

Torex Gold Reports Q2 2024 Results

08.08.2024 | [Newsfile](#)

Another consistent quarter of safe and reliable production; on track to deliver on full-year operational guidance

(All amounts expressed in U.S. dollars unless otherwise stated)

Toronto, August 7, 2024 - [Torex Gold Resources Inc.](#) (the "Company" or "Torex") (TSX: TXG) reports the Company's financial and operational results for the three and six months ended June 30, 2024. Torex will host a conference call tomorrow morning at 9:00 AM (ET) to discuss the results.

Jody Kuzenko, President & CEO of Torex, stated:

"With another strong quarter behind us, we are on track to deliver on our commitments from ELG while concurrently concluding the Media Luna Project. First half gold production of 229,316 ounces ("oz") places us firmly on pace to deliver on production guidance for the sixth year in a row. Our cost discipline, coupled with a record realized gold price¹ of \$2,193 per oz, resulted in a robust all-in sustaining costs margin¹ of 44% during the quarter. While costs have trended above guidance through the first half of the year, we expect them to improve in the second half as the strip ratio in the open pit declines. Given higher royalties and Mexican profit sharing due to the stronger gold price, we expect full-year costs to be at the upper end of the guided ranges.

"As outlined in our recent quarterly update, the Media Luna Project remains on track to deliver first copper concentrate production by year-end and to achieve commercial production in Q1 2025. Project capital expenditures have been adjusted for the impact of the stronger Mexican peso and we have more than sufficient liquidity to fully fund the remaining project period expenditures. As at quarter end, we had total available liquidity¹ of \$346 million (including \$109 million in cash), which is more than sufficient to cover the \$224 million remaining on the project, maintain our strategic objective of \$100 million of cash on the balance sheet, and continue to advance our strategic priorities. We expect the funding position to strengthen even further over the rest of the year, driven by the robust free cash flow¹ generated from ELG which, prior to spending on Media Luna, was \$252 million over the last 12 months.

"During the quarter, we also outlined our five-year strategic exploration plan for the Morelos Complex, which we expect will be a key driver of value creation for the Company over the coming years. Initial results from the 2024 drilling program continue to demonstrate the potential to extend and enhance the long-term production profile of Morelos, which will be further demonstrated when we release the results of an internal economic study on the EPO deposit in September.

"With another strong quarter from ELG, Media Luna progressing on schedule, and more than sufficient funding in hand to complete the build, Torex is well-positioned to once again deliver on our proven operational track record, generating healthy margins and strong returns for our shareholders."

1. These measures are non-GAAP financial measures. Refer to "Non-GAAP Financial Performance Measures" for further information and a detailed reconciliation to the comparable measures in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

