

# Coeur Reports Second Quarter 2014 Results

06.08.2014 | [Globenewswire Europe](#)

## Coeur Reports Second Quarter 2014 Results

Cash flow from operating activities increased by \$40 million; Rochester cash flow and production growth accelerates; Full-year cost guidance reduced

Chicago, Illinois - August 6, 2014 - Coeur Mining, Inc. (the "Company" or "Coeur") (NYSE: CDE) reported second quarter 2014 revenue of \$164.6 million, adjusted net loss(1) of \$31.6 million, and cash flow from operating activities of \$30.5 million, the highest level in a year. The Company realized average metal prices of \$19.60 per silver ounce and \$1,277 per gold ounce during the quarter, which were 3% lower and roughly flat, respectively, compared to the first quarter of 2014.

The Company is reducing its full-year costs applicable to sales(1) guidance range from \$500 - \$530 million to \$490 - \$510 million due to its successful ongoing cost reduction initiatives. Coeur is narrowing its 2014 production guidance to 17.0 - 18.0 million silver ounces and 225,000 - 240,000 gold ounces and is maintaining its full-year guidance for exploration (\$23 - \$28 million including capitalized drilling), general and administrative expenses (\$43 - \$48 million), amortization (\$190 million), and capital expenditures (\$65 - \$80 million).

---

### Second Quarter Highlights

- \* Silver production totaled 4.5 million ounces, a 10% increase compared to the first quarter
  - \* Gold production totaled 61,025 ounces, a 4% increase compared to the first quarter
  - \* Rochester produced 1.7 million silver equivalent ounces(1), a 34% increase compared to the first quarter. Cash flow from operating activities of \$4.3 million at Rochester in the second quarter is expected to increase during the second half of 2014 as production levels continue to rise
  - \* Cash flow from operating activities was \$30.5 million in the second quarter, compared to \$(9.6) million in the first quarter
  - \* Mine-level free cash flow(2) of \$22.5 million increased from \$(4.4) million in the first quarter, reaching the highest level in a year
  - \* Costs applicable to sales at Coeur's primary silver mines increased 8% from the first quarter but declined 4% from last year's second quarter to \$14.31 per silver equivalent ounce(1)
  - \* All-in sustaining costs per silver equivalent ounce(1) increased 4% from the first quarter but declined 6% from last year's second quarter to \$19.89
  - \* General and administrative expenses were \$9.4 million in the second quarter, down 32% from the first quarter
  - \* Net loss was \$43.1 million, or \$0.42 per share
  - \* Adjusted net loss(1) was \$31.6 million, or \$0.31 per share
  - \* Cash, cash equivalents, and short-term investments totaled \$316.8 million at June 30, 2014, nearly unchanged from the first quarter
  - \* Coeur announced a re-scoping of its Palmarejo mine, including plans to complete development of the Guadalupe underground mine at Palmarejo and terms for a new gold stream agreement with Franco-Nevada, which is expected to significantly improve the mine's cash flow profile
- "Our second quarter results demonstrate improved or consistent performance across our portfolio. Our costs are tracking below initial expectations as we make further progress increasing the efficiency of our operations," said Mitchell J. Krebs, Coeur's President and Chief Executive Officer.

"In recent weeks, we made important decisions regarding the long-term plan for our Palmarejo mine and La Preciosa silver-gold project in Mexico. Our re-scoped

mine plan for Palmarejo and deferral of mine construction at La Preciosa demonstrate our commitment to disciplined capital deployment with the intent to maximize free cash flow and stockholder returns."

## Financial Highlights (Unaudited)

(Amounts in millions, except per share amounts, average realized prices, gold ounces produced & sold, and per-ounce Quarter metrics) 2Q 2014 1Q 2014 Variance 4Q 2013 3Q 2013 2Q 2013

---

Revenue \$ 164.6 \$ 159.6 3 % \$ 168.8 \$ 200.8 \$ 204.5

Costs  
Applicable to  
Sales(1) \$ 118.7 \$ 106.9 11 % \$ 101.4 \$ 131.8 \$ 142.4

Net Income  
(Loss) \$ (43.1 ) \$ (37.2 ) (16 %) \$ (581.5 ) \$ (46.3 ) \$ (35.0 )

Earnings Per  
Share \$ (0.42 ) \$ (0.36 ) (17 %) \$ (5.77 ) \$ (0.46 ) \$ (0.35 )

Adjusted Net  
Income  
(Loss)(1) \$ (31.6 ) \$ (19.5 ) (62 %) \$ (17.0 ) \$ (29.3 ) \$ (29.8 )

Adjusted Net  
Income  
(Loss)(1 )Per  
Share \$ (0.31 ) \$ (0.19 ) (63 %) \$ (0.17 ) \$ (0.29 ) \$ (0.30 )

Weighted  
Average  
Shares 102.4 102.4 - % 100.7 100.8 99.8

Cash Flow  
From  
Operating  
Activities \$ 30.5 \$ (9.6 ) 418 % \$ 10.4 \$ 26.8 \$ 63.3

Capital  
Expenditures \$ 15.4 \$ 11.9 29 % \$ 28.1 \$ 32.7 \$ 27.2

Cash, Cash  
Equivalents &  
Short-Term  
Investments \$ 316.8 \$ 318.6 (1 %) \$ 206.7 \$ 211.4 \$ 249.5

Total Debt(3) \$ 480.1 \$ 464.2 3 % \$ 308.6 \$ 310.2 \$ 312.1

Average  
Realized  
Price Per  
Ounce -  
Silver \$ 19.60 \$ 20.28 (3 %) \$ 20.50 \$ 21.11 \$ 22.73

Average  
Realized  
Price Per  
Ounce - Gold \$ 1,277 \$ 1,279 - % \$ 1,206 \$ 1,300 \$ 1,356

