

ELDORADO GOLD CORP /FI
Form 6-K
April 29, 2005

FORM 6-K

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

2 Report of Foreign Private Issuer

**1 Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934**

For the month of **April 28, 2005**

Commission File Number **001-31522**

Eldorado Gold Corporation
(Translation of registrant's name into English)
1188-550 Burrard Street

Bentall 5

Vancouver, B.C.

Canada V6C 2B5
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F....[]..... Form 40-F...[.X.]...

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to

provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes [] No []

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ELDORADO GOLD CORPORATION

/s/ Earl W. Price

Date: April 28, 2005

Earl W. Price, Chief Financial Officer

NEWS RELEASE

ELD No. 05-04

TSX: ELD AMEX: EGO

April 28, 2005

FIRST QUARTER 2005 FINANCIAL RESULTS

(all figures in United States dollars)

VANCOUVER, BC - Paul N. Wright, President and Chief Executive Officer of Eldorado Gold Corporation ("Eldorado", the "Company" or "we") is pleased to report on the financial and operational results of the Company for the 2005 first quarter ended March 31, 2005.

First Quarter Highlights

- Signed an agreement on April 7, 2005 to acquire 84% of the Vila Nova project in Amapa State, Brazil
- Net loss of \$8.96 million or \$0.03 per share
- Produced 14,311 ounces of gold at a cash cost of \$407 per ounce
- \$120.70 million in cash and short-term deposits
- Continued exploration in Brazil and Turkey
- Construction at Kisladag proceeding satisfactorily

Financial Results

The consolidated net loss for the first quarter 2005 was \$8.96 million or (\$0.03) per share, compared with a net loss of \$0.66 million or \$0.00 per share in the first quarter of 2004. The increased loss results from lower gold sales and higher operating costs at the Sao Bento mine, Brazil.

In the first quarter 2005, we sold 16,910 ounces of gold at an average realized selling price of \$428 per ounce. For comparison, in the first quarter of 2004, we sold 22,793 ounces of gold at an average realized price of \$394 per ounce, or \$408 per ounce excluding \$0.33 million in hedging loss amortization.

We continue to be in a strong financial position. At March 31, 2005, we held \$120.70 million in cash and short-term deposits. We have sufficient funds to construct and expand the Kisladag mine and continue to develop the Efemcukuru project in Turkey, carry out our planned 2005 exploration programs in Turkey and Brazil and pursue new opportunities in China and elsewhere.

On April 6, 2005, Tuprag Metal Madencilik ("Tuprag"), a wholly owned subsidiary of Eldorado, entered into a \$65.00 million Revolving Credit Facility with HSBC Bank USA (the "Credit Facility"). Eldorado has guaranteed the Credit Facility, which is fully secured by cash deposits (equivalent to the amounts advanced by HSBC Bank USA to Tuprag) to a cash collateral account over which HSBC Bank USA holds security. No hedging is required under this agreement.

Funds advanced under the Credit Facility will be used to construct the Kisladag mine. When the Kisladag mine achieves production Tuprag's net earnings will be directed to repaying the Credit Facility and funds in the cash collateral account will be released to Eldorado in parallel with these repayments. The Credit Facility will finance construction at the Kisladag mine in the most efficient manner.

Operating Performance

In the first quarter of 2005, we produced 14,311 ounces of gold at the Sao Bento mine at a cash cost of \$407 per ounce, compared to 21,158 ounces of gold at a cash cost of \$276 per ounce in the first quarter of 2004. Production was lower as we prioritized shaft deepening activities while deferring stope production. The shaft deepening project is scheduled for completion in the third quarter 2005. Cash costs have increased due to the challenging work conditions caused by the high level of waste handling required by the shaft deepening project and the appreciation of the Brazilian currency. We are forecasting 2005 production of 72,000 ounces at our Sao Bento mine, at a cash cost of \$320 per ounce.

Development

Kisladag

Construction activities proceeded well during the first quarter despite exceptionally high seasonal rainfall which delayed leach pad construction in the quarter. Work activities included process water line installation, power line installation, leach pad and earthworks, bypass and access road construction as well as initiating development within the pit with the mining contractor. Eldorado's on-site management team continues to be built in an orderly manner to ensure an efficient transition to an operating mine at year end.

We continue to work towards construction completion in the fourth quarter with commissioning leading to start up as planned by year end.

The Company is experiencing higher than planned construction costs due principally to a continued strengthening of the Turkish Lira 1.3 million Turkish Lira/\$ ("MTL/\$") compared with 1.5 MTL/\$ planned. In May the Company will be providing an updated forecast cost of completion accompanied by an updated projection of operating costs.

Efemcukuru

As part of the Environmental Impact Assessment ("EIA") process for the Efemcukuru project, the Turkish Ministry of Forestry and Environment held its public meeting in Efemcukuru Village to obtain input from the local community regarding the Company's planned mine development. Subsequent to this meeting and incorporating contributions from the meeting, the Company is finalizing its EIA Study which will be submitted to the Ministry in May 2005.

