

Andean Precious Metals Reports Third Quarter 2024 Operating and Financial Results

12.11.2024 | [Newsfile](#)

ACHIEVED A RECORD \$98.1 MILLION IN CASH AND INVESTMENTS DRIVEN BY RECORD \$17 MILLION IN FREE CASH FLOW¹ AND \$23.4 MILLION IN OPERATING CASH FLOW

(All amounts in U.S. dollars unless otherwise indicated)

Toronto, November 11, 2024 - [Andean Precious Metals Corp.](#) (TSXV: APM) (OTCQX: ANPMF) ("Andean" or the "Company") is pleased to report its operating highlights and financial results for the three and nine months ended September 30, 2024. This news release should be read together with Andean's management discussion and analysis ("MD&A") and condensed interim consolidated financial statements for the three and nine months ended September 30, 2024 (the "Financial Statements") which are available under the Company's profile on SEDAR+ (www.sedarplus.ca).

Third Quarter 2024 Highlights

Consolidated Results:

- Consolidated revenue of \$68.4 million from sales at an average realized gold price of \$2,413/oz and an average realized silver price of \$31.40/oz.
- The Company strengthened its financial position in Q3 2024 ending the period with a record position of \$98.1 million in cash, cash equivalents, marketable securities, and short-term investments.
- The Company generated record free cash flow¹ of \$17.0 million despite additional capital expenditures ("CAPEX") incurred during the third quarter, supported by \$23.4 million in operating cash flow.
- Gross profit of \$21.4 million, mainly due to strong average realized gold and silver prices and lower operating costs at San Bartolomé driven by lower underlying cost of production.
- Net income of \$8.2 million, EBITDA¹ and Adjusted EBITDA¹ were \$20.1 million and \$19.2 million, respectively.
- Consolidated Q3 2024 production of 29,284 gold equivalent ("AuEq") ounces or its equivalent of 2.3 million silver equivalent ("AgEq") ounces.

Golden Queen Results:

- Golden Queen produced 14,025 AuEq ounces compared to 16,986 AuEq ounces in Q2 2024.
- Golden Queen operating cash costs ("OCC")¹ of \$1,557/oz and all-in sustaining costs ("AISC")¹ of \$2,300/oz for the quarter. During Q3 2024, OCC was primarily impacted by lower production due to a temporary suspension of the crusher circuit at Golden Queen which impacted AuEq production. Furthermore, to improve reliability, the Company is investing in new equipment, with additional CAPEX aimed at enhancing performance through late 2024 and 2025.

San Bartolomé Results:

- San Bartolomé produced 1.2 million AgEq ounces, compared to 1.07 million AgEq ounces in Q2 2024. Achieved a strong cash gross operating margin ("CGOM")² of \$12.30 per ounce of silver equivalent sold and a gross margin ratio ("GMR")² of 46.56%, based on reported costs of sales of \$18.87 million. Recovery increased in Q3 2024 to 83% when compared to 79% in Q2 2024.

2024 Guidance Update:

- The Company reaffirms its 2024 guidance of 60 koz AuEq at Golden Queen and 5.0 Moz AgEq at San Bartolomé (+/- 5%). The Company expects consolidated production to be close to the lower end of the 2024 guidance. In line with the Company's 2024 production guidance, the Company anticipates a decline in OCC and AISC per gold ounce sold at Golden Queen for Q4 2024, when compared to Q3 2024, primarily driven by anticipated higher AuEq production during Q4 2024.
- The Company is increasing its 2024 GMR and CGOM guidance for San Bartolomé to 30% and \$7.00 respectively. For Golden Queen, its 2024 AISC guidance is increasing to \$1,950 per ounce of gold sold arising from additional sustaining CAPEX incurred.

