

Revised: Mines Management Inc. Announces 2013 Third Quarter Results

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Spokane, Washington - November 27, 2013 - [Mines Management Inc.](#) (NYSE-MARKET: MGN, TSX: MGT) announces financial and operating results for the third quarter, which ended September 30th, 2013.

Overview Third Quarter 2013

- The Biological Consultation between the U.S. Fish and Wildlife Service ("USFWS") and the U.S. Forest Service ("USFS") continued during the third quarter and resulted in the completion of an internal working draft of the Biological Opinion ("BO") for aquatics and terrestrial species.
- The 404 Permit to be issued by the U.S. Army Corps of Engineers ("USACE") advanced with a detailed mitigation plan sent to the U.S. Environmental Protection Agency "EPA", USFS, and Montana Dept. of Environmental Quality ("MDEQ") for review. Comments on the mitigation plan were received during the third quarter and supplemental information and design details are being prepared to address the comments.
- The Final Environmental Impact Statement ("EIS") is advancing with numerous sections already complete in draft form. The agency contractor responsible for writing the Final EIS, has provided the agencies with a draft and comments are being incorporated into the final version.

Montanore Project

Permitting - Approval by regulatory agencies will be required before the Montanore Project can proceed with further exploration and project development. The agencies that are involved with the major permits include the USFS, MDEQ, and USACE. The permitting process requires completion of the Final EIS before a Record of Decision can be issued by the USFS and MDEQ. The Final EIS describes various elements of the project, provides analysis of impacts, includes public input, and discloses aspects of the proposed project that were considered by the agencies. Progress continues on the Final EIS by the agencies. The EIS contractor has provided a completeness update on the various sections and chapters of the Final EIS. Their assessment shows the document is nearing completion including agency review and edits as required.

Part of the review requires consultation between the USFS and the USFWS under the Endangered Species Act. The process required the USFS to prepare and submit biological assessments ("BA") for terrestrial and aquatic wildlife to the USFWS, who in turn, through a consultation process, review the documents and develop a BO which includes mitigation requirements designed to offset the project's impact to wildlife. The USFWS has completed internal working drafts of the Biological Opinions. The next step in the process is for the Solicitor's Office and the USFS to review the draft Biological Opinion. Once this is completed, the USFWS will issue a final Biological Opinion.

Another required permit is the 404 permit issued by the USACE under the Clean Water Act. This permit is required when waters of the U.S. are impacted by a proposed action, in this case by the project tailings impoundment. In 2012, the USACE issued a preliminary jurisdictional determination which is a critical step towards a decision to issue a 404 permit. The Company submitted a detailed wetlands mitigation plan in the second quarter 2013. The USACE sent the plan to the EPA, USFS, and MDEQ for review and issued comments on the plan during the third quarter of 2013. Supplemental information and design details are being prepared to address these comments. The 404 permitting process is operating concurrently with the Final EIS process, but is not dependent on it.

MDEQ is working on the final language for the Non-Degradation review required for new projects. This process will be completed concurrently with the Final EIS.

The Company continues to work on related environmental regulatory processes. In 2012, the Company initiated certain monitoring and data collection requirements that were included in the Supplemental Draft EIS and must be completed prior to initiating certain exploration and development activities. The Company continued to collect environmental baseline data during the second and third quarters 2013 as part of the pre-mining activity monitoring requirements.

Operations - During the third quarter of 2013, the Company continued to maintain the Libby adit site on a care and maintenance basis in preparation for evaluation activities and adit rehabilitation expected to resume when the Record of Decision is received. Activities include filtration of water discharged from the adit through the water treatment facility and maintenance of the water level inside the adit. Technical support and assistance were provided by Company personnel for ongoing permitting and environmental efforts. Gathering of environmental data and reporting to state and federal agencies as part of the permitting process is ongoing.

La Estrella Project

Permitting - The Company completed replies and explanations in response to two sets of comments and questions from the Environmental Office of the Peruvian Ministry of Energy and Mines. A Favorable Technical Opinion is currently pending, and is expected to be provided to the Company during the fourth quarter 2013. This Favorable Technical Opinion in conjunction with the Water Use Permit obtained by the Company in the second quarter would be the basis for continued exploration efforts to advance the Estrella Gold Project.

Community Relations - During the third quarter, representatives of the Company visited communities involved in the Estrella Gold Project and completed certain funding obligations under the Formal Community Agreements. The Company continues to support community activities and relations with the community remain welcoming.

Exploration - No geological or analytical work was performed on the Estrella concessions during the third quarter. The Company continued to review other properties in the vicinity of the Estrella project during the third quarter.