Exploration

We continue to focus our exploration activities on Brazil and Turkey, completing detailed mapping, sampling and initial drill programs at various sites in these two countries.

Brazil

On April 7, 2005, we signed an agreement to acquire 84% of the Vila Nova project, where we believe there is excellent potential for both additional oxide mineralization and a structurally controlled banded iron formation hosted deposit. Under the terms of the agreement, we will spend a minimum of \$200,000 in exploration before March 20, 2006 and pay \$5.2 million in a series of payments over a three-year period. We have budgeted \$1.8 million in exploration expense for this project in 2005, and are immediately embarking on a work program consisting of mapping and channel sampling. We will also continue our exploration work at Cassipore and Tartarugalzinho.

Turkey

We drilled six reverse circulation holes at Toplak Tepe in Turkey's Western Pontide belt to test a gold and base metal anomaly. All of the holes show anomalous copper, lead, and zinc values and the current interpretation is that Toplak Tepe may represent the periphery of a gold bearing volcanogenic massive sulfide system. We are considering a geophysical program (EM or IP) prior to conducting more drilling. We also drilled five holes at Keditasi in Western Turkey, targeting a gold soil geochemistry anomaly and an area of pervasive silification.

Generally, the holes have yielded only low grade gold values. At the AS Project (Demir Joint Venture) we began bulldozer work on a road that will provide access for mapping, sampling and diamond drilling. In the months ahead, we will focus on diamond drilling on the AS project and the Koyulhisar project in the Western Pontides.

Corporate Development

"We have high expectations for the potential of the Vila Nova project, which we believe will be a tremendous addition to our asset base," said Paul Wright, President and Chief Executive Officer. "We're also pleased with the progress being made at Kisladag which should be commissioned by year-end and at Efemcukuru, where we plan to submit our EIA study in May."

Eldorado is a gold producing and exploration company actively growing businesses in Brazil, Turkey and China. With our international expertise in mining, finance and project development, together with highly skilled and dedicated staff, we believe that Eldorado is well positioned to grow in value as we create and pursue new opportunities.

ON BEHALF OF

ELDORADO GOLD CORPORATION

"Paul N. Wright"

Paul N. Wright

President and Chief Executive Officer

Certain of the statements made may contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, which involve known and unknown risk, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties, which could cause actual events, or results to differ from those reflected in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward looking statements. Specific reference is made to "Narrative Description of the Business - Risk Factors" in the Company's Annual Information Form, Form 40-F drafted March 30, 2005. Forward-looking statements in this release include statements regarding the expectations and beliefs of management. Such factors included, amongst others the following: gold price volatility; impact of any hedging activities, including margin limits and margin calls; discrepancies between actual and estimated production, between actual and estimated reserves, and between actual and estimated metallurgical recoveries; mining operational risk; regulatory restrictions, including environmental regulatory restrictions and liability; risks of sovereign investment; speculative nature of gold

exploration; dilution; competition; loss of key employees; additional funding requirements; and defective title to mineral claims or property, as well as those factors discussed in the section entitled "Business - Risk Factors" in the Company's Annual Information Form, Form 40F dated March 30, 2005. We do not expect to update forward-looking statements continually as conditions change and you are referred to the full discussion of the Company's business contained in the Company's reports filed with the securities regulatory authorities.

Eldorado Gold Corporation's shares trade on the Toronto Stock Exchange (TSX: ELD) and the American Stock Exchange (AMEX: EGO). The TSX has neither approved nor disapproved the form or content of this release.

Contact:

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April 27, 2005

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Eldorado Gold Corporation
Consolidated Balance Sheets

(Expressed in thousands of U.S. dollars)

	March 31,
	December 31,
	2005
	2004
	(Unaudited)
ASSETS	
Current Assets	
Cash and cash equivalents	
\$	120,703
\$	135,390
Accounts and other receivables	7,925
	8,705
Inventories	5,875

	5,927
	134,503
	150,022
Property, plant and equipment	62,718
	52,337
Mineral properties and deferred development	22,818
	22,676
Investments and advances	562
	1,224
\$	220,601
\$	226,259

LIABILITIES

Current Liabilities

Accounts payable and accrued liabilities

\$

	7,467
\$	
	6,005
	7,467
	6,005
Asset retirement obligation	
	8,180
	8,059
Contractual severance obligation	
	742
	636
Future income taxes	
	4,499
	4,598
	20,888
	19,298
SHAREHOLDERS' EQUITY	
Share capital (Note 3)	
	509,405

	508,373
Contributed surplus	
	1,094
	1,094
Stock based compensation	
	5,815
	5,138
Deficit	
	(316,601)
	(307,644)
	199,713
	206,961
\$	
	220,601
\$	
	226,259
Commitments and Contingencies (Note 4)	
Subsequent Events (Note 7)	
Approved by the Board	
Approved by the Board	

Director

Director

Eldorado Gold Corporation

Consolidated Statements of Operations and Deficit

(Expressed in thousands of U.S. dollars except per share amounts)

