

GEOVIC MINING CORP.
Form 10-Q
November 12, 2010
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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, 2010

OR

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

Commission File Number 000-52646

GEOVIC MINING CORP.

(Exact name of registrant as specified in its charter)

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DELAWARE
(State or other jurisdiction of
incorporation or organization)

20-5919886
(IRS Employer

Identification No.)

1200 Seventeenth St., Suite 980

Denver, Colorado 80202

(Address of principal executive offices)

(303) 476-6455

(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:

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

104,272,412 Shares of Common Stock, \$0.0001 par value, were outstanding at November 12, 2010

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Geovic Mining Corp.

(an exploration stage company)

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For the Three and Nine Months Ended September 30, 2010

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Geovic Mining Corp.

(an exploration stage company)

CONSOLIDATED BALANCE SHEETS

(In thousands)

	Unaudited September 30, 2010	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 34,992	\$ 49,153
Prepaid expenses	421	462
Other	261	197
Total current assets	35,674	49,812
Property, plant and equipment, net <i>[note 6]</i>	3,855	4,298
Deposits	90	19
Total assets	\$ 39,619	\$ 54,129
LIABILITIES		
Current liabilities:		
Accrued liabilities and other payables	\$ 1,790	\$ 3,423
Total current liabilities	1,790	3,423
Other liabilities	605	682
Related party payable	246	328
Share-based payment liability <i>[note 8]</i>	202	791
Total liabilities	2,843	5,224
EQUITY		
Stockholders equity:		
Common stock, par value of \$0.0001, 200 million shares authorized and 104.3 and 103.1 million shares issued and outstanding as of September 30, 2010 and December 31, 2009, respectively	10	10
Additional paid-in capital	108,412	107,625
Stock purchase warrants	1,078	1,078

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Deficit accumulated during the exploration stage	(82,250)	(69,673)
Total stockholders' equity	27,250	39,040
Noncontrolling interest <i>[note 11]</i>	9,526	9,865
Total equity	36,776	48,905
Total liabilities and equity	\$ 39,619	\$ 54,129

The accompanying notes are an integral part of these financial statements

Table of Contents**Geovic Mining Corp.****(an exploration stage company)****CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited, in thousands, except share and per share amounts)**

	Three months ended September 30,		Nine months ended September 30,		Unaudited Period
	2010	2009	2010	2009	from Nov. 16, 1994 (inception) to September 30, 2010
EXPENSES (INCOME)					
Exploration costs <i>[note 5]</i>	\$ 4,256	\$ 1,991	\$ 11,148	\$ 7,873	\$ 73,008
General and administrative	1,674	1,877	5,322	6,055	28,816
Stock based compensation <i>[notes 7 and 8]</i>	121	233	712	812	17,785
Change in fair value of warrants <i>[note 8]</i>	30	10	(589)	224	(473)
Interest and bank charges	17	13	44	43	338
Depreciation	220	207	661	525	2,419
Mineral property impairment					3,244
Total Expenses	6,318	4,331	17,298	15,532	125,137
Interest income	(2)	(5)	(4)	(108)	(4,794)
Net loss before income taxes	(6,316)	(4,326)	(17,294)	(15,424)	(120,343)
Income tax benefit		(2)		(75)	(65)
Consolidated net loss	(6,316)	(4,324)	(17,294)	(15,349)	(120,278)
Less: Net loss attributed to the noncontrolling interest	(1,742)	(901)	(4,717)	(3,408)	(24,033)
Net loss attributed to Geovic	\$ (4,574)	\$ (3,423)	\$ (12,577)	\$ (11,941)	\$ (96,245)
Net loss per share attributed to Geovic common stockholders	\$ (0.04)	\$ (0.03)	\$ (0.12)	\$ (0.12)	
Weighted average shares outstanding basic and diluted	103,912,857	103,067,524	103,679,626	102,996,805	

The accompanying notes are an integral part of these financial statements

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Geovic Mining Corp.

(an exploration stage company)

CONSOLIDATED STATEMENTS OF
STOCKHOLDERS EQUITY

(Unaudited, in thousands, except share amounts)

	Common Stock Shares	Common Stock Amount	Additional paid-in capital	Stock Purchase Warrants	Deficit	Noncontrolling Interest	Total
Balance, December 31, 2008	102,943,446	\$ 10	\$ 106,648	\$ 15,748	\$ (67,377)	\$ 9,144	\$ 64,173
Cumulative effect of adoption of ASC 815-40 <i>[note 8]</i>				(14,670)	13,995		(675)
Stock options exercised <i>[note 7]</i>	130,600		6				6
Stock-based compensation <i>[notes 7 and 8]</i>			971				971
Noncontrolling interest contribution						5,322	5,322
Net loss for year					(16,291)	(4,601)	(20,892)
Balance, December 31, 2009	103,074,046	\$ 10	\$ 107,625	\$ 1,078	\$ (69,673)	\$ 9,865	\$ 48,905
Issuance of common stock <i>[note 13]</i>	139,000						
Stock options exercised <i>[note 7]</i>	1,055,366		75				