Corporate Update:

- Strengthened management team with the addition of Dominik Kizek joining the Company as Vice President, Finance and Corporate Controller at the Toronto, Corporate office. Mr. Kizek is a CPA, CA and has 20 years of public company experience including previous roles at New Gold Inc., Battle North Gold Inc., and [Agnico Eagle Mines Ltd.](#)
- Health and Safety Performance: San Bartolomé recorded one lost time injury (LTI) in Q3 2024. Golden Queen reported zero LTIs for the nine months ending September 30, 2024, achieving 503 consecutive days without an LTI.

Alberto Morales, Executive Chairman and CEO stated "Our third quarter has been marked by record financial performance, driven by strong gross margin growth and significant free cash flow generation. We ended the quarter with strong cash, cash equivalents, and investments of \$98.1 million, which strengthens our balance sheet and provides a solid foundation for future growth opportunities.

Operationally, it hasn't been without its challenges. At Golden Queen, we faced some setbacks due to necessary maintenance on aging equipment. We have responded with a proactive CAPEX program to address historical underinvestment in property, equipment, and processes. Since acquiring Golden Queen, we have appointed a new management team and launched a comprehensive maintenance, CAPEX, and operational overhaul program. This investment in upgrading key equipment and processes is a deliberate step to drive greater reliability and efficiency, with anticipated results beginning in Q4 and throughout 2025."

Mr. Morales continued, "Our robust financial position provides the flexibility to pursue strategic initiatives and explore accretive expansion opportunities. While we expect to meet the lower end of our 2024 production guidance, optimizing operations remains a top priority. In addition, we are continuing with our goal to diversify our portfolio and expand in North America with high value assets.

I'm also pleased to report continued safety milestones, with Golden Queen achieving over 500 days without a lost-time injury and no reportable environmental incidents, a testament to our team's commitment to maintaining high safety and environmental standards.

Looking ahead, we remain committed to prudent cost management, operational resilience, and sustainable practices, which will drive both, our business growth, and the well-being of the communities in which we operate."

Summary of Financial and Operating Results

(In thousands except for net income per share and oz) Q3 2024 Q3 2023^(a) Change YTD 2024 YTD 2023^(a)

Financial Performance

Revenue	\$ 68,348	\$ 38,174	\$ 79%	181,197	\$ 76,503
Cost of sales	41,635	30,892	35%	121,141	63,880
Depreciation and depletion	5,272	1,009	422%	15,301	3,528
Gross profit	21,441	6,273	242%	44,755	9,095
Net income (after tax)	8,210	76	10703%	17,518	464
Net income per share					
-Basic	0.05	0.00	100%	0.12	0.00
-Diluted	0.05	0.00	100%	0.11	0.00
Net cash provided from (used in) operating activities	23,444	8,661	171%	31,751	(955)
Free cash flow	16,949	6,904	145%	16,646	(3,570)
EBITDA	20,058	4,280	369%	48,156	9,453
Adjusted EBITDA	19,202	6,799	182%	43,872	12,200
Capital expenditures	(15,937)	(1,757)	(807%)	(24,547)	(2,615)
Ending cash and cash equivalents	58,074	76,823	(24%)	58,074	76,823
Marketable securities and investments	40,065	4,269	839%	40,065	4,269
Total cash and short-term investments	98,139	81,082	21%	98,139	81,092
(In thousands except for metal price per oz)	Q3 2024	Q3 2023	Change	YTD 2024	YTD 2023 ⁽⁹⁾
Operating highlights					
Production					
Golden Queen					
Silver (koz)	130	-	100%	395	-
Gold (oz)	12,366	-	100%	37,661	-
Total AuEq ounces produced (oz)	14,025	-	100%	42,501	-
San Bartolomé					
Silver (koz)	1,118	1,190	(6%)	2,981	3,357
Gold (oz)	680	640	6%	1,128	1,270
Total AgEq ounces produced (koz)	1,176	1,242	(5%)	3,077	3,459
Consolidated					
Golden Queen AgEq ounces (koz)	1,081	-	100%	3,464	-
San Bartolomé AgEq ounces (koz)	1,176	1,242	(5%)	3,077	3,460
Total Consolidated AgEq ounces produced (koz)	2,251	1,242	81%	6,536	3,460
Golden Queen AuEq ounces (oz)	14,025	-	100%	42,501	-
San Bartolomé AuEq ounces (oz)	15,259	15,426	(1%)	37,784	42,690
Total Consolidated AuEq ounces produced (oz)	29,284	15,426	90%	80,285	42,690
Sales					
Golden Queen					
Silver (koz)	134	-	100%	394	-
Gold (oz)	12,018	-	100%	37,581	-
Total AuEq ounces sold (oz)	13,174	-	100%	42,405	-
San Bartolomé					
Silver (koz)	1,080	1,552	(30%)	2,948	3,154
Gold (oz)	512	200	156%	920	415
Total AgEq ounces sold (koz)	1,119	1,568	(28%)	3,026	3,188
Consolidated ounces sold					
Golden Queen AgEq ounces (koz)	1,057	-	100%	3,455	-
San Bartolomé AgEq ounces (koz)	1,119	1,568	(29%)	3,026	3,188
Total Consolidated AgEq ounces sold (koz)	2,176	1,568	39%	6,479	3,188
Golden Queen AuEq ounces (oz)	13,174	-	100%	42,405	-
San Bartolomé AuEq ounces (oz)	14,600	19,476	(25%)	37,021	39,333
Total Consolidated AuEq ounces sold (oz)	28,314	19,476	45%	79,426	39,333
Average realized silver price (\$/oz)					
Average realized silver price (\$/oz)	\$ 31.40	\$ 24.34	29%	27.97	\$ 24.00
Average market silver price (\$/oz)	\$ 29.43	\$ 23.57	25%	27.23	\$ 23.40
Average realized gold price (\$/oz)					
Average realized gold price (\$/oz)	\$ 2,413	\$ 1,960	23%	2,278	\$ 1,945

