Mineros Reports Fourth Quarter 2023 Financial and Operational Results

(all dollar amounts - other than per share amounts - are expressed in thousands of U.S. dollars unless otherwise stated)

Medellin, Colombia – February 15, 2024 – Mineros S.A. (TSX:MSA, MINEROS:CB) ("**Mineros**" or the "**Company**") today reported its financial and operational results for the three months and year ended December 31, 2023. For further information, please see the Company's audited consolidated financial statements and management's discussion and analysis filed under its Mineros' profile on www.sedarplus.com.

Andrés Restrepo, President and CEO of Mineros, commented: "We had a strong operational fourth quarter and demonstrated resilience throughout the year. We were able to meet our 2023 production guidance, overcoming the disruptions we had in March at our Nechí Alluvial Property and in July at our Hemco Property. Additionally, even though the Colombian peso appreciated by approximately 20% against the US Dollar in 2023, we were able to meet our 2023 cost guidance helped by implementing effective cost cutting measures during the year. As we move forward, the Company will continue to focus on being a reliable and profitable operator."

FINANCIAL AND OPERATING HIGHLIGHTS FOR THE FOURTH QUARTER 2023

Gold Production

- 62,039 ounces of gold produced.
- A 6% increase in gold production compared to the same period in 2022 (Q4/22: 58,597 ounces of gold produced), explained by higher average gold grade at the Nechí Alluvial Property.

Cost of Sales, Cash Cost[1] and All-in Sustaining Cost ("AISC")[1] from continuing operations

- Cost of sales of $82,663, a 17% increase when compared to the same period in 2022 (Q4/22: $70,677).
- Cash Cost per ounce of gold sold of $1,051 (Q4/22: $993), a 6% increase relative to the same period in 2022.
- AISC per ounce of gold sold of $1,316 (Q4/22: $1,228), a 7% increase relative to the AISC per ounce of gold sold during the same period in 2022.

Dividend Payment

- $5,228 in dividends paid.
- An 8% increase in dividends paid compared to the same period in 2022 (Q4/22: $4,862).

Revenue

- Revenue of $130,427.
- Revenue increased by 24% compared to the same period in 2022 (Q4/22: $105,059).

[1] Cash Cost, AISC, Adjusted EBITDA, net free cash flow, Net Debt and average price realized per ounce of gold sold are non-IFRS financial measures, and Cash Cost per ounce of gold sold, AISC per ounce of gold sold and ROCE are non-IFRS ratios, with no standardized meaning under IFRS, and therefore they may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations of non-IFRS financial measures to the most directly comparable IFRS measures, see Non-IFRS and Other Financial Measures in this news release.

Profitability

- Gross profit from continuing operations increased by 39% to $47,764 compared to the same period in 2022 (Q4/22: $34,382).
- Net profit for the period from continuing operations up 26% to $22,808 ($0.08/share) compared to the same period in 2022 (Q4/22: $18,136 or $0.06/share).
- Loss for the period from discontinued operations up (97)% to $1,043 compared to the same period in 2022 (Q4/22: $38,130).

Net Debt[2]

- Net Debt of $(24,316) as at December 31, 2023, mainly explained by lower loans and other borrowing and a higher cash and cash equivalents balance.
- The Company continues to have low Net Debt levels, with a 239% decrease compared to $17,517 as at December 31, 2022.

FINANCIAL AND OPERATING HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2023

Gold Production

- 219,708 ounces of gold produced.
- A 2% decrease in gold production compared to the same period in 2022 (Year ended December 31, 2022: 224,905 ounces of gold produced).

Cost of Sales, Cash Cost and AISC[1]

- Cost of sales of $301,888, a 7% increase when compared to the same period in 2022 (Year ended December 31, 2022: $282,918)
- Cash Cost per ounce of gold sold of $1,090 (Year ended December 31, 2022: $1,022), a 7% increase relative to the same period in 2022, mainly explained by the increase in cost of sales.
- AISC per ounce of gold sold[1] of $1,299 (Year ended December 31, 2022: $1,219), a 7% increase relative to the AISC per ounce of gold sold during the same period in 2022.

Dividend Payment

- $20,519 in dividends paid.
- An 11% decrease in dividends paid compared to the same period in 2022 (Year ended December 31, 2022: $22,990), explained by an extraordinary dividend of $0.01 per share paid in April of 2022.

Revenue

- Revenue of $447,290.

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[2] Cash Cost, AISC, Adjusted EBITDA, net free cash flow, Net Debt and average price realized per ounce of gold sold are non-IFRS financial measures, and Cash Cost per ounce of gold sold, AISC per ounce of gold sold and ROCE are non-IFRS ratios, with no standardized meaning under IFRS, and therefore they may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations of non-IFRS financial measures to the most directly comparable IFRS measures, see Non-IFRS and Other Financial Measures in this news release.

- Revenue increased by 8% when compared to the same period in 2022 (Year ended December 31, 2022: $414,937).

Profitability

- Gross profit from continuing operations increased by10% , to $145,402 compared to the same period in 2022 (Year ended December 31, 2022: $132,019).
- Net profit for the period from continuing operations up by 33% to $74,538 ($0.25/share) compared to the same period in 2022 (Year ended December 31, 2022: $56,097 or $0.19/share).
- Loss for the period from discontinued operations up by 11%, to $57,324 compared to the same period in 2022 (Year ended December 31, 2022: $51,610).

Financial and Operating Highlights.

