

Brazil Minerals, Inc. Reports First Quarter 2013 Financial Results

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Significant Progress Made in Operations and Management; Production at Duas Barras Resumes After Equipment Upgrades

SAO PAULO, BRAZIL -- (Marketwired - May 20, 2013) - [Brazil Minerals, Inc.](#) (OTCQB: BMIX) ("Brazil Minerals" or "BMIX"), a diamond and gold producer with resources and assets in Brazil, reported its financial results for three months ended March 31, 2013 in its form 10-Q, filed with the SEC on May 14, 2013. A summary of BMIX's financial performance and business updates follows.

First Quarter 2013 Financial Results

For the period ended March 31, 2013 (results recorded in \$USD)

Revenues	\$5,763
Pretax Operating Loss	\$176,825
Cash Outflows from Operations	\$224,729
Cash and Cash Equivalents	\$637,160
Shares Outstanding	69,963,434

Marc Fogassa, BMIX Chairman and CEO, stated, "As of March 31, 2013, BMIX had only the original 20% right to cash flows from just diamond sales in Duas Barras, and the first quarter of any given year is essentially a non-producing quarter for alluvial operators in Minas Gerais due to the heavy rain season. However, during Q2 2013, BMIX concluded the acquisition of a larger 55% stake in Duas Barras, which now includes gold revenues as well. Therefore we expect continual improvement in our financial results starting in Q2 2013."

As of March 31, 2013, BMIX owned two assets. The first asset was the right to receive 20% of the monthly diamond production, in cash or in kind, due to Brazil Mining, Inc. ("BMI"), a privately-held Delaware corporation and currently the largest shareholder of BMIX, with respect to BMI's 55% ownership of Mineração Duas Barras Ltda. ("Duas Barras"), a Brazilian alluvial diamond and gold producer located in the state of Minas Gerais, Brazil. The second asset is the entire mining exploration rights to a 38.6 square mile area, in the state of Amazonas, Brazil; this area is referred to by BMIX as the "Borba Project." While there is no formal geology on the Borba Project to date, the area in which it is located has had prospectors actively mining gold from within its limits, and gold is found in conglomerate form, near primary quartz veins.

During the first quarter of 2013, Duas Barras had revenues of \$160,971 from the sale of alluvial gold and rough diamonds to Brazilian buyers. BMIX has described in its Form 10-K that the Q1 2013 result of Duas Barras was being impacted by a loss of generator for one month and the normal heavy raining season. The state of Minas Gerais, where Duas Barras is located, experiences heavy rains from December to March. During this period, local mining companies such as Duas Barras typically focus on refurbishing equipment and preparing the gravel fronts for processing during the dry season. Therefore, investors should expect the Q1 results to normally be seasonally lower than other quarters. In addition to the natural stoppage because of rains, in Q1 2013 one of the three main diesel-powered generators of the Duas Barras processing plant was upgraded by its manufacturer, Cummins, and the plant stopped operations for approximately one month as a result.

As of March 31, 2013, BMIX had \$0.6 million in cash compared to \$0.9 million as of December 31, 2012. Working capital and shareholders' equity were \$0.6 million and \$1.4 million, respectively. Management believes it has sufficient capital to fund its operations for at least the next twelve months.

Business Updates

On April 30, 2013, BMIX acquired the entire 55% economic interest in Duas Barras from BMI, and thereafter on a going-forward basis, BMIX will consolidate the operations of Duas Barras in BMIX's financial

statements.

During Q1 2013, Duas Barras purchased a large floating dredge vessel to be deployed during Q2 2013 in one of the most promising waterway locations within its mining concession. Additionally, Duas Barras is working with CEMIG, the Brazilian electric utility that serves the region, to directly access the local electric power grid. The cost of diesel to operate the plant in its current format is the highest operational cost, even greater than the cost of the entire Duas Barras labor force of ten employees. BMIX anticipates that bringing electric power directly to the plant instead of using diesel fuel will significantly decrease costs.

For its Q2 2013 production of rough diamonds and gold that has already been sold, Duas Barras received multiple offers from local Brazilian buyers. BMIX has since received unsolicited offers by email from other buyers interested in its Duas Barras production. BMIX believes that the world-recognized quality of its Jequitinhonha diamonds as well as the fact that it operates with all of the appropriate licenses makes its production attractive to buyers.

