THE **GOLD** PLAYBOOK
PRESENTS

THE ULTIMATE GUIDE TO GOLD INVESTING

with 14 realistic investments to
prepare for the coming gold boom

"Hope you won't mind our dropping in unexpectedly like this, but we've brought along quite a large shipment of fish."

These were the words that would mark the biggest financial gamble ever made by any nation in the world.

The words were uttered by Alexander Craig of the Bank of England as he stepped off the train at Montreal's Bonaventure Station late on the afternoon of July 2, 1940.

Craig was speaking to David Mansur and Sidney Perkins of the Bank of Canada. Unbeknownst to them, Alexander's shipment didn't contain any fish at all, rather it held a small group of senior British bankers, 300 armed guards, and over 2,229 boxes, each containing four bars of gold -- in total worth billions in today's dollars...

Two weeks earlier, Churchill held a top secret meeting in the UK with his cabinet. Nazi Germany had just taken over Denmark, Norway, Belgium, and France. And now, an invasion of England began to look like a very real possibility.

In order to guarantee that the British Empire could continue fighting if the UK was overrun by the Nazi's, Churchill decided to move ALL of it's wealth to Canada in the form of gold bullion and securities.

But England couldn't spare any aircraft needed to transfer the gold. It would need to be sent by boat.

This wasn't the first time Britain had attempted to move it's massive wealth to Canada in a time of war. During World War I, Britain loaded the SS Laurentic with 43 tons of gold – with the goal of purchasing war munitions from North America. The ship ultimately met its end when it struck two mines laid by Germany.

Britain clearly didn't have history on her side. But it was a gamble Churchill had to make in order to guarantee not only the survival of the UK but also to continue the war effort for the Allies.

The plan was to fill ships to the brim with gold, secretly sail across the Atlantic (through Nazi U-Boat infested waters) and ultimately land in the Port of Halifax where the gold would be unloaded and locked in an underground vault in Montreal.

The loss of any ship of gold would be disastrous. And to make matters worse, over 100 UK ships (more than 40% of all ships crossing the Atlantic) were sunk in May alone.

Remarkably, all five ships made the nearly 3,000 mile journey unscathed.

For Winston Churchill and his cabinet, it was a gigantic gamble that paid handsome dividends. Although thousands of personnel were directly involved in the operation on two coasts, Operation Fish remained a secret until after the war and not a single piece of gold or security went missing.

In times of war or peace, gold acts as a true form of currency. Winston Churchill recognized this as Nazi Germany was breathing down Britian's neck.

And although we may not be in a major world war today, gold is still the superior form of currency when push comes to shove.

World leaders and major investors such as Ray Dalio and Carl Icahn recognize this and you should too.

Which leads us to why we're here...

The following report is a primer to today's evolving gold investment environment. Not only will we cover some of the basics like how to invest safely using gold bullion, collectibles and IRA's but we'll also show you how to take advantage of the looming gold boom. We'll be discussing a curated and well-researched batch of gold stocks that could easily rise 10x or more.

We will also take the time to break down the key factors to today's gold industry. This includes recent regulatory hurdles, growth metrics, sector analysis, and Wall Street rumblings.

SECTION 01

WELCOME TO GOLD PLAYBOOK

For those that are new to the community, and before we take a look at our favorite investments, we want to welcome you to the Gold Playbook newsletter.

By reading this report, chances are you'll be receiving our daily, hand-crafted emails covering all things gold investing.

We'll cover goodreads, trending stories, investing news – you name it.

But unlike most gold newsletters, we like to keep our readers up to date on the news that matters. (You know, stuff that actually impacts stock prices and valuations across the board).

Additionally, we like to show off that we're independent publishers. No frills here – strictly content brought to you by a couple of fellows with a knack for writing, reading, and finance.

