



1 Canadian Growth Stock That Could Make You Rich

Description

Barrick Gold ([TSX:ABX](#))(NYSE:GOLD) owns [several valuable gold mines](#). The Loulo district is Barrick's most prolific generator of new ounces and Loulo-Gounkoto more than replaced the company's depleted copper reserves last year. Both mines are located in Mali.

In-country partnerships and an agile, adaptable management team

Despite a coup and political unrest in Mali, the complex appears to have exceeded the top end of Barrick's production guidance, highlighting again the value of strong in-country partnerships and an [agile, adaptable management team](#).

Focused on extending mine life

The complex's 10-year outlook is enhanced by a third underground mine below Barrick's very profitable Gounkoto pit, which is on track to deliver the complex's first development ore tonnes by mid-2021. In Côte d'Ivoire, exploration has added to Tongon's life and the focus now is on extending that life beyond 2023 or otherwise replacing production. The Côte d'Ivoire remains an attractive destination for Barrick and the company continue to explore generative opportunities throughout the country.

Series of significant open-pit deposits

Kibali, a Barrick-owned mine in the Democratic Republic of Congo also grew total reserves net of depletion in 2020. Kibali was initially intended to progress to an underground-only mine but the discovery of a series of significant open-pit deposits has increased flexibility by balancing the ore feed over the mine's 10-year plan and beyond.

Realize the mine's full potential

Further, Barrick has achieved a great deal in Tanzania since taking over the operation of the Acacia mines there. Operationally, Barrick's North Mara operations continue to improve but the company appears to believe that there is still a lot to do to realize the mine's full potential, starting with a new oxygen plant and an upgrade of the cyclone cluster.

Delivering exceptional results

In addition, Barrick's enhanced understanding of the geology is delivering exceptional results, with the mine increasing the complex's reserves net of depletion. A substantial growth of the mine's resources indicates a significant potential for extending the mine life. Similarly, exploration at Barrick's Bulyanhulu mine has produced exceptional results, and it's becoming clear that this orebody is of world-class proportions.

Mines at lower half of the cost curve

The ramp-up of Barrick's underground mining and processing operations appears to be on track to reach steady state annualized production in 2022. Overall, Barrick appears to now believe that once the company brings North Mara and Bulyanhulu operations into the lower half of the cost curve, Barrick should be able to deliver another Tier One complex into the company's portfolio.

Bright future outlook

Overall, Barrick has made significant progress over the last few years. The company was in deep trouble when gold prices crashed in 2016, when it held significant amount of debt. Since then, Barrick has focused on paying down debt and realizing operational efficiencies.

In the last fiscal year, Barrick's free cash flow helped to pay down a significant amount of debt. Soaring gold prices have helped Barrick significantly and the company looks set to continue to allocate capital wisely. Barrick is also engaged in share buybacks and pays a generous dividend.

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