

Aura Minerals Announces Third Quarter of 2013 Financial and Operating Results

14.11.2013 | [Marketwired](#)

TORONTO, ONTARIO--(Marketwired - Nov 14, 2013) - [Aura Minerals Inc.](#) ("Aura Minerals" or the "Company") (TSX:ORA) announces financial and operating results for the third quarter of 2013.

This release does not constitute management's discussion and analysis ("MD&A") as contemplated by applicable securities laws and should be read in conjunction with the MD&A and the Company's condensed interim consolidated financial statements for the three and nine months ended September 30, 2013, which are available on SEDAR at www.sedar.com and on the Company's website.

Highlights:

- Operating cash flow¹ of \$22.1 million for the third quarter of 2013 compared to \$18.0 million for the third quarter of 2012;
- Record gold ounce ("oz") production in the third quarter of 2013 which was 29% higher compared to the third quarter of 2012. Average cash cost per ounce of gold produced¹ of \$916 per oz, was 22% lower compared to the third quarter of 2012;
- Net sales revenue in the third quarter of 2013 increased 4% over the third quarter of 2012;
- Copper production at Aranzazu for the third quarter of 2013 and 2012 was 3,774,500 pounds and 2,450,800 pounds, respectively, an increase of 54%. On-site average cash cost¹ per pound of payable copper produced, net of gold and silver credits, was \$3.52 for the third quarter of 2013 compared to \$4.48 for the third quarter of 2012;
- Gross margin of \$8.3 million and \$4.5 million for the three months ended September 30, 2013 and 2012, respectively;
- Loss of \$1.8 million or \$0.01 per share for the third quarter of 2013 compared to a loss of \$16.9 million or \$0.07 per share for the third quarter of 2012. The loss for the third quarter of 2013 is stated after a non-recurring loss on the disposal of intangible assets relating to the Brazilian exploration properties of \$8.8 million.

¹ Please see cautionary note at the end of this press release.

Jim Bannantine, the Company's President and Chief Executive Officer stated, "Aura achieved record gold production for the third quarter in a row and we expect to exceed the upper end of our annual gold production guidance and meet our annual copper production guidance with ongoing efforts at all our sites. Increased production combined with a cost savings drive at our gold operations as well as Aranzazu producing to expectations with a substantially reduced and managed arsenic content within its concentrate, has resulted in the Company continuing to generate cash flow from operations and yielded a trailing twelve month operating cash flow of \$62.6 million.

Aura's focus on its core assets resulted in the Company disposing of its interest in its non-core Brazilian exploration assets during the quarter, for a loss on disposal of \$8.8 million. The Company's net income would have been approximately \$7.0 million excluding this non-recurring loss.

We expect to realize additional profitable ounces at Sao Francisco through to the end of 2014 and we have been implementing a small but effective capital expansion programme at San Andres which is expected to increase annual production. We are also exploring options to maximize the value of Sao Vicente.

Aranzazu's full expansion phase remains on hold pending the outcome of the financing and refinancing, however we continue to progress on the mine development. Management believes that value will be created for our shareholders by strategically accessing the financing options available to implement the full expansion at Aranzazu and we have been considering corporate funding alternatives from multiple sources. We have negotiated with the Lenders of our current credit facility to extend the forbearance period to the end of November and believe that we can work with them to extend the forbearance period until replacement funding is achieved.

The Serrote development project remains under its capital budget and while negotiations for long-term project financing are progressing, we are reviewing interests shown in either an equity partnership or majority disposal of the project."

Production and Cash Costs

The Company's gold production and cash costs¹ for the three and nine months ended September 30, 2013 and 2012 are as follows:

	For the three months ended September 30, 2013		For the three months ended September 30, 2012	
	Oz Produced	Cash Costs ¹	Oz Produced	Cash Costs ¹
San Andres	17,706	\$ 998	16,298	\$ 863
Sao Francisco	27,859	903	19,814	1,116
Sao Vicente	10,046	809	6,947	2,038
Total / Average	55,611	\$ 916	43,058	\$ 1,169

	For the nine months ended September 30, 2013		For the nine months ended September 30, 2012	
	Oz Produced	Cash Costs ¹	Oz Produced	Cash Costs ¹
San Andres	48,794	\$ 1,083	47,815	\$ 959
Sao Francisco	80,282	1,190	50,989	1,707
Sao Vicente	29,374	1,115	24,203	1,702
Total / Average	158,450	\$ 1,143	123,007	\$ 1,415

¹ Please see cautionary note at the end of this press release.

Gold production at San Andres in the third quarter of 2013 increased by 9% over the comparable period primarily due to higher tonnes mined. Average cash cost per oz of gold produced¹ in the third quarter of 2013 increased 16% over the third quarter of 2012.

Gold production at Sao Francisco in the third quarter of 2013 was 41% higher than the third quarter of 2012 due primarily to the higher grade and the recovery of additional gold from the staged leach on the heap. The third quarter of 2012 operations continued to reflect that quarter's recovery to normalized operations from the structural failure of the primary crusher feed bin in early February 2012, which resulted in Sao Francisco experiencing lower leached gold in the third quarter of 2012. Average cash cost per oz of gold produced¹ in the third quarter of 2013 was 19% lower than the third quarter of 2012. The lower average cash cost per oz of gold produced¹ in the third quarter of 2013 was primarily due to the higher grades encountered and the increased recoveries from the leach while Q3 2013 continued to benefit by the weakening of the Brazilian real.

Mining at Sao Francisco is expected to continue to the end of 2014 as exploration drilling to-date in 2013 has located additional mineralized material below the ramp in the northwest area of the pit. An updated reconciliation indicates that certain waste and low grade zones could potentially convert to additional plant feed. Indications are that the plant processing at Sao Francisco could extend into 2015 as a result.

During the third quarter of 2013, 45% more gold oz were produced at Sao Vicente as compared to the third quarter of 2012. The average cash cost per oz of gold produced¹ in the third quarter of 2013 was 60% lower than the average cash cost¹ in the third quarter of 2012 due to both improved grades and recoveries from the heaps. There is sufficient feed material in stockpiles to keep the plant full at 110,000 tonnes per month during Q4 2013. The heap leach pads will continue to be operated with cyanide addition in early 2014, while

we continue to irrigate the heap.

At Aranzazu, copper concentrate production increased by 54% in the third quarter of 2013 as compared to the third quarter of 2012, due to the combined effect of a 24% increase in copper grade as a result of a previously planned shift to higher grade underground mining, as well as an 11% increase in the copper recoveries. Q3 2013's concentrate production was negatively impacted by ten days of crusher downtime during the quarter - a temporary crusher was installed to limit both this downtime and its effect on operations. Aranzazu's mine development has been focused on near-term development in Q3 2013. This will continue in Q4 2013.

Average cash cost per payable pound of copper produced¹ for the three months ended September 30, 2013 decreased by 21% as compared to the three months ended September 30, 2012.

Brazilian Assets - Value Maximization

The Company continues to investigate multiple options to maximize the disposal and closure value of the assets of the Sao Francisco and Sao Vicente mines, including selling the plant and equipment and utilizing key members of their operating teams in our other group locations. The Company is considering options to maximize the value of Serrote including, but not limited to, a disposal of a majority interest in the project equity.

Revenues and Cost of Goods Sold

Revenues for the three months ended September 30, 2013 increased 18% compared to the three months ended September 30, 2012. The increase in revenues resulted from a 17% increase in gold sales and a 28% increase in copper concentrate sales. The 17% increase in gold sales is mainly attributable to a 44% increase in oz sold partially offset by a 19% decrease in the realized average gold price per oz.

¹ Please see cautionary note at the end of this press release.

The increase in revenue from copper concentrate net sales is attributable to a 3% increase in realized revenue per DMT of copper concentrate and a 24% increase in DMT sold. Total revenues for the three months ended September 30, 2013 at Aranzazu related to the shipment of 6,812 DMT of copper concentrate compared to 5,486 DMT of copper concentrate for the three months ended September 30, 2012. Total concentrate shipment revenues for the three months ended September 30, 2013 and 2012 were \$1,739 per DMT and \$1,685 per DMT, respectively. The higher concentrate shipment revenue per DMT is due to the improvements in the off-take contracts only being fully realized in the latter part of Q3 2013.

At San Andres, for the three months ended September 30, 2013 and 2012, total cost of goods sold was \$18,790,000 or \$1,135 per oz compared to \$13,195,000 or \$1,031 per oz, respectively. For the three months ended September 30, 2013 and 2012, cash operating costs were \$1,014 per oz and \$982 per oz, respectively, while non-cash depletion and amortization charges were \$120 per oz and \$181 per oz, respectively.

At the Brazilian Mines, total cost of goods sold for the three months ended September 30, 2013 and 2012 was \$45,139,000 or \$1,120 per oz and \$51,922,000 or \$1,940 per oz, respectively. Cash operating costs for the three months ended September 30, 2013 and 2012 were \$892 per oz and \$1,336 per oz, respectively, while non-cash depletion and amortization charges were \$228 per oz and \$309 per oz, respectively. The cash operating costs for the three months ended September 30, 2013 included a write-down of \$4,810,000 or \$119 per oz to bring production inventory to its net realizable value (2012: \$10,555,000 or \$406 per ounce). The depreciation portion of the inventory write-down during the three months ended September 30, 2013 totalled \$1,999,000 or \$50 per oz (2012: \$7,247,000 or \$279 per oz).

