

LIGHTBRIDGE Corp
Form 10-Q
November 14, 2017

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, 2017**

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: **001-34487**

LIGHTBRIDGE CORPORATION

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction)

91-1975651
(I.R.S. Empl.)

of incorporation or organization)

Ident. No.)

11710 Plaza America Drive, Suite 2000

Reston, VA 20190

(Address of principal executive offices, Zip Code)

(571) 730-1200

(Registrant's telephone number, including area code)

(Former Name, Former Address and Former Fiscal Year if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has 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 x 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 x No "

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

Large Accelerated Filer	..	Accelerated Filer	..
Non-Accelerated Filer	..	Smaller reporting company	x
(Do not check if a smaller reporting company)		Emerging growth company	..

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

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

The number of shares outstanding of the issuer's common stock, as of October 26, 2017 is as follows:

Class of Securities	Shares Outstanding
Common Stock, \$0.001 par value	11,497,153

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Lightbridge Corporation
Condensed Consolidated Balance Sheets

	September 30, 2017 (Unaudited)	December 31, 2016
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 4,214,386	\$ 3,584,877
Restricted cash	114,077	114,012
Accounts receivable - project revenue and reimbursable project costs	15,136	388,434
Prepaid expenses and other current assets	97,567	80,933
Deferred financing costs, net	491,168	491,168
Total Current Assets	4,932,334	4,659,424
Other Assets		
Patent costs	1,319,718	1,160,465
Deferred financing costs, net	614,072	982,486
Total Other Assets	1,933,790	2,142,951
Total Assets	\$ 6,866,124	\$ 6,802,375
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,328,393	\$ 1,216,321
Total Current Liabilities	1,328,393	1,216,321
Long-Term Liabilities		
Deferred lease abandonment liability	-	28,464
Total Liabilities	1,328,393	1,244,785
Commitments and Contingencies – Note 4		
Stockholders' Equity		
Preferred stock, \$0.001 par value, 10,000,000 authorized shares, convertible Series A preferred shares, 1,020,000 shares issued and outstanding at September 30, 2017 and December 31, 2016.	1,020	1,020

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Common stock, \$0.001 par value, 100,000,000 authorized, 11,426,754 shares and 9,911,864 shares issued and outstanding as of September 30, 2017 and December 31, 2016, respectively

	11,427	7,112
Additional paid-in capital	91,358,420	86,266,075
Accumulated deficit	(85,833,136)	(80,716,617)
Total Stockholders' Equity	5,537,731	5,557,590
Total Liabilities and Stockholders' Equity	\$ 6,866,124	\$ 6,802,375

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

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Lightbridge Corporation

Unaudited Condensed Consolidated Statements of Operations

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue:				
Consulting Revenue	\$ 15,136	\$ 83,219	\$ 165,046	\$ 372,142
Cost of Consulting Services Provided	9,364	43,919	99,027	174,281
Gross Margin	5,772	39,300	66,019	197,861
Operating Expenses				
General and administrative	1,149,847	1,106,125	3,329,440	3,311,488
Research and development	458,663	441,874	1,468,650	1,450,954
Total Operating Expenses	1,608,510	1,547,999	4,798,090	4,762,442
Operating Loss	(1,602,738)	(1,508,699)	(4,732,071)	(4,564,581)
Other Income and (Expenses)				
Warrant revaluation	-	78,442	-	1,643,941
Warrant modification expense	-	-	-	(129,369)
Investment income	18	19	61	294
Financing costs	(130,828)	(73,279)	(384,509)	(85,650)
Other expenses	-	-	-	(62)
Total Other Income and (Expenses)	(130,810)	5,182	(384,448)	1,429,154
Net loss before income taxes	(1,733,548)	(1,503,517)	(5,116,519)	(3,135,427)
Income taxes	-	-	-	-
Net loss	\$ (1,733,548)	\$ (1,503,517)	\$ (5,116,519)	\$ (3,135,427)
Accumulated preferred stock dividend	(49,000)	(32,667)	(147,000)	(32,667)
Deemed dividend on convertible preferred stock, due to beneficial conversion feature	-	(581,300)	-	(581,300)
Net loss attributable to common stockholders	(1,782,548)	(2,117,484)	(5,263,519)	(3,749,394)
Net Loss Per Common Share, Basic and Diluted	\$ (0.16)	\$ (0.44)	\$ (0.53)	\$ (0.91)

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Weighted Average Number of Common Shares Outstanding	10,836,115	4,804,044	9,968,425	4,105,107
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The accompanying notes are an integral part of these condensed consolidated financial statements

Table of Contents**Lightbridge Corporation****Unaudited Condensed Consolidated Statements of Cash Flows**

	Nine Months Ended September 30,	
	2017	2016
Operating Activities:		
Net Loss	\$ (5,116,519)	\$ (3,135,427)
Adjustments to reconcile net loss from operations to net cash used in operating activities:		
Stock-based compensation	598,485	943,424
Amortization of deferred financing cost	368,414	68,590
Abandonment loss	109,752	-
Warrant modification expense	-	129,369
Warrant revaluation	-	(1,643,941)
Changes in operating working capital items:		
Accounts receivable - fees and reimbursable project costs	373,298	56,578
Prepaid expenses and other assets	(16,634)	32,807
Accounts payable and accrued liabilities	164,302	(161,359)
Deferred lease abandonment liability	(68,726)	(198,891)
Net Cash Used In Operating Activities	(3,587,628)	(3,908,850)
Investing Activities:		
Patent costs	(159,253)	(171,177)
Net Cash Used In Investing Activities	(159,253)	(171,177)
Financing Activities:		
Net proceeds from the issuance of common stock	4,376,455	3,631,689
Net proceeds from the issuance of preferred stock	-	2,800,000
Proceeds from the issuance of note payable	-	135,000
Repayment of note payable	-	(107,623)
Restricted cash	(65)	211,842
Net Cash Provided by Financing Activities	4,376,390	6,670,908
Net Increase In Cash and Cash Equivalents	629,509	2,590,881
Cash and Cash Equivalents, Beginning of Period	3,584,877	623,184
Cash and Cash Equivalents, End of Period	\$ 4,214,386	\$ 3,214,065
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest paid	\$ -	\$ 2,269
Income taxes paid	\$ -	\$ -