Average market gold price (\$/oz)	\$ 2,474	\$ 1,952	27%	2,296	\$ 1,931
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2024 Outlook and Guidance

Production guidance

The Company reaffirms its 2024 annual gold and silver equivalent production guidance for Golden Queen and San Bartolomé with production expected to be close to the low end of the guidance ranges:

	2024 AuEq ounces Guidance ³ +/- 5%	2024 AgEq ounces Guidance ³ +/- 5%
Golden Queen (koz) 60	5,429	
San Bartolomé (koz) 55	5,000	
Consolidated (koz) 115	10,429	

Cost guidance

The Company revises its full-year 2024 cost guidance for both San Bartolomé and Golden Queen.

San Bartolomé 2024 full-year CGOM and GMR is now expected to be \$7.00 and 30.00%, respectively, as the Company expects continued low operating expenses and cost savings that have been realized in the three- and nine-months ending September 30, 2024.

In line with our higher CAPEX expenditures at Golden Queen, the Company now expects 2024 full-year AISC to be \$1,950 per gold ounce sold. As noted above, the Company has implemented a significant CAPEX and equipment overhaul program in 2024 and anticipates greater reliability and improved operational best practices on a go forward basis. The increase in AISC for 2024 is primarily a result of the increased sustaining CAPEX investment.

	Initial 2024 Guidance +/- 5%	Revised 2024 Guidance +/- 5%
San Bartolomé		
CGOM (per AgEq oz)	\$ 3.88	\$ 7.00
GMR (per AgEq oz)	19.50%	30.00%
Golden Queen		
OCC (per gold ounce sold, on a by-product credit basis)	\$ 1,500	\$ 1,500
AISC (per gold ounce sold, on a by-product credit basis)	\$ 1,750	\$ 1,950

Capital expenditures guidance

The Company revises its full-year 2024 CAPEX guidance to \$35.5 million. As noted above, the Company has implemented a significant CAPEX and equipment overhaul program in 2024 and anticipates significantly greater reliability and vastly improved operational best practices on a go forward basis as a result of these capital expenditures.