SECOND QUARTER 2024 HIGHLIGHTS

- Strong safety performance continues: As at June 30, 2024, the lost-time injury frequency ("LTIF") for the Morelos Complex was 0.22 per million hours worked for both employees and contractors on a rolling 12-month basis. The Company recorded two lost-time injuries at the Media Luna Project during the quarter with an employee suffering a hand injury and a contractor suffering an eye injury.
- Gold production: Delivered gold production of 113,822 oz for the quarter (YTD - 229,316 oz) with an average gold recovery of 90.5% (YTD - 90.6%), the second consecutive quarter with recoveries above 90%. Throughput rates remained above 13,000 tonnes per day ("tpd") for the sixth consecutive quarter, averaging 13,214 tpd (YTD - 13,166 tpd). With the strong production through the first half of the year, the Company is on track to achieve annual production guidance of 400,000 to 450,000 oz, which assumes a planned one-month shutdown of the processing plant in the fourth quarter as part of the Media Luna Project. On a gold equivalent ounce basis ("oz AuEq"), the Company produced 116,350 oz AuEq¹ for the quarter (YTD - 233,591 oz AuEq¹) and is on track to achieve guidance of 410,000 to 460,000 oz AuEq¹.
- Gold sold: Sold 113,513 oz of gold (YTD - 225,155 oz) at an average realized gold price² of \$2,193 per oz (YTD - \$2,109 per oz), contributing to revenue of \$270.3 million (YTD - \$506.8 million). On a gold equivalent ounce basis, the Company sold 115,890 oz AuEq¹ for the quarter (YTD - 229,996 oz AuEq¹). The average realized gold price in the second quarter of 2024 includes a realized loss of \$16.0 million or \$141 per oz (YTD - \$21.4 million or \$95 per oz) on gold forward contracts.
- Total cash costs² and all-in sustaining costs²: Total cash costs were \$1,014 per oz sold (YTD - \$966 per oz sold) and all-in sustaining costs were \$1,239 per oz sold (YTD - \$1,220 per oz sold). All-in sustaining costs margin² were \$954 per oz sold (YTD - \$889 per oz sold), implying an all-in sustaining costs margin² of 44% (YTD - 42%). Cost of sales was \$166.3 million (YTD - \$323.7 million) or \$1,465 per oz sold in the quarter (YTD - \$1,438 per oz sold). Higher costs quarter-over-quarter reflect higher royalties and Mexican profit sharing given the \$268 per oz increase in average spot gold price. Costs are expected to decrease through the second half of 2024 as stripping requirements continue to decline with the wind down of the open pits. The Company expects to be at the upper end of full year total cash costs guidance of \$860 to \$910 per oz sold and all-in sustaining costs guidance of \$1,100 to \$1,160 per oz sold primarily due to higher gold prices (guidance assumed a gold price of \$1,900 per oz) resulting in increased Mexican profit sharing and royalties, as well as the strength of the average value of the Mexican peso through the first half of the year. On a gold equivalent ounce basis, total cash costs were \$1,040 per oz AuEq sold¹ (YTD - \$992 per oz AuEq sold¹) and all-in sustaining costs were \$1,260 per oz AuEq sold¹ (YTD - \$1,241 per oz AuEq sold¹) relative to guidance of \$900 to \$950 per oz AuEq sold¹ and \$1,130 to \$1,190 per oz AuEq sold¹, respectively.
- Net income and adjusted net earnings²: Reported net income of \$1.9 million or earnings of \$0.02 per share on a basic and diluted basis (YTD - \$45.0 million, or \$0.52 per share on a basic and diluted basis), significantly impacted by deferred income tax expense of \$51.4 million, largely due to the 10% depreciation of the Mexican peso, which closed the quarter at 18.4:1 against the U.S. dollar versus the quarterly average of 17.2:1. Adjusted net earnings of \$52.4 million or \$0.61 per share on a basic basis and \$0.60 per share on a diluted basis (YTD - \$88.3 million, or \$1.03 per share on a basic basis and \$1.02 per share on a diluted basis). Net income includes a net derivative loss of \$10.1 million (YTD - \$26.3 million loss) related to gold forward contracts and foreign exchange collars entered into to mitigate downside price risk during the construction of the Media Luna Project. In the second quarter of 2024, the Company entered into an additional series of zero-cost collars to hedge against changes in foreign exchange rates of the Mexican peso between July 2024 and December 2024 for a total notional value of \$23.7 million. Subsequent to June 30, 2024, the Company entered into an additional series of zero-cost collars to hedge against the impact of changes in foreign exchange rates of the Mexican peso on production costs between January 2025 and December 2025 for a total notional value of \$48.0 million.
- EBITDA² and adjusted EBITDA²: Generated EBITDA of \$123.3 million (YTD - \$221.3 million) and adjusted EBITDA of \$121.2 million (YTD - \$234.4 million).
- Cash flow generation: Net cash generated from operating activities totalled \$97.4 million (YTD - \$177.2 million) and \$112.5 million (YTD - \$185.0 million) before changes in non-cash operating working capital, including income taxes paid of \$10.2 million (YTD - \$54.1 million) and \$23.9 million paid in the second quarter of 2024 in relation to the site-based employee profit sharing program for 2023 in Mexico. Negative free cash flow² of \$62.3 million (YTD - \$111.4 million) is net of cash outlays for capital expenditures, lease payments and interest, including borrowing costs capitalized. Negative free cash flow was a direct result of \$108.2 million (YTD - \$234.6 million) invested in the Media Luna Project.