	Three Months Ended December 31,		Change		Year ended December 31,		Change	
	2023	2022	$	%	2023	2022	#	%
Financial								
Revenue	130,427	105,059	25,368	24%	447,290	414,937	32,353	8%
Cost of sales	(82,663)	(70,677)	11,986	17%	(301,888)	(282,918)	18,970	7%
Gross Profit	47,764	34,382	13,382	39%	145,402	132,019	13,383	10%
Profit for the period from continuing operations	22,808	18,136	4,672	26%	74,538	56,097	18,441	33%
Basic and diluted earnings per share from continuing operations	$0.08	$0.06	$0.02	26%	$0.25	$0.19	$0.06	33%
Loss for the year from discontinued operations	(1,043)	(38,130)	37,087	(97)%	(57,324)	(51,610)	(5,714)	11%
Basic and diluted earnings per share from continuing and discontinued operations	$0.07	$(0.07)	$0.14	(209)%	$0.06	$0.01	$0.04	284%
Adjusted EBITDA[1]	53,364	40,117	13,247	33%	172,146	156,156	15,990	10%
Net cash flows generated by operating activities	52,932	36,602	16,330	45%	89,908	82,607	7,301	9%
Net free cash flow[1]	36,761	32,210	4,551	14%	49,202	35,611	13,591	38%
ROCE[1]	30%	25%	5%	21%	30%	25%	5%	21%
Net Debt [1]	(24,316)	17,517	(41,833)	(239)%	(24,316)	17,517	(41,833)	(239)%
Dividends paid	5,228	4,862	366	8%	20,519	22,990	(2,471)	(11)%
Operating								
Average realized price per ounce of gold sold from continuing operations ($/oz)[1]	1,975	1,751	224	13%	1,937	1,800	137	8%
Total Gold Produced from continuing operations (oz)	62,039	58,597	3,442	6%	219,708	224,905	(5,197)	(2)%
Silver sold (oz) from continuing operations	198,427	88,591	109,836	124%	614,756	358,046	256,710	72%
Cash Cost per ounce of gold sold from continuing operations ($/oz) [1 2]	$1,051	$993	$58	6%	$1,090	$1,022	$68	7%
AISC per ounce of gold sold from continuing operations ($/oz) [1 2]	$1,316	$1,228	$88	7%	$1,299	$1,219	$79	7%

1. Cash Cost, AISC, Adjusted EBITDA, net free cash flow, Net Debt and average realized price per ounce of gold sold, are non-IFRS financial measures, and Cash Cost per ounce of gold sold, AISC per ounce of gold sold and ROCE are non-IFRS ratios, with no standardized meaning under IFRS, and therefore they may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations of non-IFRS financial measures to the most directly comparable IFRS measures, see Non-IFRS and Other Financial Measures in this news release.
2. In Q4 of 2023, the Company restated AISC and Cash Cost to capture cash outflows related to asset retirement obligations and environmental and rehabilitation costs. For further information and detailed reconciliations of non-IFRS financial measures to the most directly comparable IFRS measures, see Non-IFRS and Other Financial Measures in this news release.

Operational Highlights by Material Property.

(All numbers in ounces unless otherwise noted)

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
	2023	2022	ounces	%	2023	2022	#	%
Nechí Alluvial Property (Colombia)	**27,920**	**24,986**	**2,934**	**12%**	**93,757**	**92,385**	**1,372**	**1%**
Hemco Property	9,480	9,828	(348)	(4)%	32,732	40,677	(7,945)	(20)%
Artisanal Mining	24,639	23,783	856	4%	93,219	91,843	1,376	1%
Nicaragua	**34,119**	**33,611**	**508**	**2%**	**125,951**	**132,520**	**(6,569)**	**(5)%**
Total Gold Produced (oz) from Continuing Operations	**62,039**	**58,597**	**3,442**	**6%**	**219,708**	**224,905**	**(5,197)**	**(2)%**
Gualcamayo Property (Argentina)	—	13,971	(13,971)	(100)%	31,061	62,247	(31,186)	(50)%
Total Gold Produced (oz) from Discontinued Operations	**—**	**13,971**	**(13,971)**	**(100)%**	**31,061**	**62,247**	**(31,186)**	**(50)%**
Total Gold Produced (oz)	**62,039**	**72,568**	**(10,529)**	**(15)%**	**250,769**	**287,152**	**(36,383)**	**(13)%**
Total Silver Produced (oz)	**198,427**	**93,528**	**104,899**	**112%**	**623,976**	**379,392**	**244,584**	**64%**

For the three months ended December 31, 2023, gold production from continuing operations increased by 6%, with 62,039 ounces of gold produced, compared to 58,597 ounces in the fourth quarter of 2022, summarized in the table above. The increase in production relative to the comparative quarter in 2022 is explained mainly by higher average gold grade at the Nechí Alluvial Property in Colombia.

For the year ended December 31, 2023, gold production from continuing operations was down 2%, with 219,708 ounces of gold produced during the year ended December 31, 2023, compared to 224,905 ounces in the same period of 2022. The lower production relative to the comparative period in 2022 is explained mainly by a two-week suspension of operations at the Hemco Property in Nicaragua during the third quarter.

CORPORATE HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2023

Disposition of Minas Argentinas S.A.

On September 8, 2023, Mineros announced that it had signed a share purchase and sale agreement with Eris LLC to sell all of the outstanding shares of Mineros' subsidiary, Minas Argentinas S.A. ("MASA"). MASA holds a 100% interest in the Gualcamayo Property in Argentina, (the "Gualcamayo Property"). The transaction was completed on September 21, 2023. The disposed business, MASA (including its main asset, the Gualcamayo Property), has been presented as a discontinued operation in the financial statements for the year ending December 31, 2023.

