

Mineral Industry Surveys

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GOLD IN JUNE 2009

U.S. mines produced 16,200 kilograms (kg) of gold in June, a 10% decrease compared with May production, according to the U.S. Geological Survey. The average daily gold production for U.S. mines was 541 kilograms per day (kg/d) in June, compared with 581 kg/d for May and 641 kg/d for full year 2008.

The average Engelhard Industries' gold price was \$947.93 per troy ounce for June, up slightly compared with the average gold price in May. The gold price began the month at \$984.07 per troy ounce, the highest point since late February 2009, but fell to \$921.46 per troy ounce by June 22, the lowest point for the month. The price recovered slightly and ended the month at \$936.74 per troy ounce.

The U.S. Supreme Court released its decision affirming the issued permit for the tailings facility of Coeur d'Alene Mines Corp.'s (Coeur d'Alene, ID) Kensington Gold Mine, near Juneau, AK. The decision will clear the way for the completion of the only remaining item to be constructed. With the decision, the company planned to begin production in the second quarter 2010 with an estimated annual production of 3,890 kg of gold (Coeur d'Alene Mines Corp., 2009).

Yukon-Nevada Gold Corp. (Vancouver, British Columbia, Canada) suspended operations at its roasters at Jerritt Canyon Mine, 80 kilometers (km) north of Elko, NV, because the company has not completed the construction of its mercury recovery system. After reopening the mine in late April 2009, the company missed the State deadline of May 30 to have the mercury recovery system in place because of a delay in fabrication of fiberglass ductwork. Once the new system is installed, which was expected to be by the end of June, it would reduce annual mercury emissions to 79 grams (g) from 771 g (The Northern Miner, 2009; Yukon-Nevada Gold Corp., 2009).

Great Basin Gold Ltd. (Vancouver) revised the mineral resource estimates for the company's Hollister Project on the Carlin Trend in Nevada. After 9 months of trial mining and underground drilling program, the resources were 90,000 kg of contained gold equivalent, a 27% increase as compared with previous resource estimates (Great Basin Gold Ltd., 2009).

Fire River Gold Corp. (Vancouver) signed a letter of agreement to acquire an option to purchase 100% interest in Mystery Creek Resources Inc. (Golden, CO), a wholly owned

subsidiary of Pacific North West Capital Corp. (Vancouver). Mystery Creek owned the Nixon Fork Mine, 56 km northeast of McGrath, AK. Fire River Gold planned to conduct a reevaluation of the mine reserves and resources and develop a plan to restart the mine. The Nixon Fork Mine had operated intermittently from 1995-98 (Fire River Gold Corp., 2009).

Centamin Egypt Ltd. (Mt Pleasant, Western Australia, Australia) announced the first gold pour at its Sukari Gold Project on June 26. Sukari was the first modern commercial gold mine to be operated in Egypt and reportedly has gold reserves of 199,000 kg (Centamin Egypt Ltd., 2009).

China produced 120,000 kg of gold in the first 5 months of 2009, up 14% as compared with production in the first 5 months of 2008. The top three gold-producing provinces were Shandong, Henan, and Fujian, in descending order, representing 40% of the total (Interfax China Mining & Metals Weekly, 2009).

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

(Kilograms)

| | Nevada | Other States ² | Total |
|--------------------------|---------|------------------------------|---------|
| 2008:^p | | | |
| June | 16,600 | 4,510 | 21,100 |
| July | 15,500 | 5,130 | 20,700 |
| August | 14,500 | 4,670 | 19,200 |
| September | 15,200 | 5,160 | 20,400 |
| October | 16,200 | 4,610 | 20,800 |
| November | 16,100 | 4,850 | 20,900 |
| December | 19,300 | 5,410 | 24,700 |
| January-December | 179,000 | 55,400 | 235,000 |
| 2009: | | | |
| January | 13,600 | 3,900 | 17,500 |
| February | 11,900 | 4,220 | 16,200 |
| March | 14,000 | 5,930 | 19,900 |
| April | 12,500 | 4,750 ^r | 17,300 |
| May | 12,400 | 5,620 ^r | 18,000 |
| June | 11,100 | 5,120 | 16,200 |
| January-June | 75,600 | 29,500 | 105,000 |

^pPreliminary. ^rRevised.

