

Gold Production at Ipo Now Well Underway at Plus Capacity

New mill well located, and the ore mines and mills easily—remarkably low costs predicted

A visit to the mill of the Ipo Mining Co., Inc., was made Saturday, March 10. The layman knows little about the technicalities of gold mining; only, in a general way, that in the Philippines it is a complicated process that only experts may carry on successfully. But at Ipo certain facts are inescapable. One is the ideal location of the mill and reduction plant. The process is one of complete cyanidization, the gold being taken out in solution. This requires water in abundance. Ipo has it. Then, as this water and the solutions must keep flowing about from tank to tank, gravity is an advantage. Installed at varying levels on a mountainside, the Ipo plant is accommodated by gravity.

You can tell, too, that the plant is well balanced. You ask the rated capacity of the mill. It is 150 tons of ore a day. You ask what is actually being put through. It is 160 to 180 tons of ore a day. You see, then, not only that the mill exceeds its rating but that the reduction plant readily handles the excess burden. You examine the ore on the dump. It breaks easily; you know that the ball mills can readily grind it to powder, for the cyaniding tanks and the revolving filters that scrape away the tailings. All runs smoothly, you visualize low-cost production.

This impression is confirmed when you go into the mine itself. You climb up the mountainside and go into the 300-foot level. Excessive timbering is not required. Practically you are in a mountain of ore. Stopes and drifts run everywhere, there are only 63 men in the whole mine; but they are picked men, 10 of them Igorot oldtimers from Baguio.

No one will care to give out figures at Ipo, as yet. You get nothing official, but common sense tells you this mining is economical. They do tell you that Salacot, across the river below the mill, up the mountains and down on the other slope, is steadily blocking out similar ore that in the natural course of events will give demand for a mill like Ipo's. You have motored to Ipo, an hour and 15 minutes from Manila, and beheld one mill operating in this new Philippine goldfield and the preliminary work being skillfully done—as you suppose—for a second. You recognize, of course, in this so-called lowgrade ore, a rigid test of the mettle of mining men in the Philippines. You sense the fact that a good part of mining's future in the islands hinges on Ipo. If Ipo turns favorably, as it promises now, then in all reasonableness there is many another paying mine to be opened in the Angat district where Ipo is the pioneer.

Good luck to Ipo.

Good producers surmising that the customs 1933 gold bullion export data are too low, 425,030 ounces valued at ₱9,695,171, the *Journal* communicated with the producing mining companies, with results as follow:

Mine	Bullion Ounces Exported	Value Pesos	Per Ounce
Balatoc Mining Company	213,854.70	4,752,817.20	₱22.23
Benguet Consolidated	190,768.80	4,479,824.42	23.44
Antamok Goldfields	8,306.49	254,822.76	30.32
Big Wedge	6,594.51	242,619.70	36.80
Benguet Exploration	2,564.00	137,951.50	20.01
Tambis Gold Dredging (Cebu)	1,196.00	38,291.20	32.00
IXL (Guinobatan, Maabate)	7,608.70	175,000.00	23.00
Paniqui Mines, Inc.	19,592.76	550,633.52	23.00
Itogon	71,979.21	1,655,521.77	23.00
Baguio Gold	1,665.00	116,250.26	30.32
Totals 1933, mines	524,220.77	13,384,532.33	25.22
Customs data 1933	425,030.00	9,695,171.00	22.81
Differences	99,190.77	3,689,361.33	34.90

After due allowance for errors in approximations, it seems that the customs reports are below last year's actual gold bullion production by nearly 100,000 ounces. The approximations will be explained. The first 5 mines listed gave both ounces of bullion and the corresponding values, the average value an ounce was obtained by simple division. The Tambis Gold Dredging Company, operating on Cebu, gave the number of ounces of bullion it produced last year, 1,196.60. It was estimated that this dredged gold would assay somewhat higher than milled gold, a value of ₱32 an ounce was therefore given it, making the approximate value ₱38,291.20. IXL gave the value of ₱175,000 for the year's run. As this mine operated throughout the year, an estimated value of ₱23 an ounce was given its bullion because that is in the neighborhood of the average value an ounce of the bullion produced by Balatoc and Benguet Consolidated, which also operated throughout the year.

The same procedure applies to Paniqui Mines, Inc., which reported the value of ₱550,633.52 for its 1933 output in its yearly report. It too operated throughout the year.

Baguio Gold's yearly report shows bullion exports during October, November and December valued at ₱116,250.26 at R.F.C. gold prices. The yearly report of Itogon gives the value of its 1933 bullion production, ₱1,655,521.77; and to approximate the number of ounces this value covers, as Itogon operated throughout the year, ₱23 was estimated as the average value of its bullion an ounce. Nineteen centavos an ounce higher than the customhouse average, this estimate is, as noted above, in the neighborhood of the average value an ounce of Balatoc's and Benguet Consolidated's bullion last year.

It is essential to bear in mind the wide discrepancy between the government's official figures reported by the customhouse, and the figures given by the mines. The mines' figures don't include considerable gold yielded by small projects throughout the islands, both mining and dredging, that ought to be included in the government's figures and that total a respectable sum during a year. The *Journal* would welcome suggestions as to how to ascertain definitely what gold the Philippines actually do produce. The government's data libel the industry.

The almost 100,000 ounces of gold bullion these islands produced last year above what the customhouse reported is more than any single gold mine in California produces in a year, save one. California does have one mine that yields more than 100,000 ounces of gold bullion a year; but the Philippines have, at Baguio, two mines yielding twice that amount of bullion each, and another almost as good as California's best. It is of course impossible to say why last year's full Philippine gold bullion production was not included in the customs report for the year. It is not implied that blame rests in the customhouse, only that there is a gravely misleading discrepancy that in future should be avoided because data from the government is official and news correspondents as well as everyone else take them as authentic, to the prejudice of data from all other sources however authentic in fact.

GOLD STOCK QUOTATIONS

MARCH 5, 1934

	Sellers	Buyers	Sales
Abra	1.10	.95	—
Ambassador	.06½	.05	—
Antamok	.57	.55	—
Atok	.09½	.08½	—
Atok Central	.10½	—	—
Baguio Gold	.37	.36	—
Balatoc	20.00	28.00	—
Benguet Consolidated	30.00	20.00	20.50
Benguet Exploration	.10½	.18	—
Benguet Gold	.12	—	—
Big Wedge	.12	—	.12½
Bued River	—	—	—
Mountain	.13	—	—
Demonstration	.11½	.10½	.11
Equitable	.10	—	—
Fortuna	.08	—	—
Gold Coin	—	—	—
Gold Creek	2.75	2.50	—
Gold River	.33½	.32	.32½
Gold Wave	.10	—	—
Golden Eagle	.90	—	—
Ipo	2.80	2.50	—
Itogon	4.90	4.60	4.80
Madaymon	—	—	—
Midas Gold	—	—	—
Mindoro	.28	—	—
Mineral Resources	.10	—	—
Montezuma	—	—	—
Padcal	2.00	—	—
Philippine Chromite	.10	—	—
Philippine Mines Syndicate	1.30	1.00	—
Placer Mines	4.10	—	—
Prosperity Placer	2.00	—	—
Salacot	.14	.13	—
Shevlin	4.15	3.75	—
Southern Cross	.45	.35	—
States Group	.10½	—	—
Suyoc Consolidated	.70	—	—
Suyoc Mines	—	—	—
United Paracale	.16	—	—
Universal Expl.	—	—	—
Virac Expl.	.21	—	—
Zamboanga	.14	—	—