

International Minerals Reports Operating Achievements and Financial Results for First Fiscal Quarter Ended September 30, 2013

14.11.2013 | [Marketwire](#)

SCOTTSDALE, AZ -- (Marketwired - Nov 14, 2013) - [International Minerals Corporation](#) (TSX: IMZ) (SWISS: IMZ) (the "Company" or "IMZ") is pleased to report its operating achievements and financial results for the first fiscal quarter ended September 30, 2013.

All dollar amounts in this news release are reported in US Dollars, unless otherwise noted.

Material Events

On October 1, 2013 (see the Company's news release of that date), [Hochschild Mining plc](#) ("Hochschild"), HOC Holdings Canada Inc. (a subsidiary of Hochschild), IMZ and [Chaparral Gold Corp](#) ("Chaparral Gold"), a wholly-owned subsidiary of IMZ, entered into a binding arrangement agreement providing for the acquisition of the Company by Hochschild by way of a plan of arrangement transaction (the "Arrangement").

Under the terms of the Arrangement, each IMZ Shareholder (other than Hochschild in respect of the cash portion of the consideration) will receive: (i) cash consideration of \$2.38 per IMZ share and (ii) that number of common shares of Chaparral Gold as is equal to the number of IMZ shares held.

Completion of the Arrangement is subject to, among other things, the affirmative vote of at least two-thirds of the votes cast at the meeting by IMZ shareholders and IMZ optionholders voting together as a single class. In addition, Canadian securities law requires minority shareholder approval for the transaction, which means the affirmative vote of at least a simple majority of the votes cast by IMZ shareholders (excluding Hochschild's 3.76 million shares of IMZ and any other shares of any other shareholder excluded under applicable securities laws).

On completion of the Arrangement, IMZ will become an indirect wholly-owned subsidiary of Hochschild including all of the rights, title and interest of IMZ in its Peruvian subsidiaries and its Peruvian mineral projects. The former IMZ shareholders (including Hochschild) will own 100% of the outstanding common shares of Chaparral Gold Corp. All of the rights, title and interest of the non-Peruvian assets and liabilities of IMZ will be transferred to [Chaparral Gold Corp.](#) prior to the closing of the Arrangement, including IMZ's cash and receivables (estimated at approximately \$58 million) and IMZ's non-Peruvian assets (primarily Nevada assets) and related liabilities.

At the Gemfield project, which is part of the 100%-owned Goldfield property in Nevada, the Company has received confirmation from the U.S. Bureau of Land Management that the Mine Plan of Operations is administratively complete. The acceptance of the Mine Plan of Operations has commenced the formal Environmental Impact Study work and all other permitting activity required for the project. Permitting is expected to take approximately 18 months from the September 2013 acceptance by the US Bureau of Land Management of the Mine Plan of Operations.

Spending Reduction Initiatives

In May 2013, the Company advised shareholders of certain spending reduction initiatives implemented in response to negative developments in the commodity and mining equity markets. On an annualized basis, the spending reductions are on target to meet or exceed the Company's forecast spending reduction targets.

The following is a summary of the results of these initiatives for the first full quarter ended September 30, 2013 ("Q1 2014") during which the cost reduction initiatives were implemented:

- At the Pallancata Mine, expenditures (on a 100% basis) during Q1 2014 were \$38.3 million compared to \$43.7 million for the quarter ended September 30, 2012 ("Q1 2013"), for a reduction of 12.5%. On an annualized basis, this would reduce expenditure at Pallancata by over \$20 million.

- IMZ's administrative and exploration costs in Peru totaled \$238,900 in Q1 2014 compared to \$485,400 in

Q1 2013, a decrease of approximately 51%. In the USA, the Company spent \$1.8 million compared to \$4.7 million in Q1 2013, a decrease of 62%.

In addition, the Company also made significant reductions in manpower, which should result in sustained cost savings in future years.