In \$'000	Initial 2024 Guidance +/- 5%	Revised 2024 Guidance +/- 5%
Sustaining capital		
Golden Queen	\$ 10,300	\$ 13,000
San Bartolomé	3,400	4,500
Total sustaining capital	\$ 13,700	\$ 17,500
Growth capital		
Golden Queen	\$ 9,500	\$ 16,000
San Bartolomé	840	2,000
Total growth capital	\$ 10,340	\$ 18,000
Total capital		
Golden Queen	\$ 19,800	\$ 29,000

San Bartolomé	4,240	6,500
Total capital expenditures	\$ 24,040	\$ 35,500

Q3 2024 Conference Call and Webcast

- Tuesday, November 12th, at 9:00 AM ET
- Participants may listen to the webcast by registering on our website at www.andeanpm.com or via the following link <https://www.gowebcasting.com/13704>
- Participants may also listen to the conference call by calling North American toll free 1-844-763-8274, or 1-647-484-8814 outside the U.S. or Canada
- An archived reply of the webcast will be available for 90 days at: <https://www.gowebcasting.com/13704> or the Company website at www.andeanpm.com.

About Andean Precious Metals

Andean is a growing precious metals producer focused on expanding into top-tier jurisdictions in the Americas. The Company owns and operates the San Bartolomé processing facility in Potosí, Bolivia and the Soledad Mountain mine in Kern County, California, and is well-funded to act on future growth opportunities. Andean's leadership team is committed to creating value; fostering safe, sustainable and responsible operations; and achieving our ambition to be a multi-asset, mid-tier precious metals producer.

Qualified Person Statement

The scientific and technical content disclosed in this news release was reviewed and approved by Donald J. Birak, Independent Consulting Geologist to the Company, a Qualified Person as defined by National Instrument 43-101 - Standards for Disclosure for Mineral Projects, Registered Member, Society for Mining, Metallurgy and Exploration (SME), Fellow, Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Birak has visited Manquiri's various sites frequently, most recently in January 2024.

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Caution Regarding Forward-Looking Statements

Certain statements and information in this release constitute "forward-looking statements" within the meaning of applicable U.S. securities laws and "forward-looking information" within the meaning of applicable Canadian securities laws, which we refer to collectively as "forward-looking statements". Forward-looking statements are statements and information regarding possible events, conditions or results of operations that are based upon assumptions about future economic conditions and courses of action. All statements and information other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "seek", "expect", "anticipate", "budget", "plan", "estimate", "continue", "forecast", "intend", "believe", "predict", "potential", "target", "may", "could", "would", "might", "will" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook.

Forward-looking statements in this release include, but are not limited to, statements and information regarding the Company's production, cost outlook and capital expenditure expectations for 2024 and the Company's expectations regarding its CAPEX and equipment overhaul program. Such forward-looking

statements are based on a number of material factors and assumptions, including, but not limited to: the Company's ability to carry on exploration and development activities; the Company's ability to secure and to meet obligations under property and option agreements and other material agreements; the timely receipt of required approvals and permits; that there is no material adverse change affecting the Company or its properties; that contracted parties provide goods or services in a timely manner; that no unusual geological or technical problems occur; that plant and equipment function as anticipated and that there is no material adverse change in the price of silver, costs associated with production or recovery. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct, and you are cautioned not to place undue reliance on forward-looking statements contained herein.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking statements contained in this release include, but are not limited to: risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks relating to possible variations in reserves, resources, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined; 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; the potential for delays in exploration or development activities or the completion of feasibility studies; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; risks related to commodity price and foreign exchange rate fluctuations; the uncertainty of profitability based upon the cyclical nature of the industry in which the Company operates; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental or local community approvals or in the completion of development or construction activities; risks related to environmental regulation and liability; political and regulatory risks associated with mining and exploration; risks related to the uncertain global economic environment; and other factors contained in the section entitled "Risk Factors" in the Company's MD&A for the three and nine months ended September 30, 2024.

Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described in the forward-looking statements, you are cautioned that this list is not exhaustive and there may be other factors that the Company has not identified. Furthermore, the Company undertakes no obligation to update or revise any forward-looking statements included in this release if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures

This news release includes "specified financial measures" within the meaning of National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure ("NI 52-112"), specifically the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures described below. Management believes that the use of these measures assists analysts, investors and other stakeholders of the Company in understanding the costs associated with producing silver and gold, understanding the economics of silver and gold mining, assessing operating performance, the Company's ability to generate free cash flow from current operations, and for planning and forecasting of future periods.

The specified financial measures used in this news release do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other issuers, even as compared to other issuers who may be applying the World Gold Council ("WGC") guidelines. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following is a description of the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures used in this news release:

- (i) OCC includes total production cash costs incurred at the Company's mining operations, which form the

basis of the Company's cash costs, less by-product revenue.

(ii) AISC on a by-product basis per ounce is a non-GAAP ratio calculated as AISC on a by-product basis divided by ounces of gold sold. AISC on a by-product basis is a non-GAAP financial measure calculated as the aggregate of production costs as recorded in the consolidated statements of income (loss), refining and transport costs, cash component of sustaining capital expenditures, lease payments related to sustaining assets, corporate general and administrative expenses and accretion expenses. When calculating AISC on a by-product basis, all revenue received from the sale silver at Golden Queen are treated as a reduction of costs incurred. The Company believes that AISC represents the total costs of producing gold from current operations and provides the Company and other stakeholders of the Company with additional information relating to the Company's operational performance and ability to generate cash flow.

(iii) AIC represents AISC plus growth capital and non-sustaining exploration and evaluation costs.

Non-sustaining exploration and evaluation costs represent costs associated with the Company's exploration portfolio. Certain other cash expenditures including tax payments, debt payments, dividends and financing costs are also not included in the calculation of AIC. The Company reports these measures on a per gold ounce sold basis.

(iv) CGOM per silver equivalent ounce sold is calculated by subtracting the average cash cost of sale (cost of sales, allocated corporate administrative costs and business unit general and administration cost) per equivalent ounce sold from the average selling price per equivalent ounce. It is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

(v) GMR is calculated by subtracting the cost of sale as reported in the income statement from the revenue of equivalent ounces divided by revenue from sales of equivalent ounces. GMR is a measure of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers.

(vi) EBITDA is defined as earnings before interest, tax, depreciation and amortization. Adjusted EBITDA is a non-GAAP financial measure calculated by adjusting net income (loss) as recorded in the condensed interim consolidated statements of income (loss) for items not associated with ongoing operations. The Company believes that this generally accepted industry measure allows the evaluation of the results of income-generating capabilities and is useful in making comparisons between periods. This measure adjusts for the impact of items not associated with ongoing operations. A reconciliation of adjusted net income (loss) to the nearest IFRS measures is set out below. Management uses this measure to monitor and plan for the operating performance of the Company in conjunction with other data prepared in accordance with IFRS.

(vii) Free cash flow is a non-GAAP financial measure calculated as cash provided by operating activities from continuing operations less property, plant and equipment additions. A reconciliation of free cash flow to the nearest IFRS measures is set out below. Management uses this measure to monitor the amount of cash available to reinvest in the Company and allocate for shareholder returns.

(viii) Average realized price is a supplementary financial measure calculated by dividing the different components of precious metal sales by the number of ounces sold. Management uses this measure to monitor its sales of precious metal ounces against the average market gold price.

