

Transcript of  
Avino Silver & Gold Mines Ltd.  
Avino Silver & Gold Mines Ltd.3Q 2025 Conference Call  
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**Participants**

Jennifer North - Head of Investor Relations, Avino Silver & Gold Mines Ltd.  
David Wolfin - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.  
Nathan Harte - Chief Financial Officer, Avino Silver & Gold Mines Ltd.  
Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.

**Analysts**

Jacob Sekelsky - Alliance Global Partners  
Heiko Ihle - H.C. Wainwright & Co.  
Joseph Reagor - ROTH Capital Partners  
Chen Lin - Lin Asset Management

**Presentation**

**Operator**

Welcome to the Avino Silver & Gold Mines Third Quarter 2025 Financial Results Conference Call and Webcast. As a reminder, all participants are in listen-only mode and the conference is being recorded. After the presentation, there will be an opportunity to ask questions. [Operator Instructions]

I would 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 our Q3 earnings call and webcast. To join this webcast and conference call, there is a link in our news release of yesterday's date, which can be found on our website under News 2025. In addition, a link can be found on our home page of the Avino website. 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.

Before we get started, I'll remind you to view our precautionary language regarding forward-looking statements and the risk factors pertaining to these statements. And note that certain statements made today on this call 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 facts that may cause the actual results to be materially

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different than those expressed by or implied by such forward-looking statements. For additional information, we refer you to our detailed cautionary note in the presentation for this call or on our press release of yesterday's date.

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

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 over the call to Avino's President and CEO, David Wolfin. David?

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

Thanks, Jen. Good morning, everyone, and welcome to Avino's third quarter 2025 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 we are currently performing, followed by Q&A.

I will start with a discussion on operations and overall performance, and then I will turn it over to Nathan Harte, Avino's CFO, to discuss the financial performance for this period. And then Jennifer North, our Head of Investor Relations will present an overview of the Q3 CSR/ESG initiatives.

Please turn to Slide 5. Our strategic vision for transformational growth remains focused on transitioning from a single production operation to a multi-asset Mexican mid-tier producer. We have had eventful third quarter and our performance was guided by five key drivers: number one, operational excellence; number two, portfolio optimization; number three, a disciplined approach to financial management and capital allocation; number four, strategic exploration and drilling to unlock further resource potential; number five, continued growth and strengthened market recognition.

The first driver is operational excellence. Our team at site advanced automation and process upgrades, which has been reflected in our strong mill performance and sustained throughput. In addition, the progress at La Preciosa has been exceptional. Operations management have expanded the workforce with ongoing equipment training to support operational efficiency. Subsequent to the end of the quarter, we had started processing La Preciosa material through Circuit #1, which is well ahead of expectations.

Portfolio optimization, our second key driver, is reflected in the August announcement where we reported the acquisition of the outstanding royalties and

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contingent payments on La Preciosa. Acquiring these consolidates ownership, improving project economics, and enhancing operational flexibility at La Preciosa. By removing third-party obligations, this reduces financial and operational complexity, strengthening Avino's overall asset portfolio, we believe that this enhances shareholder value by optimizing our portfolio and positioning Avino for sustained growth.

Our third driver focuses on our disciplined approach to financial management and capital allocation. Avino achieved another quarter of strong financial performance, which is reflective of improved mill availability and consistent operational discipline demonstrated by our team. With record cash of \$57 million and working capital of \$51 million, our balance sheet continues to build strength. Nathan will provide a detailed overview of the financials later in the call.

Fourth, we remain committed to strategic exploration and drilling to unlock additional resource potential. In August, we reported results of four drill holes from La Preciosa which were drilled to twin previous drilling. The assay results from the intercepts of La Gloria and Abundancia were very positive. Highlights include from hole 2503, 1,638 grams of silver and 1.92 grams of gold over 7.9 meters of true width. Included in that is 15,352 grams of silver and 1.55 grams of gold over 0.37 meters of true width. The intercept grades are significantly higher than the average grades outlined in our current resource, highlighting the potential we aim to capture by using underground mining methods.

In addition, the larger widths encountered at both La Gloria and Abundancia were a welcome surprise, underscoring that there is still much to learn about the deposit despite the 1,500 drill holes and substantial exploration investment performed by previous operators. We just released a further four holes on October 27, which have also returned excellent grades. The full results for both news releases are on our website under the News Release tab.

