

SRHI Inc. Business Update and Reports 2020 Annual Results

04.03.2021 | [GlobeNewswire](#)

TORONTO, March 04, 2021 - [SRHI Inc.](#) ("SRHI" or the "Company" - formerly Sprott Resource Holdings Inc.) today announced its operating and financial results for the year ended December 31, 2020. The Company's principal operating business is its 70% owned producing copper mine Minera Tres Valles SpA ("MTV") in Salamanca, Chile. The Company's financial statements and management's discussion and analysis ("MD&A") are available at [www.srhi.ca](#) and [www.sedar.com](#).

- MTV restarts operations at its open pit, Don Gabriel
- Construction and development of its incline block caving mine at its Papomono Masivo deposit ("Papomono Masivo") remains on schedule and on budget to be in commercial production by early 2022
- The new chloride leaching ("Salt Leach") process provides early indications of success

"Since the emergence of the global COVID-19 pandemic, the Company reacted quickly and decisively during a fluid and fast-moving environment," said Terry Lyons, Interim CEO of SRHI. "The Company adjusted its business procedures and processes while ensuring the safety of its employees, contractors and host communities. Fortunately, the number of COVID-19 cases in the Company has been very limited. The Company continues its preventative, mitigating and containment measures to actively minimize the spread of COVID-19 and has restricted travel, and instructed employees to remote work wherever possible, including at corporate offices."

"This past year was a difficult one for the Company but we have renewed optimism going forward as we look to advance the operations of MTV in a way we were unable to in 2020," stated Michael Staresinic, President and Chief Financial Officer. "Successfully exiting the restructuring process late in the year allowed the Company and its employees to begin executing its plan to profitability. The successful construction and development of the Papomono Masivo incline block caving project will be critical to accomplishing this and is the most important part of MTV's future success."

"The current copper price is above our planned expectations and is welcomed," added Mr. Staresinic. "We continue to operate well below our operating capacity due to fewer available areas to mine and this will result in temporarily high unit costs throughout 2021. Looking into 2022 and as Papomono Masivo ramps up and delivers sustained production, we expect to see these high unit costs reduce as production increases and higher grade ores are accessed. Our view on copper remains positive and we believe Chile, in terms of prospectivity and business climate, is one of the best jurisdictions in the world to build a copper business. As mentioned in our guidance press release, our focus for production this year will come from our recently restarted operations at our Don Gabriel open pit and our current inventory, together with ore expected from third-party miners as well as from ENAMI, Chile's National Mining Enterprise."

"This coming year will be an exciting year on many fronts - worldwide vaccine deployment with the hope of returning to normality, the construction and development of Papomono Masivo leading to a path to profitability, a robust copper price environment and the continued increase in demand for electric vehicles," continued Mr. Staresinic. "We believe we are well positioned and invite shareholders, interested parties and potential investors to explore our website at [www.srhi.ca](#) together with our corporate presentation for more information."

Operational Results Summary

	Three months ended		Year ended	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
<i>Operating information</i>				
Copper (MTV Operations)				
Total ore mined (thousands of tonnes)	57	313	408	1,210

Grade of ore mined (% Cu)	1.34	%	0.64	%	0.92	%	0.65	%
Total waste mined (thousands of tonnes)	57		1,678		910		6,196	
Ore Processed (thousands of tonnes)	100		364		574		1,433	
Cu Production (tonnes)	1,094		1,879		4,883		7,055	
Cu Production (thousands of pounds)	2,411		4,142		10,765		15,555	
Change in inventory (\$000s)	\$ 677		\$ 1,320		\$ (3,744)		\$ 12,129	
Cash cost of copper produced ¹ (USD per pound)	\$ 2.80		\$ 2.82		\$ 2.71		\$ 2.66	
Realized copper price ¹ (USD per pound)	\$ 3.03		\$ 2.68		\$ 2.58		\$ 2.66	

