



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

25 April 2024

## Hummingbird Resources plc

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

### Q1-2024 Operational and Trading Update

Hummingbird (AIM: HUM) is pleased to announce a Group operational and trading update for the first quarter ending 31 March 2024 ("Q1-2024").

#### Operational update

##### Group Production

- Q1-2024 Group production totalled 22,867 ounces of gold ("oz").

##### Yanfolila Mine, Mali

- Yanfolila produced 16,999 oz in Q1-2024, an increase of 18% from Q4-2023.
- All in Sustaining Costs ("AISC") totalled US\$1,616 per oz in Q1-2024, a decrease of 5% from Q4-2023.
- During the quarter, 18,230 oz of gold was sold at an average realised price of US\$2,030 per oz.

##### Kouroussa Mine, Guinea

- In Q1-2024, the Kouroussa site produced 5,868 oz of gold.
- Operations at Kouroussa were temporarily disrupted in January 2024 due to a fire at Conakry's main fuel depot. Fuel deliveries resumed in late January, allowing production to gradually increase.
- Despite steady progress in February and the first half of March, as previously announced, Corica Mining Services ("Corica"), the primary contractor, halted mining on 17 March 2024. Discussions with Corica are ongoing; simultaneously, the Company is exploring partnerships with other operators to expedite Kouroussa's advance towards commercial production.
- Post-quarter developments include the initiation of blasting operations to access the high-grade ore. The mine aims to reach commercial production as soon as possible, bolstered by an expanded agreement with West African contractor ETASI, which has been established on site since H2-2023.

#### Corporate update

- The Group reported a Lost Time Injury Frequency Rate ("LTIFR") of 0.61 per million hours across 1.6 million hours worked in Q1-2024, better than the target of 1.20 LTIFR.
- Group adjusted EBITDA of US\$7.1 million Q1-2024, an increase of US\$6.9 million on Q4-2023.
- Hummingbird continues to work closely with the Company's primary lender, Coris Bank International ("Coris"), which remains fully supportive of the business and its current strategy, including surrounding mitigation of the financial impacts of the ongoing contractual dispute with Corica.

#### FY-2024 Outlook

- Yanfolila remains unchanged with guidance of 75,000 - 85,000 oz at AISC below US\$1,500 oz.
- With the ongoing roll-out of the operational ramp up at Kouroussa, guidance will be updated once the operation nears commercial production.

#### Investor Presentation

The Company's senior management team will be holding an investor presentation on 25 April 2024 at 3:30pm BST via the Investor Meet Company platform.

The event will cover the release and provide an opportunity for Q&A. The Company invites attendees to pre-send questions to the Company via [IR@hummingbirdresources.co.uk](mailto:IR@hummingbirdresources.co.uk) or via the Investor Meet Company platform.

Webcast link: <https://www.investormeetcompany.com/hummingbird-resources-plc/register-investor>

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

*"The Company faced a challenging quarter, particularly at Kouroussa, where the fire at the main fuel depot in Guinea and an operational suspension by Corica impacted our progress ramping up production. These events have tested our team, but thanks to their dedication, strategic planning and our supportive partners and suppliers, we have remained in operation as we look to accelerate towards reaching commercial production, while mitigating the impacts of recent events."*

At Yanfolila, we are pleased with the progress at the mine producing nearly 17,000 oz of gold, at an improved AISC performance, during what was expected to be a weaker quarter as we progress through our near term mine plan.

Looking ahead, we are committed to reaching commercial production at Kouroussa and continuing our exploration efforts to extend the life of mine at both Yanfolila and Kouroussa. Our strategy is clear - to become a 200koz pa gold producer across multiple jurisdictions, decrease costs, extend the mine lives of our assets and drive shareholder value while upholding stringent ESG standards."

#### Yanfolila, Mali: Q1-2024 operational summary

	Unit	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024
Gold poured	oz	27,262	23,885	18,399	14,419	16,999
Mined BCMs	BCMs	1,557,793	592,360	1,775,723	1,878,181	1,549,607
Ore mined	t	647,869	262,911	171,959	266,361	169,195
Ore processed	t	366,622	364,459	339,333	312,045	344,510
Avg. mill feed grade	g/t	2.41	2.21	1.79	1.66	1.61
Recovery	%	94.41%	94.06%	92.93%	91.05%	92.41%
Group Gold inventory	oz	2,810	1,831	1,834	2,908	1,652

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.