Our final driver for the quarter reflects continued growth and strengthened market recognition. Avino was proud to be included in the Toronto Stock Exchange 2025 TSX 30, distinguishing itself by ranking fifth among top performing companies. For the three years ended June 30, 2025, Avino's share price performance increased 610% and market capitalization increased 778%.

In addition to this, Avino was added to the Market Vectors Junior Gold Miners Index and VanEck's Junior Gold Miners ETF, GDXJ, effective market close on September 19, 2025. These achievements underscore the decisive steps we've taken to advance Avino's transformational growth strategy and reinforce the investment case for Avino.

Moving to Slide 6, we turn to Avino's Q2 2025 production results, which were released in mid-October, reflecting steady operational performance. Overall results continued to support the company's original production estimate of 2.5 million to 2.8 million silver equivalent ounces.

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On Slide 7, we put together various photos of recent development activity at La Preciosa. We are very pleased with the progress we are making.

At this time, I will now hand it over to Nathan Hart, Avino's CFO, to present our record financial performance for Q3 2025. Nathan?

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

Thank you, David. It is my pleasure to be presenting another quarter of strong financial and operating results to everyone who has joined us and is viewing our presentation today.

Here on Slide 8, we have an overview of our financial and operating highlights and improved balance sheet with the full table on the next slide. Our third quarter results continued to demonstrate profitability and the ability to grow. We generated \$21 million in revenues, up 44% from Q3 of last year, and consistent with the last quarter, despite lower silver equivalent ounces sold.

Gross profit was just shy of \$10 million and on a cash basis was \$11.1 million after removing non-cash expenses. Gross profit margin was 47%, inclusive of the non-cash items. This was significantly improved from the 39% we saw in Q3 of last year, and on a cash basis, this margin was 53% compared to 45% in Q3 of last year.

Avino earned its highest ever quarterly profit with \$7.7 million in net income after taxes or \$0.05 per share in the third quarter. This was up significantly compared to Q3 of last year where we earned \$1.2 million, or \$0.01 per share. Adjusted earnings were \$11.6 million, or \$0.07 per share, compared to \$5 million, or \$0.04 per share in Q3 of last year, representing a significant improvement.

Cash flow from operating activities and free cash flow both improved from Q3 of last year as well. We generated \$8.3 million from operating activities, or \$0.05 per share, and free cash flow after all capital expenditures came in at \$4.5 million. Included in these capital expenditures were some development costs at La Preciosa for the third quarter, and on a standalone basis, free cash flow from Avino was \$5.4 million.

Our cash cost per silver equivalent ounce was \$17.06, up 14% from Q3 of last year. On an all-in basis, we came in at \$24 per silver equivalent ounce sold, 9% higher than the third quarter of last year. I will discuss the increase in per ounce cost in an upcoming slide and explain how the movement in silver price in relation to gold and copper prices during the third quarter did impact our silver equivalent ounces sold calculations and added to our cost per ounce figures.

Now on to the balance sheet. Our cash position was a record \$57.3 million at the end of the quarter, was up \$20 million from last quarter and \$30 million from the end of the year. Working capital increased by over \$10 million in the quarter as a result of

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the increased cash, offset by the deferred consideration on the royalty retirement transaction.

Subsequent to the quarter end and as of today, our cash position is approximately \$65 million. With our improved balance sheet and La Preciosa moving forward, Avino is in its most stable financial position in its 57-year history. With no debt, excluding operating equipment, and the deferred consideration payable, we continue to be well-positioned to execute on our five-year organic growth plan and are continuing with the reviews for accelerating the timeline of these plans.

With La Preciosa now processing in our Mill Circuit 1 at between 200 tons and 250 tons per day, we're excited for 2026 as we embark on the transition to being a multi-asset producer with vicinities of one centralized milling location.

Turning over to Slide 9, we see some other financial metrics and the significant increases compared to Q3 and year-to-date amounts in 2024. Just wanted to highlight again the per share metrics, where we see \$0.05 earned on a cash flow basis, \$0.07 earned on an adjusted earnings basis, and free cash flow generated again with \$5.4 million, excluding just under \$1 million spent on La Preciosa.

