ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis ("MD&A") provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of SSR Mining Inc. and its subsidiaries (collectively, the "Company"). The Company uses certain non-GAAP financial measures in this MD&A; for a description of each of these measures, please see the discussion under "Non-GAAP Financial Measures" in Part II, Item 7, Management's Discussion and Analysis herein. This item should be read in conjunction with the Consolidated Financial Statements and the notes thereto included in this annual report.

The following MD&A discusses the Company's consolidated financial condition and results of operations for the years ended 2022 and 2021 and year-over-year comparisons between 2022 and 2021. Discussions of the consolidated financial condition and results of operations for the year ended 2020 and year-over-year comparisons between 2021 and 2020 are included in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the Securities and Exchange Commission on February 23, 2022.

During the fourth quarter of 2022, the Company revised the previously reported caption of *Production costs* to *Cost of sales* within its Consolidated Statements of Operations to provide a more accurate description of the costs and align with commonly used terminology by industry participants. Cost of sales does not include depreciation, depletion and amortization. No changes were made to the accounting policies or previously reported amounts.

Overview

SSR Mining is a precious metals mining company with four producing assets located in the United States, Türkiye, Canada and Argentina. The Company is primarily engaged in the operation, acquisition, exploration and development of precious metal resource properties located in Türkiye and the Americas. The Company produces gold doré as well as silver and lead and zinc concentrates. The Company's diversified asset portfolio is comprised of high-margin, long-life assets located in some of the world's most prolific metal districts.

On November 17, 2022, the Company completed the acquisition of an additional 30.0% ownership in Kartaltepe Madencilik Sanayi ve Ticaret Anonim Şirketi ("Kartaltepe") from joint venture partner Lidya Madencilik Sanayi ve Ticaret A.Ş ("Lidya") for total consideration of $150.0 million in cash. The Company previously owned 50% of Kartaltepe and accounted for the investment as an equity method investment. Upon completion of the transaction, the Company now owns 80% and will consolidate Kartaltepe. For further information regarding this transaction, see Note 3 to the Consolidated Financial Statements.

At the end of the second quarter of 2022, Türkiye's Ministry of Environment, Urbanization and Climate Change ("Ministry of Environment") temporarily suspended operations at the Çöpler mine pending implementation of improvement initiatives requested as a result of a leak of leach solution on June 21, 2022. The Company completed these initiatives and received the required regulatory approvals from Türkiye's Government authorities on September 22, 2022 and all operations were restarted at the Çöpler mine. During the temporary suspension, *Care and maintenance* expense was recorded in the Statements of Operations which represents direct costs and depreciation incurred at Çöpler.

On July 6, 2022, the Company completed the sale of the Pitarrilla project in Durango, Mexico to Endeavour Silver Corp. ("Endeavour Silver") for consideration consisting of $35.0 million[(1)][1] in common shares of Endeavor Silver, $35.0 million in cash, and a 1.25% net smelter returns royalty on the Pitarrilla property. For further information, see Note 3 to the Condensed Consolidated Financial Statements.

The Company acquired all of the issued and outstanding common shares of Taiga Gold Corp. ("Taiga Gold") at a price of CAD $0.265 per Taiga Gold share on April 14, 2022, representing total consideration of $24.8 million. The transaction materially expands the Company's presence in Saskatchewan, Canada, a core jurisdiction, by adding five new properties, which provide new exploration targets stretching south from the Seabee mine to the Company's 100%-owned Amisk property. Further, the acquisition consolidates a 100% interest in the Fisher property contiguous to the Seabee mine. The Company will leverage its existing teams and infrastructure to advance the exploration of these assets.

On October 21, 2021, the Company completed the sale of a portfolio of 16 royalties and various deferred consideration interests in Türkiye and the Americas (the "Royalty Portfolio") to EMX Royalty Corporation

[1] The fair value of the common shares of Endeavour Silver on July 6, 2022 was $25.6 million. See Note 3 to the Condensed Consolidated Financial Statements for more information.

("EMX"). The Company received total consideration of $33.0 million in cash and $34.5 million in equity (12.3 million common shares at $2.80 per share). In addition, the Company will receive up to $34.0 million in contingent cash payments payable upon completion of certain milestones related to the Yenipazar project. For further information, see Note 3 to the Consolidated Financial Statements.

On September 16, 2020, the Company completed the business acquisition of Alacer Gold Corp. ("Alacer"). The Company acquired all of the issued and outstanding common shares of Alacer for total consideration of $2,180 million. The financial information included in the following discussion and analysis of financial condition and results of operations for the year ended December 31, 2020, compared to the same periods in 2019, includes the results of the Çöpler operation since September 16, 2020. For further information, see Note 3 to the Consolidated Financial Statements.

Consolidated Results of Operations

A summary of the Company's consolidated financial and operating results for the years ended December 31, are presented below (in thousands):

	Years Ended December 31,			Change	
	2022	2021	2020	2022 (%)	2021 (%)
Financial Results					
Revenue	$ 1,148,033	$ 1,474,199	$ 853,089	(22.1)%	72.8 %
Cost of sales (1)	$ 607,942	$ 671,374	$ 444,538	(9.4)%	51.0 %
Operating income	$ 190,268	$ 444,375	$ 188,275	(57.2)%	136.0 %
Net income	$ 210,428	$ 425,922	$ 157,162	(50.6)%	171.0 %
Net income attributable to equity holders of SSR Mining	$ 194,140	$ 368,076	$ 151,535	(47.3)%	142.9 %
Basic net income per share attributable to equity holders of SSR Mining	$ 0.92	$ 1.70	$ 1.00	(45.9)%	70.0 %
Adjusted attributable net income(2)	$ 144,814	$ 401,757	$ 193,401	(64.0)%	107.7 %
Adjusted basic attributable net income per share (2)	$ 0.69	$ 1.86	$ 1.28	(62.9)%	45.3 %
Adjusted diluted attributable net income per share (2)	$ 0.67	$ 1.78	$ 1.21	(62.4)%	47.1 %
Operating Results					
Gold produced (oz)	522,159	683,446	418,745	(23.6)%	63.2 %
Gold sold (oz)	521,928	689,354	413,775	(24.3)%	66.6 %
Silver produced ('000 oz)	8,397	8,010	5,581	4.8 %	43.5 %
Silver sold ('000 oz)	7,864	7,810	4,411	0.7 %	77.1 %
Lead produced ('000 lb) (3)	41,004	37,695	17,193	8.8 %	119.2 %
Lead sold ('000 lb) (3)	38,393	33,378	14,179	15.0 %	135.4 %
Zinc produced ('000 lb) (3)	8,583	13,642	6,988	(37.1)%	95.2 %
Zinc sold ('000 lb) (3)	6,998	10,751	5,111	(34.9)%	110.4 %
Gold equivalent produced (oz) (4)	623,819	794,456	484,153	(21.5)%	64.1 %
Gold equivalent sold (oz) (4)	617,135	797,602	465,471	(22.6)%	71.4 %
Average realized gold price ($/oz sold)	$ 1,811	$ 1,800	$ 1,812	0.6 %	(0.7)%
Average realized silver price ($/oz sold)	$ 19.58	$ 22.92	$ 21.23	(14.6)%	8.0 %
Cost of sales per gold equivalent ounce sold (1)	$ 985	$ 842	$ 955	17.0 %	(11.8)%
Cash cost per gold equivalent ounce sold (2, 4)	$ 928	$ 698	$ 814	33.0 %	(14.3)%
AISC per gold equivalent ounce sold (2, 4)	$ 1,339	$ 955	$ 1,193	40.2 %	(19.9)%

(1) Excludes depreciation, depletion, and amortization.

