Golden Minerals Co
Form 10-Q
November 03, 2010


# UNITED STATES

# SECURITIES AND EXCHANGE COMMISSION

**WASHINGTON, DC 20549**

# FORM 10-Q

**(MARK ONE)**

x **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**

o **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 1-13627**

# GOLDEN MINERALS COMPANY

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

| | |
|---|---|
| **DELAWARE**<br>(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION) | **26-4413382**<br>(I.R.S. EMPLOYER IDENTIFICATION NO.) |
| **350 INDIANA STREET, SUITE 800**<br>**GOLDEN, COLORADO**<br>(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) | **80401**<br>(ZIP CODE) |

**(303) 839-5060**

(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 x NO o

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 o NO o

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS A LARGE ACCELERATED FILER, AN ACCELERATED FILER, A NON-ACCELERATED FILER, OR A SMALLER REPORTING COMPANY:

| | |
|---|---|
| LARGE ACCELERATED FILER o | ACCELERATED FILER o |
| NON-ACCELERATED FILER o | SMALLER REPORTING COMPANY x |

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS A SHELL COMPANY (AS DEFINED IN RULE 12B-2 OF THE EXCHANGE ACT): YES o NO x

INDICATE BY CHECK MARK WHETHER THE REGISTRANT HAS FILED ALL DOCUMENTS AND REPORTS REQUIRED TO BE FILED BY SECTIONS 12, 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 SUBSEQUENT TO THE DISTRIBUTION OF SECURITIES UNDER A PLAN CONFIRMED BY A COURT: YES x NO o

AT NOVEMBER 1, 2010, 15,124,567 SHARES OF COMMON STOCK, $0.01 PAR VALUE PER SHARE, WERE ISSUED AND OUTSTANDING.

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GOLDEN MINERALS COMPANY

FORM 10-Q

QUARTER ENDED SEPTEMBER 30, 2010

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## PART I. FINANCIAL INFORMATION

**Item 1. Financial Statements**

**GOLDEN MINERALS COMPANY**

**CONSOLIDATED BALANCE SHEETS**

**(Expressed in United States dollars)**

**(Unaudited)**

| | Pro-Forma September 30, 2010 (1) | September 30, 2010 | December 31, 2009 |
|---|---|---|---|
| | | (in thousands, except share data) | |
| **Assets** | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 133,270 | $ 30,268 | $ 8,570 |
| Investments (Note 4) | 335 | 335 | 444 |
| Trade receivables | | | 1,460 |
| Prepaid expenses and other assets (Note 5) | 1,518 | 1,568 | 2,087 |
| Total current assets | 135,123 | 32,171 | 12,561 |
| Property, plant and equipment, net (Note 6) | 9,084 | 9,084 | 7,774 |
| Assets held for sale (Note 6) | 1,316 | 1,316 | 813 |
| Prepaid expenses and other assets (Note 5) | 447 | 447 | 552 |
| Total assets | $ 145,970 | $ 43,018 | $ 21,700 |
| **Liabilities and Equity** | | | |
| Current liabilities | | | |
| Accounts payable and other accrued liabilities (Note 7) | $ 2,624 | $ 2,674 | $ 2,428 |
| Other current liabilities | 67 | 67 | 63 |
| Total current liabilities | 2,691 | 2,741 | 2,491 |
| Other long term liabilities | 584 | 584 | 651 |
| Total liabilities | 3,275 | 3,325 | 3,142 |
| | | | |
| Commitments and contingencies (Note 13) | | | |
| Equity (Note 10) | | | |
| Common stock, $.01 par value, 50,000,000 shares authorized; (15,124,567 pro-forma), 9,271,286 and 3,238,615 shares issued and outstanding | 151 | 93 | 32 |
| Additional paid in capital | 183,728 | 80,784 | 37,854 |
| Accumulated deficit | (41,197) | (41,197) | (20,276) |
| Accumulated other comprehensive income (loss) | 13 | 13 | 154 |
| Parent company s shareholder s equity | 142,695 | 39,693 | 17,764 |
| Noncontrolling interest in subsidiaries (Note 11) | | | 794 |
| Total equity | 142,695 | 39,693 | 18,558 |
| Total liabilities and equity | $ 145,970 | $ 43,018 | $ 21,700 |

(1) The pro-forma presentation reflects the results of a public offering and private placement, which the Company closed on October 22, 2010 as discussed in Note 15, Subsequent Events.