¹ Refer to Non-IFRS Performance Measures

Financial Results Summary

Financial information (in thousands)	Three months ended		Year ended	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Revenue	\$ 6,003	\$ 9,352	\$ 23,703	\$ 35,600
Gross loss	\$ (1,204)	\$ (4,454)	\$ (10,750)	\$ (13,300)
Net loss from continuing operations	\$ (6,920)	\$ (21,398)	\$ (28,087)	\$ (45,300)
Net loss from discontinued operations	\$ -	\$ (4,427)	\$ (2,241)	\$ (6,800)
Net loss for the period	\$ (6,920)	\$ (25,825)	\$ (30,328)	\$ (52,100)
Adjusted EBITDA from continuing operations ¹	\$ (2,661)	\$ (355)	\$ (6,480)	\$ (5,000)
Loss on portfolio investments	\$ (380)	\$ (1,358)	\$ (1,674)	\$ (9,900)
Impairment of non-current assets	\$ -	\$ (13,666)	\$ (7,628)	\$ (13,600)
Write-down of inventory, net of reversals	\$ (856)	\$ (2,324)	\$ (4,297)	\$ (4,300)
Gain (loss) on modification of debt	\$ (240)	\$ -	\$ 3,247	\$ -
Cash used in operating activities before working capital changes	\$ (2,416)	\$ (19,354)	\$ (6,828)	\$ (24,900)

¹ Refer to Non-IFRS Performance Measures

Business Update

Restart of Operations at Don Gabriel

In mid-December 2020, the open pit operations at Don Gabriel restarted. This will be the primary source of ore for the operation during 2021 with approximately 600,000 tonnes of ore expected to be processed.

Construction and Development of Papomono Masivo

On November 8, 2018, the Company announced its results from a series of technical studies (the "Technical Studies") on MTV that was consolidated into a NI 43-101 technical report (the "Technical Report") that was filed on December 14, 2018. The Technical Studies were authored by Amec Foster Wheeler, a Wood company ("Wood") along with contributions from independent consulting firms that included:

- Mineral resource and mineral reserve estimates for the Papomono deposits; and,
- A Preliminary Feasibility Study ("PFS") for the underground exploitation of the Papomono Masivo mine zone.

The Technical Studies concluded that a total capital cost of US\$21 million would be required (the "PEA Case") to ramp-up operations to approximately 18,000 tonnes per annum of copper cathodes within 24 months together with an additional \$31 million of sustaining/development capital costs. Upfront capital costs of \$7.8 million and sustaining/development capital costs of \$6.7 million were identified for the Papomono Masivo project in the PEA Case.

In early 2020, the Company completed additional detailed engineering work to optimize certain aspects of

the construction and development of the Papomono Masivo deposit. This additional work was the basis for the negotiation of the contract with Desarrollos Mineros Aura SpA that has a value of \$11.4 million based on the most recent specifications obtained from this detailed engineering study. The majority of this \$11.4 million is considered upfront capital costs compared to the \$7.8 million identified in the Technical Studies. Although some of this amount has been incurred, the majority of these capital expenditures will be completed during 2021.

Under the base case mine plan, the mineral reserve estimate for Papomono Masivo is 3,067kt of proven and probable mineral reserves (at a copper grade of 1.51%).

Salt Leach Project

The implementation of the Salt Leach involves adding rock salt (NaCl) in the agglomeration stage of the crushing plant allowing the mixed sulphide and oxide material to cure on the heap for at least 30 days before commencing leaching. The accelerated oxidation of sulphide material by the addition of salt to the heaps is expected to improve copper recoveries by approximately 5% to 10%, reduce acid consumption by up to 40%, and decrease the leach time by approximately 40%. The Salt Leach project development and construction commenced in mid-2018 and was commissioned in July, 2019 ahead of schedule with no interruption to the solvent-extraction and electrowinning processing plant operations. MTV began increasing the addition of salt in September 2020 and reached design parameters in early 2021.

The ore from the restart of Don Gabriel in late December 2020 was processed using the Salt Leach and early results are encouraging.

Exploration

MTV has a significant strategic land package of over 46,000 hectares in a good neighborhood that is expected to be explored in the coming years. These property holdings are in the well-known copper producing Coquimbo region which has Antofagasta Minerals' Los Pelambres mine located approximately 50 kilometers to the east of MTV. With more than 100 copper outcrop occurrences and 70 artisanal mining sites with geological characteristics similar to that of the Papomono and Don Gabriel orebodies, together with near-term infill drilling opportunities, the Company believes there is significant exploration potential.

