

Tuesday, January 8, 2019



“New” Barrick Likely to Refocus on Nevada

~ NuLegacy Gold is in ‘the road’ ~

To my friends, family and NuLegacy shareholders/stakeholders:

Hi Folks,

[Click to view the Globe's scoop](#)

Just as I was finishing the draft of the following eblast on Saturday, the Globe & Mail “scooped” my story... nevertheless, two things to take-away for NuLegacy from the merger of Barrick Gold and Randgold:

1. There should be less pressure on Nevada mining asset prices from the wholesale sale of prime assets as was the case during 2014-17 while Barrick “came back from the brink of insolvency”, so we can anticipate a bounce in values.
2. Barrick’s ‘new’ management appreciates the value of owning an entire geological province (northern Nevada) that hosts six of the best and politically safest Carlin-style gold mines in the world; the Mielke, Goldstrike and Betze-Post mines in the Carlin trend and the Pipeline, Cortez Hills mines and arguably the world’s best discovery in the past 10 years - the fabulous new Goldrush deposit in the Cortez trend.

And your **NuLegacy Gold** opportunistically assembled 108 sq kms of prime and highly prospective Cortez-trend land position (the Red Hill project) on trend with two of these coveted mines (the Pipeline and Cortez Hills) and directly adjacent to the fabulous Goldrush deposit... before Goldrush had fully demonstrated its potential.¹

Whatever you’ve heard to the contrary, Randgold shareholders got the best of the Barrick Gold-Randgold merger. And while Barrick’s Chairman John Thornton is certainly to be commended for shrinking the company to solvency, claiming the merger was a no-premium deal is a deliberate obfuscation.

Mr. Mark Bristow, is a remarkable man who built up Randgold to a significant company in 20 short years; he took three reasonable gold mines in politically and logistically challenged Africa and successfully traded these ‘challenged’ Randgold assets for Barrick shares at par/with no discount - an incredible negotiation when you consider that Barrick owns five of the world’s largest and lowest cost gold mines... and was until recently trying to rid itself of its African exposure... brilliant!!

And Barrick shareholders responded correctly... bidding up, along with **Shandong Gold**² the price of their shares because they finally have a real miner and hard driving businessman in charge of their

company!!

My research indicates Mr. Bristow visits each of “his” mines at least once a quarter... and has at least one ‘**all day all hands**’ meeting on each of those visits – that’s a man after my own heart; that’s how you instill ‘vision’ in and gain the loyalty of your people!! Not by flying round in G5s visiting bankers in Zug.

And Mr. Bristow has really taken charge of Barrick - in the just the last 45 days that he has been engaged with ABX, he has spent numerous long (and highly energetic) days with the Nevada mining staff reviewing all of ABX’s Nevada mines; many of that staff never spent a moment directly with Mr. John Thornton in the five years he’s has been Chairman.

As reported in the [Globe and Mail](#), about 95 head office staff (more than half of Barrick’s head office of 150) have been given lay-off notices, with most already gone... and that’s after a 50% reduction over the past three years as Barrick shrank itself to solvency. In addition, year-end-Christmas ‘courtesy’ bonuses were cut from several thousands of dollars to several hundred... and no one is immune from a real butt-kicking if they fail to perform; and generous recognition for performance.

As is often the case many of the best people left Barrick during its descendancy (under the aging Munk) and NuLegacy was fortunate to enroll five of the best starting as far back as 2011; more about them in another missive.

We anticipate Nevada assets and particularly NuLegacy’s star will rise along with Barrick’s new management’s recognition of what we’ve suspected all along... **Nevada gold assets are the premier gold mining assets in the world**... and are not to be dissipated by leveraging off them into high risk foreign adventures.

Thank you and cheers,

Albert

Albert J. Matter

Chairman, Director

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This is the second in a series of five Chairman’s Chats that I’ve prepared for early 2019; to see the first please link to: <https://nulegacygold.com/news/chairmans-chat/2018/bed-bath-and-beyond/>

¹ The proximity of NuLegacy’s Red Hill project to Barrick’s gold mines/deposits (including Goldrush) in the Cortez Trend is not necessarily indicative of the gold mineralization in the Red Hill project.

² With the help of the ‘mutual admiration society’ that was announced and established on September 24, 2018 by the *Shandong Gold for Cross Shareholding Agreement* ...whereby Shandong Gold agreed to purchase up to \$300 million of Barrick shares in the open market, while Barrick agreed to buy an equivalent amount in shares of Shandong Gold Mining Co. Ltd. in the public market... **or as Henry Fonda said to Katharine Hepburn in ‘On Golden Pond’ – lets swap spit!**