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

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**GOLDEN MINERALS COMPANY**

**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**

**(Expressed in United States dollars)**

**(Unaudited)**

| | Three Months Ended September 30, 2010 | Three Months Ended September 30, 2009 | Nine Months Ended September 30, 2010 | For The Period March 25, 2009 Through September 30, 2009 | For The Period January 1, 2009 Through March 24, 2009 |
|---|---|---|---|---|---|
| | (Successor) | | | | (Predecessor) |
| | (in thousands, except share data) | | | | |
| **Revenue:** | | | | | |
| Management service fees (Note 12) | $ 98 | $ 2,652 | $ 11,216 | $ 6,010 | $ 1,350 |
| **Costs and expenses:** | | | | | |
| Costs of services (Note 12) | (31) | (1,179) | (2,566) | (2,263) | |
| Exploration expense | (3,755) | (3,598) | (9,893) | (7,067) | (3,482) |
| El Quevar feasibility | (4,031) | | (10,004) | | |
| Administrative expense | (1,868) | (2,521) | (6,295) | (5,857) | (4,779) |
| Stock based compensation | (559) | (609) | (1,859) | (1,218) | (2,717) |
| Other operating income & (expenses), net | 76 | 293 | 186 | 305 | |
| Depreciation, depletion and amortization | (307) | (232) | (751) | (384) | (102) |
| Total costs and expenses | (10,475) | (7,846) | (31,182) | (16,484) | (11,080) |
| Loss from operations | (10,377) | (5,194) | (19,966) | (10,474) | (9,730) |
| **Other income and expenses:** | | | | | |
| Interest and other income | 90 | 106 | 376 | 204 | 1,010 |
| Royalty income | 80 | 272 | 239 | 399 | 88 |
| Interest and other expense | | | | | (345) |
| Gain (loss) on foreign currency | (65) | 76 | (53) | 170 | (13) |
| Gain on extingushment of debt | | | | | 248,165 |
| Loss on auction rate securities | | (867) | | (2,199) | (828) |
| Reorganization costs, net | | (249) | | (917) | (3,683) |
| Fresh start accounting adjustments | | | | | 9,122 |
| Total other income and expenses | 105 | (662) | 562 | (2,343) | 253,516 |
| Income (loss) from continuing operations before income (taxes) benefit | (10,272) | (5,856) | (19,404) | (12,817) | 243,786 |
| Income taxes | 20 | (284) | (1,517) | (497) | (165) |
| Net income (loss) from continuing operations | (10,252) | (6,140) | (20,921) | (13,314) | 243,621 |
| **Income (loss) from discontinued operations** | | | | | (4,153) |
| Net income (loss) | $ (10,252) | $ (6,140) | $ (20,921) | $ (13,314) | $ 239,468 |
| Net (income) loss attributable to noncontrolling interest | | $ | | $ | $ (7,869) |
| Net income (loss) attributable to the Successor/Predecessor shareholder s | $ (10,252) | $ (6,140) | $ (20,921) | $ (13,314) | $ 231,599 |
| **Other comprehensive loss:** | | | | | |
| Unrealized gain (loss) on securities | (74) | (666) | (141) | $ 160 | $ 940 |
| Comprehensive income (loss) attributable to Successor/Predecessor shareholder s | $ (10,326) | $ (6,806) | $ (21,062) | $ (13,154) | $ 232,539 |
| **Net income (loss) per Common/Ordinary Share basic** | | | | | |
| Income (loss) from continuing operations attributable to the Successor/Predecessor | $ (1.15) | $ (2.06) | $ (2.81) | $ (4.46) | $ 4.13 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| shareholders | | | | | | | | | | |
| Discontinued operations attributable to the Successor/Predecessor shareholders | | | | | | | | | | (0.20) |
| Income (loss) attributable to the Successor/Predecessor shareholders | $ | (1.15) | $ | (2.06) | $ | (2.81) | $ | (4.46) | $ | 3.93 |
| | | | | | | | | | | |
| **Net income (loss) per Common/Ordinary Share diluted** | | | | | | | | | | |
| | | | | | | | | | | |
| Income (loss) from continuing operations attributable to the Successor/Predecessor shareholders | $ | (1.15) | $ | (2.06) | $ | (2.81) | $ | (4.46) | $ | (0.06) |
| Discontinued operations attributable to the Successor/Predecessor shareholders | | | | | | | | | | (0.17) |
| Income (loss) attributable to the Successor/Predecessor shareholders | $ | (1.15) | $ | (2.06) | $ | (2.81) | $ | (4.46) | $ | (0.23) |
| | | | | | | | | | | |
| **Weighted average Common Stock/Ordinary Shares outstanding - basic** | | 8,919,536 | | 2,987,735 | | 7,455,303 | | 2,987,735 | | 59,000,832 |
| **Weighted average Common Stock/Ordinary Shares outstanding - diluted** | | 8,919,536 | | 2,987,735 | | 7,455,303 | | 2,987,735 | | 69,171,400 |

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

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**GOLDEN MINERALS COMPANY**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(Expressed in United States dollars)**

**(Unaudited)**

| | Nine Months Ended September 30, 2010 | For The Period March 25, 2009 Through September 30, 2009 | For The Period January 1, 2009 Through March 24, 2009 |
|---|---|---|---|
| | (Successor) | | (Predecessor) |
| | | (in thousands) | |
| Cash flows from operating activities: | | | |
| Net cash used in operating activities (Note 14) | $ (16,775) | $ (15,760) | $ (13,849) |
| Cash flows from investing activities: | | | |
| Purchase of available for sale investments | (6,003) | | (4,447) |
| Sale of available for sale investments | 6,441 | 2,498 | 21,113 |
| Released from restricted cash to collateralize credit facility, letters of credit and interest payments, net | | | 5,732 |
| Proceeds from sale of interest in subsidiary, net | | | 25,225 |
| Proceeds from sale of assets | 85 | 1,650 | |
| Capitalized costs and acquisitions of property, plant and equipment | (2,585) | (459) | (4,580) |
| Net cash provided by (used in) investing activities | $ (2,062) | $ 3,689 | $ 43,043 |
| Cash flows from financing activities: | | | |
| Proceeds from issuance of common stock, net of issue costs | 40,535 | | |
| Payments of notes payable and long term debt | | | (47,297) |
| Amounts drawn on DIP facility | | | 6,500 |
| Non-controlling interest contributions | | | 3,500 |
| Net cash (used in) provided by financing activities | $ 40,535 | $ | $ (37,297) |
| Net increase (decrease) in cash and cash equivalents | 21,698 | (12,071) | (8,103) |
| Cash and cash equivalents - beginning of period | 8,570 | 25,620 | 33,723 |
| Cash and cash equivalents - end of period | $ 30,268 | $ 13,549 | $ 25,620 |

See Note 14 for supplemental cash flow information.

