

True Gold Mining Reports Year End Financial Results

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 29, 2014) - [True Gold Mining Inc.](#) (TSX VENTURE:TGM) ("**True Gold**" or the "**Company**") is pleased to announce financial results for the year ended December 31, 2013 and business highlights to date.

"True Gold finished 2013 in a very strong position," stated Dwayne Melrose, True Gold President & CEO. "We have continued to advance our flagship Karma Project and remain on-track to build Burkina Faso's next gold mine. We have the team, key mining permits and financial strength to advance the Karma Project as scheduled and exploration results to date continue to demonstrate the potential to boost our production profile."

2013 highlights and significant events subsequent to year end include:

Karma Project continual advancement:

- **Karma Feasibility Study ("Karma FS"):**

- Announced a positive Feasibility Study supporting a low-cost heap leach mine with strong post-tax NPV (US\$178.2 million), post-tax IRR (43.1%) and rapid payback (1.4 years) at US\$1,250/oz gold. It is expected that the Karma Project will produce an annual average of 97,000 ounces of gold at total cash costs of US\$672/oz (see news release dated December 17, 2013). Probable Mineral Reserves are 33.2 Mt @ 0.89 g/t Au containing 949.000 oz Au.

- **Permitting**

- Received the Karma Project exploitation (mining) permit to conduct mining operations at the initial three deposits.
- Submitted exploitation permit applications to extend the Karma Project exploitation permit to include two additional deposits.

- **Project Financing:**

- Closed a public market bought deal financing and concurrent private placement with Liberty Metals & Mining Holdings, LLC, ("LMM") for total gross proceeds of \$51.9 million (the "Offering"). These proceeds provide the project equity component required to develop and construct the Karma Project.
- Signed an engagement letter giving Barclays Bank PLC and Société Générale Corporate & Investment Banking an exclusive mandate to act as lead arrangers for bank debt financing for the Karma Project.

- **Project Development:**

- Continued to strengthen our development and construction team in Burkina Faso with the appointment of several key positions.
- Engaged SENET (Pty) Ltd. to complete the detailed engineering and design for the Karma Project with the detailed engineering expected to be completed by May 2014.
- Phase 2 barrage construction is expected to be complete in May 2014. When finished it will support mine development, operations and should provide a year round water source to local communities.

● Resource Update:

- Reported significant new resource north of the Kao deposit ("North Kao") that adds to Karma's production profile potential with 1.66 million ounces of gold (Inferred Mineral Resource of 47.8 Mt at 1.08 g/t Au) added, including a doubling of in-pit leachable material, or 423 kozs of gold (16.4 Mt at 0.80 g/t Au), at Karma's largest deposit (Kao) (see news release dated March 13, 2014). The updated Karma Project mineral resource, including North Kao is as follows:

Category	Indicated			Inferred		
	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz
In-Pit (shell-constrained)	75.2	1.08	2,621	65.3	1.13	2,362
Global Mineral Inventory Sensitivity	82.6	1.04	2,776	80	1.05	2,704

¹ The Mineral Resource estimate is quoted at the same cut-off grades and economic parameters for the constrained pit optimizations that were used for mineral resources in the Karma Feasibility Study: 0.20 grams per tonne ("g/t") gold ("Au") for Oxide, 0.22 g/t Au for Transition and 0.5 g/t Au for Sulphide, and a gold price of US\$1,557/oz (refer to NI 43-101 technical report "Updated Resource Estimate on the Karma Gold Project, Burkina Faso, West Africa", dated March 13, 2014 and filed on SEDAR on April 28, 2014).

- Commenced a Preliminary Economic Assessment ("PEA") on the new resource to evaluate the mine life laid out in the Karma FS. The PEA is anticipated to be completed by July 2014.
- Over the past 12 months the Company has raised an aggregate of \$85.4 million to fund development and construction activities at the Karma Project, exploration activities at the Company's mineral projects and for general land administrative and working capital purposes.
- In addition to the February 2014 \$51.9 million Offering, the Company raised \$23.5 million from LMM in August 2013 and completed a \$10 million financing from [Teck Resources Ltd.](#) in May 2013.
- Cash and short term investments as at December 31, 2013 totaled \$23.8 million with \$62.0 million of cash and short term investments as of the date hereof.

SELECTED FINANCIAL DATA

The following financial data are derived from our audited consolidated financial statements for the year ended December 31, 2013 and the 14 month period ended December 31, 2012, as prepared in accordance with International Financial Reporting Standards.

In December 2012 the Company changed its financial year-end from October 31 to December 31 in order to align the Company's year-end with that of its subsidiaries, which operate on a calendar fiscal-year. As a result of changing the Company's year-end, the current reporting period is for the 12 months ended December 31, 2013, with the comparative period being the 14 months ended December 31, 2012.

