

Golden Minerals Co
Form 10-Q
August 08, 2011
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(MARK ONE)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2011

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM TO .

COMMISSION FILE NUMBER 1-13627

GOLDEN MINERALS COMPANY

Edgar Filing: Golden Minerals Co - Form 10-Q

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

26-4413382
(I.R.S. EMPLOYER
IDENTIFICATION NO.)

350 INDIANA STREET, SUITE 800
GOLDEN, COLORADO
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

80401
(ZIP CODE)

(303) 839-5060

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

INDICATE BY CHECK MARK WHETHER THE REGISTRANT (1) HAS FILED ALL REPORTS REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS), AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS: YES NO

INDICATE BY CHECK MARK WHETHER THE REGISTRANT HAS SUBMITTED ELECTRONICALLY AND POSTED ON ITS CORPORATE WEB SITE, IF ANY, EVERY INTERACTIVE DATA FILE REQUIRED TO BE SUBMITTED AND POSTED PURSUANT TO RULE 405 OF REGULATION S-T (§232.405 OF THIS CHAPTER) DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO SUBMIT AND POST SUCH FILES). YES NO

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS A LARGE ACCELERATED FILER, AN ACCELERATED FILER, A NON-ACCELERATED FILER, OR A SMALLER REPORTING COMPANY:

LARGE ACCELERATED FILER

ACCELERATED FILER

NON-ACCELERATED FILER

SMALLER REPORTING COMPANY

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS A SHELL COMPANY (AS DEFINED IN RULE 12B-2 OF THE EXCHANGE ACT): YES NO

INDICATE BY CHECK MARK WHETHER THE REGISTRANT HAS FILED ALL DOCUMENTS AND REPORTS REQUIRED TO BE FILED BY SECTIONS 12, 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 SUBSEQUENT TO THE DISTRIBUTION OF SECURITIES UNDER A PLAN CONFIRMED BY A COURT: YES NO

AT JULY 29, 2011, 15,302,675 SHARES OF COMMON STOCK, \$0.01 PAR VALUE PER SHARE, WERE ISSUED AND OUTSTANDING.

Edgar Filing: Golden Minerals Co - Form 10-Q

Table of Contents

GOLDEN MINERALS COMPANY

FORM 10-Q

QUARTER ENDED JUNE 30, 2011

INDEX

	PAGE
<u>PART I FINANCIAL INFORMATION</u>	
<u>ITEM 1.</u> FINANCIAL STATEMENTS (Unaudited)	3
<u>ITEM 2.</u> MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	15
<u>ITEM 3.</u> QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	21
<u>ITEM 4.</u> CONTROLS AND PROCEDURES	21
<u>PART II OTHER INFORMATION</u>	
<u>ITEM 1.</u> LEGAL PROCEEDINGS	22
<u>ITEM 1A.</u> RISK FACTORS	22
<u>ITEM 2.</u> UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS	34
<u>ITEM 3.</u> DEFAULTS UPON SENIOR SECURITIES	34
<u>ITEM 4.</u> REMOVED AND RESERVED	34
<u>ITEM 5.</u> OTHER INFORMATION	34
<u>ITEM 6.</u> EXHIBITS	34
<u>SIGNATURES</u>	35

Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements**

GOLDEN MINERALS COMPANY
CONSOLIDATED BALANCE SHEETS
(Expressed in United States dollars)
(Unaudited)

	June 30, 2011	December 31, 2010
	(in thousands, except share data)	
Assets		
Current assets		
Cash and cash equivalents	\$ 84,998	\$ 120,990
Investments (Note 3)	1,163	601
Prepaid expenses and other assets (Note 4)	1,603	1,695
Total current assets	87,764	123,286
Property, plant and equipment, net (Note 5)	14,043	10,139
Assets held for sale (Note 5)		1,795
Long term receivable	719	
Prepaid expenses and other assets (Note 4)	324	398
Total assets	\$ 102,850	\$ 135,618
Liabilities and Equity		
Current liabilities		
Accounts payable and other accrued liabilities (Note 6)	\$ 4,132	\$ 2,931
Other current liabilities	77	67
Total current liabilities	4,209	2,998
Other long term liabilities (Note 7)	756	802
Total liabilities	4,965	3,800
Equity (Note 10)		
Common stock, \$.01 par value, 50,000,000 shares authorized; 15,302,675 and 15,124,567 shares issued and outstanding, respectively	153	152
Additional paid in capital	186,193	185,051
Accumulated deficit	(88,066)	(53,550)
Accumulated other comprehensive income (loss)	(395)	165
Parent company's shareholder's equity	97,885	131,818
Total liabilities and equity	\$ 102,850	\$ 135,618

The accompanying notes form an integral part of these consolidated financial statements.

Table of Contents

GOLDEN MINERALS COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(Expressed in United States dollars)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(in thousands, except share data)			
Revenue:				
Management service fees (Note 11)	\$	\$	7,945	\$ 11,118
Costs and expenses:				
Costs of services (Note 11)		(918)		(2,535)
Exploration expense	(4,320)	(2,912)	(8,006)	(6,138)
El Quevar project expense	(9,114)	(3,504)	(17,851)	(5,973)
Administrative expense	(3,864)	(2,131)	(6,103)	(4,427)
Stock based compensation	(889)	(778)	(2,068)	(1,300)
Impairment of long lived assets		(162)		(275)
Other operating income & (expenses), net	(28)	69	416	