

# Mineral Industry Surveys

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## GOLD IN DECEMBER 2004

U.S. mines produced 25,200 kilograms (kg) of gold in December 2004, a 10% increase compared with that of November, according to the U.S. Geological Survey. Production of gold in Nevada was up by 12% over the same period. Preliminary U.S. mine production for 2004 was 260,000 kg, which was down by 6% compared with that of 2003.

**Domestic.**—The Standard Gold Mine near Winnemucca, NV, poured its first gold-silver doré bar. The Apollo Gold Corporation (Greenwood Village, CO), which owns the Standard Gold Mine, expected that the mine would produce 1,200 kg (40,000 troy ounces) of gold in 2005 and eventually produce 3,100 kilograms per year (kg/yr) (100,000 troy ounces per year) of gold (Northern Miner, 2005a; Platts Metals Week, 2005).

Coeur d'Alene Mines Corporation (Coeur d'Alene, ID), the world's leading silver producer, announced that it had received the final supplemental environmental impact statement and record of decision from the U.S. Forest Service for the Kensington gold project located 72 kilometers (km) north of Juneau, AK. Construction was planned to start in March 2005. The 3,100-kg/yr (100,000-ounce-per-year) mine has a potential 10-to-15-year life span. The new mine would increase Coeur d'Alene's gold production by 76% compared with current production rates (Coeur d'Alene Mines Corporation, 2004; Northern Miner, 2005b).

Crown Resources Corporation (Wheat Ridge, CO) received nine patents from the Bureau of Land Management, U.S. Department of the Interior, for gold claims in the Buckhorn Mountain gold project. The gold reserves for the project have been estimated at 30,800 kg (991,000 troy ounces) (Platts Metals Week, 2004b).

**International.**—Placer Dome Inc. (Vancouver, British Columbia, Canada) announced that its gold production in 2005 was expected to reach 120,000 kg (3.7 million troy ounces), up from 110,000 kg (3.6 million troy ounces) in 2004. The

increase in production was expected to come from the Golden Sunlight Mine in Montana, the North Mara Mine in Tanzania, and the Granny Smith Mine in Australia (Bresnick, 2004). Production from the Cortez Mine in Nevada, however, was expected to decrease (Northern Miner, 2004b).

Barrick Gold Corp. (Toronto, Ontario, Canada) started the process of reactivating the Ruby Hill Gold Mine in Eureka, NV. Construction of a new power plant began in January 2005, and the draft environmental impact statement was expected to be completed in early 2005 (ICMJ's Prospecting and Mining Journal, 2004).

The Bundesbank (the central bank of the Federal Republic of Germany) announced that it had decided to sell 8,000 kg of gold to the German Finance Ministry for gold coin production. The 8,000 kg of gold is far below the maximum 120,000-kg/yr limit allowed by law, and the German Government was hoping that the Bundesbank would sell more to help bring down the German public debt (Platts Metals Week, 2004a).

A friendly merger between Goldcorp Inc. (Toronto, Ontario, Canada) and Wheaton River Minerals Ltd. (Vancouver, British Columbia, Canada) was announced on December 5. Goldcorp offered Wheaton shareholders one share of Goldcorp for every four shares of Wheaton River. The new company will become the fifth leading and the lowest-cost gold producer in North America, with an anticipated gold production of over 34,000 kg (1.1 million troy ounces) in 2005 and proven and probable reserves of 327,000 kg (10.5 million troy ounces) (Mining Journal, 2005; Whyte and Cummings, 2004).

Glamis Gold Ltd. (Reno, NV) poured its first gold bar at the new El Sauzal Mine in Mexico. Glamis estimated that gold production would reach 780 kg (25,000 troy ounces) in 2004 and 5,300 kg (170,000 troy ounces) in 2005. The mine is located 250 km southwest of Mexico City (Northern Miner, 2004a; Platts Metals Week, 2004c).

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TABLE 1  
MINE PRODUCTION OF RECOVERABLE GOLD IN THE UNITED STATES, BY STATE<sup>1</sup>

(Kilograms)

	California	Nevada	Other States <sup>2</sup>	Total
2003:				
December	235	17,100	3,910	21,300
January-December	4,270	227,000	45,700	277,000
2004:				
January	198	16,900	3,210	20,300
February	245	15,500	2,890	18,700
March	243	20,800	3,160	24,200
April	283	15,500	2,850	18,600
May	241	18,400	3,000	21,700
June	1,070	18,600	3,190	22,800
July	182	18,100	3,250	21,500
August	164	17,400	3,300	20,900
September	174	18,400 <sup>r</sup>	3,510	22,100 <sup>r</sup>
October	164	17,700 <sup>r</sup>	3,510	21,400 <sup>r</sup>
November	137	18,800 <sup>r</sup>	3,950	22,900 <sup>r</sup>
December	W	21,000	4,200	25,200
January-December	3,100	217,000	40,000	260,000

<sup>r</sup>Revised. W Withheld to avoid disclosing company propriety data; included with "Other States."

