

TSX.V: GBN

SASKATOON, Aug. 28, 2015 /CNW/ - [Golden Band Resources Inc.](#) ("Golden Band" or the "Company") (TSXV: GBN) has reported results for the fourth quarter 2015 and year ended April 30, 2015.

The Company incurred a net loss before the impairment provision on mine, plant and equipment in amount of \$12,817,607 in 2015 compared to a loss of \$36,626,706 in 2014. The management reassessed the expected cash flows from its mining projects and considered the recoverability of its property, plant and equipment. The impairment provision in amount of \$15,484,261 (2014 \$71,000,000) was recognized as a difference between the carrying value of the mine, mill and equipment and the present value of the discounted estimated future cash flows.

The Company incurred a net loss of \$18,958,002 in Q4 2015 compared to a loss of \$80,099,915 in Q4 2014. The decrease in the net loss in Q4 2015 in comparison to Q4 2014 is mainly due to the suspension of the mining operations. The net loss includes an impairment provision on properties in amount of \$15,484,261 (Q4 2014: \$71,000,000).

A summary of financial results is presented below. All dollar amounts presented are Canadian dollars, unless otherwise specified.

SUMMARY QUARTERLY INFORMATION

CDN \$	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Gold ounces sold	-	-	667	-	3,178 ⁴	5,000	800	-
Revenues (\$000's)	-	\$224 ⁷	\$932 ⁷	-7	\$4,297 ⁴	\$6,683	\$1,064	-
Cash cost of sales (\$000's)	1,724	\$755	\$1,660	\$948	7,876	15,329	4,572	\$1,801 ⁵
Net loss before impairment provision (\$000's)	\$(5,175)	\$(2,353)	\$(2,399)	\$(2,891)	\$(9,100)	\$(15,631)	\$(7,654)	\$(4,242)
Impairment provision on mine, plant and equipment (\$000's)	\$(15,484)	-	-	-	\$(71,000)	-	-	-
Net loss (\$000's)	\$(20,659)	\$(2,353)	\$(2,399)	\$(2,891)	\$(80,100)	\$(15,631)	\$(7,654)	\$(4,242)
Net loss per share ¹	\$(0.07)	\$(0.01)	\$(0.01)	\$(0.01)	\$(0.28)	\$(0.06)	\$(0.03)	\$(0.01)
Cash from (used in) operations (\$000's)	\$(109)	\$(866)	\$(63)	\$(1,077)	\$2,566 ⁶	\$(8,147) ⁶	\$(8,704) ⁶	\$(8,080) ⁶
Total cash costs per ounce of gold sold ³	-	-	\$2,489	-	\$2,478	\$3,066	\$5,715	-
Average realized gold price/ounce	-	-	\$1,397	-	\$1,352	\$1,337	\$1,330	-

1. All per share amounts are calculated on a weighted average, basic and fully diluted basis.

2. Per share amount is negligible and has been recorded as nil.

3. This is a non-IFRS measure. See section regarding non-IFRS measures below.

4. Net of 1,124 ounces of gold sold for the total value of \$1,534,327, which was recovered from Greywacke bulk sample

5. Represents operating costs and the excess of cost of broken ore over net realizable value, which was written down

6. Cash from operations is before the working capital support provided by Procon Group.

7. The income from camp lodging was reclassified out of Revenue into Other Income

During Q4 2015 and Q4 2014 the Company did not produce any gold ounces due to the shutdown of the mill and the suspension of the mining operations since February 2014. The Company received income in amount of \$356,535 for the camp lodging (Q4 2014 \$nil).

HIGHLIGHTS FOR 2015

- The property continues in a care and maintenance mode.
- During the year personnel were involved in a mill and solution tank clean-up. Spent carbon fines and mill clean-up sludge along with other materials were gathered during the general clean-up and sent to Placer Micron Processing in the US for gold and silver recoveries.
- Exploration drill programs were carried out at the Decade and East zones which are located near the Jolu mill area. The assay lab at the site was operated during the time of the exploration drilling to perform assaying of the core.
- A fresh water diversion program to move surface water around and away from the tailings area was initiated. A third party consultant visited the property to inspect the tailings pond berms for an independent review.
- In early February 2015 personnel from Golden Band and Procon visited with Ministry of the Environment personnel in Saskatoon and reviewed the operation. Subsequent to that meeting the Ministry granted a year's extension for the mining permits for the Golden Heart and Komis operations.

SUMMARY ANNUAL INFORMATION

SELECTED ANNUAL INFORMATION

	Year ended April 30,		
	2015	2014	2013
	\$	\$	\$
Revenue	1,155,544	12,043,943	37,665,266
Net Loss before impairment provision on mine, plant and equipment	(12,817,607)	(36,626,706)	(26,850,868)
Impairment provision on mine, plant and equipment	(15,484,261)	(71,000,000)	-
Net Loss	(28,301,868)	(107,626,706)	(26,850,868)
Net Loss per Share (Basic and Diluted)	\$(0.10)	\$(0.38)	\$(0.09)
Total Assets	10,114,552	30,268,038	88,728,950
Total Liabilities	110,986,024	102,860,842	53,758,577
Working Deficit	(109,062,302)	(97,201,710)	(13,364,243)

For the year ended April 30, 2015, the Company sold 667 gold ounces at an average realized gold price of \$1,397 and 2,906 silver ounces at an average realized price of \$19.47 per ounce of silver. The Company also received an amount \$166,924 as a final payment for gold in carbon sold in late 2014. The total revenue generated from sale of metal transactions is \$1,155,544 during the year ended April 30, 2015. For year ended April 30, 2014, the Company sold 8,978 gold ounces at an average realized gold price of \$1,341, for revenue of \$12,043,943 (the amount is net of 1,124 ounces of Company's portion of gold sold for the total value of \$1,534,327, which was recovered from Greywacke bulk sample).

Cost savings have been initiated through the Company with the intent to return to full production as soon as possible. From a sustainable production platform the Company intends to resume its efforts towards growth and expansion from its extensive property portfolio. It will be essential to resume permitting efforts on a number of our deposits to ensure an adequate supply of mill feed.

For full details of the Company's financial statements and management's discussion and analysis for the fourth quarter and year ended April 30, 2015, please see the financial reports posted on SEDAR at www.sedar.com.

About Golden Band

[Golden Band Resources Inc.](http://www.goldenbandresources.com) is a gold producer operating in the La Ronge gold belt in northern Saskatchewan and is listed on the TSX Venture Exchange in Canada under the symbol GBN. Commercial production was declared on April 1, 2011. The Company has suspended mining operations (see news release of June 30, 2014) but has been actively exploring the La Ronge Gold Belt since 1994 and has assembled a land package of 870 km², including 13 known gold deposits and five former producing mines, being Jolu, Decade, Star Lake, EP and Komis.

On behalf of the Board of Directors of [Golden Band Resources Inc.](http://www.goldenbandresources.com),

"Paul Saxton"

Paul Saxton, CEO

Caution Regarding Forward-Looking Information and Statements

This news release includes certain forward-looking statements or information. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the restructuring of operations, estimates and costs of production, and other future plans, objectives or expectations of [Golden Band Resources Inc.](#) (Company) are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to the actual results of operations, current exploration activities, fluctuating gold prices, possibility of equipment breakdowns and delays, cost overruns, general economic, market or business conditions, regulatory changes, timeliness of government or regulatory approvals and other risks detailed herein and from time to time in the filings made by the Company. The Company makes all reasonable efforts to update its corporate information on a timely basis.

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SOURCE [Golden Band Resources Inc.](#)

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