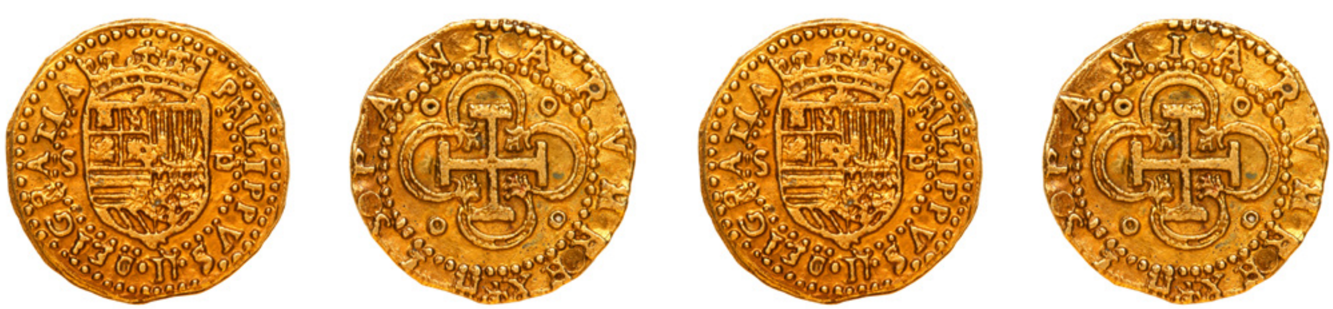
So why a gold newsletter?

Simply put, we're here because it's an exciting market.

We believe we're approaching a once-in-a-generation investing opportunity with gold.

Now, with our Gold Playbook daily digest, we'll be giving you front-row seats to all the action.

If you have yet to subscribe, simply click here. And if you're already receiving our updates, feel free to reach out by emailing us anytime. We'd love to hear from you.



SECTION 02

WHY DO WE VALUE GOLD?

Why is gold used as money and not, say, tin or chromium, lanthanum or one of the many other elements on the periodic table?

Gold is unlike any other metal or element. It doesn't play by the same rules as iron or tin or aluminum, and its value has nothing to do with its utility – or lack thereof. People have valued gold for its beauty and malleability centuries before they knew of its usefulness in conducting electricity or its chemical inertness.

You see, gold is so chemically boring that it is the perfect element to become a currency.

To prove it, all we need to do is take a look at the periodic table of elements. In doing so, we can immediately eliminate whole sections for various reasons. We can cross out gases, halogens and liquids such as helium, fluorine and mercury. You don't want to carry around jars of gas or, in the case of mercury and bromine, poisons.

Moving on, we can rule out alkaline earth metals such as magnesium, barium or lithium for being too reactive and explosive. Radioactive elements go next, such as uranium and plutonium as they are too impractical, as are elements that only exist momentarily in lab experiments, like seaborgium and einsteinium.

That leaves us with the 49 transition and post-transition metals: titanium, nickel, tin, lead, aluminum, to name a few...

But many of these pose problems as well. Most are too hard to smelt (titanium), too flimsy to turn into coins (aluminum), or too corrosive (copper).

Now we want something that is rare, but not too rare.

Iron immediately goes out the door as its too plentiful and platinum, palladium, rodium, iridium, osmium, ruthenium are removed as they are simply too rare.

So that leaves us with silver and gold.

Both are scarce but not impossibly rare. Both also have a relatively low melting point, and are therefore easy to turn into coins or jewellery.

Silver, although a good candidate, tarnishes - it reacts with small amounts of sulphur in the air.

So, gold with all of it's boring characteristics, emerges as the perfect currency.

SECTION 03

WHY YOU WANT TO INVEST IN GOLD FOR 2020

1. Excessive debt

Now for the elephant in the room – the US federal budget deficit is expected to hit $1 trillion in 2020. This is the largest expansion during a time of peace and prosperity in US history.

Total U.S. government debt recently stands at 104% of Gross Domestic Product (GDP) – higher than crisis-stricken countries like Brazil and Spain.

The most recent estimate by the Congressional Budget Office (CBO) puts total federal debt at 144% of GDP by 2049. This level of debt is not only unprecedented but it's also unsustainable.

And if you've been keeping up with the Democratic presidential debates, things could get even worse. Universal basic income, Medicare-for-all, and the Green New Deal – these programs, while admirable and potentially beneficial, would add trillions more to the already-ballooning national debt.

Now we aren't here to tell you how to vote, but as investors it is imperative we understand how the market reacts to political events.

The sad truth is that U.S. debt is so high, it will never be paid. At least not in dollars with today's purchasing power.

Instead, the Fed and other central banks around the world are devaluing currencies, supposedly to prop up their economies but also in order to reduce the burden of debt repayment. This is a central thesis to investing in gold: There is no way out of this level of debt overhang except currency dilution.

2. Central banks are buying record amount of gold

In 2010, something incredible happened. Central banks (who are the biggest actors in the global gold market) changed from being net sellers of gold to net buyers of gold.

And this trend has only accelerated since...