During Q2 2013, BMIX polished some of its rough diamonds. Because of their high quality, the revenue potential on a per-carat basis for a polished gem is eight to ten times that of a rough diamond. Brazilian bottlenecks exist in identifying quality polishers and ensuring safety of transport, and therefore BMIX is only in the early stages of evaluation as to whether selling a small percentage of its production as polished diamonds would be feasible. The main positives would be much higher margins as well as differentiation and branding based on the quality of its polished diamond product.

New York Non-Deal Road Show, May 14-16, 2013

Between May 14 and 16, 2013, BMIX's Management Team and its Board of Directors conducted a multi-day, non-deal road show whereby they met with metals and mining analysts, and current and prospective investors. In addition, BMIX was invited for a visit and talks at the New York Stock Exchange (NYSE) on May 15, 2013, which was hosted by both the MKT and Latin American teams at NYSE. BMIX is currently evaluating improved listing platforms for BMIX shares on both the OTCQX and NYSE MKT.

Outlook

During Q2 2013, BMIX expects to begin operating its newly-acquired dredging vessel at Duas Barras, which would increase the revenue potential of the operation. It also expects to finalize a plan of bringing electrical power from the national grid, and naming a contractor chosen for such work by the end of the second quarter. Eventually moving from diesel-powered generators to electric power will lower costs significantly.

During Q2 2013, BMIX expects to have initial geochemical results from several samples collected by its geological team at the Borba Project area, in order to plan further developments in the area.

The BMIX management team is actively reviewing a number of other exploratory Brazilian territories and mining concessions in phosphate, zinc, lead, and niobium, in addition to adding some specific, additional diamond and gold assets.

About Brazil Minerals, Inc.

[Brazil Minerals, Inc.](#) (OTCQB: BMIX), a U.S. corporation, is a precious minerals producer with resources and assets in Brazil. Its mining assets include an interest in Duas Barras, a diamond and gold producing mine located in the state of Minas Gerais, as well as 100% ownership of a gold producing area, Borba, in the State of Amazonas, Brazil. BMIX also has a pipeline of opportunities in diamonds, gold, and other minerals throughout Brazil. Its Brazilian headquarter is in São Paulo, the financial hub of Latin America, with an operational office in Belo Horizonte, the capital of the state of Minas Gerais; "Minas Gerais" means "General Mines", and serves as reminder of the strength of that premier region of Brazil for natural resources. More information on BMIX, including an investor presentation, can be found at www.brazil-minerals.com.

Safe Harbor Statement

This press release contains forward-looking statements made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward looking statements are based upon the current plans, estimates and projections of Brazil Minerals, Inc.'s management and are subject to risks and uncertainties, which could cause actual results to differ from the forward looking statements. Such statements include, among others, those concerning market and industry segment growth and demand and

acceptance of new and existing products; any projections of production, reserves, sales, earnings, revenue, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements regarding future economic conditions or performance; uncertainties related to conducting business in Brazil, as well as all assumptions, expectations, predictions, intentions or beliefs about future events. Therefore, you should not place undue reliance on these forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: business conditions in Brazil, general economic conditions; geopolitical events and regulatory changes, availability of capital, the BMIX's ability to maintain its competitive position and dependence on key management. This press release does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

BRAZIL MINERALS, INC.
(FORMERLY, FLUX TECHNOLOGIES, CORP.)
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2013 AND DECEMBER 31, 2012

March 31, 2013 December 31, 2012

ASSETS

Current Assets

Cash and cash equivalents \$ 637,160 \$ 863,189

Accounts receivable- Brazil Mining, Inc. 5,763

Total Current Assets 642,923 863,189

Capital Assets

Computer equipment, net of accumulated amortization of \$ 108 1,192 -

Other Assets

Interest in mineral production rights 800,000 -

Loan receivable-related party - 800,000

Total Assets \$ 1,444,115 \$ 1,663,189

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities

Current Liabilities

Accrued expenses \$ 18 ,850 \$ 67,362

Due to Brazil Mining, Inc. 6,263

Loan from Director 100 100

Total Liabilities 25,213 67,462

Stockholders' Equity

Series A Preferred Stock, \$0.001 par value, 10,000,000 shares authorized; 1 share issued and outstanding -

-

Common stock, \$0.001 par value, 150,000,000 shares authorized; 69,963,434 shares issued and outstanding (December 31, 2012- 69,963,434) 69,963 69,963