COVID-19

The COVID-19 introduction to our global society over the past year is generational with different reactions observed from country to country. COVID-19 implications remain unknown and continue to move at a pace unmatched in recent history with a second wave still impacting many countries worldwide. The world's financial marketplace has seen significant volatility with the copper price sharing similar dynamic movements. What once were significant losses across the world's financial marketplace have turned to near full recoveries in many cases.

The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. Countries have closed borders, travel has plummeted and some health care systems have been overrun. However, there are a sizable number of countries that have made tremendous progress in containing the spread of COVID-19 while others are still struggling with the complications of a second wave. The Company and its primary operating subsidiary, MTV, have been impacted to varying degrees by this ongoing dynamic but fortunately, the direct impact to operations and the employee base has been limited.

The progression of the pandemic and the success of measures taken to prevent transmission, will influence health and government authorities' future level of restrictions on business activities within Chile. The Company continues to protect the safety and health of its employees, contractors and the communities in which it operates. Where appropriate, the Company has restricted travel, instructed employees to remote work wherever possible, including at corporate offices. The extent of the effect of the COVID-19 pandemic on the Company's future business activities is uncertain.

Operations Update

Summary

MTV began construction and development of Papomono Masivo during the fourth quarter of 2020, and following a 12 month construction phase, is expected to ultimately generate underground production in excess of 2,000 tonnes per day while halving unit-mining costs.

MTV resumed operations at Don Gabriel in mid-December. For 2021, MTV will be focusing on processing ore from Don Gabriel, its current inventory and ore supplied by third-party miners and ENAMI, while simultaneously constructing the Papomono Masivo underground mine.

During the three months ended December 31, 2020, the mining operation continued to run in a modified capacity. The smaller Rajo Norte open pit mine continued to run until the end of December 2020 and Don Gabriel resumed operations in December 2020. Supplemental ore was also contributed by third parties and ENAMI. There was limited activity at the Papomono underground site as it was principally in care and maintenance until the Company commenced construction and development activities in November 2020.

Total ore and waste mined in the fourth quarter of 2020 decreased compared to the same quarter in the prior year (114 thousand tonnes in the three months ended December 31, 2020 compared to 2.0 million tonnes in the three months ended December 31, 2019). The reduction in both tonnes of waste moved and ore mined in the fourth quarter of 2020 was driven by the idled mines of Don Gabriel and Papomono during October and November 2020 while the Company focused on processing more economic oxide ore from the Rajo Norte mine, third-party miners and ENAMI, which have a shorter leaching cycle.

Total ore and waste tonnes mined in 2020 decreased compared to the prior year (1.3 million tonnes in the year ended December 31, 2020 compared to 7.4 million tonnes in the year ended December 31, 2019). This is largely due to a significant decrease in tonnes of waste moved in 2020 (0.9 million tonnes compared to 6.2 million tonnes for the year ended December 31, 2019).

Cash cost per pound produced remained consistent at \$2.80 for the three months ended December 31, 2020 compared to \$2.82 for the three months ended December 31, 2019, despite MTV operating at 24% of capacity. These metrics include a \$2.3 million write-down of inventory in the fourth quarter of 2019 and \$0.9 million for the three months ended December 31, 2020.

Cash cost per pound produced increased to \$2.71 for the year ended December 31, 2020 compared to \$2.66 for the year ended December 31, 2019. The increase in cost per pound is largely driven by comparable fixed costs and inventory write-downs spread over fewer copper pounds produced in 2020, compared to 2019.

The Company operated at approximately 34% of its capacity in 2020, which significantly contributed to its gross loss and elevated cash cost per pound produced of copper. It is expected that as the Company increases production during 2022, its gross loss and cash cost per pound produced of copper will reduce meaningfully.

MTV is in the early stages of Papomono Masivo's construction and development and the Company is monitoring its capital requirements to support MTV through this important stage of growth. The Company is also watching the geopolitical landscape as it can materially impact foreign exchange rates used in planning and modeling MTV's operations and cash flows.