(2) The Company reports non-GAAP financial measures including adjusted attributable net income, adjusted basic attributable net income per share, cash costs and AISC per ounce sold to manage and evaluate its operating performance at its mines. See "Non-GAAP Financial Measures" for an explanation of these financial measures and a reconciliation of these financial measures to net income and cost of sales, which are the comparable GAAP financial measures.

(3) Data for lead production and sales relate only to lead in lead concentrate. Data for zinc production and sales relate only to zinc in zinc concentrate.

(4) Gold equivalent ounces are calculated using the silver ounces produced or sold multiplied by the ratio of the silver price to the gold price, using the average London Bullion Market Association (“LBMA”) prices for the period. The Company does not include copper, lead, or zinc as they are considered by-products.

Revenue

For the year ended December 31, 2022, revenue decreased by $326.2 million, or 22.1%, to $1,148.0 million as compared to $1,474.2 million for the year ended December 31, 2021. The decrease was mainly due to a 22.6% decrease in gold equivalent ounces sold. At Çöpler, gold sales decreased $248.1 million, or 41.3%, due to the temporary suspension of operations during the third quarter of 2022. At Marigold, gold sales decreased $77.6 million, or 18.2%, as a result of fewer ounces leached due to slower leaching caused by fines in the ore from the north pits. At Seabee, gold sales increased $30.8 million as the result of high mill feed grade, increasing ounces sold by 12.4% which was slightly offset by a 14.4% decrease in the average realized gold price. At Puna, sales decreased $26.6 million, or 11.8%, primarily due to a 14.6% decrease in the average realized silver price.

Cost of sales

Cost of sales decreased by $63.4 million, or 9.4%, to $607.9 million for the year ended December 31, 2022, as compared to $671.4 million for the year ended December 31, 2021. Çöpler cost of sales decreased $75.1 million, or 28.3%, due to the temporary suspension of operations during the third quarter of 2022. Costs of sales at Marigold decreased $13.0 million, or 5.9%, due to 17.4% fewer ounces sold, partially offset by higher fuel costs. Cost of sales at Seabee increased $8.3 million, or 12.5%, due to a 12.4% increase in gold ounces sold. At Puna, cost of sales increased $16.3 million, or 13.5%, primarily due to increased cost pressures for fuel, electricity, and reagents in Argentina.

Depreciation, depletion and amortization

	Years Ended December 31,			Change	
	2022	2021	2020	2022 (%)	2021 (%)
Depreciation, depletion, and amortization ($000s)	$ 181,447	$ 227,959	$ 109,258	(20.4)%	108.6 %
Gold equivalent ounces sold	617,135	797,602	465,471	(22.6)%	71.4 %
Depreciation, depletion, and amortization per gold equivalent ounce sold	$ 294	$ 286	$ 235	2.8 %	21.7 %

Depreciation, depletion, and amortization expense decreased by $46.5 million, or 20.4%, to $181.4 million for the year ended December 31, 2022 as compared to $228.0 million for the year ended December 31, 2021, primarily due to a decrease in gold equivalent ounces sold as a result of the temporary suspension of operations at Çöpler. Depreciation and amortization expense during the temporary suspension of operations at Çöpler were included in *Care and maintenance.*

General and administrative expense

General and administrative expense for the year ended December 31, 2022 was $71.7 million as compared to $56.6 million for the year ended December 31, 2021, an increase of $15.1 million. General and administrative expenses increased primarily due to a $9.1 million increase in salary and consulting expenses, and a $5.2 million increase in travel and computer expenses.

Exploration, evaluation and reclamation costs

Exploration, evaluation, and reclamation costs increased by $10.5 million to $52.8 million for the year ended December 31, 2022 as compared to $42.4 million for the year ended December 31, 2021. The increase was due to $9.2 million for more exploration drilling and a $1.2 million increase in accretion expense compared to the same period in 2021.

Care and maintenance

Care and maintenance expense for the year ended December 31, 2022 was $41.8 million. Care and maintenance expense incurred during 2022 represents direct costs and depreciation incurred at Çöpler during the temporary suspension of operations.

Impairment of long-lived and other assets

There was no impairment loss for the year ended December 31, 2022 as compared to $20.3 million for the year ended December 31, 2021. The Company recognized an impairment loss related to the Royalty Portfolio sold on October 21, 2021, based on the difference between the carrying amount of the assets within the Royalty Portfolio, and the estimated net transaction price.

Other operating expenses, net

Other operating expenses, net for the year ended December 31, 2022 were $2.1 million as compared to $11.2 million for the year ended December 31, 2021. The expenses incurred during 2022 were transaction costs related to the sale of the Pitarrilla project. The expenses incurred during 2021 related to the integration activities following the 2020 merger with Alacer and costs for the transition from a foreign private issuer to a domestic filer under SEC reporting requirements.

Gain on acquisition of Kartaltepe

Gain on acquisition of Kartaltepe in the 2022 year was $81.9 million. The gain represents the difference between: (i) the fair value of consideration paid, the fair value of the noncontrolling interests, and the reported amount of the previously held 50% interest and (ii) the total amount of the net assets recognized at fair value.

Other income (expense)

Other income for the year ended December 31, 2022 was $20.3 million as compared to expense of $14.1 million for the year ended December 31, 2021, an increase of $34.4 million. The change is primarily due to an increase in interest and other finance income of $14.4 million earned principally through its investments, which consisted primarily of short-term investments and money market funds during 2022 and an increase in the gain on marketable securities of $14.8 million.

Foreign exchange gain (loss)

Foreign exchange loss for the year ended December 31, 2022 was $32.5 million compared to a gain of $3.6 million for the year ended December 31, 2021. The Company's main foreign exchange exposures are related to net monetary assets and liabilities denominated in TRY, ARS and CAD. During the year ended December 31, 2022, the foreign exchange loss was mainly due to a weakening of the ARS against the USD and its impact on ARS-denominated assets at Puna, weakening of the TRY against the USD and its impact on TRY-denominated assets at Çöpler, and weakening of the CAD against the USD and its impact on CAD-denominated assets at Seabee.

Income and mining tax benefit (expense)

Income and mining tax expense for the year ended December 31, 2022 was $30.1 million as compared to a benefit of $14.1 million for the year ended December 31, 2021. The increase in tax expense was primarily as a result of less devaluation of TRY relative to the USD, increased withholding taxes on dividends and an uncertain tax position.

Results of Operations

Çöpler, Türkiye

Operating Data	Years Ended December 31, 2022	2021	2020[1]	Change 2022 (%)	2021 (%)
Gold produced (oz)	191,366	329,276	102,616	(41.9)%	220.9 %
Gold sold (oz)	192,811	333,761	108,283	(42.2)%	208.2 %
Average realized gold price ($/oz sold)	$ 1,826	$ 1,800	$ 1,887	1.4 %	(4.6)%
Cost of sales [2]	$ 189,825	$ 264,889	$ 121,614	(28.3)%	117.8 %
Cost of sales ($/oz gold sold) [2]	$ 985	$ 794	$ 1,123	24.1 %	(29.3)%
Cash costs ($/oz gold sold) [3]	$ 969	$ 578	$ 623	67.6 %	(7.2)%
AISC ($/oz gold sold) [3]	$ 1,328	$ 713	$ 749	86.3 %	(4.8)%

(1) The operating data presented in this column represents the period from September 16, 2020 to December 31, 2020, the period for which the Company was entitled to the economic benefits of Çöpler following the Company's acquisition of Alacer.

