

Transcript of
Avino Silver & Gold Mines Ltd.
Q4 and Year End 2024 Financial Results Conference Call & Webcast
March 12, 2025

Participants

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David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.
Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.
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Analysts

Heiko Ihle - H.C. Wainwright & Co.
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John Tumazos - John Tumazos Very Independent Research, LLC

Presentation

Operator

Welcome to the Avino Silver & Gold Mines Fourth Quarter and Year End 2024 Financial Results Conference Call and Webcast. As a reminder, all participants are in a listen-only mode, and the conference is being recorded. After the presentation, there will be an opportunity to ask questions. [Operator Instructions]

I'd now like to turn the conference over to Jennifer North, Head of Investor Relations. Please go ahead.

Jennifer North - Head of Investor Relations, Avino Silver & Gold Mines Ltd.

Thank you, operator. Good morning, everyone, and welcome to the Avino Silver & Gold Mines Limited fourth quarter and year end 2024 financial results conference call and webcast. To join this webcast and call, there is a link in our news release dated March 4th and in yesterday's news release, which can be found on our website under News 2025. In addition, a link can be found on the homepage of the Avino website.

On the call today, we have the company's President and CEO, David Wolfin; our Chief Financial Officer, Nathan Harte; our Chief Operating Officer, Carlos Rodriguez; and our VP Technical Services, Peter Latta.

Before we get started, please note that certain statements made today by the management team may include forward-looking information within the meaning of applicable securities laws. Forward-looking statements are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results to

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be materially different than those expressed by or implied by such forward-looking statements.

The company does not intend to and does not assume any obligation to update such forward-looking statements or information other than as required by applicable law. For more information, we refer you to our detailed cautionary note in the presentation related to this call or on our press release of yesterday's date.

The full financial statements and MD&A are now available on our website under the Investors tab and then click on Financial Statements. In addition, the full statements are available on Avino's profile on SEDAR+ and on EDGAR.

I would like to remind everyone that this conference call is being recorded and will be available for replay later today. Replay information and the presentation slides from this conference call and webcast will be available on our website. Also, please note that all figures stated are in U.S. dollars unless otherwise noted. Thank you.

I will now hand the call over to Avino's President and CEO, David Wolfin. David?

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Thanks, Jen. Good morning, everyone, and welcome to Avino's Q4 and year end 2024 financial results conference call and webcast. We will cover the highlights of our financial and operating performance, and then we will go over the work that we are currently doing, followed by a Q&A. I will start with the discussion on operations. And then I will turn it over to Nathan Harte, Avino's CFO, to discuss the financial performance for the period. And then Jennifer North, our Head of Invest Relations, will present an overview of Q4 CSR, ESG initiatives.

Please turn to Slide 5 for Q4 and full year 2024 highlights. Avino and the entire team delivered an exceptional performance in 2024, achieving record financial results and a strong operational execution with full year guidance being realized after a very strong Q4. The company posted record revenues and significant growth across key financial metrics, reflecting higher production cost efficiencies and strong metal prices.

Nathan will provide an overview of the financials, but I want to take a moment to recognize that our success in 2024 is a result of years of strategic focus and dedication to our growth plan. Seeing these positive outcomes is truly inspiring, and I reflect on the many individuals who have contributed to guiding us along the way. The outstanding year is not just a milestone, it's a stepping stone towards even greater achievements for Avino.

Our balance sheet is currently at a record high of \$27.3 million, which is 916% higher than 2023 and represents the highest in company history. At the start of the year, we shared fantastic news that the underground development at La Preciosa had commenced following the receipt of all necessary permits for mining operations.

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This milestone is a significant step forward in our growth plan and a clear demonstration of our commitment to delivering on our goals.

On the topic of permits and the regulatory environment, just last week at the Mexico Mining Forum at PDAC, there appeared to be fresh optimism for the mining industry under President, Claudia Sheinbaum's administration. We view this as a positive step for existing and future mining in Mexico.

Moving on to Slide 6, we turn to our Q4 and year end production results that were released in mid-January and were as follows. Silver equivalent production increased by 32%. Avino produced almost 736,000 silver equivalent ounces in Q4 2024, representing a 32% increase from Q4 2023. The increase was driven by improved gold grades and increased mill throughput.