		Three months ended	
		March 31, 2005	March 31, 2004
			(Unaudited)
			(Unaudited)
Revenue			
Gold sales	\$		7,234
	\$		8,973
Interest and other income			648
			967
			7,882
			9,940
Expenses			
Operating costs			7,982
			6,265
			20

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Depletion, depreciation and amortization	2,515
	1,059
General and administrative	2,457
	1,245
Exploration expense	1,154
	927
Stock based compensation expense	1,364
	3,316
Accretion of asset retirement obligation	121
	107
Gain on disposal of investments and advances	-
	(37)
Writedown of investments and advances	662
	-
	21

Foreign exchange loss	608
	236
	16,863
	13,118
Loss before income taxes	(8,981)
	(3,178)
Tax recovery (expense)	
Current	(72)
	1,845
Future	96
	670
Net loss for the period	(8,957)
	(663)
	\$

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Deficit at the beginning of the period:

(307,644)

(293,702)

Deficit at the end of the period

(316,601)

\$

(294,365)

**Weighted average number
of shares outstanding**

276,336,250

254,236,824

Basic and Diluted loss per share - U.S.\$

(0.03)

\$

-

Basic and Diluted loss per share - CDN.\$

(0.04)

\$

-

Eldorado Gold Corporation
Consolidated Statements of Cash Flows
(Expressed in thousands of U.S. dollars)

	Three months ended	
	March 31, 2005	March 31, 2004
	(Unaudited)	(Unaudited)
Cash flows from (used in) operating activities		
Net loss for the period	\$ (8,957) \$	(663)
Items not affecting cash		
Depletion, depreciation and amortization	2,515	1,059
Future income taxes	(96)	(670)
Interest and financing costs	-	-
Writedown of investments and advances	662	-
Amortization of hedging loss	-	329
Stock based compensation expense	1,364	3,316
Contractual severance expense	106	80
Accretion of asset retirement obligation	121	107
Foreign exchange loss	795	516
	(3,490)	4,074
(Increase) decrease in accounts receivable	780	(769)
(Increase) decrease in inventories	52	427
(Decrease) increase in accounts payable and accrued liabilities	1,462	(2,167)
	(1,196)	1,565
Cash flow from investing activities		
Property, plant and equipment	(12,896)	(2,979)
Mineral properties and deferred development	(142)	(10,394)
Investments and advances	-	(35)
Proceeds from disposals of investments and advances	-	69
	(13,038)	(13,339)
Cash flow from financing activities		
Issue of common shares:		
Voting - for cash	345	450
	345	450
Foreign exchange loss on cash held in foreign currency	(798)	(511)
Net decrease in cash and cash equivalents	(14,687)	(11,835)
Cash and cash equivalents at beginning of the period	135,390	105,465
Cash and cash equivalents at end of the period	\$ 120,703 \$	93,630

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1st Quarter ended March 31, 2005 and 2004

(in thousands of U.S. dollars

except per share and per ounce amounts)

1.

Nature of Operations

Eldorado Gold Corporation ("Eldorado", "the Company") is engaged in gold mining and related activities, including exploration and development, extraction, processing, and reclamation. Gold, the primary product, is produced in Brazil. Development and construction of a mine and processing facility is underway in Turkey. Exploration activities are carried on in Brazil, Turkey and China.

The Company has not determined whether all its development properties contain ore reserves that are economically recoverable. The recoverability of the amount shown for mineral properties and deferred development is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing, licenses and permits to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposition of the properties. The amounts shown as mineral properties and deferred development represent net costs to date, less amounts amortized and/or written off and do not necessarily represent present or future values.

2.

Significant Accounting Policies

Basis of presentation

These interim financial statements do not conform in all respects to the requirements of generally accepted accounting principles for annual financial statements. These interim financial statements should be read in conjunction with the most recent annual financial statements of the company.

These financial statements follow the same accounting policies and methods of application as the most recent annual financial statements of the Company.

Earnings (loss) per share

Earnings or loss per share are presented for basic and diluted net income (loss). A basic earnings per share is computed by dividing net income or loss by the weighted average number of outstanding common shares for the period. The computation of diluted earnings per share reflects the dilutive effect of the exercise of stock options and warrants outstanding at the period end using the treasury stock method.

3.

Share Capital

(a) Authorized and Issued Share Capital

Eldorado's authorized share capital consists of an unlimited number of voting and non-voting common shares with no par value. At March 31, 2005 the Company has nil non-voting shares outstanding. The details of the voting common shares issued and outstanding are as follows:

2005	Shares Issued	Amount
Shares at beginning of the year	276,263,776	\$508,373
Shares for exercised stock options	195,167	345
Stock based compensation	-	687
Shares at March 31, 2005	276,458,943	\$509,405

(b) Share option plan

As at March 31, 2005, the Company has share option plans as described in the most recent annual financial statements of the Company. The Company accounts for its grants under those plans in accordance with the fair value based method of accounting for stock based compensation. Compensation costs charged against net income in 2005 for the plans were \$1,364.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS