

VISTA GOLD CORP
Form 8-K
March 19, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report: March 16, 2010
(Date of earliest event reported)

VISTA GOLD CORP.

(Exact Name of Registrant as Specified in Charter)

Yukon Territory, Canada

(State or Other Jurisdiction of Incorporation)

1-9025
(Commission File Number)

98-0542444
(IRS Employer Identification No.)

7961 SHAFFER PARKWAY, SUITE 5, LITTLETON, COLORADO 80127
(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (720) 981-1185

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operation and Financial Condition

On March 16, 2010, the Registrant announced its financial results for the year ended December 31, 2009, as filed on March 16, 2010 with the U.S. Securities and Exchange Commission and Canadian regulatory authorities in Vista's Annual Report on Form 10-K. Our 2009 consolidated net loss was US\$2.0 million or US\$0.05 per share compared to the 2008 consolidated net loss of US\$10.0 million or US\$0.29 per share for a decrease of US\$8.0 million. The decrease of US\$8.0 million in 2009 is largely due to an increase in the gain on disposal of marketable securities of US\$6.9 million resulting from the sale of common shares of Allied Nevada Gold Corp. ("Allied") which we retained in connection with the transaction that resulted in the formation of Allied and the transfer of Vista's Nevada properties to Allied. Also contributing to the decrease in net loss for 2009 was a gain of US\$0.5 million on the repurchase of convertible notes which occurred on July 14, 2009, wherein we repurchased US\$1.333 million of our senior secured convertible notes (the "Notes") for US\$0.9 million. Other contributing factors include decreases in interest income (US\$0.4 million) corporate administration and investor relations (US\$0.9 million) and a decrease in the write-down of marketable securities (US\$0.5 million), which was offset by an increase in the gain on currency translation (US\$0.5 million); and increases in exploration, property evaluation and holding costs (US\$0.4 million) and interest expense (US\$0.3 million).

Net cash used in operating activities in 2009 was US\$7.9 million, compared with US\$7.6 million in 2008. The increase of US\$0.3 million in 2009 is mostly the result of an increase in interest payments made on June 15, 2009, July 14, 2009 (in conjunction with the repurchase of the Notes) and December 15, 2009 of US\$0.6 million. Offsetting this increase, were decreases in cash used in accounts payable, accrued liabilities and other (US\$0.2 million) and cash used for other current assets (US\$0.3 million).

Net cash received from investing activities in 2009 was US\$3.3 million, compared with cash used from investing activities of US\$26.9 million in 2008. This increase of US\$30.2 million in cash received from investing activities is due to the following:

- A decrease in additions to plant and equipment of US\$17.5 million. As discussed below, in April 2008 the purchase of gold processing equipment to be used at our Paredones Amarillos gold project was finalized. There were no similar equipment purchases during the 2009 period;

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An increase in proceeds received from the sale of marketable securities of US\$9.0 million. This increase was primarily due to the sale of all 1,529,848 common shares of Allied for proceeds of US\$9.0 million;

- A decrease in additions to mineral properties of US\$3.3 million. During 2008, we undertook a drilling program at the Mt. Todd gold mine and were in the process of completing a feasibility study for the Paredones Amarillos gold project. These projects were completed during 2008;
- A decrease in the acquisition of mineral property of US\$0.5 million. On January 24, 2008, we completed the acquisition of interests in various mineral properties adjacent to our Guadalupe de los Reyes project in Mexico. The consideration paid by Vista for the acquisition of these interests included cash payments totaling \$0.5 million. There was no similar purchase during the year ended December 31, 2009;
- An increase in the proceeds received upon the disposal of mineral property. In June 2009, we sold most of the remaining patented mining claims in Colorado for US\$0.2 million. There were no similar transactions during the 2008 period; and
 - An increase in cash used for short-term investments of US\$0.3 million.

Net cash provided by financing activities was US\$19.8 million for the year ended December 31, 2009, compared with US\$31.4 million in 2008. The decrease of US\$11.6 million is primarily the result of the completion of a public offering on September 21, 2009 and the completion of the over-allotment on September 25, 2009 in which we offered and sold an aggregate 10.12 million Common Shares, for net proceeds after commissions, legal and other fees of US\$20.4 million, as compared to the proceeds of a brokered private placement on March 4, 2008 in which we offered and sold US\$30.0 million in aggregate principal amount of the Notes. Net proceeds to Vista upon completion of the Notes were US\$28.3 million.

At December 31, 2009, our total assets were US\$92.6 million, compared to US\$75.8 million as of December 31, 2008. Long-term liabilities totaled US\$25.2 million at December 31, 2009, compared to US\$23.7 million at December 31, 2008. At December 31, 2009, we had working capital of US\$29.4 million, compared to US\$21.2 million in 2008.