- Strong financial liquidity: The quarter closed with \$345.8 million in available liquidity², including \$108.7 million in cash and \$237.1 million available on the credit facilities of \$300.0 million, net of borrowings of \$55.0 million and letters of credit outstanding of \$7.9 million. In July, the Company amended the credit facilities with a syndicate of international banks, replacing the Term Loan Facility (previously \$100.0 million available through to the end of 2024), with an increase in the Revolving Credit Facility to \$300.0 million (an increase from \$200.0 million), with a maturity date in December 2027 (extended from the 2026 maturity) and a \$150.0 million accordion feature which is available at the discretion of the lenders. The amended credit facility continues to include sustainability-linked KPIs, which have now been established for 2025 and 2026.
 - Media Luna Project: As of June 30, 2024, physical progress on the Project was approximately 78%, with detailed engineering, procurement activities, underground development, and surface construction advancing. Based on the current schedule, the tie-in of upgrades to the processing plant are still on track to occur over a four-week period during the fourth quarter of 2024, which will allow for commissioning and first concentrate production in late 2024 and commercial production expected in the first quarter of 2025. As a result of near completion of engineering and procurement activities, and incorporating the strength of the Mexican peso, budgeted project capital expenditures have been updated to \$950.0 million. This represents a \$75.5 million increase (+8.6%) over the original budget of \$874.5 million. The key driver is the stronger Mexican peso which represents \$48.0 million (+5.5%) of the increase, with the remaining \$27.5 million (+3.1%) related to out of scope items and additional carryover costs as commercial production is now expected to be declared towards the middle of the first quarter of 2025. For the full year, Media Luna Project spend is now expected to be between \$430.0 and \$450.0 million versus original guidance of \$350.0 to \$400.0 million. During the quarter, Media Luna Project expenditures totalled \$108.2 million (YTD - \$234.6 million), with a remaining project spend of \$224.4 million.
 - Release of the 2023 Responsible Gold Mining Report: In May, the Company released its 2023 Responsible Gold Mining Report (RGMR), the Company's ninth annual disclosure of its ESG performance. The Report can be found on the Company's website at www.torexgold.com.
 - Exploration Strategy: In June, the Company outlined the Morelos Property's multi-year exploration strategy³ which is expected to enable the Company to deliver on its objective of maintaining more than 450,000 oz AuEq of production annually beyond 2027 and to make at least one new discovery at the Morelos Property in the coming years. The exploration and drilling strategy will focus on three distinct areas: extending the mine life of ELG Underground and Media Luna through infill and near-mine step-out drilling; expanding resources within the Media Luna Cluster, including at Media Luna, EPO, Media Luna West, Media Luna East, and Todos Santos; and advancing targets through the growth pipeline by delivering new discoveries, including at El Naranjo, Atzacala, Esperanza, Querenque, Tecate, El Olvido, and Victoria.
 - Exploration and Drilling Activities: In June, the Company announced initial assay results from the 2024 drilling program at ELG Underground⁴. Newly reported drill holes confirm mineralization beyond the boundary of known resources - to the south and at depth at the El Limón Sur Trend, to the west along the El Limón Deep Trend, and to the north along the Sub-Sill Trend. Overall, initial results from the 2024 drilling program at ELG Underground continued to build off the success of the programs from prior years, demonstrating the potential to grow mineral resources, extend high-grade mineralization, and support extending the reserve life of ELG Underground beyond 2028.
1. Gold equivalent ounces produced and sold includes production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" on page 7 of the Company's management's discussion and analysis ("MD&A") for the three and six months ended June 30, 2024, dated August 6, 2024, for the relevant average market prices by commodity and "Guidance" on page 8 of the Company's MD&A for 2024 guidance assumptions.
 2. These measures are Non-GAAP Measures. For a detailed reconciliation of each Non-GAAP Measure to its most directly comparable measure in accordance with the IFRS, see Tables 2 to 11 of this press release. For additional information on these Non-GAAP Measures, please refer to the Company's MD&A for the three and six months ended June 30, 2024, dated August 6, 2024. The MD&A and the Company's unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2024, are available on Torex's website (www.torexgold.com) and under the Company's SEDAR+ profile (www.sedarplus.ca).
 3. For more information on the multi-year exploration strategy, see the Company's news release titled "Torex Gold Outlines Multi-Year Exploration Strategy" issued on June 10, 2024, and filed on SEDAR+ at www.sedarplus.ca and on the Company's website at www.torexgold.com.

4. For more information on ELG Underground drilling results, see the Company's news release titled "Torex Gold Reports Positive Results from the 2024 ELG Underground Drilling Program" issued on June 27, 2024, and filed on SEDAR+ at www.sedarplus.ca and on the Company's website at www.torexgold.com