OCC

The following table provides a reconciliation of the OCC per ounce sold on a by-product basis to the Financial Statements:

Golden Queen	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Costs of sales, as reported	\$ 22,765	\$ -	\$ 67,001	\$ -

Total OCC before by-product credits	22,765	-	67,001	-
Less: by-product silver credits	(4,056)	-	(10,980)	-
Total OCC	18,709	\$ -	\$ 56,021	\$ -
Divided by Au ounces sold	12,018	-	37,581	-
OCC per Au sold, on a by-product basis	\$ 1,557	\$ -	\$ 1,491	\$ -

AISC

The following table provides a reconciliation of the AISC per ounce on a by-product basis to the Financial Statements:

Golden Queen	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2024	2023	2024	2023
OCC, net of by-product credits	\$ 18,709	\$ -	\$ 56,021	\$ -
General and administrative expenses ⁴	1,886	-	5,115	-
Allocated corporate general and administrative expenses	1,852	-	3,431	-
Sustaining capital expenditures	5,114	\$ -	9,447	-
Accretion for decommissioning liability	83	-	278	-
AISC	27,644	\$ -	\$ 74,292	\$ -
Divided by Au ounces sold	12,018	-	37,581	-
AISC per Au ounces sold, on a by-product basis	\$ 2,300	\$ -	\$ 1,977	\$ -

AIC

The following table provides a reconciliation of the AIC per ounce on a by-product basis to the Financial Statements:

Golden Queen	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2024	2023	2024	2023
AISC	\$ 27,644	\$ -	\$ 74,292	\$ -
Non-sustaining capital	7,541	-	11,188	-
AIC	\$ 35,185	-	\$ 85,480	\$ -
Divided by Au ounces sold	12,018	\$ -	37,581	-
AIC per Au ounce sold, on a by-product basis	\$ 2,928	-	\$ 2,275	\$ -

CGOM

The following table provides a reconciliation of the CGOM per ounce to the Financial Statements and the most directly comparable IFRS measure:

San Bartolomé	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2024	2023	2024	2023
Costs of sales, as reported	\$ 18,870	\$ 30,893	\$ 54,139	\$ 63,881
Total cost of sales before by-product credits	18,870	30,893	54,139	63,881
General and administration-site	1,047	1,995	3,523	4,921
Allocated corporate general and administrative expenses	1,553	1,355	2,766	3,355
Total gross operating costs	\$ 21,470	\$ 34,243	\$ 60,428	\$ 70,532
Divided by AgEq ounces sold (koz)	1,124	1,568	3,026	3,188
Gross operating cost per AgEq ounce sold	\$ 19.10	\$ 21.84	\$ 19.97	\$ 22.13
Average realized silver price per oz ⁵	\$ 31.40	\$ 24.34	\$ 27.97	\$ 24.00
CGOM per AgEq oz	\$ 12.30	\$ 2.50	\$ 8.00	\$ 1.37

GMR

The following table provides a reconciliation of the GMR per ounce to the most directly comparable IFRS measure:

San Bartolomé	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Costs of sales, as reported	\$ 18,870	\$ 30,893	\$ 54,139	\$ 63,881
Divided by AgEq ounces sold (koz)	\$ 1,124	1,568	3,026	3,188
Costs of sales per AgEq oz sold	\$ 16.79	\$ 19.70	\$ 17.89	\$ 20.04
Average realized silver price per oz	\$ 31.40	\$ 24.34	\$ 27.97	\$ 24.00
GM per AgEq oz sold	\$ 14.62	\$ 4.64	\$ 10.08	\$ 3.96
GMR per AgEq oz sold	46.56%	19.06%	36.03%	16.50%

Free Cash Flow

The Company has included free cash flow as a non-GAAP financial measure in this news release. The Company considers net cash provided from (used in) operating cash flow less capital expenditures to be a measure that allows the Company and investors to evaluate the ability of the Company to generate cash flow. Accordingly, free cash flow is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of free cash flow to the Financial Statements:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net cash flow from operating activities	\$ 23,444	\$ 8,661	\$ 31,751	\$ (955)
Less:				
Expenditures on property, plant and equipment (net of vendor financing)	(6,495)	(1,757)	(15,105)	(2,615)
Free cash flow	\$ 16,949	\$ 6,904	\$ 16,646	\$ (3,570)

