12. NON-GAAP PERFORMANCE MEASURES

The Company has included certain non-GAAP performance measures to supplement its Consolidated Financial Statements, which are presented in accordance with IFRS, including the following:

- *Cash costs per gold equivalent ounce ("GEO") sold;*
- *All-in sustaining costs ("AISC") per GEO sold;*
- *Net debt;*
- *Net free cash flow;*
- *Average realized price per ounce of gold/silver sold; and*
- *Average realized price per pound of copper sold.*

The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Management's determination of the components of non-GAAP and additional measures are evaluated on a periodic basis influenced by new items and transactions, a review of investor uses and new regulations as applicable. Any changes to the measures are duly noted and retrospectively applied as applicable. Subtotals and per unit measures may not calculate based on amounts presented in the following tables due to rounding.

GEO PRODUCTION AND SALES

Production and sales of silver are treated as a gold equivalent in determining a combined precious metal production or sales unit, commonly referred to as gold equivalent ounces ("GEO"). Specifically, guidance GEO produced are calculated by converting silver production to its gold equivalent using relative gold/silver metal prices at an assumed ratio and adding the converted silver production expressed in gold ounces to the ounces of gold production. Actual GEO production and sales calculations are based on an average realized gold to silver price ratio for the relevant period.

CASH COSTS AND ALL-IN SUSTAINING COSTS

The Company discloses “cash costs” because it understands that certain investors use this information to determine the Company’s ability to generate earnings and cash flows for use in investing and other activities. The Company believes that conventional measures of performance prepared in accordance with IFRS do not fully illustrate the ability of its operating mines to generate cash flows. The measures, as determined under IFRS, are not necessarily indicative of operating profit or cash flows from operating activities.

The measure of cash costs and all-in sustaining costs ("AISC"), along with revenue from sales, is considered to be a key indicator of a company’s ability to generate operating earnings and cash flows from its mining operations. This data is furnished to provide additional information and is a non-GAAP financial measure. The terms "cash costs per GEO sold" and "AISC per GEO sold" do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. Non-GAAP financial measures should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS and are not necessarily indicative of operating costs, operating profit or cash flows presented under IFRS.

Cash costs include mine site operating costs such as mining, processing, administration, production taxes and royalties which are not based on sales or taxable income calculations, but are exclusive of amortization, reclamation, capital, development and exploration costs. The Company believes that such measure provides useful information about its underlying Cash costs of operations. Cash costs are computed on a weighted average basis as follows:

- **Cash costs per GEO sold** - The total costs used as the numerator of the unitary calculation represent cost of sales excluding DDA, net of treatment and refining charges. The attributable cost is calculated net of by-products by applying copper and zinc net revenues, which are incidental to the production of precious metals, as a credit to GEO sold, thereby allowing the Company’s management and stakeholders to assess net costs of precious metal sales. These costs are then divided by GEO sold.

AISC figures are calculated in accordance with a standard developed by the World Gold Council ("WGC") (a non-regulatory, market development organization for the gold industry). Adoption of the standard is voluntary, and the standard is an attempt to create uniformity and a standard amongst the industry and those that adopt it. Nonetheless, the cost measures presented herein may not be comparable to other similarly titled measures of other companies.

AISC seeks to represent total sustaining expenditures of producing and selling GEO from current operations. The total costs used as the numerator of the unitary calculation represent cash costs (as defined above), and includes cost components of mine sustaining capital expenditures including stripping and underground mine development, corporate and mine-site general and administrative expense, sustaining mine-site exploration and evaluation expensed and capitalized and accretion and amortization of reclamation and remediation. AISC do not include capital expenditures attributable to projects or mine expansions, exploration and evaluation costs attributable to growth projects, income tax payments, borrowing costs and dividend payments. Consequently, this measure is not representative of all of the Company's cash expenditures. In addition, the calculation of AISC does not include depletion, depreciation and amortization expense as it does not reflect the impact of expenditures incurred in prior periods. AISC are computed on a weighted average basis as follows:

- **AISC per GEO sold** - reflect allocations of the aforementioned cost components on the basis that is consistent with the nature of each of the cost component to the GEO production and sales activities but net of by-product revenue credits from sales of copper and zinc.

