

ARDENT MINES LTD
Form 10-Q
November 14, 2008

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

FORM 10-Q

☒ QUARTERLY REPORT UNDER TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934
FOR THE QUARTERLY PERIOD ENDED September 30, 2008

OR

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

Commission file number 000-50994

ARDENT MINES LIMITED

(Exact name of registrant as specified in its charter)

NEVADA

(State or other jurisdiction of incorporation or organization)

9110 Irvine Center Drive
Irvine, California 92618

(Address of principal executive offices, including zip code.)

(949) 724-1100

(telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 last 90 days. **YES** ☒ **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," "non-accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☐

Accelerated filer ☐
Smaller reporting company ☒

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
YES [X] NO []

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 14,257,650 as of November 10, 2008

ARDENT MINES LIMITED

FORM 10-Q
September 30, 2008
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SIGNATURE

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Ardent Mines Limited
(An Exploration Stage Company)

September 30, 2008

FINANCIAL STATEMENTS

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ARDENT MINES LIMITED
(An Exploration Stage Company)
BALANCE SHEETS
(Unaudited)

	September 30, 2008	June 30, 2008
	<u> </u>	<u> </u>
ASSETS		
Current Assets		
Cash	\$ 1,121	\$ -
	<u> </u>	<u> </u>
Total Current Assets	1,121	-
	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 1,121	\$ -
	<u> </u>	<u> </u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable	\$ 686	\$ 3,126
Due to related party	31,119	16,129
	<u> </u>	<u> </u>
Total Current Liabilities	31,805	19,255
	<u> </u>	<u> </u>
TOTAL LIABILITIES	31,805	19,255
	<u> </u>	<u> </u>
Stockholders' Deficit		

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Common Stock, \$0.00001 par value, 100,000,000

shares authorized, 14,257,650 shares

issued and outstanding September 30, 2008
and

June 30, 2008

	142	142
Additional paid in capital	460,025	460,025
Deficit accumulated during the exploration stage	(490,851)	(479,422)

Total Stockholders' Deficit	(30,684)	(19,255)
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TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 1,121	\$ -
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(The accompanying notes are an integral part of these financial statements.)

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ARDENT MINES LIMITED
(An Exploration Stage Company)
STATEMENTS OF EXPENSES
(unaudited)

	Three Months Ended September 30, 2008	Three Months Ended September 30, 2007	From July 27, 2000 (inception) to September 30, 2008
REVENUES	\$ -	\$ -	\$ -
Operating Expenses:			
Consulting Expense	3,175	-	296,407

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Filing and Incorporation Fees	-	180	3,053
General and Administrative	754	28	36,972
Legal and Accounting	7,500	1,485	129,002
Mining Exploration	-	-	14,588
Travel	-	-	9,539
	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENSES	\$ 11,429	\$ 1,693	489,561
	<u> </u>	<u> </u>	<u> </u>
Interest Expense	-	-	1,290
	<u> </u>	<u> </u>	<u> </u>
NET LOSS	\$ (11,429)	\$ (1,693)	\$ (490,851)
	<u> </u>	<u> </u>	<u> </u>
NET LOSS PER SHARE, BASIC AND DILUTED	\$ (0.00)	\$ (0.00)	
	<u> </u>	<u> </u>	
WEIGHTED AVERAGE SHARES OUTSTANDING, BASIC AND DILUTED	14,257,650	6,014,450	
	<u> </u>	<u> </u>	

(The accompanying notes are an integral part of these financial statements.)

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ARDENT MINES LIMITED
(An Exploration Stage Company)
STATEMENTS OF CASH FLOWS
(unaudited)

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	Three Months Ended		Inception (July 27, 2000) Through
	September 30, 2008	September 30, 2007	September 30, 2008
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ (11,429)	\$ (1,693)	\$ (490,851)
Adjustments to reconcile net loss to cash used in operating activities:			
Imputed interest on related party payable	-	-	1,290
Stock issued for services	-	-	275,000
Change in:			
Accounts payable	(2,440)	(2,050)	686
	<u> </u>	<u> </u>	<u> </u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(13,869)</u>	<u>(3,743)</u>	<u>(213,875)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from sales of common stock	-	-	183,877
Advances from related party	14,990	-	31,119
	<u> </u>	<u> </u>	<u> </u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>14,990</u>	<u>-</u>	<u>214,996</u>
NET CHANGE IN CASH	<u>1,121</u>	<u>(3,743)</u>	<u>1,121</u>
CASH AT BEGINNING OF PERIOD	<u>-</u>	<u>47,879</u>	<u>-</u>
CASH AT END OF PERIOD	<u>\$ 1,121</u>	<u>\$ 44,136</u>	<u>\$ 1,121</u>

Supplemental Disclosures

Interest Paid	\$ -	\$ -	\$ -
Income tax Paid	-	-	-

(The accompanying notes are an integral part of these financial statements.)

