

Galantas Reports Results for the Three and Nine Months Ended September 30, 2019

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TORONTO, Nov. 22, 2019 - [Galantas Gold Corp.](#) (the "Company") (TSXV & AIM : Symbol GAL) is pleased to announce its financial results for the Three and Nine months ended September 30, 2019.

Financial Highlights

Highlights of the 2019 third quarter's and first nine month's results, which are expressed in Canadian Dollars, are summarized below:

<i>All figures denominated in Canadian Dollars (CDN\$)</i>	Third Quarter Ended September 30		Nine M Septem
	2019	2018	2019
Revenue (from jewellery gold sales)	\$ 5,788	\$ 14,203	\$ 5,78
Cost and expenses of operations	\$ (37,098)	\$ (42,365)	\$ (192
Loss before the undernoted	\$ (31,310)	\$ (28,162)	\$ (186
Depreciation	\$ (93,865)	\$ (77,394)	\$ (280
General administrative expenses	\$ (606,535)	\$ (576,256)	\$ (1,8
Unrealized gain on fair value of derivative financial liability	\$ 0	\$ 0	\$ 0
Foreign exchange gain/(loss)	\$ 13,664	\$ (24,905)	\$ (66,9
Net Loss for the period	\$ (718,046)	\$ (706,717)	\$ (2,3
Working Capital Deficit	\$ (5,108,181)	\$ (5,237,069)	\$ (5,1
Cash loss from operating activities before changes in non-cash working capital	\$ (514,132)	\$ (429,393)	\$ (1,5
Cash at September 30 (2019 & 2018)	\$ 1,356,147	\$ 1,259,642	\$ 1,35
Provisional Revenues from concentrate sales offset against Development Assets.	\$ 519,000	\$ 0	\$ 978,

The Net Loss for the three months ended September 30, 2019 amounted to CDN\$ 718,046 (2018 Q3: CDN\$ 706,717) and the cash loss from operating activities before changes in non-cash working capital for the third quarter of 2019 amounted to CDN\$ 514,132 (2018 Q3: CDN\$ 429,393). The Net Loss for the nine months ended September 30, 2019 amounted to CDN \$ 2,389,426 (2018: CDN\$ 1,931,725) and the cash loss from operating activities before changes in non-cash working capital for the first nine months of 2019 amounted to CDN\$ 1,578,613 (2018: CDN\$ 1,191,733).

The Company had cash balances of \$ 1,356,147 at September 30, 2019 compared to \$ 1,259,642 at September 30, 2018. The working capital deficit at September 30, 2019 amounted to \$ 5,108,181 compared to a working capital deficit of \$ 5,237,069 at September 30, 2018.

Shipments of concentrate under the off-take arrangements commenced during the second quarter. Provisional revenues from concentrate sales during the three and nine months ended September 30, 2019 totaled approximately US\$ 519,000 and US\$ 978,000 respectively. However, until the mine reaches the commencement of commercial production, the net proceeds from concentrate sales will be offset against Development assets.

During the third quarter of 2019 the Company completed a part brokered private placement of 23,529,412 common shares, at an issue price of UK£0.0425 (\$0.068) per share for gross proceeds of UK£1,000,000 (\$ 1,600,000). A four month plus one day hold period apply to the shares and the shares rank pari passu with the existing shares in issue of the Company. The net proceeds raised by the placement are intended to be used to implement recently identified optimization initiatives at the Omagh gold mine, including increased mechanization and improved underground infrastructure, as well as for general working capital of the Company.

Subsequent to September 30, 2019 Galantas announced a temporary suspension of blasting operations at its Omagh gold mine (see press release dated October 29, 2019). Blasting operations are currently limited, since all blasting must be supervised by the Police Service of Northern Ireland (PSNI). Presently the blasting arrangements are not sufficient for the desired level of operations. The Company has been working with the authorities to increase blasting availability to normal levels for an underground mine. Progress has been made and substantive investment made in accordance with recommendations, however, the Company is still awaiting final approvals from the authorities in order to be able to implement its increased blasting protocols. The Company has been waiting for some time for these approvals and although the Company expects to receive the approvals based on previous discussions with the relevant authorities, a date for receipt of the required approvals and therefore the date on which implementation of the increased blasting schedule is not yet known. The current arrangements are not sufficient to allow for the expansion of mine operations as envisaged by the Company's existing mine plan and until changes are agreed, the present inefficiencies caused by those arrangements form an increasing financial burden, which has proved a significant drain on the financial resources of the Company. Accordingly, in order to reduce costs, while some mine operations will continue at the Omagh gold mine, consultation with the workforce is underway regarding a reduction in the numbers employed.

Subsequent to announcement of the temporary suspension of blasting, progress has been made with the authorities and the Company continues to work towards a resolution of the matter.

