



**Equinox Gold Corp.**

**Fourth Quarter and Full Year 2025 Results and  
Corporate Update Conference Call Transcript**

**Date:** February 19<sup>th</sup>, 2026

**Time:** 7:00 AM PT

**Speakers:** **Ryan King**  
Executive Vice President, Capital Markets

**Darren Hall**  
Chief Executive Officer

**Peter Hardie**  
Chief Financial Officer

**Operator:**

Welcome to the Equinox Gold Fourth Quarter and Full Year 2025 Results and Corporate Update.

As a reminder, all participants are in a listen-only mode and the conference call is being recorded. After the presentation, there will be an opportunity to ask questions. To join the question queue, you may press star, then one on your telephone keypad. Should you need assistance during the conference call, you may reach an operator by pressing star, then zero.

I would now like to turn the conference over to Mr. Ryan King, EVP Capital Markets for Equinox Gold. Please go ahead.

**Ryan King:**

Thank you, Operator.

Good morning everyone and thank you for taking the time to join the call this morning. Before we commence, I'd like to direct everyone to our forward-looking statements on Slide 2.

Our remarks and answers to your questions today may contain forward-looking information about the Company's future performance. Although management believes our forward-looking statements are based on fair and reasonable assumptions, actual results may turn out to be different from these forward-looking statements. For a complete discussion of the risks, uncertainties, and factors that may lead to actual operating and financial results being different from the estimates contained in our forward-looking statements, please refer to the risks identified in the section titled "Risks Related to the Business" in Equinox Gold's most recently filed Annual Information Form which is available on SEDAR+, on EDGAR, and on our website.

Due to the Calibre merger, asset sales, and classifying Brazil as Discontinuing Operations, the audit [of our Q4 and full-year 2025 financial results] is taking a bit longer. We do not expect any changes compared to the unaudited results we have released and we will issue a news release once the final audited results are filed in the coming days.

Finally, I should mention that all figures in today's presentation are in U.S. dollars unless otherwise stated.

With me on the call today are Darren Hall, Chief Executive Officer, Peter Hardie, Chief Financial Officer, and David Schummer, Chief Operating Officer. Today we will be discussing our fourth quarter and full year 2025 production and cost results and provide an update on ramp-up progress at our Greenstone and Valentine gold mines. Darren will also discuss the improvements to our balance sheet that allowed us to announce capital return initiatives, and then we will take questions. The slide deck we're referencing is available for download on our website at [equinoxgold.com](http://equinoxgold.com).

With that, I'll turn the call over to Darren.

**Darren Hall:**

Turning to Slide 3, and thanks, Ryan. Good morning and thank you for joining the call today.

Firstly, I would like to thank the entire Equinox Gold team, including all of our business partners across the Americas, for their commitment to safety, operational excellence and disciplined execution. There is no better demonstration of their commitment than delivering a year with no material environmental events and a 30% reduction in our all-injury frequency rate. Well done, and thank you to the entire team.

2025 was a transformational year for Equinox Gold, one that not only reset the foundation of the business, but marked the beginning of a new chapter. The team delivered record gold production, streamlined the portfolio and dramatically strengthened the balance sheet, positioning the Company to deliver meaningful value as we look to the future.

The entire organization is aligned on creating shareholder value by consistently delivering on their commitments, which are focused on: demonstrating operational excellence, maintaining strict cost discipline and advancing high-return organic growth. We have made material progress on all fronts, including delivering 922,000 ounces of gold in 2025 within cash cost and all-in cost guidance.

This strong finish to the year reflects continued progress at Greenstone and Valentine alongside reliable performance from the balance of the portfolio. Greenstone ramped steadily throughout the year with Q4 gold production 60% higher than Q1. Valentine commissioning progress exceeded expectations with first gold achieved in September and commercial production declared in November.

The result of the team's focus and commitment to delivery is also measured in the significant transformation of our balance sheet. In June 2025, our net debt was approximately \$1.4 billion, and at the end of January we had reduced it to \$75 million, all while completing construction and commissioning of Valentine.

