

Narrative of Last Year's Philippine Mining

By Ralph Keeler

Mining-Section Editor and Reporter

Mining reached its greatest prosperity to date in the Philippines last year. Production figures both totals and by months appear in this issue of the *Journal* under the double-page cut of the latest large-scale venture, big-dredge work in the Paracale district. Fourteen mills produced ₱32,025,047 worth of gold, 1 mill, Goldriver, operating 1 month only and shutting down for further exploration and possible development of its claims. In contrast to this, new mills for other properties are planned for this year. Other minerals are being exploited, and new goldfields as well. The current year should witness material advance.

It is an old story that the Hausermann properties, Benguet Consolidated and Balatoc, lead all others. Between them last year they produced 2/3 of the Philippines' gold output and reached more than ₱2,000,000 in December. However, all producers are preparing to handle more ore.

Marsman & Company were responsible during 1935 for much activity in fields comparatively little exploited theretofore. They brought the Paracale-Mambulao district in Camarines Norte into production with a mill at the United Paracale property and with large dredges on the Cogo Gorge placers. They also established interests in Mindanao. Shares of Marsman Investments, Ltd. were listed on the London exchange, pioneer recognition of this type of a Philippine mining venture either in Europe or the United States. It has brought British capital into our mining industry, and the interest of this capital promises to be permanent here.

The year's phenomenon was Antamok Goldfields, that nosed into third place before the year's end. Gossip had it at the outset that Antamok's gold reserves were short, but they were extensively developed during the year's operations. There looms among our gold magnates a new figure, Andrés Soriano, heading Antamok, IXL and Masbate Consolidated with additional scattered interests. He has demonstrated driving force. Laying aside IXL's remarkable exhibition as a small project destined to expand, within a few months Masbate Consolidated will be milling 2,000 tons a day and with this capacity will be top among the goldmills of the islands. Behind it are well known properties: Panique, where the mill is, Colorado, and Boston Hill.

Gold still commanded primary attention in the Philippines during 1935, booming as it did, but base metals came in for attention too. The Philippines Iron Mines began steady shipments of ore to Japan from its mines across Mambulao bay from San Mauricio. The output is relatively small, but should expand. Output from other iron deposits, though extensive and widely found in the Philippines, remains nominal. Given the quality of Philippine iron, limited production will hardly continue.

Chromite excited speculative cupidity during the whole year, but the only sale of Philippine chromite effected was that of Benguet Consolidated: 100,000 tons of chromite from the Floranice mines in Camarines Sur to Union Carbide. Benguet operates Floranice for the owners, chiefly the Cadwallader interests. Benguet has also undertaken an operating contract with Consolidated Mines covering the latter's huge chromite deposits in Zambales. The output has not been sold (January 10), but costly development necessary to practical work proceeds. Results, reported promising, are for the future.

Consolidated Mines reminded the United States prior to the loss of the year of its chromite deposits, and hinted the advisability of stocking chromite ahead as war material.

Nothing has come of this to date, but on the contrary, George H. Dern, secretary of war, interviewed by the *Journal* in November when he visited Baguio, and inspected the mines there, supposed Japan, that had offered for Philippine chromite, a logical market for this important alloy metal. Aside from all this, companies to exploit chromite were organized during the year and there was considerable speculation in their stocks. (The *Journal* has had to cite fundamental differences between ores such as chromite, and gold: besides its being important for chromite to be of fixed commercial quality, sale is limited to those who want it because they have use for it industrially, or because they are advantageously placed as entrepreneurs to such industry; but gold, on the contrary, has an instant market everywhere).

Excitement over mineral oil developed in the Philippines toward the loss of the year. The commonwealth is currently in an astonished mood toward these potentialities. If the subject is treated this month by the *Journal*, it will be in a separate paper. Here it is enough to say that millions of acres have been taken up throughout the Philippines, by one main group chiefly, for the most part under exploration leases running 1 year; also that Standard Oil has been interested by the main promotion group, that the *Journal's* notation of leases granted evoked interest in London, and that oil geologists allied with minor groups have found local capital enough to back their preliminary explorations.

