



## Trading Update and Update on Publication of Annual Financial Results

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Serabi (AIM:SRB, TSX:SBI), the Brazilian focused gold mining and development company, expects to publish the audited full year results in mid-June 2022. This is to allow the Company's auditors time to complete their audit procedures. As the audit of the full year results is at an advanced stage, the Company does not expect this outstanding work to have any impact on the summary financial information set out below or the cash position of the Company.

The Company is today providing a further update on its 2022 activities.

### Operational Highlights

- Gold production for April 2022 was 2,919 ounces, the highest monthly level so far in 2022.
- The Company anticipates gold production for May 2022 will be similar.
- An initial 400 tonnes of ore recovered from the Coringa Project is being transported to Palito and ore-sorting test work is due to commence in the coming days. This ore will also provide a bulk sample to be processed through the Palito plant.

### Financial Highlights – 2022

- On 17 May 2022, the Company completed a US\$5.1 million unsecured loan arrangement with a Brazilian bank. The loan is repayable as a bullet payment on 12 May 2023 and carries an interest coupon of 6.6 per cent. This additional working capital offsets the unexpected reduction in revenue and cash for the first quarter of 2022.
- The Group currently has in excess of US\$10.5 million in cash, including the proceeds of this loan.

### Financial Highlights – Unaudited preliminary results for FY2021

- Revenue increase of 13 per cent to US\$63.1 million (2020: US\$55.8 million) reflecting the eight per cent increase in gold production.
- EBITDA of US\$19.13 million also represents the best annual performance for the Group (2020: US\$15.52 million).
- Revenues and EBITDA are in line with consensus forecasts.
- Post tax profit of US\$9.95 million represents the best annual result for the Group and an increase of 42 per cent year on year.
- Earnings per share of 13.85 cents compared with 11.92 cents for 2020.
- Average gold price of US\$1,776 received on gold sales in 2021. (2020: US\$1,727).
- Cash Cost for the year of US\$1,090 per ounce (2020: US\$1,075).
- All-In Sustaining Cost for the year of US\$1,429 per ounce (2020: US\$1,374 per ounce) reflecting the additional US\$2.45 million of mine development expenditure incurred in the year.



PRESS RELEASE 30 MAY 2022  
SERABI GOLD plc ("Serabi" or "the Company")



## Key Financial Information

### UNAUDITED SUMMARY FINANCIAL STATISTICS FOR THE THREE AND TWELVE MONTHS ENDING 31 DECEMBER 2021

	12 months to 31 Dec 2021 US\$000's (unaudited)	3 months to 31 Dec 2021 US\$000's (unaudited)	12 months to 31 Dec 2020 US\$000's (unaudited)	3 months to 31 Dec 2020 US\$000's (unaudited)
Revenue	63,141	16,400	55,830	11,616
Cost of Sales	(37,759)	(10,532)	(34,166)	(9,237)
Gross Operating Profit	25,382	5,868	21,664	2,378
Administration and share based payments	(6,257)	(1,742)	(6,144)	(1,305)
EBITDA	19,125	4,126	15,520	1,072
Depreciation and amortisation charges	(6,050)	(1,957)	(5,129)	(412)
Operating profit before finance and tax	13,075	2,169	10,391	660
Profit/(loss) after tax	9,950	2,288	7,031	412
Earnings per ordinary share (basic)	13.85 cents	3.02 cents	11.92 cents	(0.70 cents)
Average gold price received	US\$1,776	US\$1,772	US\$1,727	US\$1,841
			As at 31 December 2021 (unaudited)	As at 31 December 2020 (unaudited)
Cash and cash equivalents (US\$000's)			12,218	6,604
<u>Cash Cost and All-In Sustaining Cost ("AISC")</u>			12 months to 31 December 2021 (unaudited)	12 months to 31 December 2020 (unaudited)
Gold production for cash cost and AISC purposes			33,848 ozs	31,212 ozs
Total Cash Cost of production (per ounce)			US\$1,090	US\$1,075
Total AISC of production (per ounce)			US\$1,429	US\$1,374

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018.

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014. The person who arranged the release of this statement on behalf of the Company was Clive Line, Director.



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## Enquiries

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Copies of this announcement are available from the Company's website at [www.serabigold.com](http://www.serabigold.com).

See [www.serabigold.com](http://www.serabigold.com) for more information and follow us on twitter @Serabi\_Gold

#### Assay Results

Assay results reported within this release are those provided by the Company's own on-site laboratory facilities at Palito and have not yet been independently verified. Serabi closely monitors the performance of its own facility against results from independent laboratory analysis for quality control purpose. As a matter of normal practice, the Company sends duplicate samples derived from a variety of the Company's activities to accredited laboratory facilities for independent verification. Since mid-2019, over 10,000 exploration drill core samples have been assayed at both the Palito laboratory and certified external laboratory, in most cases the ALS laboratory in Belo Horizonte, Brazil. When comparing significant assays with grades exceeding 1 g/t gold, comparison between Palito versus external results record an average over-estimation by the Palito laboratory of 6.7% over this period. Based on the results of this work, the Company's management are satisfied that the Company's own facility shows sufficiently good correlation with independent laboratory facilities for exploration drill samples. The Company would expect that in the preparation of any future independent Reserve/Resource statement undertaken in compliance with a recognised standard, the independent authors of such a statement would not use Palito assay results without sufficient duplicates from an appropriately certificated laboratory.

#### Forward-looking statements

Certain statements in this announcement are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures

(including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward-looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

#### Qualified Persons Statement

The scientific and technical information contained within this announcement has been reviewed and approved by Michael Hodgson, a Director of the Company. Mr Hodgson is an Economic Geologist by training with over 30 years' experience in the mining industry. He holds a BSc (Hons) Geology, University of London, a MSc Mining Geology, University of Leicester and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK, recognizing him as both a Qualified Person for the purposes of Canadian National Instrument 43-101 and by the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009.

*Neither the Toronto Stock Exchange, nor any other securities regulatory authority, has approved or disapproved of the contents of this news release*

#### SERABI GOLD PLC

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