

VISTA GOLD CORP
Form 10-Q
November 09, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-09025

VISTA GOLD CORP.

(Exact name of registrant as specified in its charter)

Yukon Territory, Canada

(State or other jurisdiction of incorporation or organization)

98-0542444

(IRS Employer Identification No.)

Suite 5, 7961 Shaffer Parkway

Littleton, Colorado

(Address of principal executive offices)

80127

(Zip Code)

(720) 981-1185

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to the filing requirements for the past 90 days: Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 71,480,883 common shares, without par value, outstanding at November 3, 2011.

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VISTA GOLD CORP.

(An Exploration Stage Enterprise)

FORM 10-Q

For the Quarter Ended September 30, 2011

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Table of Contents**PART I FINANCIAL INFORMATION****ITEM 1. UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS****VISTA GOLD CORP. (An Exploration Stage Enterprise)****UNAUDITED CONSOLIDATED BALANCE SHEETS****(Dollar amounts in U.S. dollars and in thousands, except shares)**

	September 30, 2011	December 31, 2010
Assets:		
Current assets:		
Cash and cash equivalents	\$ 26,946	\$ 39,838
Marketable securities (Note 5)	940	1,703
Other current assets	1,117	1,084
Total current assets	29,003	42,625
Non-current assets:		
Mineral properties (Note 6)	16,401	16,622
Plant and equipment (Note 7)	18,817	18,809
Amayapampa disposal consideration (Notes 3)	4,813	4,813
Long-term investment - Midas Gold Corp. (Note 3 and 8)	110,267	
Deferred debt issuance costs		103
Total non-current assets	150,298	40,347
Total assets	\$ 179,301	\$ 82,972
Liabilities and Shareholders' Equity:		
Current liabilities:		
Convertible notes (Note 10)	\$	\$ 23,000
Accounts payable	106	147
Accrued interest payable		109
Accrued liabilities and other	2,323	1,374
Total current liabilities	2,429	24,630
Non-current liabilities:		
Deferred tax liability, net (Note 9)	33,546	
Total non-current liabilities	33,546	
Total liabilities	35,975	24,630
Shareholders' equity:		
Capital stock, no par value - unlimited shares authorized; shares outstanding: 2011 - 71,435,883 and 2010 - 61,919,752 (Note 11)	379,861	349,719
Stock-based compensation (Note 12)	4,489	4,695
Warrants (Note 13)	10,876	10,721
Additional paid-in capital (Note 14)	8,729	7,565

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Accumulated other comprehensive income (Note 15)	38	929
Deficit	(239,086)	(239,086)
Accumulated deficit during exploration stage	(21,581)	(76,201)
Total shareholders' equity	143,326	58,342
Total liabilities and shareholders' equity	\$ 179,301	\$ 82,972

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents**VISTA GOLD CORP. (An Exploration Stage Enterprise)****UNAUDITED CONSOLIDATED STATEMENTS OF INCOME/(LOSS) AND COMPREHENSIVE INCOME/(LOSS)****(Dollar amounts in U.S. dollars and in thousands, except share and per share data)**

	Three Months ended September 30,		Nine Months ended September 30,		Cumulative during Exploration Stage
	2011	2010	2011	2010	
Operating income and (expenses):					
Exploration, property evaluation and holding costs	\$ (5,803)	\$ (3,324)	\$ (13,606)	\$ (9,860)	\$ (49,957)
Corporate administration and investor relations	(1,312)	(837)	(4,069)	(2,904)	(30,641)
Depreciation and amortization	(87)	(70)	(247)	(202)	(1,167)
Loss on extinguishment of convertible debt				(1,565)	(1,218)
Gain/(loss) on currency translation	17	152	53	70	(110)
Gain/(loss) on disposal of mineral property, net (Note 3)	(5)		77,802		79,663
Total operating income/(loss)	(7,190)	(4,079)	59,933	(14,461)	(3,430)
Non-operating income and (expenses):					
Gain/(loss) on sale of marketable securities	(2)	52	445	265	7,788
Unrealized gain on long-term investment (Note 3)	27,762		27,762		27,762
Write down of marketable securities					(849)
Interest income	11	17	37	106	2,800
Interest expense		(174)	(120)	(889)	(4,096)
Other income/(expense)	109	39	109	135	(5,147)
Total non-operating income/(loss)	27,880	(66)	28,233	(383)	28,258
Income/(loss) from continuing operations					
before income taxes	20,690	(4,145)	88,166	(14,844)	24,828
Deferred income tax (expense)	(9,957)		(33,546)		(33,546)
Income/(loss) from continuing operations after income taxes	10,733	(4,145)	54,620	(14,844)	(8,718)
Loss from discontinued operations					(12,863)
Net income/(loss)	\$ 10,733	\$ (4,145)	\$ 54,620	\$ (14,844)	\$ (21,581)
Other comprehensive income/(loss), net of tax:					
Unrealized fair-value increase/(decrease) on available-for-sale securities	\$ (319)	\$ 233	\$ (446)	\$ 202	
Realized (gain)/loss on available-for-sale securities	2	(46)	(445)	(233)	
	(317)	187	(891)	(31)	
Comprehensive income/(loss)	\$ 10,416	\$ (3,958)	\$ 53,729	\$ (14,875)	
Earnings per share:					
Basic:	71,213,543	46,586,708	67,441,707	45,897,307	

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Weighted average number of shares
outstanding (Note 16)

Income/(loss) per share	\$	0.15	\$	(0.09)	\$	0.81	\$	(0.32)
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Diluted:

Weighted average number of shares
outstanding (Note 16)

Income/(loss) per share		72,781,902		46,586,708		68,202,974		45,897,307
	\$	0.15	\$	(0.09)	\$	0.80	\$	(0.32)

The accompanying notes are an integral part of these consolidated financial statements.

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VISTA GOLD CORP. (An Exploration Stage Enterprise)

UNAUDITED CONSOLIDATED STATEMENTS OF SHAREHOLDERS EQUITY

(Dollar amounts in U.S. dollars and in thousands)

	Common stock	Stock-based compensation	Warrants	Additional paid-in capital	Deficit	Accumulated other comprehensive income	Total shareholders equity
Balances at December 31, 2010	\$ 349,719	\$ 4,695	\$ 10,721	\$ 7,565	\$ (315,287)	\$ 929	\$ 58,342
Equity financing, net of transaction costs	28,396	671	588				29,655
Stock options exercised	1,055	(349)					706
Stock options expensed		424					