

TARA GOLD RESOURCES CORP.
Form 10-Q
August 14, 2014

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 JUNE 30, 2014

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

FOR THE TRANSITION FROM _____ TO _____.

COMMISSION FILE NUMBER 000-29595

TARA GOLD RESOURCES CORP.
(Exact Name of Registrant as Specified in its Charter)

| | |
|---|---|
| Nevada | 90-0316566 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

| | |
|---|------------|
| 375 N. Stephanie St., Bldg. 2 Ste. #211 Henderson, NV | 89014 |
| (Address of principal executive office) | (Zip code) |

(888) 901-4550
(Registrant's telephone number,
including area code)

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 (§233.405 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 R No

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 the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

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 Exchange Act).

Yes No

As of August 14, 2014, the Company had 102,795,119 outstanding shares of common stock.

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PART I - FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TARA GOLD RESOURCES CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2014 AND FOR
THE THREE AND SIX MONTHS ENDED JUNE 30, 2014 AND 2013

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TARA GOLD RESOURCES CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. Dollars)

| | June 30, 2014 (Unaudited) | December 31, 2013 |
|--|------------------------------|-------------------|
| Assets | | |
| Current assets: | | |
| Cash | \$ 132 | \$ 82 |
| Other receivables, net | 302 | 306 |
| Due from related parties, net of due to | 102 | 95 |
| Other current assets | 129 | 138 |
| Assets held for disposal, net | 32 | 32 |
| Total current assets | 697 | 653 |
| Property, plant, equipment, mine development and land, net | 7,092 | 7,452 |
| Intellectual property | 2,734 | - |
| Total assets | \$ 10,523 | \$ 8,105 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | \$ 3,454 | \$ 2,670 |
| Notes and other payables, current portion | 1,245 | 188 |
| Convertible notes payable, net | 252 | 76 |
| Total current liabilities | 4,951 | 2,934 |
| Notes and other payables, non-current portion | 1,019 | 28 |
| Total liabilities | 5,970 | 2,962 |
| Stockholders' equity: | | |
| Common stock: \$0.001 par value; authorized 150,000,000 shares; 102,795,119 | | |
| shares issued and outstanding | 103 | 103 |
| Additional paid-in capital | 10,787 | 10,787 |
| Accumulated deficit during exploration stage | (27,680) | (26,633) |
| Accumulated other comprehensive loss | (393) | (144) |
| Total Tara Gold stockholders' deficit | (17,183) | (15,887) |
| Non-controlling interest | 21,736 | 21,030 |
| Total stockholders' equity | 4,553 | 5,143 |
| Total liabilities and stockholders' equity | \$ 10,523 | \$ 8,105 |

See accompanying notes to these Condensed Consolidated Financial Statements.

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TARA GOLD RESOURCES CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

(In thousands of U.S. Dollars, except per share amounts)

| | For the Three Months Ended | | For the Six Months Ended | |
|---|----------------------------|----------|--------------------------|----------|
| | June 30, | | June 30, | |
| | 2014 | 2013 | 2014 | 2013 |
| Revenues: | | | | |
| Mining revenues | \$ - | \$ - | \$ 105 | \$ - |
| Total revenues | - | - | 105 | - |
| Cost of revenue | - | - | - | - |
| Gross margin | - | - | 105 | - |
| Exploration expenses | 290 | 312 | 476 | 554 |
| Operating, general, and administrative expenses | 542 | 1,185 | 1,411 | 2,128 |
| Net operating loss | (832) | (1,497) | (1,782) | (2,682) |
| Non-operating (loss) income: | | | | |
| Interest income | 14 | 12 | 26 | 25 |
| Interest expense | (61) | (2) | (187) | (204) |
| Settlement loss, net | - | - | | |