
Capstone Mining Q3 adjusted profit meets estimates

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Reuters reported that Capstone Mining Corporation posted a quarterly adjusted profit in line with market estimates but forecast full year copper production at the lower end of its earlier outlook due to production delays at its mines, sending its shares down 5%.

The company forecast 2009 production of about 95 million pounds of copper, which is at the lower end of its prior view of 95 million pounds to 105 million pounds.

Mr Alex Terentiew analyst of Scotia Capital said that the seasonal shipping constraints at Capstone's flagship Minto Mine in Yukon might affect the cash flow of the company in the Q4. The company cut its 2009 production outlook for Minto mine to about 55 million pounds from its prior forecast of 60 million to 65 million pounds.

Mr John Hughes analyst of Desjardins Securities said that "Capstone is really well positioned on the production and cost front to add to the balance sheet significantly in the Q4."

Capstone's Q3 sales were 24.6 million pounds of copper higher than 17.8 million pounds in the Q2 mainly due to 2 concentrate shipments from its Minto Mine. The company said that for the latest quarter ended September 30th 2009; Capstone reported a net loss of USD 10.3 million or 5 cents per share compared with net income of USD 16.1 million or 20 cents per share a year ago.

(Sourced from Reuters)

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