Table 1: Operating and Financial Highlights

		Three Jun 2024
In millions of U.S. dollars, unless otherwise noted		
Safety		
Lost-time injury frequency ¹	/million hours	0.22
Total recordable injury frequency ¹	/million hours	1.44
Operating Results - Gold only basis		
Gold produced	oz	113,8
Gold sold	oz	113,5
Total cash costs ²	\$/oz	1,014
All-in sustaining costs ²	\$/oz	1,239
Average realized gold price ²	\$/oz	2,193
Operating Results - Gold Equivalent basis		
Gold equivalent produced ³	oz AuEq	116,3
Gold equivalent sold ³	oz AuEq	115,8
Total cash costs ^{2,3}	\$/oz AuEq	1,040
All-in sustaining costs ^{2,3}	\$/oz AuEq	1,260
Financial Results		
Revenue	\$	270.3
Cost of sales	\$	166.3
Earnings from mine operations	\$	104.0
Net income	\$	1.9
Per share - Basic	\$/share	0.02
Per share - Diluted	\$/share	0.02
Adjusted net earnings ²	\$	52.4
Per share - Basic ²	\$/share	0.61
Per share - Diluted ²	\$/share	0.60
EBITDA ²	\$	123.3
Adjusted EBITDA ²	\$	121.2
Cost of sales - gold only basis	\$/oz	1,465
Net cash generated from operating activities	\$	97.4
Net cash generated from operating activities before changes in non-cash operating working capital	\$	112.5
Free cash flow ²	\$	62.3
Cash and cash equivalents	\$	108.7
Debt, net of deferred finance charges	\$	53.9
Lease-related obligations	\$	59.0
Net (debt) cash ²	\$	5.3
Available liquidity ²	\$	345.8

1. On a 12-month rolling basis, per million hours worked.

2. These measures are Non-GAAP Measures. For a detailed reconciliation of each Non-GAAP Measure to its most directly comparable measure in accordance with the IFRS as issued by the International Accounting Standards Board see Tables 2 to 11 of this press release. For additional information on these Non-GAAP Measures, please refer to the Company's MD&A for the three and six months ended June 30, 2024, dated August 6, 2024. The MD&A and the Company's unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2024, are available on Torex's website (www.torexgold.com) and under the Company's SEDAR+ profile (www.sedarplus.ca).

3. Gold equivalent ounces produced and sold includes production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" on page 7 of the Company's MD&A for the relevant average market prices by commodity.

CONFERENCE CALL AND WEBCAST DETAILS

The Company will host a conference call tomorrow at 9:00 AM (ET) where senior management will discuss the second quarter operating and financial results. For expedited access to the conference call, registration is open to obtain an access code in advance, which will allow participants to join the call directly at the scheduled time. Alternatively, dial-in details are as follows:

- Toronto local or International: 1-647-484-8814
- Toll-Free (North America): 1-844-763-8274

A live webcast of the conference call will be available on the Company's website at <https://torexgold.com/investors/upcoming-events/>. The webcast will be archived on the Company's website.

Table 2: Reconciliation of Total Cash Costs and All-in Sustaining Costs to Production Costs and Royalties

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Six Months Ended	
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Gold sold	oz	113,513	111,642	105,749	225,155	224,204
Total cash costs per oz sold						
Production costs	\$	113.0	100.8	86.7	213.8	168.2
Royalties	\$	7.5	6.9	6.4	14.4	13.3
Less: Silver sales	\$	(1.6)	(1.5)	(1.3)	(3.1)	(2.8)
Less: Copper sales	\$	(3.8)	(3.7)	(2.1)	(7.5)	(5.0)
Total cash costs	\$	115.1	102.5	89.7	217.6	173.7
Total cash costs per oz sold	\$/oz	1,014	918	848	966	775
All-in sustaining costs per oz sold						
Total cash costs	\$	115.1	102.5	89.7	217.6	173.7
General and administrative costs ¹	\$	7.3	8.0	5.9	15.3	12.5
Reclamation and remediation costs	\$	1.2	1.3	1.3	2.5	2.7
Sustaining capital expenditure	\$	17.0	22.4	41.4	39.4	77.2
Total all-in sustaining costs	\$	140.6	134.2	138.3	274.8	266.1
Total all-in sustaining costs per oz sold	\$/oz	1,239	1,202	1,308	1,220	1,187
Gold equivalent sold ²	oz AuEq	115,890	114,106	107,446	229,996	228,096
Total cash costs per oz AuEq sold						
Production costs	\$	113.0	100.8	86.7	213.8	168.2
Royalties	\$	7.5	6.9	6.4	14.4	13.3
Total cash costs	\$	120.5	107.7	93.1	228.2	181.5
Total cash costs per oz AuEq sold ²	\$/oz AuEq	1,040	944	866	992	796
All-in sustaining costs per oz AuEq sold						
Total cash costs	\$	120.5	107.7	93.1	228.2	181.5
General and administrative costs ¹	\$	7.3	8.0	5.9	15.3	12.5
Reclamation and remediation costs	\$	1.2	1.3	1.3	2.5	2.7
Sustaining capital expenditure	\$	17.0	22.4	41.4	39.4	77.2
Total all-in sustaining costs	\$	146.0	139.4	141.7	285.4	273.9
Total all-in sustaining costs per oz AuEq sold ²	\$/oz AuEq	1,260	1,222	1,319	1,241	1,201