It sums up to a consciousness of oil's potentialities. It is possible there is oil here, somewhere, in commercial quantities. An intriguing fact is the Borneo field, so near the southern Philippines.

Things are much the same respecting manganese as they are respecting chromite. From Ilokos, a 500-ton manganese shipment to the United States sold readily, a fact at least demonstrating its quality. The company organized to exploit manganese in Sulu has been reported, the expectation being the market in Japan.

A number of the 14 mills reporting, 13 operating, began operating in 1935. Demonstration began early, United Paracale soon followed, and Salacot in October. Gold Greek ore has been milled at Antamok. The Cal Horr mill completed in October began operations in December. A mill is being built for Big Wedge, another for San Mauricio, and a mill is ordered for East Mindanao. Suyoc Consolidated began milling a year ago. Geophysical tests and further exploration and development upped Ipo's reserves and raised estimates per ton, practically establishing this new field so near Manila. Virac, that soured during the year from flood damage and want of development, is resorting to geophysical tests for ore deposits.

Sourest of the new projects that actually reached the built-mill stage was Gold River, shutting down for want of ore after 1 month's operations. Then Benguet took an operating contract under which a report is expected soon, after this once buoyant stock sagged as low as 3½ centavos per share par 10 centavos. Hooking Gold River's power with Balatoc's and Benguet's, Benguet was enabled to start Cal Horr's mill at the end of the year, meantime exploration of Gold River's claims being far from neglected. Ambassador thought it had ore enough for a mill in sight in April, but has not built one, while Marsman's operating contract covering this property has been given up.

Shares had their ups and downs during the year, the board values often having little relation to the actual values indi-

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RALPH KEELER

his head in the coldest water he could find, knowing it would provoke a headache. This was his subterfuge to get to the river, to bathe and ease his fever—and it worked because he had been such an earnest thief in the night and won his comrades' confidence.

Only one companion went with him to the river, who scurried back to the house at the call to breakfast. Opportunity thus rising, the young captive forced the river and made his escape naked to a breechcloth with his clothes under his arm; and ran for his life down the road to the next village, where, pending his appeal, he was let ride a bicycle away home, where he peddled to police headquarters at the town hall and made his report. That afternoon posses of police and constabulary sallied forth on the route of the communists, looking for the inseparable Fifteen and summarily arresting, along the way, men at the houses where these men had made intermediate halts with their prisoner. They took a man from each household, and tightened their dragnet round the villages involved.

The puny results to date are charges against one man found with letters from the captain of the Fifteen on his person—one letter ordering ammunition to be got and brought from town by a comrade who lives there; and the arrest of this comrade at his home, where an unlicensed German-made 25-calibre pistol with ammunition was seized as evidence, along with some papers.

The dog sucked the eggs wanted for the harvest festival, and the constabulary, a faithful plantation employé running deadly risks to inform them, find the countryside honeycombed with thievery and revolt. This was the initial outbreak of Lope de la Rosa and his followers. Of the Fifteen, 3 have been captured.

Sure to Win!

Retired from the civil service and living on an annuity wisely purchased, everything over a living minimum he spends in the sweepstakes. And he can't lose, not because he ever wins, but because of that annuity. In the first sweepstakes he spent about P1,500. Winning nothing, he worked out a system and risked a

larger sum in the second sweepstakes. Buying a string of numbers in every series, he thought he had the grand prize in a network of numbers all his own. He boasted he had 1 chance in 150; and friends, unimpressed by such odds, thought so what: if in a bowl of 150 marbles you must pick blindly the 1 blue one in the midst of 149 white ones, your chance is slim.

