

Golden Minerals Co
Form 10-Q
August 10, 2009

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, 2009.

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

(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:

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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 AUGUST 6, 2009, 3,257,735 SHARES OF COMMON STOCK, \$0.01 PAR VALUE PER SHARE, WERE ISSUED AND OUTSTANDING.

Table of Contents

**GOLDEN MINERALS COMPANY
FORM 10-Q
QUARTER ENDED JUNE 30, 2009**

INDEX

	PAGE
<u>PART I FINANCIAL INFORMATION</u>	
<u>ITEM 1. FINANCIAL STATEMENTS (Unaudited)</u>	<u>3</u>
<u>ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	<u>35</u>
<u>ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	<u>42</u>
<u>ITEM 4. CONTROLS AND PROCEDURES</u>	<u>42</u>
<u>PART II OTHER INFORMATION</u>	
<u>ITEM 1. LEGAL PROCEEDINGS</u>	<u>43</u>
<u>ITEM 1A. RISK FACTORS</u>	<u>43</u>
<u>ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u>	<u>43</u>
<u>ITEM 3. DEFAULTS UPON SENIOR SECURITIES</u>	<u>43</u>
<u>ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS</u>	<u>43</u>
<u>ITEM 5. OTHER INFORMATION</u>	<u>43</u>
<u>ITEM 6. EXHIBITS</u>	<u>44</u>
<u>SIGNATURES</u>	<u>45</u>

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 2009	December 31, 2008
	(Successor)	(Predecessor)
	(in thousands, except share data)	
Assets		
Current assets		
Cash and cash equivalents	\$ 15,658	\$ 33,723
Restricted cash		20,575
Investments	4,832	16,351
Trade receivables	283	7,315
Inventories		75,008
Prepaid expenses and other assets	1,312	15,550
Total current assets	22,085	168,522
Property, plant and equipment, net	9,024	202,534
Assets held for sale	3,106	
Ore stockpile inventories		72,628
Value added tax recoverable		157,146
Investments		5,487
Prepaid expenses and other assets	558	30
Total assets	\$ 34,773	\$ 606,347
Liabilities and Shareholders' Equity (Deficit)		
Current liabilities		
Accounts payable and other accrued liabilities	\$ 3,592	\$ 48,861
Accrued interest payable		8,660
Other current liabilities	63	
Current portion of long term debt		523,610
Total current liabilities	3,655	581,131
Long term debt		59,951
Asset retirement obligation		9,155
Other long term liabilities	596	4,398
Total liabilities	4,251	654,635
Commitments and contingencies (Note 18)		
Shareholders' equity (deficit)		

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Common stock, (Successor) \$.01 par value, 50,000,000 shares authorized; 3,257,735 shares issued and outstanding		
Ordinary Shares, (Predecessor) \$.01 par value, 175,000,000 shares authorized; 59,000,832 shares issued and outstanding		590
Additional paid in capital	36,837	680,901
Accumulated deficit	(7,174)	(880,020)
Accumulated other comprehensive income (loss)	826	(551)
Parent Company's shareholder's equity (deficit)	30,522	(199,080)
Noncontrolling interest in subsidiaries		150,792
Total shareholders' equity (deficit)	30,522	(48,288)
Total liabilities and shareholders' equity (deficit)	\$ 34,773	\$ 606,347

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

GOLDEN MINERALS COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

(Expressed in United States dollars)

(Unaudited)

	Three Months Ended June 30		For The Period March 25, 2009 Through June 30, 2009	For The Period January 1, 2009 Through March 24, 2009	Six Months Ended June 30, 2008
	2009 (Successor)	2008 (Predecessor)	(Successor)	(Predecessor)	
(in thousands, except share data)					
Revenue:					
Management service fees (Note 17)	\$ 3,147	\$ 1,350	\$ 3,358	\$ 1,350	\$ 2,700
Costs and expenses:					
Costs of services (Note 17)	(1,004)		(1,084)		
Exploration expense	(3,021)	(9,137)	(3,469)	(3,482)	(15,329)
Administrative expense	(2,980)	(3,342)	(3,336)	(4,779)	(8,637)
Stock based compensation	(609)	(756)	(609)	(2,717)	(1,599)
Depreciation, depletion and amortization	(143)	(163)	(152)	(102)	(324)
Total costs and expenses	(7,757)	(13,398)	(8,650)	(11,080)	(25,889)
Loss from operations	(4,610)	(12,048)	(5,292)	(9,730)	(23,189)
Other income and expenses:					
Interest and other income	166	1,738	290	1,010	3,582
Royalty income	127	198	127	88	198
Interest and other expense		(2,641)		(345)	(5,279)
Loss on sale of asset	(180)		(180)		
Gain (loss) on foreign currency	90	206	94	(13)	95
Gain on extinguishment of debt				248,165	
Loss on auction rate securities	(1,332)	(3,100)	(1,332)	(828)	(3,100)
Reorganization costs, net	(565)		(668)	(3,683)	
Fresh start accounting adjustments				9,122	
Total other income and expenses	(1,694)	(3,599)	(1,669)	253,516	(4,504)
Income (loss) from continuing operations before income (taxes) benefit	(6,304)	(15,647)	(6,961)	243,786	(27,693)
Income taxes	(187)	(145)	(213)	(165)	(287)