



Hummingbird Resources plc / Ticker: HUM / Index: AIM / Sector: Mining

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## Hummingbird Resources plc

("Hummingbird", the "Group", or the "Company")

### Q2-2023 Operational and Trading Update

#### Strong quarter with H1-2023 production of >51 Koz & Kouroussa ramping up to steady state production

Hummingbird (AIM: HUM) is pleased to provide a Group operational and trading update for the second quarter of 2023, ending June 30 2023 ("Q2-2023").

### Operational update

#### Yanfolila, Mali

- 23,885 ounces ("oz") of gold produced in Q2-2023, an increase of c.19% on the previous year (Q2-2022: 20,013 oz), with a total of 51,147 oz produced in the first half of 2023 ("H1-2023") up c.44% versus H1-2022 (H1-2022: 35,561 oz).
- AISC of US\$1,234 per oz in Q2-2023, a decrease of c.34% on the previous period last year (Q2-2022: US\$1,859), with an H1-2023 AISC of US\$1,170 per oz, a decrease of c.42% versus US\$2,019 in H1-2022.
- 24,770 oz of gold sold at an average realised price of US\$1,981 per oz and \$1,927 per oz for H1-2023 (H1-2022: US\$1,819). The Company held 1,831 oz of gold inventory on 30 June 2023.

#### Kouroussa, Guinea

- Ramp-up of the Kouroussa operation is on track, with processing plant availability currently at c.68%, the first gold pour recorded on 8 June 2023 and regular gold pours commencing in July.
- Gold ounces poured at Kouroussa are scheduled to increase during H2-2023. The operation is anticipated to reach steady state production in Q4-2023 and expected to produce circa 30,000 oz for H2-2023.

### Corporate update

- Group adjusted EBITDA of c.US\$15.5 million for Q2-2023 and c.US\$33.1 million for H1-2023 - a material positive Group turnaround compared to the negative Group adjusted EBITDA of US\$2.3 million for Q2-2022 and the negative Group adjusted EBITDA of US\$9.3 million in H1-2022.
- Group loss time injury frequency rate ("LTIFR") of 0.69 per million hours worked for the quarter, within the Group target rate of under 1.20 per million hours worked.
- A strategic review of the Dugbe Project remains ongoing with the Company's joint venture partner, Pasofino Gold Limited ("Pasofino").

### Outlook

- Following a strong H1-2023, Yanfolila is well positioned to meet its FY-2023 production guidance of 80,000 - 90,000 oz at an AISC of under US\$1,500 per oz.
- Updated Group FY-2023 production outlook to be given in the Q3-2023 operating and trading update once Kouroussa is closer to steady state production.

### Dan Betts, CEO of Hummingbird, commented:

*"This quarter has rounded off a six-month period that has seen a strong performance by the Company as demonstrated by the more than 51 Koz of gold produced at an H1-2023 AISC profile of US\$1,170 per oz and Group adjusted EBITDA of c.US\$33 million."*

*Yanfolila is performing more in alignment with our mine plans, providing better consistency for the Group, and our first gold pour at Kouroussa in June, currently in the ramp up production phase, is a major milestone, making the Company a multi-asset, multi-jurisdiction gold producer of which we are very proud."*

*As we look forward, our key focus for the coming months and the second half of the year is to fully ramp up production safely at Kouroussa to reach steady state production and to continue to demonstrate stable quarterly production at Yanfolila, generating solid free cashflows from both assets that strengthen our balance sheet. Further, a core focus for the second half of 2023 is to begin to implement our detailed exploration plans to extend the life of mine at both Yanfolila and Kouroussa, coupled with a positive solution on Dugbe in Liberia to benefit key stakeholders at that asset."*

### Operational update

	Unit	Q2-2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	H1-2023
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Gold poured	oz	20,013	16,827	28,264	27,262	23,885	51,147
Mined BCMs	BCMs	2,726,205	1,539,947	1,303,770	1,557,793	592,360	2,150,153
Ore mined	t	511,449	361,755	529,496	647,869	262,911	910,781
Ore processed	t	357,837	290,756	382,683	366,622	364,459	731,081
Avg. grade mill feed	g/t	1.87	1.90	2.45	2.41	2.21	2.31
Recovery	%	94.8%	92.8%	94.3%	94.4%	94.1%	94.2%
Gold inventory incl SMO	oz	2,418	2,187	2,057	2,810	1,831	1,831

Note: Ore mined includes high grade, low grade, and marginal material. Ore processed is a blend based on preferential feed of high grade and low grade, with marginal ore added as an incremental feed source.