Financial and Operating Results

Quarter Ended September 30, 2013

The Company reported a net loss of \$1.8 million for the quarter ended September 30, 2013 compared to a net loss of \$2.7 million for the quarter ended September 30, 2012. The decrease in the net loss is primarily attributable to the following items: (1) a \$0.3 million decrease in general and administrative expenses including a \$0.1 million decrease in compensation costs due to fewer employees in 2013 than 2012, and a \$0.2 million reduction in stock-based compensation during the third quarter 2013, (2) a \$0.8 million decrease in technical services which consists of a \$0.7 million reduction of costs associated with the exploration of the Estrella Project, and a \$0.1 million reduction in technical expenditures associated with the Montanore project resulting from repairs and rental expenditures during 2012 which did not occur during 2013, and (3) a \$0.1 million increase in legal, accounting, and consulting fees primarily associated with a litigation matter.

Nine Months Ended September 30, 2013

The Company reported a net loss of \$5.8 million for the nine months ended September 30, 2013 compared to a net loss of \$6.4 million for the nine months ended September 30, 2012. The \$0.6 million decrease in net loss includes the following items: (1) a \$0.3 million decrease in general and administrative expenses including \$0.1 million decrease in compensation costs as a result of having fewer employees than in 2012, and a \$0.2 million reduction in promotional and consulting costs (2) a \$0.9 million reduction in technical services which consists of a \$0.8 million decrease in Estrella Project exploration costs, and a \$0.1 million decrease in costs associated with permitting and maintenance of the Montanore project, (3) an increase of \$0.2 million in legal, accounting, and consulting fees primarily associated with a litigation matter, and (4) a decrease of \$0.4 million in the net gain on fair market value of warrant derivatives which expired in April of 2012.

Liquidity

During the nine months ended September 30, 2013, the net cash used for operating activities was approximately \$4.8 million, which is \$0.8 million less than the same period during the prior year. This reduced our cash and cash equivalents and certificates of deposit from \$11.8 million at December 31, 2012 to approximately \$7.0 million at September 30, 2013. We have continued to limit activity levels, including capital expenditures, until the timing for the receipt of the Record of Decision for the Montanore Project becomes clearer.

We anticipate expenditures of approximately \$1.5 million for the final three months of 2013, which we expect

to consist of general and administrative expenses, permitting, engineering, and geologic studies for the permitting of the Montanore Project. We expect to fund these expenditures from cash on hand. Anticipated expenditures for 2014 are not expected to vary significantly from 2013 unless the Company decides to continue exploration at the La Estrella Project in 2014. We expect to require external financing before mid 2014 in order to continue our business. We expect that the timing and amount of additional external financing will be affected by the anticipated timing of the Record of Decision, the planned drilling program for Montanore and by exploration results and additional exploration plans, if any, for the La Estrella project. There can be no assurance that external financing will be available on acceptable terms or at all.

About Mines Management

[Mines Management Inc.](#) is engaged in the business of acquiring and exploring, and if exploration is successful, developing mineral properties containing precious and base metals. The Company's primary focus is on the advancement of the Montanore silver-copper project located in northwestern Montana. The Montanore is an advanced stage exploration project containing a Canadian NI 43-101 measured resource of 4.03 million tons of material grading 1.85 ounces per ton ("opt") silver and 0.74% copper, an indicated resource of 77.5 million tons grading 2.05 opt silver and 0.75% copper, and an inferred resource of 35.1 million tons grading 1.85 opt silver and 0.71% copper, and is currently undergoing the process to obtain permitting approval. Additional information is available at Mines Management's website: www.minesmanagement.com.

Cautionary Note to U.S. Investors concerning estimates of Measured, Indicated and Inferred Mineral Resources:

This press release uses the terms "Measured Mineral Resource", "Indicated Mineral Resource", and "Inferred Mineral Resource." We advise U.S. investors that while those terms are recognized and required by Canadian NI 43-101, the Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves. Inferred Mineral Resources have a greater amount of uncertainty as to their existence and as to their economic and legal feasibility. In accordance with Canadian rules, estimates of Inferred Mineral Resources cannot form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that part or all of the Inferred Mineral Resources exists, or is economically or legally mineable. Accordingly, the information contained in this press release may not be comparable to similar information made public by U.S. companies that are not subject to NI 43-101.

Statements Regarding Forward-Looking Information: Some statements contained in this press release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable U.S. and Canadian securities laws. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially, including comments regarding anticipated permitting and engineering activities and geologic studies, planned exploration expenditures and activities at the La Estrella exploration property in Peru financing needs including the financing to continue the Company's business after 2013 and the effect of the timing of Montanore permits and exploration plans for La Estrella on the amount of financing required, and the sufficiency of cash on hand to complete certain planned activities for 2013. Actual results may differ materially from those presented. Factors that could cause results to differ materially include delays in and increases in the cost of permitting at Montanore, delays in and the increase of the cost of exploration at La Estrella, changes in interpretation of geological information, political unrest or delays in obtaining community agreements or permitting in Peru in connection with planned exploration activities, world economic conditions or fluctuations in silver, gold and copper prices, and inability to obtain external funding on acceptable terms or at all. [Mines Management Inc.](#) assumes no obligation to update this information. There can be no assurance that future developments affecting [Mines Management Inc.](#) will be those anticipated by management. Please refer to the discussion of risk factors in the Company's Form 10-K for the year ended December 31, 2012, as amended.

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