Silver Ounces  
Produced 4.5 4.1 10 % 4.3 4.2 4.6

Gold Ounces  
Produced 61,025 58,836 4 % 79,845 63,040 60,178

Silver  
Equivalent  
Ounces  
Produced(1) 8.1 7.6 7 % 9.1 8.0 8.2

Silver Ounces  
Sold 4.6 3.9 19 % 4.0 4.9 5.2

Gold Ounces  
Sold 57,751 62,578 (8 %) 72,215 75,677 63,523

Silver  
Equivalent  
Ounces  
Sold(1) 8.1 7.6 7 % 8.3 9.4 9.0

Costs  
Applicable to  
Sales per  
Silver  
Equivalent  
Oz(1) \$ 14.31 \$ 13.22 8 % \$ 12.49 \$ 13.82 \$ 14.88

All-in  
Sustaining  
Costs per  
Silver  
Equivalent  
Oz(1) \$ 19.89 \$ 19.09 4 % \$ 17.94 \$ 19.97 \$ 21.22

## Financial Results

Second quarter revenue increased by \$5.0 million, or 3%, compared to the first quarter to \$164.6 million due to an increase in silver ounces sold, partially offset by fewer gold ounces sold and lower average realized silver and gold prices. The Company sold 4.6 million ounces of silver and 57,751 ounces of gold, compared to sales of 3.9 million ounces of silver and 62,578 ounces of gold in the first quarter. The Company realized average silver and gold prices of \$19.60 per ounce and \$1,277 per ounce, respectively, compared with realized average prices of \$20.28 per ounce and \$1,279 per ounce, respectively. Silver contributed 55% of metal sales and gold contributed 45% during the second quarter.

General and administrative expenses were \$9.4 million in the second quarter, down 32% from the first quarter. Cash flow from operating activities was \$30.5 million in the second quarter, compared to \$(9.6) million in the first quarter. Capital expenditures of \$15.4 million were 29% higher than the first quarter but 43% below the second quarter of 2013 and continue to track significantly below 2013 levels. Capital expenditures for the first half of the year were mainly for underground development at Palmarejo and Kensington, plant improvements at San Bartolomé, and resource definition at Rochester. In the second half of 2014, underground development at Guadalupe and Kensington and construction of the

tailings dam at San Bartolomé are expected to comprise the majority of Coeur's capital spending.

Coeur's adjusted net loss(1) was \$31.6 million, or \$0.31 per share, in the second quarter 2014, compared with an adjusted net loss(1) of \$19.5 million, or \$0.19 per share, in the first quarter. The second quarter adjusted net loss(1) excludes a \$6.5 million negative fair value adjustment, \$2.3 million in stock-based compensation, and a \$1.7 million accretion of the Palmarejo royalty obligation. Fair value adjustments are primarily driven by changes to gold and silver prices, which adjust the estimated future liabilities for the Palmarejo gold production royalty and the Rochester 3.4% net smelter returns royalty. The Company realized a net loss of \$43.1 million or \$0.42 per share, in the second quarter 2014.

#### Downside Price Protection

The Company extended its downside metal price protection program during the second quarter, using put spreads to protect 25% - 40% of expected future production against a sharp decrease in metal prices while selling intra-quarter, out-of-the-money call options when appropriate to offset the net cost of the put spreads. Put spreads through the end of 2014 cover 1.25 million ounces of expected quarterly silver production and 25,000 ounces of expected quarterly gold production. Put spreads in the first quarter of 2015 cover 1.25 million ounces of expected silver production and 24,000 ounces of expected gold production. All put options purchased have a strike price of \$18/ounce and \$1,200/ounce for silver and gold, respectively. All put options sold have a strike price of \$16/ounce and \$1,050/ounce for silver and gold, respectively.

#### Operations

Highlights of the second quarter 2014 results for each of the Company's mining operations are provided below.

##### Palmarejo, Mexico

	2Q 2014	1Q 2014	4Q 2013	3Q 2013	2Q 2013
Underground Operations:					
Tons mined	177,359	209,854	237,384	219,909	183,267
Average silver grade (oz/t)	6.15	5.95	6.00	4.73	4.59
Average gold grade (oz/t)	0.11	0.11	0.14	0.11	0.11
Surface Operations:					
Tons mined	320,583	358,222	361,493	385,379	363,758
Average silver grade (oz/t)	3.72	3.50	3.49	3.49	4.95
Average gold grade (oz/t)	0.03	0.03	0.03	0.03	0.04
Processing:					
Total tons milled	534,718	571,345	595,803	583,365	570,322
Average recovery rate - Ag	75.6%	73.3%	74.5%	81.8%	76.5%
Average recovery rate - Au	78.9%	78.0%	80.6%	87.6%	81.2%
Silver ounces produced (000's)	1,761	1,820	1,994	1,918	2,045

Gold ounces produced	23,706	25,216	35,486	29,893	28,191
Silver equivalent ounces produced(1)	3,183	3,333	4,123	3,711	3,736
Silver ounces sold (000&apos;s)	1,983	1,677	1,768	2,592	2,007
Gold ounces sold	25,753	26,422	31,360	38,385	28,025
Revenues	\$72.4	\$68.0	\$75.9	\$104.5	\$86.2
Costs applicable to sales(1)	\$49.6	\$43.6	\$39.9	\$66.8	\$55.2
Costs applicable to sales per silver equivalent ounce(1)	\$14.04	\$13.36	\$10.90	\$13.66	\$14.97
Exploration expense	\$1.6	\$1.0	\$1.1	\$0.9	\$3.2
Cash flow from operating activities	\$27.4	\$10.2	\$16.6	\$50.8	\$37.2
Sustaining capital expenditures	\$5.3	\$3.7	\$4.6	\$7.1	\$5.4
Development capital expenditures	\$0.3	\$-	\$4.3	\$3.2	\$3.8
Total capital expenditures	\$5.6	\$3.7	\$8.9	\$10.3	\$9.2
Free cash flow (before royalties)	\$21.8	\$6.5	\$7.7	\$40.5	\$28.0
Royalties paid (credited)	\$12.3	\$14.7	\$13.5	\$12.6	\$15.5
Free cash flow(2)	\$9.5	\$(8.2)	\$(5.8)	\$27.9	\$12.5

