

Aquila Resources Announces Fourth Quarter and Year End 2018 Financial Results

01.03.2019 | [CNW](#)

Shares Outstanding: 338,284,556

TORONTO, March 1, 2019 - [Aquila Resources Inc.](#) (TSX: AQA, OTCQB: AQARF) "Aquila" or the "Company") announced its financial results for the fourth quarter and year ended December 31, 2018. All amounts, unless indicated, are reported in US dollars.

"2018 was a year of considerable progress and achievement for Aquila as we continued to advance the Back Forty Project towards construction," said Barry Hildred, President and Chief Executive Officer of Aquila. "In June, following a comprehensive environmental permitting process in Michigan, the Company received its Wetlands Permit, the final permit required for the construction and commencement of operations at the Back Forty Project. In August, we published the Back Forty Feasibility Study which demonstrated robust economics based solely on an open pit operation. In 2019, we are moving ahead on a number of initiatives including progressing pre-construction activities at Back Forty, enhancing our leadership team, continuing to explore our exploration strategy for our earlier stage assets in Wisconsin, and considering the strategic and financial options available to the Company."

Annual Highlights

- On June 4, 2018, the Company announced that it received its wetland/stream/floodplain permit (the "Wetlands Permit") from the Michigan Department of Environmental Quality (the "MDEQ") for its Back Forty Project in Michigan (the "Project"). The Wetlands Permit was issued inclusive of specific conditions, including those requested by the United States Environmental Protection Agency on May 3, 2018. Aquila has now received all State and Federal permissions required for the construction and commencement of operations at the Back Forty Project. The Company had already received the three other permits which include a Michigan Nonferrous Metallic Mineral Mining Permit, a National Pollutant Discharge Elimination System Permit, and a Michigan Air Use Permit to Install.
- On August 1, 2018, the Company announced the results of an independent open pit only Feasibility Study (the "Feasibility Study") for its Back Forty Project. The Feasibility Study demonstrated robust economics including a pre-tax NPV at a discount rate of \$259M and an IRR of 32.0% at base case metal prices of \$1,300/oz gold, \$1.20/lb zinc, \$20/oz silver, \$3.00/lb copper and \$1.00/lb lead. On an after-tax basis, the Project generates an after-tax NPV at a 6% discount rate of \$208M and an IRR of 28.2% with a 2.2 year payback. The Company has also identified a number of opportunities to enhance the overall economics of the Project including the future addition of an underground expansion.

Fourth Quarter Highlights

- On October 5, 2018, the Company received a payment of US\$7.4 million from an affiliate of [Osisko Gold Royalties Ltd.](#) ("Osisko") under the gold streaming agreement entered into on November 8, 2017 (the "Streaming Agreement"). The payment represents the second deposit of the total advance payment of US\$55 million to be made by Osisko under the Streaming Agreement. The payment, which was made net of a US\$100,000 capital commitment fee, followed the receipt by Aquila of all material permits required for the development and operation of its Back Forty Project in Michigan and the completion of the Back Forty Project Feasibility Study.
- On November 2, 2018, the Company submitted amendments to its Mining Permit to the MDEQ to align the permit with the current project design outlined in the Feasibility Study as well as in the Wetlands Permit.
- On November 12, 2018, Aquila announced the appointment of Mr. Jacques Perron to its Board of Directors. Mr. Perron is a proven mine builder and operator, has worked in the mining industry for more than 30 years and has extensive experience in mine operations.
- On December 19, 2018, the U.S. District Court for the Eastern District of Wisconsin dismissed the federal lawsuit filed by the Menominee Indian Tribe of Wisconsin (the "Tribe") challenging the Environmental Protection Agency and the U.S. Army Corps of Engineers' failure to exercise jurisdiction over Aquila's Wetlands Permit for its Back Forty Project. The Court held that the Tribe could not challenge the federal government's refusal to exercise jurisdiction over the Wetlands Permit under the Administrative Procedures Act or the Clean Water Act.
- As at December 31, 2018, Aquila had cash of \$14.4 million and working capital of \$12.1 million. This compared to cash of \$17.2 million and working capital of \$15.5 million at December 31, 2017. The decrease in working capital is primarily due to the funding of the Company's permitting activities and finalization of the Feasibility Study.