Here on Slide 10, you can see our cost per ounce figures did increase when compared to Q3 of last year as well as last quarter, coming in again at \$17.09 per silver equivalent payable ounce. For the year-to-date, cash costs were \$14.95, 3% lower than the first nine months of last year. As I mentioned before, I do want to highlight that the movement in silver price did have an impact on our silver equivalent payable ounces calculation, and that did also impact our cost per ounce figures.

Using the prices from our forecast at the beginning of 2025 of \$30 per ounce silver, \$2,700 per ounce gold, and \$9,200 per ton copper, our cash costs per ounce for the third quarter and year-to-date would have been \$15.88 and \$14.56, respectively, which is in line with our expectations that we set out at the beginning of the year. On an all-in sustaining cost basis, our third quarter costs were \$24.06 per silver equivalent ounce, up 9% from Q3 of last year. Year-to-date, the costs were \$21.64 per ounce, which were very similar to the first nine months of 2024.

Again, highlighting the silver price impact on these figures, using the same method, our all-in sustaining cost per silver equivalent payable ounce was \$22.36 for the third quarter and is fairly consistent with Q3 of last year. The year-to-date figure would be \$21.08, which would have been 2% lower than last year. As we manage the first stage of growth, we are pleased that our cost structure continues to remain intact, even with the increased activity arising from bringing a second mine online. We look forward to further economies of scale as La Preciosa is now in production and continues to contribute to our overall production profile.

Coming to Slide 11, you can see our cost per ton process for the quarter and year-to-date continue to remain consistent, further reinforcing the points made on the last

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slide. Cost per ton process on a cash basis was \$53.18, down 2% compared to Q3 of last year.

On the year-to-date figures, we came in 8% lower than the comparable period as a result of better mill availability and solid mining rates. On the all-in side, for the quarter, a very similar story with a 3% reduction per ton processed for the quarter and 7% reduction overall on the year-to-date figure. Our cost per ton remains extremely competitive for an underground operation.

As shown by our profit margins, our cost structure continues to remain intact and we are poised to take advantage of the increased metal price environment as we make the transition to being a multi-asset producer.

As we touched on last quarter, tariff discussions continue to put uncertainty in the currencies in which we operate in, and reducing our risk associated with costs has been top of mind over the year. There are no direct significant impacts to our operations from these tariffs. However, we are subject to movements between the U.S. dollar and the Mexican peso.

Our hedging program for the Mexican peso impacted the bottom line positively by about \$1 million as we had made USD to Mexican peso hedges earlier in the year and at the end of 2024 to protect our budget. We also currently have a \$1.5 million derivative asset on our balance sheet which represents the mark-to-market balance at the end of the quarter as most of our hedges are still well in the money even after realizing \$1 million dollars in foreign exchange gain in the quarter.

And with that, I'll 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. Please follow along to Slide 12 for an update of our ESG/CSR initiatives. Avino follows the ESG standards and aligns with the United Nations Sustainable Development Goals, or the SDGs. Avino's efforts throughout the quarter contributed to progress on multiple SDGs reflecting our ongoing commitment to responsible and sustainable development. During the third quarter, the CSR teams led the following strategic projects in the communities.

Several school graduation sponsorships, donations of scrap material for further use in the communities, road maintenance and rehabilitation, delivery of low-cost water tanks and cisterns, organized and sponsored a second health fair that was held in the communities offering free access to specialized medical services and preventative care. This event was coordinated with the state government, civil associations, medical units and volunteers providing much needed care and services. This initiative reaffirms Avino's commitment to health equity as a fundamental right, particularly in rural areas where access to medical services is limited.

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Mining and history museum project in Durango, a promotional video was produced and historical photographs were selected to be exhibited as part of Avino's display in the museum. This project is approaching the final delivery stage of materials for the exhibition. A new subsidized access program for construction materials, cement, mortar, roofing sheets and school footwear was introduced, facilitating access for interested families.

Avino participated in an employment fair providing 50 individual consultations to share information about the company and received job applications from interested people. Avino continued developing activities focused on strengthening community ties, improving basic infrastructure, facilitating access to social support programs and supporting long-term institutional and strategic projects. Our CSR teams continue to do phenomenal work and we're excited to share these initiatives with our shareholders as a reflection of how we're creating meaningful impact beyond our operations.

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

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

Thanks, Jen. Moving to Slide 13, summarizing our current and upcoming activities I mentioned earlier, our focus on strategic exploration and drilling to realize the full potential of our resource base. This includes our recent commitment to AI integration, which is designed to improve data analysis, target generation and overall exploration efficiency.