For the year ended December 31, 2013, in order to enhance the relevance to the decision making needs of users, the Company has voluntarily changed its accounting policy with respect to exploration and evaluation expenditures. In prior periods the Company's policy was to capitalize by property all costs related to exploration and evaluation of mineral properties classified as exploration and evaluation assets. The Company has elected to change this accounting policy to now expense exploration expenditures as incurred, effective with the presentation of the audited consolidated financial statements for the year ended December 31, 2013, on a retrospective basis. The Company will continue to defer acquisition expenditures on mineral properties until such time as the properties are put into commercial production, sold, abandoned or become impaired.

	Year Ended December 31, 2013	14 months Ended December 31, 2012
Net loss for the period	\$ (32,781,539)	\$ (37,111,719)
Comprehensive loss for the period	\$ (33,139,791)	\$ (37,141,990)
Loss per share - basic and diluted	\$ (0.15)	\$ (0.29)

	December 31 2013	December 31 2012
Cash and short term investments	\$ 23,761,331	\$ 18,889,633

Working capital	\$	21,189,672	\$	16,878,957
Total assets	\$	42,758,028	\$	45,511,040
Current liabilities	\$	3,162,074	\$	2,584,366
Non-current liabilities	\$	nil	\$	nil
Shareholders' equity	\$	39,595,954	\$	42,926,674

For the 12 month period ended December 31, 2013, we reported a net loss of \$32.8 million, compared to a net loss of \$37.1 for the 14 month period ended December 31, 2012. The most significant contributions to the loss for the 12 month period ended December 31, 2013 were the cost of ongoing exploration and pre-development of \$20.3 million, salaries and benefits of \$3.5 million and the write-down of the Ball Creek exploration and evaluation asset of \$2.4 million. The primary factors to impact the \$4.3 million decrease in the comprehensive loss as compared to the prior period was the write-off of the premium paid on the acquisition of [Blue Gold Mining Inc.](#) which was offset by the recovery of option payments and cost recoveries related to the properties disposed of to Roxgold.

Total assets as at December 31, 2013 have decreased since December 31, 2012 by \$2.7 million to \$42.8 million, mainly due to (i) the sale to LMM of a 2% net smelter return royalty on the Company's interest in the Karma Gold Project for \$6.0 million, which was recorded as a recovery to acquisition costs; and (ii) the \$2.4 million write down of the value of acquisition expenditures relating to the termination of the option agreement related to the Ball Creek Project. This decrease was partially offset by an increase in cash and short term investments reflecting cash inflows from financing transactions through the year ended December 31, 2013.

This press release should be read in conjunction with True Gold's audited consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2013. These documents can be found on the Company's website (www.truegoldmining.com) or under the Company's profile on SEDAR at www.sedar.com. All amounts are presented in Canadian dollars unless otherwise stated.

Scott Heffernan, M.Sc., P.Geo., Vice President Exploration of the Company, and Peter C. Carter, P. Eng., Chief Operating Officer and Vice President Engineering of the Company, are the designated Qualified Persons within the meaning of NI 43-101 for this news release. They have reviewed and verified that the scientific and technical information contained in this release is accurate and approves of the written disclosure of same.

About True Gold

[True Gold Mining Inc.](#) is where gold comes to life. We are committed to growing a successful gold exploration, development and production company, by focusing on projects with low costs, low technical risks and solid economics. The Company's board, management and technical teams have proven track records in gold exploration, development, operations and production worldwide.

Additional information about the Company and its activities may be found on the Company's website at www.truegoldmining.com and under the Company's profile at www.sedar.com.

ON BEHALF OF THE BOARD

Dwayne Melrose, President & CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Unless stated otherwise, information of a scientific or technical nature in this press release regarding the Karma Project is summarized, derived or extracted from the technical report entitled "Updated Resource Estimate on the Karma Gold Project, Burkina Faso, West Africa", dated March 13, 2014 prepared by P&E Mining Consultants Inc., and filed on SEDAR on April 28, 2014.

Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate

of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

The quantity and grade of reported Inferred mineral resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred mineral resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.

The mineral resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to True Gold within the meaning of applicable securities laws, including statements with respect to the potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future prices of gold, copper, silver and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of Pilot Gold and there is no assurance they will prove to be correct.

Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to the interpretation of results at the Karma Project, reliance on technical information provided by third parties as related to the Karma Project; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; satisfaction of Burkina Faso requirements relating to the periodic submissions of Environmental Impact Assessments; possible claims against the Company or its joint venture partners; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration, uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, accidents, equipment breakdowns, risk of undiscovered, title defects and surface access, the potential for delays in exploration and permitting activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, political risk as well as those factors discussed in the Annual Information Form of the Company dated April 30, 2014 in the section entitled "Risk Factors", under True Gold's SEDAR profile at www.sedar.com.

Although True Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. True Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. The mineral resource estimates referenced in this press release use the terms "Indicated Mineral Resources" and

"Inferred Mineral Resources". While these terms are defined in and required by Canadian regulations (under NI 43-101), these terms are not recognized by the U.S. Securities and Exchange Commission ("SEC"). "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. True Gold is not an SEC registered company.

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