

Galantas Reports Results for the Three and Nine Months Ended September 30, 2020 and Date for Annual General and Special Meeting

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TORONTO, Nov. 25, 2020 - [Galantas Gold Corp.](#) (the "Company") is pleased to announce its financial results for the Three and Nine months ended September 30, 2020.

Financial Highlights

Highlights of the 2020 third quarter 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 Months September 30
	2020	2019	2020
Revenue	\$ 0	\$ 5,788	\$ 0
Cost and expenses of operations	\$ (35,658)	\$ (37,098)	\$ (102,732)
Loss before the undernoted	\$ (35,658)	\$ (31,310)	\$ (102,732)
Depreciation	\$ (80,213)	\$ (93,865)	\$ (253,331)
General administrative expenses	\$ (597,315)	\$ (606,535)	\$ (1,904,185)
Foreign exchange (loss) gain /	\$ (63,770)	\$ 13,664	\$ 11,462
Net Loss for the period	\$ (776,956)	\$ (718,046)	\$ (2,249,412)
Working Capital Deficit	\$ (7,936,041)	\$ (5,108,181)	\$ (7,936,041)
Cash loss from operating activities before changes in non-cash working capital	\$ (359,304)	\$ (514,132)	\$ (1,002,785)
Cash at September 30, 2020	\$ 638,433	\$ 1,356,147	\$ 638,433

The Net Loss for the three months ended September 30, 2020 amounted to CDN\$ 776,956 (2019 Q3: CDN\$ 718,046) and the cash loss from operating activities before changes in non-cash working capital for the third quarter of 2020 amounted to CDN\$ 359,304 (2019 Q3: CDN\$ 514,132). The Net Loss for the nine months ended September 30, 2020 amounted to CDN \$ 2,249,412 (2019: CDN\$ 2,389,426) and the cash loss from operating activities before changes in non-cash working capital for the first nine months of 2020 amounted to CDN\$ 1,002,785 (2019: CDN\$ 1,578,613).

The Company had cash balances of \$ 638,433 at September 30, 2020 compared to \$ 1,356,147 at September 30, 2019. The working capital deficit at September 30, 2020 amounted to \$ 7,936,041 compared to a working capital deficit of \$ 5,108,181 at September 30, 2019.

Shipments of concentrate under the off-take arrangements commenced during the second quarter of 2019. Provisional revenues from concentrate sales during the three and nine months ended September 30, 2020 totaled approximately US\$ 690,000 and US\$ 876,000 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 2020 and following the receipt of TSXV and regulatory approvals Galantas reported the closure of a fully subscribed brokered private placement of common shares and amendments to the terms of its loan facility with Ocean Partners UK Ltd. The private placement included funds raised in both UK and Canadian currency for the issue of 2,833,132 shares, at an issue price of \$ 0.225 (UK? 0.1328) per share for gross proceeds of \$ 637,454 (UK? 376,240). The Company also amended the terms of its loan

facility with Ocean Partners UK Ltd following an increase in the outstanding loan facility in July 2020. The amount of the loan facility increased by US\$ 200,000 to a total of US\$1.8 million. The interest rate applicable on the loan facility increased from US\$ 12 month LIBOR + 8.75% to US\$ 12 month LIBOR + 9.9% and the maturity date was extended from December 30, 2020 to December 31, 2021. Interest may be rolled into the loan facility until December 31, 2020, at the Company's option. Drawdown of the loan increase took place on November 12, 2020. The existing second charge debenture over mine assets will remain in place. Galantas had entered into the loan facility through a concentrate pre-payment agreement/loan agreement signed by its subsidiary Flintridge and the Lender in April 2018. The proceeds raised by both the private placement and the additional Ocean Partners loan are to be used to support mine operations and provide general working capital for the Company.

Production/Mine Development

Certain underground work continued during the first nine months of 2020, but ore production is suspended until finance is available to expand the underground operation. The processing plant continued to operate on a limited basis with feedstock for the plant being from low grade stock. In the fourth quarter of 2019 there was a temporary suspension of blasting operations at the mine due mainly to the blasting arrangement limitations imposed by the PSNI, which were not sufficient to allow for the expansion of mine operations. The Company has been working with the PSNI on an ongoing basis to agree arrangements that would increase blasting availability to normal levels for an underground mine. During the second quarter the Company reported that confirmation had been received from PSNI, regarding their satisfaction of certain secure storage and handling protocols required for an increase in blasting to a commercial level subject to financial matters being agreed. The Company understands that these financial matters have now been mutually agreed. Specialist safety training of key personnel continues to ensure a restart is not impaired in regard to safety matters.

The processing plant continued to operate on a limited basis, following the suspension of blasting operations, initially being fed from underground stock. In March 2020 and following UK government guidelines regarding Covid-19, processing operations temporarily ceased until later in May when the Company announced that concentrate processing had recommenced. The company carried out maintenance to the processing plant during the milling suspension, to minimise future maintenance interruptions. The restart followed a review of Northern Ireland / UK government health advice regarding Covid-19, a risk assessment and the introduction of appropriate modifications to working practices. Feedstock for the processing plant is now from low grade stock until suitable arrangements are in place to recommence development underground. Concentrate production during the three and nine months ended September 30, 2020 totalled 96 tonnes and 186 tonnes of concentrate provisionally assessed as grading 90 grams per tonne (g/t) and 90 g/t respectively. Shipments of concentrate had commenced during the second quarter of 2019 and until the mine reaches the commencement of commercial production, the net proceeds from concentrate sales will be offset against Development assets.

The Company is seeking strategic alternatives including reviewing its licenses and operations and considering the possibility of engaging in a sale, joint venture, partnership or other options with third parties and alternative financing structures. The Company is actively engaged in that process.

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.

Annual General Meeting

The Annual and Special Meeting of shareholders of [Galantas Gold Corp.](http://www.galantas.com) will be held on Wednesday, December 16, 2020 at 11:00 a.m. (Toronto time). Due to Covid restrictions, it will be held via teleconference. Meeting materials, including proxies and access arrangements are being mailed to shareholders.

Qualified Person

The financial components of this disclosure has been reviewed by Alan Buckley (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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