

## Golden Minerals Reports Full Year 2023 Results

GOLDEN, Colo.--(BUSINESS WIRE)--March 19, 2024--Golden Minerals Company (“Golden Minerals,” “Golden” or the “Company”) (NYSE-A: AUMN and TSX: AUMN) has reported financial results and a business summary for the full fiscal year ending December 31, 2023. (All figures are in approximate U.S. dollars.)

### Business Summary

- The Company’s Rodeo mine (Durango State, Mexico) concluded operations in June 2023 and finished processing stockpiled material in September 2023. From its inception in January 2021 through December 31, 2023, Rodeo produced 31,126 ounces (“oz.”) gold and 126,151 oz. silver. Cash costs per payable gold oz.<sup>1</sup>, net of silver by-products, averaged \$1,275 during that period.
- Between March and September 2023, the Company processed and sold 3,000 tonnes of mineralized material from the Velardeña Properties that had been stockpiled during test mining conducted during 2022.
- In November 2023, the flotation plant was restarted to finish processing material that had been partially processed previously. This material had been held for future use in the tailings impoundment of the flotation plant. Testwork showed that the Company could successfully recover a gold and silver bearing pyrite concentrate that was marketable from this material. The Company processed 23,069 dry metric tons (“DMT”) of material in 2023 and 2024 and sold a total of 1,279 DMT of gold-bearing pyrite concentrate.
- The Company began mining activities at Velardeña in December 2023 given newer favorable concentrate terms (first announced in early 2023), positive results of testing activities and of recent metallurgical and economic analyses. Operations were subsequently shut down in late February 2024 after the initial performance of the mine and processing plant did not achieve expected results. The Company is now engaged in contract processing for a third party on a trial basis at the oxide plant and is otherwise holding the Velardeña Properties for short-term sale while it evaluates alternatives to realize value from the assets.
- The Company completed an initial mineral resource estimate for its Yoquivo property (Chihuahua State, Mexico) in February 2023, highlighting an estimated 937,000 tonnes of inferred material comprised of 12.3 million oz silver at a grade of 410 grams per tonne (“g/t”), plus 64,000 oz. gold at a grade of 2.1 g/t.
- The Company sold its Santa Maria property to a private party in December 2023 for \$1.5 million in cash, \$0.24 million in Value Added Tax, plus a 1.5% net smelter royalty on gold and silver production capped at \$1.0 million.

## Financial Summary

- Total 2023 revenue was \$12.0 million, including the sale of metals from the Rodeo mine as well as revenue from slag and concentrate sales at Velardeña. Total revenue was \$23.3 million in 2022, which was attributable solely to the sale of metals from the Rodeo mine.
- 2023 cost of metals sold was \$12.4 million (including costs from both Rodeo and Velardeña) vs. \$17.5 million in 2022, which included only Rodeo costs.
- Exploration expenses were \$3.4 million in 2023 vs. \$9.6 million in 2022.
- Velardeña care and maintenance expenses were \$1.2 million in 2023 vs. \$1.4 million in 2022.
- Administrative expenses were \$4.7 million in 2023 vs. \$4.5 million in 2022.
- Other operating income was \$2.3 million in 2023 vs. \$1.6 million in 2022.
- Net loss was \$9.2 million, or \$1.08 per share, in 2023 compared to a net loss of \$9.9 million, or \$1.49 per share, in 2022.
- Cash and equivalents balance was \$3.8 million as of December 31, 2023 vs. \$4.0 million as of December 31, 2022.
- Debt was zero as of December 31, 2023, which is unchanged from December 31, 2022.

## 2023 Cash Inflows and Expenditures

Cash inflows during 2023 totaled \$9.7 million and included:

- \$7.5 million from equity offerings, net of fees; and
- \$2.2 million from the sale of non-core assets.

2023 expenditures totaled \$9.9 million and included the following:

- \$3.4 million in exploration expenditures, including \$0.6 million to expand the tailing facility at Plant 2, \$0.3 million to support Colque and \$2.5 million to support exploration and mining activities at the Rodeo Property, Velardeña Properties, Yoquivo and other properties;
- \$1.2 million in care and maintenance costs at the Velardeña Properties;
- \$0.6 million in exploration and evaluation activities, care and maintenance and property holding costs at the El Quevar project, net of reimbursements from Barrick; and
- \$4.7 million in general and administrative expenses.

