

Goldletter INTERNATIONAL

the international independent information and advice bulletin for gold and related investments

State of Nevada – one of the world's most prolific gold regions



The State of Nevada has produced over 100 million ounces of gold from the Carlin Trend in the last 20 years. Only two other locations in the world have achieved this level of production: South Africa's Witwatersrand and Uzbekistan's Muruntau.

Nevada's gold mines produce almost 7 million troy ounces of gold per annum, worth over \$ 4.0 billion. Nevada's gold production accounts for approximately 78% of all U.S. production and 8% of world production, maintaining Nevada's rank by far the largest gold producer in the U.S. and the fourth largest producer in the world behind South Africa, Australia and China.

The Carlin Trend in Northeastern Nevada (5 miles wide and 40 miles long) was discovered in the 1960s and has reserves and resources exceeding 100 million ounces.

With Newmont Mining and Barrick Gold being the major gold producers in Nevada, the region got a strong boost from a major discovery in 2003 called Cortez Hills, that added for a total of 5.5 million high-grade gold ounces to the Cortez Mine, a joint venture of Placer Dome (60%) and Rio Tinto (40%), for a total of 11.1 million ounces. This discovery will extend the life of the Cortez Mine property to at least 2014, and will generate 1 million ounces of gold per year at a cash cost of US\$ 170 per ounce.

The Cortez Trend is part of the Eureka-Battle Mountain Gold Belt that includes the Pipeline Mine Complex (12 million ounces) to the north and Gold Bar Mine (1.0 million ounces) to the south.

The major Cortez Hills discovery has resulted in a flurry of exploration and drilling activity in the Cortez area by a growing number of junior exploration companies.

OVERVIEW OF NEVADA GOLD MINES			
Project	Producer	Ownership	Output 2005 (mln oz)
Nevada operations	Newmont Mining	100%	2.44
Goldstrike (Betze-Post/Meikle)	Barrick Gold	100%	2.02
Cortez-Pipeline	Barrick Gold Rio Tinto	60% 40%	0.88
Round Mountain	Barrick Gold Kinross Gold	50% 50%	0.74
Marigold	Barrick Gold Glamis Gold	33.3% 66.7%	0.21
Jerritt Canyon	Queenstake Re-	100%	0.20
Rochester	Coeur d'Alene Mines	100%	0.07 6.56
Total US production			8.41
Nevada in % of total US production			78%