Temporary suspension of the main processing plant at the Hemco Property in Nicaragua

On July 31, 2023, Mineros suspended operations at the Hemco Plant, its main processing plant at the Hemco Property for two weeks. The Hemco Plant processes 89% of the material and disposal of tailings at the Hemco

Property. The suspension was precautionary in nature, to allow for the swift completion of tailings detoxification capacity enhancements at the San José Tailings Dam, the primary tailings processing facility at the Hemco Property, prior to hurricane season in Nicaragua. Mineros resumed full operations at the Hemco Property on August 15, 2023 after making significant enhancements to its tailings detoxification capacity.

New collective agreement in Colombia

On June 8, 2023, Mineros announced the signature of a collective agreement for operations at the Nechí Alluvial Property in Colombia, covering a two year period, starting May 1, 2023.

Termination of strategic alliance with Royal Road Minerals Limited

Effective May 29, 2023, Mineros announced that it terminated and, where applicable, settled all outstanding obligations under all of its agreements with Royal Road Minerals Limited ("Royal Road").

Mineros and Royal Road terminated their strategic alliance agreements for exploration of their respective properties in Nicaragua and Colombia, and related joint ventures in respect of the Caribe Exploration Target, and the Guintar-Niverengo-Margaritas ("GNM") Exploration Target, located in the Anzá Province, Colombia.

Royal Road relinquished its 50% joint venture interest in Caribe Exploration Target to Mineros' subsidiary Hemco Nicaragua S.A. ("Hemco"), which now owns 100% of the Caribe Exploration Target. The 1.25% net smelter returns royalty applicable to the two concessions that host the Luna Roja Deposit, which was granted to Royal Road on May 2021 in connection with Mineros' acquisition of Royal Road's 50% joint venture interest in those concessions, was terminated, and provisions under the related asset purchase agreement in respect of exploration expenditures to be incurred at the Hemco Property have been released. Mineros has also relinquished its 50% joint venture interest in the GNM Exploration Target to Royal Road. Mineros and Royal Road also annulled a cooperation agreement relating to Mineros' Gualcamayo Property in Argentina.

Positive Prefeasibility Study Results for the Porvenir Project - Hemco Property, Nicaragua

On March 16, 2023, the Company announced a new technical report on the Hemco Property, which included positive prefeasibility study ("PFS") results for its Porvenir Project updated Mineral Resource and Mineral Reserve estimates for other deposits, significantly increasing the mine life of the Hemco Property Mineral Reserves from five to thirteen years. Highlights of the PFS results included:

- Mineral Resource and Mineral Reserve estimates for the Porvenir Project, effective December 31, 2022.
    - 270 kt of proven mineral reserves averaging 2.70 g/t Au, 13.6 g/t Ag and 3.14% Zn, containing 23 koz Au, 118 koz Ag, and 19 Mlb Zn;
    - 5,524 kt of probable mineral reserves averaging 3.09 g/t Au, 10.2 g/t Ag and 2.96% Zn, containing 549 koz Au, 1,804 koz Ag, and 360 Mlb Zn;

- Porvenir Project base case economics include an after-tax net present value (using a 10% discount rate) of approximately $42 million, an after-tax internal rate of return ("IRR") of approximately 16% and a payback period of approximately 4 years from start of production in 2027, assuming $1,500/oz Au, $19.00/oz Ag, and $1.27/lb Zn;

- The Porvenir Project will add average annual production over its nine-year mine life of 56,700 oz Au per year, along with 112,300 oz Ag per year and 38.5 Mlb Zn per year to the Hemco Property;

- After-tax net present value (using a 5% discount rate) of $160 million at $1,650/oz Au, $20.90/oz Ag, and $1.40/lb Zn; increasing to $216 million at $1,800/oz Au, $22.80/oz Ag, and $1.52/lb Zn; and

- IRR of 21% and after-tax payback period of 3.5-years from start of production at $1,650/oz Au, $20.90/oz Ag, and $1.40/lb Zn.

A NI 43-101 technical report on the Hemco Property, entitled "Technical Report on the Hemco Property, Región Autónoma de la Costa Caribe Norte, Nicaragua Report for NI 43-101" dated March 24, 2023, with an effective date of December 31, 2022, prepared by Sean Horan, P.Geo., Varun Bhundhoo, ing., R. Dennis Bergen, P.Eng. and Brenna J.Y. Scholey, P.Eng., all of SLR Consulting (Canada) Ltd., and Gerd Wiatzka, P.Eng. of Arcadis Canada Inc., was filed on SEDAR+ on March 31, 2023 and is available on the Company's SEDAR+ profile at www.sedarplus.com. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Temporary Suspension of Operations at the Nechí Alluvial Property in Colombia due to Protests

On March 10, 2023, the Company announced a temporary suspension of operations at its Nechí Alluvial Property due to protests by groups of informal miners not associated with the Company against measures taken by the national government of Colombia. On March 23, 2023, the Company announced the resumption of all temporarily suspended operations.

Subsequent events

Profit Distribution Proposal to the General Shareholders Assembly for the year ended December 31, 2023

On February 15, 2023, the Company announced the board of directors' (the "Board") proposal regarding profit distribution, which will be voted on at the General Shareholders Assembly,taking place on March 26, 2024 (the "Meeting").