Mill throughput increased 26%. We processed 182,000 tonnes in Q4 2024, a 26% increase compared to Q4 2023 and the highest quarter in the company's history. Mill availability and performance is a result of considerable efforts from our operations team in Durango, allowing for meaningful improvements in operational metrics, as well as improving the company's cash and working capital positions.

Gold production increased by 76%. Q4 2024 production of 2,560 gold ounces represented 76% increase compared to Q4 2023, and was our highest quarter of gold production in 2024. Improved feed grade accounted for the majority of the increase, alongside the mill availability noted above.

Turning to Slide 7, you will see on a yearly basis, silver equivalent production increased 10%. Avino produced 2.6 million silver equivalent ounces in 2024, representing a 10% increase from 2023. The positive movement was primarily due to the improved copper and silver grades, improved copper recoveries, and higher mill feed compared to 2023.

In addition, the company also had improvement in its health and safety performance and reports a reduction in Lost Time Incident Frequency Rate of 32% per 2024, down to 3.39 per 1 million hours worked, while seeing an increased in hours worked by 47% at the Avino operations. Reportable lost time in incident frequency rate also decreased to 0.07, down over 90% from 2023.

Now, moving on to Slide 8, we'll review our Q4 operational updates, beginning with the Avino Mine. The Avino Mine achieved its guidance target of between 2.5 to 2.8 million silver equivalent ounces at 2.65 million for 2024. Higher realized metal prices for silver, gold, and copper in Q4 assisted in the strong financial and operating margins with records in most financial metrics and significant free cash flow generation. 2025 has begun positively with consistent production in the first month of the year.

Moving on to La Preciosa. As mentioned earlier, in January, we announced the receipt of necessary approvals to move ahead with the underground development

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at La Preciosa, one of the largest undeveloped silver deposits in Mexico and the world. Equipment mobilization and surface works have been ongoing, with underground development getting underway. La Preciosa is an integral piece to our 5-year plan and will deliver economic growth and benefit to the local communities in Durango.

Please turn to Slide 9, where we have photos of recent development activities and surface works and delivery of equipment. We are very pleased with the swift advancement at La Preciosa.

At this time, I will now hand it over to Nathan Harte, Avino's CFO to present our record-breaking Q4 and year end 2024 financial results. Nathan?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Thank you, David. It's my pleasure to be presenting our fourth quarter and year end 2024 financial and operating results to everyone who has joined us on the call and is viewing our presentation today.

Turning to Slide 10 now for a snapshot of these record-breaking financial highlights for the fourth quarter and year, followed by the full table on Slide 11. The fourth quarter results were what can only be described as our best in company history. We generated a record \$24.4 million in revenues over the quarter with gross profit margin of 43%.

On a cash basis, our gross profit margin was 49%, our highest in recent history and up from 45% in the last quarter. We generated \$14.1 million in free cash flow, which translate to \$0.10 per share. Our all-in sustaining cash costs per silver equivalent ounce was \$18.62, representing our lowest since 2022. This amount puts us in the lower quartile of junior producing peers and in the mid-range with intermediate producers in Mexico.

Moving over to our full year results, I want to highlight the annual revenue of \$66.2 million, which is a record high for Avino and represents 51% increase from 2023, primarily driven by the growth we saw in our fourth quarter.

Net income after taxes and all expenses was \$8.1 million or \$0.06 per share. After adjusting for non-recurring and non-cash expenses, adjusted earnings was \$21.3 million on the year, or \$0.15 per share, and mine operating cash flows before taxes was \$27.6 million. All-in sustaining cash costs per silver equivalent ounce was \$20.57, which represents a deduction of 6% from 2023.

Now on to the balance sheet. Our cash position was \$27.3 million at the end of 2024, driven by improved operational performance and sales in the fourth quarter. To put this in perspective, we had under \$8 million in the treasury at the end of the third quarter, representing an almost \$20 million increase in our cash position during Q4.

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As highlighted in previous calls, balance sheet strength will be very key over the coming months as La Preciosa development gets underway. With no debt excluding operating equipment, we are well positioned to execute on our 5-year organic growth plan.

