

CAPITAL GOLD CORP
Form 10-Q/A
March 17, 2010

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

FORM 10-Q/A

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended January 31, 2010

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: 0-13078

CAPITAL GOLD CORPORATION
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| DELAWARE (State or other jurisdiction of incorporation or organization) | 13-3180530 (I.R.S. Employer Identification No.) |
|---|---|

76 Beaver Street, 14th floor, New York, NY 10005
(Address of principal executive offices)

Registrant's telephone number, including area code: (212) 344-2785

(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 Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting

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company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company
(do not check if smaller reporting company)

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

Indicate the number of shares outstanding of each of the issuer's classes of common equity as of the latest practicable date.

| Class | Outstanding at March 3, 2010 |
|---|------------------------------|
| Common Stock, par value \$.0001 per share | 48,497,173 |

Explanatory Note:

Capital Gold Corporation (the “Company”) is filing this Amendment No. 1 to its Form 10-Q for the quarter ended January 31, 2010, which was originally filed with the Securities and Exchange Commission on March 12, 2010. This Amendment No. 1 amends the original filing to incorporate the signature page to the filing.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

The accompanying financial statements are unaudited for the interim periods, but include all adjustments (consisting only of normal recurring adjustments), which we consider necessary for the fair presentation of results for the three and six months ended January 31, 2010.

Moreover, these financial statements do not purport to contain complete disclosure in conformity with U.S. generally accepted accounting principles and should be read in conjunction with our audited financial statements at, and for the fiscal year ended July 31, 2009.

The results reflected for the three and six months ended January 31, 2010 are not necessarily indicative of the results for the entire fiscal year ending July 31, 2010.

As discussed more fully in Note 1 to the accompanying condensed consolidated financial statements, the financial information as of the fiscal year ended July 31, 2009 and for the three and six months ended January 31, 2009 has been recast so that the basis of presentation is consistent with that of the financial information as of January 31, 2010 and for the three and six months ended January 31, 2010. This recast reflects a 1-for-4 reverse stock split of the Company's common stock that became effective on January 25, 2010.

CAPITAL GOLD CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET
(in thousands, except for share and per share amounts)

| | January 31, 2010 (unaudited) | July 31, 2009 |
|--|------------------------------------|------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 4,943 | \$ 6,448 |
| Accounts Receivable | 2,417 | 2,027 |
| Ore on Leach Pads (Note 6) | 26,397 | 20,024 |
| Material and Supply Inventories (Note 5) | 1,712 | 1,381 |
| Deposits (Note 7) | 129 | 26 |
| Marketable Securities (Note 4) | 35 | 35 |
| Prepaid Expenses | 380 | 277 |
| Loans Receivable – Affiliate (Note 12 and 16) | 30 | 33 |
| Other Current Assets (Note 8) | 1,050 | 1,042 |
| Total Current Assets | 37,093 | 31,293 |
| Mining Concessions (Note 11) | 52 | 51 |
| Property & Equipment – net (Note 9) | 24,725 | 22,417 |
| Intangible Assets – net (Note 10) | 686 | 318 |
| Other Assets: | | |
| Investment (Note 13) | 500 | - |
| Deferred Financing Costs | 482 | 424 |
| Deferred Tax Asset (Note 21) | 32 | 32 |
| Security Deposits | 66 | 66 |
| Total Other Assets | 1,080 | 522 |
| Total Assets | \$ 63,636 | \$ 54,601 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current Liabilities: | | |
| Accounts Payable | \$ 1,427 | \$ 988 |
| Accrued Expenses (Note 20) | 4,435 | 1,633 |
| Derivative Contracts (Note 19) | 112 | 193 |
| Deferred Tax Liability (Note 21) | 4,279 | 4,233 |
| Current Portion of Long-term Debt (Note 18) | 3,600 | 3,600 |
| Total Current Liabilities | 13,853 | 10,647 |
| Reclamation and Remediation Liabilities (Note 14) | 1,854 | 1,594 |
| Other liabilities | 79 | 78 |
| Long-term Debt (Note 18) | 2,600 | 4,400 |
| Total Long-term Liabilities | 4,533 | 6,072 |
| Commitments and Contingencies | | |
| Stockholders' Equity: | | |
| Common Stock, Par Value \$.0001 Per Share; Authorized 75,000,000 shares; Issued and Outstanding 48,497,173 and 48,463,406 shares, respectively | 5 | 5 |

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| | | |
|--|-----------|-----------|
| Additional Paid-In Capital | 64,810 | 64,071 |
| Accumulated Deficit | (16,205) | (22,089) |
| Deferred Financing Costs | (1,406) | (1,808) |
| Deferred Compensation | (157) | (319) |
| Accumulated Other Comprehensive Income (Note 15) | (1,797) | (1,978) |
| Total Stockholders' Equity | 45,250 | 37,882 |
| Total Liabilities and Stockholders' Equity | \$ 63,636 | \$ 54,601 |

The accompanying notes are an integral part of the financial statements.

CAPITAL GOLD CORPORATION
 CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
 (UNAUDITED)

(in thousands, except for share and per share amounts)

| | For The Three Months Ended | |
|-------------------------------|----------------------------|-----------|
| | January 31, | |
| | 2010 | 2009 |
| Revenues | | |
| Sales – Gold, net | \$ 13,228 | \$ 11,369 |
| Costs and Expenses: | | |
| Costs Applicable to Sales | 4,625 | 3,655 |
| Depreciation and Amortization | 866 | 755 |
| General and Administrative | 2,031 | 1,061 |
| Exploration | 349 | 406 |