

Mineral Industry Surveys

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GOLD IN SEPTEMBER 2012

U.S. mines produced 20,500 kilograms (kg) of gold in September, a slight increase compared with August production. For the first 9 months of 2012, domestic gold production was 175,000 kg, which was slightly less than that of the first 9 months of 2011. Nevada produced 76% of the year-to-date domestic gold production, and Alaska produced 11%. The average daily gold production for U.S. mines was 683 kg in September, compared with 657 kilograms per day (kg/d) for August, 639 kg/d for year-to-date 2012, and 641 kg/d for the full year 2011.

The average Engelhard gold price was \$1,750.86 per troy ounce for September, a 7% increase compared with the average gold price in August and slightly lower than the average gold price in September 2011. The gold price began the month at \$1,700.53 per troy ounce, then fell to \$1,693.52 per troy ounce on September 5, the lowest level of the month. The price rose to \$1,788.18 per troy ounce on September 21, the highest level of the year, before falling to \$1,748.37 per troy ounce on September 26. The price increased and ended the month at \$1,779.67 per troy ounce.

Barrick Gold Corp. (Toronto, Ontario, Canada) applied for a permit to Montana's Department of Environmental Quality to expand the life of the Golden Sunlight Mine in Montana to 2017 by enlarging the Minerals Hill main pit. The expansion would add 3.8 million metric tons (Mt) of ore and requires the removal of 47 Mt of waste but would not extend beyond the operation's current property boundaries (Kosich, 2012).

Paramount Gold and Silver Corp. (Winnemucca, NV) completed a preliminary economic assessment of the Sleeper Gold Project in Humboldt County, NV. The assessment concluded that the most attractive scenario for the project would be a large-scale open pit mining operation with a heap-leach processing plant handling both oxide and sulfide material, producing doré. The 81,000-metric-ton-per-day operation would result in a projected 17 years of operation with an annual average production of 5,350 kg of gold and 8,180 kg of silver. The projected average cash operation cost was \$767 per ounce of gold equivalent recovered, and the startup cost was estimated at \$346 million. The project has estimated measured and indicated resources of 327 Mt of ore with ore grades of 0.33

gram per metric ton (g/t) of gold and 3.86 g/t of silver. The estimated amount of contained metals was 108 t of gold and 1,260 kg of silver (Paramount Gold and Silver Corp., 2012).

Midas Gold Corp. (Vancouver, British Columbia, Canada) released results of the preliminary economic assessment of the Golden Meadows Project in Idaho. The base case for the project would be open pit mining at the three gold mineralized zones (Hanger Flats, West End, and Yellow Pine) with planned annual production of 10,800 kg of gold and 2,900 t of antimony for the 14.2-year mine life. The deposits consist of oxide mineralization, which would be processed by milling and then vat leaching to recover gold and silver only, and sulfide mineralization, which would be milled and treated with sequential flotation to produce two concentrates—antimony and gold. The antimony concentrates would be shipped to a third party smelter, and the gold concentrates would be further processed on site followed by vat leaching to produce gold-silver doré. The initial capital for the project was estimated at \$879 million, and, using \$1,400 per troy ounce for the price of gold, the after-tax net present value of the project would be \$1,480 million, with an internal rate of return of 27.2%. The estimated indicated resources for the project were 78.2 Mt of ore with 1.68 g/t gold, 0.52 g/t silver, and 0.06% antimony; the project contains 132,000 kg of gold, 40,800 kg of silver, and 49,200 t of antimony (Midas Gold Corp., 2012, p. 1–3).

References Cited

- Kosich, Dorothy, 2012. Golden Sunlight Mine applies for expansion to extend mine life: Mineweb, October 1. (Accessed October 3, 2012, at <http://www.mineweb.com/mineweb/view.mineweb/en/page34?oid=159405&sn=Detail&pid=110649>.)
- Midas Gold Corp., 2012. Midas Gold completes positive preliminary economic assessment for Golden Meadows Project, Idaho: Vancouver, British Columbia, Canada, Midas Gold Corp. news release, September 4, 20 p. (Accessed December 5, 2012, at http://www.midasgoldcorp.com/i/pdf/nr/2012-21_MGC_GoldenMeadows-PEA-FINAL.pdf.)
- Paramount Gold and Silver Corp., 2012. Paramount Gold & Silver files final PEA reports on its Sleeper Project in Nevada: Winnemucca, NV, Paramount Gold and Silver Corp. news release, September 13. (Accessed December 5, 2012, at <http://paramountgold.com/News/NewsRelease.asp?ID=100249>.)