Coming to Slide 11, we see all other financial metrics and the significant increases both quarter-over-quarter and year-over-year. Highlighting the increases in cash provided by operating activities in both periods as well as the free cash flow numbers, these triggers are both materially higher than prior year periods.

Capital expenditures in Q4 and for the year were \$1.5 million and \$6.6 million, respectively. We came in below our 2024 guidance range of \$7.3 million to \$9 million, primarily due to the deferral of certain expenditures to 2025 as we were awaiting the operating permits for La Preciosa. With these permits received in January 2025, we expect to be within our previously released capital expenditure guidance for the year.

Reminding everyone that approximately \$5 million to \$6 million are allocated for equipment and mine development at La Preciosa, which should give us access to over 1 million tonnes of mineralized material.

Here on Slide 12, you can see our cash cost per ounce figures for the fourth quarter improved from Q4 of last year, and we're well below previous quarters in 2024 as well, even with lower ounces sold than expected. We highlighted our expectations for a reduction in cost on our previous earnings call, and we remain pleased with the improvements as costs in Q4 were down 8% on a cash basis to \$13.88 per ounce and 14% on an all-in cash basis to \$18.62 per ounce.

These reductions were primarily a result of increased mill availability and ounces sold further aided by the Mexican peso showing some further weakness against the U.S. dollar in Q4. The jump in ounces sold is partially a result of increased inventory sales solely due to timing of shipments, with no intentional strategy to hold back sales in previous quarters.

On a full year basis, our cash costs per ounce came in at \$14.84, representing a 5% reduction from 2023. All-in sustaining cash costs per ounce came in at \$20.57, a 6% decrease from 2023. The full year cost per ounce reductions were driven by higher grades and production through the mill, as well as the overall weakness of the Mexican peso to the U.S. dollar on average basis in 2024 compared to 2023.

Coming to Slide 13, you can see our cost per tonne process for the quarter came down fairly significantly, especially from a quarter-over-quarter perspective. We saw a meaningful drop compared to Q4 2023, with cash costs per tonne coming in at \$51.11, representing a 17% reduction. On the all-in cost side for the quarter, the trend was similar, as our cost per tonne was \$74.29, a 16% decrease compared with Q4 of last year.

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Both metrics for 2024 were lower compared to the year-to-date numbers at Q3, and we did see reductions compared to the full year 2023 results. Cash costs per tonne process was reduced by 2%, and all-in cash costs per tonne processed by 5% when compared with 2023 figures. As shown by our profit margins, these improvements had meaningful impacts on our bottom-line.

With the Mexican peso weakening in Q4 and into 2025, the pressure on our cost structure has eased. We have been implementing measures to protect our cost structure for 2025. Tariff discussions continue to put uncertainty in the currencies in which we operate in, and reducing our risk associated with costs will be key throughout the year. With metal prices remaining elevated and permits received at La Preciosa, we are excited to be shifting focus to growth in the coming quarters.

At this point, I will now turn it over to Jennifer North, Head of Investor Relations, for an overview of our recent ESG and CSR initiatives.

Jennifer North - Head of Investor Relations, Avino Silver & Gold Mines Ltd.

Thank you, Nathan. Moving on to Slide 14, we have listed the ESG-CSR initiatives that were completed in the fourth quarter. As we have mentioned, Avino follows the ESG Standards and the United Nations Sustainable Development Goals, or the SDGs, that work together to address the most pressing challenges facing the world. Fourth quarter activities were focused on SDG #3, Good Health and Well Being; #4, Quality Education; #5, Gender Equality; and #6, Environment or Clean Water and Sanitation.

During the quarter, the following support was provided. Materials were donated for general upkeep of the community's elementary and secondary schools. A talk called "Cafe Rosa" was sponsored and supported by Avino personnel on breast cancer awareness and prevention. A vibration analysis was carried out and supported by Avino Mine supervisors. Monthly maintenance of the community landfills was carried out.

Avino supported traditional "Day of the Dead" celebrations with the unique mandate that all costumes were to be made from recycled paper. This initiative aimed to promote the reuse of materials contributing to the conservation, care, and protection of the environment, while also raising awareness among future generations. Samsung tablets were awarded for first place with backpacks with school supplies awarded for second and third place.

An important initiative called the "Orange Campaign" was launched to educate both community members and Avino employees about the prevention and eradication of violence against individuals regardless of gender, sexual identity, age, or any other factor. As part of this campaign, self-defense workshops have been offered along with educational materials and awareness posters that have been distributed throughout the community.

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Waste materials such as wood, tires, and plastics were donated to community members, giving a second life to items that would otherwise be discarded. This initiative helps reduce the mine's ecological footprint.

Our CS team has collaborated with an external company to obtain solar boilers with subsidized prices for our workers and community members for their homes. The CSR team works tirelessly to bridge gaps and address diverse needs, whether economic, educational, or otherwise. By responding to requests, providing support, and sharing valuable information.

Finally, I'm pleased to share that we've been working on our inaugural sustainability report, which reflects our commitment to transparency, accountability, and responsible business practices. By sharing our environmental, social, and governance efforts, we aim to build trust with our stakeholders, demonstrate our positive impact, and continuously improve our sustainability performance. We look forward to making available on our website very soon.

I will now turn it back over to David to continue on with the presentation, providing our plans for the coming quarter. David?

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Thanks, Jen. Moving to Slide 15, we were thrilled to see metal prices continue their rally into the fourth quarter and maintain their strength. Coupled with their solid production results, this positions us as favorably as we advance towards our transformational growth objectives, particularly with the development of La Preciosa. We are currently mining at Levels 13.5 and 14 at Elena Tolosa, and exploration drilling has commenced on the Avino Vein below the ET mine, where we previously hit the highest-grade hole in company history. The vein is open along strike and at depth following the previous successful drill program.

As outlined on Slide 16, we want to reemphasize the company's growth plans. We have three assets within a 20 kilometer footprint, totaling 371 million silver equivalent ounces. In the same area, we have an operating mill complex, which is currently producing from our Avino Mine, and additional access to water, power, and tailing storage. As you can see on this slide, our goal is to scale up by 2029 through production from these three assets.

By capitalizing on our existing assets and resources, we can execute our growth plans efficiently and effectively. This approach not only mitigates risks associated with new project development, but also positions us for the long success and value creation.

In conclusion, this record-breaking year would not have been possible without the dedication, expertise, and hard work of our operational teams and employees across the company. Their commitment to excellence, teamwork, and innovation has been

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instrumental in achieving these milestones. On behalf of our leadership, thank you for your efforts and contributions. Your work continues to drive Avino's success.

We would also like to thank our shareholders for their continued support. We are pleased for Avino's shareholders who have stayed the course with us. Throughout the year, I've had the opportunity to connect with many of you, and we truly appreciate your trust, confidence, and ongoing commitment to Avino. With a solid financial foundation, strong operational performance, and positive market trends, Avino is well positioned for continued growth and value creation in 2025 and beyond.

We would now like to move the call to the question-and-answer portion. Operator?

Operator

Thank you. We will now begin the question-and-answer session. [Operator Instructions] Thank you. Your first question is coming from Heiko Ihle from H.C. Wainwright. Your line is live.

Q: Hi, David, Nate and team.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Hi, Heiko. Hello?

Q: Hey, nice to see the stock price performance today. Well done. Can you give a quarter-by-quarter breakdown for what you expect to spend in CapEx of La Preciosa this year? I mean, I assume it's going to taper off by Q3 a little bit, right? But maybe just on an actual cash basis, what you expect to spend in Q1, Q2, Q3, and maybe even Q4 if you want to be so kind?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Thanks, Heiko. Nathan here. I can break it down a little bit. Obviously, we're almost all the way through Q1. So, we spend a little bit of money, but again, nothing out of line with if you smooth it across the year. We expect a lot of the development expenditures to be Q2 and Q3 for those, and then in Q4, taper off a little bit and then we'll be looking for the future for OpEx or operating costs.