\* On July 20, Coeur announced a re-scoped mine plan for Palmarejo, reflecting the mining of a portion of current mineral reserves and a portion of high-grade inferred material located at the Guadalupe deposit. The mine plan provided the expected long-term operational and financial profile of the mine, which included the anticipated economics of the Guadalupe development plan and new gold stream agreement with Franco-Nevada, which were both announced on June 23

\* The re-scoped mine plan forecasts lower throughput for 2014 - 2021 but at higher grades, higher recovery rates, and lower unit costs than achieved in recent quarters as Coeur transitions the mine to a higher-margin, underground operation. Coeur plans to update the mine plan at year end to incorporate drilling results from the second half of 2013 and first half of 2014

\* Cash flow from operating activities of \$27.4 million in the second quarter was significantly higher than \$10.2 million in the first quarter mainly due to higher ounces sold and lower working capital

\* Capital expenditures of \$5.6 million in the second quarter were up from \$3.7 million in the first quarter but continue to track meaningfully below 2013 levels

\* Coeur expects higher recovery rates and proportionally fewer open-pit tons mined in the second half of 2014. In line with the re-scoped mine plan, total production at Palmarejo in 2014 is expected to be 6.7 - 7.0 million ounces of silver and 84,000 - 90,000 ounces of gold  
Rochester, Nevada

(Dollars in millions, expect  per ounce amounts)	2Q 2014	1Q 2014	4Q 2013	3Q 2013	2Q 2013
Ore tons placed	3,329,582	3,640,861	4,569,588	2,678,906	2,457,423
Average silver grade (oz/t)	0.58	0.59	0.57	0.53	0.58
Average gold grade (oz/t)	0.003	0.003	0.002	0.003	0.003

```

Silver ounces produced ||
(000&apos;s) | 1,112 | 750 712 595 844
||
Gold ounces produced | 9,230 | 8,192 7,890 4,824 9,404
||
Silver equivalent ounces ||
produced(1) | 1,666 | 1,242 1,186 885 1,408
||
Silver ounces sold (000&apos;s) | 1,006 | 695 621 741 851
||
Gold ounces sold | 8,970 | 7,770 6,323 6,539 10,925
||
Revenues | $31.2 | $24.2 $20.6 $24.3 $34.9
||
Costs applicable to sales(1)| $24.4 | $14.7 $16.6 $17.9 $22.5
||
Costs applicable to sales ||
per silver equivalent ||
ounce(1) | $15.79 | $12.67 $16.63 $15.83 $14.95
||
Exploration expense | $0.7 | $1.2 $1.0 $0.6 $0.5
||
Cash flow from operating ||
activities | $4.3 | $(9.0) $(9.7) $(3.6) $(3.4)
||
Sustaining capital ||
expenditures | $3.9 | $1.0 $7.2 $12.3 $6.6
||
Development capital ||
expenditures | $0.1 | $- $- $- $-
+-----+
Total capital expenditures | $4.0 | $1.0 $7.2 $12.3 $6.6
||
Free cash flow(2) | $0.3 | $(10.0) $(16.9) $(15.9) $(10.0)
+-----+

```

\* Production of 1.1 million ounces of silver and 9,230 ounces of gold in the second quarter increased 48% and 13%, respectively, compared to the first quarter and reached the highest level since 2007

\* Second quarter costs applicable to sales per silver equivalent ounce(1) were \$15.79, higher than \$12.67 in the first quarter due to higher crushing, royalty, and leaching costs. The Company expects costs applicable to sales per silver equivalent ounce(1) in the second half of 2014 to be in line with the first half

\* Cash flow from operating activities of \$4.3 million reached the highest level in more than a year and revenue increased 29% from the first quarter as the ramp up in production from the Stage III leach pad has accelerated

\* Capital expenditures were \$4.0 million during the second quarter, tracking significantly below year-ago levels

\* Rochester received a favorable ruling regarding an appeal of Rochester&apos;s Plan of Operations Amendment ("POA") 8, an expansion project that had been approved by the Bureau of Land Management in 2010. This decision comes just days after the Notice of Intent for Rochester&apos;s POA 10 was published in the Federal Register. POA 10 includes plans for an expansion of the Stage IV heap leach pad and construction of the Stage V leach pad, which together are expected to add approximately 120 million tons of pad capacity. Permits for POA 10 are expected to be received during the second half of 2016

San Bartolomé, Bolivia

```

+-----+
(Dollars in millions, except per ounce|
amounts) |2Q 2014|1Q 2014 4Q 2013 3Q 2013 2Q 2013
+-----+
Tons milled |437,975|385,375 451,660 428,884 424,310
||

```

Average silver grade (oz/t)	3.87	3.88	3.79	3.89	3.98
Average recovery rate	87.5%	90.5%	87.6%	91.5%	90.3%
Silver ounces produced (000's)	1,481	1,355	1,499	1,528	1,523
Silver ounces sold (000's)	1,494	1,357	1,485	1,334	2,151
Revenues	\$29.1	\$27.6	\$30.6	\$28.8	\$49.2
Costs applicable to sales(1)	\$20.7	\$18.9	\$20.6	\$17.7	\$32.8
Costs applicable to sales per silver equivalent ounce(1)	\$13.85	\$13.93	\$13.91	\$13.25	\$15.26
Exploration expense	\$0.1	\$-	\$-	\$-	\$-
Cash flow from operating activities	\$18.9	\$4.5	\$8.9	\$7.6	\$32.8
Sustaining capital expenditures	\$1.7	\$1.4	\$1.8	\$3.0	\$1.4
Development capital expenditures	\$-	\$-	\$2.0	\$1.2	\$1.8
Total capital expenditures	\$1.7	\$1.4	\$3.8	\$4.2	\$3.2
Free cash flow(2)	\$17.2	\$3.1	\$5.1	\$3.4	\$29.6
* Silver production of approximately 1.5 million ounces was 9% higher than the first quarter due to increased throughput * Cash flow from operating activities of \$18.9 million reached its highest level in a year * Stable production, grades, and costs are expected for the remainder of 2014					

