

# Steppe Gold Announces Q2 2024 Financial Results Board Appointment and 2024 Production Guidance

14.08.2024 | [Newsfile](#)

Ulaanbaatar, August 14, 2024 - [Steppe Gold Ltd.](#) (TSX: STGO) (OTCQX: STPGF) (FSE: 2J9) ("Steppe Gold" or the "Company") is pleased to announce its financial results for the quarter ended June 30, 2024.

The second quarter results shown below do not reflect the impact of the acquisition of Boroo Gold which was completed on August 1, 2024. The impact of the Boroo Gold acquisition and the sale of the Tres Cruces Project will be reflected in the third quarter results.

## HIGHLIGHTS

### Second Quarter Highlights

(all figures in US\$000's unless stated otherwise, except per unit figures which are in US\$)

- Revenue for the three and six months ended June 30, 2024 amounted to \$10,392 and \$18,363 on sales of 4,040 and 7,763 gold ounces, and 36,672 and 56,178 silver ounces, respectively.
- Average realized prices for the three and six months ended June 30, 2024, were \$2,318 and \$2,191 per gold ounce and \$26 and \$24 per silver ounce, respectively.
- Combined gold production for the second half of 2024 is expected to be between 30,000 to 35,000 oz.
- Operating income from mine operations before depreciation and depletion for the three and six months ended June 30, 2024, were \$6,167 and \$10,490, respectively.
- Adjusted EBITDA after stream payments for the three and six months ended June 30, 2024 were \$2,337 and \$2,027.
- Site All in Sustaining Costs were \$856 and \$899 per ounce sold for the three and six months ended June 30, 2024.
- All in Sustaining Cost was \$1,124 and \$1,315 per ounce sold for the three and six months ended June 30, 2024.
- During the six months ended June 30, 2024, 337,236 tonnes of ore were mined and 223,738 tonnes of ore were stacked on the leach pad, with an average gold grade of 0.72 g/t and an average silver grade of 4.28 g/t.
- As at June 30, 2024, the cash balance was \$3,207 (including \$30 recorded in assets classified as held for sale); total bank debt, payables and other debts (including liabilities of \$87 recorded in assets classified as held for sale, excluding convertible debentures, Stream Agreement, lease liabilities, tax payables and asset retirement obligations was \$70,070 with net debt of \$66,863.
- On January 9, 2024 the Company entered into a turnkey engineering, procurement and construction contract with Hexagon Build Engineering LLC for the Phase 2 Expansion.
- The Phase 2 Expansion is proceeding according to the projected timelines and budgets, with commissioning planned for the first quarter of 2026.

- On March 15, 2024, the Company entered into an amended and restated Triple Flag Gold Prepay loan for an additional advance of \$5,000 with a repayment term over five months, commencing on August 15, 2024, in five equal monthly deliveries of 530 ounces of gold for a total of 2,650 ounces delivered to Triple Flag International Ltd.
- On March 26, 2024, a milestone payment of \$37,000 was made to the EPC contractor in relation to the Phase 2 Expansion (as defined below) to fund procurement of major long lead items, mobilization costs, early construction works and foundational work. The major long lead items include flotations cells, grinding mills, cluster cyclones, thickener units, filters and pumping systems.
- On April 11, 2024, the Company announced that it had entered into a share exchange agreement pursuant to which it would acquire all of the issued and outstanding common shares of Boroo Gold LLC from an indirect, wholly owned subsidiary of Boroo Pte Ltd. ("Boroo Singapore") in an all-share transaction (the "Boroo Gold Transaction").
- Additionally, on April 11, 2024, the Company entered into share purchase agreements, as amended and restated on July 30, 2024 (the "A&R Share Purchase Agreements"), pursuant to which it would sell the Tres Cruces Project to Boroo Singapore (the "Tres Cruces Transaction" and together with the Boroo Gold Transaction, the "Transaction") for approximately CAD\$12 million in cash, payable over the next 18 months beginning as of the Closing Date (as defined in the A&R Share Purchase Agreements).
- On May 13, 2024, the Company filed meeting materials in respect of the proposed transaction with Boroo Gold, where shareholders would, among other matters, vote on Steppe acquiring Boroo Gold in exchange for common shares in the capital of the Company, resulting in Boroo Singapore holding approximately 55.9% of Steppe, and Boroo Singapore acquiring the Tres Cruces Project for approximately CAD\$12 million.
- On June 24, 2024, the shareholders of the Company approved the acquisition of Boroo Gold pursuant to the share exchange agreement dated April 11, 2024 (the "Share Exchange Agreement") and the sale of the Tres Cruces Oxide Project to Boroo Singapore, pursuant to the A&R Share Purchase Agreements.
- On August 1, 2024 the Company successfully completed the Transaction between the Company and Boroo Singapore and its affiliates. Pursuant to the Boroo Gold Transaction, Boroo Singapore was issued 143,796,574 common shares of the Company at a deemed issue price of \$0.59 per common share. Prior to the Boroo Gold Transaction, Boroo Singapore did not hold any securities of the Company and upon completion of the Boroo Gold Transaction, Boroo Singapore holds approximately 55.9% of the common shares of the Company. Pursuant to the Tres Cruces Transaction, the Company sold the Tres Cruces Project to Boroo Singapore for CAD\$11.7 million in cash, payable in four instalments in 18 months from August 1, 2024.