EBITDA and Adjusted EBITDA

The Company has included EBITDA and Adjusted EBITDA as a non-GAAP financial measure in this news release. The Company excludes certain items from net income (loss) to provide a measure which allows the Company and investors to evaluate the results of the underlying core operations of the Company and its ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of Adjusted EBITDA to the Financial Statements:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net (loss) income	\$ 8,210	\$ 76	\$ 17,518	\$ 464
Add:				
Income taxes	4,700	2,848	10,187	4,307
Finance costs	1,876	347	5,150	1,154
Depreciation and depletion	5,272	1,009	15,301	3,528
EBITDA	\$ 20,058	\$ 4,280	\$ 48,156	\$ 9,453
Add: Non-sustaining exploration and Corporate development cost	643	903	1,671	1,416
Add: Change in fair value of derivative contracts	(1,371)	175	(4,203)	(797)
Add: Change in fair value of marketable securities	(128)	1,441	(1,752)	2,128
Adjusted EBITDA	\$ 19,202	\$ 6,799	\$ 43,872	\$ 12,200

Average Realized Gold and Silver Prices Per Ounce

The Company has included average realized prices as a supplementary non-GAAP financial measure in this

news release. The Company quantifies average realized price per ounce as revenue per the Statement of Income (loss) divided by ounce of gold or silver sold. Management uses this measure to monitor sales of silver and gold ounces against the average market silver and gold prices.

The following table provides a reconciliation of average realized prices to the most directly comparable IFRS measure:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Silver revenue	\$ 38,110	\$ 37,781	\$ 93,478	\$ 75,696
Silver sold (k oz)	1,213	1,552	3,342	3,154
Average realized silver price per oz	\$ 31.40	\$ 24.34	\$ 27.97	\$ 24.00
Gold revenue	\$ 30,238	\$ 392	\$ 87,719	\$ 807
Gold sold (oz)	12,530	200	38,501	415
Average realized gold price per oz	\$ 2,413	\$ 1,960	\$ 2,278	\$ 1,945

Condensed Interim Consolidated Statements of Financial Position
(in thousands of US dollars, Unaudited)

	Notes	September 30, 2024	December 31, 2023
ASSETS			
Current			
Cash and cash equivalents		\$ 58,074	\$ 64,907
Marketable securities and short-term investments 4		40,065	5,162
Accounts receivables		1,815	888
Inventories	5	72,408	68,391
Other current assets	6	13,707	15,251
Total current assets		186,069	154,599
Non-Current			
Property, plant and equipment	7	108,095	92,353
Non-current inventories	5	3,159	3,047
Deferred income tax asset		4,517	6,156
Other assets	6	15,775	13,735
Total non-current assets		131,546	115,291
Total assets		\$ 317,615	\$ 269,890
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8	\$ 29,322	\$ 29,719
Current portion of long-term debt	9	9,953	8,870
Current income taxes payable		9,101	7,353
Other liabilities	10	9,893	8,294
Total current liabilities		58,269	54,236
Non-Current			
Long-term debt	9	60,989	38,588
Provisions for reclamation		30,223	26,726
Deferred income tax liability		17,542	13,430
Other liabilities	10	4,982	4,941
Total non-current liabilities		113,736	83,685
Total liabilities		172,005	137,921
EQUITY			
Issued capital	14	18,539	22,826
Accumulated other comprehensive loss		390	390

Contributed surplus	2,732	2,322
Retained earnings	123,949	106,431
Total equity	145,610	131,969
Total liabilities and equity	\$ 317,615	\$ 269,890

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(in thousands of US dollars, except per share amounts, unaudited)

