



Consider First Majestic Silver Corp. and Goldcorp Inc. for Your Portfolio

Description

If you desire a silver or gold component for your stock portfolio, consider two companies that have attained significant success so far in 2014.

1. First Majestic Silver Corp.

First Majestic Silver Corp. ([TSX: FR](#))([NYSE: AG](#)) concentrates on silver production in Mexico and owns five producing mines. These are La Encantada Silver Mine (its largest operation), La Parrilla Silver Mine, the San Martin Silver Mine, La Guitarra Silver Mine and the Del Toro Silver Mine. Its La Encantada production, running at full capacity, is around 4.1 to 4.3 million ounces of silver, as silver doré bars, each year.

Record production

This month, First Majestic announced that for Q2 2014, total production at its five operating silver mines in Mexico attained 3,855,224 equivalent ounces of silver, which is a new quarterly record. This represents an 18% increase versus Q2 2013.

Extensive drilling

First Majestic completed 12,508 metres of diamond drilling in Q2 versus 7,190 metres in Q1 (a 74% increase). La Encantada is the focus of a major portion of the company's current drilling.

La Encantada

First Majestic Silver owns this mine 100%. Situated in northern Mexico, La Encantada also has a 4,000 tpd cyanidation plant. For Q2, silver recoveries at this mine averaged 60%. This represents the single best quarter in the past five years of operation. This silver mine consists of 4,076 hectares of mining rights and surface land ownership of 1,343 hectares.

2. Goldcorp Inc.

Goldcorp Inc. (TSX: G)(NYSE: GG) is a gold producer whose operating assets include four mines in Canada and the United States, three in Mexico, and three in Central and South America. For 2013, the company produced 2.67 million ounces of gold. For Q1 2014, Goldcorp produced 679,900 ounces of gold. The company's newest gold producing mine, which it acquired in 2010, is Cerro Negro (a high-grade gold mine) in Argentina.

Cerro Negro

As of December 31, 2013, proven and probable gold mineral reserves totaled 5.74 million ounces at Cerro Negro. Goldcorp indicates that this property has "a rich network of near-surface gold veins that are easily mineable at very low costs."

Cerro Negro is a major land package consisting of approximately 215 square kilometres. The project has many vein discoveries that have been found over the last few years. Cerro Negro has continuous high-grade vein systems.

Gold production

Last week, Goldcorp announced the achievement of first gold production at Cerro Negro. The initial doré bar was poured at the mine containing an estimated 317 ounces of gold. The bar weighed roughly 100 kilograms. The expectation is that production guidance for this year will be between 130,000 and 180,000 ounces of gold.

Perform due diligence on these two companies as possible additions to your family of stocks. Each is moving ahead with plans for greater and more efficient production and could add value to your portfolio.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:AG (First Majestic Silver)
2. TSX:FR (First Majestic Silver)

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