GOLDEN, Colo., Aug. 6, 2015 /CNW/ -- Golden Minerals Company ("Golden Minerals" or the "Company") (NYSE MKT: AUMN) (TS
announced financial results for the quarter ended June 30, 2015.

## Summary

- Net loss of (US)$3.9 million in the second quarter 2015, compared to losses of $5.0 million in the second quarter 2014 and $3 first quarter 2015
- Generated approximately 125,000 payable silver equivalent ounces (AgEq oz) and sold approximately 133,000 silver equivale compared to 126,000 payable AgEq oz generated and 139,000 AgEq oz sold in the first quarter 2015
- Metals grades similar to those in the first quarter: 169 grams per tonne (gpt) silver and 2.8 gpt gold, as compared to 178 gpt s gold in the first quarter 2015
- Reported cash costs, net of by-product credits, per payable ounce of silver of $25.90 compared to $22.53 in the first quarter 2 temporary operational difficulties (See "Non-GAAP Financial Measures" below)
- Signed a $4-5 million annual lease agreement with Hecla Mining Company for Hecla to process mineral through Golden Miner presently-idled oxide plant at Velardena
- Discovered new gold and silver mineralization in Guanajuato, Mexico in a 2,000-meter, three-hole diamond drill program at th Celaya property
- Acquired the Rodeo and Rodeo 2 claims located 80 kilometers west of Velardena, where previous work by other companies h gold-bearing epithermal system exposed at surface with potential to provide oxide material to the Company's Velardena mill

## Financial Results

The Company reduced its net loss to $3.9 million in the second quarter 2015 from $5.0 million in the second quarter 2014. The diffe primarily attributable to revenue of $2.0 million recorded in the current quarter compared to no revenue in the second quarter 2014; Velardena care and maintenance expenses in the current quarter as opposed to $1.2 million in the 2014 period; $0.4 million lower e expenses, $0.3 million other operating income related to non-strategic property and equipment sales, and $0.2 million lower general administrative expenses in the 2015 quarter. Partly offsetting these items were $2.8 million cost of metals sold in the current period none in the 2014 period and $0.4 million higher depreciation and amortization-related expenses in the current period.

The Company's cash and cash equivalents balance at June 30, 2015 was $3.3 million compared to $8.6 million on December 31, 20 primary uses of cash during the first half of 2015 were as follows:

- $1.5 million negative operating margin (defined as revenues less costs of sales) at the Velardena Properties
- $2.2 million in exploration expenditures
- $0.7 million in maintenance and property holding costs at the El Quevar project
- $2.3 million in general and administrative expenses, offset in part by a reduction in working capital and other items of $1.4 mill proceeds from sales of non-strategic property and equipment, collections of value added tax receivables, decreases in produc an increase in accounts payable

## Velardena Properties Update

Velardena's second quarter 2015 performance was generally in line with the first quarter 2015 but lower than previously-issued guid grades of plant feed in the second quarter 2015 were 169 gpt silver and 2.8 gpt gold as compared to 178 gpt silver and 2.7 gpt gold quarter 2015, below expectations for improving grades. Second quarter payable metals generated were approximately 125,000 pay ounces compared to 126,000 in the first quarter, and were below previous guidance of 200,000 to 250,000 payable AgEq oz. (Note equivalent ounces include silver and gold but exclude lead and zinc, and are calculated at a ratio of 70 silver ounces to one gold ou quarter cash costs per payable silver ounce, net of by-product credits were $25.90 compared to $22.53 in the first quarter and previ $15 to $20. The higher cash costs compared to prior guidance were attributable primarily to lower AgEq ounces than planned, as c the quarter was as expected.

The primary contributor to the second quarter's lower payable metals and higher cash costs was the processing of less material thro than anticipated. Although the mill continued to ramp up during the second quarter, running as high as 370 tonnes per day (tpd) an 280 tpd on the days it operated, a delay in hiring new and replacement miners during labor union negotiations resulted in less mater the mill, and the mill did not operate for 19 days during the quarter.

Payable metals, recoveries and unit costs were negatively impacted during the second quarter by a lower output of gold-bearing pyr concentrates. Lower than projected gold recovery in the pyrite circuit of the plant generated pyrite concentrates that were uneconon current metals prices. Pyrite concentrates were stockpiled initially during the quarter until the pyrite circuit was shut down pending fu technical alternatives to improve the gold grades in the concentrates.