Additional paid-in-capital 37,370,516 37,370,516

Stock Warrants 117,765 117,765

Deficit accumulated during the development stage (36,139,342) (35,962,517)

Total Stockholders' Equity 1,418,902 1,595,727

Total Liabilities and Stockholders' Equity \$ 1,444,115 \$ 1,663,189

BRAZIL MINERALS, INC.
(FORMERLY, FLUX TECHNOLOGIES, CORP.)
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2013 and 2012
FOR THE PERIOD FROM DECEMBER 15, 2011 (DATE OF INCEPTION) TO MARCH 31, 2013

For the period
from December

For the three For the three 15, 2011 (Date
months ended months ended of Inception) to
March 31, 2013 March 31, 2012 March 31, 2013

REVENUES \$ 5,763 \$ - \$ 5,763

OPERATING EXPENSES

Professional fees 22,000 - 116,658

Management fee 92,063 - 92,063

General and administrative expenses 20,600 - 24,485

Compensation and related costs 47,817 - 101,929

Depreciation 108 - 108

TOTAL OPERATING EXPENSES 182,588 - 335,243

LOSS FROM CONTINUING OPERATIONS (176,825) - (329,480)

LOSS FROM DISCONTINUED OPERATIONS - (4,712) (26,520)

LOSS BEFORE PROVISION FOR INCOME TAXES (176,825) (4,712) (356,000)

PROVISION FOR CORPORATE INCOME TAXES - - -

NET LOSS \$ (176,825) \$ (4,712) \$ (356,000)

NET LOSS PER SHARE: BASIC AND DILUTED \$ (0.00) \$ (0.00)

WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING: BASIC AND DILUTED 69,963,434
1,930,130

BRAZIL MINERALS, INC.

(FORMERLY, FLUX TECHNOLOGIES, CORP.)

(AN EXPLORATION STAGE COMPANY)

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

FOR THE THREE MONTHS ENDED MARCH 31, 2013 AND 2012

FOR THE PERIOD FROM DECEMBER 15, 2011 (DATE OF INCEPTION) TO MARCH 31, 2013

For the period

For the three For the three from December
months ended months ended 15, 2011 (Date
March 31, March 31, of Inception) to
2013 2012 March 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss for the period \$ (176,825) \$ (4,712) \$ (356,000)

Loss from discontinued operations - 4,712 26,520

Loss from continuing operations (176,825) - (329,480)

Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:

Depreciation 108 - 108

Change in assets and liabilities:

Increase in accounts payable to Brazil Mining, Inc 6,263 - 6,263

Increase in accounts receivable from Brazil Mining, Inc. (5,763) - (5,763)

Increase (decrease) in accrued expenses (48,512) - 17,600

Net Cash Used in Continuing Operating Activities (224,729) 0 (311,272)

Net Cash Used in Discontinued Operations - (712) (25,270)

Net Cash Used in Operating Activities (224,729) - (336,542)

CASH FLOWS FROM INVESTING ACTIVITIES:

Acquisition of capital asset (1,300) - (1,300)

Advances to a related party - - (800,000)

Net Cash Used in Investing Activities (1,300) - (801,300)

CASH FLOWS FROM FINANCING ACTIVITIES:

Loans from officers - - 100

Net proceeds from the sale of common stock - - 2,000,033

Cash paid for share offering costs - (253,500)

Net Cash Provided by Continuing Financing Activities - 0 1,746,633

Net Cash Provided by Discontinued Financing Activities - 22,200 28,369

Net Cash Provided by Financing Activities - 22,200 1,775,002

Net Increase in Cash and Cash Equivalents (226,029) 21,488 637,160

Cash and equivalents, beginning of period 863,189 - -

Cash and equivalents, end of period \$ 637,160 \$ 21,488 \$ 637,160

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid for interest \$ 0 \$ 0 \$ 0

Cash paid for income taxes \$ 0 \$ 0 \$ 0

SUPPLEMENTAL NON-CASH INVESTING AND FINANCING INFORMATION:

Loan receivable converted to interest in mineral property rights \$ 800,000 \$ 800,000

Shares issued for exploration rights and mineral property option \$ 0 \$ 0 \$ 35,783,342

Shares and warrants issued as stock offering costs \$ 0 \$ 0 \$ 2,923,245

Forgiveness of shareholder debt recorded as contributed capital \$ 0 \$ 0 \$ 6,169

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