#### Kensington, Alaska

(Dollars in millions, expect per ounce amounts)	2Q 2014	1Q 2014	4Q 2013	3Q 2013	2Q 2013
Tons milled	163,749	159,697	149,246	147,427	127,987
Average gold grade (oz/t)	0.18	0.17	0.26	0.20	0.18
Average recovery rate	94.5%	94.5%	93.6%	94.1%	95.8%
Gold ounces produced	28,089	25,428	36,469	28,323	22,583
Gold ounces sold	23,028	28,386	34,533	30,752	24,573
Revenues	\$29.0	\$36.1	\$39.7	\$38.9	\$30.9
Costs applicable to sales(1)	\$23.2	\$28.5	\$23.4	\$27.5	\$30.2
Costs applicable to sales per gold ounce(1)	\$1,008	\$1,005	\$677	\$894	\$1,227
Exploration expense	\$1.6	\$1.0	\$1.5	\$1.5	\$0.6
Cash flow from operating activities	\$(0.6)	\$13.9	\$11.3	\$1.9	\$7.6
Sustaining capital expenditures	\$4.0	\$4.7	\$5.7	\$4.9	\$7.4
Development capital expenditures	\$-	\$-	\$-	\$-	\$-
Total capital expenditures	\$4.0	\$4.7	\$5.7	\$4.9	\$7.4

Free cash flow(2) |\$(4.6) | \$9.2 \$5.6 \$(3.0) \$0.2

+-----+

\* Gold production increased 10% compared to the first quarter due to higher grades and milling rates. Gold grades are expected to be slightly above the second quarter for the remainder of the year due to the mining of high-grade stopes from the main section of the mine and from the high-grade Raven deposit

\* Costs applicable to sales per gold ounce(1 )were \$1,008 during the second quarter, nearly unchanged from the first quarter, and are expected to decline in the second half of 2014 due to higher grades

\* Cash flow from operating activities of \$(0.6) million was below the \$13.9 million generated in the first quarter due to timing of concentrate shipments

## Endeavor, Australia

+-----+

(Dollars in millions, expect per ounce| |  
amounts) |2Q 2014|1Q 2014 4Q 2013 3Q 2013 2Q 2013

+-----+

Tons milled |185,538|193,219 200,843 197,237 198,517

||

Average silver grade (oz/t) | 1.41 | 1.65 1.37 1.71 2.73

||

Average recovery rate | 42.4% | 45.9% 42.0% 42.1% 37.0%

||

Silver ounces produced (000&apos;s) | 111 | 147 115 142 200

||

Silver ounces sold (000&apos;s) | 106 | 147 113 186 198

||

Revenues | \$2.0 | \$2.9 \$2.1 \$4.3 \$3.5

||

Costs applicable to sales(1) | \$0.8 | \$1.2 \$0.9 \$1.9 \$1.7

||

Costs applicable to sales per silver | |  
equivalent ounce(1) | \$7.94 | \$8.05 \$8.32 \$10.09 \$8.49

||

Cash flow from operating activities | \$0.1 | \$1.5 \$0.9 \$1.3 \$1.2

||

Free cash flow(2) | \$0.1 | \$1.5 \$0.9 \$1.3 \$1.2

+-----+

\* Silver production decreased 24% from the first quarter due to lower tons milled, grades, and recovery rates

\* Costs applicable to sales per silver equivalent ounce declined to \$7.94

\* Coeur owns all silver production and reserves at Endeavor up to a total of 20.0 million payable ounces. At June 30, 2014, the Company has received 5.1 million ounces

## Exploration

Costs associated with exploration activities for the second quarter 2014 were \$5.2 million (expensed) for discovery of new silver and gold mineralization and \$3.9 million (capitalized) for definition and expansion of mineralized material, for a total of \$9.1 million. Coeur&apos;s exploration program used ten drill rigs during the second quarter: four drills at Palmarejo, four at Kensington, and two at Rochester. This work resulted in completion of over 165,146 feet (50,335 meters) of combined core and reverse circulation drilling.

## 2014 Production Outlook

Coeur&apos;s 2014 total silver and gold production guidance is shown below. The Company has slightly narrowed the range, with higher than planned gold production from Rochester expected to offset lower gold production from Palmarejo, in line with Coeur&apos;s re-scoped mine plan and strategy to transition the mine to a higher-margin, lower tonnage operation.

(silver and silver  
equivalent ounces in  
thousands) Silver Gold Silver Equivalent(1)

-----  
Palmarejo, Mexico 6,700 - 7,000 84,000 - 90,000 11,740 - 12,400

San Bartolomé, Bolivia 5,700 - 6,000 - 5,700 - 6,000

Rochester, Nevada 4,100 - 4,400 34,000 - 38,000 6,140 - 6,680

Endeavor, Australia 500 - 600 - 500 - 600

-----  
Kensington, Alaska - 107,000 - 112,000 6,420 - 6,720

Total 17,000 - 18,000 225,000 - 240,000 30,500 - 32,400  
-----

#### Conference Call Information

Coeur will conduct a conference call and webcast at [www.coeur.com](http://www.coeur.com) to discuss the Company's second quarter results on August 7, 2014 at 11:00 a.m. Eastern time.

Dial-In Numbers: (877) 768-0708 (U.S. and Canada)

(660) 422-4718 (International)

Conference ID: 716 78 100

A replay of the call will be available on Coeur's website through August 21, 2014.