1. This amount excludes a loss of \$0.8 million, loss of \$4.2 million and gain of \$1.8 million for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively, and a loss of \$5.0 million and loss of \$1.8 million for the six months ended June 30, 2024 and June 30, 2023, respectively, in relation to the remeasurement of share-based payments. This amount also excludes corporate depreciation and amortization expenses totalling \$nil, \$0.1 million and \$nil for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively, \$0.1 million and \$0.1 million for the six months ended June 30, 2024 and June 30, 2023, respectively, within general and administrative costs. Included in general and administrative costs is share-based compensation expense in the amount of \$1.6 million or \$14/oz (\$14/oz AuEq) for the three months ended June 30, 2024, \$2.3 million or \$21/oz (\$20/oz AuEq) for the three months ended March 31, 2024, \$1.2 million or \$11/oz (\$11/oz AuEq) for the three months ended June 30, 2023, \$3.9 million or \$17/oz (\$17/oz AuEq) for the six months ended June 30, 2024 and \$3.1 million or \$14/oz (\$14/oz AuEq) for the six months ended June 30, 2023. This amount excludes other expenses totalling \$2.1 million, \$1.2 million and \$1.6 million for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively, and \$3.3 million and \$2.2 million for the six months ended June 30, 2024 and June 30, 2023, respectively.
2. Gold equivalent ounces produced and sold includes production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" on page 7 of the Company's MD&A for the relevant average market prices by commodity.

Table 3: Reconciliation of Sustaining and Non-Sustaining Costs to Capital Expenditures

In millions of U.S. dollars	Three Months Ended			Six Months Ended	
	Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Sustaining	\$ 16.4	21.6	19.5	38.0	34.1
Capitalized Stripping (Sustaining)	\$ 0.6	0.8	21.9	1.4	43.1
Non-sustaining	\$ -	-	0.4	-	1.1
Total ELG	\$ 17.0	22.4	41.8	39.4	78.3
Media Luna Project ¹	\$ 108.2	126.4	77.2	234.6	143.6
Media Luna Cluster Drilling/Other	\$ 1.9	1.3	4.9	3.2	8.0
Working Capital Changes & Other	\$ 28.4	(24.0)	0.6	4.4	(5.7)
Capital expenditures ²	\$ 155.5	126.1	124.5	281.6	224.2

1. This amount includes a realized gain (or a reduction in the capitalized expenditures) of \$0.5 million, \$0.8 million and \$nil for the three months ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively, \$1.3 million and \$nil for the six months ended June 30, 2024 and June 30, 2023, respectively, in relation to the settlement of foreign exchange zero cost collars that were entered into to manage the capital expenditure risk related to a further strengthening of the Mexican peso.
2. The amount of cash expended on additions to property, plant and equipment in the period as reported in the Condensed Consolidated Interim Statements of Cash Flows.

Table 4: Reconciliation of Average Realized Gold Price and Total Cash Costs Margin to Revenue

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Six Months Ended	
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Gold sold	oz	113,513	111,642	105,749	225,155	224,204
Revenue	\$	270.3	236.5	211.3	506.8	440.1
Less: Silver sales	\$	(1.6)	(1.5)	(1.3)	(3.1)	(2.8)
Less: Copper sales	\$	(3.8)	(3.7)	(2.1)	(7.5)	(5.0)
Less: Realized loss on gold contracts	\$	(16.0)	(5.4)	(0.6)	(21.4)	(0.1)
Total proceeds	\$	248.9	225.9	207.3	474.8	432.2
Total average realized gold price	\$/oz	2,193	2,023	1,960	2,109	1,928
Less: Total cash costs	\$/oz	1,014	918	848	966	775
Total cash costs margin	\$/oz	1,179	1,105	1,112	1,143	1,153
Total cash costs margin	%	54	55	57	54	60
Gold equivalent sold ¹	oz AuEq	115,890	114,106	107,446	229,996	228,096

Revenue	\$	270.3	236.5	211.3	506.8	440.1
Less: Realized loss on gold contracts	\$	(16.0)	(5.4)	(0.6)	(21.4)	(0.1)
Total proceeds	\$	254.3	231.1	210.7	485.4	440.0
Total average realized gold price	/oz AuEq	2,193	2,023	1,960	2,109	1,928
Less: Total cash costs ¹	\$/oz AuEq	1,040	944	866	992	796
Total cash costs margin ¹	\$/oz AuEq	1,153	1,079	1,094	1,117	1,132
Total cash costs margin	%	53	53	56	53	59

1. Gold equivalent ounces produced and sold includes production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" on page 7 of the Company's MD&A for the relevant average market prices by commodity.