## Outlook

The acquisition of Boroo Gold is a transformational step for the Company. It accelerates the path to a multi-asset Mongolia-focused mining group and, importantly, is projected to immediately provide strong cash flow to support growth plans, further improved with the recent strong gold prices.

The near-term focus for the Company is on maximizing production and cash flows at both producing mines and, executing on a successful completion of the Phase 2 Expansion, where construction activity continues,

With the projected additional operating cash flow accruing from the Boroo Gold Transaction, the Company expects to be well-placed to increase exploration activities at both production centres with the aim of extending resources, reserves and production. The Company will also consider opportunistic acquisitions in Mongolia.

The Company's condensed interim consolidated financial results for the quarter ended June 30, 2024 have been filed on SEDAR+. The full version of the condensed interim consolidated financial statements and associated management's discussion & analysis can be viewed on the Company's website at [www.steppegold.com](http://www.steppegold.com) or under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Board Changes

As a result of the Boroo Gold Transaction, and subject to stock exchange approval, Dulguun Erdenebaatar has been appointed to the board of Steppe Gold pursuant to the Share Exchange Agreement.

Steppe Gold Ltd.

Steppe Gold is Mongolia's premier precious metals company.

For Further information, please contact:

Bataa Tumor-Ochir, Chairman and CEO

Jeremy South, Senior Vice President and Chief Financial Officer

Elisa Tagarvaa, Investor Relations [elisa@steppegold.com](mailto:elisa@steppegold.com)

Shangri-La office, Suite 1201, Olympic Street  
19A, Sukhbaatar District 1,  
Ulaanbaatar 14241, Mongolia  
Tel: +976 7732 1914

#### Non-IFRS Performance Measures

The Company uses the following non-IFRS measures: Adjusted EBITDA, EBITDA and AISC. EBITDA is earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as adjusted earnings before interest, taxes, depreciation and amortization. AISC is calculated using cash costs in addition to general and administration, asset retirement costs, and sustaining capital, less certain non-recurring costs (notably exploration costs at the Mungu deposit) to provide an overall company outlook on the total cost required to sell an ounce of gold.

Management believes that these non-IFRS measures provide useful information to investors in measuring the financial performance of the Company for the reasons outlined below. These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS. The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. The inclusion of these measures is meant to provide additional information and should not be used as a substitute for performance measures prepared in accordance with IFRS. These measures are not necessarily standard and therefore may not be comparable to other issuers. Further details of non-IFRS measures noted above can be found in the Company's management's discussion & analysis for the six months ended June 30, 2024.

#### Cautionary Note Regarding Forward-Looking Statements

This news release contains certain statements or disclosures relating to the Company that are based on the expectations of its management as well as assumptions made by and information currently available to the Company which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results, or developments that the Company anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the words "continued", "focus", "scheduled", "will", "projected", "opportunity", "expected", "planned" and similar expressions. In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to the following: the anticipated benefits of the Boroo Gold Transaction; the potential for value creation to Steppe Gold's shareholders; payments to be made under the amended and restated gold prepay agreement; the strengths, characteristics and potential of the resulting company and discussion of future plans, projections,

objectives, estimates and forecasts and the timing related thereto, including with respect to the Phase 2 Expansion and the ATO gold mine; and the consideration of opportunistic acquisitions in Mongolia.

The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of the Company including, without limitation: management team and board of directors of Steppe Gold; material adverse effects on the business, properties and assets of the Company; changes in business plans and strategies; market and capital finance conditions; risks inherent to any capital financing transactions; changes in world commodity markets; currency fluctuations; costs and supply of materials relevant to the mining industry; change in government and changes to regulations affecting the mining industry; discrepancies between actual and estimated production and test results, mineral reserves and resources and metallurgical recoveries; and such other risk factors detailed from time to time in Steppe Gold's public disclosure documents, including, without limitation, those risks identified in Steppe Gold's annual information form for the year ended December 31, 2023, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by such forward-looking statements. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, Steppe Gold assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If Steppe Gold updates any one or more forward-looking statements, no inference should be drawn that the company will make additional updates with respect to those or other forward-looking statements. All forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/219924>

---

Dieser Artikel stammt von [Minenportal.de](http://Minenportal.de)

Die URL für diesen Artikel lautet:

<https://www.minenportal.de/artikel/541363--Steppe-Gold-Announces-Q2-2024-Financial-Results-Board-Appointment-and-2024-Production-Guidance.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](#).