Mexico orders mines closed until 30th April due to covid-19

Precious metals news

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This will impact a number of producing mining companies,

although those with heap leach operations will be able to continue, albeit at lower production rates. This may impact severely those companies with weak balance sheets, especially if this ban continues beyond April 30th.

As a result of this, we can expect to see a large number of companies coming out with announcements regarding this mandated suspension.

Some companies that have already issued an announcement include: Companies not discussed further below but have put out a news release regarding suspensions of mining activities include: Gold Resource Corp., Endeavour Silver, Pan-American Silver, Newmont (Penasquito), Torex, Great Panther Silver (Guanajuato and Topia), First Majestic Silver (La Encantada, Santa Elena, San Dimas), Americas Gold and Silver, and Excellon.

Clearly this is not good news for miners active in Mexico, and, as balance sheets are squeezed, one can only imagine these companies as a group putting pressure on the Mexican government to allow them to resume mining.