Fiore Gold Announces Fiscal Q1 2021 Results

Fiore Gold Ltd. (TSX.V: F)

Announced that its financial statements and management's discussion and analysis for the first fiscal quarter ("Q1 2021") ended December 31, 2020, have been filed with the securities regulatory authorities and are available at www.sedar.com and on the Company's website at www.fioregold.com

Fiore Gold	TSX.V: F
Stage	Production + Development
Metal	Gold
Market cap	C$115 m @$1.12
Location	Nevada + Washington

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Vancouver, British Columbia – FIORE GOLD LTD. (TSXV: F) (OTCQB: FIOGF) (FSE-2FO) ("Fiore" or the "Company") is pleased to announce that its financial statements and management's discussion and analysis for the first fiscal quarter ("Q1 2021") ended December 31, 2020, have been filed with the securities regulatory authorities and are available

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Fiscal Q1 2021 Highlights

(all figures in U.S. dollars unless otherwise indicated)

Operating & Financial

- Q1 gold production of 9,204 ounces, reflecting guided lower production in first half of fiscal 2021
- Gold sales of 9,210 ounces at an average realized price of $1,868 per ounce
- Mined ore production in Q1 of 14,586 tons per day with a stripping ratio of 1.0:1.0 and grade of 0.49 grams/tonne
- Q1 cash costs per ounce sold[1] of $923, a $102 per ounce decrease relative to Q1 2020 reflecting the expected benefit of a decreasing stripping ratio and consistent crusher operations
- Q1 Pan Mine AISC[1] per ounce sold of $1,019 and Q1 2021 Fiore consolidated AISC[1] of $1,219
- Recorded quarterly revenues of $17.2 million with mine operating income of $7.3 million
- Generated Pan operating cash flow[1] of $5.7 million and consolidated operating cash flow of $3.0 million
- Net income of $4.5 million and net earnings per share of $0.05 per share
- Closing cash balance of $19.2 million at December 31, 2020, a reduction in cash from September 30, 2020 as we invest in the expansion of the Pan heap leach pad to accommodate added mine life, and on-going drilling and Feasibility Study activities to advance Gold Rock

- One-million hours worked at the Pan Mine without a lost time injury achieved subsequent to quarter- end
- 69,940 total site hours worked in Q1 with no reportable incidents and zero lost-time injuries

Organic Growth

- Following the completion of the Gold Rock Preliminary Economic Assessment, we are conducting a program of resource expansion, metallurgical, geotechnical and condemnation drilling in support of a Gold Rock Feasibility Study. First drill results were announced in November 2020, headlined by 48.8 metres of 2.17 g/t gold and 32.0 metres of 1.41 g/t gold.
- Subsequent to quarter-end, a second set of Gold Rock drill results were issued in January 2021 headlined by 19.8 metres of 1.33 g/t gold and 12.2 metres of 1.75 g/t gold. These drill results continue to demonstrate strong intervals of oxide gold mineralization both within and outside of the current resource pit shells.

[1] This is a non-IFRS financial measure. Please refer to “Non-IFRS Financial Measures” at the end of this news release for a description of these non-IFRS financial measures and to the Non-IFRS Financial measures in the December 31, 2021 Management’s Discussion and Analysis for a reconciliation to operating costs from the Company’s interim financial statements.

Management Comments

“The first fiscal quarter of 2021 was another strong one with earnings of $0.05 per share and solid operating cash flow. We maintained a healthy cash balance of $19.2 million while continuing to invest in the growth of our Nevada assets.

“With drilling at Gold Rock underway to progress the project to feasibility and the construction of the third leach pad expansion at Pan, following an expansion of resources and reserves, we expect these capital investments to deliver continued growth to our shareholders while positively impacting the local communities where we operate.

“Gold production of 9,204 ounces was a 5% increase over fiscal Q1 2020, although lower than fiscal Q4 2020. The decrease in production compared to fiscal Q4 2020 was due to fewer ore tons placed, lower ore grade and timing of gold recovery.

“Gold extraction on the leach pad was also temporarily impacted by a drop in the pH and alkalinity of the leach solution. With the start-up of the crushing circuit in fiscal 2020, we changed our operating practices to switch from lime to cement addition for pH control, as cement brings the added benefit of reducing the migration of fines within the leach pad.

“However, after having time to sufficiently observe leaching under this practice, we determined that cement addition alone appears insufficient to maintain the proper pH for optimal gold leaching. Lime addition has been reinstated as a standard operating practice and this has begun to bring the leach solution pH back towards optimal ranges for

effective gold leaching.

“As guided, 2021 will be a year of significant reinvestment to support the longevity of the Pan Mine and to continue advancing Gold Rock. We recently announced a two-year mine life extension at Pan, and we are immediately investing in expanding the heap leach capacity to support this extension.

“We spent $3.8 million on capital additions in the quarter, primarily the Pan Mine heap leach pad expansion, which is expected to be ready for ore stacking in fiscal Q3. At Gold Rock, we continued with our resource expansion drilling and related Feasibility Study work spending $3.0 million in the quarter. We are pleased with initial drill results as they continue to expand the oxide mineralization at Gold Rock.

“We continue to recognize the inherent risk posed by COVID-19. The health and safety of our employees comes first, and we have put a range of operating protocols in place to reduce the risk to them.

“While there have been a few positive cases of COVID-19 at the Pan Mine, effects of this have not had a meaningful impact on production. Through enhanced safety measures, we believe we have minimized cases and impacts of COVID-19”.

Tim Warman, Fiore Gold CEO

For brevity, this summary has been redacted. To read the full results news release, please click **HERE**

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Disclosure

At the time of writing, the writer owns shares in Fiore Gold, bought in the market at the prevailing price at the time of purchase.