With a stronger balance sheet and consistent robust cash flow, we are well positioned to take the next step in returning capital to our shareholders.

Given this strong position, I am pleased to announce the company's inaugural quarterly cash dividend of \$0.015 per share. Additionally, we are filing our Notice of Intent to initiate a share buyback of up to 5% of the issued and outstanding shares. Together, these actions mark the start of a disciplined capital return strategy and reinforce our commitment to delivering long-term per share value.

Turning to Slide 4, touching briefly on the financial results, and Pete can provide additional colour as required.

Equinox Gold had a strong finish to the year with 247,000 ounces produced in Q4. We sold over 242,000 ounces at a realized price of \$4,060 per ounce, generating \$579 million in Adjusted EBITDA and \$272 million in adjusted net income, or \$0.35 per share. Importantly, we exited 2025 with over \$400 million in cash and minimal net debt, giving us financial flexibility heading into 2026.

Looking forward, we are encouraged by the strength of the gold price; however, the organization's focus is clear: cost control, disciplined capital allocation and delivering consistent performance across

the portfolio. As our cornerstone assets ramp up to nameplate, we see a clear path to expanding margins and strengthening free cash flow generation.

Turning to Slide 5, Greenstone finished with a strong fourth quarter, producing over 72,000 ounces, a 29% increase over Q3. We saw meaningful improvements in mining rates, mill throughputs and grade, with the plant achieving nameplate capacity for 30 consecutive days during December.

For 2026, we anticipate production of 250,000 ounces to 300,000 ounces at all-in sustaining costs of between \$1,750 and \$1,850 per ounce.

To support continued performance gains, we are making targeted investments in the operations, including the purchase of a trommel and other mobile equipment designed to optimize mine and process plant performance.

Our long-term objective remains clear at Greenstone: to establish life-of-mine production around 300,000 ounces annually. We've demonstrated that the mill can process 30,000 tonnes a day. With the team we now have in place, I'm confident that we'll continue to build on the demonstrated meaningful operational improvements.

Consider the progress on the key metric of daily tonnes processed greater than nameplate over the last year. In H1 2025, we delivered 17% of the days greater than nameplate. In Q3, we increased to 28%, in Q4 to 36%. Looking at Q1, to date through yesterday we are at 50%. So we're demonstrating continued and steady ramp-up of the asset, which sets us up well for the future.

At Valentine, we poured over 23,000 ounces of gold in Q4, its first quarter, with the plant averaging 90% of nameplate capacity. We expect to achieve consistent nameplate throughput during Q2 2026 and we anticipate Valentine contributing 150,000 ounces to 200,000 ounces of gold this year.

We are working on the feasibility study for the Phase 2 expansion that would increase throughput to 4.5 million to 5 million tonnes per year and result in production of greater than 200,000 ounces a year for more than the next decade. I anticipate completing the feasibility study over the next couple of months, which will then go to the Board for investment approval in Q2 with work anticipated to commence in the second half of the year.

Valentine continues to show strong exploration upside. Our 2025 drill results confirm consistent high-grade mineralization over broad widths at the Frank Zone, supporting the potential for a fourth open pit. In 2026, we have 25,000 metres of drilling plan planned to advance the Frank Zone.

We also announced a new discovery, the Minotaur Zone, located 8 kilometres north of the mill. With a 20,000-metre drill program set to begin this spring, the zone remains open for expansion.

Importantly, the Minotaur discovery confirms that significant gold mineralization exists well outside of the main Valentine Lake shear zone, opening the broader property and reinforcing the long-term growth potential of the Valentine district beyond the current mine plan.

Turning to Slide 6, as we close I want to underscore the momentum across the business. We have the key ingredients in place to deliver top quartile valuation, new high-quality, long-life assets in Tier 1 jurisdictions, an organic growth pipeline, a team focused on delivering into expectations, which will deliver strong free cash flow and return capital to shareholders.