Q: But quantifying it?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Sure. Sorry. So we did put out in our guidance about \$5 million to \$6 million total and that's what we're sticking with. So say, yeah, a little light for Q1 and then Q2 and Q3 will be heavier and then tapering off at the end of the year.

Q: Okay. So, call it, [12/21] [ph].

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Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Sure.

Q: Okay. Cool. You processed almost 182,000 tonnes in the quarter, highest throughput you ever had, very fancy headlines. Can you provide some color on what bottlenecks if any you're starting to see it applying? And I should know this, but I don't. Can you expand the plan from here without additional permits? Because, obviously, La Preciosa is going to start to kick in as well.

Peter Latta - VP Technical Services, Avino Silver & Gold Mines Ltd.

Yeah. Peter here. Heiko, thanks for the question. As far as bottlenecks we're seeing now we're getting pretty close to the maximum throughput of the mill now. And keeping in mind, why this process took a little bit of time is this, last year was the first year we ran full ET material, which is a little bit coarser and a little bit more abrasive. So it took us a little while to get our operating practices to the point where we can get the mill on plane. And that's really what we showed in 2024 is that we were able to understand that the maintenance practices and the upgrades needed to get to that kind of nameplate 2,500 tonne per day capacity, which we're getting very, very close to.

So with regards to expanding the plant, we don't need any permit, but we will need another a few pieces of equipment in order to add an additional 5th Circuit. And that's experience that we've done in the past. Obviously, you're familiar with adding Circuit 4 and Circuit 3 before that. So that's something we could entertain, certainly.

Q: Okay. So this is, I don't want to say rubber stamp, but this is easy to do.

Peter Latta - VP Technical Services, Avino Silver & Gold Mines Ltd.

Say that again.

Q: So, getting an additional circuit would be easy to do if need be.

Peter Latta - VP Technical Services, Avino Silver & Gold Mines Ltd.

It would be straightforward to do it as a practice that we've done in the past. Yes.

Q: Well, perfect. I'll get back to queue.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Thanks, Heiko.

Peter Latta - VP Technical Services, Avino Silver & Gold Mines Ltd.

Thank you.

Operator

Thank you. Your next question is coming from Jake Sekelsky from Alliance Global Partners. Your line is live.

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Q: Hey, David, Nate and team. Thanks for taking my questions.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Hi, Jake.

Q: Nathan, you touched on the declining costs in Q4, which is good to see. I'm just curious, are these levels that we should expect to see in 2025 on the back of a week or so. Or do you feel there might be some more low hanging fruit on the cost side to capitalize on?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Yeah, it's a fair question. So on the tonnage side, the cost per tonne side, we expect it to be fairly level. Obviously, we've taken a risk reduction approach by hedging compared to the Mexican peso from the U.S. dollar, given some of the uncertainty. On a cost per ounce side, I mean, that is partially driven by mill feed and grade and the recoveries we get. So, it's hard to say 100%, but we expect to be similar to potentially a little bit lower from where our yearly all-in cost numbers were. So, we were right around 20%, 20.5% on the year. The goal is to be around that same level, if not lower, but the goal is about the same level.

Q: Okay. That's helpful. And then, just back to La Preciosa, you have to provide a bit more color on the cadence of the ramp up there and the delivery of fresh ore to the mill. Do you think we'll start to see those benefits in Q4? Do you think it's more of a Q1 2026 type event?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Yeah, fair question. I think we are on track with the guidance we put out, which did include some material from La Preciosa. We were hoping to start blasting very soon and, obviously, all the operating permits, as we've already announced, are in place. So, I think, we're looking at Q4 more so, where before any tonnage would potentially hit the mill. But, again, we are taking a conservative approach, and it's possible that we do stop out for a little bit to make sure we can run at full capacity in the smaller circuits, and then start processing later in the year or even potentially in Q1 of 2026. But the goal is for later in Q4.

Q: Understood. Okay. That's all for me. Congrats again on the quarter.

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Thanks, Jake.

Operator

Thank you. Your next question is coming from Joseph Reagor from Roth Capital Partners. Your line is live.

Q: Hey, guys. Can you hear me all right?

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Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Hey, Joe. We hear you.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Hi, Joe.

