

Comparing N

being a tabulation of the annual reports of the gold mines of the Philippines

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Which of the Philippine gold mines made the most profit last year? Which of the properties will have the longest life? How much money is tied up in equipment and supplies?

The answers to these questions will probably surprise you—look at the chart and see. Many interesting and little-known facts are brought out by the comparison between the annual reports of the operating companies.

It is difficult to make such comparisons, since the reports vary considerably in make-up. To one not an accountant (and, we suspect, to many of the accountants) an annual report is a mysterious jumble of figures. Each company has its own method of accounting for the many branches of the business—and the final condensed report which is sent to the stockholder summarizes the highlights of the year's work.

This chart is based on the 1935 and the 1934 annual reports, and the figures have been arranged, so far as possible, so that they will be easy to compare. Ore reserves and bullion production are based on the market price of gold—\$70 an ounce.

Life anticipated has been calculated by dividing the tons of ore reserves by the tons milled in 1935—not an accurate

method, since practically every mill will handle more rock in 1936 than it did in 1935, but at least a conservative one.

The estimated value of equipment and supplies does not include the value of mine and mining properties, except where the writer was unable to separate them. Taxes paid in 1935 are not at all accurate—obviously, the industry paid more than ₱1,399,941 in income, bullion, and various other taxes—but it is the best that could be obtained from the reports.

Ore reserve figures are somewhat misleading; some mines, for example, Benguet and Balatoc, did not include possible or prospective ore, but only positive and probable ore; other companies included everything that could be considered ore, whether positive, probable, or purely speculative. Then too, the estimates made by engineers—and it doesn't matter who the engineers are or what their experience is—are at best scientific guesses, and are sometimes wrong. Witness the Gold Creek upset; four or five of the top-notch engineers in the Islands estimated its ore reserve, and four or five of them were miles wrong.

Another point about ore reserves: assuming that the ore

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	ORE RESERVES		As of January 1, 1935		PRODUCTION		LIFE Anticipated years	DIVIDENDS 1935	%
	Of January 1, 1935	Estimated Value	Tons	Estimated Value	Tons	Value			
1 Antamok Goldfields	809,322	₱16,726,689	725,873	₱16,811,835	115,584	₱2,490,979	7	₱1,000,000	72.7
2 Baguio Gold	109,616	2,148,936	231,550	5,887,695	51,645	874,201	2.1	none	none
3 Balatoc	1,060,726	31,565,450	1,134,883	38,414,422	431,099	12,544,342	2.2	5,100,000	127.4
4 Benguet Consolidated	1,013,899	28,958,238	981,905	30,075,208	276,187	8,632,056	3.6	5,700,000	95.0
5 Benguet Exploration	49,300	494,020	36,700	423,640	32,227	284,171	1.5	none	none
6 Big Wedge	58,632	2,063,076	—	1,000,000	none	none	1.2	none	none
7 Bicol Gold	96,000	1,023,360	started 1935	none	none	none	none	none	none
8 Cal Horr	77,227	1,049,014	none given	none	none	none	2	none	none
9 Coco Grove	14,328,000 cu. yds.	452,500	10,154,646	started 1935	none	none	4	none	none
10 Demonstration	200,729	5,145,364	156,012	4,040,659	54,760	930,343	—	none	none
11 East Mindanao	48,665	1,080,595	started 1935	none	none	none	2	none	none
12 Gold Creek	30,000	452,500	varied according to engineers	22,825	433,283	0.5	none	none	6
13 Ipo Gold	49,553	538,400	15,000	180,000	57,707	575,039	0.75	38,825	5.0
14 Itogon	440,460	9,851,425	307,420	6,896,443	111,833	2,212,493	3.9	643,864	32.4
15 I. X. L.	144,126	4,576,876	not available	15,333	356,000	3.0	none	none	1.0
16 Masbate Consolidated	6,415,906	64,244,812	not available	98,172	823,740	9.0	none	none	none
17 Northern Mining	12,715	352,780	started 1935	none	none	none	none	none	none
18 Salaoot	145,854	1,618,460	not available	5,822	45,075	2.2	none	none	2.4
19 San Mauricio	76,000	2,395,000	started 1935	none	none	2.0	none	none	5
20 Suyoc Consolidated	101,270	2,642,346	not given in report	40,042	790,031	2.5	none	none	8
21 Tambis Placer	not given in report of 1934 or 1935	—	not given	—	99,858	15	45,900	39.7	1
22 United Paracale	296,000	4,375,000	not given in report	21,203	575,984	5	none	none	6
23 Universal Exploration	not available	—	30,400	612,648	none	none	none	none	2
	11,236,000	₱191,437,187	3,619,743	₱104,342,550	1,334,439	₱31,667,595		₱12,528,589	54.7
	PLUS								₱22,8
	14,328,000	cubic yards at Coco Grove							