Replay Numbers: (855) 859-2056 (U.S. and Canada)

(404) 537-3406 (International)

Conference ID: 716 78 100

#### About Coeur

Coeur Mining is the largest U.S.-based primary silver producer and a significant gold producer with four precious metals mines in the Americas employing nearly 2,000 people. Coeur produces from its wholly owned operations: the Palmarejo silver-gold mine in Mexico, the San Bartolomé silver mine in Bolivia, the Rochester silver-gold mine in Nevada and the Kensington gold mine in Alaska. The Company also has a non-operating interest in the Endeavor mine in Australia in addition to net smelter royalties on the Cerro Bayo mine in Chile, the El Gallo complex in Mexico, and the Zaruma mine in Ecuador. In addition, the Company has two silver-gold feasibility stage projects - the La Preciosa project in Mexico and the Joaquin project in Argentina. The Company also conducts ongoing exploration activities in Alaska, Argentina, Bolivia, Mexico, and Nevada. The Company owns strategic investment positions in several silver and gold development companies with projects in North and South America.

#### Cautionary Statement

This news release contains forward-looking statements within the meaning of securities legislation in the United States and Canada, including statements

regarding anticipated production, costs, capital and exploration expenditures, amortization, exploration and development efforts, the longer-term operational and financial profile of Palmarejo, the new gold stream agreement with Franco-Nevada, recovery rates, grades, throughput, margins, permits, leach pad capacity, and initiatives to increase efficiency, minimize exposure to declining metal prices, and maximize free cash flow and returns. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Coeur's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the risks and hazards inherent in the mining business (including risks inherent in developing large-scale mining projects, environmental hazards, industrial accidents, weather or geologically related conditions), changes in the market prices of gold and silver and a sustained lower price environment, the uncertainties inherent in Coeur's production, exploratory and developmental activities, including risks relating to permitting and regulatory delays, ground conditions, grade variability, any future labor disputes or work stoppages, the uncertainties inherent in the estimation of gold and silver reserves and resources, changes that could result from Coeur's future acquisition of new mining properties or businesses, reliance on third parties to operate certain mines where Coeur owns silver production and reserves and the absence of control over mining operations in which Coeur or its subsidiaries hold royalty or streaming interests and risks related to these mining operations including results of mining and exploration activities, environmental, economic and political risks of the jurisdiction in which the mining operations are located, the loss of access to any third-party smelter to which Coeur markets silver and gold, the effects of environmental and other governmental regulations, the risks inherent in the ownership or operation of or investment in mining properties or businesses in foreign countries, Coeur's ability to raise additional financing necessary to conduct its business, make payments or refinance its debt, as well as other uncertainties and risk factors set out in filings made from time to time with the United States Securities and Exchange Commission, and the Canadian securities regulators, including, without limitation, Coeur's most recent reports on Form 10-K and Form 10-Q. Actual results, developments and timetables could vary significantly from the estimates presented. Readers are cautioned not to put undue reliance on forward-looking statements. Coeur disclaims any intent or obligation to update publicly such forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, Coeur undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Coeur, its financial or operating results or its securities.

W. David Tyler, Coeur's Vice President, Technical Services and a qualified person under Canadian National Instrument 43-101, supervised the preparation of the scientific and technical information concerning Coeur's mineral projects in this news release. Mineral resources are in addition to mineral reserves and do not have demonstrated economic viability. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be considered for estimation of mineral reserves, and there is no certainty that the inferred mineral resources will be realized. Insofar as the re-scoped Palmarejo mine plan referenced herein is a preliminary economic assessment that is based, in part, on inferred mineral resources, the re-scoped mine plan does not have as high a level of certainty as would a plan that was based solely on proven and probable reserves. For a description of the key assumptions, parameters and methods used to estimate mineral reserves and resources, as well as data verification procedures and a general discussion of the extent to which the estimates may be affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant factors, please see the Technical Reports for each of Coeur's properties as filed on SEDAR at [www.sedar.com](http://www.sedar.com) and the new Technical Report for the La Preciosa feasibility study to be filed on [www.sedar.com](http://www.sedar.com) no later than September 14, 2014.

#### Cautionary Note to U.S. Investors

The United States Securities and Exchange Commission permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral

deposits that a company can economically and legally extract or produce. We may use certain terms in public disclosures, such as "measured," "indicated," "inferred" and "resources," that are recognized by Canadian regulations, but that SEC guidelines generally prohibit U.S. registered companies from including in their filings with the SEC. U.S. investors are urged to consider closely the disclosure in our Form 10-K which may be secured from us, or from the SEC's website at <http://www.sec.gov>.

#### Non-U.S. GAAP Measures

We supplement the reporting of our financial information determined under United States generally accepted accounting principles (U.S. GAAP) with certain non-U.S. GAAP financial measures, including adjusted net income (loss), costs applicable to sales per silver equivalent ounce, and all-in sustaining costs. We believe that these adjusted measures provide meaningful information to assist management, investors and analysts in understanding our financial results and assessing our prospects for future performance. We believe these adjusted financial measures are important indicators of our recurring operations because they exclude items that may not be indicative of, or are unrelated to our core operating results, and provide a better baseline for analyzing trends in our underlying businesses. We believe adjusted net income (loss), costs applicable to sales per silver equivalent ounce, and all-in sustaining costs are important measures in assessing the Company's overall financial performance.

#### Notes

1. Adjusted net income (loss), all-in sustaining costs, and costs applicable to sales per silver equivalent ounce are non-GAAP measures. Please see tables in the Appendix for the reconciliation to U.S. GAAP. Silver equivalence calculated using a 60:1 silver to gold ratio.
2. Free cash flow is defined as cash flow from operating activities less capital expenditures and royalty payments. Mine-level free cash flow is the sum of free cash flow generated by Palmarejo, Rochester, San Bartolomé, Kensington, and Endeavor.
3. Includes capital leases. Net of debt discount.