## Capital Resources and 2024 Financial Outlook

Forecasted expenditures during the 12 months ending December 31, 2024, excluding Velardeña's cost of metals sold that is included in the forecast of net operating margin discussed below, total approximately \$9.0 million. These forecasted expenditures include: (i) exploration expenses of \$1.3 million, (ii) El Quevar spending (net of Barrick reimbursements) of \$0.4 million, (iii) administrative expense of \$3.3 million and (iv) \$4.0 million for administrative and shutdown costs in Mexico. The actual amount of cash expenditures incurred during the twelve-month period ending December 31, 2024 may vary significantly from the amounts specified above and will depend on a number of factors including variations in the anticipated

administrative expenses and costs at El Quevar, and costs for continued exploration, project assessment and advancement of the Company's other exploration properties.

The Company does not currently have sufficient resources to meet its expected cash needs during the year ended December 31, 2024. At December 31, 2023, the Company had current assets of approximately \$8.7 million including cash and cash equivalents of approximately \$3.8 million. On the same date, it had current liabilities of approximately \$5.7 million. On February 29, 2024, the Company announced that it was stopping production at the Velardeña Properties after the initial performance of the mine and processing plant did not achieve expected results. The forecasted net operating margin from the Velardeña Properties during 2024 is expected to be between a loss of \$2.0 million and a loss of \$2.5 million. Net operating margin is defined as revenue from the sale of metals less the cost of metals sold. This estimate assumes average gold and silver prices per ounce during the period of \$1,948 and \$24.34, respectively. The actual amount that the Company receives in net operating margin from the Velardeña Properties during the year may vary significantly from the amounts specified above. The Company does not anticipate receiving additional funds from the sale of concentrates produced at the Velardeña Properties after March 31, 2024.

To meet its liquidity needs during the year, the Company plans to sell assets, collect VAT receivables, seek equity financing and reduce costs. The amount of cash that it needs to raise from these sources combined in order to cover forecasted expenditures during the twelve months ended December 31, 2024 is between \$7.6 million and \$8.6 million.

There is no assurance that the Company will be successful in raising sufficient capital. At March 11, 2024, it had approximately 1.9 million shares authorized but not yet outstanding out of 28 million shares authorized, which could be offered to raise equity. In the absence of sufficient asset sales, equity financing or other external funding, the Company's cash balance is expected to be depleted in the second quarter of 2024.

### **Annual Report on Form 10-K**

The Company's consolidated audited financial statements and management's discussion and analysis, as well as other important disclosures, may be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. This Form 10-K is available on the Company's website at Golden Minerals Company - SEC Filings. It has also been filed with the U.S. Securities and Exchange Commission on EDGAR at [www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml) and with the Canadian securities regulatory authorities on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Endnotes**

<sup>1</sup> Cash cost per payable gold ounce is a non-GAAP financial measure. "Total cash costs, net of by-product credits, per payable gold ounce" includes all direct and indirect operating cash costs associated with the physical activities that would generate doré products for sale to customers, including mining to gain access to mineralized materials, mining of mineralized materials and waste, milling, third-party related treatment, refining and transportation costs, on-site administrative costs and royalties. Total cash costs do not include depreciation, depletion,

amortization, exploration expenditures, reclamation and remediation costs, sustaining capital, financing costs, income taxes or corporate general and administrative costs not directly or indirectly related to the Rodeo project. By-product credits include revenues from silver contained in the products sold to customers during the period. “Total cash costs, net of by-product credits” are divided by the number of payable gold ounces produced by the plant for the period to arrive at “Total cash costs, net of by-product credits, per payable gold ounce.”

## **About Golden Minerals**

Golden Minerals is a precious metals mining exploration company based in Golden, Colorado. The Company is primarily focused on advancing its Yoquivo property in Mexico, and, through partner-funded exploration, advancing its El Quevar silver property in Argentina. The Company is also focused on acquiring and advancing selected mining properties in North America and Argentina.

## **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and applicable Canadian securities legislation, including statements regarding the Company’s intent to evaluate alternatives for the Velardeña Properties; the Company’s forecasted expenditures for 2024; the Company’s forecasted net operating margin from the Velardeña Properties for 2024 and expectations regarding receiving additional funds from the sale of Velardeña concentrates; the Company’s liquidity forecast for 2024; plans to sell non-core assets and seek equity financing in the near term and the amount of proceeds needed to cover forecasted expenditures; and the Company’s expectations regarding the depletion of its cash balance in the second quarter of 2024. These statements are subject to risks and uncertainties, including the potential future re-suspension of non-essential activities in Mexico; increases in costs and declines in general economic conditions; changes in political conditions, in tax, royalty, environmental and other laws in the United States, Mexico or Argentina and other market conditions; and fluctuations in silver and gold prices. Golden Minerals assumes no obligation to update this information. Additional risks relating to Golden Minerals may be found in the periodic and current reports filed with the SEC by Golden Minerals, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

For additional information, please visit <http://www.goldenminerals.com/> or contact:

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## **Contacts**

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