(2) Excludes depreciation, depletion, and amortization.

(3) The Company reports the non-GAAP financial measures of cash costs and AISC per ounce of gold sold to manage and evaluate operating performance at Çöpler. See "Non-GAAP Financial Measures" for an explanation of these financial measures and a reconciliation to cost of sales, which are the comparable GAAP financial measure. For the year ended December 31, 2022, cash costs and AISC per ounce of gold sold include the impact of any fair value adjustment on acquired inventories. For the years ended December 31, 2021 and 2020, cash costs and AISC per ounce of gold sold exclude the impact of any fair value adjustment on acquired inventories.

Production and Cost of sales

For the years ended December 31, 2022 and 2021, Çöpler produced 191,366 and 329,276 ounces of gold, respectively. Cost of sales per ounce of gold sold for the years ended December 31, 2022 and 2021 were $985 and $794 respectively, an increase of 24.1%. Lower production and cost of sales for the year ended December 31, 2022 are due to the temporary suspension of operations that occurred in the third quarter of 2022. Additionally, the cost of sales per ounce was impacted by higher electricity and sulfuric acid unit costs.

Cash Costs

For the years ended December 31, 2022 and 2021, cash costs per ounce of gold sold were $969 and $578, respectively. The increase was mainly due to a higher strip ratio of 84.6% for the year ended December 31, 2022 as compared to 60.6% for the year ended December 31, 2021. In addition to the higher strip ratio, higher reagent and electricity unit costs occurred during the year ended December 31, 2022 compared to same period in 2021.

AISC

For the years ended December 31, 2022 and 2021, AISC per ounce of gold sold were $1,328 and $713, respectively. The increases are due to 42.2% fewer gold ounces sold during the year ended December 31, 2022 compared to same period in 2021 as a result of the temporary suspension of operations that occurred for the majority of the third quarter of 2022 in addition to the increase in cash costs per ounce.

Marigold, USA

Operating Data	Years Ended December 31, 2022	2021	2020	Change 2022 (%)	2021 (%)
Gold produced (oz)	194,668	235,282	234,443	(17.3)%	0.4 %
Gold sold (oz)	195,617	236,847	229,892	(17.4)%	3.0 %
Average realized gold price ($/oz sold)	$ 1,747	$ 1,763	$ 1,783	(0.9)%	(1.1)%
Cost of sales (1)	$ 206,014	$ 219,035	$ 216,358	(5.9)%	1.2 %
Cost of sales ($/oz gold sold) (1)	$ 1,053	$ 925	$ 941	13.8 %	(1.7)%
Cash costs ($/oz gold sold) (2)	$ 1,056	$ 926	$ 938	14.0 %	(1.3)%
AISC ($/oz gold sold) (2)	$ 1,378	$ 1,187	$ 1,205	16.1 %	(1.5)%

(1) Excludes depreciation, depletion, and amortization.

(2) The Company reports the non-GAAP financial measures of cash costs and AISC per ounce of gold sold to manage and evaluate operating performance at Marigold. See "Non-GAAP Financial Measures" for an explanation of these financial measures and a reconciliation to production costs, which are the comparable GAAP financial measure.

Production and Cost of sales

For the years ended December 31, 2022 and 2021, Marigold produced 194,668 and 235,282 ounces of gold, respectively. The production decrease in 2022 was primarily the result of slower leaching due to fines in the ore from the north pits.

Cost of sales for the year ended December 31, 2022 was $206.0 million, a 5.9% decrease as compared to the year ended December 31, 2021. Cost of sales were lower due to fewer ounces sold, partially offset by higher cost of sales per ounce. Cost of sales per ounce sold were 13.8% higher due to higher fuel and reagent costs for ounces placed on the leach pad in the period.

Cash Costs

For the years ended December 31, 2022 and 2021, cash costs per ounce of gold sold were $1,056 and $926, respectively. The increase in cash cost per ounce are the result of the increase in cost of sales per ounce due to higher fuel and reagent costs.

AISC

For the years ended December 31, 2022 and 2021, AISC per ounce of gold sold were $1,378 and $1,187, respectively. The increase is mainly due to the increase in cash costs per ounce from fewer ounces sold as well as higher sustaining capital related to dewatering and leach pad construction costs, partially offset by lower componentization costs.

Seabee, Canada

Operating Data	Years Ended December 31, 2022	2021	2020	Change 2022 (%)	2021 (%)
Gold produced (oz)	136,125	118,888	81,686	14.5 %	45.5 %
Gold sold (oz)	133,500	118,746	75,600	12.4 %	57.1 %
Average realized gold price ($/oz sold)	$ 1,795	$ 1,800	$ 1,790	(0.3)%	0.6 %
Cost of sales (1)	$ 74,679	$ 66,354	$ 40,575	12.5 %	63.5 %
Cost of sales ($/oz gold sold) (1)	$ 559	$ 559	$ 537	— %	4.1 %
Cash costs ($/oz sold) (2)	$ 561	$ 521	$ 522	7.7 %	(0.2)%
AISC ($/oz sold) (2)	$ 823	$ 804	$ 1,110	2.4 %	(27.6)%

(1) Excludes depreciation, depletion, and amortization.

(2) The Company reports the non-GAAP financial measures of cash costs and AISC per ounce of gold sold to manage and evaluate operating performance at Seabee. See "Non-GAAP Financial Measures" for an explanation of these financial measures and a reconciliation to cost of sales, which are the comparable GAAP financial measure.

Production and Cost of sales

For the year ended December 31, 2022, Seabee produced 136,125 ounces of gold, a 14.5% increase compared to the year ended December 31, 2021. The increase was primarily due to higher mill feed grade and increased mine and mill productivity levels.

Cost of sales for the year ended December 31, 2022 was $74.7 million, a 12.5% increase compared to the year ended December 31, 2021. The increase was due to higher gold ounces sold, and the cost of sales per ounce sold was consistent year over year.

Cash Costs

For the years ended December 31, 2022 and 2021, cash costs per ounce of gold sold were $561 and $521, respectively. The increase is mainly due to inflationary cost pressures, operational and equipment maintenance costs, and increased utilization of contractors for higher production.

AISC

For the years ended December 31, 2022, AISC per ounce was $823, a 2.4% increase compared to the year ended December 31, 2021. The increase is primarily due to the increase in cash costs per ounce, and was partially offset by lower sustaining capital per ounce.

