

Hummingbird Resources plc / Ticker: HUM / Index: AIM / Sector: Mining

**Hummingbird Resources plc**  
("Hummingbird" or the "Company")

**Q2 2018 Production Results and Operational Update**  
**Yanfolila delivering results**

Hummingbird Resources (AIM:HUM), the African gold producer, is pleased to announce its Q2 2018 production results for the quarter ended 30 June 2018, which represents its first full quarter of commercial production since the end of the ramp-up period at the Yanfolila Gold Mine.

**Yanfolila highlights at 30 June 2018**

- 33,101 ounces of gold poured at an AISC of US\$790/oz
- Average grade of 3.43 g/t
- 38,726 ounces of gold sold at an average price of US\$1,307 per ounce
- 500,000 Lost Time Incident ('LTI') free hours achieved during the quarter
- Exploration drilling campaign targeting conversion of Resources to Reserves commenced at the end of Q2

**Corporate highlights at 30 June 2018**

- Cash of US\$46.2m
- Net debt of US\$15.6m

**Dan Betts, CEO of Hummingbird, commented:**

"Hummingbird's second quarter of production has been a successful one. It's been our first full quarter of commercial production at Yanfolila and we have delivered on forecast with high grades and strong recoveries coming through the plant. The team is running the mine exceptionally well and it is pleasing to see our successful emergence as a commercial gold producer. Our next focus is to prove that we can extend the mine life of Yanfolila by converting Resources to Reserves through the Group's exploration campaign, which is underway.

I am also extremely pleased to report an improving safety record at site. This is an integral focus for the Company as we look to not only operate a highly profitable mine

but a safe one where all staff and contractors are working to best practice."

The Company has recently produced an updated corporate video, which is available to view on the website here: <http://hummingbirdresources.co.uk/corporatevideo2018>

### **Conference Call**

Hummingbird Resources will be hosting an analyst and investor call today at 10:00am. Participants can dial-in with the following details:

UK Toll Free Number: 0800 358 9473

UK Toll Number: +44 3333 000 804

PIN: 64891530#

### **Yanfolila Gold Mine**

	<b>Q2 2018</b>	<b>Q1 2018*</b>
Gold Poured (Ounces)	<b>33,101</b>	18,785
Ore mined (Tonnes)	<b>282,153</b>	295,228
Ore processed (Tonnes)	<b>287,605</b>	238,628
Avg grade mill feed (g/t)	<b>3.43</b>	2.96
Recovery (%)	<b>95.17%</b>	96.10%
Gold Sales (Ounces)	<b>38,726</b>	11,941
AISC (US\$/oz)	<b>790</b>	-
Average gold sale price (US\$/oz)	<b>1,307</b>	1,332

\*Ramp-up quarter

Yanfolila has delivered a solid quarter with 33,101 ounces of gold poured and the processing plant performing strongly. The mine is on track to achieve its 2018 production target of 105,000 - 115,000 ounces. A total of 38,726 ounces of gold has been sold at an average price of US\$1,307 per ounce. This figure is slightly above the total gold poured for the quarter due to the timing of shipments.

### **Process Plant**

During Q2 2018, the plant met the design criteria and capacity. The design feed rate to the plant was achieved and sustained in the quarter. Gold recoveries from the CIL circuit have been excellent, with recoveries exceeding the design figure of 93%, consistently at over 95%.

While the plant was fed predominately oxide ore, the entire process circuit, including the secondary crusher, operated efficiently. The performance test of the plant was completed successfully.

The Company has hired and trained plant operators from local villages, which is in line with one of its objectives to provide local employment. The success of this can be seen in the consistently strong performance of the plant and we will continue to ensure that community development is prioritised.

## **Mining**

### **Komana East ('KE')**

Mining Operations throughout the quarter focussed on phase 1 and phase 2 of the KE pit. The KE southern section was mined down to the 340RL and is grade controlled down to RL330. Work has also commenced at the KE northern section, which has given the Company the opportunity to deliver a better blend of oxides and transitional material to the processing plant, mitigating the potential impact of the wet season approaching, which has in turn resulted in higher production rates. Good grade reconciliation results were achieved from the southern end of the pit, which allowed for higher-grade ore delivery to the ROM pad.

### **Komana West ('KW')**

Mining, de-bushing and topsoil removal commenced during the month of June and extensive progress was recorded during the period. Waste dump clearance for stage 1 is completed and mining is taking place on the RL 395 bench. Grade control drilling was completed on the RL 400 and RL 395 to a depth of 10m.

Focus and emphasis was placed on shovel optimisation and increased utilisation over the entire suite of equipment in order to build an optimal ore stockpile. This has allowed a greater blending capability for the processing plant in terms of the type of material and grade delivered.

## **Safety**

Hummingbird's safety record continued to improve with the Group having passed 500,000 LTI free hours in the quarter. The Lost Time Frequency Rate ('LTIFR') is shown in table below.