In 2026, our priorities are clear: ramp up Greenstone and Valentine to nameplate capacity, allocate capital in a disciplined and balanced manner across the portfolio, sustaining investment and shareholder returns while maintaining a strong balance sheet. Our inaugural dividend and application for a share buyback are key steps in this strategy.

Consistent with our focus on disciplined growth, we are investing in long-term value creation. This year, we will advance Phase 2 at Valentine, refresh Castle Mountain studies, and progress Los Filos both technically and socially. At Los Filos, I'm encouraged by the continued engagement with our host communities and support from the state and national governments as we remain focused on realizing the asset's full potential and unlocking significant long-term value for all stakeholders.

With a stronger portfolio, solid cash flow and clear execution priorities, we are entering 2026 from a position of strength. Our focus remains on disciplined growth, operational delivery and creating long-term value responsibly and consistently for our shareholders and all stakeholders.

With that, we'll turn it over to the operator for any questions.

**Operator:**

Thank you. Once again, to join the question queue, you may press star, then one on your telephone keypad. You will hear a tone acknowledging your request. If you are on a speakerphone, please pick up your handset before pressing any keys. To withdraw your question, please press star, then two.

The first call for today will come from Francesco Costanzo with Scotiabank. Please go ahead.

**Francesco Costanzo:**

Hi, Darren and team. Thanks a lot for my question. I'll start with my first one here. It's great to see the announcement of an inaugural dividend alongside an NCIB and with production and free cash flow growth on the horizon. Can you speak to the potential for this dividend to grow in the future and maybe your approach to fixed versus variable dividends? And then on the buyback program, can you explain your strategy for how you plan to deploy those funds?

**Darren Hall:**

Francesco, thanks for the comments. I'll pass it across to Pete to talk about some capital allocation and specifically address the questions in around dividends and buybacks.

**Peter Hardie:**

Thanks, Darren. Yes, we're really excited to be in a position to announce the inaugural dividend. It's been a long-term goal for the Company; something we have talked about over the past years, so we're really pleased to be able to do that now. And it underscores the confidence we have in our forward production profile and in our forward cash flow.

We started small with our inaugural dividend. We started with a fixed dividend. You can expect it to stay there for the coming future, probably the next 12, 24 months as we firm up the peer-leading development pipeline that we have, starting with our Valentine Phase 2 that Darren already mentioned and then looking forward to Castle Mountain heading into 2027. With that development in front of us, you can expect we'll stay on a fixed dividend and we will be looking to increase that over time and that'll be a bit of a stay-tuned story with respect to those plans. But again, we're just really excited to have been able to announce the inaugural dividend.

With respect to the share buyback, we still feel there's a lot of opportunity in our stock price and at these levels—and again, being conservative in our approach—we wanted to be in a position to, when we felt like the shares were not trading as we think they should, to be able to buy some of those back and also return capital to shareholders in that manner. You can expect us to continue to do that, but again, with the peer-leading development pipeline we have and the dollars we're going to devote to that over the coming years, for it to remain somewhat conservative.

**Darren Hall:**

Thanks, Pete.

And just to kind of layer there, Francesco, is that we will take a somewhat conservative view, but as we work through 2026 and we have a fulsome understanding about our capital requirements in 2027 in light of Valentine Phase 2, importantly, Castle Mountain, with a record of decision anticipated at the end of the year, and the positivity we see in and around the dialogue in Mexico, we will have some demands in 2027. We feel very comfortable in being able to fund those organically, but we want to make sure we don't put ourselves in a position where we overcommit to a return on capital through dividends and find ourselves compromised to fund the organic growth, which we don't anticipate, but I think that we've got an outstandingly positive look forward on our organic growth.

Thanks for the question.

**Francesco Costanzo:**

Yes, that's great. Thanks, Darren and Pete, and maybe just one more, switching gears here.

The sale of the Brazilian assets definitely simplified the portfolio and it accelerated deleveraging with the transaction closing in late January and the \$900 million cheque already cleared, although post-close there was a bit of news out of a certain Brazilian regulator. So, I'm just wondering, Darren, if you can just explain the situation from your side of the table and tell us if there's anything to be concerned about here.