#### For Additional Information:

Bridget Freas, Director, Investor Relations

(312) 489-5819

Donna Mirandola, Director, Corporate Communications

(312) 489-5842

[www.coeur.com](http://www.coeur.com)

[Coeur Mining Inc.](#) and Subsidiaries

#### Condensed Consolidated Statements of Comprehensive Income (Loss)

Three months ended June

30, Six months ended June 30,

-----  
 2014    2013    2014    2013  
 -----

(In thousands, except share data)

Revenue \$ 164,562    \$ 204,525    \$ 324,195    \$ 376,322

#### COSTS AND EXPENSES

Costs applicable to sales	118,687	142,386	225,583	230,444
Amortization	41,422	56,894	81,849	106,589
General and administrative	9,398	15,026	23,294	25,253
Exploration	5,153	6,774	9,370	13,615
Litigation settlement -	32,046	-	32,046	
Pre-development, reclamation, and other	8,760	1,817	15,775	7,163
Total costs and expenses	183,420	254,943	355,871	415,110
OTHER INCOME (EXPENSE), NET				
Fair value adjustments, net (8,282 )	66,754	(19,717 )	84,550	
Impairment of marketable securities (934 )	(17,192 )	(3,522 )	(17,227 )	
Interest income and other, net (116 )	419	(2,100 )	4,275	
Interest expense, net of capitalized interest (12,310 )	(10,930 )	(25,365 )	(20,662 )	
Total other income (expense), net (21,642 )	39,051	(50,704 )	50,936	
Income (loss) before income and mining taxes (40,500 )	(11,367 )	(82,380 )	12,148	
Income and mining tax (expense) benefit (2,621 )	(23,673 )	2,068	(34,918 )	
NET INCOME (LOSS)	\$ (43,121 )	\$ (35,040 )	\$ (80,312 )	\$ (22,770 )
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:				
Unrealized loss on marketable securities, net of tax of \$487 and \$253 for the three and six months ended June 30, 2014, respectively (773 )	(7,491 )	(401 )	(11,057 )	
Reclassification adjustments for impairment of marketable securities, net of tax of \$(362) and \$(1,363) for the three and six months ended June 30, 2014, respectively	572	17,192	2,159	17,227
Reclassification adjustments for realized loss on sale of marketable securities,				

net of tax of \$(10) for  
the three and six months  
ended June 30, 2014,  
respectively 17 - 17 -

-----  
Other comprehensive  
income (loss) (184 ) 9,701 1,775 6,170

-----  
COMPREHENSIVE INCOME  
(LOSS) \$ (43,305 ) \$ (25,339 ) \$ (78,537 ) \$ (16,600 )

NET INCOME (LOSS) PER  
SHARE

Basic \$ (0.42 ) \$ (0.35 ) \$ (0.78 ) \$ (0.24 )

-----  
Diluted \$ (0.42 ) \$ (0.35 ) \$ (0.78 ) \$ (0.24 )

[Coeur Mining Inc.](#) and Subsidiaries

Condensed Consolidated Statements of Cash Flows

Three months ended June  
30, Six months ended June 30,

-----  
2014 2013 2014 2013

-----  
(In thousands)

CASH FLOWS FROM  
OPERATING ACTIVITIES:

Net income (loss) \$ (43,121 ) \$ (35,040 ) \$ (80,312 ) (22,770 )

Adjustments:

Amortization 41,422 56,896 81,849 106,589

Accretion 4,502 5,380 9,093 10,840

Deferred income taxes (3,844 ) 12,123 (15,705 ) 19,548

Loss on termination of  
revolving credit  
facility - - 3,035 -

Fair value  
adjustments, net 8,288 (65,754 ) 18,845 (81,795 )

Litigation settlement - 22,046 - 22,046

Stock-based  
compensation 2,385 1,617 4,950 2,713

(Gain) loss on sale of  
assets (48 ) (264 ) 222 (1,132 )

Impairment of  
marketable securities 934 17,192 3,522 17,227

Other (12) 234 (219) (112)

Changes in operating  
assets and  
liabilities:

Receivables 4,921 4,401 10,544 8,647

Prepaid expenses and  
other current assets 3,551 2,930 (4,558) 411

Inventory and ore on  
leach pads (1,606) 31,483 (15,519) 10,990

Accounts payable and  
accrued liabilities 13,118 10,094 5,117 (16,930)

-----  
CASH PROVIDED BY  
OPERATING ACTIVITIES 30,490 63,338 20,864 76,272

-----  
CASH FLOWS FROM  
INVESTING ACTIVITIES:

Capital expenditures (15,356) (27,201) (27,292) (40,028)

Acquisitions (2,250) (101,648) (2,250) (113,214)

Purchase of short-term  
investments and  
marketable securities (2,139) (683) (48,360) (5,332)

Sales and maturities  
of short-term  
investments 800 1,522 890 6,344

Other 12 254 (13) 1,209

-----  
CASH USED IN INVESTING  
ACTIVITIES (18,933) (127,756) (77,025) (151,021)

-----  
CASH FLOWS FROM  
FINANCING ACTIVITIES:

Issuance of notes and  
bank borrowings - - 153,000 300,000

Payments on long-term  
debt, capital leases,  
and associated costs (2,851) (1,857) (6,962) (57,197)

Gold production  
royalty payments (12,345) (15,480) (27,028) (30,929)

Share repurchases - - - (12,557)

Other (160) (25) (406) (477)

-----  
CASH PROVIDED BY (USED  
IN) FINANCING  
ACTIVITIES (15,356) (17,362) 118,604 198,840

-----  
INCREASE (DECREASE) IN  
CASH AND CASH  
EQUIVALENTS (3,799) (81,780) 62,443 124,091

Cash and cash

equivalents at beginning of period	272,932	331,311	206,690	125,440
-----				
Cash and cash equivalents at end of period	\$ 269,133	\$ 249,531	\$ 269,133	\$ 249,531
-----				

### [Coeur Mining Inc.](#) and Subsidiaries

#### Condensed Consolidated Balance Sheets

June 30, December 31,  
2014 2013

-----  
ASSETS (In thousands, except share data)