At the Meeting, shareholders will be asked to consider and approve, with or without variation, the distribution of the Company's profits by way of dividend proposed by the Board, as set out below:

Profit Distribution Proposal
Fiscal year ended December 31, 2023

	($)	(COP$)[4]
Profit for the year	**15,441,821**	**61,023,949,313**
Minus: Transfer of profits for the year to new projects reserve	15,441,821	61,023,949,313
Plus: Release from non-taxable reserves from previous years for payment of non-taxable dividends	26,976,366	106,606,882,786
Available for distribution to shareholders:	**26,976,366**	**106,606,882,786**
The following distribution is proposed:		
Payment of untaxed dividend	**26,976,366**	**106,606,882,786**

Notes:

1. Payment of each dividend installment will be made for all outstanding shares on the applicable payment date to all registered shareholders within a specified ex dividend period.
2. Dividend payments do not include interest payments.
3. Dividend payments will be converted to Colombian pesos, based on the Representative Market Rate (Tasa Representativa del Mercado – TRM) on each payment date.
4. U.S. dollar amounts will be converted to Colombian pesos for informational purposes, based on the average monthly Representative Market Rate (Tasa Representativa del Mercado – TRM) published by the Colombian Superintendence of Finance for the year ended December 31, 2023 of $1.00 = approximately COP$3,951.86.

Based on the foregoing proposal, a shareholder would be entitled to receive payment of an ordinary dividend in respect of each common share held equal to four installments of $0.01875 ($0.075 in total), and an extraordinary dividend in respect of each common share held equal to four installments of $0.00375 ($0.015 in total), for a total quarterly dividend of $0.0225 ($0.090 total); payable quarterly on April 18, July 18, and October 17, 2024, and January 16, 2025.

The Board believes that the proposed profit distribution is in the best interest of the shareholders and will be voted on at the Meeting.

GROWTH AND EXPLORATION PROJECT UPDATES

The two key growth and exploration projects the Company is advancing are the Porvenir Project and the Luna Roja Deposit, both located at the Hemco Property.

Porvenir Project, Nicaragua: Mineros finished the 2023 drill campaign achieving approximately 100% of its original plan, totaling 11,088 metres of diamond drilling in 60 holes. The analysis of the metallurgical campaign is ongoing, and the Company expects to receive analytical results, metallurgical test outcomes and also complete the update of the geometallurgical model in the first half of 2024.

The infill drilling campaign is confirming Mineros' view that mineralization extends below the current resource estimate and that mineralization remains open at depth.

Luna Roja Deposit, Nicaragua: Mineros is still working on an internal Mineral Resources update of the Luna Roja Deposit. In 2024, the Company plans to carry out geological mapping with a focus on geophysical anomalies and conduct internal metallurgical testing at the Hemco lab. No drilling activities are scheduled for the Luna Roja Deposit throughout the year.

OUTLOOK

The following section represents forward looking information and users are cautioned that actual results may vary. We refer to the risks and assumptions contained later in this news release under “Forward-Looking Statements”.

Gold production guidance

The following table presents the Company’s gold production guidance for 2024 and actual production for the year ended December 31, 2023. The production guidance includes production from the Company’s Material Properties and production from artisanal mining.

	Actual (oz)	Guidance (oz)	
	31 December 2023	2023	2024
Colombia (Nechí Alluvial)	93,757	84,000 - 94,000	86,000 - 96,000
Nicaragua (Hemco)	32,732	35,000 - 37,800	33,000 - 35,000
Total Company Mines (1)	**157,550**	**172,000 - 194,800**	**118,500 - 131,000**
Nicaragua (Artisanal)	93,219	90,000 - 97,200	90,000 - 98,000
Total gold production (ounces) (1)	**250,769**	**239,000 - 262,000**	**209,000 - 229,000**

(1) Total Company mines and total gold production for 2023 actual and 2023 guidance includes 31,061 ounces from the Gualcamayo Property, which was sold in September 2023.

Cost outlook

The following table outlines the Company’s Cash Cost and AISC per ounce of gold sold for the year ended December 31, 2023 and cost guidance 2024. The cost guidance includes the Company’s two Material Properties and production from artisanal mining.

	Actual Cash Cost ($/oz)	Cash Cost Guidance ($/oz)		Actual AISC ($/oz)	AISC ($/oz) Guidance ($/oz)	
Country (principal mine)	**31 December 2023**	**2023**	**2024**	**31 December 2023**	**2023**	**2024**
Colombia (Nechí Alluvial)	1,046	1,010 - 1,110	$1,090 - $1,190	1,188	1,170 - 1,280	$1,280 - $1,390
Nicaragua (Hemco)	1,246	1,170 - 1,250	$1,240 - $1,320	1,414	1,350 - 1,430	$1,450 - $1,520
Consolidated (1)	**1,216**	**1,170 - 1,270**	**$1,180 - $1,270**	**1,441**	**1,440 - 1,540**	**$1,430 - $1,530**

(1) Consolidated Cash Cost per ounce of gold sold and AISC per ounce of gold sold include the Gualcamayo Property, which was sold in September 2023. During 2023, the Gualcamayo Property had Cash Cost per ounce of gold sold of $2,088 and AISC per ounce of gold sold of $2,423.

Cash Cost and AISC per ounce of gold sold outlook were prepared assuming an average selling price of gold of $1,980/oz and inflation of 10% in Colombia and 6% in Nicaragua.

CONFERENCE CALL AND WEBCAST DETAILS

The Company will host a conference call on Friday, February 16, 2024, at 8:00 am EST (8:00 am COT) to discuss the results. The conference call will be in Spanish with simultaneous translation in English.