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ARDENT MINES LIMITED
(An Exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Ardent Mines Limited, have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission, and should be read in conjunction with the audited financial statements and notes thereto contained in Ardent's Annual Report filed with the SEC on Form 10-K. In the opinion of management, all adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which substantially duplicate the disclosure contained in the audited financial statements for fiscal 2008 as reported in the Form 10-K have been omitted.

NOTE 2 - GOING CONCERN

From July 27, 2000 (date of inception) to September 30, 2008, Ardent Mines, Ltd has incurred a loss of \$490,851 and has a working capital deficit of \$30,684 at September 30, 2008. The ability of Ardent Mines to emerge from the exploration stage with respect to any planned principal business activity is dependent upon its successful efforts to raise additional equity financing and/or attain profitable mining operations. Management has plans to seek additional capital through a private placement and public offering of its common stock. There is no guarantee that Ardent Mines will be able to complete any of the above objectives. These factors raise substantial doubt regarding the Ardent Mines' ability to continue as a going concern.

NOTE 3 - RELATED PARTY TRANSACTIONS

As of September 30, 2008, the Company is indebted to the former President of the Company in the amount of \$16,129 for payment of expenses on the Company's behalf. The amount has no terms of repayment, is unsecured, and bears no interest.

On August 11, 2008, Christopher Wilson, the Company's president and sole director, loaned Ardent Mines \$14,990 to cover operating expenses. The amount has no terms of repayment, is unsecured, and bears no interest.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

This section of this annual report includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words like: believe, expect, estimate, anticipate, intend, project and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements, which apply only as of the date of our report. These forward-looking states are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions. We are a shell company and have not yet generated or realized any revenues.

Business

From Inception on July 27, 2000 to December 11, 2006

In August 2000, we acquired one mineral property containing eight mining claims in British Columbia, Canada by arranging the staking of the same through James Thom, a non affiliated third party. The property was located on Copperkettle Creek, approximately three miles upstream from its confluence with Kettle Creek. It was on the eastern slope of Beaverdale Range of the Monashee Mountains. The claims were located approximately thirty miles east of the town of Penticton, British Columbia. Each claim was 500 meters by 500 meters or 25 hectares. Canadian jurisdictions allow a mineral explorer to claim a portion of available Crown lands as its exclusive area for exploration by depositing posts or other visible markers to indicate a claimed area. The process of posting the area was known as staking. Mr. Anderson, our former president, paid Mr. Thom \$1,282 to stake the claims. The claims were recorded in Mr. Thom's name to avoid paying additional fees, and he has provided the company with a signed and executed Bill of Sale in our favor.

Part of the first phase exploration program was completed on the Sun #100 - Sun #800 claims during the period from August 14 to August 24, 2004. The program consisted of the emplacement of a survey control grid, the collection of soil & rock samples, prospecting and geological mapping and was completed by Gerard Gallissant, B.A., and a field assistant. We did not find an ore body and the claims expired by operation of law on August 26, 2006. From then until December 11, 2006, we owned no property or the right to conduct exploration activities on any property.

From August 26, 2006 to December 11, 2006, we did not conduct any operations. During that period, we intended to identify an acquisition or merger candidate with ongoing operations in any field, however in December, 2006, we decided to acquire the right to explore a new property in British Columbia and returned to the business of mineral exploration.

Current Business - After December 11, 2006

We are a development exploration stage corporation and have not yet generated or realized any revenues from our business operations.

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Our auditors have issued a going concern opinion as filed in our annual report for 2008. This means that there is substantial doubt that we can continue as an on-going business for the next twelve months unless we obtain additional capital to pay our bills. This is because we have not generated any revenues and no revenues are anticipated until we begin removing and selling minerals. There is no assurance we will ever reach this point. Accordingly, we must raise cash from sources other than the sale of minerals found on the property. Our only other source for cash at this time is investments by others. We must raise cash to implement our project and stay in business.

In December 2006, Taras Chebountchak, our former president and a member of the board of directors acquired one mining claim containing eleven cells in British Columbia, Canada from Lloyd C. Brewer by paying Mr. Brewer \$7,500. Mr. Brewer is a geologist and a non affiliated third party. No additional payments were made or are due to Mr. Brewer for his services. A claim is a grant from the Canadian Crown of the available land within the cells to the holder to remove and sell minerals. A cell is an area which appears electronically on the British Columbia Internet Minerals Titles Online Grid. The online grid is the geographical basis for the cell. Mr. Brewer is a self-employed contract staker, field worker and professional geologist residing in British Columbia.