Big Notes

of the gold mining companies compiled by

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Editor and Reporter

as estimated is actually in the mine, the figure still does not represent the amount which the company can count on. Reason: 2 or 3% is left in the mine as pillars, etc.; extraction varies, but is seldom over 92 or 93%. Thus, if 100,000 tons, containing ₱10 a ton, are in a mine, 2%, or 2,000 tons are left in the mine; from the 98,000 tons mined, worth ₱980,000, but 90% of the gold is extracted; the final return is ₱882,000.

Definite figures are surprisingly lacking on many important points; most of these were not available at the time this article was written, or at least they did not appear in the report used. Where the word "none" appears, it means either that there was no such item for the period (such as no production for a number of mines last year) or that no figure on it was given. Since the writer has no way of telling which is which in many cases, he has used the same word for both.

Only two placer properties are reported on, Coco Grove and Tambis. Coco Grove has been in operation for the past three months, but no figures on production have been given. Hence it is difficult to predict just how much of the estimated gold contained can be extracted.

Tambis Placer gives no ore reserves in the report used, but does state that there is enough ground available to keep two or three more dredges working for the next 15 years.

Daily capacities will be different by the time you read this. Suyoc, Itogon, United Paracale, Demonstration, and many others will be handling more ore. Masbate Consolidated and I. X. L. will not reach the capacities given for some time yet, but much of the necessary equipment has been installed.

There's enough ore blocked out to last 10 years at the present rate of milling, according to the figures. Estimates of ore reserves by the established companies tend to be conservative, while those of the companies not in production yet swing to the optimistic side. However, reserves as given in this table were taken from reports made by engineers of proven standing in the industry here, and we believe that on the whole the figures are conservative.

Such a chart as this represents conditions on the first of the year as compared with January 1, 1935; it is not a tabulation of conditions as they are now, necessarily, and was prepared solely because of the interesting inferences which can be drawn from it.

%	Paid up Capital	NET PROFITS		Capacity Daily Tons	Estimated Value of Equipment & Supplies	Taxes Paid 1935		
		1935	1934					
72.7	₱1,375,000.00	₱1,231,128	₱393,381	450	₱1,603,514	₱36,933	1	Antamok Goldfields
none	none	255,572	205,882	150	1,007,806	not given	2	Baguio Gold
127.4	4,000,000.00	6,337,750	5,449,832	1200	4,239,718	731,487	3	Balatoe
95.0	6,000,000.00	7,302,277	6,605,841	800	2,388,474	537,848	4	Benguet Consolidated
none	500,000.00	16,652	22,574	100	98,582	499	5	Benguet Exploration
none	776,454.00	none	none	150	361,128	124	6	Big Wedge
none	none	none	none	none	not given	none	7	Bicol Gold
none	none	none	none	150	957,973	with Benguet	8	Cal Horr
none	none	none	none	not known	not given	none given	9	Coco Grove
none	997,180.00	195,272	none	175	409,534	20,046	10	Demonstration
none	none	none	none	100	not given	none given	11	Fast Minanao
none	699,464.00	58,940	none	none	76,527	1,768	12	Gold Creek
5.0	774,738.00	110,072	-2,824	200	550,809	9,970	13	Ipo Gold
32.4	1,981,122.00	806,145	997,457	350	1,684,302	39,128	14	Itogon
none	1,000,000.00	167,834	none	150	579,370	5,035	15	I. X. L.
none	none	178,160	440,358	2000	1,462,009	5,344	16	Masbate Consolidated
none	97,600.00	none	none	none	49,430	not given	17	Northern Mining
none	2,400,000.00	11,438	none	200	655,689	508	18	Salacot
none	500,000.00	none	none	150	275,138	not given	19	San Mauricio
none	850,000.00	44,220	none	160	1,362,230	4,755	20	Suyoc Consolidated
39.7	115,413.00	48,140	none	not known	138,306	2,428	21	Tambis Placer
none	600,000.00	120,939	none	150	702,043	4,068	22	United Paracale
none	221,054.20	none	none	none	not given	not given	23	Universal Exploration
54.7	₱22,885,025.20	₱16,884,539	₱14,118,149	6635	₱18,602,582	₱1,399,941		