

K92 Mining Announces Strong Operational Guidance

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- Production in 2024 is expected to be 120,000 to 140,000 ounces gold equivalent ("AuEq"). The second half of the year is expected to be the strongest, as operations progressively ramp up ahead of the new 1.2 million tonnes per annum ("mtpa") Stage 3 Process Plant commissioning, scheduled for the end of Q1 2025.
- Cash costs between \$820-\$880 per ounce gold and all-in sustaining costs ("AISC") of \$1,440-\$1,540 per ounce gold forecasted for 2024. The moderate increase from 2023 guidance for cash costs and AISC is driven by increased accelerated operating and capital development for the Stage 3 and 4 Expansions in addition to development and equipment that was planned for 2023 being completed/delivered in 2024. As outlined in the Integrated Development Plan⁽¹⁾ ("IDP"), we expect a very significant reduction in cash costs and AISC in 2025 and beyond upon commissioning of the Stage 3 Expansion.
- Large exploration program planned, with \$17-\$20 million projected for 2024. Surface exploration to focus on Arakompa, Kora South, Judd South and the A1 porphyry, with underground drilling focusing on Kora, Kora South, Kora Deeps, Judd, Judd South, Judd Deeps and Northern Deeps targets.
- Growth capital forecasted to be \$145-\$160 million in 2024 and \$40-\$50 million in 2025. Total growth capital for the Stage 3 and 4 Expansions (including the amount spent to date) is now forecasted at \$210 million, a 12% increase from the Stage 4 PEA case of \$187 million, as outlined in the IDP⁽¹⁾. The moderate increase in capital costs from the IDP is driven by global cost inflation over the past 2 years since the date of the study (IDP effective date is January 1, 2022) and minor scope changes. As at December 31, 2023, 48% of the Stage 3 and 4 Expansion growth capital has been either spent or committed, and importantly the largest package, the Stage 3 Process Plant, has been awarded on a lump-sum fixed price basis to GR Engineering Services Limited, significantly de-risking the project (see *July 24, 2023 press release*). The remaining major package to award is the Paste Fill Plant, with plans to award long lead contracts in the coming weeks.

Note: All amounts in United States Dollars unless otherwise indicated.

(1): Refer to Integrated Development Plan (IDP) Definitive Feasibility Study ("DFS") Case and PEA Case. IDP effective date is January 1, 2022. IDP has not been updated to reflect the updated Kora and Judd resource estimates (effective date September 12, 2023); however, the Company does not expect the design parameters and conclusions to materially change. The Company expects the potential mine life to be extended for both the DFS and PEA cases.

John Lewins, K92 Chief Executive Officer and Director, stated, "We are very excited about the outlook for the Company this year and in particular over the next 18 months, as K92 transforms into a Tier 1 Mid-Tier Producer with the delivery of the Stage 3 Expansion while also having the potential to deliver very significant exploration results from multiple targets as we saw earlier this week with the first two holes reported from our maiden drill program at Arakompa.

Operationally, in 2024, our focus is on increasing production from last year, while progressing with various infrastructure projects on surface and underground for the Stage 3 and 4 Expansions. The various growth capital packages, led by our Vice President Projects and Engineering, Chris Kinver, have made significant progress with 48% of the total growth capital either spent or committed as at December 31, 2023. Chris Kinver's team is also well advanced awarding contracts for our second largest package, the Paste Fill Plant, with the tender process underway for long lead time items, which are expected to be awarded in the coming weeks.

On the underground mine, we are making significant investments in sustaining capital ahead of the Stage 3 Process Plant commissioning to establish multiple mining fronts while also introducing infrastructure that we expect will deliver a step-change in productivity. In 2023, Kainantu effectively operated with one mining front, and by the end of 2024, we plan to have three fronts producing, with a fourth planned for 2025. Infrastructure, such as the twin incline, ore and waste passes, in addition to ventilation upgrades are

expected to significantly improve efficiencies and material movement capacity. This is also expected to realize very significant economies of scale.

And lastly, we continue to see significant value creation potential from exploration, maintaining near-record expenditures through 2024 while we progress the Stage 3 and 4 Expansions. We look forward to providing updates in due course."

VANCOUVER, British Columbia, Feb. 22, 2024 -- [K92 Mining Inc.](#) ("K92" or the "Company") (TSX: KNT; OTCQB: KNTNF) is pleased to provide its operational outlook for 2024. The Company forecasts gold equivalent production of 120,000-140,000 ounces, with the second half of the year expected to be the strongest, as operations progressively ramp up ahead of the Stage 3 Expansion, with the new 1.2 million tonnes per annum ("mtpa") Stage 3 Process Plant scheduled for commissioning at the end of Q1 2025.

Cost guidance for 2024 forecasts cash costs between \$820-\$880 per ounce gold and AISC of \$1,440-\$1,540 per ounce gold. Cash costs and AISC are moderately higher than 2023 guidance, driven by increased accelerated operating and capitalized development ahead of the Stage 3 Expansion, in addition to development and equipment that was planned for 2023 being completed/delivered in 2024. In 2025 and beyond, with the Stage 3 Expansion commissioned, as outlined in the Integrated Development Plan⁽¹⁾, we expect a very significant reduction in both cash costs and AISC.

On exploration, a large program is planned, with \$17-20 million projected for 2024. Surface exploration will focus on Arakompa, Kora South, Judd South and the A1 porphyry, with underground drilling focusing on Kora, Kora South, Kora Deeps, Judd, Judd South, Judd Deeps and Northern Deeps targets.

