



Trigon Metals Reports First Quarter Operating and Financial Results

Toronto, Ontario – Trigon Metals Inc. (TSX-V: TM, OTCQB: PNTZF) (“Trigon” or the “Company”) is pleased to announce its operating and financial results for the three months ended June 30, 2024. Shareholders and interested parties are invited to join a conference call hosted by Trigon management, tomorrow, Thursday, August 22, 2024, at 11:00 a.m. Eastern time to discuss the results. Dial-in details for the call can be found near the end of this press release. All amounts are expressed in U.S. dollars, unless otherwise stated.

Highlights

- The Kombat mine achieved first full quarter production with underground contribution in Q1 for fiscal year end in 2025, marking a major inflection point for the Company
- First quarter copper production was 2,302,726 pounds at C1 cash costs⁽¹⁾ of \$3.23 per pound of copper produced.
- Silver production during the quarter was 33,399 ounces
- Positive Adjusted EBITDA ⁽¹⁾ contribution of \$1.8 million
- Net loss attributable to the shareholders of the Company of \$2.1 million, or \$0.05 per share on a basic and diluted basis compared to a net loss of \$2.95 million, or \$0.02 per share in the three months ended June 30, 2023 on a basic and diluted basis.
- Following excellent operating performance at the Kombat mine during the quarter, the Company is reaffirming all other 2025 fiscal year-end production, and C1 cash cost guidance ranges

Jed Richardson, CEO and Executive Chairman of Trigon, commented, “Grade is king at Kombat, our first full quarter of contribution from our high grade underground is demonstrating the profitability at the mine. Achieving solid copper and silver production driven by favourable grade reconciliations have continued into the second quarter. This trend has allowed us to maintain our full-year copper and silver production guidance, which we expect will translate to achieving the lower end of our fiscal year 2025 cash cost guidance.”

Mining & Milling Operations

At the Kombat mine, the first quarter was marked by several record-breaking underground mining days. Underground ore tonnes mined for the quarter totalled 57,070 tonnes at an average grade of 2.05%, and open pit production of 29,715 tonnes at an average grade of 1.23%. A total of 70,483 tonnes were milled during the quarter at a 1.67% average grade resulting in the production of 1,045 tonnes of copper.

The Company announced Commercial Production from the underground mine on April 30, 2024, and is pleased to report that the underground mine has continued to perform and exceed the mining targets defined in its feasibility study (the “Feasibility Study”). The Feasibility Study was prepared by SRK Consulting South Africa (Pty) Ltd (“SRK”) in accordance with Canadian Securities Administrators’ National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”).

Image 1: Kombat Open Pit



Image 2: Kombat Underground



Image 3: Inside the Mill at Kombat Mine



Table 1: Operating and Financial Highlights (Reported in USD)

	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024
MINING		
OP Ore Mined (tonnes)	29,715	85,365
OP Copper Grade %	1.23%	0.98%
OP Silver Grade (g/t)	9.98	6.88
UG Ore Mined (tonnes)	57,070	12,160
UG Copper Grade	2.05%	2.36%
UG Silver Grade (g/t)	11.44	6.48
Total Ore Mined (tonnes)	86,785	97,525
MILLING		
Ore Processed (tonnes)	70,483	69,354
Copper recovery (%)	88.3%	80.5%
Copper Concentrate Production (tonnes)	3,876	2,385
Concentrate Grade (Cu %)	27.1%	23.9%
Concentrate Grade (Ag g/t)	271	23.9%
Copper Product Produced (tonnes)	1,045	570
Copper Product Produced (lbs)	2,302,726	1,255,752
Silver Product Produced (oz)	33,399	14,653
SALES		
Copper Concentrate Sold (dry metric tonnes)	4,596	2,095
Copper Concentrate Sold (lbs)	10,132,434	4,618,679
Copper Product Sold (tonnes)	968	424
Copper Product Sold (lbs)	2,134,072	934,759
Realized copper price (per lb)	\$ 4.18	\$4.12
C1 cash cost/lb (100% payability) ⁽¹⁾	\$ 3.23	3.35
FINANCIAL HIGHLIGHTS		
(\$ in 000's, except per share amounts)		
Revenues	\$10,032	\$3,853
Gross Profit	\$1,941	\$ (153)
EBITDA	\$654	\$16,260
Adjusted EBITDA	\$1,800	\$168
Cash flow from operations	\$70	\$(740)
Net (loss) income	\$(2,215)	\$13,440

	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024
Net (loss) income attributable to shareholders of the Company	\$(2,108)	\$13,908
Per share (basic)	\$(0.05)	\$(0.07)
Per share (diluted)	\$(0.05)	\$(0.07)
Cash, cash equivalents and short-term investments	\$1,173	\$1,417

OP = Open Pit

UG = Underground

(1)EBITDA, net income (loss) attributable to owners of the Company, income (loss) per share attributable to owners of the Company, net (cash), working capital, C1 cash cost, copper production are non-IFRS measures. These measures do not have a standardized meaning prescribed by IFRS and might not be comparable to similar financial measures disclosed by other issuers. Please refer to the Company's discussion of Non-IFRS measures in its Management Discussion and Analysis for the three months ended June 30, 2024.

Exploration Update

Trigon is allocating \$2.5 million to \$3.5 million to exploration programs for mineral reserve and resource replacement and on other exploration prospects in and around Kombat's existing infrastructure and landholdings in the Kombat valley.

On April 18, 2024, the Company released the highlights of its exploration campaign at Schlangental, a key prospect within the wider Kombat property, situated approximately 15km east of the active mining licence ML73B. This announcement followed the Company finalizing its comprehensive exploration plan for the expansive Kombat property, spanning nearly 35 km from Gross Otavi in the west and Schlangental to the east.

Drilling at Schlangental represents the first campaign testing mineralization outside of the main Kombat mining license on the Copper King Extension exploration prospect. Surface mineralization attracted Trigon geologists to the Schlangental area where reports of historic drilling indicated that mineralization continued at depth, but no drill core or detailed logs were available. Of the planned 36 holes totalling 4000m, only two holes have been drilled to date, with both holes intercepting mineralization at modest depths.

Subsequent Events

To support the commencement of production and associated working capital needs at the Kombat mine, the Company entered into an agreement with IXM whereby IXM agreed to advance USD\$2.5 million in two tranches of USD\$1.25 million each, with tranche one immediately drawn down and the second tranche being available for drawdown between August 19, 2024 and August 30, 2024. The advance will be repaid in principal portions of USD\$208,334 per month commencing in October 2024 through September 2025 repayable in deliveries of copper concentrate. Interest will be charged at the 30-day secured overnight financing rate average plus 2.5% and paid in cash.

2025 Production and Cost Guidance

Following record operating performance at the Kombat mine during the quarter, the Company is reaffirming its 2025 copper production guidance of 12,125,000 to 13,448,000 pounds of copper. The Company expects mined and processed copper grades to remain in line with guidance for 2025.

The Company's updated cost guidance for 2024 assumes a foreign exchange rate of 18.40 NAD per USD and a silver price of \$25 per ounce.

Table 2: Financial Year 2025 Guidance

Description	Unit	FY 2025 Guidance	
		Floor	Ceiling
Underground Mining	Tonnes	250,000	280,000
Ore Grade	%	1.95%	2.30%
Processing	Tonnes	260,000	312,000
Copper Produced	Tonnes	5,500	6,100
Copper Produced	lbs	12,125,000	13,448,000
Cash Cost	\$/lbs	3.15	2.80

Conference Call Details

The Company will hold a conference call to discuss these results on Thursday, August 22, 2024 at 11:00 a.m. EST (8:00 a.m. PST). Please pre-register at the link provided below.

Date: Thursday, August 22, 2024

Time: 11:00 a.m. EST/8:00 a.m. PST

Dial in: Canada/USA: 1-800-990-4333

Toronto: 1-289 514-5000

New York: 1-646-769-9600

please dial in 5-10 minutes prior and ask to join the call

Pre-Register:

Registration link: <https://empportal.ink/3ApVh5v>

Replay: Canada/USA toll-free: 1-888-660-6264

Replay Passcode: 75661#

Qualified Person

The technical information presented in this press release has been reviewed and approved for disclosure by Fanie Müller, P.Eng, VP Operations of Trigon, who is a Qualified Person as defined by NI 43-101.

Trigon Metals Inc.

Trigon is a publicly-traded Canadian exploration and development company with its core business focused on copper and silver holdings in mine-friendly African jurisdictions. Currently, the company has operations in Namibia and Morocco. In Namibia, the Company holds an 80% interest in five mining licences in the Otavi Mountainlands, an area of Namibia widely recognized for its high-grade copper deposits, where the Company is focused on exploration and re-development of the previously producing Kombat Mine.

Cautionary Notes

This news release may contain forward-looking statements. These statements include statements regarding the Company's mining operations, the timing and results of mining activities, the Company's strategies and the Company's abilities to execute such strategies, the Company's expectations for the Kombat mine, the economic viability of the Kombat mine, the Company's ability to expand or replace mineral resources and reserves, the projected costs and production at the Kombat mine, the agreement with IXM and the Company's ability to repay IXM, the prices of copper and silver and the Company's future plans and objectives. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially because of factors discussed in the management discussion and analysis section of our interim and most recent annual financial statements or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. We do not assume any obligation to update any forward-looking statements, except as required by applicable laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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