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

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

TABLE 2
GOLD PRICES

(Dollars per troy ounce)

| | |
|------------------------------|------------------|
| Engelhard Industries: | |
| 2008: | |
| Low/date | 714.36 Oct. 24 |
| High/date | 1,013.62 Mar. 17 |
| Average | 767.57 |
| 2009: | |
| May: | |
| Low/date | 886.65/1 |
| High/date | 977.81/29 |
| Average | 929.66 |
| June: | |
| Low/date | 921.46/22 |
| High/date | 984.07/1 |
| Average | 947.93 |
| Year to date: | |
| Low/date | 812.03 Jan. 15 |
| High/date | 991.33 Feb. 20 |
| Average | 916.93 |
| Handy and Harman: | |
| 2008, Average | 766.00 |
| 2009: | |
| May | 927.34 |
| June | 945.67 |
| Year to date | 915.38 |
| London Final: | |
| 2008, Average | 765.79 |
| 2009: | |
| May | 928.64 |
| June | 945.67 |
| Year to date | 915.18 |

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: | | | | | | | |
| 2008 | 27,500 | 85,100 | 118,000 | 231,000 | 36,500 | 322 | 102,000 |
| 2009: | | | | | | | |
| April | 16,200 | 10,800 | 7,850 | 34,800 | 3,800 | 34 | 2,320 |
| May: | | | | | | | |
| Canada | -- | -- | 3,050 | 3,050 | 329 | -- | -- |
| Chile | -- | 46 | 385 | 431 | -- | -- | -- |
| Colombia | -- | 1,420 | 1,030 | 2,450 | 25 | -- | -- |
| Costa Rica | -- | 110 | -- | 110 | 102 ⁵ | -- | -- |
| Dominican Republic | -- | 27 | -- | 27 | 523 | -- | -- |
| El Salvador | -- | -- | -- | -- | 301 | -- | -- |
| Germany | -- | -- | -- | -- | -- | 27 | 1,340 ⁵ |
| Guatemala | -- | 813 | -- | 813 | 94 ⁵ | -- | -- |
| Guyana | -- | 181 | -- | 181 | -- | -- | -- |
| Honduras | -- | 281 | 6 | 288 | 569 | -- | -- |
| Mexico | 284 ⁵ | 7,200 ⁵ | 1,480 | 8,960 | 1,140 ⁵ | 1 | -- |
| Netherlands | -- | -- | -- | -- | -- | -- | 5,000 ⁵ |
| Nicaragua | -- | 114 | 8 ⁵ | 122 | 63 | -- | -- |
| Panama | -- | 24 | -- | 24 | 139 ⁵ | -- | -- |
| Peru | -- | 1,190 | -- | 1,190 | -- | -- | -- |
| United Kingdom | -- | 272 | -- | 272 | (6) | (6) | -- |
| Other | 2 | 102 ⁵ | 240 ⁵ | 344 | 100 ⁵ | 82 ⁵ | 1 ⁵ |
| Total | 286 | 11,800 | 6,200 | 18,300 | 3,380 | 110 | 6,340 |
| Year to date | 36,700 | 54,500 | 45,300 | 137,000 | 16,200 | 226 | 18,000 |
| Exports: | | | | | | | |
| 2008 | 2,430 | 106,000 | 460,000 | 568,000 | 886,000 | 1,200 | 2,920,000 |
| 2009: | | | | | | | |
| April | 168 | 5,370 | 21,300 | 26,800 | 35,600 | 42 ^r | 181,000 |
| May: | | | | | | | |
| Australia | -- | -- | 4,770 ⁵ | 4,770 | -- | 1 ⁵ | -- |
| Belgium | -- | -- | -- | -- | 36,900 ⁵ | -- | -- |
| Canada | -- | 30 | 6 | 36 | 4,690 ⁵ | 2 ⁵ | 45,000 ⁵ |
| China | (6) | -- | -- | (6) | -- | 1 ⁵ | 978 ⁵ |
| Dominican Republic | -- | -- | -- | -- | -- | -- | 8,020 ⁵ |
| Germany | -- | -- | -- | -- | 3,480 ⁵ | 1 | 508 ⁵ |
| Hong Kong | 16 ⁵ | -- | 12 | 28 | -- | 2 ⁵ | 3,830 ⁵ |
| India | 1 ⁵ | -- | 3,990 | 3,990 | -- | 1 ⁵ | 473 ⁵ |
| Israel | -- | -- | -- | -- | -- | -- | 447 ⁵ |
| Malaysia | -- | -- | 56 | 56 | -- | -- | 7,950 ⁵ |
| Mexico | 99 ⁵ | -- | 144 | 243 | -- | -- | 1,600 ⁵ |
| Singapore | -- | -- | -- | -- | -- | -- | 96,000 ⁵ |
| Switzerland | -- | 9,840 | 504 | 10,300 | 126 | -- | -- |
| Taiwan | -- | -- | -- | -- | -- | -- | 15,900 ⁵ |
| United Kingdom | -- | 4 | 15,600 | 15,600 | 17,200 ⁵ | 6 ⁵ | -- |
| Other | 35 ⁵ | 8 | 26 | 70 | 50 | 5 | 100 ⁵ |
| Total | 151 | 9,880 | 25,200 | 35,200 | 62,400 | 19 | 181,000 |
| Year to date | 800 | 45,400 | 120,000 | 166,000 | 300,000 | 129 | 934,000 |

^rRevised. -- 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.