A live webcast of the conference all will be available at:
https://app.webinar.net/489vQdrA7nE

Live webcast requires previous registration, and interested parties are advised to access the webcast approximately ten minutes prior to the start of the call. The webcast will be archived on the Company's website at www.mineros.com.co for approximately 30 days following the call.

ABOUT MINEROS S.A.

Mineros is a gold mining company headquartered in Medellin, Colombia. The Company has a diversified asset base, with mines in Colombia and Nicaragua and a pipeline of development and exploration projects throughout the region.

The board of directors and management of Mineros have extensive experience in mining, corporate development, finance and sustainability. Mineros has a long track record of maximizing shareholder value and delivering solid annual dividends. For almost 50 years Mineros has operated with a focus on safety and sustainability at all its operations.

Mineros' common shares are listed on the Toronto Stock Exchange under the symbol "MSA", and on the Colombia Stock Exchange under the symbol "MINEROS".

For further information, please contact:

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The Company has been granted an exemption from the individual voting and majority voting requirements applicable to listed issuers under Toronto Stock Exchange policies, on grounds that compliance with such requirements would constitute a breach of Colombian laws and regulations which require the directors to be elected on the basis of a slate of nominees proposed for election pursuant to an electoral quotient system. For further information, please see the Company's most recent annual information form filed on SEDAR+ at www.sedarplus.com.

QUALIFIED PERSON

The scientific and technical information contained in this news release has been reviewed and approved by Luis Fernando Ferreira de Oliveira, MAusIMM CP (Geo), Mineral Resources and Reserves Manager for Mineros S.A., who is a qualified person within the meaning of NI 43-101.

FORWARD-LOOKING STATEMENTS

This news release contains “forward looking information” within the meaning of applicable Canadian securities laws. Forward looking information includes statements that use forward looking terminology such as “may”, “could”, “would”, “will”, “should”, “intend”, “target”, “plan”, “expect”, “budget”, “estimate”, “forecast”, “schedule”, “anticipate”, “believe”, “continue”, “potential”, “view” or the negative or grammatical variation thereof or other variations thereof or comparable terminology. Such forward looking information includes, without limitation, statements with respect to the Company’s outlook for 2024; estimates for future mineral production and sales; the Company’s expectations, strategies and plans for the Material Properties; the Company’s planned exploration, development and production activities; completion of the drilling program; statements regarding the projected exploration and development of the Company’s projects; adding or upgrading Mineral Resources and developing new mineral deposits; estimates of future capital and operating costs; the costs and timing of future exploration and development; the timing, receipt and maintenance of necessary approvals, licenses and permits form applicable governments, regulators or third parties; estimates for future prices of gold and other minerals; future financial or operating performance and condition of the Company and its business, operations and properties, including, without limitation, expectations regarding liquidity, capital structure, competitive position and payment of dividends; expectations regarding future currency exchange rates; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

Forward looking information is based upon estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this news release including, without limitation, assumptions about: favourable equity and debt capital markets; the ability to raise any necessary additional capital on reasonable terms to advance the production, development and exploration of the Company’s properties and assets; future prices of gold and other metal prices; the timing and results of exploration and drilling programs, and technical and economic studies; the accuracy of any Mineral Reserve and Mineral Resource estimates; the geology of the Material Properties being as described in the applicable technical reports; production costs; the accuracy of budgeted exploration and development costs and expenditures; the price of other commodities such as fuel; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental, regulatory and third party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; inflation rates; availability of labour and equipment; positive relations with local groups, including artisanal mining cooperatives in Nicaragua, and the Company’s ability to meet its obligations under its agreements with such groups; and satisfying the terms and conditions of the Company’s current loan arrangements. While the Company considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward looking information. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

For further information of these and other risk factors, please see the '"Risk Factors" section of the Company's annual information form dated March 31, 2022 (as it may be updated or replaced from time to time), available on SEDAR+ at www.sedarplus.com.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward looking information contained herein. There can be no assurance that forward looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information.

Forward looking information contained herein is made as of the date of this news release and the Company disclaims any obligation to update or revise any forward looking information, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

NON-IFRS AND OTHER FINANCIAL MEASURES

The Company has included certain non-IFRS financial measures and non-IFRS ratios in this news release. Management believes that non-IFRS financial measures and non-IFRS ratios, when supplementing measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS financial measures and non-IFRS ratios do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. This data 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. For a discussion of the use of non-IFRS financial measures and reconciliations thereof to the most directly comparable IFRS measures, see below.

In the fourth quarter of 2023, in order to accommodate the transactions that occurred during the period, the Company aligned its definitions of non-IFRS measures to more accurately reflect the economic reality of its operations. Management implemented certain changes including the removal of the non-IFRS financial measure Net Debt to Adjusted EBITDA ratio and included Net Debt instead. This change aligns the non-IFRS financial measures to those used by the business to evaluate the performance of the Company. AISC and Cash Cost have been restated to capture cash outflows related to asset retirement obligations and environmental and rehabilitation costs. No other changes to the determination of the remaining non-IFRS financial measures have been made.

EBIT, EBITDA and Adjusted EBITDA

The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use the earnings before interest and tax ("**EBIT"**), earnings before interest, tax, depreciation and amortization ("**EBITDA**"), and adjusted earnings before interest, tax, depreciation and amortization ("**Adjusted EBITDA**"), which excludes certain non-operating income and expenses, such as financial income or expenses, hedging operations, exploration expenses, impairment of assets, foreign currency exchange differences, and other expenses (principally, donations, corporate projects and taxes incurred). The Company believes that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results because it is consistent with the indicators management uses internally to measure the Company's performance, and is an indicator of the performance of the Company's mining operations.