It should be noted, however, that the administrative costs for Peru and the USA for Q1 2014 exclude legal, administrative and accounting costs incurred to date associated with the proposed Arrangement with Hochschild, which was announced on October 1, 2013. These costs were not contemplated when the spending reduction initiatives were first implemented by the Company in May, 2013.

Financial Performance for the First Fiscal Quarter Ended September 30, 2013:

For Q1 2014, the Company reported:

- net income from continuing operations after tax of \$952,815 (\$0.01 per share), which was driven primarily by earnings from the Pallancata Mine of \$2,482,200 (IMZ's 40% share) compared to net income from continuing operations after tax of \$10,674,646 (\$0.09 per share) for Q1 2013. The main reason for the reduced income at Pallancata was the significant decline in gold and silver prices which reduced reported revenues;

- a loss from discontinued operations after tax of \$240,000 compared to a net loss from discontinued operations after tax of \$1,061,890 for Q1 2013. The losses in both periods were a result of ongoing maintenance and closure costs associated with the Ecuadorian discontinued operations;

- net and comprehensive income after tax of \$712,815 (\$0.01 per share) compared to a net and comprehensive income after tax of \$9,612,756 (\$0.08 per share) for Q1 2013; and

- other factors which materially impacted reported income included:

- - the Pallancata Mine operations reported income of \$2,482,200 (IMZ's 40% share) compared to income of \$10,681,607 in Q1 2013. The impact of the decline in silver and gold prices accounted for the majority of the earnings decline. During Q1 2014, as compared to Q1 2013, the average silver price decreased to \$21.37 per ounce from \$29.91 per ounce. Silver ounces sold (IMZ 40% share) decreased to 639,622 ounces from 660,140 ounces in Q1 2013. In addition, IMZ's share of gold sales decreased marginally to 2,195 ounces in Q1 2014 from 2,348 ounces in Q1 2013, while the average gold price decreased to \$1,328 per ounce from \$1,655 per ounce, respectively.

- - during Q1 2014, other income items contributed to income from continuing operations by \$224,925 compared to the contribution from other income items of \$1,547,592 in Q1 2013. In Q1 2013, the Company recorded substantially larger gains on foreign exchange and on investments than in Q1 2014. In Q1 2013 interest income was also about \$43,000 greater than in Q1 2014.

- - during Q1 2014, expenses totaled \$1,754,310 compared to \$1,554,553 in Q1 2013. The increase in expenses in Q1 2014 was a result of an increase in administration and salaries expenses related to general exploration administration costs that were capitalized in prior periods and also because the Company incurred a significant increase in legal fees relating to costs associated with the proposed Arrangement with Hochschild.

Operating Statistics for the Pallancata Mine (100% project basis).

The table below reports key operating and cost statistics for the Pallancata Mine for the fiscal quarters ended September 30, 2013 and 2012 and for the most recently completed fiscal and calendar years.

	Quarter Ended 09/30/2013	Quarter Ended 09/30/2012	Fiscal Year Ended 06/30/2013	Calendar Year Ended 12/31/2012
Ore mined (tonnes)	272,466	276,459	1,091,078	1,059,329
Ore processed (tonnes)	273,147	277,092	1,089,744	1,094,250
Head grade- Ag (grams/tonne)(1)	264	257	253	256
Head grade- Au (grams/tonne)(1)	1.1	1.2	1.2	1.1
Silver production (ounces) (2)	1,896,426	1,893,274	7,368,722	7,440,604
Gold production (ounces)(2)	6,758	6,814	28,322	26,231
Silver sold (ounces)(3)	1,599,060	1,651,900	7,312,860	7,279,600
Gold sold (ounces) (3)	5,487	5,870	27,308	25,100
IMZ total cash costs per ounce silver produced, net of by-product credits (US\$) (4)	\$9.78	\$8.49	\$9.27	\$9.16
Total cash costs, per ounce silver equivalents produced (US\$) (5)	\$11.89	\$12.05	\$12.71	\$12.65
All-in Sustaining Mine costs, per ounce silver equivalent sold (US\$) (6)	\$17.42	\$20.34	\$19.86	\$20.52

