

RB Energy Reports Q2 2014 Results

15.08.2014 | [Marketwired](#)

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 14, 2014) - [RB Energy Inc.](#) (the "Company" or "RBI" or RB Energy") (TSX:RBI)(OTCQX:RBEIF) is pleased to report financial and operating results for the three and six months ended June 30, 2014. The consolidated financial statements together with Management's Discussion and Analysis will be available on the Company's web site (www.rb-e.com) and on SEDAR (www.sedar.com).

SECOND QUARTER HIGHLIGHTS

Québec Lithium

With the onset of warmer temperatures in the second quarter, the crushing, grinding and concentrator circuits were re-started with the objective of achieving continuous battery grade¹ lithium carbonate production from run of mine operations. Production of limited quantities of EV grade¹ lithium carbonate were achieved, however, ramp up issues encountered with the kiln and bi-carbonate reactors delayed production of commercial volumes.

The primary optical ore sorter was delivered to site in late Q2 2014. Installation and commissioning of the ore sorter commenced in July and will be completed in August. The diversion of a road running through the open pit to will allow full access to the open pit commenced in Q2 2014. The diversion is scheduled to be completed by the end of Q3 2014. The construction of a natural gas pipeline to the mine site commenced in Q2 2014 and is on schedule for completion in Q4 2014.

As a result of the commissioning delays, it is now anticipated that commercial production levels of battery grade lithium will be achieved by the end of 2014. Production of EV grade lithium carbonate is targeted for early 2015. The ramp-up to the annual design capacity of 20,000 tonnes is now expected to be achieved in Q1 2015.

The aforementioned delays in the ramp up of production have deferred the anticipated production and sale of commercial quantities of lithium carbonate, thereby accelerating the depletion of the Company's treasury to a greater extent than anticipated. As a result, the Company is working to secure additional sources of funding to complete commissioning, achieve commercial production and realize positive operating cash flow at Québec Lithium.

Aguas Blancas

For the three months ended June 30, 2014, Aguas Blancas produced 314 tonnes of iodine at a cash cost of US \$22 per kg and sold 518 tonnes at an average price of US \$36 per kg during Q2 2014. High sales volumes in Q2 2014 offset the low volumes of sales in Q1 2014, which were due principally to disrupted shipments from Chile as a result of earthquakes and a port strike.

¹ Québec Lithium specifications (lithium carbonate content)

Technical grade	99.0%
Battery grade	99.7%
Electric Vehicle (EV) grade	99.9%

RESULTS FROM OPERATIONS

Québec Lithium is in the commissioning stage and had not yet generated sales and revenues at the end of

Q2 2014. Revenues only included the Aguas Blancas operations of since February 2014 (2013: none) and reflected sales of iodine inventory acquired at its fair value on January 31, 2014 and iodine produced since the Arrangement.

During the three and six months ended June 30, 2014, the Company earned a net profit of \$1.3 million (\$0.01 earnings per share) and incurred a net loss of \$6.2 million (\$0.03 loss per share), respectively, compared with net losses of \$1.3 million (\$0.01 loss per share) and \$3.9 million (\$0.03 loss per share), respectively, for the same periods in 2013. Included in the Q2 2014 profit is an unrealized foreign exchange gain of \$1.5 million due principally to the positive impact of the strengthening of the Canadian dollar against the US dollar on the carrying values of the US dollar denominated convertible debentures, finance lease liabilities, and cash advances from a customer since the end of Q1 2014. More than half of the loss for the six months ended June 30, 2014 (\$3.3 million) is due to the one-time transaction costs associated with the Arrangement.

RB Energy incurred general and administrative expenses of \$1.8 million (2013: \$2.0 million) and \$3.6 million (2013: \$4.3 million) for the three and six months ended June 30, 2014, respectively, which include costs to maintain offices and staff in Toronto and Montreal to the end of April.

(Canadian dollars)	Three months ended		Six months ended	
	June-14	Jun-13	June-14	Jun-13
Total revenues (\$000's) (Note 1)	20,145	-	25,189	-
Net income (loss) (\$000's)	1,307	(1,330)	(6,167)	(3,885)
Income (loss) per share, basic and diluted (\$)	0.01	(0.01)	(0.03)	(0.03)
Total assets (\$000's) (Note 2)	484,265	344,076		
Total liabilities (\$000's) (Note 2)	205,215	163,337		
Iodine produced (t) (Note 1)	314	-	525	-
Iodine sold (t) (Note 1)	518	-	644	-
Iodine avg. price (\$/kg) (Note 1)	39	-	39	-
Iodine cash operating cost (\$/kg) (Note 1, 3)	24	-	26	-

Note 1: revenues and iodine data are from February 1 to June 30, 2014, the period post acquisition of Sirocco.

