

VISTA GOLD CORP
Form 10-K
March 17, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2013

OR

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: 001-9025

VISTA GOLD CORP.

(Exact Name of Registrant as Specified in its Charter)

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(Exact Name of Registrant as Specified in its Charter)r

British Columbia

98-0542444

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

Suite 5, 7961 Shaffer Parkway

Littleton, Colorado

80127

(Address of Principal Executive Offices)

(Zip Code)

(720) 981-1185

(Registrant's Telephone Number, including Area Code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class

Name of Each Exchange on Which Registered

Common Shares without par value NYSE MKT

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes Nox

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes Nox

Indicate by checkmark whether the registrant (1) 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

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 (§ 229.405 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 checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part II of this Form 10-K or any amendment to the Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "Accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

Large Accelerated Filer Accelerated Filer ☒ Non-Accelerated Filer Smaller Reporting Company

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$79,335,170

The number of shares of the Registrant's Common Stock outstanding as of March 5, 2014 was 82,275,217.

Documents incorporated by reference: To the extent herein specifically referenced in Part III, portions of the Registrant's Definitive Proxy Statement on Schedule 14A for the 2014 Annual General Meeting of Shareholders are incorporated herein. See Part III.

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CAUTIONARY NOTE TO U.S. INVESTORS REGARDING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES AND PROVEN AND PROBABLE RESERVES

The terms “mineral reserve”, “proven mineral reserve” and “probable mineral reserve” are Canadian mining terms as defined in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) and the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) – CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the “CIM Definition Standards”). These definitions differ from the definitions in the United States Securities and Exchange Commission (“SEC”) Industry Guide 7 (“SEC Industry Guide 7”) under the United States Securities Act of 1933, as amended (the “Securities Act”). Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves, and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of a mineral deposit in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this report and the documents incorporated by reference herein contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

The term “mineralized material” as used in this annual report on Form 10-K, although permissible under SEC Industry Guide 7, does not indicate “reserves” by SEC Industry Guide 7 standards. We cannot be certain that any part of the mineralized material will ever be confirmed or converted into SEC Industry Guide 7 compliant “reserves”. Investors are cautioned not to assume that all or any part of the mineralized material will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

CAUTIONARY NOTE TO ALL INVESTORS CONCERNING ECONOMIC ASSESSMENTS THAT INCLUDE
INFERRED RESOURCES

Mineral resources that are not mineral reserves have no demonstrated economic viability. The preliminary assessment on the Guadalupe de los Reyes gold/silver project is preliminary in nature and includes “inferred mineral resources” that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary assessment at the Guadalupe de los Reyes gold/silver project will ever be realized.

GLOSSARY

“acanthite” is a low-temperature modification of silver sulfide.

“acid rock drainage (ARD)” results from the interaction of meteoric water with oxidizing sulfide minerals.

“arsenopyrite” means an iron arsenic sulfide. It is the most common arsenic mineral and the primary ore of arsenic metal.

“assay” means to test ores or minerals by chemical or other methods for the purpose of determining the amount of valuable metals contained.

“bedding” means the characteristic structure of sedimentary rock in which layers of different composition, grain size or arrangement are layered one on top of another in a sequence with oldest on the bottom and youngest at the top.

“bismuthinite” means a mineral consisting of bismuth sulfide; it is an ore for bismuth.

“breccia” means rock consisting of fragments, more or less angular, in a matrix of finer-grained material or of cementing material.

“chalcopryrite” means a brass-yellow colored sulfide of copper and iron. It is a copper mineral.

“claim” means a mining title giving its holder the right to prospect, explore for and exploit minerals within a defined area.

“clastic” refers to sedimentary rock (such as shale or siltstone) or sediment. An accumulation of transported weathering debris.

“comminution” means the process in which solid materials are broken into small fragments by crushing, grinding, and other processes.

“conglomerate” refers to clastic sedimentary rock that contains large (greater than two millimeters in diameter) rounded particles. The space between the pebbles is generally filled with smaller particles and/or a chemical cement that binds the rock together.