Our working capital of US\$29.4 million as of December 31, 2009, increased from 2008 by US\$8.2 million. The principal component of working capital for both 2009 and 2008 is cash and cash equivalents of US\$28.4 million and US\$13.3 million, respectively. Other components include marketable securities (2009—US\$1.2 million; 2008—US\$8.2 million), short-term investments (2009—US\$0.3 million; 2008—\$–) and other current assets (2009—US\$0.5 million; 2008—US\$0.6 million). The increase of US\$8.2 million in working capital from 2009 to 2008 relates to the increase in cash balances from 2008 to 2009, which is partially offset by a decrease in marketable securities due to the sale of all of the common shares of Allied held by Vista.

| Selected Financial Data | Years ended December | |
|---|----------------------|------------|
| | 2009 | 2008 |
| US \$000's, except loss per share | | |
| Results of operations | | |
| Net loss | \$(1,942) | \$(9,973) |
| Basic and diluted loss per share | \$(0.05) | \$(0.29) |
| Net cash used in operations | \$(7,883) | \$(7,638) |
| Net cash provided by (used in) investing activities | 3,268 | (26,913) |
| Net cash provided by financing activities | 19,757 | 31,425 |

| | | |
|----------------------|----------|----------|
| Financial position | | |
| Current assets | \$30,317 | \$22,012 |
| Total assets | 92,573 | 75,765 |
| Current liabilities | 926 | 803 |
| Total liabilities | 26,093 | 24,527 |
| Shareholders' equity | 66,480 | 51,238 |
| | | |
| Working capital | \$29,391 | \$21,209 |

Mike Richings, Executive Chairman and CEO, commented on the 2009 financials: “Our financial results continue to reflect high levels of activities at our Paredones Amarillos gold project in Baja Sur California, Mexico, and the Mt. Todd gold project in Northern Territory, Australia. Funding for these programs in 2009 came mainly from working capital and the sale of common shares of Allied. In anticipation of continued significant levels of activity at these projects, the Company successfully raised a total of US\$20.4 million net of expenses through a common share offering completed in September 2009. In 2009 at Mt. Todd, we increased gold resources and completed a preliminary economic assessment. During the second half of the year we commenced work on a preliminary feasibility study for the Mt. Todd project which we hope to complete by the end of the second quarter of 2010.

At the Paredones Amarillos project, we updated the bankable feasibility study in 2009 to reflect 2009 economic conditions and we continue to advance the project in a number of key areas including ongoing discussions with potential sources of project financing and commencement of the selection process for engineering procurement and construction management services. In February of this year, we announced our application for the Change of Forest Land Use (“CUSF”) Permit had been dismissed by Mexican Secretariat of Environment and Natural Resources (“SEMARNAT”) processing the application. This delay is unfortunate, but we continue to work with our Mexican representatives and officials from the Mexican federal government to resolve this issue and obtain the CUSF permit required for the project. At the same time we are undertaking other activities that will allow us to rapidly advance the project to construction and production, once the permitting is complete.”

The annual general and special meeting of Vista’s shareholders has been scheduled for Monday, May 3, 2010, at 10:00 a.m., Vancouver time, at the offices of Borden Ladner Gervais LLP, located at Suite 1200, 200 Burrard Street, Vancouver, British Columbia, Canada.

Management Discussion & Analysis and Conference Call

To review Vista’s Form 10-K for the fiscal year ending December 31, 2009, including our Management Discussion & Analysis, visit either www.sedar.com, www.sec.gov or www.vistagold.com. A conference call with management to review our year-end financial results for 2009 and corporate and project activities is scheduled on Monday March 22, 2010 at 11:00 a.m. EDT.

Toll-free in North America: 1-866-443-4188

International: 1-416-849-6196

This call will also be web-cast and can be accessed at the following web location:

http://www.snwebcastcenter.com/event/?event_id=828

This call will be archived and available at www.vistagold.com after March 22, 2010. Audio replay will be available for three weeks by calling in North America: 1-866-245-6755, passcode 675886.

If you are unable to access the audio or phone-in on the day of the conference call, please feel free to email questions, prior to the conference call, addressed to Connie Martinez, Manager - Investor Relations, (email:

connie@vistagold.com) and we will try to address these questions prior to or during the conference call.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02 shall not be deemed to be “filed” for purposes of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD

On March 16, 2010, the Registrant issued a press release providing its financial results for the year ended December 31, 2009. A copy of the press release is attached to this report as Exhibit 99.1. In accordance with General Instruction B.2 of Form 8-K, the information set forth herein and in the press release is deemed to be “furnished” and shall not be deemed to be “filed” for purposes of the Securities Exchange Act of 1934, as amended and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. The information set forth in Item 7.01 of this report shall not be deemed an admission as to the materiality of any information in this report on Form 8-K that is required to be disclosed solely to satisfy the requirements of Regulation FD.

Item 9.01 Exhibits

99.1 Press Release dated March 16, 2010*

*The Exhibit relating to Item 7.01 is intended to be furnished to, not filed with, the SEC pursuant to Regulation FD.

SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VISTA GOLD CORP.
(Registrant)

Dated: March 18, 2010

By: /s/Gregory G. Marlier

Gregory G. Marlier
Chief Financial Officer