

Mineral Industry Surveys

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GOLD IN FEBRUARY 2006

U.S. mines produced 18,400 kilograms (kg) of gold in February, a slight decrease compared with that of January, according to the U.S. Geological Survey. The average daily production rate of gold in February was 658 kg, an increase compared with the average daily production rate in January of 601 kg but a decrease compared with the average daily production rate for 2005 of 719 kg.

Engelhard Industries' average gold price for February was \$556.62 per troy ounce, slightly more than the average January price. The gold price reached a new 25-year high of \$573.72 per troy ounce on February 2.

Newmont Mining Corporation (Denver, CO) announced that its subsidiary, PT Newmont Minahasa Raya (PTNMR), and the Government of Indonesia had reached an agreement concerning a civil law suit filed by the Government over the pollution of Buyat Bay in North Sulawesi, Indonesia. Criminal charges against PTNMR, however, remained unsettled. The agreement will create a panel to assess and monitor the site and develop a sustainable development program for the environment and the surrounding community. Newmont will provide an initial funding of \$12 million and an additional \$18 million over the 10-year life of the program (Newmont Mining Corporation, 2006).

Eight of the world's leading jewelry retailers, including 5 of the top 10 domestic jewelry retailers, have joined the "no dirty gold" campaign, which urges the mining industry to ensure that gold is produced in a more socially and environmentally responsible manner. The hope of the campaign is to convince

mining companies to respect basic human rights, to respect workers' rights, and to protect natural resources. More than 80% of global gold consumption in 2005 was used to make jewelry (No Dirty Gold Campaign, 2006¹).

On February 15, the environmental council for Chile's Atacama region gave limited approval for Barrick Gold Corporation's (Toronto, Ontario, Canada) Pascua Lama gold project. As part of the approval, the council stated that Barrick could not affect the glaciers close to the project in the Andes. The original plan required moving approximately 8 million cubic meters of ice from three mountain top glaciers in order to develop the \$1.5 billion open pit project (Azzopardi, 2006).

References Cited

- Azzopardi, Tom, 2006, Chile gives limited OK to Pascua Lama gold project: *Platts Metals Week*, v. 77, no. 8, February 20, p 11.
Newmont Mining Corporation, 2006, The Government of Indonesia and Newmont announce Buyat Bay agreement: Denver, CO, Newmont Mining Corporation news release, February 16, 2 p.

Internet Reference Cited

- No Dirty Gold Campaign, 2006 (February 13), Eight of the world's leading jewelry retailers urge mining industry to clean up 'dirty gold,' accessed April 10, 2006, via URL <http://www.nodirtygold.org>.

¹A reference that includes a section mark (§) is found in the Internet Reference Cited section.

TABLE 1
MINE PRODUCTION OF RECOVERABLE GOLD IN THE UNITED
STATES, BY STATE¹

(Kilograms)

	Nevada	Other States ²	Total
2005³:			
February	14,600	3,410	18,000
March	20,300	3,890	24,200
April	17,000	4,120 ^r	21,100
May	16,900	3,590 ^r	20,500 ^r
June	18,500	3,650 ^r	22,100
July	18,100	3,560 ^r	21,600
August	19,700	3,910	23,600
September	19,600	3,970 ^r	23,600 ^r
October	19,100	3,550 ^r	22,700 ^r
November	18,500	3,750 ^r	22,200
December	19,900	3,510 ^r	23,400 ^r
January-December	218,000	44,700 ^r	262,000
2006:			
January	15,100	3,480	18,600
February	14,700	3,760	18,400
January-February	29,800	7,250	37,100

³Preliminary. ^rRevised.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes Alaska, Arizona, California, Colorado, Idaho, Montana, South Dakota, Utah, and Washington.

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

<u>Engelhard Industries:</u>	
2005:	
Low/date	412.45 Feb. 8
High/date	538.06 Dec. 12
Average	446.20
2006:	
January:	
Low/date	526.29/5
High/date	570.37/31
Average	551.45
February:	
Low/date	540.32/16
High/date	573.77/2
Average	556.62
Year to date:	
Low/date	526.29 Jan. 5
High/date	573.77 Feb. 2
Average	554.03
<u>Handy and Harman:</u>	
2005, average	444.79
2006:	
January	549.27
February	555.02
Year to date	552.15
<u>London Final:</u>	
2005, average	444.88
2006:	
January	549.85
February	555.00
Year to date	552.42

Source: Platts Metals Week.

TABLE 3
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates ²	Doré and precipitates	Refined bullion ³	Total ⁴	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
Imports for consumption:							
2005:							
November	265	15,400	9,710	25,300	2,920	52	318
December	28	19,500	9,890	29,400	3,660	100	1,500
Year	1,630	234,000	105,000	341,000	27,300	1,990	29,500
2006:							
January:							
Aruba	--	--	82	82	1	--	--
Brazil	--	--	1,350	1,350	--	--	--
Canada	--	6	9,160	9,170	194	4 ⁵	--
Chile	--	2,800 ⁵	500	3,300	--	--	--
Colombia	--	1,140	--	1,140	759	--	--
Costa Rica	--	--	--	--	70	--	--
Dominican Republic	--	--	--	--	1,770 ⁵	20 ⁵	--
El Salvador	--	--	--	--	59 ⁵	--	--
Germany	--	--	--	--	--	2 ⁵	469 ⁵
Honduras	--	244	130	374	56 ⁵	--	--
Hong Kong	--	--	65	65	--	--	--
Mexico	--	137	3,320	3,450	718	11 ⁵	--
Nicaragua	--	171	--	171	22 ⁵	--	--
Peru	--	7,670	--	7,670	--	--	--
Other	8	--	129	136	98 ⁵	11 ⁵	17 ⁵
Total	8	12,200	14,700	26,900	3,740	48	486
Exports:							
2005:							
November	143	13,200	13,000	26,300	34,800	38	117,000
December	83	11,200	10,100	21,300	38,300	29	115,000
Year	1,380	141,000	182,000	324,000	563,000	687	1,310,000
2006:							
January:							
Australia	2 ⁵	--	3,180	3,180	--	--	--
Canada	--	--	718	718	34,200	--	15,100 ⁵
China	1 ⁵	--	--	1	--	(6)	536 ⁵
Dominican Republic	57	--	--	57	--	--	1,660 ⁵
Germany	--	--	--	--	8,500	(6) ⁵	161 ⁵
Guatemala	--	--	44	44	63	--	--
Israel	1 ⁵	--	--	1	--	--	4,980 ⁵
Japan	--	--	--	--	36	7 ⁵	434 ⁵
Korea, Republic of	--	--	7	7	--	1	291 ⁵
Malaysia	--	--	121	121	1	--	--
Mexico	--	--	607	607	--	(6)	2,380 ⁵
Panama	--	--	--	--	--	--	1,950 ⁵
Singapore	--	--	--	--	--	--	68,500 ⁵
Switzerland	--	13,300	319	13,600	--	4	--
Taiwan	--	--	--	--	--	--	8,430 ⁵
United Kingdom	8	--	12,000	12,000	8,820	16	762 ⁵
Other	4 ⁵	--	130	134	27	14 ⁵	--
Total	72	13,300	17,100	30,500	51,600	43	105,000

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes gold content of base metal ores, concentrates, and matte imported for refining.

³Bullion also moves in both directions between U.S. markets and foreign stocks on deposit in the Federal Reserve Bank. Monetary gold excluded.

⁴"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

⁵All or part of these data have been referred to the U.S. Census Bureau for verification.

⁶Less than ½ unit.

Source: U.S. Census Bureau.