Puna, Argentina

	Years Ended December 31,			Change	
Operating Data	**2022**	**2021**	**2020**	**2022 (%)**	**2021 (%)**
Silver produced ('000 oz)	8,397	8,010	5,581	4.8 %	43.5 %
Silver sold ('000 oz)	7,864	7,810	4,411	0.7 %	77.1 %
Lead produced ('000 lb)	41,004	37,695	17,193	8.8 %	119.2 %
Lead sold ('000 lb)	38,393	33,378	14,179	15.0 %	135.4 %
Zinc produced ('000 lb)	8,583	13,642	6,988	(37.1)%	95.2 %
Zinc sold ('000 lb)	6,998	10,751	5,111	(34.9)%	110.4 %
Gold equivalent sold ('000 oz) (1)	95,207	108,248	51,696	(12.0)%	109.4 %
Average realized silver price ($/oz)	$ 19.58	$ 22.92	$ 21.23	(14.6)%	8.0 %
Cost of sales (2)	$ 137,424	$ 121,096	$ 65,991	13.5 %	83.5 %
Cost of sales ($/oz silver sold) (2)	$ 17.48	15.51	14.96	12.7 %	3.7 %
Cost of sales ($/oz gold equivalent sold) (2)	$ 1,443	$ 1,119	$ 1,277	29.0 %	(12.4)%
Cash costs ($/oz silver sold) (3)	$ 13.23	$ 10.56	$ 12.72	25.3 %	(17.0)%
Cash costs ($/oz gold equivalent sold)	$ 1,093	$ 762	$ 1,085	43.4 %	(29.8)%
AISC ($/oz silver sold) (3)	$ 15.50	$ 12.40	$ 18.56	25.0 %	(33.2)%
AISC ($/oz gold equivalent sold)	$ 1,280	$ 895	$ 1,584	43.0 %	(43.5)%

(1) Gold equivalent ounces are calculated using the silver ounces produced or sold multiplied by the ratio of the silver price to the gold price, using the average LBMA prices for the period. The Company does not include copper, lead, or zinc as they are considered by-products.

(2) Excludes depreciation, depletion, and amortization.

(3) The Company reports the non-GAAP financial measures of cash costs and AISC per ounce of silver sold to manage and evaluate operating performance at Puna. See "Non-GAAP Financial Measures" for an explanation of these financial measures and a reconciliation to cost of sales, which are the comparable GAAP financial measure.

Production and Cost of sales

For the year ended December 31, 2022, Puna produced 8.4 million ounces of silver, a 4.8% increase compared to the year ended December 31, 2021. The increase is primarily due to higher silver feed grade as compared to the same period in 2021. Silver ounces sold for the year ended December 31, 2022 was within 1% compared to the year ended December 31, 2021 due to the timing of concentrate shipments.

Cost of sales for the year ended December 31, 2022 was $137.4 million, a 13.5% increase compared to the year ended December 31, 2021. The increase in cost of sales is primarily due to high inflationary pressure on inputs in Argentina, causing overall costs to increase. The key operating inputs impacted include materials and supplies, fuel costs and reagent prices.

Cash Costs

Cash costs per ounce of silver sold for the year ended December 31, 2022 were $13.23, a 25.3% increase as compared to the year ended December 31, 2021. The increase is primarily due to increased cost of sales, increased transportation costs due to higher prices for boat and container shipments, and lower by-product credits that offset costs. The lower by-product credits are related to lower zinc sales as the result of lower zinc feed grade and a lower zinc recovery rate.

AISC

For the year ended December 31, 2022, AISC per ounce of silver sold was $15.50, a 25.0% increase compared to the year ended December 31, 2021. The increases in AISC per ounce of silver sold is due to higher cash cost per ounce as well as higher sustaining exploration expense related to an increase in exploration drilling near Chinchillas.

Liquidity and Capital Resources

The Company manages its liquidity risk through a rigorous planning, budgeting and forecasting process, which is reviewed and updated on a regular basis, to help determine the funding requirements to support its current operations, expansion and development plans, and by managing its capital structure.

The Company's objectives when managing capital are to invest in strategic growth initiatives, return cash to shareholders, and maintain balance sheet strength and flexibility.

In assessing capital structure, the Company includes the components of shareholders' equity, the 2019 Notes, the Term Loan and the Amended Credit Agreement. In order to facilitate the management of capital requirements, the Company prepares annual budgets and continuously monitors and reviews actual and forecasted cash flows. The annual budget is monitored and approved by the Company's Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares or debt, repay debt, dispose of non-core assets, or buy back shares. The Company expects its current capital resources will be sufficient to meet its business requirements for a minimum of twelve months.

Cash Dividends

During the year ended December 31, 2022, we declared and paid cash dividends of $0.28 per common share in the aggregate amount of 58.8 million.

During the year ended December 31, 2021, we declared and paid cash dividends of $0.20 per common share in the aggregate amount of $43.2 million.

Share Repurchase Plan/ NCIB

On June 20, 2022 the Board of Directors authorized a Normal Course Issuer Bid under the requirements of the TSX (the "2022 NCIB") to repurchase up to an aggregate of 10,600,000 common shares on the Nasdaq, the TSX and/or other exchanges and alternative trading systems in Canada and/or the United States, if eligible, subject to applicable law and stock exchange rules. In connection with the 2022 NCIB, the Company entered into an automated share purchase plan. During the year ended December 31, 2022, the Company repurchased and cancelled common shares of 6,053,126 for $100.0 million at a weighted average price paid per common share of $16.53.

On April 20, 2022, the Normal Course Issuer Bid established as of April 21, 2021 (the "2021 NCIB") expired. Under the 2021 NCIB, the Company was authorized by the TSX to the purchase of up to 10,000,000 common shares. Under the 2021 plan, the Company purchased and cancelled 8,800,700 common shares via open market purchases through the facilities of the TSX and the Nasdaq at a weighted average price paid per common share of $16.82 and a total repurchase value of $148.1 million.

Cash and Cash Equivalents

At December 31, 2022, the Company had $655.5 million of cash and cash equivalents, a decrease of $362.1 million from December 31, 2021, mainly due to cash used in the Company's investing and financing activities, and partially offset by cash flows generated by the Company's operations. Refer to the Cash flows part of the Liquidity and Capital Resources section of the MD&A for additional detail of the Company's cash flow activities. The Company held $566.0 million of its cash and cash equivalents balance in USD. Additionally, the Company held cash and cash equivalents of $43.8 million, $23.1 million and $20.6 million in ARS, CAD and TRY, respectively. All cash is invested in short-term investments or high interest savings accounts in accordance with the Company's investment policy with maturities of 90 days or less, providing the Company with sufficient liquidity to meet its foreseeable capital needs.

Debt

As a result of the temporarily suspended operations at the Çöpler mine during most of the third quarter of 2022, the Company was not in compliance with certain financial covenants in relation to the Term Loan as of September 30, 2022. During the fourth quarter of 2022, the Company received a waiver for the non-compliance event. The Company is in compliance with its financial covenants in relation to the Term Loan as of December 31, 2022. There were no other material changes to the Company's debt and revolving credit facilities except as noted in Note 18 to the Consolidated Financial Statements.

The Company's working capital as of December 31, 2022, together with future cash flows from operations, are expected to be sufficient to fund planned activities and commitments.