**Darren Hall:**

Thanks, Francesco. It's an interesting situation there. I mean, we're confident that the sale of the Brazilian operations fully complied with all laws and contractual obligations, and I'll provide a little context and bear with me as I do.

In Brazil, mineral resources are constitutionally owned by the federal government and mining titles are granted and administrated by the National Mining Agency. Mining titles, such as those for Aurizona, Fazenda and RDM, are administered through this federal framework. A group in Bahia, CBPM, has made claim that their consent was required regarding the sale of the Santa Luz operation. However, the transaction took effect through the sale of the outstanding shares of two non-Brazilian wholly-owned subsidiaries that then indirectly own all of the Brazilian operations.

So, we're kind of arm's length away from that claim, but again, we as Equinox Gold and the partners on the other side of the transaction are confident that the sale of the Brazilian operations fully complied with Brazilian law and all contractual obligations were met, and we remain committed to constructive dialogue with any party who wants to raise an issue.

And as you mentioned, as the sale closed on January 23, we deployed proceeds towards debt reduction, strengthening the balance sheet, and along with cash flow from operations result in ending cash with net debt of around \$75 million, which has positioned the Company to commence the capital return programs, which we just discussed.

**Francesco Costanzo:**

That's some great clarity. Thanks a lot, Darren.

**Darren Hall:**

Appreciate it. Thank you, Francesco.

**Operator:**

Your next question will come from Jeremy Hoy with Canaccord Genuity. Please go ahead.

**Jeremy Hoy:**

Hi, Darren, Peter, Ryan. Thanks for taking my question. I'd just like to revisit something that was asked about a month ago when some of the team was through Toronto, and that's if there was to be a positive development at Los Filos, it seems like the timing of that build could coincide with Castle Mountain. Could you give us an update and a refresh on your thinking about how you would approach the development of both of those opportunities if they were both available at the same time?

**Darren Hall:**

Jeremy, it'd be great to be in that Sophie's Choice First World sort of situation. But, you know, we are encouraged by the dialogue we're having in Mexico. We've got still a lot of work to do to establish robust 20-year land access agreements [with the third community], which sets us up for the most reliable production over the long term. But Filos is a significant asset.

If we think about 16 million ounces in all-resource category, the opportunity that sits there is significant. So our focus this year is really about understanding scope and scale. The early works that were done there back in 2021/2022 with the feasibility study were all conceived at a \$1,350 gold price in terms of the designs around the open pits and the undergrounds. Not suggesting we would plan around a \$4,500 metal price, but if we consider something at \$2,000 to \$3,000 an ounce, the scope and scale of that asset changes materially. So we'll work diligently through that this year, which will allow us

to be in a much more intelligent position at the end of the year to make a decision if we're presented with the opportunity to develop.

But we are comfortable in, we see great opportunity in, and, you know, to my earlier comments in and around the rate at which we increase dividends and buybacks, will be somewhat foreshadowed by the rate at which we see these organic growth opportunities presented.

But to make a decision between those two properties, we're a long way from that right now. We're confident in what we're seeing at Los Filos, but we do have a guaranteed record of decision at Castle Mountain in December of this year. So that is a known entity. We are working on that feasibility to be able to firm up those estimates so we're well positioned to be able to make a commitment decision at Castle Mountain in H1 2027.

Let's see how the year progresses, but yes, spoiled for choices is kind of the way I would characterize it, and funded as well for whatever choices we make, which will be great.

**Jeremy Hoy:**

Yes, thanks for that insight, Darren, and we'll watch for developments at Los Filos and Castle eagerly.

You did mention that we're going to see a refreshed study for Castle Mountain. Also, we would see the same for Los Filos if positive developments come there. Are you planning to release anything on Greenstone, as we've spoken often about expectations for that operation to be somewhat different from what was presented in the last feasibility study. I'm just wondering what we might see in terms of an updated mine plan. Will it come in the form of a study, what the timing might be, etc.