The processing plant, which uses non-toxic flotation processing to provide a concentrate, is expected to continue to operate in the near term and is being fed from underground stock. The mine operates within regulated environmental constraints and has a zero lost time incident record.

In light of the economic impingement on the Company's operations, the Company is beginning to seek strategic alternatives including reviewing its licenses and operations; and considering the possibility of engaging in a joint venture or other options with third parties and alternative financing structures. The Company expects it will have to raise funds within the next six months and will update the market in due course.

Production/Mine Development

During the third quarter of 2019 the Omagh gold mine continued limited production of gold concentrate from feed produced in the development of the Kearney vein. The plant, which produces a gold & silver concentrate using a non-toxic, froth-flotation process, is running on a batch basis from a stockpile of underground vein material plus additional feed produced from on-vein development operations.

Underground development of the decline tunnel continued to be progressed during the third quarter of 2019 with further crosscuts allowing access to lower levels of vein development which forms the development necessary to demarcate production panels. On-vein development continued on the 1084 (second) level and the 1072 (third) level continued. The vein on the 1072 (third) was reached early in the second quarter and on vein development has commenced. Development has continued southwards on the third (1072) level with gold grades within the expected range.

During the quarter the Company reported that the access drive on the fourth (1060) level has intersected the Kearney vein ahead of schedule. The intersection shows strongly developed mineralization. The north and south faces of the vein were channel sampled. The average of the two channels was 8.35 g/t gold over an average true width of 2.65 metres. The vein intersection is expected to allow in-vein development both north and south on the fourth (1060) level. Development on the fourth level is anticipated to produce increased feed tonnage to the processing plant, which produces a concentrate sold under an off-take contract. The Company also reported that drivage from the 1072 access has been taken northwards, in-vein, for approximately 40 metres. Mineralisation beyond the first 20 metres is currently excluded from the geological model, due to paucity of data. The mineralization was shown to be persistent and has been followed in an in-vein development. Two channel samples, taken across the face as the drivage was developed at 24.1m and 27.6m into the third level (1072) north development, showed a grade of 6.2g/t gold and 16.3 g/t gold respectively, each with a true width of 3 metres. The vein will continue to be followed northwards on the third (1072) level and elevates potential for additional mineralisation to be added to the resource model if discovered on the adjacent first (1096), second (1084) and fourth (1060) levels, which have not yet accessed this area. To date some two kilometres of underground drivages have been developed, with exposure of the

main Kearney vein on four levels. A fifth level is near the point of intersection. The mine is serviced by a decline tunnel of 1 in 6 gradients, of dimensions approximately 4.5m by 4.5m. Recent vein intersections on the 1060 (fourth) level have proven to be strongly mineralized with vein sections some 3 metres wide and of grade mapped at over 10g/t gold.

Milling operations progressed during the third quarter of 2019 on an extended dayshift basis, as feed became available. Additional milling shifts which were expected to be added in the fourth quarter, will not be added until increased underground blasting arrangements are implemented. The processing plant, which was used formerly for open-pit operations, has had the benefit of a recent upgrade and further upgrades are planned. Recent analyses suggest that the product from the plant meets quality criteria and operates at a high efficiency.

The detailed results and Management Discussion and Analysis (MD&A) are available on www.sedar.com and www.galantas.com and the highlights in this release should be read in conjunction with the detailed results and MD&A. The MD&A provides an analysis of comparisons with previous periods, trends affecting the business and risk factors.

Qualified Person

The financial components of this disclosure has been reviewed by Leo O'Shaughnessy (Chief Financial Officer) and the production, exploration and permitting components by Roland Phelps (President & CEO), qualified persons under the meaning of NI. 43-101. The information is based upon local production and financial data prepared under their supervision.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS: This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws, including revenues and cost estimates, for the Omagh Gold project. Forward-looking statements are based on estimates and assumptions made by Galantas in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that Galantas believes are appropriate in the circumstances. Many factors could cause Galantas's actual results, the performance or achievements to differ materially from those expressed or implied by the forward looking statements or strategy, including: gold price volatility; discrepancies between actual and estimated production, actual and estimated metallurgical recoveries and throughputs; mining operational risk, geological uncertainties; regulatory restrictions, including environmental regulatory restrictions and liability; risks of sovereign involvement; speculative nature of gold exploration; dilution; competition; loss of or availability of key employees; additional funding requirements; uncertainties regarding planning and other permitting issues; and defective title to mineral claims or property. These factors and others that could affect Galantas's forward-looking statements are discussed in greater detail in the section entitled "Risk Factors" in Galantas's Management Discussion & Analysis of the financial statements of Galantas and elsewhere in documents filed from time to time with the Canadian provincial securities regulators and other regulatory authorities. These factors should be considered carefully, and persons reviewing this press release should not place undue reliance on forward-looking statements. Galantas has no intention and undertakes no obligation to update or revise any forward-looking statements in this press release, except as required by law.

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.

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