

# Pacific Coal Resources Ltd. Announces 2015 Third Quarter Financial Results

15.12.2015 | [ACCESS Newswire](#)

[Pacific Coal Resources Ltd.](#) (TSXV: PAK) has filed its unaudited consolidated financial statements for the three and nine months ended September 30, 2015, together with its management's discussion and analysis ("MD&A") for the corresponding period. All financial figures contained herein are expressed in U.S. dollars unless otherwise noted. These documents will be posted on the Company's website at [www.pacificcoal.ca](http://www.pacificcoal.ca) and under the Company's profile at [www.sedar.com](http://www.sedar.com).

Hernan Martinez, Executive Chairman, commented: "In the third quarter of 2015, the Company further reduced its general and administrative costs and is currently looking forward to underground mining development at Caypa and securing a strategic investor at Cerro Largo."

## Financial and Operating Summary

A summary of the financial and operating results for the third quarter of 2015 is as follows:

Image: <https://www.accesswire.com/uploads/Pacific%20Coal%2012-15%201.jpg>

- (1) This is the total coal production of La Caypa and Cerrolargo Mine. See 'Results of operation' in the MD&A for production details.
- (2) See 'Non-GAAP and additional GAAP Financial Measures' in the MD&A for definitions and reconciliation.
- (3) Total debt includes short-term debt, long term debt, finance leases and amounts owed to Chipalo Resources by Norcarbon S.A.S. ("Norcarbon") (September 30, 2015 - \$7.8 million, September 30, 2014 - \$15.5 million) and \$15.5 million owned to Carbones by CCC.

## Q3 2015 Highlight

- Coal production: The Company produced 100,480 tonnes of coal in the third quarter of 2015, which represents a decrease of 58% compared to the second quarter of 2015 (238,241 tonnes), a decrease of 65% compared to third quarter of 2014 (283,813 tonnes). The lower production was planned due to the high levels of inventories. In the third quarter of 2015, the total stripping ratio for La Caypa mine (9.17:1) decreased by 43% compared to the second quarter of 2015 (15.99:1), and a decrease of 27% compared to the third quarter 2014 (12.12:1)
- Revenues: Coal revenues for the third quarter of 2015 were \$7.5 million (\$33.2 million in the third quarter of 2014) from the sale of 176,520 tonnes of coal (174,421 from La Caypa and 2,099 from Cerro Largo) sold at an average realized price of \$43.05 per tonne (100% FOT), compared to 338,881 tonnes of coal in the third quarter of 2014. The execution of the Carbones JOA and Sloane JOA (as defined below) are the main reason for the decrease in tonnes sold and therefore, in revenues. The decrease in price per tonne was a result of changes in international market conditions
- Earnings (loss) from operations: Loss from operations for the third quarter of 2015 was \$6.3 million, compared to a loss of \$4.1 million in the third quarter of 2014. This can be primarily attributed to the decrease in sales as set out above
- Adjusted Earnings Before Interests, Taxes, Depreciation and Amortization (EBITDA): Adjusted EBITDA for the third quarter of 2015 was a loss of \$5.7 million against a loss of \$5.0 million for second quarter of 2015 and a loss of \$1.9 million in the third quarter of 2014 See 'Non-GAAP and Additional GAAP Financial Measures' in the MD&A for a definition and reconciliation of Adjusted EBITDA
- Operation of La Caypa mine: Since July 16, 2015 the joint operation agreement between Carbones Colombianos del Cerrejon S.A.S. (CCC) and Masering S.A.S. (Masering) (currently assigned to Carbones del Santander SAS) (the Carbones

JOA, has been effective and coal sales were a mix of CCC's inventory and the new production generated under the agreement. During the third quarter of 2015, the Company received a notice of termination of the coal exploitation contract with the Community of El Cerrejon with respect to La Caypa mine due to (i) the Carbones JOA which was wrongfully interpreted as being an assignment of CCC's mining rights and (ii) non-payment of royalties. The Company has settled with Cerrejon on the first point and is currently negotiating with Cerrejon a payment plan for outstanding royalties, while the Company continues production at La Caypa

- Operation of Cerro Largo mine: During the third quarter of 2015, the Company terminated the agreement (the Sloane JOA) with Sloane Mining Services Sucursal Colombia, Cerro Largo's former mine operator, as a consequence of a breach of their commitments thereunder, such as the outstanding payments owed by Sloane and other environmental issues including non-performance of activities such as reclamation of the land upon abandonment by Sloane. As a result of such environmental issues, the Autoridad Nacional de Licencias Ambientales (ANLA) imposed the immediate suspension of coal exploitation activities at Cerro Largo. In light of the above, Norcarbon S.A.S. applied for a temporary suspension with the National Mineral Agency. Management is currently analyzing the measures to be taken in order to rectify the environmental issues and the strategies to restart the mining operation

- General and administrative expenses: The Company recorded \$1.2 million in G&A expenses, excluding DD&A and impairment of non-current assets, in the third quarter of 2015, compared to \$1.3 million in the same period of 2014, a reduction of 6%.

## Outlook

In the third quarter of 2015, production at the La Caypa mine was 75,036 tonnes of which 12,295 tonnes belong to the Company under the Carbones JOA. The production at the Cerro Largo mine in the third quarter of 2015 was 25,444 tonnes. The Company is forecasting thermal coal from La Caypa in 2015 of approximately 0.6 million tonnes, with a stripping ratio throughout the year of 21:1.

The third quarter of 2015 was the first quarter where the Carbones JOA took effect. The Company has been working to achieve the future margins set out under this agreement with reduced G&A and minimal operational cost at La Caypa mine.

The Company signed on November 10, 2015, a memorandum of understanding (an MOU) with Highlander S.A.S., a Colombian company controlled by Shannxy Yihao Mining and Engineering Co. Ltd., a Chinese company with experience in underground mining operation. Management has been negotiating the terms of an operation contract with Highlander for underground mining at La Caypa and expects to enter into such contract by the end of the year or early in the first quarter of 2016.

On September 8, 2015, the Company terminated the Sloane JOA and is currently in discussions with third parties to identify a strategic investor to develop the Cerro Largo mine reserves.

G&A expenses of \$1.2 million in the third quarter of 2015 included \$0.4 million in penalties for delayed payments to governmental authorities. Management continues its efforts to reduce the debt and obtain requisite approvals by applying mechanisms that allow the Company to recapture positive balances in favor of taxes. The Company expects to meet its forecast for G&A expenses in 2015, approximately \$4.0 million, which would be a 25% of reduction as compared to 2014.

## About Pacific Coal Resources Ltd.

[Pacific Coal Resources Ltd.](#) is a Canadian-based mining company engaged in the acquisition, exploration and production of coal and coal-related assets from properties located in Colombia. The Company's common shares are listed on the TSX Venture Exchange and trade under the symbol PAK.

## For further information, please contact:

[Pacific Coal Resources Ltd.](#)

Melissa Krishna, Deputy General Counsel & Secretary  
(416) 360-8725

*Forward Looking Information: This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Pacific Coal to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release and Pacific Coal disclaim, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*

---

Dieser Artikel stammt von [Minenportal.de](https://www.minenportal.de)

Die URL für diesen Artikel lautet:

<https://www.minenportal.de/artikel/173900--Pacific-Coal-Resources-Ltd.-Announces-2015-Third-Quarter-Financial-Results.html>

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](https://www.minenportal.de) 2007-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).