

AMERICAN LITHIUM MINERALS, INC.
Form 10-Q
June 24, 2011

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 **March 31, 2011**

or

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

For the transition period from _____ to _____

Commission File Number **333-132648**

AMERICAN LITHIUM MINERALS, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

71-1049972

(IRS Employer Identification No.)

130 King Street West, Suite 3670, Toronto, Ontario, Canada M5X 1A9

(Address of principal executive offices)

(Zip Code)

416.214.5640

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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 submit and post such files).

YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small 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 (Do not check if a smaller reporting company) 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

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS**

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

YES NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

57,915,740 common shares issued and outstanding as of June 16, 2011.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Our unaudited interim financial statements for the three and six month periods ended March 31, 2011 form part of this quarterly report. They are stated in United States Dollars (US\$) and are prepared in accordance with United States generally accepted accounting principles.

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American Lithium Minerals, Inc.
(fka Nugget Resources Inc.)
(An Exploration Stage Company)

Financial Statements
(Expressed in U.S. Dollars)

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American Lithium Minerals, Inc.
(fka Nugget Resources Inc.)
(An Exploration Stage Company)

Balance Sheets

(Expressed in U.S. Dollars)

	As of 31 March 2011 (Unaudited)	As of 30 September 2010 (Audited)
Assets		
Current assets		
Cash and cash equivalents	\$ 45,168	\$ 425,794
Advance to related party (Note 8)	2,913	8,123
Tax recoverable	38,433	-
Prepays	26,199	20,323
Total current assets	112,713	454,240
Fixed assets (Note 4)		
Computer equipment and office furniture - net of depreciation	14,841	17,032
Total fixed assets	14,841	17,032
Other assets		
Website - net of amortization (Note 5)	9,647	10,828
Mineral claims (Note 6)	2,802,831	2,861,604
Total other assets	2,812,478	2,872,432
Long term assets		
Deposits and bond	33,389	9,152
TOTAL ASSETS	\$ 2,973,421	\$ 3,352,856
Liabilities and Stockholders Equity		
Current liabilities		
Accounts payable	\$ 98,893	\$ 76,929

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Bank overdraft	18,882	-
Due to related party (Note 8)	69,877	69,877
Deposit on property option	1,705,587	260,000
Convertible note payable, net of unamortized debt discount of \$305,833 and \$454,031, respectively (Note 10)	444,167	295,969
Interest payable on convertible note	14,458	6,958
Total current liabilities	2,351,864	709,733
TOTAL LIABILITIES	2,351,864	709,733
Stockholders equity		
Common stock (Note 7): \$0.001 par value; authorized 75,000,000 shares; issued and outstanding as of March 31, 2011 and September 30, 2010: 58,940,740 and 53,190,740, respectively	58,941	53,391
Additional paid-in capital	16,748,248	14,267,706
Subscriptions receivable	-	(382,500)
Related party receivables, senior officer (Note 8)	(74,224)	(25,000)
Deficit accumulated during the exploration stage	(16,111,408)	(11,270,474)
Total stockholders equity	621,557	2,643,123
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 2,973,421	\$ 3,352,856

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

American Lithium Minerals, Inc.**(fka Nugget Resources Inc.)****(An Exploration Stage Company)**

Statements of Operations

(Expressed in U.S. Dollars)

(Unaudited)

	For the three months ended 31 March 2011	For the three months ended 31 March 2010	For the six months ended 31 March 2011	For the six months ended 31 March 2010
Revenues	\$ -	\$ -	\$ -	\$ -
Expenses				
Mineral property expenditures (Note 6)	784,757	-	1,227,623	-
Mineral property impairment	-	-	-	-
Consulting fee – related party (Note 8)	47,078	60,000	110,828	119,000
Consulting fees – stock compensation	2,868,592	3,254,392	2,868,592	4,463,000
Consulting fees	23,562	60,628	51,513	60,000
General and administrative	73,790	66,996	185,210	126,000
Legal and accounting	22,107	21,443	45,536	37,000
Management fees – related party (Note 8)	45,000	33,000	90,000	56,000
Promotion and shareholder relations	20,400	31,500	90,934	84,000
Rent expense – related party (Note 8)	-	-	-	-
Total expenses	3,885,286	3,527,959	4,670,236	4,947,000
Other expenses (income)				
Interest income	-	(707)	-	(2,000)
Gain on extinguishment of accrued liability	-	-	-	-
Interest and debt discount expense on convertible note	73,285	-	170,698	-
Net loss	\$ 3,958,571	\$ 3,527,252	\$ 4,840,934	\$ 4,945,000
Basic earnings per common share	\$ (0.07)	\$ (0.06)	\$ (0.09)	\$ (0.09)

**Weighted average number of common
shares basic**

53,600,409

53,159,762

53,817,144

51,815

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

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American Lithium Minerals, Inc.**(fka Nugget Resources Inc.)****(An Exploration Stage Company)**

Statements of Cash Flows

(Expressed in U.S. Dollars)

(Unaudited)

	For the six months ended 31 March 2011	For the six months ended 31 March 2010	From (10 Ma to 31 Ma
Cash flows from operating activities			
Net loss	\$ (4,840,934)	\$ (4,945,603)	\$ (1
Adjustments to reconcile net loss to net cash used in operating activities			
Contributions to capital by related parties – expenses (Notes 7 and 8)	-	-	
Contributions to capital by related parties – forgiven debt (Note 8)	-	-	
Non-cash gain on extinguishment of accrued liability	-	-	
Depreciation and amortization	3,372	97	
Stock based compensation expense	2,868,592	4,463,790	1
Amortization of debt discount & accretion of warrants fair value	148,198	-	
Mineral property impairment	-	-	
Changes in operating assets and liabilities			
Increase to accrued interest	7,500	-	
Increase in tax recoverable	(38,433)	-	
Increase in prepaid expenses	(5,876)	(19,174)	
(Increase) decrease in advance to related party	5,210	(5,835)	
(Increase) in deposit and bond	(24,237)	(10,000)	
Increase (decrease) in accounts payable	21,964	490	
Net cash used in operating activities	(1,854,644)	(516,235)	(
Cash flows from investing activities:			
Advances on related party receivables, senior officer	(49,224)	(25,000)	
Acquisition of fixed assets and website development	-	(1,751)	
Cash proceeds received on property deposit	1,445,587	-	
Purchase of mineral claims and exploration	58,773	(217,801)	

Net cash provided by (used in) investing activities	1,455,136	(244,552)	
Cash flows from financing activities			
Proceeds from convertible note	-	-	
Bank overdraft	18,882	-	
Due to related party	-	6,000	
Common shares issued for cash	-	-	
Net cash provided by financing activities	18,882	6,000	
(Decrease) increase in cash and cash equivalents	(380,626)	(754,787)	
Cash and cash equivalents, beginning of period	425,794	1,232,712	
Cash and cash equivalents, end of period	\$ 45,168	\$ 477,925	\$
Supplemental disclosure of cash flow information:			
Cash paid during the period for interest	\$ 15,000	\$ -	\$
Non – cash investing and financing activities:			
Beneficial conversion feature	\$ -	\$ -	\$