



## Trigon Metals Reports Second Quarter Operating and Financial Results

**Toronto, Ontario (December 2, 2024) – Trigon Metals Inc. (TSX-V: TM, OTCQB: PNTZF)** (“Trigon” or the “Company”) announces its operating and financial results for the three months ended September 30, 2024. Shareholders and interested parties are invited to join a conference call hosted by Trigon management, tomorrow, Tuesday, December 3, 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

- Achieved a key milestone at the Kombat Mine having mined an average of 980 tonnes of ore per day from underground operations over 30 days. The Company’s streaming agreement with Sprott Private Resource Streaming and Royalty (B) Corp. and Sprott Mining Inc. includes a term requiring the Company to achieve average production of 900 tonnes per day from underground operations over 30 consecutive days by October 31, 2025. Trigon achieved this target 13 months earlier than contractually required.
- Second quarter copper production was 2,137,159 pounds at C1 cash costs<sup>(1)</sup> of \$3.46 per pound of copper produced.
- Silver production during the quarter was 33,852 ounces
- Negative Adjusted EBITDA <sup>(1)</sup> of \$1.4 million. EBITDA was negatively impacted by pump failure during the quarter, lower grades and higher lead content.

Rennie Morkel, President and COO of Trigon, commented, “While this quarter presented some operational challenges, we are proud to have achieved a critical milestone by reaching our underground production target of 900 tonnes per day at the Kombat Mine, well ahead of schedule. This accomplishment de-risks the project and protects our balance sheet, positioning us for stronger performance moving forward.”

Jed Richardson, CEO and Executive Chairman of Trigon, commented, “As we optimize underground operations and plan for mill expansion, we remain confident in our ability to unlock the full potential of the Kombat Mine and deliver value. The Company is exploring strategic options to sufficiently capitalize the operation and limit dilution for shareholders.”

## Mining & Milling Operations

Open pit ore contributed significantly to production in Q2, lowering the overall grade going into the mill. This was compounded by delays in accessing higher-grade portions in the mine as dewatering was slowed.

The Company's decision to pause its open pit mining activities (see press release dated September 19, 2024) came into effect at the beginning of Q2, allowing Trigon to focus on mining and milling higher grades from underground, owing to the following factors:

1. The successful recommissioning of the underground mine with commercial production declared on April 30, 2024,
2. Ability to mine 900 tonnes per day average over a 30 day period,
3. The significant grade differential and positive contribution of the underground mining operations when compared to the open pit operations

Current constraints on milling capacity at the Kombat Mine limit plant throughput to 1,000 tonnes per day, which leads to the preferential feeding of higher-grade underground ore. The Company can fill any production shortfall by feeding existing lower-grade stockpiles until underground production reaches full steady state.

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

	Three Months Ended September 30, 2024	Three Months Ended June 30, 2024
<b>MINING</b>		
OP Ore Mined (tonnes)	46,115	29,715
OP Copper Grade %	1.15%	1.23%
OP Silver Grade (g/t)	2.83	9.98
UG Ore Mined (tonnes)	69,917	57,070
UG Copper Grade	1.79%	2.05%
UG Silver Grade (g/t)	20.29	11.44
<b>Total Ore Mined (tonnes)</b>	<b>116,032</b>	<b>86,785</b>
<b>MILLING</b>		
Ore Processed (tonnes)	77,295	70,483
Copper recovery (%)	92.1%	88.3%
Copper Concentrate Production (tonnes)	4,214	3,876
Concentrate Grade (Cu %)	21.2%	27.1%
Concentrate Grade (Ag g/t)	260	271
Copper Product Produced (tonnes)	969	1,045
Copper Product Produced (lbs)	2,137,159	2,302,726

Silver Product Produced (oz)	33,852	33,399
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**SALES**

Copper Concentrate Sold (dry metric tonnes)	4,547	4,596
Copper Concentrate Sold (lbs)	10,024,407	10,132,434
Copper Product Sold (tonnes)	961	968
Copper Product Sold (lbs)	2,118,640	2,134,072
Realized copper price (per lb)	\$ 3.25	\$4.18
C1 cash cost/lb (100% payability) <sup>(1)</sup>	\$ 3.46	3.23

**FINANCIAL HIGHLIGHTS**

*(\$ in 000's, except per share amounts)*

Revenues	\$7,164	\$10,032
Gross Profit	\$(2,201)	\$ 1,941
EBITDA	\$(2,732)	\$654
Adjusted EBITDA	\$(1,436)	\$1,800
Cash flow from operations	\$1,986	\$70
Net (loss) income	\$(6,903)	\$(2,215)

	<b>Three Months Ended</b>	<b>Three Months Ended</b>
	<b>September 30, 2024</b>	<b>June 30, 2024</b>

Net (loss) income attributable to shareholders of the Company	\$ (6,242)	\$ (2,108)
Per share (basic)	\$ (0.16)	\$ (0.05)
Per share (diluted)	\$ (0.16)	\$ (0.05)
Cash, cash equivalents and short-term investments	\$909	\$1,173

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.