Cash Flows

The following table summarizes the Company's cash flow activity for year ended December 31:

	Years Ended December 31,		
	2022	**2021**	**2020**
Net cash provided by operating activities	$ 160,896	$ 608,986	$ 307,098
Cash (used in) provided by investing activities	(236,282)	(129,137)	240,423
Cash (used in) provided by financing activities	(271,782)	(319,769)	(158,374)
Effect of foreign exchange rate changes on cash and cash equivalents	(16,591)	(3,136)	789
Increase (decrease) in cash, cash equivalents and restricted cash	(363,759)	156,944	389,936
Cash, cash equivalents, and restricted cash, beginning of period	1,052,865	895,921	505,985
Cash, cash equivalents, and restricted cash, end of period	$ 689,106	$ 1,052,865	$ 895,921

Cash provided by operating activities

For the year ended December 31, 2022, cash provided by operating activities was $160.9 million compared to $609.0 million for the year ended December 31, 2021. The decrease in cash provided by operating activities is mainly due to the impact of lower gold sales at Çöpler, due to the temporary suspension of operations, and lower sales at Marigold in addition to the net change in operating assets and liabilities for the year ended December 31, 2022 as compared to the year ended December 31, 2021.

Cash (used in) provided by investing activities

For the year ended December 31, 2022, cash used in investing activities was $236.3 million compared to cash used in investing activities of $129.1 million for the year ended December 31, 2021. The increase in cash used in investing activities is mainly due to an increase in cash used for acquisitions of $170.1 million and the 2021 proceeds on Royalty Portfolio sale of $32.6 million, partially offset by lower additions to mineral properties, plant and equipment of $27.3 million, the 2022 proceeds from the sale of the Pitarrilla project of $35.1 million, increased proceeds from the sale of marketable securities of $24.2 million, and 2022 proceeds of $8.4 million related to the repayment of the EMX note receivable.

Cash (used in) provided by financing activities

For the year ended December 31, 2022, cash used in financing activities was $271.8 million compared to cash used in financing activities of $319.8 million for the years ended December 31, 2021. The decrease of $48.0 million in cash used in financing activities is mainly due to lower repurchase and cancellation of common shares under the NCIB of $48.1 million as compared to the same period in 2021.

Contractual Obligations

The Company enters into contracts in the normal course of business that give rise to commitments for future minimum payments. The following table summarizes the contractual obligations of the Company's financial liabilities, operating and capital commitments:

	December 31, 2022		
(in thousands)	**Current**	**Non-current**	**Total**
Accounts payable and accrued liabilities	$ 203,583	$ —	$ 203,583
Convertible notes (principal portion)	—	230,000	230,000
Term Loan and other debt (principal portion)	70,000	—	70,000
Interest payments on debt	5,618	—	5,618
Lease liabilities	5,847	119,404	125,251
Reclamation liabilities	10,075	153,972	164,047
Operating expenditure commitments	10,179	746	10,925
Capital expenditure commitments	11,329	—	11,329
Other	4,875	528	5,403
Total contractual obligations	$ 321,506	$ 504,650	$ 826,156

The Company believes working capital as of December 31, 2022, together with future cash flows from operations, are sufficient to support its commitments through 2023.

Non-GAAP Financial Measures

The Company has included certain non-GAAP financial measures to assist in understanding the Company's financial results. The non-GAAP financial measures are employed by the Company to measure its operating and economic performance and to assist in decision-making, as well as to provide key performance information to senior management. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors and other stakeholders will find this information useful to evaluate the Company's operating and financial performance; however, these non-GAAP performance measures do not have any standardized meaning. These performance measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. These non-GAAP measures should be read in conjunction with the Company's consolidated financial statements.

Non-GAAP Measure - Cash Costs and AISC

The Company uses cash costs per ounce of precious metals sold to monitor its operating performance internally. The most directly comparable measure prepared in accordance with GAAP is *Cost of sales*. The Company believes this measure provides investors and analysts with useful information about its underlying cash costs of operations and the impact of by-product credits on its cost structure. The Company also believes it is a relevant metric used to understand its operating profitability and ability to generate cash flow. When deriving the cost of sales associated with an ounce of precious metal, the Company includes by-product credits. Thereby allowing management and other stakeholders to assess the net costs of gold and silver production. In calculating cash costs per ounce, the Company also excludes the impact of specific items that are significant, but not reflective of its underlying operations, including the impact of measuring inventories at fair value in connection with business combinations.

AISC includes total Cost of sales incurred at the Company's mining operations, which forms the basis of cash costs. Additionally, the Company includes sustaining capital expenditures, sustaining mine-site exploration and evaluation costs, reclamation cost accretion and amortization, and general and administrative expenses. This measure seeks to reflect the ongoing cost of gold and silver production from current operations; therefore, expansionary capital and non-sustaining expenditures are excluded. Certain other cash expenditures, including tax payments and financing costs are also excluded.

The Company believes that AISC represents the total costs of producing gold and silver from current operations and provides the Company and other stakeholders with additional information about its operating performance and ability to generate cash flows. It allows the Company to assess its ability to support capital expenditures and to sustain future production from the generation of operating cash flows.

When deriving the number of ounces of precious metal sold, the Company considers the physical ounces available for sale after the treatment and refining process, commonly referred to as payable metal, as this is what is sold to third parties.

The following tables provide a reconciliation of cost of sales to cash costs and AISC:

(in thousands, unless otherwise noted)	Year Ended December 31, 2022 Çöpler	Marigold	Seabee	Puna	Corporate	Total
Cost of sales (GAAP) (1)	$ 189,825	$ 206,014	$ 74,679	$ 137,424	$ —	$ 607,942
By-product credits	$ (2,928)	$ (125)	$ (111)	$ (48,124)	$ —	$ (51,288)
Treatment and refining charges	$ —	$ 693	$ 316	$ 14,753	$ —	$ 15,762
Cash costs (non-GAAP)	$ 186,897	$ 206,582	$ 74,884	$ 104,053	$ —	$ 572,416
Sustaining capital expenditures	$ 31,189	$ 53,514	$ 32,980	$ 10,446	$ —	$ 128,129
Sustaining exploration and evaluation expense	$ 2,875	$ 7,377	$ —	$ 5,372	$ —	$ 15,624
Care and maintenance (2)	$ 31,067	$ —	$ —	$ —	$ —	$ 31,067
Reclamation cost accretion and amortization	$ 1,320	$ 2,181	$ 1,983	$ 1,726	$ —	$ 7,210
General and administrative expense and stock-based compensation expense	$ 2,794	$ 1	$ 11	$ 266	$ 68,588	$ 71,660
Total AISC (non-GAAP)	$ 256,142	$ 269,655	$ 109,858	$ 121,863	$ 68,588	$ 826,106
Gold sold (oz)	192,811	195,617	133,500	—	—	521,928
Silver sold (oz)	—	—	—	7,863,646	—	7,863,646
Gold equivalent sold (oz) (3)(4)	192,811	195,617	133,500	95,207	—	617,135
Cost of sales per gold equivalent ounce sold (1)	$ 985	$ 1,053	$ 559	$ 1,443	N/A	$ 985
Cash cost per gold ounce sold	$ 969	$ 1,056	$ 561	N/A	N/A	N/A
Cash cost per silver ounce sold	N/A	N/A	N/A	$ 13.23	N/A	N/A
Cash cost per gold equivalent ounce sold	$ 969	$ 1,056	$ 561	$ 1,093	N/A	$ 928
AISC per gold ounce sold	$ 1,328	$ 1,378	$ 823	N/A	N/A	N/A
AISC per silver ounce sold	N/A	N/A	N/A	$ 15.50	N/A	N/A
AISC per gold equivalent ounce sold	$ 1,328	$ 1,378	$ 823	$ 1,280	N/A	$ 1,339

(1) Excludes depreciation, depletion, and amortization.

