

Mineral Industry Surveys

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GOLD IN JUNE 2013

Production of gold by U.S. mines was 19,400 kilograms (kg) in June, a 3% increase compared with May production and a 5% decrease compared with that of June 2012 (table 1). Domestic gold production for the first half of 2013 was 3% lower than that in the first half of 2012 and 8% lower than in the second half of 2012. Based on unrounded data, the average daily gold production for U.S. mines was 647 kg in June 2013, compared with 608 kg in May 2013, and 641 kg for all of 2012.

Newmont Mining Corp.'s (Denver, CO) Nevada mines produced less gold during the first half of 2013 compared with production in the second half of 2012 as a result of lower grades and recoveries at Mill 5 and Mill 6 and lower grade at the Twin Creek autoclave. Some of the losses were offset by new production at the Emigrant Mine and higher throughput at the Phoenix Mine (Newmont Mining Corp., 2013). Barrick Gold Corp.'s (Toronto, Ontario, Canada) Goldstrike Mine, in Nevada, produced less in gold in the first half of 2013 than in the second half of 2012, reflecting the processing of lower grade refractory ore at the autoclave facility. The autoclaves were expected to shut down in 2012; however, Barrick decided to modify the recovery process to a thiosulphate leaching and Resin in Leach process from cyanide leaching and Carbon in Leach process. With the changes, the autoclaves will be able to process higher grade ore and be more efficient than the current recovery process; however, during the process modifications, the Goldstrike operations are expected to have lower throughput, grade, and gold production. The modified plant was expected to be completed by the third quarter of 2014 and was expected to produce an average of 11 to 12 metric tons per year (t/yr) of gold during the first 5 full years of operation (Barrick Gold Corp., 2013b, p. 3). The landslide at Kennecott Utah Copper Corp.'s (South Jordan, UT) Bingham Canyon Mine, near Salt Lake City, UT, also contributed to the lower domestic gold production in the first half of 2013. (See Gold in January 2013.)

The average Engelhard gold price was \$1,345.30 per troy ounce for June 2013 (table 2), a \$73.74 per troy ounce decrease compared with the average gold price in May 2013 and \$256.83 per troy ounce less than the average gold price in June 2012. The gold price, which began June 2013 at \$1,405.53 per troy

ounce, rose to the monthly high of \$1,407.04 per troy ounce on June 5, before trending downward to \$1,194.68 per troy ounce at monthend.

Barrick's Pascua-Lama Project on the border of Argentina and Chile had been expected to start production in the second half of 2014. However, owing to regulator and environmental challenges, and lower metal prices, Barrick adjusted the construction schedule for the project. On June 28, the company submitted a plan, subject to review by the Chilean regulatory authorities, to construct the project's water management system. The company estimated that the water management system should be completed by the end of 2014 and ore production beginning in mid-2016. Barrick estimated that the average gold production from Pascua-Lama would be about 25 to 26 t/yr for the first 5 years (Barrick Gold Corp., 2013a).

On July 9, Rio Tinto announced that the Oyu Tolgoi copper and gold project [Turquoise Hill Resources Ltd. (Vancouver, British Columbia, Canada) 66%, Government of Mongolia (Erdenes Oyu Tolgoi LLC) 34%] in Mongolia had begun shipping copper concentrate containing gold from its open pit operations to China. Rio Tinto owns 51% of Turquoise Hill. The estimated average production from open pit and underground operations was projected to be 430,000 t/yr of copper and 13 t/yr of gold during the first 20 years. On July 29, the Government of Mongolia notified Rio Tinto that the terms of the project financing for the planned underground development would need to be approved by the Mongolian Parliament, which could cause the underground development to be delayed beyond its expected 2017 startup (Rio Tinto plc, 2013a, b).

References Cited

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http://www.riotinto.com/documents/290713_Development_of_Oyu_Tolgoi_underground_mine_delayed.pdf.)

Rio Tinto plc, 2013b, Oyu Tolgoi begins shipping copper concentrate to customers: London, United Kingdom, Rio Tinto plc media release, July 9, 2 p. (Accessed September 3, 2013, at http://www.riotinto.com/documents/130709_Oyu_Tolgoi_begins_shipping_copper_concentrate_to_customers.pdf.)