#### CURRENT ASSETS

Cash and cash equivalents	\$ 269,133	\$ 206,690
Investments	47,642	-
Receivables	68,693	81,074
Ore on leach pads	44,964	50,495
Inventory	137,644	132,023
Deferred tax assets	35,079	35,008
Prepaid expenses and other	23,593	25,940
-----		
	626,748	531,230

#### NON-CURRENT ASSETS

Property, plant and equipment, net	482,787	486,273
Mining properties, net	1,728,667	1,751,501
Ore on leach pads	46,956	31,528
Restricted assets	7,510	7,014
Marketable securities	13,761	14,521
Receivables	38,424	36,574
Debt issuance costs, net	11,031	10,812
Deferred tax assets	808	1,189
Other	10,830	15,336
-----		

TOTAL ASSETS	\$ 2,967,522	\$ 2,885,978
--------------	--------------	--------------

#### LIABILITIES AND STOCKHOLDERS' EQUITY

#### CURRENT LIABILITIES

Accounts payable	\$ 49,651	\$ 53,847
Accrued liabilities and other	40,632	38,266

Debt	11,565	2,505
Royalty obligations	51,087	48,019
Reclamation	752	913
Deferred tax liabilities	1,858	1,011
	-----	
	155,545	144,561

#### NON-CURRENT LIABILITIES

Debt	468,570	306,130
Royalty obligations	58,505	65,142
Reclamation	59,757	57,515
Deferred tax liabilities	540,232	556,246
Other long-term liabilities	28,280	25,817
	-----	
	1,155,344	1,010,850

#### STOCKHOLDERS' EQUITY

Common stock, par value \$0.01 per share;  
authorized 150,000,000 shares, issued  
and outstanding 103,485,960 at June  
30, 2014 and 102,843,003 at December  
31, 2013 1,034 1,028

Additional paid-in capital 2,785,761 2,781,164

Accumulated other comprehensive income  
(loss) (3,131 ) (4,906 )

Accumulated deficit (1,127,031 ) (1,046,719 )

-----  
1,656,633 1,730,567  
-----

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY \$ 2,967,522 \$ 2,885,978  
-----

#### Adjusted Net Income Reconciliation

(Dollars in  
thousands  
except per  
share  
amounts) 2Q 2014 1Q 2014 4Q 2013 3Q 2013 2Q 2013  
-----

Net income  
(loss) \$ (43,121 ) \$ (37,191 ) \$ (581,528 ) \$ (46,265 ) \$ (35,040 )

Fair value  
adjustments,  
net 6,498 7,827 (11,289 ) 13,717 (48,434 )

Stock-based  
compensation 2,299 2,453 1,034 358 1,554

Impairment  
of

marketable  
securities 934 2,588 211 870 17,192

Accretion of  
royalty  
obligation 1,789 1,821 2,974 2,022 2,897

Write-downs - - 580,365 - -

Litigation  
settlement - - - 32,046

Gain on sale  
of building - - (1,200 ) - -

Gain on  
commutation  
of  
reclamation  
bonding  
arrangements - - (7,609 ) - -

Loss on  
revolver  
termination - 3,035 - - -

Adjusted net  
income  
(loss) \$ (31,601 ) \$ (19,467 ) \$ (17,042 ) \$ (29,298 ) \$ (29,785 )

Adjusted net  
income  
(loss) per  
share \$ (0.31 ) \$ (0.19 ) \$ (0.17 ) \$ (0.29 ) \$ (0.30 )

#### Reconciliation of Non-U.S. GAAP Costs Applicable to Sales per Silver Equivalent Ounce

for Three Months Ended June 30, 2014

Silver Gold

(Dollars in  
thousands  
except per San  
ounce amounts) Palmarejo Bartolomé Rochester Endeavor Total Kensington Total

Costs  
applicable to  
sales,  
including  
amortization  
(U.S. GAAP) \$ 67,595 \$ 25,550 \$ 29,406 \$ 1,701 \$ 124,252 \$ 34,784 \$ 159,036

Amortization 18,044 4,855 5,025 859 28,783 11,566 40,349

Costs  
applicable to  
sales \$ 49,551 \$ 20,695 \$ 24,381 \$ 842 \$ 95,469 \$ 23,218 \$ 118,687

Silver  
equivalent  
ounces sold 3,528,219 1,494,100 1,544,456 106,126 6,672,901

Gold ounces sold	23,028					
-----						
Costs applicable to sales per ounce	\$ 14.04	\$ 13.85	\$ 15.79	\$ 7.94	\$ 14.31	\$ 1,008

Treatment and refining costs	963
Sustaining capital	17,617
General and administrative	9,398
Exploration	5,153
Reclamation	1,964
Project/pre-development costs	6,388
-----	
All-in sustaining costs	\$ 160,170
Silver equivalent ounces sold	6,672,901
Kensington silver equivalent ounces sold	1,381,680
-----	
Consolidated silver equivalent ounces sold	8,054,581
-----	
All-in sustaining costs per silver equivalent ounce	\$ 19.89
-----	

# Reconciliation of Non-U.S. GAAP Costs Applicable to Sales per Silver Equivalent Ounce

for Three Months Ended March 31, 2014

Silver	Gold
--------	------

-----

(Dollars in thousands except per San

ounce amounts) Palmarejo Bartolomé Rochester Endeavor Total Kensington Total

Costs  
applicable to  
sales,  
including  
amortization  
(U.S. GAAP) \$ 62,233 \$ 23,358 \$ 19,159 \$ 2,135 \$ 106,885 \$ 39,240 \$ 146,125

Amortization 18,659 4,457 4,451 953 28,520 10,709 39,229

Costs  
applicable to  
sales \$ 43,574 \$ 18,901 \$ 14,708 \$ 1,182 \$ 78,365 \$ 28,531 \$ 106,896

Silver  
equivalent  
ounces sold 3,261,982 1,357,307 1,160,829 146,842 5,926,960

Gold ounces  
sold 28,386

Costs  
applicable to  
sales per  
ounce \$ 13.36 \$ 13.93 \$ 12.67 \$ 8.05 \$ 13.22 \$ 1,005

Treatment and  
refining costs 1,561

Sustaining  
capital 12,851

General and  
administrative 13,896

Exploration 4,217

Reclamation 1,914

Project/pre-  
development  
costs 4,325

All-in  
sustaining  
costs \$ 145,660

Silver  
equivalent  
ounces sold 5,926,960

Kensington  
silver  
equivalent  
ounces sold 1,703,160

Consolidated  
silver  
equivalent  
ounces sold 7,630,120

All-in  
sustaining  
costs per  
silver  
equivalent

ounce \$ 19.09

# Reconciliation of Non-U.S. GAAP Costs Applicable to Sales per Silver Equivalent Ounce

for Three Months Ended December 31, 2013

Silver	Gold							
(Dollars in thousands except per San ounce amounts)								
Costs applicable to sales, including amortization (U.S. GAAP)	\$ 75,690	\$ 25,513	\$ 19,167	\$ 1,741	\$ 122,111	\$ 41,590	\$ 163,701	
Amortization	35,894	4,851	2,529	801	44,075	18,218	62,293	
Costs applicable to sales	\$ 39,796	\$ 20,662	\$ 16,638	\$ 940	\$ 78,036	\$ 23,372	\$ 101,408	
Silver equivalent ounces sold	3,649,557	1,485,217	1,000,568	112,965	6,248,307			
Gold ounces sold	34,533							
Costs applicable to sales per ounce	\$ 10.90	\$ 13.91	\$ 16.63	\$ 8.32	\$ 12.49	\$ 677		
Treatment and refining costs		2,494						
Sustaining capital		23,278						
General and administrative		13,851						
Exploration		5,440						
Reclamation		938						
Project/pre-development costs		1,822						
All-in sustaining costs		\$ 149,231						
Silver equivalent ounces sold		6,248,307						
Kensington								

silver  
equivalent  
ounces sold 2,071,980  
-----

Consolidated  
silver  
equivalent  
ounces sold 8,320,287  
-----

All-in  
sustaining  
costs per  
silver  
equivalent  
ounce \$ 17.94  
-----

# Reconciliation of Non-U.S. GAAP Costs Applicable to Sales per Silver Equivalent Ounce

for Three Months Ended September 30, 2013

Silver Gold

-----  
(Dollars in  
thousands  
except per San  
ounce amounts) Palmarejo Bartolomé Rochester Endeavor Total Kensington Total  
-----

Costs  
applicable to  
sales,  
including  
amortization  
(U.S. GAAP) \$ 100,314 \$ 22,460 \$ 20,458 \$ 2,765 \$ 145,997 \$ 45,571 \$ 191,568

Amortization 33,475 4,788 2,519 894 41,676 18,086 59,762  
-----

Costs  
applicable to  
sales \$ 66,839 \$ 17,672 \$ 17,939 \$ 1,871 \$ 104,321 \$ 27,485 \$ 131,806

Silver  
equivalent  
ounces sold 4,894,600 1,334,066 1,133,525 185,505 7,547,696

Gold ounces  
sold 30,752  
-----

Costs  
applicable to  
sales per  
ounce \$ 13.66 \$ 13.25 \$ 15.83 \$ 10.09 \$ 13.82 \$ 894  
-----

Treatment and  
refining costs 1,880

Sustaining  
capital 29,802

General and  
administrative 16,240

Exploration 3,305

Reclamation 968

Project/pre-development costs	3,546
-----	
All-in sustaining costs	\$ 187,547
Silver equivalent ounces sold	7,547,696
Kensington silver equivalent ounces sold	1,845,120
-----	
Consolidated silver equivalent ounces sold	9,392,816
-----	
All-in sustaining costs per silver equivalent ounce	\$ 19.97
-----	

# Reconciliation of Non-U.S. GAAP Costs Applicable to Sales per Silver Equivalent Ounce

for Three Months Ended June 30, 2013

Silver	Gold							
-----								
(Dollars in thousands except per San ounce amounts)	Palmarejo	Bartolomé	Rochester	Endeavor	Total	Kensington	Total	
-----								
Costs applicable to sales, including amortization (U.S. GAAP)	\$ 90,602	\$ 37,639	\$ 24,505	\$ 2,907	\$ 155,653	\$ 43,313	\$ 198,966	
Amortization	35,384	4,824	1,989	1,224	43,421	13,159	56,580	
-----								
Costs applicable to sales	\$ 55,218	\$ 32,815	\$ 22,516	\$ 1,683	\$ 112,232	\$ 30,154	\$ 142,386	
Silver equivalent ounces sold	3,688,500	2,151,000	1,506,508	198,269	7,544,277			
Gold ounces sold	24,573							
-----								
Costs applicable to sales per								

ounce \$ 14.97 \$ 15.26 \$ 14.95 \$ 8.49 \$ 14.88 \$ 1,227

Treatment and refining costs	2,742
Sustaining capital	22,776
General and administrative	15,026
Exploration	6,774
Reclamation	936
Project/pre-development costs	701
-----	
All-in sustaining costs	\$ 191,341
Silver equivalent ounces sold	7,544,277
Kensington silver equivalent ounces sold	1,474,380
-----	
Consolidated silver equivalent ounces sold	9,018,657
-----	
All-in sustaining costs per silver equivalent ounce	\$ 21.22
-----	

This announcement is distributed by GlobeNewswire on behalf of GlobeNewswire clients. The owner of this announcement warrants that:

- (i) the releases contained herein are protected by copyright and other applicable laws; and
- (ii) they are solely responsible for the content, accuracy and originality of the information contained therein.

Source: [Coeur Mining Inc.](#) via GlobeNewswire  
[HUG#1846971]

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/179506--Coeur-Reports-Second-Quarter-2014-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 Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).