At Aranzazu, total cost of goods sold for the three months ended September 30, 2013 and 2012 was \$13,828,000 or \$2,029 per DMT and \$11,641,000 or \$2,122 per DMT, respectively. Cash operating costs for the three months ended September 30, 2013 and 2012 were \$1,686 per DMT and \$1,972 per DMT, respectively, while non-cash depletion and amortization charges were \$344 per DMT and \$150 per DMT,

respectively. The cash operating costs for the three months ended September 30, 2013 included a write-down of \$1,583,000 or \$232 per DMT to bring production inventory to its net realizable value (2012: \$1,167,000 or \$213 per DMT of concentrate). The depreciation portion of the inventory write-down during the three months ended September 30, 2013 totalled \$1,583,000 or \$232 per DMT (2012: \$582,000 or \$106 per DMT).

Additional Highlights

Other expense items for the third quarter of 2013 include general and administrative expenses of \$3,247,000 (2012: \$3,498,000) and exploration expenses of \$481,000 (2012: \$2,114,000). Salaries, wages and benefits and travel expenses decreased due to reorganizations at the Company's corporate offices. Share-based payment expense decreased 34% as a result of lower grants period on period and forfeitures during the quarter. Professional and consulting fees decreased due to the Company limiting spending on special projects during the period. Other expenses include severance costs at the Company's operations. The decrease in exploration costs for Serrote and Aranzazu reflect the completion of the feasibility study and PEA, respectively.

For the three months ended September 30, 2013, the Company recorded a loss on disposal of intangible assets relating to the non-core Brazilian exploration properties of \$8,760,000.

Additionally, for the third quarter of 2013, the Company recorded finance costs of \$1,807,000 (2012: \$1,542,000), interest and other expense of \$890,000 (2012: interest and other income \$71,000), and other gains of \$4,632,000 (2012: other losses of \$11,954,000). Loss before income taxes for the third quarter of 2013 was \$2,246,000 (2012: \$14,537,000). Income tax recovery for the three months ended September 30, 2013 was \$451,000 (2012: income tax expense of \$2,401,000).

For the three months ended September 30, 2013 the Company recorded a loss of \$1,795,000, which compares to a loss of \$16,938,000 for the three months ended September 30, 2012.

Outlook and Strategy

Aura Minerals' future profitability, operating cash flows and financial position will be closely related to the prevailing prices of gold and copper. Key factors influencing the price of gold and copper include the supply of and demand for these commodities, the relative strength of currencies (particularly the U.S. dollar) and macroeconomic factors such as current and future expectations for inflation and interest rates. Management believes that the short-to-medium term economic environment is likely to remain relatively supportive for both gold and copper prices but with continued volatility for both commodities. In order to decrease risks associated with gold price volatility the Company will evaluate entering into additional hedging programs.

Other key factors influencing profitability and operating cash flows are production levels (impacted by grades, ore quantities, labour, plant and equipment availabilities, and process recoveries) and production and processing costs (impacted by production levels, prices and usage of key consumables, labour, inflation, and exchange rates).

The Company expects to exceed the upper end of the 2013 gold production range previously provided while achieving its cash cost per oz guidance. Previous guidance provided is as follows:

Gold Mines	Cash Cost per oz		2013 Production
San Andres	\$	1,000 ‐ \$1,150	60,000 ‐ 65,000 oz
Sao Francisco	\$	1,100 ‐ \$1,250	78,000 ‐ 88,000 oz
Sao Vicente	\$	950 ‐ \$1,100	28,000 ‐ 32,000 oz
Total	\$	1,050 &#8208; \$1,200	166,000 &#8208; 185,000 oz

Aranzazu's production for 2013 is expected to be between 13,000,000 and 15,000,000 pounds of copper at a range of \$3.00 to \$3.50 average cash cost per payable pound of copper.

For the remainder of 2013, total capital spending is expected to be \$5 million. This amount relates to growth and sustaining capital for existing mines, including \$2 million on the development of Aranzazu and \$3 million on installation of a second secondary crusher and community expenditures at San Andres. These capital expenditures are expected to be funded by a combination of internal cash flows and external financing and may be delayed if financing is not obtained. The Company continues to delay previously planned development expenditures at Serrote until project financing is completed.

Conference Call

Aura Minerals' management will host a conference call and audio webcast for analysts and investors on Friday, November 15, 2013 at 9:00 a.m. (Eastern Time) to review the third quarter 2013 results. Participants may access the call by dialing 416-340-8530 or the toll-free access at 1-888-340-9642. Participants are encouraged to call in 10 minutes prior to the scheduled start time to avoid delays.

The call is being webcast and can be accessed at Aura Minerals' website at www.auraminerals.com. Those who wish to listen to a recording of the conference call at a later time may do so by dialing 905-694-9451 or 1-800-408-3053 (Passcode 6892960#). The conference call replay will be available from 2:00 p.m. on November 15, 2013, until 11:59 p.m. (EST) on November 29, 2013.

Non-GAAP Measures

This news release includes certain non-GAAP performance measures, in particular, the average cash cost of gold per oz, average cash cost per payable pound of copper and operating cash flow which are non-GAAP performance measures. These non-GAAP measures do not have any standardized meaning within IFRS and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide investors with additional information which is useful in evaluating the Company's performance and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Average cash costs per oz of gold or per payable pound of copper are presented as they represent an industry standard method of comparing certain costs on a per unit basis. Total cash costs of gold produced include on-site mining, processing and administration costs, off-site refining and royalty charges, reduced by silver by-product credits, but exclude amortization, reclamation, and exploration costs, as well as capital expenditures. Total cash costs of gold produced are divided by oz produced to arrive at per oz cash costs. Similarly, total cash costs of copper produced include the above costs, and are net of gold and silver by-products, but include offsite treatment and refining charges. Total cash costs of copper produced are divided by payable pounds of copper produced to arrive at per payable pound cash costs.

Operating cash flow is the term the Company uses to describe the cash that is generated from operations excluding depletion and amortization, stock based compensation, impairment charges and the effect of changes in working capital.

About Aura Minerals Inc.

Aura Minerals is a Canadian mid-tier gold and copper production company focused on the development and operation of gold and base metal projects in the Americas. The Company's producing assets include the copper- gold-silver Aranzazu mine in Mexico, the San Andres gold mine in Honduras and the Sao Francisco and Sao Vicente gold mines in Brazil. The Company's core development asset is the copper-gold-iron Serrote project in Brazil.

For further information, please visit Aura Minerals' web site at www.auraminerals.com.

National Instrument 43-101 Compliance

Unless otherwise indicated, Aura Minerals has prepared the technical information in this press release ("Technical Information") based on information contained in the technical reports and news releases

(collectively the "Disclosure Documents") available under the Company's profile on SEDAR at www.sedar.com. Each Disclosure Document was prepared by or under the supervision of a qualified person (a "Qualified Person") as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. Readers are encouraged to review the full text of the Disclosure Documents which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents. The disclosure of Technical Information in this press release has been reviewed and approved by Bruce Butcher, P. Eng., Vice President, Technical Services.

Cautionary Note

This news release contains certain "forward-looking information" and "forward-looking statements", as defined in applicable securities laws (collectively, "forward-looking statements"). All statements other than statements of historical fact are forward-looking statements. Forward-looking statements relate to future events or future performance and reflect the Company's current estimates, predictions, expectations or beliefs regarding future events and include, without limitation, statements with respect to: the amount of mineral reserves and mineral resources; the amount of future production over any period; the amount of waste tonnes mined; the amount of mining and haulage costs; cash costs; operating costs; strip ratios and mining rates; expected grades and ounces of metals and minerals; expected processing recoveries; expected time frames; prices of metals and minerals; mine life; and gold hedge programs. Often, but not always, forward-looking statements may be identified by the use of words such as "expects", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements in this news release and related MD&A are based upon, without limitation, the following estimates and assumptions: the presence of and continuity of metals at the Company's Mines at modeled grades; the capacities of various machinery and equipment; the availability of personnel, machinery and equipment at estimated prices; exchange rates; metals and minerals sales prices; appropriate discount rates; tax rates and royalty rates applicable to the mining operations; cash costs; anticipated mining losses and dilution; metals recovery rates, reasonable contingency requirements; and receipt of regulatory approvals on acceptable terms.

Known and unknown risks, uncertainties and other factors, many of which are beyond the Company's ability to predict or control could cause actual results to differ materially from those contained in the forward-looking statements. Specific reference is made to the Company's most recent Annual Information Form for a discussion of some of the factors underlying forward-looking statements, which include, without limitation, gold and copper or certain other commodity price volatility, changes in debt and equity markets, the uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, interest rate and exchange rate fluctuations, general economic conditions and other risks involved in the mineral exploration and development industry. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

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