- At the close of Q1-2024, Yanfolila reported a consistent safety performance with a rolling 12-month average LTIFR of 0.93 per million hours worked, maintaining the strong safety record against the target rate of less than 1.20 per million hours worked.
- In Q1-2024, Yanfolila's gold production saw an increase, reaching 16,999 oz compared to 14,419 oz in Q4-2023. This increase is primarily attributed to the increased ore mined and phased development at the Sanioumale East ("SE") open pit deposit.
- Mining volumes in Q1-2024 were slightly reduced to 1,549,607 BCMs. Through the quarter, mining operations focused on the stripping of waste material reflecting a strategic adjustment in mining operations aligned with the H2-2024 weighted operational profile.
- Ore processed during Q1-2024 totalled 344,510 tonnes, an improvement over the 319,845 tonnes achieved in Q4-2023, with the blending of SE and Komana West ("KW") ore with existing stockpiles.
- The average mill feed grade slightly decreased to 1.61 grammes per tonnes ("g/t") from 1.66 g/t in the previous quarter, continuing the trend anticipated by the mine plan for lower grade ore for the duration of 2024. However, the processing plant recovery showed an improvement to 92.41%, reflecting a partial recovery from the lows experienced in Q4-2023 of 91.05%. This improvement in recovery rates during Q1-2024 has helped to mitigate the impact of lower grades.
- Significant progress was made in the development of the high-grade Komana East Underground ("KEUG") Mine, with 614 meters of development now completed, far exceeding the advancements made by the end of FY-2023 of 164.5 meters, with the development rates having increased further in recent weeks.

#### Yanfolila ESG:

- Through Q1-2024, the Company continued its focus on investing within the local communities.
  - Healthcare Infrastructure Enhancement:** Progressed the Soloba Community Health Centre, signalling near-readiness to provide enhanced healthcare services to the local region. The strategic closure and refurbishing of the Makandina maternity hospital also demonstrate Hummingbird's core focus on upgrading health facilities for long-term community benefits.
  - Economic Development Initiatives:** Initiated the construction of a soap manufacturing facility at Kona, reflecting the strategic investment in sustainable economic development and support for local entrepreneurship.
  - Infrastructure Improvements:** Commenced the rehabilitation of the Kobale bridge. The involvement of local authorities and community leaders in the planning and oversight illustrates its crucial importance to local infrastructure development.

#### Kouroussa, Guinea: Q1-2024 operational summary

- In 2023, the Kouroussa site maintained an exemplary safety record, achieving a rolling 12-month LTIFR of 0.44 which significantly surpassed the safety target of an LTIFR of 1.20, with zero LTIs recorded across Q1-2024.
- The quarter was marked by several unprecedented challenges, initially caused by the fire-induced shutdown at the main fuel depot in Conakry in mid-December 2023 forcing the temporary suspension of operations. Following restart of operations in late January 2024, Corica halted mining operations on 17 March 2024, due to contractual disputes, as announced on March 18, 2024. As a result, only 5,868 oz of gold were produced, accounting for only 1% of the current Reserve at the Koekoe deposit. With production not yet at commercial run rates, operational costs continue to be capitalised with an AISC to be provided once in commercial operation.
- The Company has maintained ongoing negotiations with Corica aimed at resolving these disputes and encouraging a timely return to mining activities at Kouroussa under the existing contract.
- Alongside these discussions, efforts are underway to resume and enhance mining operations with the help of other existing and additional contractors, targeting commercial production at the earliest opportunity, as detailed in the 16 April 2024 announcement.
- In parallel with this, the Company is progressing with the ramp up of mining activities at Kouroussa, aiming to achieve commercial production as soon as possible. To accomplish this, several significant steps have been taken:
  - Due to the ongoing suspension, a formal Step-In Notice was issued by the Company, allowing the Company to take contractual control of operations at Kouroussa and issue direct instructions to Corica

and its third-party contractors and, if necessary, appoint alternative operators or contractors.

- The Company has entered a short-term contract with the West African contractor, Etablissement Adama Sidibé ("ETASI"), to enhance their already active support fleet and accelerate mining activity at Kouroussa as operations commence the near-term mining of high-grade ore.
- The Company progressed discussions with various additional operators, contractors, and equipment suppliers in a bid to maximise the full scope of mining activities required to expedite Kouroussa to full commercial production as soon as possible.
- Post quarter end operations began to access high-grade ore via the commencement of blasting at initial the pit Koekoe Open Pit. The Company has achieved higher weekly gold pours occurring versus Q1-2024 levels.
- In Q1-2024, Kouroussa average ore grade mined improved to 1.97g/t in March 2024, with a run of mine stockpile balance of c.23,000 tonnes.
- With blasting underway to access the high-grade ore post quarter-end, the Company expects the Kouroussa average grade profile to further improve going forward.
- Through the quarter, the processing plant operated at or above performance expectations with gold recoveries reaching over c.90% despite the processing of marginal material due to the operational challenges. The Company expects that as the mining operation enter the high-grade material, the strong performance of the processing plant will continue.

