.0% NSR on the Project from FNV. Major construction mobilization at the Project commenced in January 2023, and included the commencement of major civils work related to the process plant and principal facilities, mining of the Leprechaun pit for waste rock in support of construction of pads and haul roads, continued overburden removal and clearing and grubbing, further advancement of the permanent camp modules, continued road upgrades, and continued advancement of the construction of the Project's 66 kV powerline connection to the Star Lake Generating Station.

#### Qualified Persons

Disclosure of a scientific or technical nature in this news release has been approved by Mr. Tim Williams, FAusIMM, Chief Operating Officer of Marathon, Mr. Paolo Toscano, P.Eng. (Ont.), Vice President, Projects for Marathon, Mr. James Powell, P.Eng. (NL), Vice President, Regulatory and Government Affairs for Marathon and Mr. David Ross, P.Geo. (NL), Vice President of Geology and Exploration for Marathon. Mr. Williams, Mr. Toscano, Mr. Powell and Mr. Ross are qualified persons under National Instrument ("NI") 43-101. Mr. Roy Eccles, P.Geo. (NL), of APEX Geoscience Ltd. is a Qualified Person for purposes of NI 43-101, is independent of Marathon and the Valentine Gold Project, and has reviewed and takes

responsibility for the updated 2022 MRE prepared by John T. Boyd Company.

## Non-IFRS Financial Measures

The Company has included certain references in this document that constitute "specified financial measures" within the meaning of National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure of the Canadian Securities Administrators, such as, for example, All-In Sustaining Cost ("AISC"). None of such specified measures is a standardized financial measure under International Financial Reporting Standards ("IFRS") and such measures might not be comparable to similar financial measures disclosed by other issuers. Such specified measures are intended to provide additional information to the reader and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Certain non-IFRS financial measures used in this news release and common to the gold mining industry are defined below.

AISC is reflective of all of the expenditures that are required to produce an ounce of gold from operations. AISC reported in the Updated Feasibility Study includes total cash costs, sustaining capital, expansion capital and closure costs, but excludes corporate general and administrative costs and salvage. AISC per ounce is calculated as AISC divided by payable gold ounces.

## About Marathon

Marathon (TSX:MOZ) is a Toronto based gold company advancing its 100%-owned Valentine Gold Project located in the central region of Newfoundland and Labrador, one of the top mining jurisdictions in the world. The Project comprises a series of five mineralized deposits along a 32-kilometre system. A December 2022 Updated Feasibility Study outlined an open pit mining and conventional milling operation producing 195,000 ounces of gold a year for 12 years within a 14.3-year mine life. The Project was released from federal and provincial environmental assessment in 2022 and construction commenced in October 2022. The Project has estimated Proven Mineral Reserves of 1.43 Moz (23.36 Mt at 1.89 g/t) and Probable Mineral Reserves of 1.27 Moz (28.22 Mt at 1.40 g/t). Total Measured Mineral Resources (inclusive of the Mineral Reserves) comprise 2.06 Moz (29.23 Mt at 2.19 g/t) with Indicated Mineral Resources (inclusive of the Mineral Reserves) of 1.90 Moz (35.40 Mt at 1.67 g/t). Additional Inferred Mineral Resources are 1.10 Moz (20.75 Mt at 1.65 g/t Au). Please see the NI 43-101 Technical Report "Valentine Gold Project, NI 43-101 Technical Report and Feasibility Study" effective November 30, 2022, Marathon's Annual Information Form for the year ended December 31, 2022 and other filings made with Canadian securities regulatory authorities available at [www.sedar.com](http://www.sedar.com) for further details and assumptions relating to the Valentine Gold Project.

For more information, please contact:

Amanda Mallough  
Manager, Investor Relations  
Tel: 416 855-8202  
[amallough@marathon-gold.com](mailto:amallough@marathon-gold.com)

Matt Manson  
President & CEO  
[mmanson@marathon-gold.com](mailto:mmanson@marathon-gold.com)

Julie Robertson  
CFO  
[jrobertson@marathon-gold.com](mailto:jrobertson@marathon-gold.com)

To find out more information on [Marathon Gold Corp.](http://MarathonGoldCorp.com) and the Valentine Gold Project, please visit [www.marathon-gold.com](http://www.marathon-gold.com).