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

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**GOLDEN MINERALS COMPANY**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)**

**(Expressed in United States dollars)**

**(Unaudited)**

| | Common Stock Shares | Common Stock Amount | Additional Paid-in Capital | Accumulated Deficit | Accumulated Other Comprehensive income (loss) | Noncontrolling Interest | Total Equity (Deficit) |
|---|---|---|---|---|---|---|---|
| | | | (in thousands except share data) | | | | |
| **(Predecessor)** | | | | | | | |
| **Balance, December 31, 2008** | **59,000,832** | **$ 590** | **$ 680,901** | **$ (880,020)** | **$ (551)** | **$ 150,792** | **$ (48,288)** |
| Stock compensation accrued. | | | 2,920 | | | | 2,920 |
| Ordinary Shares of Apex Silver Mines Limited to be canceled | (59,000,832) | (590) | (683,821) | | | | (684,411) |
| Unrealized loss on marketable equity securities | | | | | 940 | | 940 |
| Net income (loss) | | | | 231,599 | | 7,869 | 239,468 |
| Capital contributions | | | | | | 3,500 | 3,500 |
| Interest payable to non controlling interest | | | | | | 7,899 | 7,899 |
| Elimination of Predecessor accumulated deficit | | | | 648,421 | | | 648,421 |
| Elimination of Predecessor accumulated OCI | | | | | (389) | | (389) |
| Elimination of Predecessor Noncontrolling Interest | | | | | | (170,060) | (170,060) |
| **Balance, March 24, 2009** | | **$** | **$** | **$** | **$** | **$** | **$** |
| **(Successor)** | | | | | | | |
| Issuance of new equity in connection with emergence from Chapter 11 | 3,000,000 | $ 30 | $ 36,230 | $ | $ | $ | $ 36,260 |
| Stock compensation accrued, net of forfeitures | 242,500 | 2 | 1,664 | | | | 1,666 |
| Treasury shares acquired and retired | (3,885) | | (40) | | | | (40) |
| Unrealized gain on marketable equity securities | | | | | 154 | | 154 |
| Noncontrolling interest in mineral properties | | | | | | 794 | 794 |
| Net loss | | | | (20,276) | | | (20,276) |
| **Balance, December 31, 2009** | **3,238,615** | **$ 32** | **$ 37,854** | **$ (20,276)** | **$ 154** | **$ 794** | **$ 18,558** |
| Purchase of El Quevar noncontrolling interest | 400,000 | 4 | 790 | | | (794) | |
| Private placements, net | 1,749,759 | 18 | 12,965 | | | | 12,983 |
| Public offering, net. | 3,652,234 | 36 | 27,516 | | | | 27,552 |
| Stock compensation accrued | 255,750 | 3 | 1,856 | | | | 1,859 |
| Treasury shares acquired and retired | (25,072) | | (197) | | | | (197) |
| Unrealized loss on marketable equity securities | | | | | (141) | | (141) |
| Net loss | | | | (20,921) | | | (20,921) |
| **Balance, September 30, 2010** | **9,271,286** | **$ 93** | **$ 80,784** | **$ (41,197)** | **$ 13** | **$** | **$ 39,693** |

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

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**GOLDEN MINERALS COMPANY**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**(Expressed in United States dollars)**

**1. Basis of Preparation of Financial Statements and Nature of Operations**

Golden Minerals Company (the Company ), a Delaware corporation, has prepared these unaudited interim consolidated financial statements in accordance with the rules and regulations of the Securities and Exchange Commission ( SEC ). Such rules and regulations allow the omission of certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ( GAAP ), so long as such omissions do not render the financial statements misleading. Certain prior period amounts have been reclassified to conform to the current period presentation.

In the opinion of management, these financial statements reflect all adjustments that are necessary for a fair presentation of the financial results for the periods presented. These interim financial statements should be read in conjunction with the annual financial statements included in the 2009 Annual Report on Form 10-K.

The Company is primarily engaged in the exploration and advancement of its portfolio of exploration properties in South America and Mexico. The Company ceased providing operations management services to Sumitomo Corporation for the San Cristóbal mine effective June 30, 2010. The financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the normal course of business. However, the continuing operations of the Company are dependent upon its ability to raise sufficient capital and to generate future profitable operations. The underlying value and recoverability of the amounts shown as mineral properties in the consolidated balance sheet are dependent on the ability of the Company to continue to finance exploration and development activities that would lead to profitable production or proceeds from the disposition of the mineral properties. There can be no assurance that the Company will be successful in raising additional financing in the future on terms acceptable to the Company or at all.

Our Predecessor, Apex Silver Mines Limited ( ASML ), was the 65% owner and operator of the San Cristóbal silver and zinc mine in Bolivia. Upon emergence from Chapter 11 reorganization on March 24, 2009, the San Cristóbal mine was sold and the Company became the successor to ASML for purposes of reporting under the U.S. federal securities laws. References in this Form 10-Q to Successor refer to the accounts of the Company and its subsidiaries on or after March 25, 2009, the day following emergence from Chapter 11. References to Predecessor refer to the accounts of ASML and its subsidiaries prior to March 25, 2009.

**2. Discontinued Operations**

Results of operations of the San Cristóbal mine and related subsidiaries are presented as discontinued operations for the periods on the Consolidated Statements of Operations and Comprehensive Income (Loss) through March 24, 2009, the date the San Cristóbal mine and related subsidiaries were sold, including all direct financing related to the San Cristóbal mine. Additionally, costs incurred for management service fees that were previously eliminated upon consolidation have not been eliminated and are reflected as a cost of service between the discontinued operations and the Company.

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The results of discontinued operations for the period January 1, 2009 through March 24, 2009 are as follows (amounts in thousands):

| | | For The Period January 1, 2009 Through March 24, 2009 (in thousands) |
|---|---|---|
| **Revenue:** | | |
| Sale of concentrates, net | $ | 99,049 |
| | | |
| **Costs and expenses:** | | |
| Costs applicable to sales | | (59,955) |
| Management fee | | (1,350) |
| Asset retirement accretion expense | | (232) |
| Foreign currency gain | | 1,960 |
| Depreciation, depletion and amortization | | (10,527) |
| Total costs and expenses | | (70,104) |
| Income (loss) from operations | | 28,945 |
| | | |
| **Other income and expenses:** | | |
| Interest and other income | | 67 |
| Interest expense and other borrowing costs | | (22,233) |
| Total other income and expenses | | (22,166) |
| Income before income taxes | | 6,779 |
| Income taxes | | (2,523) |
| Income before sale of interest in subsidiaries | | 4,256 |
| | | |
| Loss on sale of interest in subsidiaries | | (8,409) |
| | | |
| **Loss from discontinued operations** | $ | (4,153) |

## 3. Significant Accounting Policies

*Recently Adopted Standards*

On January 1, 2010 the Company adopted the Accounting Standards Codification ( ASC ) guidance for consolidation accounting which was updated to require an entity to perform a qualitative analysis to determine whether the enterprise s variable interest gives it a controlling financial interest in a variable interest entity ( VIE ). This analysis identifies a primary beneficiary of a VIE as an entity that has both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impact the entity s economic performance and (ii) the obligation to absorb losses or receive benefits from the entity that could potentially be significant to the VIE. The updated guidance also requires ongoing reassessments of the primary beneficiary of a VIE. The Company currently has no VIEs.