**Lead Penalties**

The lower than expected realized copper price was the result of high lead penalties on the shipped concentrate. Changes to the mine plan to compensate for pumping delays led to mining ore with higher lead in the upper portions of the mine. The high lead content in much of the shipped copper concentrates resulted in high penalties, which are deducted from the net smelter revenue and reflected in the lower than expected realized price. Towards the end of the quarter, an extra flotation capacity was used to float

off some of the lead in what is best described as a rougher concentrate with high lead and some copper. This has yet to be separated into a saleable product and is collecting in the lead circuit thickeners. Fortunately, mining has moved deeper in the mine and away from the high lead areas, and lead penalties are not expected to be a problem going forward.

### **Exploration Update**

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

On August 29, 2024, Trigon announced the results of drilling from the new zone identified in the vicinity of Shaft #3 of the Kombat Mine. These areas are outside the proven and probable mine reserves estimates published in March 2024. Mineralization in these areas was initially detected in surface drilling in 2023 and some historic drill work dating back to when Goldfields operated the mine. The holes classified as follow-up have yielded positive results and are outlined below. Total volumes and tonnage for a mineral resource estimate have yet to be quantified. At present, drilling is spaced to define a mineral resource estimate in the indicated mineral resource category. Trigon continues its underground drilling operations, with approximately 3,500 meters planned by year-end.

#### **Drilling Results Overview:**

- E600-017: 3.32% Cu over 7 metres
- E600-018: 2.08% Cu over 4 metres
- E600-044: 2.65% Cu over 3 metres
- E600-045: 2.48% Cu over 3 metres
- E600-047: 2.14% Cu over 5 metres
- E600-055: 2.61% Cu over 2 metres
- E600-056: 2.06% Cu over 2 metres
- E600-065: 2.21% Cu over 4 metres

The Company is focused on expanding its reserves and mine plan at Shaft #3 at the Kombat Mine as it opens up more working faces in an area with untapped extraction capacity. Currently, all ore is being extracted from the decline ramp adjacent to Shaft #1, which limits the Company to 1,000 tpd. Bringing in new ore from the second unused decline at Shaft #3 is expected to enable Trigon to ramp up extraction to support plant throughput moving from 1,000 tpd to 2,000 tpd next year.

Furthermore, the Trigon exploration team is working to better understand and subsequently better predict the mineralization in the footwall/dolomites. Apart from the well-understood mineralization along the steep contact between the phyllites and the dolomites, the geology team encounters high-grade mineralization in the dolomites only, and away from the contact where most resources and reserves occur. Once better understood, the exploration and mining geology team aims to better predict these areas and find additional mineralization underground.

### **Plant Expansion**

Full-year capital expenditures for the fiscal year ended March 31, 2025 are funding dependent and are projected to range from \$10 million to \$11 million. The capital expenditure guidance assumes an exchange rate of 18 NAD per 1 USD.

Trigon plans to expand the mill's throughput from 30,000 tonnes per month to 60,000 tonnes per month to cater for additional material from the underground operations. Management believes the additional tonnage from the underground operations will lower operating costs and amplify profitability.

## 2025 Production and Cost Guidance

Following second quarter operating performance at the Kombat Mine, the Company is revising down its 2025 copper production guidance from 12,125,000 to 13,448,000 pounds of copper to 8,315,000 to 9,250,000. The Company has also reduced its expected mined and processed copper grades to between 1.52% to 1.79%.

The Company's updated cost guidance for 2024 assumes a foreign exchange rate of 18 NAD per USD silver price of \$30 per ounce and a copper price of \$4.33 per pound.

**Table 2: Financial Year 2025 Guidance**

Description	Unit	FY 2025 Guidance	
		Floor	Ceiling
Underground Mining	Tonnes	250,000	280,000
Ore Grade	%	1.52%	1.79%
Processing	Tonnes	260,000	312,000
Copper Produced	Tonnes	3,770	4,200
Copper Produced	lbs	8,315,000	9,250,000
Cash Cost	\$/lbs	3.45	3.15

## Conference Call Details

The Company will hold a conference call to discuss these results on Tuesday, December 3, 2024 at 11:00 a.m. EST (8:00 a.m. PST). Please pre-register at the link provided below.

Date: Tuesday, December 3, 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/3B4LXEX>

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

Replay Passcode: 99483#

### **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 financial results of the Company, 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 obtain financing, the Company's ability to expand or replace mineral resources and reserves, the projected costs and production at the Kombat mine, planned capital expenditures, the prices of copper and silver, foreign currency exchange rates, 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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