

ALTAIR NANOTECHNOLOGIES INC
Form 10-Q
August 07, 2009

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

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED June 30, 2009

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

ALTAIR NANOTECHNOLOGIES INC.

(Exact name of registrant as specified in its charter)

Canada
(State or other jurisdiction
of incorporation)

1-12497
(Commission File No.)

33-1084375
(IRS Employer
Identification No.)

204 Edison Way
Reno, Nevada 89502

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (775) 856-2500

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

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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 “accelerated filer”, “large accelerated filer”, and “smaller reporting company” in Rule 12b-2 of the Exchange Act (Check one):

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 Act): YES NO

As of August 4, 2009 the registrant had 105,519,855 Common Shares outstanding.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

ALTAIR NANOTECHNOLOGIES INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Expressed in thousands of United States Dollars, except shares and per share amounts)
 (Unaudited)

	June 30, 2009	December 31, 2008
ASSETS		
Current assets		
Cash and cash equivalents	\$28,693	\$28,088
Restricted cash	1	-
Accounts receivable, net	214	955
Product inventories	642	98
Prepaid expenses and other current assets	1,713	572
Total current assets	31,263	29,713
Investment in available for sale securities	4,849	3,174
Property, plant and equipment, net held and used	11,201	11,637
Property, plant and equipment, net held and not used	2,008	2,377
Patents, net	593	636
Other assets	500	534
Total Assets	\$50,414	\$48,071
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Trade accounts payable	\$1,295	\$749
Accrued salaries and benefits	2,001	1,361
Accrued warranty	36	36
Accrued liabilities	355	765
Current portion of long-term debt	643	736
Total current liabilities	4,330	3,647
Long-term debt, less current portion	46	608
Stockholders' equity		
Common stock, no par value, unlimited shares authorized; 105,519,855 and 93,143,271 shares issued and		

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outstanding at June 30, 2009 and December 31, 2008	188,437	180,105
Additional paid in capital	10,479	5,378
Accumulated deficit	(153,670)	(140,892)
Accumulated other comprehensive loss	(195)	(1,873)
Total Altair Nanotechnologies, Inc's stockholders' equity	45,051	42,718
Noncontrolling interest in subsidiary	987	1,098
Total stockholders' equity	46,038	43,816
Total liabilities and stockholders' equity	\$50,414	\$48,071

See notes to the unaudited condensed consolidated financial statements.

ALTAIR NANOTECHNOLOGIES INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in thousands of United States Dollars, except share and per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Revenues				
Product sales	\$62	\$225	\$253	\$389
Less sales returns	(183)	-	(183)	-
Commercial collaborations	67	993	766	1,513
Contracts and grants	51	685	63	1,070
Total net revenues	(3)	1,903	899	2,972
Operating expenses				
Cost of sales - product	163	21	348	79
Cost of sales - warranty and inventory reserves	-	(2,865)	-	(2,865)
Research and development	2,268	5,112	5,296	10,370
Sales and marketing	598	769	1,208	1,435
Notes receivable extinguishment	-	1,722	-	1,722
General and administrative	2,780	2,440	5,597	5,703
Depreciation and amortization	673	640	1,407	1,213
Total operating expenses	6,482	7,839	13,856	17,657
Loss from operations	(6,485)	(5,936)	(12,957)	(14,685)
Other income (expense)				
Interest expense	(13)	(23)	(31)	(50)
Interest income	48	248	119	630
Realized loss on investment	-	-	(18)	-
Gain/(Loss) on foreign exchange	2	(1)	(2)	(4)
Total other income, net	37	224	68	576
Net loss	(6,448)	(5,712)	(12,889)	(14,109)
Less: Noncontrolling interests' share	55	52	111	160
Net loss attributable to Altair Nanotechnologies, Inc.	\$(6,393)	\$(5,660)	\$(12,778)	\$(13,949)
Loss per common share - basic and diluted	\$(0.07)	\$(0.07)	\$(0.13)	\$(0.17)
Weighted average shares - basic and diluted	97,358,071	84,488,315	95,182,687	84,354,147

See notes to the unaudited condensed consolidated financial statements.

ALTAIR NANOTECHNOLOGIES INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND
COMPREHENSIVE LOSS

(Expressed in thousands of United States Dollars, except shares and per share amounts)
(Unaudited)

Altair Nanotechnologies, Inc. Shareholders							
	Common Stock		Additional	Accumulated	Accumulated	Non-	Total
	Shares	Amount	Paid In	Deficit	Other	controlling	
			Capital		Compre-	Interest	
					hensive	In	
					Loss	Subsidiary	
Balance, April 1, 2008	84,502,576	\$ 165,278	\$ 4,908	\$ (120,113)	\$ (1,310)	\$ 1,261	\$ 50,024
Comprehensive loss:							
Net loss	-	-	-	(5,660)	-	(52)	(5,712)
Other comprehensive loss net of taxes of \$0	-	-	-	-	(274)	-	(274)
Comprehensive loss							(5,986)
Share-based compensation		44	199	-	-	-	243
Exercise of stock options	100,000	100	-	-	-	-	100
Issuance of restricted stock							