In terms of growth capital, \$145-\$160 million is forecasted for 2024 and \$40-\$50 million for 2025. On the Stage 3 and 4 Expansions, total growth capital is now forecasted at \$210 million, a 12% increase from the Stage 4 Expansion PEA case, as outlined in the Integrated Development Plan⁽¹⁾, with the moderate increase driven by global cost inflation over the past two years since the date of the study (January 1, 2022 effective date) and minor scope changes. To date, 48% of the total growth capital has been spent or committed, and the largest package, the 1.2 mtpa Stage 3 Process Plant is significantly de-risked through its award on a lump sum fixed price basis to GR Engineering Services Limited (see July 24, 2023 press release - K92 Mining Announces Significant De-Risking Milestone - Awarding Lump Sum Fixed Price Contract for the Design and Construction of the 1.2 mtpa Stage 3 Process Plant). The remaining major package, the Paste Fill Plant, is in the tender process for long lead time items, with plans to award contracts over the coming weeks.

Table 1 - 2024 Operational Outlook Summary

Gold Equivalent Production ⁽¹⁾ Oz	120,000 to 140,000
Cash Costs ⁽²⁾	\$/Oz \$820 to \$880 per ounce gold
All-in Sustaining Costs ⁽²⁾	\$/Oz \$1,440 to \$1,540 per ounce gold
Exploration	US\$ \$17 to \$20 million
2024 Growth Capital	US\$ \$145 to \$160 million
2025 Growth Capital	US\$ \$40 to \$50 million

(1) - Gold equivalent production based on the following commodity prices: Gold \$1,750/oz; Copper \$3.75/lb; and Silver \$21.50/oz.

(2) - The Company provides some non-international financial reporting standard measures as supplementary information that management believes may be useful to investors to explain the Company's financial results. Please refer to non-IFRS performance measures on pages 14-15 of the Company's management's discussion and analysis dated November 10, 2023, available on SEDAR+, for reconciliation of these measures.

Qualified Person

K92 Mine Geology Manager and Mine Exploration Manager, Andrew Kohler, PGeo, a qualified person under

the meaning of Canadian National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, has reviewed and is responsible for the technical content of this news release. Data verification by Mr. Kohler includes significant time onsite reviewing drill core, face sampling, underground workings, and discussing work programs and results with geology and mining personnel.

About K92

[K92 Mining Inc.](#) is engaged in the production of gold, copper and silver at the Kainantu Gold Mine in the Eastern Highlands province of Papua New Guinea, as well as exploration and development of mineral deposits in the immediate vicinity of the mine. The Company declared commercial production from Kainantu in February 2018 and is in a strong financial position. A maiden resource estimate on the Blue Lake copper-gold porphyry project was completed in August 2022. K92 is operated by a team of mining company professionals with extensive international mine-building and operational experience.

On Behalf of the Company,

John Lewins, Chief Executive Officer and Director

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: *This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Such forward-looking statements include, without limitation: (i) the results of the Kainantu Mine Definitive Feasibility Study, and the Kainantu 2022 Preliminary Economic Assessment, including the Stage 3 Expansion, a new standalone 1.2 mtpa process plant and supporting infrastructure; (ii) statements regarding the expansion of the mine and development of any of the deposits; (iii) the Kainantu Stage 4 Expansion, operating two standalone process plants, larger surface infrastructure and mining throughputs; and (iv) the potential extended life of the Kainantu Mine.*

All statements in this news release that address events or developments that we expect to occur in the future are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors, many of which are beyond our ability to control, that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, without limitation, Public Health Crises, including the COVID-19 virus; changes in the price of gold, silver, copper and other metals in the world markets; fluctuations in the price and availability of infrastructure and energy and other commodities; fluctuations in foreign currency exchange rates; volatility in price of our common shares; inherent risks associated with the mining industry, including problems related to weather and climate in remote areas in which certain of the Company's operations are located; failure to achieve production, cost and other estimates; risks and uncertainties associated with exploration and development; uncertainties relating to estimates of mineral resources including uncertainty that mineral resources may never be converted into mineral reserves; the Company's ability to carry on current and future operations, including development and exploration activities at the Arakompa, Kora, Judd and other projects; the timing, extent, duration and economic viability of such operations, including any mineral resources or reserves identified thereby; the accuracy and reliability of estimates, projections, forecasts, studies and assessments; the Company's ability to meet or achieve estimates, projections and forecasts; the availability and cost of inputs; the availability and costs of achieving the Stage 3 Expansion or the Stage 4 Expansion; the ability of the Company to achieve the inputs the price and market for outputs, including gold, silver and copper; failures of information systems or information security threats; political, economic and other risks associated with the Company's foreign operations; geopolitical events and other uncertainties, such as the conflicts in Ukraine, Israel and Palestine; compliance with various laws and regulatory requirements to which the Company is subject to, including taxation; the ability to obtain timely financing on reasonable terms when required; the current and future social, economic and political conditions, including relationship with the communities in Papua New Guinea and other jurisdictions it operates; other assumptions and factors

generally associated with the mining industry; and the risks, uncertainties and other factors referred to in the Company's Annual Information Form under the heading "Risk Factors".

Estimates of mineral resources are also forward-looking statements because they constitute projections, based on certain estimates and assumptions, regarding the amount of minerals that may be encountered in the future and/or the anticipated economics of production. The estimation of mineral resources and mineral reserves is inherently uncertain and involves subjective judgments about many relevant factors. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation. Forward-looking statements are not a guarantee of future performance, and actual results and future events could materially differ from those anticipated in such statements. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause actual results to differ materially from those that are anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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