The following tables provide detailed reconciliations from costs of sales to cash costs and AISC, for the years ended December 31, 2020, and December 31, 2019.

Reconciliation of Cost of Sales to Cash Costs and AISC

Cash Cost & AISC Reconciliation - Total	*For the three months ended December 31, 2020*			*For the three months ended December 31, 2019*		
(In millions of US Dollars except GEO sold and per GEO sold amounts)	**Total**	**Total GEO**	**Non-Sustaining**	Total	Total GEO	Other Mines & Non-Sustaining
Cost of sales excluding DDA (i)	**$ 166.8**	**$ 166.8**	**$ —**	$ 169.4	$ 169.1	$ 0.3
DDA (i)	**112.5**	**112.5**	**—**	119.0	119.0	—
Total cost of sales	**$ 279.3**	**$ 279.3**	**$ —**	$ 288.4	$ 288.0	$ 0.3
DDA	**(112.5)**	**(112.5)**	**—**	(119.0)	(119.0)	—
Total cash costs	**$ 166.8**	**$ 166.8**	**$ —**	$ 169.5	$ 169.1	$ 0.3
AISC adjustments:						
General and administrative expenses	**23.4**	**23.4**	**—**	19.3	19.3	—
Community costs in other operating expenses	**1.9**	**1.9**	**—**	0.9	0.9	—
Reclamation & remediation - accretion & amortization	**5.8**	**5.8**	**—**	5.3	5.3	—
Exploration capital expenditures	**21.0**	**11.8**	**9.2**	13.9	11.7	2.2
Exploration and evaluation expenses	**6.0**	**3.5**	**2.5**	3.3	1.9	1.4
Sustaining capital expenditures	**47.8**	**47.8**	**—**	46.6	46.6	—
Leases (IFRS 16 Adjustment)	**4.8**	**4.8**	**—**	6.1	6.1	—
Total AISC		**$ 265.7**			$ 260.8	
GEO sold (ii)(iii)		**246,955**			257,904	
Cost of sales excl. DDA per GEO sold		**$ 675**			$ 656	
DDA per GEO sold		**$ 455**			$ 461	
Total cost of sales per GEO sold		**$ 1,131**			$ 1,117	
Cash costs per GEO sold		**$ 675**			$ 656	
AISC per GEO sold		**$ 1,076**			$ 1,011	

Cash Cost & AISC Reconciliation - Total	*For the year ended December 31, 2020*			*For the year ended December 31, 2019*		
(In millions of US Dollars except GEO and per GEO amounts)	**Total**	**Total GEO**	**Non-sustaining**	Total	Total GEO	Other Mines & Non-Sustaining
Cost of sales excluding DDA (i)	**$ 614.1**	**$ 614.1**	**$ —**	$ 782.8	$ 671.7	$ 111.1
DDA (i)	**395.0**	**395.0**	**—**	471.7	459.7	12.0
Total cost of sales	**$ 1,009.1**	**$ 1,009.1**	**$ —**	$ 1,254.4	$ 1,131.4	$ 123.1
DDA	**(395.0)**	**(395.0)**	**—**	(471.7)	(459.7)	(12.0)
Treatment and refining charges	**—**	**—**	**—**	0.7	0.7	—
Total cash costs	**$ 614.1**	**$ 614.1**	**$ —**	$ 783.5	$ 672.4	$ 111.1
AISC adjustments:						
General and administrative expenses	**85.9**	**85.9**	**—**	79.4	72.0	7.4
Community costs in other operating expenses	**6.4**	**6.4**	**—**	5.2	5.2	—
Reclamation & remediation - accretion & amortization	**20.1**	**20.1**	**—**	25.6	22.6	3.0
Exploration capital expenditures	**57.6**	**41.2**	**16.4**	60.4	50.8	9.6
Exploration and evaluation expenses	**15.1**	**9.6**	**5.5**	10.3	5.1	5.2
Sustaining capital expenditures	**149.3**	**149.3**	**—**	166.7	141.5	25.2
Leases (IFRS 16 Adjustment)	**20.3**	**20.3**	**—**	21.1	19.9	1.2
Total AISC		**$ 946.8**			$ 989.5	
Commercial GEO (ii)(iii)		**876,520**			990,005	
Cost of sales excl. DDA per GEO sold		**$ 701**			$ 678	
DDA per GEO sold		**$ 451**			$ 464	
Total cost of sales per GEO sold		**$ 1,151**			$ 1,143	
Cash costs per GEO sold		**$ 701**			$ 679	
AISC per GEO sold		**$ 1,080**			$ 999	