Production

During the fourth quarter of 2020, MTV produced 2.4 million pounds of 99.999% pure copper cathodes at a cash cost of \$2.80 per pound produced (see *Non-IFRS Performance Measures*) and sold 1.9 million pounds at an average sales price of \$3.03 per pound. In accordance with the offtake agreement, MTV sold 40% of its copper cathode production at \$2.89 per pound for the three months ended December 31, 2020. MTV had approximately \$2.1 million of finished goods inventory at December 31, 2020. MTV produced 4.1 million

pounds of copper cathodes at a cash cost of \$2.82 per pound and sold 3.3 million pounds at an average sales price of \$2.68 per pound in the three months ended December 31, 2019.

Total material crushed in the three months ended December 31, 2020 was 100 thousand tonnes primarily from operations at the smaller Rajo Norte open pit mine. This compares to 364 thousand tonnes in the three months ended December 31, 2019 as mining operations in the current quarter remained primarily in care and maintenance until MTV resumed operations at Don Gabriel mid-December 2020.

For the year ended December 31, 2020, MTV produced 10.8 million pounds of 99.999% pure copper cathodes at a cash cost of \$2.71 per pound produced (see *Non-IFRS Performance Measures*) and sold 8.7 million pounds at an average sales price of \$2.58 per pound. MTV produced 15.6 million pounds of copper cathodes at a cash cost of \$2.66 per pound and sold 12.6 million pounds at an average sales price of \$2.66 per pound in the year ended December 31, 2019.

Total material crushed in the year ended December 31, 2020 was 574 thousand tonnes primarily from operations at Don Gabriel during the first quarter of 2020, and the smaller Rajo Norte open pit. This compares to 1.4 million tonnes crushed in the year ended December 31, 2019, as mining operations at Don Gabriel remained primarily in care and maintenance from midway through the first quarter of 2020 until in mid-December 2020.

Capital Cost Expenditures

Capital expenditures for the year ended December 31, 2020 amounted to \$3.4 million and consisted of Papomono Masivo expenditures, pre-stripping waste rock at Don Gabriel, mining equipment and final costs relating to the Salt Leach project. Capital expenditures for the three months ended December 31, 2020 amounted to \$2.3 million and primarily consisted of Papomono Masivo expenditures.

Health and Safety

For the three months ended December 31, 2020, there were no Lost-Time Incidents. The Company and MTV devote considerable time and effort to ensure that our workers and contractors return safely to their families after each shift. Our safety statistics are monitored and compared to the country and peer averages, and MTV pro-actively engages in education and assessment to achieve a goal of zero lost-time incidents.

Community and Environment

MTV continues to work with local communities and for the year ended December 31, 2020, the MTV Foundation continued the funding of projects agreed to by the MTV Foundation board, which is largely composed of community representatives to help MTV understand the true needs of its neighbors, such as starting an eco-friendly cooperative at a local school. MTV's ore purchase program also ensures support from local miners, buying ore from over 26 providers and supporting the development of over 300 small-scale miners through local mining unions.

Financial Results Update

Financial Results

Revenues of \$6.0 million for the three months ended December 31, 2020 were generated predominantly from the sale of copper cathodes and, to a lesser extent, tolling charges for mineralized material supplied by ENAMI. Finished goods inventory at December 31, 2020 was approximately \$2.1 million. Copper cathodes sold for the three months ended December 31, 2020 of 857 tonnes was lower than the comparative quarter in 2019 of 1,504 tonnes. This was driven by the modified operations implemented in 2020 which reduced operating volumes compared to 2019.

Tonnes of copper sold during the three months ended December 31, 2020 were 647 tonnes lower than the

three months ended December 31, 2019 but the favourable price variance mitigated the impact on the gross loss with an increase in realized price from \$2.68 per pound for the three months ended December 31, 2019 to \$3.03 per pound for the three months ended December 31, 2020.