*Recently Issued Pronouncements*

In January 2010, ASC guidance for fair value measurements and disclosure was updated to require additional disclosures related to: (i) transfers in and out of level 1 and 2 fair value measurements and (ii) enhanced detail in the level 3 reconciliation. The guidance was amended to provide clarity regarding the level of disaggregation required for assets and liabilities and the disclosures required for inputs and valuation techniques used to measure the fair value of assets and liabilities that fall in either level 2 or level 3. The updated guidance is effective for the Company s fiscal year beginning January 1, 2010, with the exception of the level 3 disaggregation which will be effective for the Company s fiscal year beginning January 1, 2011. The adoption had no impact on the Company s condensed consolidated financial position, results of operations or cash flows. Refer to Note 8 for further details regarding the Company s assets and liabilities measured at fair value.

**4. Investments**

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Short-term investments include investments with maturities greater than three months, but not exceeding 12 months, or highly liquid investments with maturities greater than 12 months that the Company intends to liquidate during the next 12 months for working capital needs.

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The Company determines the appropriate classification of its investments in debt and equity securities at the time of purchase and re-evaluates those classifications at each balance sheet date. Debt securities are classified as held to maturity when the Company has the intent and ability to hold the securities to maturity. Held to maturity debt securities are stated at amortized cost. Available for sale investments are marked to market at each reporting period with changes in value recorded as a component of other comprehensive income (loss). If declines in value are deemed other than temporary, a charge is made to net income (loss) for the period.

The following tables summarize the Company s investments at September 30, 2010 and December 31, 2009:

| **September 30, 2010** | **Cost** | **Estimated Fair Value (in thousands)** | **Carrying Value** |
|---|---|---|---|
| Investments: | | | |
| Short-term: | | | |
| Available for sale | | | |
| Common stock | $ 181 | $ 251 | $ 251 |
| Warrant to purchase common stock | 124 | 84 | 84 |
| Total available for sale | 305 | 335 | 335 |
| Total short term | $ 305 | $ 335 | $ 335 |

| **December 31, 2009** | **Cost** | **Estimated Fair Value (in thousands)** | **Carrying Value** |
|---|---|---|---|
| Investments: | | | |
| Short-term: | | | |
| Available for sale | | | |
| Common stock | $ 191 | $ 444 | $ 444 |
| Total available for sale | 191 | 444 | 444 |
| Total short term | $ 191 | $ 444 | $ 444 |

Quoted market prices at September 30, 2010 and December 31, 2009 were used to determine the estimated fair values of the above investments except for the warrant to purchase common stock. The fair value of the warrant to purchase common stock was determined using a Black-Scholes model with inputs based on quoted market price, historic volatilities, risk free interest rates and the life of the warrant (see Note 8).

*Credit Risk*

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument. For cash and cash equivalents and investments, the Company s maximum exposure to credit risk represents the carrying amount on the balance sheet. The Company attempts to mitigate credit risk for cash and cash equivalents and investments by placing its funds and investments with high credit-quality financial institutions, limiting the amount of exposure to each financial institution, monitoring the financial condition of the financial institutions and investing only in government and corporate securities rated investment grade or better. The Company invests with financial institutions that maintain a net worth of not less than $1.0 billion and are members in good standing of the Securities Investor Protection Corporation.

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**5. Prepaid expenses and other current assets**

Prepaid expenses and other current assets consist of the following:

| | September 30, 2010 | | December 31, 2009 | |
|---|---|---|---|---|
| | (in thousands) | | | |
| Prepaid insurance | $ | 333 | $ | 306 |
| Prepaid contractor fees and vendor advances | | 755 | | 191 |
| Deferred leasehold costs | | 182 | | 329 |
| Prepaid offering costs | | 50 | | 576 |
| Recoupable deposits and other | | 248 | | 685 |
| | $ | 1,568 | $ | 2,087 |

*September 30, 2010*

The prepaid contractor fees and vendor advances consist primarily of advance payments made to contractors and suppliers primarily at the El Quevar project in Argentina. Deferred leasehold costs are related to the Company s headquarters office lease in Golden, Colorado. The prepaid offering costs are related to fees incurred on the public offering of the Company s common stock completed in October of 2010 (see Note 15).

In addition, included in non-current assets is approximately $0.4 million of prepaid insurance on which amortization will be recognized through 2015.

*December 31, 2009*

The deferred leasehold costs are related to the Company s headquarters office lease in Golden, Colorado. Prepaid contractor fees and vendor advances consist primarily of advance payments made to contractors and suppliers for exploration related services. Prepaid offering costs are related to direct costs and fees associated with the then anticipated public offering of common stock that had not been completed at year-end 2009. These costs were netted against the proceeds from the offering in the first quarter 2010. Included in recoupable deposits and other is a $0.2 million receivable related to the sale of certain investments which settled January 4, 2010 and a $0.2 million recoupable deposit made to a firm providing legal services related to the reorganization that was returned to the Company during the first quarter 2010.