Cash Cost & AISC Reconciliation - Operating Segments *For the three months ended December 31, 2020*

(In millions of US Dollars except GEO sold and per GEO sold amounts)	Total	Malartic GEO	Jacobina GEO	Cerro Moro GEO	El Peñón GEO	Minera Florida GEO	Corporate & Non-Sustaining
Cost of sales excluding DDA (i)	**$ 166.8**	**$ 53.4**	**$ 25.2**	**$ 33.8**	**$ 36.0**	**$ 18.2**	**$ —**
DDA (i)	**112.5**	**41.5**	**13.6**	**25.4**	**16.9**	**12.5**	**2.6**
Total cost of sales	**$ 279.3**	**$ 95.0**	**$ 38.8**	**$ 59.2**	**$ 52.9**	**$ 30.7**	**$ 2.6**
DDA	**(112.5)**	**(41.5)**	**(13.6)**	**(25.4)**	**(16.9)**	**(12.5)**	**(2.6)**
Treatment and refining charges	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total cash costs	**$ 166.8**	**$ 53.4**	**$ 25.2**	**$ 33.8**	**$ 36.0**	**$ 18.2**	**$ —**
AISC adjustments:							
General and administrative expenses	**23.4**	**1.0**	**0.2**	**0.3**	**0.3**	**0.2**	**21.4**
Community costs in other operating expenses	**1.9**	**0.1**	**0.1**	**1.6**	**—**	**—**	**0.1**
Reclamation & remediation - accretion & amortization	**5.8**	**2.4**	**0.5**	**0.7**	**0.6**	**1.0**	**0.6**
Exploration capital expenditures	**21.0**	**—**	**2.0**	**3.5**	**4.7**	**1.8**	**9.0**
Exploration and evaluation expenses	**6.0**	**0.1**	**0.1**	**—**	**—**	**—**	**6.0**
Sustaining capital expenditures	**47.8**	**18.6**	**5.4**	**9.0**	**9.9**	**4.4**	**0.5**
Leases (IFRS 16 Adjustment)	**4.8**	**0.2**	**1.0**	**1.3**	**1.5**	**0.4**	**0.4**
Total AISC		**$ 75.7**	**$ 34.5**	**$ 50.2**	**$ 53.0**	**$ 26.1**	
GEO sold (ii)		**84,348**	**42,789**	**44,101**	**51,738**	**23,979**	
Cost of sales excl. DDA per GEO sold		**$ 634**	**$ 590**	**$ 768**	**$ 696**	**$ 760**	
DDA per GEO sold		**$ 493**	**$ 317**	**$ 576**	**$ 327**	**$ 519**	
Total cost of sales per GEO sold		**$ 1,126**	**$ 907**	**$ 1,343**	**$ 1,023**	**$ 1,279**	
Cash costs per GEO sold		**$ 634**	**$ 590**	**$ 768**	**$ 696**	**$ 760**	
AISC per GEO sold		**$ 898**	**$ 807**	**$ 1,139**	**$ 1,025**	**$ 1,087**	

Cash Cost & AISC Reconciliation - Operating Segments *For the three months ended December 31, 2019*