(2) Care and maintenance expense in the AISC calculation only includes direct costs, as depreciation is not included in the calculation of AISC.

(3) Gold equivalent ounces are calculated using the silver ounces produced or sold multiplied by the ratio of the silver price to the gold price, using the average LBMA prices for the period. The Company does not include copper, lead, or zinc as they are considered by-products.

(4) Gold equivalent ounces sold may not re-calculate based on amounts presented in this table due to rounding.

(in thousands, unless otherwise noted)	Year Ended December 31, 2021 Çöpler	Marigold	Seabee	Puna	Corporate	Total
Cost of sales (GAAP) [1]	$ 264,889	$ 219,035	$ 66,354	$ 121,096	$ —	$ 671,374
By-product credits	$ (5,989)	$ (103)	$ (94)	$ (50,192)	$ —	$ (56,378)
Treatment and refining charges	$ —	$ 956	$ 394	$ 15,724	$ —	$ 17,074
COVID-19 related costs [2]	$ —	$ (649)	$ (4,786)	$ (4,151)	$ —	$ (9,586)
Fair value adjustment on acquired inventories	$ (65,939)	$ —	$ —	$ —	$ —	$ (65,939)
Cash costs (non-GAAP)	$ 192,961	$ 219,239	$ 61,868	$ 82,477	$ —	$ 556,545
Sustaining capital expenditures	$ 35,015	$ 57,722	$ 33,010	$ 10,458	$ —	$ 136,205
Sustaining exploration and evaluation expense	$ 992	$ 1,572	$ —	$ 140	$ —	$ 2,704
Reclamation cost accretion and amortization	$ 2,395	$ 2,738	$ 642	$ 1,624	$ —	$ 7,399
General and administrative expense and stock-based compensation expense	$ 6,664	$ (103)	$ (28)	$ 2,165	$ 50,072	$ 58,770
Total AISC (non-GAAP)	$ 238,027	$ 281,168	$ 95,492	$ 96,864	$ 50,072	$ 761,623
Gold sold (oz)	333,761	236,847	118,746	—	—	689,354
Silver sold (oz)	—	—	—	7,810,282	—	7,810,282
Gold equivalent sold (oz) [3][4]	333,761	236,847	118,746	108,248	—	797,602
Cost of sales per gold equivalent ounce sold [1]	$ 794	$ 925	$ 559	$ 1,119	N/A	$ 842
Cash cost per gold ounce sold	$ 578	$ 926	$ 521	N/A	N/A	N/A
Cash cost per silver ounce sold	N/A	N/A	N/A	$ 10.56	N/A	N/A
Cash cost per gold equivalent ounce sold	$ 578	$ 926	$ 521	$ 762	N/A	$ 698
AISC per gold ounce sold	$ 713	$ 1,187	$ 804	N/A	N/A	N/A
AISC per silver ounce sold	N/A	N/A	N/A	$ 12.40	N/A	N/A
AISC per gold equivalent ounce sold	$ 713	$ 1,187	$ 804	$ 895	N/A	$ 955

(1) Excludes depreciation, depletion, and amortization.
(2) COVID-19 related costs include direct, incremental costs associated with COVID-19.
(3) Gold equivalent ounces are calculated using the silver ounces produced or sold multiplied by the ratio of the silver price to the gold price, using the average LBMA prices for the period. The Company does not include copper, lead, or zinc as they are considered by-products.
(4) Gold equivalent ounces sold may not re-calculate based on amounts presented in this table due to rounding.

(in thousands, unless otherwise noted)	Year Ended December 31, 2020					
	Çöpler	Marigold	Seabee	Puna	Corporate	Total
Cost of sales (GAAP)[1]	$ 121,614	$ 216,358	$ 40,575	$ 65,991	$ —	$ 444,538
By-product credits	$ (1,158)	$ (53)	$ (53)	$ (16,018)	$ —	$ (17,282)
Treatment and refining charges	$ —	$ 214	$ 153	$ 6,601	$ —	$ 6,968
Incremental COVID-19 related costs [2]	$ (1,014)	$ (769)	$ (1,189)	$ (475)	$ —	$ (3,447)
Fair value adjustment on acquired inventories	$ (51,931)	$ —	$ —	$ —	$ —	$ (51,931)
Cash costs (non-GAAP)	$ 67,511	$ 215,750	$ 39,486	$ 56,099	$ —	$ 378,846
Sustaining capital expenditures	$ 12,893	$ 55,563	$ 30,325	$ 6,323	$ —	$ 105,104
Sustaining exploration and evaluation expense	$ 162	$ 2,463	$ —	$ 204	$ —	$ 2,829
Care and maintenance	$ —	$ —	$ 13,644	$ 15,949	$ —	$ 29,593
Reclamation cost accretion and amortization	$ 306	$ 2,756	$ 344	$ 1,771	$ —	$ 5,177
General and administrative expense and stock-based compensation expense	$ 251	$ 435	$ 127	$ 1,520	$ 31,236	$ 33,569
Total AISC (non-GAAP)	$ 81,123	$ 276,967	$ 83,926	$ 81,866	$ 31,236	$ 555,118
Gold sold (oz)	108,283	229,892	75,600	—	—	413,775
Silver sold (oz)	—	—	—	4,411,087	—	4,411,087
Gold equivalent sold (oz) [3][4]	108,283	229,892	75,600	51,696	—	465,471
Cost of sales per gold equivalent ounce sold[1]	$ 1,123	$ 941	$ 537	$ 1,277	N/A	$ 955
Cash cost per gold ounce sold	$ 623	$ 938	$ 522	N/A	N/A	N/A
Cash cost per silver ounce sold	N/A	N/A	N/A	$ 12.72	N/A	N/A
Cash cost per gold equivalent ounce sold	$ 623	$ 938	$ 522	$ 1,085	N/A	$ 814
AISC per gold ounce sold	$ 749	$ 1,205	$ 1,110	N/A	N/A	N/A
AISC per silver ounce sold	N/A	N/A	N/A	$ 18.56	N/A	N/A
AISC per gold equivalent ounce sold	$ 749	$ 1,205	$ 1,110	$ 1,584	N/A	$ 1,193

(1) Excludes depreciation, depletion, and amortization.

(2) COVID-19 related costs include direct, incremental costs associated with COVID-19.

(3) Gold equivalent ounces are calculated using the silver ounces produced or sold multiplied by the ratio of the silver price to the gold price, using the average LBMA prices for the period. The Company does not include copper, lead, or zinc as they are considered by-products.

(4) Gold equivalent ounces sold may not re-calculate based on amounts presented in this table due to rounding.

Non-GAAP Measure - Adjusted Attributable Net Income

Adjusted attributable net income and adjusted attributable net income per share are used by management and investors to measure the Company's underlying operating performance. The most directly comparable financial measures prepared in accordance with GAAP are *Net income attributable to SSR Mining shareholders* and Net income per share attributable to SSR Mining shareholders. Adjusted attributable net income is defined as net income adjusted to exclude the after-tax impact of specific items that are significant, but not reflective of the Company's underlying operations, including the impact of measuring inventories and mineral properties at fair value in connection with business combinations; impairment adjustments; foreign exchange (gains) losses and inflationary impacts on tax balances; transaction, integration and SEC conversion costs; changes in tax rate for fair value adjustments and other non-recurring items. SEC conversion costs are the costs associated with the Company's transition in 2022 from being a foreign private issuer to a domestic reporting issuer for purposes of the SEC's reporting and other requirements.