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

(Kilograms)

	Alaska	Nevada	Other States ²	Total
2011: ^P				
September	2,400	14,700	2,810	19,900
October	1,950	14,300	3,050	19,300
November	1,850	13,500	3,250	18,500
December	1,810	15,700	3,110	20,600
January–December	25,800	172,000	36,100	234,000
2012:				
January	1,730	15,100	2,600	19,400
February	1,620	14,100	2,470	18,100
March	1,890	14,500	2,540	18,900
April	2,570	12,600	2,540	17,700
May	2,200	14,100	2,480	18,800
June	2,260	15,600	2,370 ^F	20,200
July	2,550	15,700	2,500	20,700
August	2,090	15,500	2,750	20,400
September	2,150	15,900	2,480	20,500
January–September	19,100	133,000	22,700	175,000

^PPreliminary. ^FRevised.

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

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

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

Engelhard:	
2011:	
Low/date	1,321.89 Jan. 28
High/date	1,898.87 Sep. 6
Average	1,573.57
2012:	
August:	
Low/date	1,600.36/2
High/date	1,673.49/27
Average	1,631.36
September:	
Low/date	1,693.52 Sep. 5
High/date	1,788.18 Sep. 21
Average	1,750.86
Year to date:	
Low/date	1,543.27 May 30
High/date	1,788.18 Sep. 21
Average	1,654.62
Handy and Harman:	
2011, Average	1,570.66
2012:	
August	1,627.97
September	1,747.24
Year to date	1,651.23
London Final:	
2011, Average	1,571.08
2012:	
August	1,626.03
September	1,744.45
Year to date	1,651.56

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:							
2011	203,000	161,000	143,000	507,000	57,400	437	37,600
2012:							
August	549	21,700	10,200	32,500	5,070	7	4
September:							
Bolivia	--	1,150	48	1,190	1,440	--	--
Brazil	--	--	118	118	--	--	--
Canada	1	82	3,750	3,840	414	--	--
Chile	--	233	175	408	20	--	--
Colombia	--	4,840	304	5,140	--	--	--
Curacao	--	384	--	384	56	--	--
Dominican Republic	--	17 ⁵	18	35	931	--	--
Ecuador	--	461	17	478	--	--	--
El Salvador	--	2	--	2	442	--	--
Guatemala	--	529	1	530	238	--	--
Guyana	--	679	--	679	--	--	--
Honduras	--	55	188	243	256	--	--
Mexico	1	7,800	2,750	10,600	1,060	--	--
Nicaragua	--	203	13	216	122	--	--
Paraguay	--	29	196	225	--	--	--
Peru	--	2,250	10	2,260	--	--	2
United Kingdom	--	--	(6)	(6)	681	--	--
Venezuela	--	133	--	133	9	--	--
Other	--	66 ⁵	139 ⁵	206	534	17	103
Total	2	18,900	7,730	26,600	6,200	17	105
January–September	4,520	158,000*	83,900*	247,000*	83,900*	271*	13,000*
Exports:							
2011	8,400	62,800	403,000	474,000	626,000	670	3,930,000
2012:							
August	617	28,200	19,100	47,900	5,050	29	152,000
September:							
Australia	--	--	9	9	--	--	272
Canada	--	212	50	262	4,200	--	37,300
China	100	--	--	100	--	--	22,900
Costa Rica	--	--	--	--	--	--	20,800
Dominican Republic	57	--	--	57	--	--	8,200
Germany	146	--	3	149	3,140	1	500
Hong Kong	22	--	1,020	1,040	(6)	9	--
India	--	4,950	3,470	8,420	--	2	471
Japan	--	--	--	--	35	3	411
Korea, Republic of	--	--	--	--	--	--	4,570
Malaysia	--	--	13	13	--	--	12,900
Mexico	81	--	110	191	--	3	34,600
Netherlands	--	--	(6)	(6)	--	--	13,800
Saudi Arabia	--	--	--	--	--	--	831
Singapore	--	--	20	20	--	1	15,700
South Africa	--	--	9,260	9,260	--	--	--
Switzerland	--	23,600	15	23,600	--	--	--
Taiwan	--	--	(6)	(6)	--	--	6,250
Thailand	--	--	--	--	--	--	188
United Arab Emirates	--	1,390	171	1,560	--	--	--
United Kingdom	--	(6)	11,400	11,400	1,410	4	2,220
Other	--	--	83	83	6	6	89
Total	406	30,200	25,600	56,200	8,790	29	182,000
January–September	10,400*	235,000*	283,000*	528,000*	151,000*	248*	2,210,000*

See footnotes at end of table.

TABLE 3—Continued
U.S. IMPORTS AND EXPORTS OF GOLD¹

-- 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.

*Correction posted on January 15, 2013.