With the support of VRIFY's AI software, almost 6 gigabytes of data was compiled for analysis. Using the data VRIFY generated 211 additional feature engineered data layers, including rock and soil geochemistry maps, vein and fault distant grids, strike field maps, line ailments, density and complexity maps. This is exciting technology and we're looking forward to the implementation of future drill programs at Avino and La Preciosa.

Over to Slide 14. At Avino, the 2025 drilling commenced in April with a program consisting of nine planned holes from surface, with six now completed. The objective of the ET area drill program is twofold. One to test the down dip extension of the system below the current lowest mining level and as well as to test the extension of the system along strike to the west. The Avino vein remains open at depth and along strike and earlier results have shown comparable grades and widths to those currently being mined.

Drilling continues with over 3,500 meters drilled to-date. The latest results will be publicized when the assays have been received and all data has been verified. At

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Avino, we are currently mining and hauling from level 12.5 at Elena Tolosa and as just mentioned, exploration drilling is ongoing on the Avino vein below the ET mine.

Over at La Preciosa, a second surface drill was deployed at La Preciosa to confirm prior drill results from previous operators to improve the understanding of grade zonation close to the scheduled mining areas near the ramp. Earlier drill core from previous operators were extensively utilized to provide sample data for earlier technical reports, so remaining samples were limited. Drilling information will be utilized in underground mine planning, 3D modeling, as well as an update to the resource estimate that is due Q1 2026.

In addition, Avino is planning on releasing its first mineral reserve estimate at the same time. As outlined on Slide 15, I'd like to highlight the company's growth strategy. Within a 20-kilometer footprint, we have three key assets, including our operating mill complex, which currently processes material from Avino mine. We also have access to water, power, and tailing storage, critical infrastructure that supports our ability to expand production efficiently.

Collectively, our assets host 277 million silver-equivalent ounces in measured and indicated mineral resources and an additional 94 million silver-equivalent ounces in inferred mineral resources, providing a strong foundation for future production growth. As you can see on this slide, our goal is to scale up by 2029 through production from these three assets.

Leveraging our existing assets and resources, we are well positioned to execute our growth plans efficiently and effectively. We concluded the quarter with more record-breaking financial metrics, which reflect the strength of our strategy and dedication of our team, both which drive our success as we pursue the next phase of growth.

On behalf of leadership, thank you to our entire team for your efforts and contributions. We appreciate the continued confidence of our shareholders. With a clear vision and disciplined approach, we are confident that long-term shareholders will be well-positioned to share in the success we are working hard to achieve.

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] Your first question for today is from Jake Sekelsky with Alliance Global Partners.

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

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

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Hey, Jake.

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

Hey, Jake.

**Q:** So, just at La Preciosa, you mentioned that fresh ore is now being processed at Circuit 1. Can you just remind us what the targeted throughput rate is there from La Preciosa over the next few quarters and what that ramp looks like?

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Yes, Jake. Hi. This is Peter here. So, we're starting at one circuit, Circuit 1. If you recall, we have four independent circuits there at site, and we are just filling one circuit, and we'll be ramping up to filling two circuits, the two smaller circuits, next year.

**Q:** Got it. Okay. And I guess, are there any specific levers you think you might be able to pull here over the next quarter or two that might accelerate those plans?

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

Yeah. Jake, Nathan here. I think we've been messaging to the market all year and before that we want to start with Circuit 1, make sure we've got enough tonnage to get ahead of the mill for a little while to make sure we don't have to do any start and stopping, and then try and run with the goal of running Circuit 1 and Circuit 2 for pretty much the entirety of 2026.

So, for now, we're just going to start with Circuit 1, and then we're continuing a lot of development, which I think we've alluded to a few times. We're developing in four different areas right now. So, yeah, the goal is really just one circuit for the rest of the quarter, and then into 2026 will be two circuits.

**Q:** Got it. Okay. That's all for me. Thanks again.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Thanks.

**Operator**

Your next question is from Heiko Ihle with H.C. Wainwright.

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

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

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Morning.