Table 5: Reconciliation of All-in Sustaining Costs Margin to Revenue

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Six Months Ended	
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Gold sold	oz	113,513	111,642	105,749	225,155	224,204
Revenue	\$	270.3	236.5	211.3	506.8	440.1
Less: Silver sales	\$	(1.6)	(1.5)	(1.3)	(3.1)	(2.8)
Less: Copper sales	\$	(3.8)	(3.7)	(2.1)	(7.5)	(5.0)
Less: Realized loss on gold contracts	\$	(16.0)	(5.4)	(0.6)	(21.4)	(0.1)
Less: All-in sustaining costs	\$	(140.6)	(134.2)	(138.3)	(274.8)	(266.1)
All-in sustaining costs margin	\$	108.3	91.7	69.0	200.0	166.1
Total average realized gold price	\$/oz	2,193	2,023	1,960	2,109	1,928
Total all-in sustaining costs margin	\$/oz	954	821	652	889	741
Total all-in sustaining costs margin	%	44	41	33	42	38
Gold equivalent sold ¹	oz AuEq	115,890	114,106	107,446	229,996	228,096
Revenue	\$	270.3	236.5	211.3	506.8	440.1
Less: Realized loss on gold contracts	\$	(16.0)	(5.4)	(0.6)	(21.4)	(0.1)
Less: All-in sustaining costs	\$	(146.0)	(139.4)	(141.7)	(285.4)	(273.9)
All-in sustaining costs margin	\$	108.3	91.7	69.0	200.0	166.1
Total average realized gold price	\$/oz AuEq	2,193	2,023	1,960	2,109	1,928
Total all-in sustaining costs margin ¹	\$/oz AuEq	933	801	641	868	727
Total all-in sustaining costs margin	%	43	40	33	41	38

1. Gold equivalent ounces produced and sold includes production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" on page 7 of the Company's MD&A for the relevant average market prices by commodity.

Table 6: Reconciliation of Adjusted Net Earnings to Net Income

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Six Months Ended	
		Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Basic weighted average shares outstanding	shares	85,984,756	85,949,559	85,884,895	85,967,157	85,967,157
Diluted weighted average shares outstanding	shares	86,888,359	86,499,360	86,565,950	86,664,299	86,664,299

Net income	\$	1.9	43.1	75.3	45.0	143.5
Adjustments:						
Unrealized foreign exchange loss (gain)	\$	2.5	(0.6)	(2.5)	1.9	(3.0)
Unrealized (gain) loss on derivative contracts	\$	(5.4)	11.6	(15.3)	6.2	11.8
Remeasurement of share-based payments	\$	0.8	4.2	(1.8)	5.0	1.8
Derecognition of provisions for uncertain tax positions	\$	-	(12.1)	-	(12.1)	(15.3)
Tax effect of above adjustments	\$	0.8	(3.3)	5.9	(2.5)	(3.1)
Tax effect of currency translation on tax base	\$	51.8	(7.0)	(23.7)	44.8	(47.2)
Adjusted net earnings	\$	52.4	35.9	37.9	88.3	88.2
Per share - Basic	\$/share	0.61	0.42	0.44	1.03	1.03
Per share - Diluted	\$/share	0.60	0.42	0.44	1.02	1.02

Table 7: Reconciliation of EBITDA and Adjusted EBITDA to Net Income

In millions of U.S. dollars	Three Months Ended			Six Months Ended	
	Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Net income	\$ 1.9	43.1	75.3	45.0	143.5
Finance income, net	\$(1.0)	(1.7)	(3.2)	(2.7)	(6.2)
Depreciation and amortization ¹	\$ 45.9	49.8	45.0	95.7	94.1
Current income tax expense	\$ 25.1	26.2	18.6	51.3	35.4
Deferred income tax expense (recovery)	\$ 51.4	(19.4)	(10.4)	32.0	(39.0)
EBITDA	\$ 123.3	98.0	125.3	221.3	227.8
Adjustments:					
Unrealized (gain) loss on derivative contracts	\$(5.4)	11.6	(15.3)	6.2	11.8
Unrealized foreign exchange loss (gain)	\$ 2.5	(0.6)	(2.5)	1.9	(3.0)
Remeasurement of share-based payments	\$ 0.8	4.2	(1.8)	5.0	1.8
Adjusted EBITDA	\$ 121.2	113.2	105.7	234.4	238.4

1. Includes depreciation and amortization included in cost of sales, general and administrative expenses and exploration and evaluation expenses.