## Cautionary Statement Regarding Forward-Looking Information

*Certain information contained in this news release, constitutes forward-looking information within the meaning of Canadian securities laws ("forward-looking statements"). All statements in this news release, other than statements of historical fact, which address events, results, outcomes or developments that Marathon expects to occur are forward-looking statements. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "considers", "intends", "targets", or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". We provide forward-looking statements for the purpose of conveying information about our current expectations and plans relating to the future, and readers are cautioned that such statements may not be appropriate for other purposes. More particularly and without restriction, this news release contains forward-looking statements and information about the Updated Feasibility Study and the results*

therefrom (including IRR, NPV<sub>5%</sub>, Capex, FCF, AISC and other financial metrics and economic analysis), the realization of mineral reserve and mineral resource estimates, the future financial or operating performance of the Company and the Project, capital and operating costs, the ability of the Company to obtain all government approvals, permits and third-party consents in connection with the Company's exploration, development and operating activities, the potential impact of COVID-19 on the Company, the Company's ability to successfully advance the Project and anticipated benefits thereof, economic analyses for the Valentine Gold Project, processing and recovery estimates and strategies, future exploration and mine plans, objectives and expectations and corporate planning of Marathon, future environmental impact statements and the timetable for completion and content thereof and statements as to management's expectations with respect to, among other things, the matters and activities contemplated in this news release.

Forward-looking statements involve known and unknown risks, uncertainties and assumptions and accordingly, actual results and future events could differ materially from those expressed or implied in such statements. You are hence cautioned not to place undue reliance on forward-looking statements. In respect of the forward-looking statements concerning the interpretation of exploration results and the impact on the Project's mineral resource estimate, the Company has provided such statements in reliance on certain assumptions it believes are reasonable at this time, including assumptions as to the continuity of mineralization between drill holes. A mineral resource that is classified as "inferred" or "indicated" has a great amount of uncertainty as to its existence and economic and legal feasibility. It cannot be assumed that any or part of an "inferred mineral resource" or an "indicated mineral resource" will ever be upgraded to a higher category of mineral resource. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into proven and probable mineral reserves.

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. Factors that could cause future results or events to differ materially from current expectations expressed or implied by the forward-looking statements include risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; uncertainty as to estimation of mineral resources; inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral resources); the potential for delays or changes in plans in exploration or development projects or capital expenditures, or the completion of feasibility studies due to changes in logistical, technical or other factors; the possibility that future exploration, development, construction or mining results will not be consistent with the Company's expectations; risks related to the ability of the current exploration program to identify and expand mineral resources; risks relating to possible variations in grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined; operational mining and development risks, including risks related to accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; risks related to commodity and power prices, foreign exchange rate fluctuations and changes in interest rates; the uncertainty of profitability based upon the cyclical nature of the mining industry; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental or other stakeholder approvals or in the completion of development or construction activities; risks related to environmental regulation and liability, government regulation and permitting; risks relating to the Company's ability to attract and retain skilled staff; risks relating to the timing of the receipt of regulatory and governmental approvals for continued operations and future development projects; political and regulatory risks associated with mining and exploration; risks relating to the potential impacts of the COVID-19 pandemic on the Company and the mining industry; changes in general economic conditions or conditions in the financial markets; and other risks described in Marathon's documents filed with Canadian securities regulatory authorities, including the Annual Information Form for the year ended December 31, 2022.

You can find further information with respect to these and other risks in Marathon's Annual Information Form for the year ended December 31, 2022 and other filings made with Canadian securities regulatory authorities available at [www.sedar.com](http://www.sedar.com). Other than as specifically required by law, Marathon undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results otherwise.

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/443511--Marathon-Gold-Announces-2023-First-Quarter-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 -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).