“cut-off grade” means the grade below which mineralized material or ore will be considered waste.

“deposit” is an informal term for an accumulation of mineralized material.

“diamond drill” means a rotary type of rock drill that uses a diamond impregnated bit to cut a core of rock, which is recovered in long, cylindrical sections, two centimeters or more in diameter.

“epithermal” refers to a type of lode deposit containing economic concentrations of gold, silver and, in some cases, base metals such as copper, lead and zinc.

“exploration stage enterprise” refers to an issuer engaged in the search for mineral deposits (reserves) which are not in either the development or production stage, per SEC Industry Guide 7. A development stage enterprise is engaged in the preparation of an established, commercially minable deposit (reserve) which is not in the production stage. A production stage enterprise is engaged in the exploitation of commercially mineral deposits (reserves).

“facies” means the characteristics of a rock mass that reflects its depositional environment.

“fault” means a fracture in rock along which there has been displacement of the two sides parallel to the fracture.

“feasibility study” is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of realistically assumed mining, processing, metallurgical, economic, marketing, legal,

environmental, social and governmental considerations together with any other relevant operational factors and detailed financial analysis, that are necessary to demonstrate at the time of reporting that extraction is reasonably justified or economically mineable.

“felsic” is a term used to describe an igneous rock that has a large percentage of light-colored minerals such as quartz, feldspar and muscovite. Felsic rocks are generally rich in silicon and aluminum and contain only small amounts of magnesium and iron.

“ferruginous” means containing iron oxides or rust.

“fire assay” is a type of precious metal assay, which results in destruction of the precious metal, but provides the most accurate assay information.

“foliation” means planar arrangement of structural or textural features in any rock type.

“fold” is a bend or flexure in a rock unit or series of rock units caused by crust movements.

“g Au/tonne” or “g Au/t” means grams of gold per tonne.

“galena” means a lead sulfide mineral commonly found in hydrothermal veins; it is the primary ore of lead and is often mined for its silver content.

“geosyncline” means a major trough or downwarp of the Earth’s crust, in which great thicknesses of sedimentary and/or volcanic rocks have accumulated.

“granitoid” means a variety of coarse grained plutonic rock similar to granite, which are composed predominantly of feldspar or quartz.

“greywackes” means fine-ground sandstone generally characterized by its hardness, dark color and poorly sorted angular grains of

quartz, feldspar and small rock fragments set in a compact, clay-fine matrix.

“heap leach” means a gold extraction method that percolates a cyanide solution through ore heaped on an impermeable pad or base.

“hornfels” refers to nonfoliated metamorphic rock that is typically formed by contact metamorphism around igneous intrusions.

“indicated mineral resource” and “indicated resource” means “indicated mineral resource” as defined by the CIM in the CIM Definition Standards and is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

“inferred mineral resource” and “inferred resource” means “inferred mineral resource” as defined by the CIM in the CIM Definition Standards and is that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

“intrusion” refers to an igneous rock body that formed from magma that forced its way into, through or between subsurface rock units.

“intrusives” refers to igneous rocks that crystallize below Earth’s surface.

“ironstone” is a sedimentary rock, either deposited directly as a ferruginous sediment or created by chemical replacement, that contains a substantial proportion of an iron compound from which iron either can be or once was smelted commercially.

“joint” means a fracture in a rock along which there has been no displacement.

“measured mineral resource” and “measured resources” means “measured mineral resource” as defined by the CIM in the CIM Definition Standards and is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

“mica” any of a group of phyllosilicate minerals having similar chemical compositions and highly perfect basal cleavage.

“mineralization” means the concentration of valuable minerals within a body of rock.

“mineralized material” under SEC Industry Guide 7 is a mineralized body that has been delineated by appropriately spaced drilling and/or underground sampling to support a sufficient tonnage and average grade of metal(s). Such a deposit does not qualify as a reserve until a comprehensive evaluation based upon unit cost, grade, recoveries, and other material factors conclude legal and economic feasibility. Mineralized material is equivalent to measured plus indicated mineral resources but does not include inferred mineral resources, which terms are defined by the CIM.