Table 8: Reconciliation of Free Cash Flow to Net Cash Generated from Operating Activities

In millions of U.S. dollars	Three Months Ended			Six Months Ended	
	Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
Net cash generated from operating activities	\$ 97.4	79.8	89.6	177.2	136.6
Less:					
Additions to property, plant and equipment ¹	\$(155.5)	(126.1)	(124.5)	(281.6)	(224.2)
Lease payments	\$ (1.8)	(1.4)	(1.4)	(3.2)	(2.2)
Interest and other borrowing costs paid ²	\$ (2.4)	(1.4)	(1.1)	(3.8)	(1.6)
Free cash flow	\$ (62.3)	(49.1)	(37.4)	(111.4)	(91.4)

1. The amount of cash expended on additions to property, plant and equipment in the period as reported on the Condensed Consolidated Interim Statements of Cash Flows.

2. Including borrowing costs capitalized to property, plant and equipment.

Table 9: Reconciliation of Net (Debt) Cash to Cash and Cash Equivalents

In millions of U.S. dollars	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Jun 30, 2023
	2024	2024	2023	2023
Cash and cash equivalents	\$ 108.7	113.2	172.8	285.3
Less:				
Debt	\$(53.9)	-	-	-
Lease-related obligations	\$(59.0)	(44.0)	(32.0)	(11.5)

Deferred finance charges	\$ (1.1) -	-	-
Net (debt) cash	\$ (5.3) 69.2	140.8	273.8

Table 10: Reconciliation of Available Liquidity to Cash and Cash Equivalents

	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Jun 30, 2023
In millions of U.S. dollars				
Cash and cash equivalents	\$ 108.7	113.2	172.8	285.3
Add: Available credit of the Debt Facility	\$ 237.1	292.1	292.1	242.1
Available liquidity	\$ 345.8	405.3	464.9	527.4

Table 11: Reconciliation of Unit Cost Measures to Production Costs

	Three Months Ended			Six Months Ended		
In millions of U.S. dollars, unless otherwise noted	Jun 30, 2024	Mar 31, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023	
Gold sold (oz)	113,513	111,642	105,749	225,155	224,204	
Tonnes mined - open pit (kt)	8,669	8,981	11,768	17,650	21,121	
Tonnes mined - underground (kt)	195	168	174	363	330	
Tonnes processed (kt)	1,202	1,194	1,210	2,396	2,386	
Total cash costs:						
Total cash costs (\$)	115.1	102.5	89.7	217.6	173.7	
Total cash costs per oz sold (\$)	1,014	918	848	966	775	
Breakdown of production costs	\$	\$/t	\$	\$/t	\$	\$/t
Mining - open pit	31.9	3.69	31.6	3.52	32.1	2.73
Mining - underground	16.8	86.18	13.8	82.34	14.3	82.29
Processing	46.0	38.19	42.5	35.64	43.0	35.60
Site support	14.4	11.98	14.3	12.00	14.3	11.84
Mexican profit sharing (PTU)	6.5	5.41	3.0	2.50	5.3	4.38
Capitalized stripping	(0.6)	(0.8)	(21.9)	(1.4)	(43.1)	
Inventory movement	(2.5)	(4.3)	(0.9)	(6.8)	2.6	
Other	0.5	0.7	0.5	1.2	1.4	
Production costs	113.0	100.8	86.7	213.8	168.2	

ABOUT TOREX GOLD RESOURCES INC.

Torex is an intermediate gold producer based in Canada, engaged in the exploration, development, and operation of its 100% owned Morelos Property, an area of 29,000 hectares in the highly prospective Guerrero Gold Belt located 180 kilometres southwest of Mexico City. The Company's principal asset is the Morelos Complex, which includes the El Limón Guajes ("ELG") Mine Complex, the Media Luna Project, a processing plant, and related infrastructure. Commercial production from the Morelos Complex commenced on April 1, 2016 and an updated Technical Report for the Morelos Complex was released in March 2022. Torex's key strategic objectives are: integrate and optimize the Morelos Property; deliver Media Luna to full production; grow reserves and resources; disciplined growth and capital allocation; retain and attract best industry talent; and build on ESG excellence.

FOR FURTHER INFORMATION, PLEASE CONTACT:

TOREX GOLD RESOURCES INC.