Q: Okay. So kind of just following on what Jake was just asking. So are you guys planning to do like a PEA or a resource update on La Preciosa that's kind of a more accurate view of how you guys plan to mine it? Because like the old resource is kind of more of like bulk tonnage resource.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Yeah. No, very fair question, Joe. We will be doing a resource update that will go out next year, so there will be a cutoff later this year. And we are looking at all options here to look at how we would justify some of the economics.

Q: Okay. And then as far as reporting goes, would you guys treat this kind of like you used to treat San Gonzalo, where we'll get it broken out as essentially like a separate mine even though it's being processed at one mill?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Hey, Joe, Nathan here. So that's correct. Yeah, I mean, obviously it's a separate, we're treating it a bit like a satellite deposit, but it will be a separate operation with separate financial and operating metrics.

Q: Okay. And then on that basis, what do you think the tonnage will be kind of an annual basis that you guys have as a goal to process from there?

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Are you referring to this year or future years?

Q: Future, like once you get it ramped up.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

I think, yeah, so this year, obviously it's, yes, it's all ramped up. I think 2026, we're hoping for close to 400 to 500 tonnes per day. And long-term, I mean, based on the current permit, we can go quite high. But, I think, we're targeting about, I think, 1,500. And there's options to increase that depending on what we do with Martha vein.

Q: Okay. All right. That's helpful, guys. Thanks. I'll turn it over.

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David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Thank you.

Operator

Thank you. [Operator Instructions] Your next question is coming from John Tumazos from John Tumazos Very Independent. Your line is live.

Q: Hello, David.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Hi, John.

Q: Could you give us a flavor of the conditions on the ground socially in the neighborhood of your mines and mills? Given the closing of the U.S. border, and I guess the off-the-books revenues from human trafficking or narcotics, et cetera., or less, and the on-the-books revenues from auto and other legitimate exports are challenging. So, I just wonder what those people do if they stop being coyotes, et cetera. Are they going to be miners, or are they going to be active in illicit activities, some other thing? Is there any visible change to the neighborhood?

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

No, we employ 450 people directly. We impact probably 3 times that in the local communities. When we go to the mine site, the parking lot is full of cars, with license plates from the U.S., so they're all coming back home to work for us, because we pay a good dollar rate there. And as Jen had mentioned earlier, we do a lot in the communities. We hand out Galaxy tablets and televisions at the schools, and we do a lot for the community. And there's going to be a sustainability report that comes out here very soon, which will layout a lot of that information.

We're nowhere near the border, so we're in the state of Durango, it's a safe place. There's no human trafficking or anything like that, that I'm aware of going on in our jurisdiction. It's just a farming and cattle ranching community. It's a safe jurisdiction, yeah, like 11 hours away from the border, so it's a long way away from the border.

Q: You mentioned hedging the peso in your presentation. Given the GDP impacts to Mexico from closing the border, it's very possible the peso could weaken a lot. Could you elaborate on the amount of hedging you have, et cetera?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

Sure, John. Nathan here. So we had knowing what our budget rate is and knowing that we want to beat that for 2025. Understanding that it could go weaker, it could go stronger largely depend on what the U.S. government decides to do. Having said that, all of our contracts are in place to basically provide us with a lot of upsides and just limit any downside exposure. So I won't get into too much of the details on each

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individual contract, but it allows for a lot of upside and to follow with the spot market if needed.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

But generally, we...

Q: What percent hedged are you for this year?

Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.

What percent hedged on our OpEx? I mean, we can take this call offline if you prefer, but nowhere near 50%.

Q: Thank you very much. Thank you.

Operator

Thank you. That concludes our Q&A session. I'll now hand the conference back to David Wolfin, President and CEO, for closing remarks. Please go ahead.

David Wolfin - President, Chief Executive Officer and Director, Avino Silver & Gold Mines Ltd.

Thank you all for joining us today. This is a very exciting time for the company with the high metal prices, new mine being developed. We appreciate your patience in getting to this point, and look forward to delivering on our 5-year growth plan. Thanks, again, and have a great day.

Operator

Thank you. Everyone, this concludes today's event. You may disconnect at this time and have a wonderful day. Thank you for your participation.