For three months ended December 31, 2020, the Company reported a quarterly net loss of \$6.9 million or \$(0.21) per share. This result includes a write-down of inventory, net of reversals of \$0.9 million, loss on portfolio investments of \$0.4 million and a non-cash loss on a modification of debt of \$0.2 million. The modification of debt represents the difference in accounting treatment upon the conversion of a significant portion of MTV's accounts payable and accrued liabilities to long-term debt as agreed to under the restructuring agreement. Adjusted EBITDA (see Non-IFRS Financial Measures) from continuing operations for the three months ended December 31, 2020 was negative \$2.7 million or \$(0.08) per share. For the comparable quarter in 2019, the Company reported a net loss of \$25.8 million or \$(0.76) per share and Adjusted EBITDA from continuing operations of negative \$0.4 million or \$(0.01) per share.

In 2020, the Company reported a net loss of \$30.3 million or \$(0.91) per share. This result includes a net loss from discontinued operations of \$2.2 million, impairment charges of \$7.6 million, an inventory write-down of \$4.3 million, gain on modification of debt of \$3.2 million and a loss on portfolio investments of \$1.7 million. Adjusted EBITDA (see Non-IFRS Financial Measures) from continuing operations for the year ended December 31, 2020 was negative \$6.5 million or \$(0.19) per share. For 2019, the Company reported a net loss of \$52.2 million or \$(1.53) per share and Adjusted EBITDA from continuing operations of negative \$5.0 million or \$(0.15) per share.

In the fourth quarter of 2020, cash used in operating activities was \$3.8 million (cash used of \$2.4 million before changes in non-cash components of working capital), compared with the fourth quarter of 2019 when cash used in operating activities was \$11.3 million (cash used of \$19.4 million before changes in non-cash components of working capital).

In 2020, cash used in operating activities was \$6.2 million (cash used of \$6.8 million before changes in non-cash components of working capital), compared with 2019 when cash used in operating activities was \$15.6 million (cash used of \$24.9 million before changes in non-cash components of working capital).

The gross loss for 2020 was \$10.8 million, or \$2.6 million lower than 2019, mainly due to cost reduction initiatives implemented by MTV, despite lower production and a lower average realized copper price. Compared to 2019, total costs have decreased due to cost saving initiatives which included reductions in headcount, idling two mining operations and operating only the smaller Rajo Norte open pit mine, modifying plant shift schedules, purchasing high grade third party ore and maintaining tolling of ENAMI ore which are higher oxide ore and have a faster leach cycle.

Cash Position, Working Capital and Capital

Cash and cash equivalents increased to \$12.0 million at December 31, 2020 from \$11.6 million at December 31, 2019 as the Company realized cash inflows from proceeds on the disposition of two portfolio investments, the receipt of the first cash distribution from another portfolio investment, and recorded the release of restricted cash of \$7.0 million which was mostly offset by cash outflows resulting from the Company's gross loss and capital expenditures during the year ended December 31, 2020. The majority of cash resided at the Company level and amounted to \$9.1 million at December 31, 2020.

The Company's primary sources of capital resources are comprised of cash and cash equivalents, divestment of its remaining portfolio investments and its loans and borrowings. The Company is substantially leveraged. Although the Company has working capital (see Non-IFRS Financial Measures) of \$15.1 million at December 31, 2020, the Company will likely require further financing to meet its current financial obligations, sustain its operations and ongoing capital projects in the normal course, and expand its inventory of reserves and resources.

The Company may seek additional capital at the Company or MTV level to complete exploration and development of its mineral properties and general working capital purposes. MTV currently operates in a high-cost environment. Such financing, if sought, will depend on a number of unpredictable factors, which are often beyond the control of the Company and MTV. These would include the realized price of the actual copper produced from MTV's operating mines and actual capital expenditures. There can be no assurance

that capital will be available to the Company or MTV in the amount required, at any particular time, for any particular period or, if available, obtained on satisfactory terms. Raising capital may be adversely impacted by, amongst other factors: (i) a lack of normally available financing, (ii) current volatile market conditions, (iii) extended and unforeseen issues resulting from the current COVID-19 pandemic, (iv) uncertain water supply conditions in Chile and (v) ongoing geopolitical issues in Chile. To address its financing requirements, the Company may seek financing through joint venture agreements, debt and equity financings, asset sales, rights offerings to existing shareholders or restructuring MTV's debt and payment terms with critical suppliers.