Under British Columbia law title to British Columbia mining cells can only be held by British Columbia residents. In the case of corporations, title must be held by a British Columbia corporation. In order to comply with the law we would have to incorporate a British Columbia wholly owned subsidiary corporation and obtain audited financial statements. We believe those costs would be a waste of our money at this time.

The cells were recorded in Mr. Chebountchak's name to avoid incurring additional costs at this time. The additional fees would be for incorporation of a British Columbia corporation and legal and accounting fees related to the incorporation. On January 2, 2007, Mr. Chebountchak executed a declaration of trust acknowledging that he holds the property in trust for us and he will not deal with the property in any way, except to transfer the property to us. In the event that Mr. Chebountchak transfers title to a third party, the declaration of trust will be used as evidence that he breached his fiduciary duty to us. Mr. Chebountchak has not provided us with a signed or executed bill of sale in our favor.

To date we have not performed any work on the property. We are presently in the exploration stage and we cannot guarantee that a commercially viable mineral deposit, a reserve, exists in the property until further exploration is done and a comprehensive evaluation concludes economic and legal feasibility.

We will be conducting research in the form of exploration of the property. Our exploration program is explained in as much detail as possible. We are not going to buy or sell any plant or significant equipment during the next twelve months.

The property is undeveloped raw land. Exploration will not begin until spring of 2009. To our knowledge, the property has never been mined. The only event that has occurred is the acquisition of the property from Mr. Brewer, registering the property in the name of Mr. Chebountchak, and a physical examination of the property by Mr. Brewer.

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Mineralized material is a mineralized body, which has been delineated by appropriate spaced drilling or underground sampling to support sufficient tonnage and average grade of metals to justify removal before minerals retrieval can begin, we must explore for and find mineralized material. After that has occurred we have to determine if it is economically feasible to remove the mineralized material. Economically feasible means that the costs associated with the removal of the mineralized material will not exceed the price at which we can sell the mineralized material. We can predict what that will be until we find mineralized material.

We do not know if we will find mineralized material. We believe that activities occurring on adjoining properties are not material to our activities. The reason is that whatever is located under adjoining property may or may not be located under the property.

We do not claim to have any minerals or reserves whatsoever at this time on any of the property. We intend to implement an exploration program which consists of core sampling. Core sampling is the process of drilling holes to a depth of up to 100 feet in order to extract samples of earth. Mr. Wilson, after confirming with our consultant, will determine where drilling will occur on the property. Mr. Wilson will not receive fees for his services.

The samples will be tested to determine if mineralized material is located on the property. Based upon the tests of the core samples, we will determine if we will terminate operations; proceed with additional exploration of the property; or develop the property. The proceeds from our private placement are designed to only fund the costs of core sampling and testing. We intend to take our core samples to analytical chemists, geochemists and registered assayers located in British Columbia. We have not selected any of the foregoing as of the date of this report.

We estimate the cost of drilling will be \$20 per foot drilled. We intend to drill approximately 1,000 linear feet or 10 holes to depth of 100 feet. We estimate that it will take one month to drill 10 holes to a depth of 100 feet each. We will pay a consultant \$5,000 for his services to supervise the exploration. The total cost for analyzing the core samples will be \$3,000. We will begin exploration in the spring of 2009, weather permitting.

In the event that we find mineralized material and the mineralized material can be economically extracted, we will form a wholly owned British Columbia subsidiary corporation and Mr. Chebountchak will convey title to the property to the wholly owned subsidiary corporation. Should Mr. Chebountchak transfer title to another person and that deed is recorded before we record our documents, that other person will have superior title and we will have none. If that event occurs, we will have to cease or suspend operations. However, Mr. Chebountchak will be liable to us for monetary damages for breaching the terms of his oral agreement with us to transfer his title to a subsidiary corporation we create. To date we have not performed any work on the property. All Canadian lands and minerals which have not been granted to private persons are owned by either the federal or provincial governments in the name of Her Majesty Elizabeth II. Ungranted minerals are commonly known as Crown minerals. Ownership rights to Crown minerals are vested by the Canadian Constitution in the province where the minerals are located. In the case of the Company property, that is the province of British Columbia.

We do not intend to sell interests to other companies in the property if we find mineralized materials. We intend to try to develop the reserves ourselves through the use of consultants. We have no plans to interest other companies in the property if we find mineralized material. To pay the consultant and develop the reserves, we will have to raise additional funds through a second public offering, a private placement or through loans. As of the date of this report, we have no plans to raise additional funds. Further, there is no assurance we will be able to raise any additional funds even if we discover mineralized material and have a defined ore body.