The following table provides a reconciliation of the Adjusted EBITDA for the three months and years ended December 31, 2023 and 2022:

	Three Months Ended December 31,		Year ended December 31,	
	2023	**2022**	**2023**	**2022**
Profit for the Period	**21,765**	**(19,994)**	**17,214**	**4,487**
Less: Interest income	(352)	(1,409)	(1,302)	(1,772)
Add: Interest expense	1,557	1,394	5,118	4,408
Add: Current tax [1]	12,472	8,480	42,561	37,409
Add/less: Deferred tax [1]	(3,376)	(1,593)	(14,520)	447
EBIT	**32,066**	**(13,122)**	**49,071**	**44,979**
Add: Depreciation and amortization	12,330	10,926	45,099	43,335
EBITDA	**44,396**	**(2,196)**	**94,170**	**88,314**
Less: Other income [2]	(1,082)	(889)	(6,104)	(1,512)
Less: Finance income (excluding interest income)	(8)	(67)	(107)	(197)
Add: Finance expense (excluding interest expense)	1,051	787	3,833	2,404
Add: Other expenses [3]	4,152	2,532	10,053	7,802
Add: Exploration expenses	2,556	2,708	6,092	8,600
Less: Foreign exchange differences	1,139	(921)	6,768	(5,689)
Add: Loss for the period from discontinued operations [4]	1,043	38,130	57,324	51,610
Adjusted EBITDA	**53,364**	**40,117**	**172,146**	**156,156**

1. For additional information regarding taxes, see Note 15 of our audited consolidated financial statements, for the three months and years ended December 31, 2023 and 2022.
2. For additional information regarding other income, see Note 11 of audited consolidated financial statements, for the three months and years ended December 31, 2023 and 2022.
3. The reconciliation above does not include adjustments for share of results of investments in associates, or (impairment) reversal of assets, because there would be a nil adjustment for the three months and years ended December 31, 2023 and 2022.
4. Composition of Adjusted EBITDA has been revised to include loss for the period from discontinued operations.

Cash Cost

The objective of Cash Cost is to provide stakeholders with a key indicator that reflects as close as possible the direct cost of producing and selling an ounce of gold.

The Company reports Cash Cost per ounce of gold sold which is calculated by deducting revenue from silver sales, depreciation and amortization, environmental rehabilitation provisions and adding back the used assets retirement obligations and the used environmental and rehabilitation liabilities to cost of sales, and dividing the difference by the number of gold ounces sold. Production Cash Cost includes mining, milling, mine site security, royalties, and mine site administration costs, and excludes non-cash operating expenses. Cash Cost per ounce of gold sold is a non-IFRS financial measure used to monitor the performance of our gold mining operations and their ability to generate profit, and is consistent with the guidance methodology set out by the World Gold Council.

The following table provides a reconciliation of Cash Cost per ounce of gold sold on a by-product basis to cost of sales for the three months and years ended December 31, 2023 and 2022:

	Three Months Ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Cost of sales	82,663	70,677	301,888	282,918
Less: Cost of sales of non-mining operations [1]	(257)	(125)	(751)	(603)
Less: Depreciation and amortization	(11,885)	(10,544)	(43,665)	(41,864)
Less: Sales of silver	(4,669)	(1,974)	(14,384)	(7,858)
Less: Environmental rehabilitation provision [2]	(1,846)	(160)	(4,788)	(3,206)
Add: Use of environmental and rehabilitation liabilities	1,137	303	1,137	303
Add: Use of Retirement obligations	81	11	81	190
Cash Cost from continuing operations	65,224	58,188	239,518	229,880
Gold sold (oz) from continuing operations	62,039	58,597	219,708	224,905
Cash Cost per ounce of gold sold ($/oz) from continuing operations	**$1,051**	**$993**	**$1,090**	**$1,022**
Cash Cost from discontinued operations	—	19,517	66,262	90,636
Gold sold (oz) from discontinued operations	—	13,660	31,737	62,781
Cash Cost per ounce of gold sold ($/oz) from discontinued operations	**$0**	**$1,429**	**$2,088**	**$1,444**
Cash Cost	65,224	77,705	305,780	320,516
Gold sold (oz)	62,039	72,257	251,445	287,686
Cash Cost per ounce of gold sold ($/oz)	**$1,051**	**$1,075**	**$1,216**	**$1,114**

1. Refers to cost of sales incurred in the Company's "Others" segment. See Note 8 of our audited consolidated financial statements for the three months and years ended December 31, 2023 and 2022. The majority of this amount relates to the cost of sales of latex.
2. For additional information regarding environmental rehabilitation provision, please refer to Note 31 of the consolidated financial statements for the year ended December 31, 2023 and 2022.

The following table provides a reconciliation of Cash Cost per ounce of gold sold on a by-product basis to cost of sales, before and after the change of definition of this metric, modified to capture cash outflows related to asset retirement obligation and environmental rehabilitation provisions, for the three months and year ended December 31, 2022:

	Three Months Ended December 31, 2022	Year ended December 31, 2022
Cash Cost per ounce of gold sold ($/oz) - Previously reported	**1,073**	**1,124**
Adjustments ($/oz)		
Less: Environmental rehabilitation provision	(3)	(12)
Add: Use of environmental and rehabilitation liabilities	5	1
Add: Use of Retirement obligations	—	1
Cash Cost per ounce of gold sold ($/oz) - restated	**1,075**	**1,114**

All-in Sustaining Costs

The objective of AISC is to provide stakeholders with a key indicator that reflects as close as possible the full cost of producing and selling an ounce of gold. AISC per ounce of gold sold is a non-IFRS ratio that is intended to provide investors with transparency regarding the total costs of producing one ounce of gold in the relevant period.