“mudstone” is a fine grained sedimentary rock whose original constituents were clays or muds.

“ore” means material containing minerals in such quantity, grade and chemical composition that they can be economically extracted.

“oxide” means mineralized rock in which some of the original minerals have been oxidized (i.e., combined with oxygen). Oxidation tends to make the ore more porous and permits a more complete permeation of cyanide solutions so that minute particles of gold in the interior of the minerals will be more readily dissolved.

“preliminary economic assessment” (“PES”) as defined by Canadian National Instrument 43-101 is a study, other than a pre-feasibility study or feasibility study, which includes an economic analysis of the potential viability of mineral resources.

“preliminary feasibility study” (“PFS” or “pre-feasibility study”) as defined by the CIM is a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, and an effective method of mineral processing has been determined, and includes a

financial analysis based on reasonable assumptions of technical, engineering, legal, operating, economic, social and environmental factors and the evaluation of other relevant factors, which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve.

“probable reserves” under SEC Industry Guide 7 means reserves for which quantity and grade and/or quality are computed from information similar to that used for proven reserves, but the sites for inspection, sampling and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation.

“probable mineral reserves” as defined by the CIM in the CIM Definition Standards is the economically mineable part of an indicated and, in some circumstances, a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

“proven reserves” under SEC Industry Guide 7 means reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling and (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well established.

“proven mineral reserves”, as defined by the CIM in the CIM Definition Standards, is the economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

“pyrrhotite” means a bronze-colored magnetic ferrous sulfide mineral consisting.

“qualified person” as defined under NI 43-101 means an individual who (a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining; (b) has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment or any combination of these that is relevant to his or her professional degree or area of practice; (c) has experience relevant to the subject matter of the mineral project and the technical report; (d) is in good standing with a professional association; and (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that (i) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment; and (ii) requires (A) a favorable, confidential peer evaluation of the individual’s character, professional judgment, expertise and ethical fitness; or (B) a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining. Note: a professional association is a self-regulatory organization of engineers, geoscientists or both that, among other criteria,

requires compliance with the professional standards of competence and ethics established by the organization and has disciplinary powers over its members.

“recovery” means that portion of the metal contained in the ore that is successfully extracted by processing and is expressed as a percentage.

“sampling” means selecting a fractional, but representative, part of a mineral deposit for analysis.

“schist” is a metamorphic rock containing abundant particles of mica, characterized by strong foliation and originating from a metamorphism in which directed pressure played a significant role.

“sediment” means solid material settled from suspension in a liquid.

“sedimentary rock” means rock formed from the accumulation and consolidation of sediment, usually in layered deposits.

“shale” is a fine grained, clastic sedimentary rock composed of mud that is a mix of flakes of clay minerals and tiny fragments (silt-sized particles) or other minerals, especially quartz and calcite.

“silicified” means to become converted into or impregnated with silica.

“siltstone” is a sedimentary rock that has a grain size in the silt range, finer than sandstone and coarser than claystones.

“sphalerite” means a zinc sulfide mineral commonly found in hydrothermal veins; it is the primary ore of zinc.

“stockwork” means a rock mass interpenetrated by small veins of mineralization.

“strike” when used as a noun, means the direction, course or bearing of a vein or rock formation measured on a level surface and, when used as a verb, means to take such direction, course or bearing.

“strike length” means the horizontal dimension of a mineral deposit or zone of mineralization.

“stripping ratio” means the ratio of waste to ore in an open pit mine.

“sulfidation” means reaction with sulfur to form sulfides.

“sulfide” means a compound of sulfur and some other element. From a metallurgical perspective, sulfide rock is primary ore that has not been oxidized. Both ore and waste may contain sulfide minerals.

“tailings” means material rejected from a mill after most of the valuable minerals have been extracted.