Investment Portfolio Divestment

During the year ended December 31, 2020, the Company sold its shares in [Corsa Coal Corp.](#) and [Uranium Royalty Corp.](#) ("URC"). Together with a cash distribution received from Beretta Farms Inc. ("Beretta"), the Company recorded total gross proceeds of \$3.8 million. Beretta's shareholders approved the dissolution of Beretta and the distribution of its net cash. As of December 31, 2020, the Company received a cash distribution of \$1.0 million and expects to receive a second and final cash distribution in the third quarter of 2021. The Company exercised its URC warrants and sold the resulting equity position in February 2021 for gross proceeds of \$0.4 million.

Management expects that the remainder of the investment portfolio will be divested in 2021.

Qualified Persons

The scientific and technical content contained in this news release is taken from the Technical Report entitled "Minera Tres Valles Copper Project, Salamanca, Coquimbo Region, Chile NI 43-101 Technical Report" prepared by Dr Antonio Luraschi, RM CMC, Manager of Metallurgic Development and Senior Financial Analyst, Wood, Mr Sergio Navarrete, RM CMC, Mining Engineer, Wood, Mr Alfonso Ovalle, RM CMC, Mining Engineer, Wood, Mr Michael G. Hester, FAusIMM, Vice President and Principal Mining Engineer, Independent Mining Consultants, Inc., Mr Enrique Quiroga, RM CMC, Mining Engineer, Q&Q Ltda, Mr Gabriel Vera, RM CMC, Metallurgical Process Consultant, GVMetallurgy, and Mr Sergio Alvarado, RM CMC, Consultant Geologist, General Manager and Partner, Geoinvestment Sergio Alvarado Casas E.I.R.L. all of whom were independent qualified persons as defined by NI 43-101 at the time the Technical Report was prepared. The Technical Report is available under the Company's profile on www.SEDAR.com. Readers are encouraged to read the Technical Report in its entirety.

Notes on Preliminary Economic Assessments

Please note that the PEA Case is preliminary in nature, that it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA Case will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

About SRHI Inc.

SRHI is a publicly-listed company based in Toronto, Canada and its principal operating business is its 70% equity interest in the producing copper mine MTV in Salamanca, Chile. For more information about SRHI, please visit www.srhi.ca.

Non-IFRS Performance Measures

"Cash costs", "Adjusted EBITDA", "Realized copper price" and "Working Capital" are non-IFRS performance measures. These non-IFRS performance measures do not have a standardized meaning prescribed by IFRS. These measures may differ from those used by, and may not be comparable to such measures as reported by, other issuers. The Company believes that these measures are commonly used by certain investors, in conjunction with conventional IFRS measures, to enhance their understanding of the Company's performance. For further information and a detailed reconciliation of each non-GAAP measure used in this press release to the most directly comparable IFRS measure, please refer to the Company's

MD&A and accompanying SRHI financial statements filed from time-to-time on SEDAR at www.sedar.com.

Cautionary Statement Regarding Forward-Looking Information

Certain statements in this news release, contain forward-looking information (collectively referred to herein as the "Forward-Looking Statements") within the meaning of applicable Canadian securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify Forward-Looking Statements. In particular, but without limiting the foregoing, this news release contains Forward-Looking Statements pertaining to: future outcomes and expectations related to MTV's restructuring, the positive impact of the current copper price environment; executing a plan to profitability; expectations regarding the costs, timing and benefits of constructing and mining Papomono Masivo and MTV's plan during the construction period; MTV's focus for 2021 and the expected production of the Don Gabriel mine and the timing thereof, sustainability of the mine plan at MTV; impacts of COVID-19 and the Company's and MTV's precautions to manage and mitigate same; the potential for the Company's guarantee of MTV's indebtedness to be called upon; the expectation for additional capital to be provided by the Company to MTV as well as the quantity, timing and use thereof by MTV; expectations regarding production following construction and ability and timing of generation of cash flow; the future availability of water to MTV's operations; ongoing geopolitical risks in Chile; expectations regarding the Company's 2021 guidance, expectations regarding the costs, timing and benefits of the Salt Leach; the long-term mine plan at Papomono and the timing in respect of production growth therefrom; future block caving efforts and the expected benefits therefrom and timing thereof; expectations regarding exploration, the cost, timing and success of such initiatives; and anticipated divestitures of the remaining investment portfolio and timing thereof.