The Company reports AISC per ounce of gold sold on a by-product basis. The methodology for calculating AISC per ounce of gold sold is set out below and is consistent with the guidance methodology set out by the World Gold Council. The World Gold Council definition of AISC seeks to extend the definition of total Cash Cost by deducting administrative expenses, Cost of sales of non-mining operations, sustaining exploration, sustaining leases and leaseback and sustaining capital expenditures. Non-sustaining costs are primarily those related to new operations and major projects at existing operations that are expected to materially benefit the current operation. The determination of classification of sustaining versus non-sustaining requires judgment by management. AISC excludes current and deferred income tax payments, finance expenses and other expenses. Consequently, these measures are not representative of all of the Company's cash expenditures. In addition, the calculation of AISC does not include depreciation and amortization cost or expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company's overall profitability. Other companies may quantify these measures differently because of different underlying principles and policies applied. Differences may also occur due to different definitions of sustaining versus non-sustaining.

The following table provides a reconciliation of AISC per ounce of gold sold to cost of sales for the three months and years ended December 31, 2023 and 2022:

	Three Months Ended December 31,		Year ended December 31,	
	2023	**2022**	**2023**	**2022**
Cost of sales	82,663	70,677	301,888	282,918
Less: Cost of sales of non-mining operations [1]	(257)	(125)	(751)	(603)
Less: Depreciation and amortization	(11,885)	(10,544)	(43,665)	(41,864)
Less: Sales of silver	(4,669)	(1,974)	(14,384)	(7,858)
Less: Sales of electric energy	(2,071)	(1,099)	(5,346)	(3,895)
Less: Environmental rehabilitation provision [2]	(1,846)	(160)	(4,788)	(3,206)
Add: Use of environmental and rehabilitation liabilities	1,137	303	1,137	303
Add: Use of Retirement obligations	81	11	81	190
Add: Administrative expenses	6,730	5,191	18,355	19,198
Less: Depreciation and amortization of administrative expenses [3]	(445)	(382)	(1,434)	(1,471)
Add: Sustaining leases and leaseback [4]	2,070	1,678	7,995	6,689
Add: Sustaining exploration [5]	337	1,265	885	4,427
Add: Sustaining capital expenditures [6]	9,822	7,130	25,378	19,426
AISC from continuing operations	81,667	71,971	285,351	274,254
Gold sold (oz) from continued operations	62,039	58,597	219,708	224,905
All-in sustaining costs per ounce of gold sold ($/oz) from continuing operations	**$1,316**	**$1,228**	**$1,299**	**$1,219**
AISC from discontinued operations	—	26,402	76,911	115,682
Gold sold (oz) from discontinued operations	—	13,660	31,737	62,781
All-in sustaining costs per ounce of gold sold ($/oz) from discontinued operations	**$0**	**$1,933**	**$2,423**	**$1,843**
AISC	81,667	98,373	362,262	389,936
Gold sold (oz)	62,039	72,257	251,445	287,686
All-in sustaining costs per ounce of gold sold ($/oz)	**$1,316**	**$1,361**	**$1,441**	**$1,355**

1. Cost of sales of non-mining operations is the cost of sales excluding cost incurred by non-mining operations and the majority of this cost comprises the cost of sales of latex.
2. For additional information regarding environmental rehabilitation provision, please refer to Note 31 of the audited consolidated financial statements for the year ended December 31, 2023 and 2022.
3. Depreciation and amortization of administrative expenses is included in the administrative expenses line on the audited consolidated financial statements, and is mainly related to depreciation for corporate office spaces and local administrative buildings at the Hemco Property.
4. Represents most lease payments as reported on the audited consolidated financial statements of cash flows and is made up of the principal component of such cash payments, less non-sustaining lease payments. Lease payments for new development projects and capacity projects are classified as non-sustaining.
5. Sustaining exploration: Exploration expenses and exploration and evaluation projects as reported on the audited consolidated financial statements, less non-sustaining exploration. Explorations are classified as either sustaining or non-sustaining based on a determination of the type and location of the exploration expenditure. Exploration expenditures within the footprint of operating mines are considered costs required to sustain current operations and so are included in sustaining costs. Exploration expenditures focused on new ore bodies near existing mines (i.e. brownfield), new exploration projects (i.e. greenfield) or for other generative exploration activity not linked to existing mining operations are classified as non- sustaining.
6. Sustaining capital expenditures: Represents the capital expenditures at existing operations including, periodic capitalized stripping and underground mine development costs, ongoing replacement of mine equipment and overhaul of existing equipment, and is calculated as total additions to property, plant and equipment (as reported on the consolidated statements of cash flows), less non-sustaining capital. Non-sustaining capital represents capital expenditures for major projects, including projects at existing operations that are expected to materially benefit the operation and provide a level of growth, as well as enhancement capital for significant infrastructure improvements at existing operations. Non-sustaining capital expenditures during the three months and years ended December 31, 2023 are primarily related to major projects at the Hemco Property and the Nechí Alluvial Property. The sum of sustaining capital expenditures and non-sustaining capital expenditures is reported as the total of additions of property plant and equipment in the audited consolidated financial statements.

