

GOLD RESOURCE CORP
Form 10-Q
May 12, 2014

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 March 31, 2014

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: 001-34857

GOLD RESOURCE CORPORATION

(Exact Name of Registrant as Specified in its charter)

Colorado 84-1473173
(State or other jurisdiction of (I.R.S. Employer

incorporation or organization) Identification No.)
2886 Carriage Manor Point, Colorado Springs, Colorado 80906

(Address of Principal Executive Offices) (Zip Code)

(303) 320-7708

(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 such 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 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 definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Larger accelerated filer

Accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether 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: 54,179,369 shares of common stock outstanding as of May 9, 2014.

GOLD RESOURCE CORPORATION

FORM 10-Q

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References in this report to agreements to which Gold Resource Corporation is a party and the definition of certain terms from those agreements are not necessarily complete and are qualified by reference to the agreements. Readers should refer to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and the exhibits listed therein.

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

GOLD RESOURCE CORPORATION
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (U.S. dollars in thousands, except shares)
 (Unaudited)

| | March 31, 2014 | December 31, 2013 |
|---|-------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 19,457 | \$ 14,973 |
| Gold and silver bullion | 3,793 | 3,801 |
| Accounts receivable | 6,442 | 2,307 |
| Inventories | 6,967 | 7,468 |
| Income taxes receivable | 1,216 | 6,488 |
| Deferred tax assets | 3,973 | 3,973 |
| Prepaid expenses and other assets | 4,687 | 5,808 |
| Total current assets | 46,535 | 44,818 |
| Land and mineral rights | 227 | 227 |
| Property, equipment and mine development - net | 21,506 | 18,127 |
| Inventories | 903 | 903 |
| Deferred tax assets | 27,663 | 27,663 |
| Investments (including \$2,512 and nil, respectively, measured at fair value) | 2,743 | 231 |
| Total assets | \$ 99,577 | \$ 91,969 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 4,223 | \$ 2,873 |
| Accrued expenses | 5,011 | 5,613 |
| Capital lease obligations | 1,476 | 1,469 |
| IVA taxes payable | 1,762 | 925 |
| Dividends payable | 542 | 538 |
| Total current liabilities | 13,014 | 11,418 |
| Capital lease obligations | 2,015 | 2,387 |
| Reclamation and remediation liabilities | 2,883 | 2,887 |
| Total liabilities | 17,912 | 16,692 |
| Shareholders' equity: | | |
| Preferred stock - \$0.001 par value, 5,000,000 shares authorized: no shares issued and outstanding | - | - |
| Common stock - \$0.001 par value, 100,000,000 shares authorized: 54,515,767 and 54,115,767 shares issued and outstanding, respectively | 55 | 54 |
| Additional paid-in capital | 88,665 | 88,044 |

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| | | |
|--|-----------|-----------|
| Accumulated (deficit) | - | (5,766) |
| Treasury stock at cost, 336,398 shares | (5,884) | (5,884) |
| Accumulated other comprehensive (loss) | (1,171) | (1,171) |
| Total shareholders' equity | 81,665 | 75,277 |
| Total liabilities and shareholders' equity | \$ 99,577 | \$ 91,969 |

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

GOLD
RESOURCE
CORPORATION
CONDENSED
CONSOLIDATED
STATEMENTS OF
INCOME
for the three
months ended
March 31, 2014 and
2013
(U.S. dollars in
thousands, except
shares and per
share amounts)
(Unaudited)