**Darren Hall:**

Absolutely, Jeremy. To remove any ambiguity, we will provide updated technical reports for both Greenstone and Valentine right around the end of this quarter, associated with our annual filings. So we get everything current, nice and ticked and tied with the AIF, and the AIF will also include a refresh and clarity on our reserves and resources as at December 31st as well. That's the timing for those properties.

For Castle, we're continuing to work in the background on the feasibility study and, you know, no surprises from what we've articulated over the last six months. We're just going through, crossing T's, dotting I's, firming things up so that we have a high level of confidence in and around the scope of work so we can go out there and have constructive discussions with EPCM contractors and the like in the back half of this year.

Filos is a little earlier in the process. We're in the process of kind of doing an order of magnitude study to understand scope and scale associated with that property. I would anticipate that that will probably lead into a—I'll call it a pre-feas if you will—early in Q2 as we have a bit of an appreciation for scope and scale. Hopefully we're in the situation where we've de-bottlenecked some of the land access agreements which allow us then to actively explore across all portions of the deposit and then allow us to appropriately scope and scale.

So, a little bit of what might sound like confusion there in Filos but it's actually very positive. Again, I think the stat is probably [that Filos is] somewhere in the fourth or fifth largest not operating gold asset in the Americas right now. So, you know, the talk there is significant. The opportunity is real and we're definitely seeing a change in narrative out of Mexico, which is great.

**Jeremy Hoy:**

Great, Darren. Thanks for that clarity. Thanks again for taking my questions and I'll step back in the queue.

**Darren Hall:**

Appreciate it. Thanks, Jeremy.

**Operator:**

Your next question will come from Anita Soni with CIBC World Markets. Please go ahead.

**Anita Soni:**

Good morning, Darren, David, and Peter. Just a few on Greenstone.

I was just wondering, the recovery rate declined a little bit from third quarter to fourth quarter. Can you give us some colour on why that was?

**Darren Hall:**

Yes, Anita, thank you. Absolutely, it did. I think we've discussed previously that there is an association with arsenic and grade. We did see much higher grades in the fourth quarter and in consequence saw lower recoveries associated with the arsenic lock-up. So, not an issue per se; it's kind of all anticipated and expected as part of the metallurgy of the deposit.

**Anita Soni:**

Then, just a similar question. Just on the unit cost, the G&A was a little bit higher this quarter. Was there anything specific that was happening this quarter that would be alleviated in the go-forward?

**Darren Hall:**

Yes, there is. I'll pass it to Pete.

**Peter Hardie:**

Yes, Anita, sorry, I don't have the G&A details at hand. Can I reach out to you or one of your associates after the call? I'll pull that together.

**Anita Soni:**

Sure. Then I had one more question that I noticed for both Valentine and Greenstone. I wanted you to explain to me how you are calculating the recovery rates as they come out. Because when I put the tonnes, the grade and the output of production, I'm getting to recovery rates that are a little bit different. Said differently, I would have got about 75,000 ounces of gold by the three numbers there, and you reported 72. And Valentine's a similar issue. So, I'm just wondering, are you calculating it as it exits the mill or is there a different point at which you're saying this is production?

**Darren Hall:**

No, I think we'll find that the small differences we may see there is that the numbers we quote as production are poured and bullion, and some of the tonnes grade recovery will be metallurgical as well, so there will be a minor change there based on inventory changes.

To your point, I think you'll probably end up with a marginally higher recovery at Greenstone in Q4 than maybe what we reported if you back into the metal content because we actually did see an inventory build at Greenstone in the fourth quarter.

But we're happy to sit down and walk through that in a model discussion. Happy to do that. But I think we'll find it's kind of the metallurgical production versus the poured production differences.

**Anita Soni:**

All right. Thank you. That's it for my questions.

**Darren Hall:**

I appreciate it. Thanks, Anita. Appreciate your support.

**Operator:**

Your next question will come from Mohamed Sidibe with National Bank. Please go ahead.

**Mohamed Sidibe:**

Good morning, Darren and team. Thanks for taking my question.