Notes:

1. The reported head grades for silver and gold are based on the overall metallurgical balance for the process plant.
2. The difference between "produced" metal ounces and "sold" metal ounces is in-process concentrate. Numbers for gold and silver ounces in the sold category have been rounded.
3. Silver and gold ounces sold are reported as gross ounces.
4. Total cash costs per ounce silver produced, using the Gold Institute definition, comprise: mine operating costs, mined ore inventory adjustment, toll processing costs, mine general and administrative costs, Hochschild management fee, concentrate transportation and smelting costs, and government royalty. This cost per ounce metric is net of gold by-product credits.
5. Total cash costs per ounce silver equivalent produced using the Gold Institute definition, comprise: mine operating costs, mined ore inventory adjustment, toll processing costs, mine general and administrative costs, Hochschild management fee, concentrate transportation and smelting costs, and government royalty. Silver equivalent ounces produced is equal to silver ounces produced plus gold ounces produced converted to silver ounces produced using the spot monthly average price ratio between gold and silver.
6. All-in Sustaining Mine Costs per ounce silver equivalent sold (as defined by the Company) includes total cash costs plus mine plant and equipment, deferred mine development, all mine related exploration, workers' profit share and all community spending related to the mine. Silver equivalent ounces sold is equal to silver ounces sold plus gold ounces sold converted to silver ounces sold using the spot monthly average price ratio between gold and silver. All-in Sustaining Mine Costs are defined in the Company's management discussion and analysis filed on SEDAR on November 14, 2013.

Company Outlook

If the Arrangement is completed as contemplated, then the "Company Outlook" activities below related to Pallancata and Inmaculada will not be applicable to the Company. Additional information concerning the proposed Arrangement, including certain risk factors and financial information may be found in IMZ's Management Information Circular for the 2013 Annual Meeting of Shareholders and Special Meeting of Securityholders filed on SEDAR or available on the Company's website at www.intlminerals.com.

During the remainder of the 2013 calendar year and for the 2014 fiscal and calendar years, the Company's exploration and development efforts are expected to focus primarily on:

- At the 40%-owned Pallancata Silver Mine in Peru, working with Hochschild to (a) produce approximately 7.4 million ounces of silver and 26,000 ounces of gold during both calendar periods (the Company's estimate on a 100% project basis), (b) increase profitability by reducing both operating and capital expenditures., and (c) increase mineral resources and reserves to extend the existing mine life (approximately 3.5 years based on current reserves).
- At the 40%-owned Inmaculada gold-silver project, also in Peru, in cooperation with Hochschild advancing the project to production in the second half of 2014, subject to financing of IMZ's share of the remaining capital expenditures (approximately \$56 million) and the timely receipts of all permits required for the mine.
- At the 100%-owned Gemfield heap leach gold project at the Goldfield property in Nevada, completing the

permitting and commencing construction, subject to financing, with a goal of commencing production in the second half of 2016.

- Continually evaluating all facets of the Company's capital, technical and administrative expenditures to reduce costs in response to the current depressed market conditions in the mining sector and precious metal markets.

- Continuing to seek strategic acquisitions in precious metals properties and/or companies in low political risk countries in the Americas.

Hochschild Mining plc does not accept any responsibility for the adequacy or inadequacy of the disclosure made in this news release and any such responsibility is hereby disclaimed in all respects.

The Company's Financial Statements and Management's Discussion and Analysis (MD&A) are posted on the Company's website at: www.intlminerals.com/investors/financial-reports or at www.sedar.com under the Company's name.