#### Yanfolila, Mali: Q2-2023 operational summary

- As of the end of Q2-2023, the Yanfolila operation recorded a rolling 12 month average LTIFR of 0.87 per million hours worked, within the Company's LTIFR target of less than 1.20 per million hours worked.
- Gold produced totalled 23,885 oz in Q2-2023 and 51,147 oz in H1-2023. As noted above, Yanfolila is well positioned to meet its FY-2023 production guidance of 80,000 - 90,000 at AISC of less than US\$1,500 per oz, with the Company expecting a solid H2-2023 production profile from Yanfolila.
- Mined BCMs reduced from Q1-2023 levels to 592,360 tonnes ("t"), driven by mining the bottom of the Komana East ("KE") open pit. However, ore processed totalled 364,459 t, another good consecutive quarter, with the Company utilising stockpile ore to blend with the ore mined tonnes.
- Q2-2023 saw another good quarter of average grade mill feed at 2.21 grammes a tonne ("g/t") and processing plant recovery of 94.1%.
- Mining at the KE open pit deposit was finalised in recent weeks, with the last open pit blast taking place and the processing of this ore to now occur in the current Q3-2023 quarter. The finalisation of the KE open pit has allowed increased advancement of the Komana East underground mine ("KEUG"), and progress is expected to accelerate further in H2-2023.
- Mining at the Sanioumale East ("SE") open pit deposit commenced during Q2-2023, ahead of schedule, to allow increased ore to the mill from the SE deposit to be processed in H2-2023, alongside ore feed mix from other deposits including Sanioumale West ("SW") and Komana West ("KW").

#### Yanfolila Resource extension drilling re-commenced during Q2-2023:

- During Q2-2023, drilling on brownfield deposits in the Yanfolila license restarted, including SW and Gonka South ("GS"). The SW drilling will test for further mineralisation along the north-east and south-west strike zones to extend the SW Resources. The GS Resource upgrade drilling is complete and awaiting assay results ahead of further analysis.
- The Company expects H2-2023 exploration drilling at Yanfolila to accelerate at near pit opportunities as well as some of the historical Resources, with a key focus on increasing Yanfolila Resources at known deposits and ultimately adding to the Yanfolila Reserves base.

#### Yanfolila ESG:

- SE village resettlement began in Q1-2023 and has been completed ahead of schedule, allowing mining at the SE deposit to begin during Q2-2023 as noted above. The SE resettlement has resulted in the housing of over 40 families, all completed under the guidance of West African specialist consultants Environmental and Social Development Company ("ESDCO").
- Company supplied water infrastructure implementation and support remain a key focus, with two deep water boreholes drilled during the quarter, with water supply systems currently being installed, to be completed in Q3-2023.

#### Kouroussa, Guinea: Q2-2023 operational summary

- As of the end of Q2-2023, the Kouroussa operation recorded a rolling 12 month LTIFR of 0.40 per million hours worked, within the Company's LTIFR target rate of less than 1.20 million hours worked.
- Following the commencement of mining in early Q1-2023 and the hot commissioning of the processing plant in Q2-2023, Kouroussa achieved its first gold pour on 8 June 2023, ahead of the end of the Q2-2023 schedule, and on budget. With regular gold pours commencing in July, the ramp up of the Kouroussa operations is on track towards steady state production, expected to occur in Q4-2023.
- The processing plant's availability has reached c.68%, with the plant able to run as per design. A key focus area for the plant team over the coming months will be to increase the running of the plant at full availability on a 24-hour basis.
- Mining operations commenced in early Q1-2023 and accelerated during Q2-2023, with ROM stockpiles at the end of Q2-2023 of approximately 120,000 tonnes of initial low grade material from the mining of the top layer at the key Koekoe open pit. The Company expects the mill feed grade profile to incrementally improve during H2-2023 as mining of the top layer at Koekoe is completed, allowing access to deeper, higher-grade ore for mining and processing.
- Other key areas of focus for the Kouroussa operations team to safely reach steady state production during H2-2023 include:
  - The management and monitoring of mining and other on-site contractors to maximise the operational performance for the Group.
  - The implementation of wet weather procedures to protect access to higher-grade ore for processing during H2-2023.

