

Pan American Silver

Reserves replacement track record maintained

Pan American Silver (PAAS) has released its annual mineral reserves and resources statement, which once again demonstrates solid replacement rates across most categories on a comparable basis. Both silver and gold segments maintained essentially flat mineral reserves during the period. In addition, the silver segment achieved a visible increase in contained metal in the inferred category thanks to the strong exploration results at the flagship La Colorada project. The update excludes the recently acquired 44% interest in the Juanicipio mine, which will visibly boost the company's silver reserves.

Year end	Revenue (\$m)	EBITDA (\$m)	EPS (\$)	DPS (\$)	EV/EBITDA (x)	Yield (%)
12/23	2,316.1	680.6	0.19	0.41	22.3	1.1
12/24	2,818.9	1,028.6	0.80	0.40	14.8	1.1
12/25e	3,352.9	1,548.3	1.69	0.46	9.8	1.2
12/26e	3,434.2	1,732.1	1.98	0.52	8.8	1.4

Note: EPS is Edison normalised.

In the silver segment, proven and probable (P&P) reserves remained flat at 45Mt, with the slightly lower grade of 286g/t Ag reducing contained metal by just 3% to 412Moz. Similarly, measured and indicated resources were flat both in terms of tonnage and contained Ag, adjusted for the Joaquin divestment. At the same time, the inferred resource rose 15% to 375Moz of contained silver, with grades increasing from 78g/t in FY24 to 87g/t. This was mainly a result of the recent exploration work at La Colorada, which saw its inferred resource rise to 147Moz of Ag at 297g/t compared to 94Moz at 235g/t in FY24. Earlier, PAAS reported impressive infill and exploration drill results at the project, which indicated multiple high-grade intercepts along and below the strike of the known vein system, suggesting the potential for further resource expansion.

In the gold segment, adjusted for the sale of the La Arena and La Arena II projects, both reserves and resources were slightly down in terms of tonnage and metal, with a 4–5% reduction in contained metal across the categories. The company's flagship Jacobina gold project saw its P&P reserves more than replaced in tonnage terms, albeit at slightly lower grades, while its measured and indicated resources were up 1% in contained metal terms.

Importantly, the released reserves and resources do not include the recently acquired 44% interest in the Juanicipio project as part of the MAG Silver transaction. On an attributable basis, as of June 2024, Juanicipio had P&P reserves of 8.1Mt at a grade of 221g/t Ag, or 58.1Moz in contained silver, which represents c 14% of PAAS's silver segment P&P reserves on a contained Ag basis. Juanicipio's total attributable mineral resources of 112Moz of contained Ag (inclusive of the reserves) represent c 6% of the company's silver segment combined mineral resources.

Our valuation of PAAS of US\$38.0 per share, excluding MAG assets, remains unchanged for now. We note, however, that the risks are firmly on the upside, given the strong commodity prices, with gold trading at an all-time high of c US\$3,680/oz.

Mineral reserves and resources update

Metals and mining

16 September 2025

Price **\$37.19**

Market cap **\$15,480m**

Net cash/(debt) at end Q225, \$288.5m
including short-term investments of US\$28m

Shares in issue 422.0m

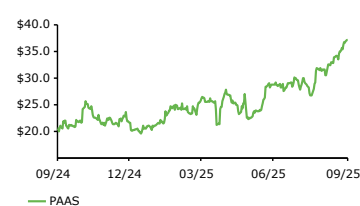
Free float 100.0%

Code PAAS

Primary exchange TSX

Secondary exchange NYSE

Share price performance



Business description

Pan American Silver is one of the largest global primary silver producers and a sizeable gold miner, with operations in North, Central and South America since 1994. The company owns 10 producing operations, the suspended top-tier Escobal silver mine, a 44% interest in the large-scale Juanicipio silver mine and several large-scale advanced exploration and development projects.

Analysts

Andrew Keen +44 (0)20 3077 5700

Andrey Litvin +44 (0)20 3077 5700

mining@edisongroup.com

[Edison profile page](#)

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