**6. Property, Plant and Equipment and Assets Held for Sale**

*Property, plant and equipment*

The components of property, plant and equipment are as follows:

| | September 30, 2010 | December 31, 2009 |
|---|---|---|
| | (in thousands) | |
| Exploration properties | $ 3,986 | $ 4,228 |
| Royalty properties | 1,207 | 1,207 |
| Buildings | 1,444 | 383 |
| Mining equipment and machinery | 2,609 | 1,984 |
| Other furniture and equipment | 692 | 601 |
| | 9,938 | 8,403 |
| Less: Accumulated depreciation | (854) | (629) |
| | 9,084 | 7,774 |

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*Assets Held for Sale*

The Company has obtained approval from its board of directors to sell its Paca Pulacayo property in Bolivia. The $0.9 and $0.8 million carrying value of the property is reflected in assets held for sale in the accompanying consolidated balance sheets at September 30, 2010 and December 31, 2009, respectively.  Completion of the transaction is subject to negotiation and execution of definitive agreements, approval of the Company s board of directors, consents and approvals of third parties including governmental entities and the TSX Venture Exchange, and other customary closing conditions.  The carrying value of the asset held for sale is adjusted at the end of each period per the guidance of ASC 360, Property, Plant and Equipment . According to ASC 360, a gain may be recorded in the current period to the extent of prior losses recognized. During the first nine months of 2010 the Company wrote up by approximately $0.1 million the carrying value of the property to its estimated sales price less selling costs, reflected in other operating income, expense on the accompanying consolidated statements of operations.

The Company is currently negotiating the sale of an airplane it owns in Bolivia and expects to complete the sale during the fourth quarter of 2010.  At September 30, 2010 the $0.4 million carrying value of the airplane was included in assets held for sale. During the quarter ended September 30, 2010 the Company wrote down the carrying value of the airplane by approximately $0.1 million to reflect the fair market value of the airplane based on the anticipated selling price per the guidance of ASC 360.

**7. Accounts Payable and Other Accrued Liabilities**

The Company s accounts payable and other accrued liabilities consist of the following:

| | September 30, 2010 | December 31, 2009 |
|---|---|---|
| | (in thousands) | |
| Accounts payable and accruals | $ 1,366 | $ 1,863 |
| Taxes payable | 3 | 22 |
| Accrued employee compensation and benefits | 1,305 | 543 |
| | $ 2,674 | $ 2,428 |

<u>*September 30, 2010*</u>

Accounts payable and accruals consist of $0.8 million related to exploration and corporate administrative activities and $0.6 million related to amounts due to contractors and suppliers at the El Quevar project.

Accrued employee compensation and benefits consist of $0.3 million related to withholding taxes and benefits payable, $0.9 million related to bonuses payable and $0.1 million of accrued vacation payable.

*December 31, 2009*

Accounts payable and accruals consist of $1.0 million related to exploration and corporate administrative activities and $0.9 million related to amounts due to contractors and suppliers.

Accrued employee compensation and benefits consist of $0.3 million related to withholding taxes and benefits payable and $0.2 million of accrued vacation payable.

**8. Fair Value Measurements**

Effective January 1, 2008, the Company adopted ASC 820, Fair Value Disclosure and Measurements, for the financial assets and liabilities and nonfinancial assets and liabilities which are measured at fair value on a recurring (annual) basis. ASC 820 establishes a framework for measuring fair value in the form of a fair value hierarchy which prioritizes the inputs into valuation techniques used to measure fair value into three broad levels. This hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. Further, financial assets and liabilities should be classified by level in their entirety based upon the lowest level of input that was significant to the fair value measurement. The three levels of the fair value hierarchy per ASC 820 are as follows:

**Level 1:** Unadjusted quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.

**Level 2:** Quoted prices in inactive markets for identical assets or liabilities, quoted prices for similar assets or liabilities in active markets, or other observable inputs either directly related to the asset or liability or derived principally from corroborated observable market data.

**Level 3:** Unobservable inputs due to the fact that there is little or no market activity. This entails using assumptions in models which estimate what market participants would use in pricing the asset or liability.

The following table summarizes the Company s financial assets at fair value at September 30, 2010, by respective level of the fair value hierarchy:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | | (in thousands) | | |
| Assets: | | | | |
| Cash equivalents | $ 30,268 | $ | $ | $ 30,268 |
| Short-term available for sale securities | 251 | | | 251 |
| Warrant to purchase common stock | | 84 | | 84 |
| | $ 30,519 | $ 84 | $ | $ 30,603 |

The Company s cash equivalents, comprised principally of U.S. treasury securities, are classified within Level 1 of the fair value hierarchy.

The Company s short-term available for sale securities are classified within Level 1 of the fair value hierarchy. These securities are comprised of common stock, which have been valued using quoted prices in active markets.

The Company s warrant to purchase common stock is classified within Level 2 of the fair value hierarchy. The fair value of the warrant to purchase common stock was determined using a Black-Scholes model with inputs based on quoted market price, historic volatilities, risk free interest rates and the life of the warrant.

**9. Income Taxes**

The Company, a Delaware corporation, and its subsidiaries file tax returns in the United States and in various foreign jurisdictions. The tax rules and regulations in these countries are highly complex and subject to interpretation. The Company s income tax returns are subject to examination by the relevant taxing authorities and in connection with such examinations, disputes can arise with the taxing authorities over the interpretation or application of certain tax rules within the country involved. The Company s total unrecognized tax benefits, representing uncertain tax positions taken or expected to be taken on tax returns, were $1.4 million as of September 30, 2010 and December 31, 2009, which resulted in a reduction to the Company s deferred tax assets as of September 30, 2010 and December 31, 2009.

For the nine months ended September 30, 2010, the Company incurred operating losses and recognized income tax of $1.5 million resulting from Bolivian withholding tax on management services provided in Bolivia. Based on the limited history of the Company, an estimated effective tax rate is not used to report the year-to-date results. For the period March 25, 2009 to September 30, 2009, the Company recognized tax expense of $0.5 million consisting of $0.7 million Bolivia withholding tax on management services, less $0.2 million tax benefits for losses which offset previously recognized deferred tax liabilities. The Predecessor recognized income tax of $0.2 million for the period January through March 24, 2009, also due to Bolivia withholding tax on management services, and income tax of $2.5 million is included in discontinued operations for the same period.