The following table provides a reconciliation of net income attributable to SSR Mining shareholders to adjusted net income attributable to SSR Mining shareholders:

	Years Ended December 31,		
(in thousands, except per share)	2022	2021	2020
Net income attributable SSR Mining shareholders (GAAP)	$ 194,140	$ 368,076	$ 151,535
Interest saving on convertible notes, net of tax	4,910	4,889	4,883
Net income used in the calculation of diluted net income per share	$ 199,050	$ 372,965	$ 156,418
Weighted-average shares used in the calculation of net income and adjusted net income per share			
Basic	209,883	215,993	151,144
Diluted	222,481	228,241	163,699
Net income per share attributable to SSR Mining shareholders (GAAP)			
Basic	$ 0.92	$ 1.70	$ 1.00
Diluted	$ 0.89	$ 1.63	$ 0.96
Adjustments:			
Fair value adjustment on acquired assets(1)	$ —	$ 104,714	$ 48,893
COVID-19 related costs (2)	—	9,586	3,447
Foreign exchange loss (gain)	32,460	(3,629)	3,732
Alacer transaction and integration costs	—	8,595	20,813
Gain on acquisition of Kartaltepe	(81,852)	—	—
Loss (gain) on sale of mineral properties, plant and equipment	1,501	(412)	2,804
Pitarrilla transaction costs	1,561	—	—
SEC conversion costs	1,255	2,645	—
Impairment of long-lived and other assets	—	20,275	—
Changes in fair value of investments	(602)	10,741	(21,368)
Income tax impact related to above adjustments	(966)	(34,120)	(15,144)
Foreign exchange (gain) loss and inflationary impacts on tax balances	(14,128)	(97,288)	(1,311)
Other tax adjustments (3)	11,445	—	—
Impact of tax rate change on fair value adjustments	—	12,574	—
Adjusted net income attributable to SSR Mining shareholders (Non-GAAP)	$ 144,814	$ 401,757	$ 193,401
Adjusted net income per share attributable to SSR Mining shareholders (Non-GAAP)			
Basic	$ 0.69	$ 1.86	$ 1.28
Diluted	$ 0.67	$ 1.78	$ 1.21

(1) Fair value adjustments on acquired assets relate to the acquisition of Alacer's inventories and mineral properties.

(2) COVID-19 related costs include direct, incremental costs associated with COVID-19 at all operations.

(3) Represents charges related to a tax settlement and an uncertain tax position.

Non-GAAP Measure - Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA

EBITDA represents net income before interest, taxes, depreciation, and amortization. EBITDA is an indicator of the Company's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures.

Adjusted EBITDA represents net income before interest, taxes, depreciation, and amortization, adjusted to exclude the impact of specific items that are significant, but not reflective of the Company's underlying operations, including the impact of measuring inventories at fair value in connection with business combinations; impairment adjustments and reversals; foreign exchange gains (losses); transaction, integration and SEC conversion costs and other non-recurring items.

The most directly comparable financial measure prepared in accordance with GAAP to EBITDA and Adjusted EBITDA is *Net income attributable to SSR Mining shareholders*.

The following is a reconciliation of *Net income attributable to SSR Mining shareholders* to EBITDA and adjusted EBITDA:

	Years Ended December 31,		
(in thousands)	2022	2021	2020
Net income attributable to SSR Mining shareholders (GAAP)	$ 194,140	$ 368,076	$ 151,535
Net income (loss) attributable to non-controlling interests	16,288	57,846	5,627
Depletion, depreciation and amortization	181,447	227,959	109,258
Interest expense	19,116	19,097	13,876
Income and mining tax expense (benefit)	30,068	(14,116)	43,203
EBITDA (non-GAAP)	441,059	658,862	323,499
Fair value adjustment on acquired inventories (1)	—	65,939	51,931
COVID-19 related costs (2)	—	9,586	3,447
Foreign exchange loss (gain)	32,460	(3,629)	3,732
Alacer transaction and integration costs	—	8,595	20,813
Gain on acquisition of Kartaltepe	(81,852)	—	—
Loss (gain) on sale of mineral properties, plant and equipment	1,501	(412)	2,804
Pitarrilla transaction costs	1,561	—	—
SEC conversion costs	1,255	2,645	—
Impairment of long-lived and other assets	—	20,275	—
Changes in fair value of investments	(602)	10,741	(21,368)
Adjusted EBITDA (non-GAAP)	$ 395,382	$ 772,602	$ 384,858

(1) Fair value adjustments on acquired inventories relate to the acquisition of Alacer.

(2) COVID-19 related costs include direct, incremental costs associated with COVID-19 at all operations.

Non-GAAP Measure - Free Cash Flow

The Company uses free cash flow to supplement information in its consolidated financial statements. The most directly comparable financial measures prepared in accordance with GAAP is *Cash provided by operating activities*. The Company believes that in addition to conventional measures prepared in accordance with US GAAP, certain investors and analysts use this information to evaluate the ability of the Company to generate cash flow after capital investments and build the Company's cash resources. The Company calculates free cash flow by deducting cash capital spending from cash generated by operating activities. The Company does not deduct payments made for business acquisitions.

The following table provides a reconciliation of cash provided by operating activities to free cash flow:

	Years Ended December 31,		
(in thousands)	2022	2021	2020
Cash provided by operating activities (GAAP)	$ 160,896	$ 608,986	$ 307,098
Less: Additions to mineral properties, plant and equipment[1]	(137,515)	(164,810)	(138,990)
Free cash flow (non-GAAP)	$ 23,381	$ 444,176	$ 168,108

(1) Represents purchases of plant and equipment, excluding purchases of mineral properties.

Critical Accounting Estimates

MD&A is based on the Company's consolidated financial statements, which have been prepared in conformity with US GAAP. The preparation of these statements requires that the Company makes estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The Company bases these estimates on historical experience and on assumptions that the Company considers reasonable under the circumstances; however, reported results could differ from those based on the current estimates under different assumptions or conditions. The areas requiring the use of management's estimates are also discussed in Note 2 – Summary of Significant Accounting Policies. The policies identified as being critical to the understanding of the business and results of operations and that require the application of significant management judgment are outlined below.

Recoverable metal in stockpiles and leach pads

The Company estimates the quantity of recoverable metal in stockpiled ore and in leach pad inventories using surveyed volumes of material, ore grades determined through sampling and assaying of blast holes, and estimated recovery rates based on ore type. The quantity of recoverable metal and recovery rates varies based on ore mineralogy, ore grade, ore particle sizes and the percentage of cyanide soluble gold. The estimated recoverable gold ounces placed on the leach pads are periodically reconciled by comparing the related ore to the actual gold ounces recovered (metallurgical balancing). The ultimate recoverable metal or life-of-mine recovery rate is unknown until mining operations cease. Accounting for recoverable metal in stockpiled ore and in leach pad inventories represents a critical accounting estimate because (i) it is impracticable to determine metal contained in stockpiles and leach pads by physical count, thus requiring management to employ reasonable estimation methods and (ii) recovery rates from leach pads can vary significantly. A change in the recovery rate or the quantity of recoverable gold ounces in stockpiled ores on leach pad inventories could materially impact the financial statements.