For the remainder of 2015 the Company intends to focus primarily on increasing mining from the San Mateo, Roca Negra and Terne Company also intends to re-open the Chicago mine to use for blending purposes to improve the lead content of the plant feed, whic have a positive impact on silver, gold and lead recoveries. The Company expects plant feed material grades to gradually increase t of 2015 as new stopes in the mine are developed and access to the Terneras vein increases, with less reliance on material from acc

Golden Minerals expects output of approximately 400,000 payable AgEq oz in the second half of 2015, with cash costs between $15

per payable silver ounce, net of by-product credits.  Assuming lower forecasted metals prices of $16.00 per ounce silver and $1,125
gold, the Company expects Velardena to generate near-breakeven operating margin for the second half of 2015.

The mill leasing agreement signed on July 15, 2015 with [Hecla Mining Company]'s wholly owned Mexican subsidiary to process mat
Minerals' currently idled Velardena oxide mill should provide nominal monthly payments to the Company starting July 1, 2015 as we
payments of approximately $400,000, or nearly $5 million in net cash flow annually, once Hecla reaches its intended capacity of app
tonnes per day (tpd), which is anticipated to be around January 1, 2016.

Exploration Update

The Company has completed a 2,000-meter, three-hole diamond drill program at the Celaya property located 45 kilometers southea
trend with the historic Guanajuato District in Mexico.  Management believes it has succeeded in identifying the first known epitherma
silver mineralization beneath a portion of the widespread clay-silica alteration on the claims comprising the Celaya project.  Highest
intercepts include 0.4 meters of 758 gpt silver in drill hole CE15-03 and 1.1 meters of 7.4 g/t gold and 393 gpt silver in drill hole CE1
results are posted on the Company's website.

Exploration work at the Santa Maria silver mine in Chihuahua, Mexico continues, including collecting bulk samples of the vein for me
testing and processing.  The Company has the right to acquire the Santa Maria mine under an option agreement.

During the second quarter, the Company acquired the Rodeo and Rodeo 2 claims comprising 1,866 hectares located 80 kilometers
Velardena, where previous work by other companies has identified a gold-bearing epithermal system exposed at surface.  The Com
conduct a drilling program on these claims once permits are received.  If exploration efforts are successful, material from these prop
trucked to the Velardena oxide plant for processing.  A 2010 Canada Instrument 43-101 technical report filed by [Camino Minerals C
drill results including 27 meters of 5.98 gpt gold on this property.

The Los Azules property was returned to its owners in the second quarter 2015, as its grades and tonnage as outlined in the Compa
Canada Instrument 43-101 technical report did not meet company objectives.

Financial Outlook

At June 30, 2015, the Company's cash and cash equivalents balance was $3.3 million.  Assuming metals prices of $16.00 per ounce
$1,125 per ounce gold, Golden Minerals expects that the Velardena Properties will generate near breakeven operating margin throu
remainder of 2015.  The recently executed lease agreement with Hecla should contribute approximately $0.2 million in net cash flow
second half of 2015.  During 2016, the Hecla lease should generate between $4.0 and $5.0 million of net cash flow.  With the cash b
30, 2015, the assumptions described below, and in the absence of additional funding from outside sources, the Company expects to
a near zero cash balance.  This projected cash balance is not sufficient to provide adequate reserves in the event of decreasing met
interruptions of, or less favorable results than planned from, mining and activity at the Velardena Properties or to adequately pursue
exploration of the Company's Mexican properties, and therefore requires the Company to seek additional external funding from equi

With the June 30, 2015 cash balance of $3.3 million and a near breakeven operating margin from Velardena for the remainder of 20
metals prices of $16.00 per ounce silver and $1,125 per ounce gold, Golden expects to spend approximately $3.2 million during the
2015 on the following items:

- $0.3 million at the El Quevar to fund ongoing maintenance activities and property holding costs
- $1.0 million on exploration activities and property holding costs related to the Company's portfolio of exploration properties loc
  Mexico
- $1.9 million, comprised of general and administrative costs of $2.0 million offset by $0.1 million in decreased working capital p
  to collection of value added tax receivables

Additional information regarding second quarter 2015 financial results may be found in the Company's 10-Q Quarterly Report which
the Golden Minerals website at www.goldenminerals.com.

About Golden Minerals

Golden Minerals is a Delaware corporation based in Golden, Colorado.  The Company is primarily focused on mining its Velardena
the exploration of properties in Mexico.

Non-GAAP Financial Measures

Cash costs per payable silver ounce, net of by-product credits is a non-GAAP financial measure calculated by the Company as set f
may not be comparable to similar measures reported by other companies.

Cash costs per payable silver ounce, net of by-product credits, include all direct and indirect costs associated with the physical activities that would generate concentrate products for sale to customers, including mining to gain access to mineralized materials, mining of mineralized materials and waste, milling, third-party related treatment, refining and transportation costs, on-site administrative costs and royalties.  Cash costs do not include depreciation, depletion, amortization, exploration expenditures, reclamation and remediation costs, sustaining capital, financing costs, income taxes, or corporate general and administrative costs not directly or indirectly related to the Velardena Properties.  By-product credits include revenues from gold, lead and zinc contained in the products sold to customers during the period.  Cash costs, after by-product credits, are divided by the number of payable silver ounces generated by the plant for the period to arrive at cash costs, after by-product credits, per payable ounce of silver.  Cost of sales is the most comparable financial measure, calculated in accordance with GAAP, to cash costs.  As compared to cash costs, cost of sales includes adjustments for changes in inventory and excludes net revenue from by-products and third-party related treatment, refining and transportation costs, which are reported as part of revenue in accordance with GAAP.

## Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of t
Act and applicable Canadian securities legislation, including statements regarding including the Company's planned expenditures du
second half of 2015 and  anticipated cash and cash equivalents balance at year-end 2015; assumed silver and gold prices; anticipat
metal outputs and cash costs per payable silver equivalent ounce, net of by-product credits; planned mining focus for the remainder
including the reopening of the Chicago mine; continuing technical work to improve gold-bearing pyrite concentrates; anticipated impr
the grade of mined material processed through the plant, silver, gold and lead recoveries, increases in amounts of material supplied
net cash flow expected to be received in the remainder of 2015 and in 2016 from the lease by Hecla's subsidiary of the Velardena ox
planned exploration activities and significance of drill results from the Company's exploration and that of other companies; and antic
financing activities.  These statements are subject to risks and uncertainties, including: lower than assumed silver and gold prices, h
anticipated costs of mining and processing; lower than anticipated grades in mined material; delays or problems in mining including
inability of the mine to provide sufficient material for the plant to run at sufficient capacity to make the anticipated amounts of saleab
delays or problems in processing or the anticipated ramp-up in making saleable concentrates at the Velardena Properties; variations
grade and metallurgical characteristics of processed material; inability to reduce dilution and otherwise improve grades of mined ma
feed; delays or failures in receiving government approvals or permits or suspensions of existing approvals and permits; failure to ach
anticipated metal recoveries including failures resulting from not re-opening the Chicago mine or from not achieving the improved re
expected from blending Chicago material; failure to achieve anticipated mining or processing results including expected quantities of
saleable products; inability to develop a way to produce gold-bearing concentrates that are economic; failures of new mine plan and
development to meet expectations; lower than anticipated net cash flow from the Hecla lease due to problems at Hecla's mine or the
oxide mill resulting in less than anticipated production or due to delay in processing or cancellation of the lease by Hecla due to inab
required permits or  for other reasons; changes in interpretations of geological, geostatistical, metallurgical, mining or processing info
interpretations of the information resulting from future mining and processing experience; reliability of metallurgical testing results an
interpretation based on processing results; technical, permitting, mining, metallurgical, recovery or processing issues; problems that
underground mine and stope construction; operational changes or problems; failure of mined material to meet expectations; failure o
to meet expectations; increases in costs and declines in general economic conditions; unfavorable results of exploration at Celaya, S
Rodeo or other exploration projects, including failure to replicate or improve on the previous exploration results of other companies a
initial favorable results at Celaya are supported by further exploration; delays in planned exploration resulting from permitting delays
funds; continued declines or only minor improvements in gold, silver, zinc and lead prices; inability to raise external financing on acc
or at all; and changes in political conditions, in tax, royalty, environmental and other laws in Mexico, and financial market conditions.
Minerals assumes no obligation to update this information.  Additional risks relating to Golden Minerals may be found in the periodic
reports filed with the Securities Exchange Commission by Golden Minerals, including the Company's Annual Report on Form 10-K fo
ended December 31, 2014.

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GOLDEN MINERALS COMPANY

CONDENSED CONSOLIDATED BALANCE SHEETS

(Expressed in United States dollars)

(Unaudited)

| | June 3 |
|---|---|
| | 2015 |
| | (in thou |
| Assets | |
| Current assets | |
| Cash and cash equivalents | $ 3, |
| Short-term investments | 162 |
| Trade receivables | 43 |
| Inventories | 1,086 |
| Value added tax receivable, net | 654 |
| Prepaid expenses and other assets | 703 |
| Total current assets | 5,939 |
| Property, plant and equipment, net | 26,208 |
| Total assets | $ 32,1 |
| Liabilities and Equity | |
| Current liabilities | |
| Accounts payable and other accrued liabilities | $ 1, |
| Other current liabilities | 1,413 |
| Total current liabilities | 3,170 |
| Asset retirement obligation | 2,478 |
| Warrant liability | 687 |
| Other long term liabilities | 90 |
| Total liabilities | 6,425 |
| Equity | |
| Common stock, $.01 par value, 100,000,000 shares authorized; 53,162,833 shares issued and outstanding for both periods | 532 |
| Additional paid in capital | 484,50 |
| Accumulated deficit | (459,2 |
| Accumulated other comprehensive loss | (37) |
| Shareholder's equity | 25,722 |
| Total liabilities and equity | $ 32,1 |

GOLDEN MINERALS COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in United States dollars) (Unaudited)

| | Three Months Ended | | Six Months Ended | |
|---|---|---|---|---|
| | June 30, | | June 30, | |
| | 2015 | 2014 | 2015 | 201 |
| | (in thousands, except share data) | | | |
| Revenue: | | | | |
| Sale of metals | $ 1,961 | $ - | $ 4,298 | $ |
| Costs and expenses: | | | | |
| Costs applicable to sale of metals (exclusive of depreciation shown below) | (2,775) | - | (5,787) | - |
| Exploration expense | (1,267) | (1,653) | (2,236) | (3,2 |
| El Quevar project expense | (405) | (421) | (811) | (75 |
| Velardena project expense | - | - | (119) | - |
| Velardena shutdown and care & maintenance costs | - | (1,208) | - | (2,4 |
| Administrative expense | (1,000) | (1,150) | (2,328) | (2,8 |
| Stock based compensation | (94) | (257) | (273) | (58 |
| Reclamation and accretion expense | (48) | (49) | (158) | (98) |
| Other operating income, net | 294 | 2 | 470 | 4 |
| Depreciation, depletion and amortization | (1,175) | (778) | (2,534) | (1,6 |
| Total costs and expenses | (6,470) | (5,514) | (13,776) | (11, |
| Loss from operations | (4,509) | (5,514) | (9,478) | (11, |
| Other income and (expense): | | | | |
| Interest and other income, net | 467 | 487 | 1,383 | 881 |
| Warrant derivative gain | 218 | - | 868 | - |
| (Loss) gain on foreign currency | (26) | (16) | (54) | (7) |
| Total other income | 659 | 471 | 2,197 | 874 |
| Loss from operations before income taxes | (3,850) | (5,043) | (7,281) | (10, |
| Income tax benefit | - | - | - | - |
| Net loss | $ (3,850) | $ (5,043) | $ (7,281) | $ |
| Comprehensive loss, net of tax: | | | | |
| Unrealized gain (loss) on securities | 43 | - | (37) | - |
| Comprehensive loss | $ (3,807) | $ (5,043) | $ (7,318) | $ |
| Net loss per common share – basic | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Loss | $ | (0.07) | $ | (0.12) | $ | (0.14) | $ |
| Weighted average common stock outstanding - basic (1) | 52,688,552 | | 42,918,426 | | 52,688,552 | | 42,9 |

| | |
|---|---|
| (1) | Potentially dilutive shares have not been included because to do so would be anti-dilutive. |

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To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/golden-minerals-reports-second-quarter-2015-financial-results-300125322.html

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