Deferred tax liabilities of $0.2 million exist as of September 30, 2010 and December 31, 2009, related to mineral properties owned by certain disregarded subsidiaries of the Company whose book basis exceed the respective US tax basis. The deferred tax liabilities are included in other long-term liabilities on the balance sheet.

The Company believes it has had a change of ownership for purposes of I.R.C. section 382 ( Sec. 382 ), effective March 19, 2010, due in part to its initial public offering during the year and issuance of new shares as a result of such offering. Sec. 382 establishes limits on the usage of US net operating losses generated by a company prior to a 50% change of shareholder ownership during a cumulative 3 year period. The Company has made a preliminary calculation of the loss

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limitation resulting from the change of ownership and has determined that such limitation did not result in the recognition of taxable income for the nine months ended September 30, 2010.

**10. Equity**

*Issuance of common stock for mineral property interest*

During January 2010 the Company acquired Hochschild Mining Group s ( Hochschild ) 35% interest in Minera El Quevar S.A. in exchange for 400,000 shares of the Company s common stock and a warrant to acquire 300,000 shares of the Company s common stock exercisable for three years at an exercise price of $15.00 per share. In accordance with ASC 810, Consolidations , the Company has reflected this transaction in equity with charges to common stock and additional paid in capital and the elimination of approximately $0.8 million of noncontrolling interest. No gain or loss was recognized on the transaction. With the completion of this transaction, the Company now owns or controls 100% of the concessions related to the El Quevar project.

*Public offering and private placements of the Company s common stock*

During January 2010 the Company completed a private placement of 844,694 shares of its common stock to two investment funds managed by The Sentient Group ( Sentient ), which includes 745,318 shares issued in the initial private placement plus an additional 99,376 shares issued upon exercise of Sentient s contractual pre-emptive right in order to maintain its 19.9% equity interest in the Company following completion of the Hochschild transaction. These shares were sold at a purchase price of Cdn$7.06 per share, resulting in net proceeds to the Company of approximately $5.5 million.

On March 24, 2010 the Company completed a public offering of 4,000,000 shares of common stock at an offering price of $8.50 per share. The Company sold 3,652,234 shares and a selling stockholder sold 347,766 shares. Concurrent with the public offering, Sentient exercised its existing pre-emptive right and purchased in a private placement pursuant to Regulation S under the U.S. Securities Act of 1933 an additional 905,065 shares of common stock at the public offering price of $8.50 per share. The aggregate net proceeds to the Company from the sale of the shares in the public offering and the sale of the shares to Sentient was approximately $35.0 million after deducting underwriting discounts, commissions and expenses.

During October 2010, the company completed an additional public offering and private placement of its common stock as discussed in Note 15.

*Equity Incentive Plans*

In April 2009, the Company adopted the 2009 Equity Incentive Plan (the Equity Plan ) pursuant to which awards of the Company s common stock may be made to officers, directors, employees, consultants and agents of the Company and its subsidiaries. The Company recognizes stock-based compensation costs using a graded vesting attribution method whereby costs are recognized over the requisite service period for each separately vesting portion of the award.

The following table summarizes the status of the Company s restricted stock grants issued under the Equity Plan at September 30, 2010 and changes during the nine months then ended:

| **Restricted Stock Grants** | **Number of Shares** | | **Weighted Average Grant Date Fair Value Per Share** |
|---|---|---|---|
| Outstanding at December 31, 2009 | 230,000 | $ | 10.75 |
| Granted during the period | 259,750 | | 8.00 |
| Restrictions lifted during the period | (134,000) | | 10.52 |
| Forfeited during the period | (4,000) | | 8.73 |
| Outstanding at September 30, 2010 | 351,750 | $ | 8.83 |

One third of the restricted stock granted during the period will vest on each of the first, second and third anniversaries of the grant date, provided the officer or employee continues to serve the Company at that time. Included in the shares for which the restrictions lifted during the period were 24,000 shares for which the lifting of the restriction was accelerated related to severance benefits for five terminated employees. For the period January 1, 2010 through September 30, 2010 the Company recognized approximately $1.5 million of compensation expense related to the restricted stock grants and the

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Company expects to recognize additional compensation expense related to these awards of approximately $1.5 million over the next two and a half years.

The following table summarizes the status of the Company s stock option grants issued under the Equity Plan at September 30, 2010 and changes during the nine months then ended:

| **Equity Plan Options** | **Number of Shares** | | **Weighted Average Exercise Price Per Share** |
|---|---|---|---|
| Outstanding at December 31, 2009 | | $ | |
| Granted during period | 136,810 | | 8.01 |
| Forfeited or expired during period | | | |
| Exercised during period | | | |
| Outstanding at September 30, 2010 | 136,810 | | 8.01 |
| | | | |
| Exercisable at end of period | | | |
| Granted and expected to vest | 131,693 | | 8.01 |

One third of the options granted during the period will vest on each of the first, second and third anniversaries of the grant provided the officer, director or employee is still employed by the Company at that time. For the period January 1, 2010 through September 30, 2010 the Company recognized approximately $0.2 million of compensation expense related to the option grants and the Company expects to recognize additional compensation expense related to these awards of approximately $0.4 million over the next 32 months.

Also, pursuant to the Equity Plan, the Company s board of directors adopted the Non-Employee Director s Deferred Compensation and Equity Award Plan (the Deferred Compensation Plan ). Pursuant to the Deferred Compensation Plan the non-employee directors receive a portion of their compensation in the form of Restricted Stock Units ( RSUs ) issued under the Equity Plan. The RSUs vest on the first anniversary of the grant and each vested RSU entitles the director to receive one unrestricted share of common stock upon the termination of the director s board service.