Although SRHI believes that the Forward-Looking Statements are reasonable, they are not guarantees of future results, performance or achievements. A number of factors or assumptions have been used to develop the Forward-Looking Statements, including: there being no additional significant disruptions affecting the development and operation of MTV; the availability of certain consumables (including water) and services and the prices for power and other key supplies being approximately consistent with assumptions in the Technical Studies; labour and materials costs being approximately consistent with assumptions in the Technical Studies; fixed operating costs being approximately consistent with assumptions in the Technical Studies; permitting and arrangements with stakeholders being consistent with current expectations as outlined in the Technical Studies; certain tax rates, including the allocation of certain tax attributes, being applicable to MTV; the availability of financing for the Company's and MTV's planned operations and development activities; assumptions made in mineral resource and mineral reserve estimates and the financial analysis based on the mineral reserve estimate and in the case of the Preliminary Economic Assessment, the mineral resource estimate, including (as applicable), but not limited to, geological interpretation, grades, commodity price assumptions, metallurgical performance, extraction and mining recovery rates, hydrological and hydrogeological assumptions, capital and operating cost estimates, and general marketing, political, business and economic conditions, the continued availability of quality management, critical accounting estimates, all terms of the restructuring agreement and facility agreement to which MTV and the Company are parties will be satisfied in the future including no events of default, existing water supply will continue, supplemental water availability will continue, the geopolitical risk of Chile will remain stable, the construction and expansion of mining operations including the Papomono Masivo incline block caving underground mining project, as well as the timing thereof and production therefrom; the timing for the expected production of the Don Gabriel mine; and expected timelines for drawdown and repayment of indebtedness of MTV.

Actual results, performance or achievements could vary materially from those expressed or implied by the Forward-Looking Statements should assumptions underlying the Forward-Looking Statements prove incorrect or should one or more risks or other factors materialize, including: (i) possible variations in grade or recovery rates; (ii) copper price fluctuations and uncertainties; (iii) delays in obtaining governmental approvals or financing; (iv) risks associated with the mining industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to mineral reserves, production, costs and expenses; and labour, health, safety and environmental risks) and risks associated with the other portfolio companies' industries in general; (v) performance of the counterparty to the ENAMI Tolling Contract; (vi) risks associated with investments in emerging markets; (vii) general economic, market and business conditions; (viii) market volatility that would affect the ability to enter or exit investments; (ix) failure to secure additional financing in the future on acceptable terms to the Company, if at all; (x) commodity price fluctuations and uncertainties; (xi) risks associated with catastrophic events, manmade disasters, terrorist attacks, wars and other conflicts, or an outbreak of a public health pandemic or other public health crises, including COVID-19; (xii) those risks disclosed under the heading "Risk

Management" in SRHI's Management's Discussion and Analysis for the year ended December 31, 2020; and (xiii) those risks disclosed under the heading "Risk Factors" or incorporated by reference into SRHI's Annual Information Form dated March 3, 2021. See also the cautionary language under "Notes on Preliminary Economic Assessments" above. The Forward-Looking Statements speak only as of the date hereof, unless otherwise specifically noted, and SRHI does not assume any obligation to publicly update any Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable Canadian securities laws.

Cautionary Note to United States Investors Concerning Estimates of measured, indicated and inferred mineral resources

This news release may use the terms "measured", "indicated" and "inferred" mineral resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable.

Source: [SRHI Inc.](#)

For further information:

Michael Staresinic, President and Chief Financial Officer
T: (416) 943-7107
E: mstaresinic@srhi.ca

Renmark Financial Communications Inc.
Joshua Lavers: jlavers@renmarkfinancial.com
T: (416) 644-2020 or (212) 812-7680
www.renmarkfinancial.com

Dieser Artikel stammt von [Minenportal.de](#)

Die URL für diesen Artikel lautet:

<https://www.minenportal.de/artikel/336093--SRHI-Inc.-Business-Update-and-Reports-2020-Annual-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 [Minenportal.de](#) 2007-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).