



## Is Your Gold Company Making the Right Moves?

### Description

Gold companies are reducing costs in a sluggish price environment. Many are downsizing as well, or revamping operations. What is your gold company doing to remain viable?

#### Barrick Gold

*The Financial Times* reported that CEO Jamie Sokalsky of **Barrick Gold** ([TSX: ABX](#))(NYSE: ABX) said that Barrick “has ‘learned some hard lessons’ from recent setbacks” and will slow down its growth plans. The weak gold price has made many miners rethink their expansion plans.

#### Goldcorp

In February, Barrick and joint venture partner **Goldcorp** (TSX: G)(NYSE: GG) announced an agreement to sell their respective interests in the Marigold mine in Humboldt County, Nevada, to **Silver Standard Resources** (TSX: SSO)(NASDAQ: SSRI). Goldcorp and Barrick will receive \$275 million in cash.

Chuck Jeannes, Goldcorp President and CEO, said, “This transaction is consistent with Goldcorp’s ongoing strategy of disciplined portfolio management with an emphasis on creating value for shareholders through the focus on core assets.”

#### Yamana Gold

**Yamana Gold** ([TSX: YRI](#))(NYSE: AUY) said in April that the company’s principal focus in the coming months would be on getting higher returns from a recent acquisition in Canada and the development of the Cerro Moro gold and silver project in Argentina. Yamana Gold has other mines in South America, Mexico, and Brazil. In Brazil, it has two gold projects slated for commercial production in Q3 2014.

However, Chief Executive Officer Peter Marrone said in April, “These new mines have increasingly become less important than the other aspects of the company when we look at it across various measures from cash flow to value.”

## Agnico Eagle Mines

Last week, **Agnico Eagle Mines** ([TSX: AEM](#))([NYSE: AEM](#)) announced the sale of nearly 27 million shares in **Sulliden Gold** (TSX: SUE) to **Rio Alto Mining** ([TSXV: RIO](#))(NYSE: RIOM).

Sean Boyd, President and CEO of Agnico Eagle Mines, said, “The sale of our Sulliden common shares to Rio Alto for approximately \$29.7 million allows Agnico Eagle to realize a profit on our original investment while reallocating cash for other strategic uses.”

Some creative maneuvering is happening in the gold industry. These companies are refining operations to remain viable. Is your gold company doing the same?

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. TSX:ABX (Barrick Mining)
2. TSX:AEM (Agnico Eagle Mines Limited)
3. TSX:YRI (Yamana Gold)

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