#### Kouroussa ESG:

- Through the quarter, the operation has remained focused on delivering value to local stakeholders:
  - **Community and Safety Education:** Launched initiatives to educate local populations on electrical safety, conflict management, and the dangers of traditional gold mining. Successfully hosted 22 pupils for an educational geological study tour, emphasising safety and sustainability in mining practices.
  - **Community Development and Support:** Monitored and reported significant progress in social projects, including the completion of a water borehole for the local hospital and the distribution of prayer mats for mosques. Continued construction of sanitation facilities, showcasing our commitment to improving local infrastructure and living conditions.

#### Dugbe, Liberia

- In Q1-2024 Pasofino Gold Limited ("Pasofino") mobilised drilling equipment and crew to Bukon Jedeh, completed extensive infrastructure improvements. Drilling operations at Bukon Jedeh commenced earlier this week.
- The Company continues to work with Pasofino to advance efforts to optimise the 2022 Definitive Feasibility Study ("DFS") focusing on power and recovery efficiencies, alongside continuous collaboration with stakeholders to maximise project value.

#### Exploration Summary

- During Q1-2024, exploration focused on Yanfolila with several initiatives taking place:
  - Commenced reverse circulation drilling at Sanioumale West, with 31 holes drilled totalling 2,108 metres; notable for intersecting visible mineralisation, which indicates potential resource expansion and could be used to augment the Company's FY-2024 and FY-2025 mine plans.
  - Finalising the Komana exploration plan, alongside ongoing geologist training, aligning with the Company's goals to extend the Life of Mine ("LOM") at Yanfolila and Kouroussa operations through the leverage of improved software usage.

#### Q1-2024 Financial update

	Unit	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024
<b>Yanfolila Gold Mine, Mali</b>						
<b>Gold sales</b>	oz	26,380	24,770	18,550	12,952	18,230
<b>Avg. gold sale price</b>	\$/oz	\$1,878	\$1,981	\$1,918	\$1,946	\$2,030
<b>Operating cash costs</b>	\$m	\$20.0	\$30.0	\$30.5	\$22.0	\$27.1
<b>AISC on gold sold</b>	\$/oz	\$1,109	\$1,234	\$1,651	\$1,701	\$1,616
<b>Group Financial Performance</b>						
<b>Group Adjusted EBITDA</b>	\$m	\$17.6	\$15.5	\$1.2	\$0.2	\$7.1
<b>Net bank (debt) / cash</b>	\$m	(\$110.8)	(\$122.8)	(\$123.0)	(\$140.4)	(\$138.8)
<b>Net bank (debt) / cash inc gold inventory value</b>	\$m	(\$105.2)	(\$119.3)	(\$119.5)	(\$134.4)	(\$135.1)

- At Yanfolila Q1-2024 AISC on gold sold totalled US\$1,616 per oz.
- During the quarter, a total of 18,230 oz of gold was sold at an average realised price of US\$2,030 per oz from Yanfolila, post Q1-2024 hedge allotment.
- As part of its near-term revenue protection scheme over a portion of production for the first three quarters of FY-2024, the Company fulfilled its Q1-2024 hedging obligation. Additionally, the Company looked to further leverage the current gold price environment to increase its revenue protection including:
  - Implemented a 15,000 oz hedge for Q4-2024 to capitalise on prevailing gold price upswings.
  - Restructured hedge commitments and postponed portions involving commitments from Q2-2024, Q3-2024, plus the additional volume in Q4-2024, now earmarked for Q1-2025. This adjustment is designed to leverage the gold pricing environment while ensuring future revenue protection.

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- Group adjusted EBITDA of US\$7.1 million Q1-2024, an increase of US\$6.9 million on Q4-2023.
- During the quarter, the Company completed a fundraising totalling US\$28.1 million, with the remaining conditional placement of c.US\$22.2 million approved by shareholders at the General Meeting and received by the Company.
- As of the end of Q1-2024, the Company held a net bank debt position of c.US\$138.8 million (c.US\$135.1 million including gold inventory value). For the year end:
  - Gross bank debt of c.US\$144.2 million
  - Cash at bank of c.US\$5.4 million
  - Gold inventory value of c.US\$3.7 million
- During Q1-2024, the Company repaid US\$9 million of debt excluding interest. The Company also drew down US\$6.3 million of existing debt facilities during the quarter. Hummingbird is working closely with Coris surrounding the mitigation of the financial impacts of the ongoing disruptions.

**\*\*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 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 showcase 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. Our vision is to continue to grow our asset base, producing profitable ounces, while central to all we do being our 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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