The following table summarizes the status of the RSU grants issued under the Deferred Compensation Plan at September 30, 2010 and changes during the nine months then ended:

| **Restricted Stock Units** | **Number of Underlying Shares** | | **Weighted Average Grant Date Fair Value Per Share** |
|---|---|---|---|
| Outstanding at December 31, 2009 | 25,000 | $ | 10.92 |
| Granted during the period | 21,555 | | 8.12 |
| Restrictions lifted during the period | | | |
| Forfeited during the period | | | |
| Outstanding at September 30, 2010 | 46,555 | $ | 9.62 |

For the period January 1, 2010 through September 30, 2010 the Company recognized approximately $0.1 million of compensation expense related to the RSU grants and expects to recognize additional compensation expense related to these RSUs of approximately $0.1 million over the next 8 months.

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**11. Noncontrolling Interest**

On January 1, 2009 the Company adopted certain provisions of ASC 810 related to the presentation of noncontrolling interest, previously called a minority interest. A noncontrolling interest is the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent.

At December 31, 2009 the major concessions at the Company s El Quevar project were within a jointly owned subsidiary of which the Company held a 65% interest and Hochschild held the remaining 35%. At December 31, 2009 Hochschild s 35% interest was reflected in the consolidated balance sheets as a noncontrolling interest of $0.8 million and was included as a component of total equity. In January 2010 the Company purchased Hochschild s 35% interest in Minera El Quevar S.A. for stock and warrants (see Note 10). As of September 30, 2010 the Company has no noncontrolling interests.

The following schedule sets forth the amounts of income from continuing operations and discontinued operations attributable to the Successor s and Predecessor s shareholders:

| | Nine Months Ended September 30, 2010 | For The Period March 25, 2009 Through September 30, 2009 | For The Period January 1, 2009 Through March 24, 2009 |
|---|---|---|---|
| | (Successor) | (in thousands) | (Predecessor) |
| Amounts attributable to Golden Minerals common stockholders and Predecessor s ordinary shareholders: | | | |
| Income (loss) from continuing operations | $ (20,821) | $ (13,314) | $ 243,621 |
| Loss from discontinued operations | | | (12,022) |
| Net income (loss) | $ (20,821) | $ (13,314) | $ 231,599 |

**12. Revenue and Cost of Services**

The Company was party to a Management Agreement with Sumitomo under which it provided certain management services with respect to the San Cristóbal mine. The Management Agreement terminated effective June 30, 2010 as discussed below. The Management Agreement provided for an annual fee of $11.4 million which included approximately $5.4 million that constituted reimbursement for direct administrative expenses the Company incurred on behalf of the San Cristóbal mine. Under the terms of the Management Agreement, the Company received the fee and any reimbursements net of any Bolivian withholding taxes. The fee and reimbursements for administrative costs and Bolivian withholding taxes are reported as Revenue from Services in the statement of operations following the guidance of ASC 605, Revenue Recognition regarding income statement characterization of reimbursements received for out-of-pocket expenses incurred and reporting revenue gross as a principal versus net as an agent . ASC 605 supports recording as gross revenue fees received for the reimbursement of expenses in situations where the recipient is the primary obligor and has certain discretion in the incurrence of the reimbursable expense. The actual costs incurred for the reimbursed direct administrative expenses are reported as costs of services in the statement of operations. Reimbursed Bolivian withholding taxes are reported as income taxes in the statement of operations. Prior to entering into the Management Agreement, ASML received a management fee of $450,000 per month from San Cristóbal to cover certain costs incurred directly by ASML.

For the first six months of 2010, through the June 30, 2010 termination of the agreement, the Company recorded $6.2 million as revenue related to the Management Agreement, comprised of $5.4 million of fees and $0.8 million for reimbursed withholding taxes. The Company also recorded corresponding charges of $2.5 million to cost of services and $0.8 million to income taxes for the actual administrative costs and withholding taxes reimbursable under the Management Agreement.

The Company and Sumitomo agreed to terminate the Management Agreement effective June 30, 2010, six months earlier than provided by the terms of the agreement.  As a result of the termination the Company received a $4.3 million termination fee comprised of $2.8 million in lieu of the performance of services by the Company for the final two quarters of 2010 and waiver of Sumitomo s 6-month notice requirement, $1.0 million for a termination payment (as provided in the Management Agreement) and approximately $0.5 million for a performance bonus for the first two quarters of 2010.  The termination fee proceeds were partially offset by the return of prepaid administration fees for services not performed through June 30, 2010 of approximately $1.1 million resulting in a net payment from Sumitomo of $3.2 million received on

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June 30, 2010. As a result of the termination we recognized additional revenue of $4.9 million, comprised of the $4.3 million of termination fees as discussed above and $0.6 million for reimbursed withholding taxes.

For the quarter ended September 30, 2010 the Company recorded approximately $0.1 million of additional revenue and minimal amounts to cost of services and income taxes related to certain final services completed under the agreement.

**13. Commitments and Contingencies**

As previously disclosed, the Predecessor concluded, based on the results of an internal investigation conducted under the direction of its Audit Committee in late 2005 and early 2006, that certain former senior employees of one of its South American subsidiaries were involved in making impermissible payments of approximately $125,000 to government officials in 2003 and 2004. The Predecessor contacted the Department of Justice ( DOJ ) and SEC during 2006 and reported the results of the internal investigation and was informed that the SEC and DOJ would commence investigations with respect to these matters, including possible violations of the Foreign Corrupt Practices Act. Subsequently, the Predecessor and then the Company entered into discussions with the SEC staff concerning a settlement of the conduct subject to the SEC s investigation. As a result, the Company reached an agreement in principle with the SEC staff which, if approved by the Commission, would resolve this matter with the SEC. Under the terms of the proposed settlement, the Company, on neither an admit nor deny basis, would agree to the entry of an administrative cease and desist order prohibiting the Company from future violations of Sections 13(b)(2)(A), 13(b)(2)(B) and 30A of the Securities Exchange Act of 1934. Moreover, under the terms of the proposed settlement, the SEC staff would not recommend that the Commission require the payment of disgorgement, civil money penalties, prejudgment interest or the appointment of a corporate monitor. The proposed settlement is subject to Commission approval. The Company cannot guarantee that the Commission will ultimately accept the terms of the proposed settlement.