(In millions of US Dollars except GEO sold and per GEO sold amounts)	Total	Malartic GEO	Jacobina GEO	Cerro Moro GEO	El Peñón GEO	Minera Florida GEO	Corporate & Other Mines & Non-Sustaining
Cost of sales excluding DDA (i)	$ 169.4	$ 53.1	$ 23.4	$ 37.0	$ 35.7	$ 19.8	$ 0.4
DDA (i)	119.0	34.9	12.0	29.5	31.8	8.8	2.0
Total cost of sales	$ 288.4	$ 88.0	$ 35.4	$ 66.5	$ 67.5	$ 28.6	$ 2.4
DDA	(119.0)	(34.9)	(12.0)	(29.5)	(31.8)	(8.8)	(2.0)
Treatment and refining charges	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total cash costs	$ 169.4	$ 53.1	$ 23.4	$ 37.0	$ 35.7	$ 19.8	$ 0.4
AISC adjustments:							
General and administrative expenses	19.3	0.9	0.3	0.4	0.4	0.3	17.0
Community costs in other operating expenses	0.9	0.1	—	0.8	—	—	—
Reclamation & remediation - accretion & amortization	5.3	2.3	0.7	0.9	0.3	1.2	(0.1)
Exploration capital expenditures	13.9	0.1	2.7	3.8	2.8	2.3	2.2
Exploration and evaluation expenses	3.3	—	0.1	—	—	—	3.2
Sustaining capital expenditures	46.6	13.5	8.2	11.9	7.6	3.7	1.7
Leases (IFRS 16 Adjustment)	6.1	0.1	1.2	1.3	2.4	0.5	0.6
Total AISC		$ 70.1	$ 36.6	$ 56.0	$ 49.2	$ 27.8	
GEO sold (ii)(iii)		84,673	44,293	45,690	63,552	19,696	
Cost of sales excl. DDA per GEO sold		$ 627	$ 529	$ 811	$ 562	$ 1,005	
DDA per GEO sold		$ 412	$ 270	$ 646	$ 500	$ 445	
Total cost of sales per GEO sold		$ 1,039	$ 799	$ 1,456	$ 1,062	$ 1,450	
Cash costs per GEO sold		$ 627	$ 529	$ 811	$ 562	$ 1,005	
AISC per GEO sold		$ 828	$ 827	$ 1,228	$ 775	$ 1,411	

Cash Cost & AISC Reconciliation - Operating Segments

For the year ended December 31, 2020

(In millions of US Dollars except GEO and per GEO amounts)	Total	Malartic GEO	Jacobina GEO	Cerro Moro GEO	El Peñón GEO	Minera Florida GEO	Corporate & Non-Sustaining
Cost of sales excluding DDA (i)	**$ 614.1**	**$ 185.4**	**$ 95.5**	**$ 115.8**	**$ 141.8**	**$ 75.6**	**$ —**
DDA (i)	**395.0**	**133.4**	**52.6**	**86.1**	**69.6**	**44.2**	**9.1**
Total cost of sales	**$ 1,009.1**	**$ 318.8**	**$ 148.1**	**$ 201.8**	**$ 211.4**	**$ 119.8**	**$ 9.1**
DDA	**(395.0)**	**(133.4)**	**(52.6)**	**(86.1)**	**(69.6)**	**(44.2)**	**(9.1)**
Treatment and refining charges	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total cash costs	**$ 614.1**	**$ 185.4**	**$ 95.5**	**$ 115.8**	**$ 141.8**	**$ 75.6**	**$ —**
AISC adjustments:							
General and administrative expenses	**85.9**	**2.5**	**0.7**	**0.5**	**0.5**	**0.4**	**81.3**
Community costs in other operating expenses	**6.4**	**0.3**	**0.7**	**4.6**	**—**	**—**	**0.8**
Reclamation & remediation - accretion & amortization	**20.1**	**8.2**	**2.2**	**2.8**	**2.2**	**3.6**	**1.1**
Exploration capital expenditures	**57.6**	**—**	**6.0**	**12.6**	**15.9**	**7.0**	**16.1**
Exploration and evaluation expenses	**15.1**	**0.1**	**0.1**	**—**	**—**	**—**	**14.9**
Sustaining capital expenditures	**149.3**	**52.5**	**21.6**	**29.5**	**31.4**	**12.6**	**1.7**
Leases (IFRS 16 Adjustment)	**20.3**	**0.7**	**4.1**	**5.0**	**7.0**	**1.8**	**1.7**
Total AISC		**$ 249.7**	**$ 130.9**	**$ 170.7**	**$ 198.8**	**$ 101.1**	
Commercial GEO (ii)		**264,198**	**175,561**	**133,358**	**215,667**	**87,735**	
Cost of sales excl. DDA per GEO sold		**$ 702**	**$ 544**	**$ 868**	**$ 657**	**$ 862**	
DDA per GEO sold		**$ 505**	**$ 300**	**$ 645**	**$ 323**	**$ 503**	
Total cost of sales per GEO sold		**$ 1,207**	**$ 844**	**$ 1,513**	**$ 980**	**$ 1,366**	
Cash costs per GEO sold		**$ 702**	**$ 544**	**$ 868**	**$ 657**	**$ 862**	
AISC per GEO sold		**$ 945**	**$ 746**	**$ 1,280**	**$ 922**	**$ 1,152**	