- Finalisation and efficient implementation of HR operational plans.
- Efficient operation of the newly constructed mine camp, allowing the company to end offsite residential requirements.
- Ongoing monitoring and following of safety protocols and procedures.

#### Kouroussa exploration programme:

- The Company is finalising exploration plans for H2-2023 and FY-2024, with several targets identified within the current mining license area for further drilling and analysis with the focus on increasing Kouroussa's existing Reserves base of 647,000 oz at 4.15 g/t.

#### Kouroussa ESG:

- Progress on community livelihood initiatives and projects continued to advance. As part of Kouroussa's reforestation strategy, 650 seedlings were planted during the quarter around the mining camp area.
- Additionally, the medical team conducted a malaria awareness campaign during the quarter on site and in surrounding villages to the mine.

#### Dugbe, Liberia

- As noted above, the strategic review of options to best realise the maximum value of Dugbe for all stakeholders remains ongoing with our joint venture partner Pasofino.

#### Financial update

	Unit	Q2-2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	H1-2023
Gold sales	oz	20,490	16,917	27,860	26,380	24,770	51,149
Avg. gold sale price	\$/oz	1,851	1,713	1,726	1,878	1,981	1,927
Operating cash costs	\$'000	38,253	36,179	34,581	28,996	29,996	58,992
AISC on gold sold	\$/oz	\$,859	2,161	\$1,248	1,109	1,234	1,170
Group Adjusted EBITDA	\$m	(2.3)	(8.9)	11.2	17.6	15.5	33.1
Net (debt) / cash	\$m	(64.4)	(84.7)	(128.7)	(110.8)	(122.8)	(122.8)
Net (debt) / cash inc gold inventory value	\$m	(60.1)	(81.0)	(125.0)	(105.2)	(119.3)	(119.3)

- Q2-2023 AISC on gold sold from Yanfolila operations totalled US\$1,234 per oz, an 11% increase on Q1-2023, leading to an average H1-2023 AISC of US\$1,170 per oz. The Company expects H2-2023 AISC to be higher than H1-2023 levels at Yanfolila, as more open pits are mined, however FY-2023 AISC is to remain within guidance of under US\$1,500 per ounce.
- Capital expenditure ("capex") of approximately c.US\$16 million in the quarter (c.US\$12 million for the project completion at Kouroussa and c.US\$4 million for expansion capex in Mali). Expectations for H2-2023 Group capex to be materially lower versus H1-2023 levels with the Kouroussa plant build complete.
- Net debt position of c.US\$122.8 million at the end of Q2-2023 (c.US\$119.3 million including gold inventory value) with deleveraging expected to commence in H2-2023. For the quarter end:
  - Gross debt of c.US\$128.6 million.
  - Cash at bank of c.US\$5.8 million.
  - Gold inventory value of c.US\$3.5 million.

**\*\*ENDS\*\***

#### Notes to Editors:

Hummingbird Resources plc (AIM: HUM) is a leading multi-asset, multi-jurisdiction gold producing Company, member of the World Gold Council and founding member of Single Mine Origin ([www.singlemineorigin.com](http://www.singlemineorigin.com)). The Company currently has two core gold projects, the operational Yanfolila Gold Mine in Mali, and the Kouroussa Gold Mine in Guinea, which will more than double current gold production once at commercial production. Further, the Company has a 51% controlling interest in the Dugbe Gold Project in Liberia that is being developed by joint venture partners, Pasofino Gold Limited. The final feasibility results on Dugbe demonstrate 2.76Moz in Reserves and strong economics such as a 3.5-year capex payback period once in production, and a 14-year life of mine at a low AISC profile. The Company's vision is to continue to grow our asset base, producing profitable ounces, while adhering to the highest international standards of Environmental, Social & Governance ("ESG") policies and practices.

For further information, please visit [hummingbirdresources.co.uk](http://hummingbirdresources.co.uk) or contact:

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