Cautionary Statement:

The Gold Institute calculation of Total Cash Costs per ounce of silver produced, Total Cash Costs per ounce of silver equivalents produced and the Company's calculation of All-in Sustaining Mine Costs per silver equivalent ounces sold are non-IFRS financial measures, which Company management believes are useful in measuring operational performance. Please refer to the Company's Management's Discussion and Analysis for the fiscal quarter ended September 30, 2013 (on SEDAR) for a detailed description of how these cost metrics are calculated. Some of the statements contained in this release are "forward-looking statements" within the meaning of Canadian securities law requirements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements in this release include statements regarding, production expectations, estimates of costs on a per ounce basis (produced or sold) drilling and development programs on the Company's projects, timing of completion of economic studies, construction and production schedules, the outcome of the securityholders' vote regarding the plan of arrangement with Hochschild at the Company's 2013 Annual Meeting of Shareholders and Special Meeting of Securityholders and, obtaining any required environmental, construction and production permits. Factors that could cause actual results to differ materially from anticipated results include risks and uncertainties such as: risks relating to obtaining mining and environmental permits; delays in completing economic studies mining and development risks; financing risks; risk of commodity price fluctuations; the uncertainty in estimating and then obtaining the fair market value of the Rio Blanco receivable, certain estimates and assumptions used in determining the Company's financial results, political and regulatory risks; the outcome of the securityholders' vote concerning to the proposed plan of arrangement transaction with Hochschild and other risks and uncertainties detailed in the Company's Annual Information Form for the year ended June 30, 2013, and the Company's Management Information Circular for the 2013 Annual Meeting of Shareholders and Special Meeting of Securityholders, which are available at www.sedar.com under the Company's name. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

INTERNATIONAL MINERALS CORPORATION CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Expressed in United States dollars) (Unaudited)

September 30, June 30,
2013 2013

ASSETS

Current Cash and equivalents	\$ 51,470,277	\$ 58,199,104
Receivables	97,558	38,652
Due from related party	292	40,662
Prepaid expenses and deposits	52,318	90,316
Investments	866,893	1,040,678
Discontinued operations - receivables	12,418,409	12,523,409

Current assets 64,905,747 71,932,821

Non-current

Property, plant and equipment	34,854,001	34,209,262
Investment in associate	180,908,273	178,606,440

Investment in resource properties 50,891,473 50,574,239
Discontinued operations - receivables 2,287,013 2,287,013

Non-current assets 268,940,760 265,676,954

Total assets \$ 333,846,507 \$ 337,609,775

LIABILITIES AND SHAREHOLDERS' EQUITY

Current

Accounts payable and accruals \$ 1,104,770 \$ 1,565,261

Due to related parties 138,218 5,813

Discontinued operations - Ecuador resource properties 416,325 4,720,866

Current liabilities 1,659,313 6,291,940

Non-current

Deferred income tax liability 8,160,000 8,160,000

Non-current liabilities 8,160,000 8,160,000

Shareholders' equity

Capital stock 240,924,988 240,924,988

Reserves 5,099,526 5,163,916

Equity gain on carried interest 40,000,000 40,000,000

Retained earnings 38,002,680 37,068,931

Shareholders' equity 324,027,194 323,157,835

Total liabilities and shareholders' equity \$ 333,846,507 \$ 337,609,775

Nature and continuance of operations

Subsequent events

Approved on November 12, 2013 by the Directors:

"Stephen J. Kay" Director "W. Michael Smith" Director
Stephen J. Kay W. Michael Smith

The accompanying notes are an integral part of these consolidated financial statements and can be found on the Company's website at:

<http://www.intlminerals.com/investors/financial-reports>.

INTERNATIONAL MINERALS CORPORATION CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (Expressed in United States dollars) For the three months ended September 30 (Unaudited)

2013

2012

Income from associate, Minera Suyamarca S.A.C. \$ 2,482,200 \$ 10,681,607

Other income 224,925 1,547,592

Total income 2,707,125 12,229,199

Expenses

Amortization and depreciation (190,001) (195,727)

Salaries and employee benefits (807,188) (590,099)

Administrative costs (600,577) (514,148)

Stock-based compensation (156,544) (254,579)

Total expenses (1,754,310) (1,554,553)

Income from continuing operations before taxes 952,815 10,674,646

Income taxes - -

Income from continuing operations after taxes 952,815 10,674,646

Discontinued operations, net of taxes

Costs of discontinued operations - Ecuador resource properties (240,000) (1,061,890)