Cash Cost & AISC Reconciliation - Operating Segments

For the year ended December 31, 2019

(In millions of US Dollars except GEO and per GEO amounts)	Total	Malartic GEO	Jacobina GEO	Cerro Moro GEO	El Peñón GEO	Minera Florida GEO	Corporate & Other Mines & Non-Sustaining
Cost of sales excluding DDA (i)	$ 782.8	$ 198.9	$ 94.9	$ 153.8	$ 153.4	$ 70.6	$ 111.2
DDA (i)	471.7	135.4	56.7	121.7	102.0	35.7	20.2
Total cost of sales	$ 1,254.4	$ 334.4	$ 151.6	$ 275.5	$ 255.4	$ 106.3	$ 131.4
DDA	(471.7)	(135.4)	(56.7)	(121.7)	(102.0)	(35.7)	(20.2)
Treatment and refining charges	13.0	—	—	0.7	—	—	12.3
Total cash costs	$ 795.8	$ 198.9	$ 94.9	$ 154.4	$ 153.4	$ 70.6	$ 123.5
AISC adjustments:							
General and administrative expenses	79.4	3.5	1.1	0.6	0.7	0.5	73.0
Community costs in other operating expenses	5.2	0.3	0.2	4.2	—	—	0.5
Reclamation & remediation - accretion & amortization	25.6	9.0	3.4	3.5	2.1	4.6	3.0
Exploration capital expenditures	60.4	0.8	6.3	16.2	18.1	9.5	9.5
Exploration and evaluation expenses	10.3	0.2	0.2	—	—	—	9.9
Sustaining capital expenditures	166.7	45.1	24.5	23.5	30.8	13.1	29.7
Leases (IFRS 16 Adjustment)	21.1	0.5	4.7	4.2	6.8	2.3	2.6
Total AISC		$ 258.6	$ 135.3	$ 206.6	$ 211.9	$ 100.6	
Commercial GEO (ii)(iii)		330,851	160,142	213,077	211,231	74,705	
Cost of sales excl. DDA per GEO sold		$ 601	$ 593	$ 722	$ 726	$ 945	
DDA per GEO sold		$ 409	$ 354	$ 571	$ 483	$ 478	
Total cost of sales per GEO sold		$ 1,011	$ 947	$ 1,293	$ 1,209	$ 1,423	
Cash costs per GEO sold		$ 601	$ 593	$ 725	$ 726	$ 945	
AISC per GEO sold		$ 782	$ 845	$ 969	$ 1,003	$ 1,346	

(i) Cost of sales excluding DDA includes the impact of the movement in inventory (non-cash item). Information related to GAAP values of cost of sales excluding DDA, DDA and total cost of sales are derived from the Consolidated Statements of Operations and *Note 7: Segment Information* to the Company's Consolidated Financial Statements. Other Mines include Chapada for the comparative period.

(ii) GEO assumes gold ounces plus the gold equivalent of silver ounces using a ratio of 76.82 and 88.86 for the three months and year ended December 31, 2020, respectively, and 85.54 and 86.02 for the three months and year ended December 31, 2019, respectively.

(iii) Comparative period GEO and gold figures exclude contributions from the Chapada mine, which was divested in July 2019. Sales figures for the three months and year ended December 31, 2019 exclude (161) and 49,578 ounces, respectively, net of quantity adjustments.