We do not intend to hire additional employees at this time. All of the work on the property will be conducted by unaffiliated independent contractors that we will hire. The independent contractors will be responsible for surveying, geology, engineering, exploration, and excavation. The geologists will evaluate the information derived from the exploration and excavation and the engineers will advise us on the economic feasibility of removing the mineralized material.

Property

The property lies one mile north of the town of Beaverdell and approximately 180 miles east of Vancouver, British Columbia. The property is located at the southern flank of King Solomon Mountain, within the Kettle River Valley on the nose of an outcrop ridge that is formed at the junction of Beaverdell Creek with the West Kettle River. The following is a list of tenure numbers, cells, date of recording and expiration date of the cells:

Tenure No.	Document Description	Date of Recording	Date of Expiration
509276	Gold Ridge	March 19, 2005	November 19, 2008
509277	WGR	March 19, 2005	November 19, 2008
509278	GRN	March 19, 2005	November 19, 2008

Our property is recorded in Mr. Chebountchak's name. In order to maintain our property we must pay a fee of CND\$100 per year per cell.

The property is unencumbered and there are no competitive conditions which affect the property. Further, there is no insurance covering the property and we believe that no insurance is necessary since the property is unimproved and contains no buildings or improvements.

There are no native land claims that affect title to the property. We have no plans to try to interest other companies in the property if mineralization is found. If mineralization is found, we will try to develop the property ourselves.

Limited Operating History; Need for Additional Capital

There is no historical financial information about us upon which to base an evaluation of our performance. We are an exploration stage corporation and have not generated any revenues from operations.

To become profitable and competitive, we have to conduct exploration on the property and find mineralized material. We will be seeking equity financing to provide for the capital required to implement our research and exploration phases. On July 27, 2007 we completed our private placement. We raised \$82,432 by selling 8,243,200 shares of common stock at a price of \$0.01 per share to twelve shareholders. The proceeds of the offering have been used to sustain operations until the date of this Annual Report. As of the date hereof we have no additional capital to sustain operations.

We have no assurance that future financing will be available to us on acceptable terms. If financing is not available on satisfactory terms, we may be unable to continue, develop or expand our operations. Equity financing could result in additional dilution to existing shareholders.

Results of Operations

From Inception on July 27, 2000 to September 30, 2008

We acquired the right to prospect on one property containing eight claims. Part of the first phase exploration program was completed on the Sun #100 - Sun #800 claims during the period of August 14 to August 24, 2004. The program consisted of the emplacement of a survey control grid, the collection of soil & rock samples, prospecting and geological mapping and was completed by Gerard Gallissant, B.A., and a field assistant. We did not find an ore body and the claims expired by operation of law. Accordingly, we own no property or the right to conduct exploration activities on any property.

On December 12, 2006, we acquired the right to prospect on three properties containing eleven claims. We are in the process of implementing our mining exploration program as discussed in detail in the business section of our public offering.

Liquidity and Capital Resources

As of the date of this report, we have yet to generate any revenues from our business operations.

We issued 5,000,000 shares of common stock pursuant to the exemption from registration contained in Rule 144 of the Securities Act of 1933.

We issued 8,243,200 shares related to a private placement for a total of \$82,432. The shares were issued pursuant to Regulation S of the Securities Act of 1933 to eleven investors.

As of September 30, 2008, our total assets were \$1,121 and our total liabilities were \$31,805.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 4T. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. We conducted an evaluation under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report pursuant to Rule 13a-15 of the Exchange Act. Based on this Evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our Disclosure Controls were not effective as of the end of the period covered by this report.

Changes in Internal Controls

We have also evaluated our internal control for financial reporting, and there have been no significant changes in our internal controls or in other factors that could significantly affect those controls subsequent to the date of their last evaluation.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Currently we are not aware of any litigation pending or threatened by or against the Company.

ITEM 1A. RISK FACTORS

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

The following documents are included herein:

Exhibit No.	Document Description
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Rule 13a-14 and 15d-13, promulgated under the Securities and Exchange Act of 1934, as amended.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer and Chief Financial Officer).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the Registrant and in the capacities on this 14th day of November, 2008 at Irvine, California.

ARDENT MINES LIMITED

(Registrant)

BY:

CHRISTOPHER WILSON

Christopher Wilson,

President, Principal Executive Officer, Principal
Accounting Officer, Principal Financial Officer,
Secretary/Treasurer, and sole member of the
Board of Director

EXHIBIT INDEX

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