**Q:** Excited to hear that La Preciosa is getting processed. Obviously, I was at the site last week. It was really nice to be there, but given the strong potential of La Preciosa, can you give a bit of color on what you're seeing with drilling there versus your prior expectations? I think it'd be helpful to just see not just as it pertains to grades, but also how you're advancing versus your expectations, rock stability, all that kind of stuff?

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Yeah, sure, Heiko. Obviously, we put out those drill results, those eight holes, and some of those are very significant and high grade. So, what we're seeing is kind of that, and there's a great slide in it, but we really see some hot spots in the deposit, and that's kind of what we knew or kind of what we expected, and that's exactly what we're seeing. Also, when it comes to the width, this deposit does pinch and swell.

So, we're seeing some significant improvements in width in some areas, but that is going to be quite variable. So, intervals of beyond five meters, which are a typical mining width, is what we've seen in some of those drill holes. So, that's really positive news. With regards to ground support, we're still pretty high up in the system. So, there is some oxidation, which does require a little bit more ground support, but that's something, once again, that we kind of expected, and we do expect that to decrease as we go further and deeper into the mine.

**Q:** Cool. Nate, hey, early on this call, you mentioned accelerating some longer-term plans. This got me a bit curious. What exactly could be accelerated? You have, obviously, the balance sheet to do it right now, but how much would it all cost?

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

Yeah, I mean, it's hard to put a number on it right now because there's no final plans or anything. Obviously, you are judging by our balance sheet, you can tell that we have a lot of flexibility moving forward. So, we're just undertaking some internal studies that, if we get into a position where they get a little more further down the path, we will go public with. But for now, we're just entertaining a number of expansion opportunities, either at the Avino mill or potentially some other opportunities at both sites. But that's essentially it for now. I can't really put a number on it.

**Q:** I'll phrase the question differently then. What kind of number would you be willing to spend given your current balance sheet?

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

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We've been pretty disciplined, and it's nice to be in the position we're in, and we do expect to continue to generate pretty solid cash flow quarter over quarter, especially as La Preciosa ramps up. So, I think we're going to continue to be disciplined in that approach. But if the right expansion opportunity is there, and the IRR is there, then we will definitely go forward with it.

Again, I don't want to put a number on the call, but we can chat about it later if you want to, Heiko.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

And Heiko, just to reiterate, we've been laser-focused on developing La Preciosa and bringing it into production. So, that's where we're focusing the majority of our energies as far as execution is concerned. And as Nathan mentioned, there is, in the background, doing some additional optimization studies.

**Q:** Fair enough. Cool and then one really quick one for Nate. You had a nice FX gain in the past quarter. What are you seeing in Q4 so far that, given in a week, we'll be halfway through the Q4?

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

Sorry, can you repeat the first part, Heiko? I think I just missed that.

**Q:** Yeah, no worries. You had a really good FX gain in Q3. What were you seeing in Q4 so far?

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

Sorry, again, I'm not quite sure I understand. I can't hear it, maybe.

**Q:** Foreign exchange, foreign exchange. You made, what, like \$1 million dollars?

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

Yeah, I see what you're saying. Thanks for highlighting that. And we did try and highlight that a little bit on the call. But when we put together a 2025 budget, we did some hedging on a portion between the peso and USD just to protect our cost structure. But yeah, we got about \$1 million in income from that. And as well, we still have a fairly sizable derivative asset on the balance sheet that will start getting realized in the fourth quarter and into Q1 of next year as well. But we've got a lot of hedges that are in the money that now we've started to top up and we're getting closer to where spot is over the last few months. But yeah, moving forward, we should continue to see some more benefits from those over the next six months.

**Q:** Perfect. I'll stop hogging the queue and get back in line.

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

Thank you.

**Operator**

Your next question for today is from Joseph Reagor with ROTH Capital Partners.

**Q:** Hey, David and team. Thanks for taking my questions as well. I guess, on La Preciosa, two questions there. One, Nathan, this is probably one for you. From an accounting standpoint, at what point or what factors will make you reach this point where you'll begin to report it as commercial production as opposed to like a CapEx offset?

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

Yeah, so that's a pretty good question. The standard of that has kind of changed. You will, under IFRS, which we report on based on the Canadian standards, international standards I guess, we will be reporting revenue offset with cost of sales as soon as we start selling. So you don't really -- like previously, I know with the Avino mine, probably about eight or nine years back. We'll be presenting that separately in the MD&A as well, too, as soon as we can. And then everything will be attributable to costs.