(Loss) from discontinued operations (240,000) (1,061,890)

Net income and comprehensive income after taxes \$ 712,815 \$ 9,612,756

Income from continuing operations after taxes per common share

Basic \$ 0.01 \$ 0.09

Diluted \$ 0.01 \$ 0.09

(Loss) from discontinued operations after taxes per common share

Basic \$ (0.00) \$ (0.01)

Diluted \$ (0.00) \$ (0.01)

Net income after taxes per common share

Basic \$ 0.01 \$ 0.08

Diluted \$ 0.01 \$ 0.08

Weighted average number of common shares outstanding - basic 117,636,376 117,585,887

Weighted average number of common shares outstanding - diluted 117,636,376 117,913,846

The accompanying notes are an integral part of these consolidated financial statements and can be found on the Company's website at:

<http://www.intlminerals.com/investors/financial-reports>.

INTERNATIONAL MINERALS CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in United States dollars)
For the three months ended September 30 (Unaudited)

2013 2012

CASH FLOW FROM CONTINUING OPERATIONS

Net income for the period from continuing operations \$ 952,815 \$ 10,674,646

Adjustments to net income:

Amortization and depreciation 190,001 195,727

Stock-based compensation 156,544 254,579

Unrealized foreign exchange gain (7,442) (66,197)

Realized gain on sale of investments (73,498) (200,456)

Unrealized gain on investments (31,735) (453,944)

Equity income from investment in associate (2,482,200) (10,681,607)

Interest income (57,927) (101,084)

Cash distributions received from investment in associate 6,000,000

Changes in non-cash working capital items:

(Increase) decrease in receivables (38,747) 52,508

Decrease (increase) in prepaid expenses and deposits 37,998 (7,590)

(Decrease) increase in accounts payable (103,935) 170,488

Decrease in due from related party 40,370 193,528

Increase in due to related party 132,405 17,780

Net cash flow (used in) provided by continuing operations (1,285,351) 6,048,378

Discontinued operations - Ecuador resource properties (4,439,541) (1,019,403)

Net cash flow (used in) discontinued operations (4,439,541) (1,019,403)

Net cash flow (used in) provided by operating activities (5,724,892) 5,028,975

CASH FLOW FROM (USED IN) FINANCING ACTIVITIES

Proceeds from the issuance of common shares - 18,327

Net cash flow (used in) financing activities - 18,327

CASH FLOW FROM (USED IN) INVESTING ACTIVITIES

Resource property expenditures (267,246) (4,293,249)
Purchase of investments - -
Sale of investments 286,460 1,115,193
Interest received 37,767 98,317
Property, plant and equipment expenditures (1,060,916) (14,942)
Reclamation bond deposit - (25,000)

Net cash flow (used in) investing activities (1,003,935) (3,119,681)

Change in cash and equivalents for the period (6,728,827) 1,927,621
Cash and equivalents, beginning of period 58,199,104 81,243,474

Cash and equivalents, end of period \$ 51,470,277 \$ 83,171,095

The accompanying notes are an integral part of these consolidated financial statements and can be found on the Company's website at:

<http://www.intlminerals.com/investors/financial-reports>.

For additional information, contact:

[International Minerals Corporation](#)

In North America: Paul Durham
VP Corporate Relations
Tel: +1 203-940-2538

In Europe: Oliver Holzer
Marketing Consultant
+41 44 853 00 47

Renmark Financial Communications: Robert Thaemlitz
+1-514-939-3989
Email Contact

Or email us at: Email Contact
Internet Site: <http://www.intlminerals.com>

Dieser Artikel stammt von [Minenportal.de](#)

Die URL für diesen Artikel lautet:

<https://www.minenportal.de/artikel/116328--International-Minerals-Reports-Operating-Achievements-and-Financial-Results-for-First-Fiscal-Quarter-Ended-Sep>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by [Minenportal.de](#) 2007-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).