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

(Kilograms)

	Alaska	Nevada	Other States ²	Total
2012: ^p				
June	2,260	15,600	2,530 ^r	20,400 ^r
July	2,940	14,200	2,660 ^r	19,800 ^r
August	2,490	14,200	2,880 ^r	19,600 ^r
September	2,530	14,500	2,630 ^r	19,600
October	2,450	15,500	2,460 ^r	20,400 ^r
November	2,460	15,500	2,380 ^r	20,300
December	2,530	15,700	2,480 ^r	20,700
January–December	27,700	175,000	31,400 ^r	235,000 ^r
2013:				
January ^f	2,160	13,800	2,490	18,500
February	2,270 ^r	12,600	2,310 ^r	17,200 ^r
March ^r	2,490	13,700	2,440	18,700
April ^r	2,820	12,700	2,360	17,900
May	2,690	14,000 ^r	2,190 ^r	18,800 ^r
June	2,780	14,400	2,200	19,400
January–June	15,200	81,300	14,000	110,000

^pPreliminary. ^rRevised.

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)

	Price	Date
Engelhard:		
2012:		
Low	1,543.27	May 30
High	1,795.45	Oct. 4
Average	1,671.56	XX
2013:		
May:		
Low	1,357.70	May 20
High	1,472.40	May 2, 3
Average	1,419.04	XX
June:		
Low	1,194.68	Jun. 28
High	1,407.04	Jun. 5
Average	1,345.30	XX
Year to date:		
Low	1,194.68	Jun. 28
High	1,697.28	Jan. 2
Average	1,525.98	XX
Handy and Harman:		
2012, Average	1,668.00	XX
2013:		
May	1,415.91	XX
June	1,342.36	XX
Year to date	1,521.49	XX
London Final:		
2012, Average	1,668.98	XX
2013:		
May	1,413.50	XX
June	1,342.36	XX
Year to date	1,523.29	XX

XX Not applicable.

Source: Platts Metals Week.

TABLE 3
U.S. IMPORTS AND EXPORTS OF GOLD¹

(Kilograms, 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:							
2012	5,370	218,000	108,000	332,000	116,000	319	13,400
2013:							
May	2	19,400	11,000	30,400	3,250	61	799
June:							
Bolivia	--	526	251	777	--	--	--
Canada	--	(5)	3,280	3,280	401	(5)	--
Chile	--	315	--	315	1	--	--
Colombia	--	2,950	700	3,650	20	--	--
Dominican Republic	--	11	28	39	837	--	--
Ecuador	41	575	79	695	--	--	--
Germany	--	4	--	4	35	52	3,000
Guatemala	--	514	--	514	233	--	--
Guyana	--	653	--	653	--	--	--
Honduras	--	94	160	254	190	--	--
Japan	--	--	--	--	--	--	277
Mexico	5	5,430	1,430	6,860	331	--	--
Nicaragua	--	193	15	208	73	--	--
Peru	--	5,840	22	5,870	--	--	--
Switzerland	--	81	227	308	(5)	--	--
United Kingdom	--	--	--	--	961	3	1
Venezuela	--	299	1	300	--	--	--
Other	--	123	238	362	717	1	--
Total	46	17,600	6,430	24,100	3,800	56	3,280
January–June	126	110,000	45,100	155,000	248,000	3,780	8,720
Exports:							
2012	11,800	311,000	371,000	693,000	266,000	302	2,820,000
2013:							
May	460	16,600	38,100	55,200	3,380	26	149,000
June:							
Canada	--	21	497	518	2,080	--	29,100
China	447	--	--	447	--	1	1,440
Dominican Republic	57	--	--	57	--	--	8,070
Hong Kong	12	--	15,500	15,500	--	3	--
India	--	3,880	2	3,880	--	3	--
Israel	--	--	--	--	--	--	1,680
Japan	179	--	--	179	35	--	151
Korea, Republic of	25	--	--	25	--	--	3,760
Malaysia	--	--	44	44	--	--	5,060
Mexico	--	--	54	54	--	1	41,700
Singapore	--	--	10	10	--	--	16,300
Switzerland	--	15,500	21,000	36,500	11	--	--
Taiwan	--	--	--	--	--	--	13,900
Thailand	--	--	2,160	2,160	--	--	1,980
United Arab Emirates	--	2,200	26	2,230	--	--	--
United Kingdom	(5)	--	1,280	1,280	2,500	19	816
Other	85	--	44	129	88	5	--
Total	805	21,600	40,700	63,000	4,720	32	124,000
January–June	2,930	113,000	291,000	406,000	107,000	142	813,000

See footnotes at end of table.

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

(Kilograms, gold content unless otherwise specified)

-- 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."

⁵Less than ½ unit.

Source: U.S. Census Bureau.