

RB Energy Reports Q3 2014 Results

15.11.2014 | [Marketwired](#)

VANCOUVER, Nov 14, 2014 - [RB Energy Inc.](#) (the "Company" or "RBI" or RB Energy") (TSX:RBI) (OTCQX:RBEIF) reports financial and operating results for the three and nine months ended September 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).

THIRD QUARTER HIGHLIGHTS

Going concern and CCAA proceedings

In the early part of Q3 2014 the Company recognized the need for additional external funding to complete commissioning, reach commercial production, and realize anticipated positive operating cash flows at its lithium mine in Québec ("Québec Lithium"). The Company was ultimately unable to close a proposed convertible debenture financing first announced on September 15, 2014 to obtain the additional funding required to continue operations at Québec Lithium. As a result, on October 7, 2014 commissioning activities at Québec Lithium were stopped and the operations were placed in care and maintenance to minimize the outflow of funds.

On October 14, 2014, following thorough consultations with legal and financial advisors, the Company applied for and obtained an Initial Order (the "Order") to commence proceedings under the Companies' Creditors Arrangement Act (the "CCAA") in the Québec Superior Court (the "Court"). The Court issued the Order in respect of the Company and its Canadian subsidiaries. The Order granted an initial stay to November 13, 2014 and has since been extended to April 30, 2015. Pursuant to the Order, all proceedings on the part of creditors were stayed, effectively forestalling any demand for payments or subsequent legal action from them. Operations during the CCAA proceedings are expected to be settled in the normal course of business and will be funded by a US \$13 million "Debtor-in-Possession" loan obtained from Hale Capital Partners L.P. and approved by the Court.

The Company anticipates operating under CCAA protection over a number of months during which time it will conduct a sale and investor solicitation process on terms approved by the Court (the "SISP") to actively seek a financial and restructuring solution to its current situation for the benefit of all stakeholders. This could involve the re-capitalization of its liabilities and equity, the sale of all or part of Québec Lithium and its Chilean iodine mine ("Aguas Blancas") or any combination thereof. Rothschild, a leading global financial advisor and investment bank, has been engaged by the Company to assist in this process.

There can be no assurances that the Company will be successful in finding a financial and restructuring solution to its current financial position, that the Company's creditors and the Court would approve of any proposed solution, or that the Court will approve an extension of the stay of proceedings if such a solution cannot be found prior to April 30, 2015. The Company is dependent on the outcome of the CCAA proceedings in order to complete a sale or the restructuring of the various debt obligations and fund the required working capital to re-start operations at Québec Lithium.

Toronto Stock Exchange listing

Trading of the Company's common shares on the Toronto Stock Exchange ("TSX") was halted on October 7, 2014, and the TSX has advised the Company that its common shares will be delisted on the close of business on November 24, 2014. The delisting is a direct result of the CCAA proceedings the Company commenced on October 14, 2014. While there is no assurance that the Company will be successful in restructuring its affairs, if these efforts are successful and the Company emerges from creditor protection, it will then consider seeking to re-list its common shares on the TSX or another exchange.

Québec Lithium

With the completion of certain upgrades, in Q3 2014 Québec Lithium achieved production of battery grade¹ lithium carbonate. However, commissioning and maintenance issues encountered with the kiln and elements of the hydromet circuit delayed production ramp up during the second half of Q3 2014. In Q3 2014, 108 tonnes of battery grade lithium were shipped to our off-take partner.

The primary optical ore sorter was installed and commissioned by late August. The diversion of a public road running through the open pit to allow full access to the open pit was almost completed by the end of Q3 2014, waiting for the granting of the final permit. The construction of a natural gas pipeline to the mine site, commenced in Q2 2014, was completed shortly after the end of Q3 2014. Assuming a return to operations, once the line is commissioned, significant cost savings can be realized by switching from the current use of propane to natural gas.

The Company does not expect to have an active operating or capital program at Quebec Lithium unless and until the Company successfully emerges from the CCAA proceedings.

Aguas Blancas

Aguas Blancas produced 281 tonnes of iodine at a cash cost of US \$24 per kg and sold 367 tonnes at an average price of US \$32 per kg during Q3 2014. Year to date, but excluding the month of January which precedes the acquisition of Sirocco by RBI, Aguas Blancas produced 806 tonnes of iodine at a cash cost of US \$23 per kg and sold 1,012 tonnes at an average price of US \$34 per kg.

Operations in 2014 have been limited to heap leaching. Production of iodine in 2014 is now estimated at approximately 1,200 tonnes, a 20% increase from original forecast, at a cash cost of approximately US \$26/kg. Aguas Blancas continues to supplement the sales of its 2014 production by reducing the level of finished product inventory on hand.

RESULTS FROM OPERATIONS

During the three and nine months ended September 30, 2014, the Company incurred a loss of \$84.0 million (\$0.32 loss per share) and \$90.2 million (\$0.38 loss per share), respectively, compared with losses of \$1.5 million (\$0.01 loss per share) and \$5.4 million (\$0.04 loss per share), respectively, for the same periods in 2013. As fully described in the Management's Discussion and Analysis filed on SEDAR (www.sedar.com), included in the Q3 2014 loss is a write-off of previously capitalized commissioning and borrowing costs at Québec Lithium of \$79 million.

¹ Québec Lithium specifications (lithium carbonate content)

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

OTHER

On October 31, 2014, Alessandro Bitelli, Chief Financial Officer of RB Energy, assumed the position of Corporate Secretary, replacing Kathy Love who had held the position since January 31, 2014 at the time of the acquisition of [Sirocco Mining Inc.](#)

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; the ability to continue as a going concern and meet obligations as they become due, to obtain future financing or re-structure in order to successfully emerge from the CCAA proceedings; the outcome of the SISP process; the advance of funds under "Debtor-in-Possession financing; any operations or production at Quebec Lithium or Aguas Blancas; our ability to secure commercial orders from our customers; the listing or re-listing of our securities on any stock exchange; 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, the ability to continue as a going concern and meet obligations as they become due, to obtain future financing or re-structure in order to successfully emerge from the CCAA proceedings, 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/186593--RB-Energy-Reports-Q3-2014-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 Webseite-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 [Datenschutzrichtlinen](#).