		Three months ended September 30		Nine months ended September 30	
	Notes	2024	2023	2024	2023
Revenues	11	\$ 68,348	\$ 38,174	\$ 181,197	\$ 76,503
Cost of sales	12(a)	41,635	30,892	121,141	63,880
Depreciation and depletion	7	5,272	1,009	15,301	3,528
Gross profit		21,441	6,273	44,755	9,095
General and administrative	12(b)	6,254	2,017	14,480	6,651
Share based compensation		245	159	527	524
Exploration and corporate development		643	903	1,671	1,416
Income from operations		14,299	3,194	28,077	504
Other income (loss)	12(c)	550	(872)	) 4,773	3,038
Finance costs	12(d)	(1,876)	) (347)	) (5,150)	) (1,154)
Foreign exchange gain (loss)		(63)	) 949	5	2,383
Net income before income taxes		12,910	2,924	27,705	4,771
Income tax expense	13	4,700	2,848	10,187	4,307
Net income and comprehensive income		\$ 8,210	\$ 76	\$ 17,518	\$ 464
Earnings per share					
Basic net income per share	15	\$ 0.05	0.00	0.12	0.00
Diluted net income per share	15	\$ 0.05	0.00	0.11	0.00
Weighted average number of common shares outstanding					
Basic		149,317,556	157,023,512	151,096,013	158,072,974
Diluted		151,732,704	157,596,978	153,868,460	158,279,855

Condensed Interim Consolidated Statements of Cash Flows
(in thousands of US dollars, unaudited)

		Nine months ended September 30	
	Notes	2024	2023
Net income		\$ 17,518	\$ 464
Adjustments:			
Depreciation and depletion	7	15,301	3,528
Accretion on provision for reclamation		1,225	998
Share-based compensation	14(b)	705	490
Accretion on deferred payment liability	12(d)	412	-
Loss on disposal of equipment		376	-
Unrealized derivative gain		(4,203)	) (797)
Change in fair value of marketable securities	4	(1,752)	) 2,128
Reclamation payments		(207)	) (130)
Current income taxes expense		7,643	4,410
Deferred income taxes expense (recovery)		2,544	(103)
Foreign exchange gain		(5)	) (2,383)
Operating cashflow before changes in non-cash working capital		39,557	8,605
Changes in non-cash working capital	19(a)	(7,806)	) (9,560)

Net cash provided (used in) from operating activities		31,751	(955)
Investing activities				
Expenditures on property, plant and equipment	7	(15,105	)	(2,615
Net investment in marketable securities and other investments	4	(32,944	)	(1,198
Net cash used in investing activities		(48,049	)	(3,813
Financing activities				
Shares repurchased for cancellations	14(a)	(4,582	)	(1,660
Drawn down of line of credit	9(c)	15,511	-	
Payment of debt	9	(1,469)	-
Proceeds from disposal of marketable securities		-	139	
Net cash provided (used in) from financing activities		9,460	(1,521)
Effect of exchange rate changes on cash		5	2,383	
Net decrease in cash during the period		(6,833	)	(3,906
Cash, beginning of year		64,907	80,729	
Cash, end of the period		\$ 58,074	\$ 76,823	

¹ Free cash flow, OCC, AISC, EBITDA and Adjusted EBITDA are measures of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section below for further detail, including a reconciliation of these metrics to the Financial Statements.

² Cash gross operating margin (CGOM) per silver equivalent ounce sold and gross margin ratio (GMR) are measures of financial performance with no prescribed definition under IFRS and may not be comparable to similar financial measures disclosed by other issuers. Refer to the "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" section below for further detail, including a reconciliation of these metrics to the Financial Statements.

³ Assuming gold equivalent ounces were calculated on a consolidated basis for the Company, the expected guidance of 10.4 million AgEq ounces would equate to approximately 115,00 AuEq ounces. AuEq production and AuEq sales both include silver production and sales. Equivalent ounces are calculated using the Company's average realized gold and silver prices during the referenced period. For 2024 guidance commodity price assumptions supporting this estimate are \$21 per ounce of silver and \$1,900 per ounce of gold.

⁴ For Q1 2024 general and administrative expenses reflect the operating segment information only.

⁵ Average realized silver price is specific to San Bartolomé revenue from sale of silver equivalent ounces.

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