Note 2: comparative data provided as at December 31, 2013.

Note 3: this is a non-GAAP measure. It was calculated by dividing cost of sales, adjusted for the change in inventory and the related depreciation, by quantities of iodine produced in the period.

Note 4: for complete details, refer to the June 30, 2014 interim consolidated financial statements and MD&A.

The increase in total assets and liabilities from December 31, 2013 is due to the acquisition of Sirocco and the consolidation of its net assets as well as the ongoing construction and commissioning of the lithium processing plant in Québec. Capitalized items include borrowing and operating costs for Québec Lithium during the period.

OUTLOOK

Québec Lithium

The operating focus is to ramp up commercial production volumes, achieve commercial production before the end of 2014 and name plate production by the end of Q1 2015. Shipments of lithium carbonate to the Company's main off take partner commenced in August. Modifications to the processing plant to produce EV grade lithium carbonate are scheduled for Q4 2014.

The timetable to Q1 2015 includes four main operating objectives:

1. achieve continuous shipments of lithium carbonate in Q3 2014;
2. complete the commissioning of the primary optical ore sorter (to reduce ore dilution) thereby increasing concentrate grade in Q3;
3. reach commercial production levels of lithium carbonate by the end of 2014 and name plate production by the end of Q1 2015; and
4. produce EV grade lithium carbonate before the end of Q1 2014 as a result of modifications to the processing plant.

Aguas Blancas

Production at Aguas Blancas was reduced in late 2013 by placing the Agitated Leach Plant ("ALP") on care and maintenance in response to further softening prices in the market. As a result, operations in 2014 are limited to heap leaching. In 2014, production of iodine is estimated at approximately 1,000 tonnes at a cash cost of approximately US \$26/kg. Aguas Blancas expects to supplement the sales of its 2014 production by reducing the level of finished product inventory on hand. Subsequent to Q2 2014, the Company has committed to the delivery of approximately 190 tonnes of iodine over the next twelve months to generate additional cash flows in support of commissioning at Québec Lithium.

About RB Energy Inc.

RBI is a Canadian company formed pursuant to the arrangement involving [Sirocco Mining Inc.](#) and [Canada Lithium Corp.](#) It currently owns Aguas Blancas, an iodine producing mine in northern Chile, and Québec Lithium near Val d'Or, the geographical heart of the Québec mining industry. The Aguas Blancas mine is currently in production. The Québec Lithium has completed construction and is in the commissioning phase. For more information regarding RBI, please refer to its public filings available at www.sedar.com.

The technical contents of this release have been reviewed by Mr. Kevin Ross, Eur. Ing., a Qualified Person pursuant to NI-43-101. Mr. Ross is Chief Operating Officer of the Company and a Member of The Institute of Materials, Minerals and Mining.

Forward-Looking Statements

Certain information contained in this news release, including any information relating to the state of the lithium and iodine industries; statements regarding our ability and the timing to achieve and sustain commercial production and name-plate production levels of iodine; ; our ability to secure additional financing; our ability to secure commercial orders from our customers; and our ability to become a material player in the lithium market are "forward-looking statements". These forward-looking statements relate to future events or future performance and reflect the Company's expectations regarding the future growth, results of operations, business prospects and opportunities of RBI. These forward-looking statements also reflect the Company's current internal projections, expectations or beliefs and are based on information currently available to the Company. In some cases forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "projects", "potential", "scheduled", "forecast", "budget" or the negative of those terms or other comparable terminology. The estimates and assumptions of RBI underlying the forward-looking statements in this news release may prove to be incorrect. Assumptions upon which such forward looking information include, among other things, successful and timely commissioning, ramp-up and production at the Québec Lithium Project; the lack of any further significant capital expenditures during the commissioning stage or to bring the hydrometallurgical process plant into production; the continuing support and cooperation of RBI's off-take partners; as well as financial predictions premised on such assumptions. Although the Company believes that the forward-looking information contained in this news release is based on reasonable assumptions, readers cannot be assured that actual results will be consistent with such statements. Accordingly, readers are cautioned against placing undue reliance on forward-looking information. RBI expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

On behalf of the Board,

Richard P. Clark, President and CEO

Contact

[RB Energy Inc.](#)
(604) 689-7842
info@rb-energy.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/180237--RB-Energy-Reports-Q2-2014-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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).