So he failed of the grand prize, and finding it out, tore up his tickets. Then it turned out that he had won about P450 in minor prizes, only his tickets were gone. To collect, he hired an agent who was to get P150 and give him the remaining P300; but according to him, he got the short end and the agent the long end. Anyway, it cost him a good deal to post a 10-year bond assuring the sweepstakes management against loss when it paid him. Such is anger.

His system was so nearly perfect for the third sweepstakes that he wanted to bet he had the grand prize in the bag. Things turned out otherwise, all he won were some tiny sums in participation tickets—in all no more than a few pesos. This has quieted perceptibly his former volubility about his system and its certainty of bringing him the grand prize. But he is perfecting it still further for the next sweepstakes. And what matter? It amuses him, and he has his annuity.

MANILA HEMP

By H. P. STRICKLER
Manila Cordage Company

During December the market opened steady, but before the middle of it was reached, buyers in foreign markets encouraged by a few cheap sellers from the Philippines held off in the hope of bringing about a lower level of prices. These tactics were more in the nature of testing the strength of the local market, which has been on the whole firm all throughout.

The period from December 10th to December 20th was marked by low quotations made in London and New York, but in answer sellers in those markets practically withdrew from the market with the result that the low quotations

became only nominal, and a stalemate ensued which lasted until the last week of the month, under review.

Seeing their tactics useless, foreign buyers began to raise their quotations which was in the nature of a confession of defeat, but the month closed before their prices were high enough to attract sellers.

Reflecting the condition of foreign markets, our local markets maintained an obstinate firmness which lasted during the entire month. The small volume of business done was at full prices, materially above the nominal and fictitious level ruling in consuming markets.

Prices of Loose Fiber in Manila Per Picul

November 30th (Nominal)	December 31st Business
CD.....P22.00	CD.....P23.50
E.....20.00	E.....20.50
F.....18.50	F.....19.25
I.....17.50	I.....18.50
J.....15.00	J.....15.75
G.....13.00	G.....13.75
H.....9.75	H.....10.25
J2.....12.00	J2.....12.00
K.....9.25	K.....9.75
L1.....8.75	L1.....8.75
L2.....7.25	L2.....7.50

Narrative of Last Year's . . .

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ented by output and development, prospects and capitalization, property and management. It seemed to be enough to send a stock down, in a new company, for a mill to go into production. Naturally, many speculators took big losses. There were failures among brokers, too, and some bad tales in connection with them. Abra Mining could illustrate the broad situation. That stock held up tenaciously, long sold far above par with Ipa, for example, a producing mine, though Ipa is an unproved field and Benguet, that has the operating contract, has no announcements of ore proved up or plans for milling.

Philippine mining lost outstanding figures during the year; among them, in Baguio, J. F. Whitmarsh and Dr. N. M. Saleeby, the latter having been the surgeon at Notre Dame hospital in charge of the excellent laboratories Benguet installed. Dr. J. F. Reed of Manila has succeeded to the place at Notre Dame. George Cushing's death was another loss to the industry; he was an aggressive young engineer.

There were notable changes of position among the big fellows on the professional side. H. W. Evans gave up the superintendency of Balatoc because of ill health, and D. W. Butner of Benguet took his place. George Scarfe, geologist, left Benguet for Consolidated Mines; G. T. Geringer, Baguio Gold for Sulu Mining; W. G. Donaldson, Benguet (where he made a record at Ipo as superintendent for Consolidated Mines); G. J. Montague, from Balatoc for a trip around the world and retirement; C. M. Eyo, of Benguet, to the United States for indefinite stay; J. E. Moore, Gold River's superintendent, resigning and going to the United States when the mill had to shut down.

L. W. Lemox took over the superintendency of Benguet Consolidated.

The year's tendency was one of expansion, in the Bicol region southeast of Manila, in Masbate, and in Mindanao. There is small chance that any of these more southern fields will surpass Baguio while Balatoc and Benguet keep pouring forth bullion the way they do; but there will be more and more doing in them, and Masbate is likely to be well established this year as a great mining field.

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