<b>Measure</b>	<b>Q1 2018</b>	<b>Q2 2018</b>
3 month average LTIFR	1.65	0
Project average LTIFR	3.44	2.68

All safety frequency rates are reported per 1,000,000 hours

## **Community**

Projects supported in the quarter include the construction of a new community health centre in Bougoudale village, which comprised of construction of the main building, a pharmacy, maternity unit, borehole, water supply system and accommodation. The construction of the health centre will be completed in July 2018 and will be followed by an intensive training and a mentoring programme taking effect in H2 2018. The finished project will benefit over 5,000 people.

Hummingbird also invested in training of 25 people from the local area in skills such as welding in Bamako, in collaboration with Malian NGO Nege Blon. Work placements are due to follow in Q3 2018, showing the Groups commitment towards supporting a local work force.

Other community work carried out in the quarter includes the construction of two new market gardens, each measuring 2 hectares, where 100 women will benefit; a training and monitoring programme provided through a partnership with Swisscontact; a new borehole and solar-powered water distribution system; the development of four poultry projects with the capacity to benefit 50 youth beneficiaries with training and monitoring provided through a partnership with Swisscontact.

The Group's existing water supply initiatives have continued to plan, with new boreholes equipped with pumps and solar panels constructed in four villages and distribution networks installed to communal taps. The estimated total number of beneficiaries of these projects amounts to over 5,000 people across four villages.

Initiatives such as these have seen Hummingbird be successfully aligned with the local communities, making the security incident of the 29 May 2018 an isolated occurrence.

### **Dugbe Gold Project - MDA Update**

Hummingbird is pleased that its Mineral Development Agreement ('MDA') was passed through the Senate and the House of Representatives, and is now going through the final phase of approval from the Liberian President. The MDA will provide the long-term, 25 year framework for future mine development at the Dugbe Gold Project.

Dugbe is Liberia's largest gold deposit with 4.2Moz of gold in Resources and the Company has an additional +2,000km<sup>2</sup> of highly prospective ground under licence in the country.

### **Update on cancellation of the Company's share premium account ('Cancellation')**

As previously announced, the Cancellation would have the effect of creating additional distributable reserves, which would be used to eliminate any accumulated deficit on the Company's profit and loss account. Such distributable reserves may be used in the future for the purpose of making market purchases of the Company's own shares.

The Cancellation is now conditional upon the approval of the Court. This process is ongoing and it is anticipated that it will continue during H2 2018. Further updates will be given when progress is made.

### **Business Development**

Hummingbird's project development team, having successfully commissioned and ramped up Yanfolila on time and budget, are now reviewing ways to optimise Dugbe before further work is completed on technical studies. It is anticipated additional drilling will be required at Dugbe in order to increase the competency of the Resources as part of a Definitive Feasibility Study. There is also significant scope to target Resource increases with both Tuzon and Dugbe F deposits being open at depth and on strike and with other under explored nearby targets.

As well as optimisation work being carried out at Dugbe the Company is also reviewing additional capital investment programmes into Yanfolila that would potentially have the ability to increase the plant's capacity. These potential investments, in conjunction with the ongoing exploration programme, could have significant benefits in transforming Yanfolila into a larger and longer life mine. Further updates will be given once the cost-benefit analysis on these potential programmes has been carried out.

Additionally, the Company has made a US\$1.5m arm's-length investment (which may be increased to US\$2m), in the form of an interest bearing convertible loan, to Bunker Hill Mining Corp. ('Bunker Hill'), a Canadian listed exploration and development Company. Bunker Hill is committed to re-starting the fully permitted Bunker Hill mine, in Idaho, USA, with historic SEC compliant Reserves and Resources of 9.1M Tonnes of Zinc @ 5.08% and Lead @ 2.35%. The Company is currently conducting ongoing due diligence on the asset.

**\*\*ENDS\*\***

**For further information, please visit [www.hummingbirdresources.co.uk](http://www.hummingbirdresources.co.uk) or contact:**

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### **About Hummingbird Resources Plc**

#### **Notes to Editors**

Hummingbird Resources (AIM: HUM) is a leading gold production, development and exploration company. The Company has two core gold projects, the Yanfolila Gold Mine in Mali and the Dugbe Gold Project in Liberia.

Yanfolila produced its first gold pour on time and budget in December 2017 and is expected to produce approximately 107,000oz gold/year on average over the Life of

Mine. Yanfolila holds pre-production Probable Reserves of 709,800oz @ 3.14g/t, total Resources of 1.8Moz of gold and an additional 390,700oz of non-compliant exploration potential.

The Dugbe Gold Project has Resources currently totalling 4.2Moz of gold and a completed NI 43-101 compliant PEA on the project showing a 29% IRR and US\$186m NPV at a US\$1,300 gold price.

In addition to Hummingbird's production and development assets, the Company also has an exploration footprint of ~4,000km<sup>2</sup> and a 34% interest in AIM listed Cora Gold, which is advancing a portfolio of prospects in Mali and Senegal.

*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.*

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