Jody Kuzenko
President and CEO
Direct: (647) 725-9982
jody.kuzenko@torexgold.com

Dan Rollins
Senior Vice President, Corporate Development & Investor Relations
Direct: (647) 260-1503
dan.rollins@torexgold.com

CAUTIONARY NOTES ON FORWARD-LOOKING INFORMATION

This press release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information also includes, but is not limited to, statements that: with another strong quarter behind the Company, the Company is on pace to deliver on its commitments from ELG while concurrently concluding the Media Luna Project; first half gold production of 229,316 ounces ("oz") places the Company firmly on track to deliver on production guidance for the sixth year in a row; while costs have trended above guidance through the first half of the year, the Company expects them to improve in the second half as the strip ratio in the open pit declines; given higher royalties and Mexican profit sharing due to the stronger gold price, the Company expects full-year costs to be at the upper end of the guided ranges; as outlined in the Company's recent quarterly update, the Media Luna Project remains on track to deliver first copper concentrate production by year-end and to achieve commercial production in Q1 2025; as at quarter end, the Company had total available liquidity of \$346 million (including \$109 million in cash) which is more than sufficient to cover the \$224 million remaining on the project, maintain the Company's strategic objective of \$100 million of cash on the balance sheet, and continue to advance the Company's strategic priorities; the Company expects the funding position to strengthen even further over the rest of the year, driven by the robust free cash flow generated from ELG which, prior to spending on Media Luna, was \$252 million over the last 12 months; with another strong quarter from ELG, Media Luna progressing on schedule, and more than sufficient funding in hand to complete the build, Torex is well-positioned to once again deliver on its proven operational track record, generating healthy margins and strong returns for shareholders; with the strong production through the first half of the year, the Company is on track to achieve annual production guidance of 400,000 to 450,000 oz, which assumes a planned one-month shutdown of the processing plant in the fourth quarter as part of the Media Luna Project; costs are expected to decrease through the second half of 2024 as stripping requirements continue to decline with the wind down of the open pits; the Company expects to be at the upper end of full year total cash costs guidance of \$860 to \$910 per oz sold and all-in sustaining costs guidance of \$1,100 to \$1,160 per oz sold primarily due to higher gold prices (guidance assumed a gold price of \$1,900 per oz) resulting in increased Mexican profit sharing and royalties, as well as the strength of the average value of the Mexican peso through the first half of the year; based on the current schedule, the tie-in of upgrades to the processing plant are still on track to occur over a four-week period during the fourth quarter of 2024, which will allow for commissioning and first concentrate production in late 2024 and commercial production expected in the first quarter of 2025; as a result of near completion of engineering and procurement activities, and incorporating the strength of the Mexican peso, budgeted project capital expenditures have been updated to \$950.0 million; for the full year, Media Luna Project spend is now expected to be between \$430.0 and \$450.0 million versus original guidance of \$350.0 to \$400.0 million; the exploration and drilling strategy will focus on three distinct areas: extending the mine life of ELG Underground and Media Luna through infill and near-mine step-out drilling; expanding resources within the Media Luna Cluster, including at Media Luna, EPO, Media Luna West, Media Luna East, and Todos Santos; and advancing targets through the growth pipeline by delivering new discoveries, including at El Naranjo, Atzacala, Esperanza, Querenque, Tecate, El Olvido, and Victoria; overall, initial results from the 2024 drilling program at ELG Underground continued to build off the success of the programs from prior years, demonstrating the potential to grow mineral resources, extend high-grade mineralization, and support extending the reserve life of ELG Underground beyond 2028 and key strategic objectives are: integrate and optimize the Morelos Property; deliver Media Luna to full production; grow reserves and resources; disciplined growth and capital allocation; retain and attract best industry talent; and build on ESG excellence. Generally, forward-looking information and statements can be identified by the use of forward-looking terminology such as "forecast," "plans," "expects," or "does not expect," "is expected," "strategic" or variations of such words and phrases or statements that certain actions, events or results "will," "may," "could," "would," "might," or "on track," or "well positioned to" occur. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the company to be materially different from those expressed or implied by such forward-looking information, including, without limitation, risks and uncertainties identified in the technical report (the "Technical Report") released on March 31, 2022, entitled "NI 43-101 Technical Report ELG Mine Complex Life Of Mine Plan and Media Luna Feasibility Study", which has an effective date of March 16, 2022, and the Company's annual information form ("AIF") and management's discussion and analysis ("MD&A") or other unknown but potentially significant impacts. Forward-looking information and statements are based on the assumptions discussed in the Technical Report, AIF and MD&A and such other reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated. 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. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws. The Technical Report, MD&A and AIF

are filed on SEDAR+ at www.sedarplus.ca and available on the Company's website at www.torexgold.com.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/219143>

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/477558--Torex-Gold-Reports-Q2-2024-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](#).