NET DEBT

The Company uses the financial measure "net debt ", which is a non-GAAP financial measure, to supplement information in its consolidated financial statements. The Company believes that in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use this information to evaluate the Company's performance. The non-GAAP financial measure of net debt does not have any standardized meaning prescribed under IFRS, and therefore it may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Net debt is calculated as the sum of the current and non-current portions of long-term debt net of the cash and cash equivalent balance as at the balance sheet date. Cash related to the MARA Project is added back to the net debt calculation on the basis that the cash is specific to the MARA Project, and not available to the Company for the purposes of debt reduction.

When the cash and cash equivalent balance exceeds the total debt, the Company is in a "net cash" position. A reconciliation of net debt is provided below:

As at, (In millions of US Dollars)	**December 31, 2020**	December 31, 2019
Debt		
Non-current portion	**$ 993.8**	$ 991.7
Current portion	**—**	56.2
Total debt	**$ 993.8**	$ 1,047.9
Less: Cash and cash equivalents	**(651.2)**	(158.8)
Add: Cash related to MARA	**223.1**	—
Net debt	**$ 565.7**	$ 889.1

NET FREE CASH FLOW

The Company uses the financial measure "net free cash flow", which is a non-GAAP financial measure, to supplement information in its consolidated financial statements. Net free cash flow does not have any standardized meaning prescribed under IFRS, and therefore it may not be comparable to similar measures employed by other companies. The Company believes that in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use this information to evaluate the Company's performance with respect to its operating cash flow capacity to meet non-discretionary outflows of cash. The presentation of net free cash flow is not meant to be a substitute for the cash flow information presented in accordance with IFRS, but rather should be evaluated in conjunction with such IFRS measures. Net free cash flow is calculated as cash flows from operating activities adjusted for advance payments received pursuant to metal purchase agreements and other cash flows not related to current period production, less non-discretionary items such as sustaining capital expenditures, interest paid, payment of lease liabilities, and cash used in other financing activities.

(In millions of US Dollars)	For the three months ended December 31, 2020	2019	For the year ended December 31, 2020	2019
Cash flows from operating activities	**$ 181.5**	$ 201.7	**$ 617.8**	$ 521.8
Adjustments to operating cash flows:				
Amortization of deferred revenue (i)	**3.8**	4.2	**16.1**	79.4
Temporary suspension and standby costs	**2.2**	—	**18.4**	—
Other incremental COVID-19 costs	**7.0**	—	**22.1**	—
Legal contingencies included in other cash payments	**—**	—	**8.0**	8.3
Non-discretionary items related to the current period				
Sustaining capital expenditures	**(47.8)**	(46.6)	**(149.2)**	(166.7)
Interest paid	**(21.3)**	(22.8)	**(54.9)**	(84.4)
Payment of lease liabilities	**(4.2)**	(4.8)	**(17.1)**	(16.8)
Cash used in other financing activities	**(2.3)**	(8.5)	**(5.5)**	(20.1)
Net free cash flow	**$ 118.9**	$ 123.2	**$ 455.7**	$ 321.5
Discretionary and other items impacting cash flow available for dividends and debt repayments				
Expansionary and exploration capital expenditures	**$ (47.5)**	$ (39.2)	**$ (124.5)**	$ (165.0)
Cash flows used in other investing activities	**(10.0)**	(11.1)	**(34.6)**	(61.3)
Effect of foreign exchange of non-USD denominated cash	**0.3**	0.4	**(0.9)**	(1.0)
Free cash flow available for dividends and debt repayments	**$ 61.7**	$ 73.3	**$ 295.7**	$ 94.2

(i) Adjustments represent non-cash deferred revenue recognized in respect of metal sales agreements, the cash payments for which were received in previous periods and which were similarly reduced for comparability. Amounts are derived from the Consolidated Statements of Cash Flows and further details on current deferred revenue balances can be found in *Note 27: Other Provisions and Liabilities* to the Company's Consolidated Financial Statements.

AVERAGE REALIZED METAL PRICES

The Company uses the financial measures "average realized gold price", "average realized silver price" and "average realized copper price", which are non-GAAP financial measures, to supplement its consolidated financial statements. Average realized price does not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures employed by other companies. The Company believes that in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use this information to evaluate the Company’s performance vis-à-vis average market prices of metals for the period. The presentation of average realized metal prices is not meant to be a substitute for the revenue information presented in accordance with IFRS, but rather should be evaluated in conjunction with such IFRS measure.

Average realized metal price represents the sale price of the underlying metal before deducting treatment and refining charges, and other quotational and pricing adjustments. Average realized prices are calculated as the revenue related to each of the metals sold, i.e. gold, silver and copper, divided by the quantity of the respective units of metals sold, i.e. gold ounce, silver ounce and copper pound. Reconciliations of average realized metal prices to revenue are provided below:

For the three months ended December 31,	**2020**				2019			
	Quantity sold		**Revenue per ounce/pound**	**Revenue** *(In millions of US Dollars)*	Quantity sold		Revenue per ounce/pound	Revenue *(In millions of US Dollars)*
Gold (i)	**213,439**	**oz**	**$ 1,875**	**$ 400.2**	223,433	oz	$ 1,486	$ 332.0
Silver	**2,563,166**	**oz**	**$ 24.02**	**61.6**	2,935,673	oz	$ 17.55	51.5
Copper (i)	**—**	**lbs**	**$ —**	**—**	182,567	lbs	$ 1.88	0.3
Revenue				**$ 461.8**				$ 383.8

For the three months ended December 31,	**2020**				2019			
	Quantity sold		**Average Realized Price**	**Revenue** *(In millions of US Dollars)*	Quantity sold		Average Realized Price	Revenue *(In millions of US Dollars)*
Gold (i)	**213,439**	**oz**	**$ 1,875**	**$ 400.2**	223,433	oz	$ 1,484	$ 331.5
Silver	**2,294,546**	**oz**	**$ 24.32**	**55.8**	2,635,673	oz	$ 17.39	45.8
Silver subject to metal sales agreement (ii)	**268,620**	**oz**	**$ 21.44**	**5.8**	300,000	oz	$ 18.52	5.6
	2,563,166	**oz**	**$ 24.02**		2,935,673	oz	$ 17.50	
Copper (i)	**—**	**lbs**	**$ —**	**—**	16,085	lbs	$ 2.70	0.0
Copper subject to metal sales agreements (ii)	**—**	**lbs**	**$ —**	**—**	166,482	lbs	$ 2.06	0.3
	—	**lbs**	**$ —**		182,567	lbs	$ 2.11	
Gross revenue				**$ 461.8**				$ 383.2
(Deduct) add:								
Metal price, MTM, and derivative settlement adjustments				**—**				0.6
Revenue				**$ 461.8**				$ 383.8

(i) Includes payable gold and copper contained in concentrate from the Chapada mine in the comparative period.
(ii) Balances represent the metals sold under the metal sales agreements.

For the year ended December 31,	**2020**				2019			
	Quantity sold		**Revenue per ounce/pound**	**Revenue** *(In millions of US Dollars)*	Quantity sold		Revenue per ounce/pound	Revenue *(In millions of US Dollars)*
Gold (i)	**754,970**	**oz**	**$ 1,777**	**$ 1,341.8**	911,708	oz	$ 1,392	$ 1,268.7
Silver	**10,382,086**	**oz**	**$ 21.11**	**219.2**	11,009,552	oz	$ 16.39	180.6
Copper (i)	**—**	**lbs**	**$ —**	**—**	59,887,778	lbs	$ 2.72	162.9
Revenue				**$ 1,561.0**				$ 1,612.2

For the year ended December 31,	**2020**				2019			
	Quantity sold		**Average Realized Price**	**Revenue** *(In millions of US Dollars)*	Quantity sold		Average Realized Price	Revenue *(In millions of US Dollars)*
Gold (i)	**754,970**	**oz**	**$ 1,777**	**$ 1,341.8**	911,708	oz	$ 1,387	$ 1264.6
Silver	**9,380,951**	**oz**	**$ 21.04**	**197.4**	10,165,352	oz	$ 16.11	163.8
Silver subject to metal sales agreement (ii)	**1,001,135**	**oz**	**$ 19.91**	**19.9**	844,200	oz	$ 18.05	15.2
	10,382,086	**oz**	**$ 20.93**		11,009,552	oz	$ 16.26	
Copper (i)	**—**	**lbs**	**$ —**	**—**	37,157,312	lbs	$ 2.83	105.1
Copper subject to metal sales agreements (ii)	**—**	**lbs**	**$ —**	**—**	22,730,466	lbs	$ 2.91	66.2
	—	**lbs**	**$ —**		59,887,778	lbs	$ 2.86	
Gross revenue				**$ 1,559.1**				$ 1,614.9
(Deduct) add:								
Treatment and refining charges of gold and copper concentrate				**—**				(13.0)
Metal price, MTM, and derivative settlement adjustments				**—**				10.3
Deferred revenue adjustment (iii)				**1.9**				—
Revenue				**$ 1,561.0**				$ 1,612.2

(i) Includes payable gold and copper contained in concentrate.

(ii) Balances represent the metals sold under the metal sales agreements and the advanced copper sales program.

(iii) Consideration from the Company's metal sales agreement is considered variable. Revenue can be subject to cumulative adjustments when the number of ounces to be delivered under the agreement changes. During the three months ended March 31, 2020, the Company recognized an adjustment to revenue and finance costs due to a change in the Company's reserve and resource estimates, and therefore, the number of ounces expected to be delivered under the life of the agreement.

ADDITIONAL LINE ITEMS OR SUBTOTALS IN FINANCIAL STATEMENTS

The Company uses the following additional line items and subtotals in the consolidated financial statements as contemplated in *IAS 1: Presentation of Financial Statements:*

- **Gross margin excluding depletion, depreciation and amortization** - represents the amount of revenue in excess of cost of sales excluding depletion, depreciation and amortization. This additional measure represents the cash contribution from the sales of metals before all other operating expenses and DDA, in the reporting period.
- **Mine operating earnings/loss** - represents the amount of revenue in excess of cost of sales excluding depletion, depreciation and amortization, depletion, depreciation and amortization, temporary suspension, standby and other incremental COVID-19 costs, and net impairment write-downs/reversals.
- **Operating earnings/loss** - represents the amount of earnings/loss before net finance costs, other income/costs and income tax expense/recovery. This measure represents the amount of financial contribution, net of all expenses directly attributable to mining operations and overheads. Finance costs and other income/costs are not classified as expenses directly attributable to mining operations.
- **Cash flows from operating activities before income taxes paid and net change in working capital** - excludes the payments made during the period related to income taxes and tax related payments and the movement from period-to-period in working capital items including trade and other receivables, other assets, inventories, trade and other payables. Working capital and income taxes can be volatile due to numerous factors, such as the timing of payment and receipt. As the Company uses the indirect method prescribed by IFRS in preparing its statement of cash flows, this additional measure represents the cash flows generated by the mining business to complement the GAAP measure of cash flows from operating activities, which is adjusted for income taxes paid and tax related payments and the working capital change during the reporting period.
- **Cash flows from operating activities before net change in working capital** - excludes the movement from period-to-period in working capital items including trade and other receivables, other assets, inventories, trade and other payables. Working capital can be volatile due to numerous factors, such as the timing of payment and receipt. As the Company uses the indirect method prescribed by IFRS in preparing its statement of cash flows, this additional measure represents the cash flows generated by the mining business to complement the GAAP measure of cash flows from operating activities, which is adjusted for the working capital change during the reporting period.

The Company believes that this presentation provides useful information to investors because gross margin excluding depletion, depreciation and amortization excludes the non-cash operating cost items (i.e. depreciation, depletion and amortization), cash flows from operating activities before net change in working capital excludes the movement in working capital items, mine operating earnings excludes expenses not directly associated with commercial production and operating earnings excludes finance and tax related expenses and income/recoveries. These, in management’s view, provide useful information of the Company’s cash flows from operating activities and are considered to be meaningful in evaluating the Company’s past financial performance or the future prospects.