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

<sup>2</sup>Includes Alaska, Arizona, Colorado, Idaho, Montana, South Dakota, Utah, Washington, and State indicated by symbol W.

TABLE 2  
GOLD PRICES

(Dollars per troy ounce)

Engelhard Industries:	
2003:	
Low/date	321.09 April 7
High/date	417.76 December 31
Average	364.80
2004:	
October:	
Low/date	412.60/13
High/date	430.53/25
Average	421.83
November:	
Low/date	424.87/3
High/date	454.82/30
Average	439.60
December:	
Low/date	435.39/10
High/date	455.62/2
Average	443.37
Year to date:	
Low/date	376.29 May 10
High/date	455.62 December 2
Average	410.52
Handy and Harman:	
2003, average	363.51
2004:	
October	420.46
November	438.21
December	442.20
Year to date	409.21
London Final:	
2003, average	363.51
2004:	
October	420.46
November	439.38
December	442.08
Year to date	409.21

Source: Platts Metals Week.

TABLE 3  
U.S. IMPORTS AND EXPORTS OF GOLD<sup>1</sup>

(Kilograms of gold content, unless otherwise specified)

Period and country	Ores and concentrates <sup>2</sup>	Doré and precipitates	Refined bullion <sup>3</sup>	Total <sup>4</sup>	Waste and scrap (gross weight)	Metal powder (gross weight)	Gold compounds (gross weight)
Imports for consumption:							
2003	1,960	95,200	152,000	249,000	15,000	4,080	31,800
2004:							
September	323	16,600	10,200	27,100	2,380	373	11,500
October	351	21,000	9,820	31,200	2,210	226	8,990
November:							
Aruba	--	--	160	160	--	--	--
Australia	1	--	10	11	--	--	--
Brazil	--	--	1,050	1,050	(5)	--	--
Canada	100	--	3,120	3,220	247	8	--
Chile	--	1,270	--	1,270	--	2,020 <sup>6</sup>	--
Colombia	--	2,950	518	3,470	105	--	--
Costa Rica	--	--	--	--	106 <sup>6</sup>	--	--
Dominican Republic	--	--	1	1	885	16	--
Germany	--	--	(5)	(5)	--	2	3,280 <sup>6</sup>
Honduras	--	168	9	176	--	465	--
Israel	--	--	--	--	--	2 <sup>6</sup>	--
Japan	--	--	--	--	--	--	1,450 <sup>6</sup>
Mexico	--	167	441	607	939	--	--
Nicaragua	--	270	--	270	34	--	--
Peru	--	9,300	--	9,300	--	--	--
United Kingdom	--	4	--	4	--	--	810 <sup>6</sup>
Other	--	--	87	87	88	18 <sup>6</sup>	2 <sup>6</sup>
Total	100	14,100	5,390	19,600	2,400	2,530	5,540
Year to date	1,690	125,000	128,000	256,000	19,000	6,370	54,200
Exports:							
2003	826	131,000	220,000	352,000	159,000	874	565,000
2004:							
September	212	12,800	18,900	31,900	56,100	46	103,000
October	139 <sup>†</sup>	10,900	13,300	24,400	73,200	94	85,100
November:							
Armenia	--	--	18	18	--	10	--
Australia	--	--	--	--	--	--	278 <sup>6</sup>
Canada	1	--	1,820	1,820	103,000	--	22,900 <sup>6</sup>
China	--	--	--	--	--	--	576 <sup>6</sup>
Dominican Republic	93	--	--	93	--	--	3,920 <sup>6</sup>
Germany	--	--	(5)	(5)	--	--	211 <sup>6</sup>
Hong Kong	--	--	--	--	--	--	2,440 <sup>6</sup>
Israel	--	--	55	55	--	--	3,930 <sup>6</sup>
Japan	--	--	1	1	34	3 <sup>6</sup>	234 <sup>6</sup>
Mexico	--	--	647	647	--	2	--
Singapore	--	--	--	--	--	--	63,500 <sup>6</sup>
Switzerland	--	12,000	4,510	16,500	1,200	--	--
Taiwan	--	--	--	--	--	--	6,950 <sup>6</sup>
United Kingdom	--	3	1,970	1,980	42,200	7	--
Other	1	--	221	222	14	--	--
Total	95	12,000	9,240	21,300	146,000	22	105,000
Year to date	1,070	125,000	107,000	233,000	700,000	553	1,060,000

<sup>†</sup>Revised. -- Zero.

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

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

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

<sup>4</sup>"Waste and scrap," "Metal powder," and "Gold compounds" not included in "Total."

<sup>5</sup>Less than 1/2 unit.

<sup>6</sup>All or part of these data have been referred to the U.S. Census Bureau for verification.

Source: U.S. Census Bureau.