Post Quarter Highlights

- On January 8, 2019, Aquila announced the cross-trading of the Company's shares on the OTCQB Venture Market in the United States under the symbol OTCQB: AQARF. Cross-trading Aquila on the OTCQB provides a trading platform for shareholders while enhancing distribution for Canadian and international shareholders.
- The Company progressed certain pre-construction activities including field work and site data collection, metallurgical testwork, and hydrogeological modelling.

Outlook

- During the balance of 2019, the Company will continue discussions with prospective financial partners to secure the capital to construct the Back Forty Project. Aquila, with the assistance from its advisors, will consider all strategic financial options available to the Company and the Project.
- Pre-construction activities including project set-up will continue to advance at Back Forty.
- The Company will continue to evaluate a mine expansion design and business case for underground operations. Preliminary Economic Assessment is expected to be published in a future period.
- In addition to recently filled positions, the Company will continue to add to its leadership team to prepare for the construction and operational readiness phases at Back Forty.
- The Company is also evaluating its strategy and funding alternatives with respect to its exploration projects in Wisconsin in light of the recent repeal of the decades-old moratorium on non-ferrous mining in the state.
- With its current cash resources and an additional \$40M in staged payments that remain available to the Company under its gold Streaming Agreement with Osisko, Aquila is well-financed to advance its planned pre-construction activities.

SELECTED FINANCIAL INFORMATION

The following table provides selected financial information that should be read in conjunction with the financial statements of the Company for the year ended December 31, 2018:

| | Year ended | |
|--|--------------|-------------|
| | December 31, | |
| | 2018 | 2017 |
| Administrative expenses | \$5,273,620 | \$3,376,667 |
| Mineral property exploration expenses | 6,817,577 | 6,186,343 |
| Transaction costs | - | 1,104,496 |
| Write down of mineral property interests | 11,700 | 86,600 |
| Net finance charges | 1,415,867 | (4,357) |
| Loss from operations | 13,518,764 | 10,749,749 |
| (Gain) loss on foreign exchange | (399,315) | 501,590 |
| (Gain) loss on change in value of contingent consideration | 386,022 | (90,823) |
| (Gain) loss on change in fair value of warrant liability | (1,689,518) | (70,860) |
| Net and comprehensive loss for the period | 11,815,953 | 11,089,656 |
| Net loss per share - basic and diluted | 0.04 | 0.04 |

ABOUT AQUILA RESOURCES

[Aquila Resources Inc.](#) (TSX: AQA, OTCQB: AQARF) is a development stage company with strategic assets

in the Great Lakes Region. The Company's experienced management team is focused on advancing pre-construction activities for its 100%-owned zinc- and gold-rich Back Forty Project in Michigan.

Aquila's flagship Back Forty Project is an open pit volcanogenic massive sulfide deposit with underground potential located along the mineral-rich Penokean Volcanic Belt in Michigan's Upper Peninsula. The Project contains approximately 1.1B pounds of zinc and 1M ounces of gold in the Measured & Indicated Mineral Resource categories, with additional upside potential. Aquila has received all State and Federal permissions required for the construction and commencement of operations at the Back Forty Project.

The Company has two other exploration projects: Reef Gold Project located in Marathon County, Wisconsin and the Bend Project located in Taylor County, Wisconsin. Reef is a gold-copper property and Bend is a volcanogenic massive sulfide occurrence containing copper and gold.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This press release may contain certain forward-looking statements within the meaning of applicable Canadian securities legislation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" and similar expressions suggesting future outcomes or statements regarding an outlook.

These and other forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Aquila to control or predict, that may cause their actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein. These risks include those described under the heading "Risk Factors" in Aquila's most recent annual information form and its other public filings, copies of which can be under Aquila's profile at www.sedar.com. Aquila expressly disclaims any obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents Aquila's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information. Furthermore, Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

View original content to download

multimedia:<http://www.prnewswire.com/news-releases/aquila-resources-announces-fourth-quarter-and-year-end-2018-Contact>

Barry Hildred, CEO, [Aquila Resources Inc.](http://www.aquilaresources.com), Tel: 647.943.5672, Email: bhildred@aquilaresources.com; David Scahill, Director of Corporate Development & Investor Relations, [Aquila Resources Inc.](http://www.aquilaresources.com), Tel: 647.943.5677, Email: dcaew@aquilaresources.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/320682--Aquila-Resources-Announces-Fourth-Quarter-and-Year-End-2018-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 Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).