Mineral reserves

Recoverable proven and probable reserves are the part of a mineral deposit that can be economically and legally extracted or produced at the time of the reserve determination. The determination of reserves involves numerous uncertainties with respect to the geology of the ore bodies, including quantities, grades and recovery rates. Estimating the quantity and grade of mineral reserves requires the Company to determine the size, shape and depth of the ore bodies by analyzing geological data, such as samplings of drill holes, tunnels and other underground workings. In addition to the geology of the Company's mines, assumptions are required to determine the economic feasibility of mining these reserves, including estimates of future commodity prices and demand, the mining methods the Company uses and the related costs incurred to develop and mine reserves. The Company's estimates of recoverable proven and probable mineral reserves are prepared by and are the responsibility of its employees. These estimates are reviewed and verified regularly by independent experts in mining, geology and reserve determination.

As discussed in Note 2 – Summary of Significant Accounting Policies, the Company depreciates its mineral properties and mine development costs using the units-of-production method based on the estimated recoverable ounces in proven and probable reserves. Because the economic assumptions used to estimate mineral reserves may change from period to period and additional geological data is generated during the course of operations, estimates of reserves may change, which could have a significant impact on the results of operations, including changes to prospective depreciation rates and impairments of long-lived asset carrying values.

Impairment of long-lived assets

The Company assesses the carrying value of its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts of such assets may not be recoverable. Events or circumstances that could indicate that the carrying value of an asset or asset group may not be recoverable include, but are not limited to, significant adverse changes in the business climate including changes in future metal prices, significant changes to the extent or manner in which the asset is being used or its physical condition including significant decreases in production or mineral reserves, and significant decreases in the market price of the assets. In evaluating long-lived assets for recoverability, estimates of undiscounted future cash flows of the Company's mines are used. Estimates of future cash flows are derived from current business plans which are developed using short and long-term metal price assumptions; estimates of costs; resource, reserve and exploration potential estimates, including timing and costs to develop and produce the material; and the use of discount rates in the measurement of fair value. The Company believes its estimates and models used to determine fair value are similar to what a market participant would use.

Goodwill

Goodwill is allocated to reporting units and is tested for impairment annually as of December 31 and when events or circumstances indicate that the carrying value of a reporting unit exceeds its fair value. In testing for goodwill impairment, the Company may elect to perform a qualitative assessment to determine whether the existence of events or circumstances indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. If the Company does not elect to perform a qualitative assessment or it is determined that it is more likely than not that the fair value is less than the carrying value, then a quantitative goodwill impairment test is performed by determining the fair value of the reporting unit. The fair value of a reporting unit is determined using either the income approach by utilizing estimates of discounted future cash flows or the market approach utilizing recent transaction activity for comparable properties. Estimates of future cash flows are derived from current business plans which are developed using short and long-term metal price assumptions; estimates of costs; resource, reserve and exploration potential estimates, including timing and costs to develop and produce the material; and the use of discount rates in the measurement of fair value.

Income taxes

Deferred income taxes are accounted for using the asset and liability method. Under this method, deferred tax assets and liabilities are determined by applying the enacted statutory tax rates in effect at the end of a reporting period to the cumulative temporary differences between the tax basis of assets and liabilities and their reported amounts in the Company’s consolidated financial statements. The effect on deferred taxes for a change in tax rates is recognized in income in the period that includes the enactment date.

The Company's operations are in multiple jurisdictions where uncertainties arise in the application of complex tax regulations. Some of these tax regimes are defined by contractual agreements with the local government, while others are defined by general tax laws and regulations. The Company is subject to reviews of its income tax filings and other tax payments, and disputes can arise with the taxing authorities over the interpretation of its contracts or laws.

The Company recognizes potential liabilities and records tax liabilities for anticipated tax audit issues based on an estimate of whether, and the extent to which, additional taxes will be due. These reserves are adjusted in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the final resolution may result in a payment that is materially different from the current estimate of the tax liabilities. If the estimated tax liabilities prove to be less than the final assessment, an additional charge to expense would result. If the estimated tax liabilities prove to be greater than the final assessment, a tax benefit would result. In certain jurisdictions, the Company must pay a portion of the disputed amount to the local government in order to formally appeal the assessment. Such payment is recorded as a receivable if the Company believes the amount is ultimately collectible.

A valuation allowance for deferred tax assets is established when it is more likely than not that some portion of the benefit from deferred tax assets will not be realized. In determining the amount of the valuation allowance, the Company considers estimated future taxable income or loss as well as feasible tax planning strategies in each jurisdiction. If the Company determines all or a portion of its deferred income tax assets will not be realized, the valuation allowance will be increased. Conversely, if the Company determines all or a portion of the related benefits for which a valuation allowance has been provided will ultimately be realized, all or a portion of the related valuation allowance will be reduced.

Reclamation liabilities

The Company recognizes a liability for the fair value of estimated future reclamation costs when incurred. Reclamation liabilities are periodically adjusted to reflect changes in the estimated present value resulting from the passage of time and revisions to the estimates of either the timing or amount of reclamation costs. The estimated reclamation liability is based on when spending for an existing disturbance is expected to occur. The Company reviews, on an annual basis, unless otherwise deemed necessary, the reclamation obligation at each mine site.

Remediation costs are accrued based on the Company's best estimate at the end of each period of the costs expected to be incurred at a site. Accounting for reclamation liabilities requires the Company to make estimates unique to each mining operation of the future costs we will incur to complete the reclamation work required to comply with existing laws and regulations. Any such changes in future costs, the timing of reclamation activities, scope, or the exclusion of certain costs not considered reclamation costs, could materially impact the amounts charged to earnings for reclamation. Additionally, future changes to environmental laws and regulations could increase the extent of reclamation work required.

Business combinations

The Company recognizes and measures the assets acquired and liabilities assumed in a business combination based on their estimated fair values at the acquisition date. Any excess of the purchase consideration when compared to the fair value of the net tangible and intangible assets acquired, if any, is recorded as goodwill. For material acquisitions, the Company engages third-party valuation specialists to assist with the determination of the fair value of assets acquired, liabilities assumed, non-controlling interest, if any, and goodwill, based on recognized business valuation methodologies. An income, market or cost valuation method may be utilized to estimate the fair value of the assets acquired, liabilities assumed, and non-controlling interest, if any, in a business combination. These valuation procedures require management to make assumptions and apply significant judgment to estimate the fair value of the assets acquired and liabilities assumed. Estimates of future cash flows are are developed using short and long-term metal price assumptions; estimates of costs; resource, reserve and exploration potential estimates, including timing and costs to develop and produce the material; and the use of discount rates in the measurement of fair value.

New Accounting Pronouncements

As of December 31, 2022, the Company has adopted all accounting pronouncements affecting the Company.

Risks and Uncertainties

The mining industry involves many risks including global pandemics which are inherent to the nature of the business, global economic trends and economic, environmental and social conditions in the geographical areas of operation. As a result, the Company is subject to a number of risks and uncertainties, each of which could have an adverse effect on its operating results, business prospects or financial position. The Company continuously assesses and evaluates these risks, seeking to minimize them by implementing high operating standards and processes to identify, assess, report and monitor risk across the organization.

For a comprehensive list of other known risks and uncertainties affecting the business, please refer to the section entitled “Risk Factors” in Part 1, Item 1A.