**Q:** Okay. Okay, so immediately. And then on the actual mine plan there, when will we get kind of an official either financial study or guidance or both from you guys as far as tons, grade, recovery rate expectations, etc.?

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

So, I'll let Peter probably handle the study part of that. But yeah, we are moving forward with that. And on the financial side, we will be putting out guidance for 2026 that includes both. And then on public studies, I'll pass it over to Peter.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Yeah, no, we'll be looking at putting out reserves next year. I think David mentioned that in the call. That's something we're focused on. So, we will have an idea of grades and recoveries and that sort of thing in that study. We won't require just being a producing issuer to issue any sort of financial results. That's one of the requirements in Section 22 of the technical report that's not required to issue. But we will have everything else in that report.

**Q:** Okay. All right, thanks. I'll turn it over.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

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Thanks, Joe.

**Operator**

Your next question is from Chen Lin with Lin Asset Management.

**Q:** Hi, thank you. Thank you for taking my question. Great year, guys. Congratulations for this job well done.

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

Thank you.

**Q:** Yeah, many of my questions have been answered. I just want to just drill down on La Preciosa. What is the limiting factor? Is the development or the mill or to limit and what you see the maximum tonnage per day you can go through, process -- mine and process from the La Preciosa for the next year?

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Yeah, thanks, thanks, Chen. Thanks for your question. This is Peter here. So the mill is limited to 2,500 tons per day within those four circuits, those two smaller circuits of 250 tons each and then two larger circuits of 1,000 tons each. And so we are contemplating an expansion of the mill as well. But we're trying to match, obviously, the mining rate and the milling rate. And as we've just gotten into La Preciosa in the last couple of months here, we're ahead of schedule as far as development is concerned. But its understanding how the rock behaves and the mining rate that we can achieve on a consistent basis before we ramp that up. So that's really what we're doing and keeping in mind that we want to match that mining throughput in the military.

**Q:** Right. Do you have any, well, what's the mining limit? Do you have some idea now with the two circuits, supposedly?

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Yeah, I mean, the goal is to ramp to the, using the two small circuits as of next year, as I think Nathan mentioned earlier with the question. And then there are plans that we could potentially fill the entire circuit with La Preciosa.

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

It's in our long-term mine plan.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

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Yeah.

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

But we're going to look to shrink that.

**Q:** Okay, entire circuit, so you mean entire 1,000 tons per day?

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

No, no.

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

No, 2,500 tons.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

We're looking, yeah, long-term, there's the ability to get up to 2,500 tons just with La Preciosa, but as we've all kind of been alluding to, we're looking at expansion plans where we can produce from both assets at a higher rate.

**Q:** Right. And it seems to be La Preciosa, the grade is much higher? It's --

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

Yeah, I can speak to that. So the previous operators drilled approximately half a million meters, 1500 drill holes, but most of that was on Martha. So there's a lot of potential in-fill drilling and expansion drilling on La Gloria and Abundancia and some other near surface veins that we're going to go after next year.

**Q:** Okay. Great, thank you. Finally, what's like the permit you have on La Preciosa? What's the maximum you can pull the ore out of La Preciosa?

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

The permit isn't restricted by the throughput to pull out of the mine.

**David Wolfen - President and Chief Executive Officer, Avino Silver & Gold Mines Ltd.**

And we've tasked our engineers to look at further expansion underground development for next year. So we're heading to site in a few weeks for budgeting season, I'm sure we're going to be dealing with that and so we'll make that public once we have it.

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**Q:** Okay, great. Thank you. Congratulations again.

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

Thank you.

**Peter Latta - Vice President of Technical Services, Avino Silver & Gold Mines Ltd.**

Thanks, Chen.

**Operator**

[Operator Instructions] We have reached the end of the question-and-answer session and I will now turn the call over to David Wolfin for closing remarks.

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

Thank you. With another strong quarter behind us, which included excellent operational performance, a very healthy cash position, an additional quarter of cash of over \$57 million and working capital of \$51 million, Avino is well positioned to capitalize on the positive market trends in the precious metals sector. We are focused and on track to deliver sustainable growth and long-term value for all stakeholders and shareholders.

Thank you for joining the Avino Q3 call today. Have a nice day.

**Operator**

This concludes today's conference and you may disconnect your lines at this time. Thank you for your participation.