

UNITED STATES ANTIMONY CORP  
Form 10-K  
March 30, 2016

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2015

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

For the transition period

to

Commission file number 001-08675

UNITED STATES ANTIMONY CORPORATION  
(Exact name of registrant as specified in its charter)

Montana  
(State or other jurisdiction of incorporation  
or organization)

81-0305822  
(I.R.S. Employer Identification No.)

P.O. Box 643, 59873  
Thompson Falls,  
Montana  
(Address of principal executive  
offices) (Zip Code)

Registrant's telephone number, including area code: (406) 827-3523

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, par value \$.01 per share

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-K contained in this form and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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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 “small reporting company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="radio"/>	Accelerated Filer	<input type="radio"/>
Non-Accelerated Filer	<input type="radio"/>	Smaller reporting company	<input checked="" type="radio"/>

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

The aggregate market value of the voting stock held by non-affiliates of the registrant, based on the average bid price of such stock, was \$31,817,284 as of June 30, 2015.

At March 30, 2016, the registrant had 66,316,278 outstanding shares of par value \$0.01 common stock.

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UNITED STATES ANTIMONY CORPORATION  
2014 ANNUAL REPORT

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## CHAIRMAN'S LETTER

Dear Shareholders:

In 2015, we concluded a major addition to our smelting capacity at Madero, Mexico with the addition of a large furnace (LRF) and five smaller furnaces (SRFs) to process high grade concentrates. The additional smelting capacity enabled us to achieve record sales of antimony for the year. Most of the plant was dedicated to processing Australian concentrates, and we processed minimal raw material from our Mexican properties. The replacement of propane with natural gas at the Madero smelter is saving 75% of the cost of fuel. We also saw a major increase in zeolite sales for 2015, setting a record for tons of zeolite sold. During 2015, we perfected our method of recovering gold from antimony concentrates from Australia, and during the first quarter of 2016, we began selling gold to a refinery. This process will be applicable to the concentrates from the Los Juarez mining property. Our progress in production and sales was offset by a continued slide in the price of antimony which has continued since 2011. In 2015, we purchased the Guadalupe mining property that will produce a high-grade concentrate that can be sold to the friction brake industry or used to make ordnance. Both products will sell for premium prices. In the third quarter of 2015, Hillgrove and supply enough concentrates to Mines Pty Ltd, suspended mining operations in Australia. We were notified that they would continue milling operations keep the LRF running through the end of 2016. In addition, USAMSAS will be allowed to use the Hillgrove furnace capacity for USAC's Mexican properties while Hillgrove explores for higher grade ore. We will ramp up production with smelter feed from Guadalupe, Wadley, Soyatal, and Los Juarez.

An all-time sales record for antimony of 2,487,321 pounds was achieved in 2015. The gross revenue from all sources of antimony for 2015 was \$9,863,933, and the loss was \$1,349,934, which included \$711,345 of depreciation and amortization. The loss was primarily due to:

A drop in the price of antimony for the year of \$0.75 per pound from \$4.71 in 2014 to \$3.96 in 2015.

Holding costs of \$1,086,440 or \$0.44 per pound due to 1) solving a metallurgical issue which delayed production at our Los Juarez silver-antimony-gold property and its associated Puerto Blanco mill, and 2) fixed cost agreements for mining properties that are idle until we need more raw material.

An all-time sales record for zeolite of 15,901 tons was achieved in 2015. Even though the average price per ton decreased by approximately \$22, we achieved record sales of \$2,753,644. The net income for zeolite was \$511,403, which was after \$221,441 of depreciation.

Management has been working to increase production and reduce costs as follows:

1. An all-out effort is being made to bring the Los Juarez gold-silver-antimony property into production. This includes the shake-down of the leach plant at Madero and detailed flotation testing to determine whether a cyanide circuit is necessary. A shallow reconnaissance drilling program indicates a global average grade of 0.057 ounces (1.432 grams) gold, 2.43 ounces (75.24 grams) silver per metric ton, and 0.343% antimony. The gross value is \$125 per ton based on gold at \$1,230 per ounce, silver at \$15 per ounce, and antimony at \$2.45 per pound. USAC claims no reserves at Los Juarez per SEC definitions, and the drilling does not comply with Canadian NI 43-101.
2. We are focused on reducing the holding costs ("Mexico excess production costs") for Los Juarez, Wadley, Soyatal, Guadalupe, and the Puerto Blanco mill, which included a write-down to market value of significant concentrates and direct shipping ore (DSO) mined in 2013 and 2014 at Wadley, Soyatal, and other properties. These costs are included in our production costs and have a severe impact on profitability. The Mexico excess non-production costs amounted to \$0.98 per pound of antimony produced in Mexico in 2015 and \$1.17 per pound in 2014. When considered for the total antimony production of the Company as a whole, they amounted to \$0.44 per pound in 2015 and \$0.40 per pound

in 2014.

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3. The Mexican furnace capacity has been limited to the processing of Australian concentrates. Within 60 days, production from the Mexican properties will be resumed which will reduce the “Mexican excess production costs” and liquidate inventory.
4. At the Wadley, the holding costs have been reduced \$69,600 per year, the mine grade is being raised from a minimum of 25% to a minimum of 35%, and the purchase price of the ore has been adjusted to a significantly lower price indexed to Rotterdam. Wadley is expected to be the largest Mexican producer of antimony by the end of this year.
5. The Soyatal property continues to produce 30% concentrates from legacy mine dumps that contain from 4.5 to 9% antimony. The dumps are substantial and will provide a low cost feed with no mining costs.
6. The Guadalupe mine has been on care and maintenance, but production will resume in the second quarter.

Following is the outlook for 2016:

1. We are planning to increase the 2016 production of antimony with feed from Canada, Australia, and Mexico.
2. We hope to maintain this growth trajectory with returns from working down our Mexican concentrate inventories, the cash flow from increased antimony production, and the Bear River Zeolite profits.
3. A metallurgical issue related to the Los Juarez silver-antimony-gold property was solved in late 2015 that will allow us to start processing the Los Juarez concentrates in 2016.

USAC is an international, vertically-integrated company that provides antimony and zeolite from the mine to end users around the world. The Company has significant sources of raw materials and has always been a reliable domestic and international supplier. Our mission is to dominate the domestic antimony market.

Sincerely, John Lawrence  
CEO and Chairman



HIGHLIGHTS 2015

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All-Time Record Production

Antimony Sales in Pounds	2011	2012	2013	2014	2015
USA	1,179,973	103,114	931,789	1,141,436	1,381,971
Mexico	221,450	372,046	647,393	596,368	1,105,350
Total Sale in Pounds	1,401,423	1,403,210	1,579,182	1,727,804	2,487,321
Total sales in Dollars	\$ 10,406,636	\$ 8,753,449	\$ 8,375,158	\$ 8,132,410	\$ 9,863,933
Average price per pound	\$7.43	\$6.24	\$530.00	\$4.71	\$3.97

Precious Metal Sales

Precious Metals Sales					
Silver/Gold					
Montana	2011	2012	2013	2014	2015
Ounces Gold Shipped (Au)	161.71	102.32			