In August 2009, the DOJ informed the Company that it has closed its investigation based on, among other things, the Company s pending settlement with the Commission.

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**14. Supplemental Cash Flow Information**

The following table reconciles net income (loss) for the period to cash from operations:

| | Nine Months Ended September 30, 2010 (Successor) | For The Period March 25, 2009 Through September 30, 2009 | For The Period January 1, 2009 Through March 24, 2009 (Predecessor) |
|---|---|---|---|
| | | (in thousands) | |
| Cash flows from operating activities: | | | |
| Net (loss) income before noncontrolling interests | $ (20,921) | $ (13,314) | $ 239,468 |
| Adjustments to reconcile net income (loss) to net cash used in operating activities: | | | |
| Amortization and depreciation | 751 | 384 | 10,977 |
| Accretion of asset retirement obligation | | | 232 |
| Amortization of premiums and discounts | | | 37 |
| Mark-to-market loss on derivative positions | | | 36 |
| Gain on sale of marketable securities | (131) | | |
| Fair value of stock/warrants received for mineral rights | (423) | (168) | |
| Loss (gain) on sale of assets, net | (64) | 167 | |
| Loss on auction rate security investments | | 2,199 | 828 |
| Income tax provision | 91 | | |
| Gain on extingushment of debt | | | (248,165) |
| Loss (gain) on sale of interest in subsidiary | | | 8,409 |
| Fresh start accounting adjustment | | | (9,122) |
| Treasury shares acquired and retired | (197) | | |
| Stock compensation | 1,859 | 1,219 | 2,920 |
| Changes in operating assets and liabilities: | | | |
| (Increase) decrease in trade accounts receivable | 1,460 | (26) | (11,893) |
| (Increase) decrease in accrued interest receivable | | 152 | 84 |
| Port fees applied to Port of Mejillones note receivable | | | 709 |
| (Increase) decrease in prepaid expenses and other assets | 552 | (674) | 6,063 |
| Increase in inventories | | | (12,000) |
| Increase in value added tax recoverable, net | | | (11,696) |
| Increase in accrued interest payable | | | 11,496 |
| Increase (decrease) in deferred revenue | | | (3,227) |
| Increase (decrease) in accounts payable and accrued liabilities net of amounts capitalized | 250 | (5,897) | 2,462 |
| Increase (decrease) in deferred leasehold payments | (41) | 441 | |
| Decrease in deferred taxes, net | (26) | (227) | (2,262) |
| Other increase (decrease) | 65 | (16) | 795 |
| Net cash used in operating activities | $ (16,775) | $ (15,760) | $ (13,849) |

The following table sets forth supplemental cash flow information and non-cash transactions:

| | Nine Months Ended September 30, 2010 | For The Period March 25, 2009 Through September 30, 2009 | For The Period January 1, 2009 Through March 24, 2009 |
|---|---|---|---|
| | (Successor) | | (Predecessor) |
| | | (in thousands) | |
| Supplemental disclosure of non-cash transactions: | | | |
| Initial measurement of asset retirement obligation | $ | $ | $ 288 |
| Mineral rights acquired with common stock and warrants | $ 794 | $ | $ |

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**15. Subsequent Events**

*Public offering and private placements of the Company s common stock*

On October 22, 2010, the Company closed a public offering of 4,663,250 shares of its common stock, which includes 608,250 shares issued to the underwriters upon exercise in full of their over-allotment option. All of the shares were sold at a price per share of $18.50. Concurrent with the public offering, Sentient purchased in a private placement pursuant to Regulation S under the Securities Act of 1933 an additional 1,190,031 shares of the Company s common stock at the public offering price of $18.50, increasing its ownership percentage to 19.9% (excluding restricted common stock held by employees). The aggregate net proceeds to the Company from the public offering and the Sentient private placement was approximately $103.0 million, net of offering costs of approximately $0.8 million, the underwriting discount of approximately $4.3 million, and the placement agent commission of approximately $0.2 million.

Following is an unaudited, condensed consolidated pro-forma balance sheet that was prepared as if the public offering and private placement had been completed on September 30, 2010. Actual amounts recorded may vary from these pro-forma amounts pending a final determination of costs associated with the offering. These unaudited condensed consolidated pro forma financial statements should be read in conjunction with our historical financial statements as of September 30, 2010 included in this Form 10-Q.

**Golden Minerals Company**

**Condensed Consolidated Pro-Forma Balance Sheet**

**September 30, 2010**

**(Expressed in United States dollars)**

**(Unaudited)**

| | Historical Amounts | Pro-Forma Adjustments to Reflect the Public Offering And Private Placement | Note | Pro-Forma Amounts |
|---|---|---|---|---|
| | (in thousands, except share data) | | | |
| **Assets** | | | | |
| Current assets | | | | |
| Cash and cash equivalents | $ 30,268 | $ 103,002 | (a) | $ 133,270 |
| Investments | 335 | | | 335 |
| Prepaid expenses and other assets | 1,568 | (50) | (b) | 1,518 |
| Total current assets | 32,171 | 102,952 | | 135,123 |
| | | | | |
| Property, plant and equipment, net | 9,084 | | | 9,084 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Assets held for sale | | 1,316 | | | | | 1,316 |
| Prepaid expenses and other assets | | 447 | | | | | 447 |
| Total assets | $ | 43,018 | $ | 102,952 | | $ | 145,970 |
| | | | | | | | |
| **Liabilities and Equity** | | | | | | | |
| | | | | | | | |
| Current liabilities | | | | | | | |
| Accounts payable and other accrued liabilities | $ | 2,674 | $ | (50) | (b) | $ | 2,624 |
| Other current liabilities | | 67 | | | | | 67 |
| Total current liabilities | | 2,741 | | (50) | | | 2,691 |
| Long term liabilities | | 584 | | | | | 584 |
| Total liabilities | | 3,325 | | (50) | | | 3,275 |
| Equity (Note 10) | | | | | | | |