Maybe staying on Greenstone and giving your comments on the throughput and the ability to achieve over the nameplate capacity, how should we think about the throughput levels in 2026 and call it in the medium term at Greenstone? Should we still be thinking about 27,000 tonnes per day or work towards increasing it towards that 30,000 tonnes per day to maybe offset some of the other updates that may be coming to the tech report? Thank you.

**Darren Hall:**

Thanks, Mohamed.

If we think about throughput, we've guided 250,000 ounces to 300,000 ounces at Greenstone this year and we hold firm on that. We will see opportunities over the course of the year to continue to improve throughput. Some of that is already baked into our numbers. We've demonstrated the ability to do more than 30,000 tonnes a day, which will be more longer term. But through this year, I think that the big round numbers are, if you think about 9.5 million tonnes of around 1.1 grams per tonne at feasibility recoveries you should get into that midpoint of guidance, so I think that's a good place to hang our hat.

I think of recoveries average over the year and that 25,000, 26,000 tonnes a day. There will be days we do better. And as we're demonstrating, when we operate the plant, as I mentioned earlier, month or quarter to date, we've got 49% or 50% of the days greater than nameplate, and we are seeing sustained and improved performance on a daily basis.

Our focus now is reducing downtime and getting the operations guys more time to be able to run the plant. That's our focus and it's going to be a journey through this year. There will be dips and weaves along the way. The grades will be higher and lower, depending on where we're mining. The recoveries, as Anita foreshadowed, will be different based on different metallurgical types, so there will be some, you know, peaks and valleys through the year, but the trends on a quarter-by-quarter basis will remain positive.

I would like us to see us coming out of 2027, looking to be talking more intelligently to those 30,000 tonnes a day rates going forward. The HPGRs have installed capacity of probably mid thirties, 34, 35,000 tonnes a day, but we've got to get the reliable performance through the plant before we can start to talk about those sorts of numbers openly in public, given that—I am now, but to be able to commit to those—we've got some work to do this year.

**Mohamed Sidibe:**

Thanks, Darren.

Maybe if I could switch quickly to Valentine, given the asset is in ramp-up phase, can you give us some colour on the cadence in terms of quarter-over-quarter production? Should we expect higher production second half and what magnitude should we be modeling for 2026? Thank you.

**Darren Hall:**

Absolutely. We're in the second quarter of a ramp up and, and, you know, Newfoundland threw some surprises at us in January. Full disclosure, we had 90% throughput in a percentage of nameplate in Q4, and when we think about January, in January was 70%. Right? It got cold, it got bitter. There were some learnings associated with the winter and we've worked through those. In February, we're now at 110% of nameplate, so there's peaks and troughs and valleys as we work through.

But the team are systematically addressing those things. We will continue to see quarter-on-quarter improvements in reliability in the plant, which will lead to higher tonnes, which will lead to improved confidence in feeding higher grade materials, so we'll see that grades will be manifested that way as well.

We're still comfortable with our guidance of 150,000 ounces to 200,000 ounces, but it's definitely H2 weighted as a function of throughput and also grade and making progress in developing the Barry Pit.

But we're happy to sit down and walk through our model and fill in some blanks for you as well quarter on quarter.

**Mohamed Sidibe:**

Thank you.

**Darren Hall:**

Not fill in, but [provide some clarity and guidance].

**Mohamed Sidibe:**

Thank you. Appreciate it.

**Darren Hill:**

Appreciate it. Thank you.

**Operator:**

Your next question will come from John Tumazos with John Tumazos Very Independent Research. Please go ahead.

**John Tumazos:**

Thank you very much. Looking at the big picture, the current gold price is \$5,000 neighbourhood and so with \$800 million of CapEx, you generate something like \$600 million more cash paying off all the debt. It looks like you've got a couple extra dollars laying around. Are you planning the business on \$4,000 oz gold plus success at all five locations where all the capital calls come in because you've got more gold to produce, as opposed to building a war chest for acquisitions?