The following table provides a reconciliation of AISC per ounce of gold sold on a by-product basis to cost of sales, before and after the change of definition of this metric, modified to capture cash outflows related to asset retirement obligation and environmental rehabilitation provisions, for the three months and years ended December 31, 2022:

	Three Months Ended December 31, 2022	Year ended December 31, 2022
All-in sustaining costs per ounce of gold sold ($/oz) - Previously reported	**1,359**	**1,364**
Adjustments ($/oz)		
Less: Environmental rehabilitation provision	(2)	(11)
Add: Use of environmental and rehabilitation liabilities	4	1
Add: Use of Retirement obligations	—	1
All-in sustaining costs per ounce of gold sold ($/oz) restated	**1,361**	**1,355**

Net Free Cash Flow

The Company uses the financial measure “net free cash flow”, which is a non-IFRS financial measure, to supplement information regarding cash flows generated by operating activities. The Company believes that in addition to IFRS financial measures, certain investors and analysts use this information to evaluate the Company’s performance with respect to its operating cash flow capacity to meet recurring outflows of cash.

Net free cash flow is calculated as cash flows generated by operating activities less non-discretionary sustaining capital expenditures and interest and dividends paid related to the relevant period.

The following table sets out the calculation of the Company's net free cash flow to net cash flows generated by operating activities for the three months and years ended December 31, 2023 and 2022:

	Three Months Ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Net cash flows generated by operating activities	**52,932**	**36,602**	**89,908**	**82,607**
Non-discretionary items:				
Sustaining capital expenditures	(9,822)	(7,130)	(25,378)	(19,426)
Interest paid	(1,121)	(1,632)	(7,572)	(5,233)
Dividends paid	(5,228)	(4,862)	(20,519)	(22,990)
Net cash flows used in (generated from) discontinued operations 1	—	9,232	12,763	653
Net free cash flow	**36,761**	**32,210**	**49,202**	**35,611**

1. Composition of net free cash flow has been revised to exclude net cash flows used in (generated from) discontinued operations.

Return on Capital Employed

The Company uses ROCE as a measure of long-term operating performance to measure how effectively management utilizes the capital it has provided. This non-IFRS ratio 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 calculation of ROCE, expressed as a percentage, is Adjusted EBIT (calculated in the manner set out in the table below) divided by the average of the opening and closing capital employed for the 12 months preceding the period end. Capital employed for a period is calculated as total assets at the beginning of that period less total current liabilities. The following table sets out the calculation of ROCE as at December 31, 2023 and 2022.

	As at December 31,	
	2023	2022
Adjusted EBITDA (last 12 months)	172,146	156,156
Less: Depreciation and amortization (last 12 months)	(45,099)	(43,335)
Adjusted EBIT (A)	**127,047**	**112,821**
Total assets at the beginning of the period	569,543	580,046
Less: Total current liabilities at the beginning of the period	(134,581)	(110,601)
Opening Capital Employed (B)	**434,962**	**469,445**
Total assets at the end of the period	493,757	569,543
Less: Current liabilities at the end of the period	(84,765)	(134,581)
Closing Capital employed (C)	**408,992**	**434,962**
Average Capital employed (D)= (B) + (C) /2	**421,977**	**452,204**
ROCE (A/D)	**30%**	**25%**

Net Debt

Net Debt is a non IFRS financial measure that provides insight regarding the liquidity position of the Company. The calculation of net debt shown below is calculated as nominal undiscounted debt including leases, less cash and cash equivalents. The following sets out the calculation of Net Debt as at December 31, 2023 and 2022.

	As at December 31,	
	2023	**2022**
Loans and other borrowings	32,802	56,322
Less: Cash and cash equivalents	(57,118)	(38,805)
Net Debt	**(24,316)**	**17,517**

Average Realized Price

The Company uses “average realized price per ounce of gold” and “average realized price per ounce of silver”, which are non-IFRS financial measures. Average realized metal price represents the revenue from the sale of the underlying metal as per the statement of operations, adjusted to reflect the effect of trading at holding level (parent Company) on the sales of gold purchased from subsidiaries. Average realized prices are calculated as the revenue related to gold and silver sales divided by the number of ounces of metal sold. The following table sets out the reconciliation of average realized metal prices to sales of gold and sales of silver for the three months and years ended December 31, 2023 and 2022:

	Three Months Ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Sales of gold from continuing operations	122,530	102,579	425,647	404,799
Gold sold from continuing operations (oz)	62,039	58,597	219,708	224,905
Average realized price per ounce of gold sold from continuing operations ($/oz)	**1,975**	**1,751**	**1,937**	**1,800**
Sales of gold from discontinued operations	—	23,645	61,516	112,635
Gold sold (oz) from discontinued operations	—	13,660	31,737	62,781
Average realized price per ounce of gold sold from discontinued operations ($/oz)	**—**	**1,731**	**1,938**	**1,794**
Average realized price per ounce of gold sold ($/oz)	**1,975**	**1,747**	**1,937**	**1,799**
Sales of silver from continuing operations	4,669	2,080	14,529	8,260
Silver sold from continuing operations (oz)	198,427	88,591	614,756	358,046
Average realized price per ounce of silver sold from continuing operations ($/oz)	**24**	**23**	**24**	**23**
Sales of silver from discontinued operations	—	106	217	402
Silver sold (oz) from discontinued operations	—	4,937	9,220	21,346
Average realized price per ounce of silver sold ($/oz) from discontinued operations	**—**	**21**	**24**	**19**
Average realized price per ounce of silver sold ($/oz)	**24**	**23**	**24**	**23**