**Darren Hall:**

Hi, John. No, it's a first world predicament we're in, I guess, in that our focus, given the opportunities we see with organic growth, is ensuring that we exit this year well-funded to be able to do that organic growth.

M&A is not on our radar. If something passes our screen that makes sense, we will do something, but I can assure you that as of today we don't have a CA signed with anyone.

Our focus is absolutely optimizing what we've got. We've spent a lot of time and effort putting all of these assets together over the last six or seven years and now is our time to be able to start to realize [value] from that growth. With 400,000 ounces to 500,000 ounces of organic growth in our portfolio that we can see over the next five years, that's where our focus is.

There's a bit of positive confusion in our story right now, as we've significantly delevered from \$1.4 billion worth of debt to [close to] zero, we're generating cash, we see the opportunities that present in 2027 and beyond. Let's make sure that we do the intelligent thing for the long term in 2026, which is to remain absolutely focused on operational performance and don't lose sight of the fact that we produce widgets at a cost. Let's keep the business focused on that so we can maximize our margin at whatever gold price there is and then use that capture to be able to fund our organic growth.

Pete, anything you'd layer on that?

**Peter Hardie:**

You've highlighted, John, really well, that we're in a great position to fund this future growth, and we're really focused on ensuring that we build on the very solid foundation that we've laid in place here over the last several years, as Darren said, to build out these world-class assets that we are very fortunate to have in our pipeline.

**John Tumazos:**

If I can ask one more?

**Darren Hall:**

Sorry. Go on, John.

**John Tumazos:**

No, you go ahead. You're the boss.

**Darren Hall:**

No, no, no, no. You guys, we work for you, right, as the investors? Our focus is, we're aligned with you.

**John Tumazos:**

In Nicaragua, you projected \$1,800 cash costs up 40% or a little more on 225,000 ounces of output. The second half came in better than that. Could you give us some colour on how the costs are going up so much in Nicaragua?

**Darren Hall:**

Thanks, John. It's a bit of a first world problem. What we're seeing here is the majority of the cost increase is not cost inflation per se, but it's volume driven. As we develop some newer pits and an underground that are going to basically fund or fuel a level of production at that 200,000 ounces to 250,000 ounces a year over the next five years, there's some increased capital that results in those higher strip ratios and reflects in a higher all-in sustaining cost, so that's really where that comes from.

It's not a drive in a kind of cost per tonne mined or a cost per tonne process. It's volume driven as we go from arguably what I'll call smaller pitlets to larger pits, higher strip ratios this year, and that's manifested itself in higher all-in sustaining costs, which lays us up well for the next five years, which is kind of what our story has been over the last five years in Nicaragua, is to take some assets that were headed towards closure and we produced, what, 1.2, 1.3 million ounces from those properties in the last five years, and we've taken reserves from, ostensibly zero, 100,000 ounces to in excess of a million ounces. So, five years at 400,000 ounces a year of organic growth? Now we're starting to see the track in front of the train. We're investing in that from developing these larger pits, which will continue that momentum for the next five years.

That's really what it is, John.

**John Tumazos:**

Will the cash cost in the second year out, 2027, drop say to \$1500 in Nicaragua after this surge?

**Darren Hall:**

I think we'll see that strip ratio go down and that'll have a positive impact on all-in sustaining costs, yes.

**John Tumazos:**

Thank you and congratulations.

**Darren Hall:**

Appreciate it, John. Thanks for your support. I know you've been a shareholder for a long time and persistent through the journey, so thank you.

**John Tumazos:**

Thank you.

**Operator:**

This concludes our question-and-answer session. I would like to turn the conference back over to Mr. Darren Hall for any closing remarks. Please go ahead.

**Darren Hall:**

Thank you, Operator, and I'd like to thank all of our shareholders for their continued support and your participation in the questions today. It is appreciated and valued.

As always, Ryan, Dave, Pete and I are always available if you have any further questions. Take care, be well and I'll pass it back to the operator.

**Operator:**

This brings a close to today's conference call. You may now disconnect your lines. Thank you for your participation and have a pleasant day.