The World Gold Council (WGC) reports that in 2018, central banks bought a record 651 tonnes of gold. This is the highest level of net purchases since 1971 when Nixon closed the gold window. And it's a 75% increase from 2017.

Russia was the biggest buyer, quadrupling its gold reserves in the last decade, making it the 5th largest holder of gold in the world.

In 2018, Russia notably dumped nearly $100 billion worth of US Treasuries and replaced much of it with gold.

Russia is on trend to become the third largest holder of gold in the world and they are providing a template to other countries on how to use gold as money – rather than relying on the US dollar.

3. Mergers & Acquisitions (M&A) is at record highs

2019 was a record-breaking year for gold companies merging and acquiring each other.

Billions were poured into M&A and the trend doesn't look like it will slow down in 2020.

Here are just a sample of deals that have occurred in 2019:

1. Newmont Mining completed a $10 billion takeover of Goldcorp on April 18.
2. Barrick Gold acquired Randgold Resources in a $6 billion transaction.
3. Barrick Gold announced a joint venture with Newmont after a hostile bid from Barrick failed (Barrick and Newmont are the top two gold-producing companies in the world). The joint venture in Nevada will create the largest gold-producing complex in the world.

The majors are growing by buying out other companies rather than discovering and developing new resources.

4. Trade war with China and other countries

Trump has made one thing clear: he is not afraid to engage in trade wars.

The largest and most important trade war in regards to the price of gold is the ongoing trade war with China.

As trade tensions continue, China has continued buying gold month over month.

Amid the tension, China doesn't want to rely too much on the US dollar (just like Russia discussed in part 1 above). China has been adding to its gold reserves, also known as "de-dollarization."

There are also fears that the trade war might turn into a currency war. If this were the case, China would have to move completely to Gold.

According to Suki Cooper, Standard Chartered's precious metals analyst, "China will likely continue buying gold due to protectionist and geopolitical concerns. Gold acts as a hedge in times of uncertainty."

SECTION 04

OUR GOLD INVESTMENT STRATEGY

Now that you know who we are, and why we're excited... we'd like to tell you a little bit about our approach.

...And how only a handful of stocks and other investments made the cut out of the hundreds of publicly available gold plays in the market today.

Generally speaking, investing in gold is as risky or as safe as you want to make it. Of course, with greater risk comes greater potential reward, but the answer to this risk comes down to "suitability." This notion relates to how suitable an investment is for a specific individual and their personal financial situation.

So here's what we're going to do...

Unlike most online reports who claim they know the "5 perfect stocks for 2020," we've decided to take a more holistic approach. Because chances are, you and the next person who reads this will have completely different investment goals.

Some investors may want to take on small-cap, volatile, speculative plays... while others will look for more long-term, conservative investments...

Nevertheless, we'll be giving you the entire wheelhouse – by providing our favorite picks and strategies in each sector of the gold market.

This means that while you can pick and choose your investments from our list of favorable stocks, you can also diversify your assets across different sectors. Some gold investments will do well, some may not do as well, but a properly diversified portfolio will protect against the inevitable ups and downs of the market.

Additionally, we'll be breaking down the core concepts of seven major sectors in this market. Not only are we here to make money, but we're also here to learn. Educated investors are better off than those simply throwing darts in the dark.

Becoming familiar with today's evolving gold sectors, including sector specific trends, key challenges, and regulations will go a long way for investors who are serious about building a gold portfolio.

With each stock we recommend, we'll share:

Who: The company name and ticker symbol.

Primary Focus: Despite several overlaps, not all companies are the same. In this section, we'll explain the business's primary operational focus.

Reasons to Buy: This section will explain why the stock is a BUY today. This will include key financial metrics, operational strategies, and other underlooked competitive advantages.

MAJOR PRODUCERS

You can't get away with talking about the gold investment industry without kicking it off with the "majors."

These are the largest and most well-known players in the entire gold market.

These firms usually operate in several different countries, they've got multiple gold deposits, and produce over 1 million ounces of gold every year.

This type of dominant stature carries over into the numbers as well.

You see, the majors have the largest market caps in the industry… and because of their size and massive asset bases, these companies tend to carry less risk. They don't come with much volatility either.
But although we can call them "safe" bets all we want, investors must understand that any investment into one of these companies is essentially an investment in their management talent.

Think about it…

The companies are so large, so expansive, they have all been around for years… and are all very similar in the grand scheme. Each one has enormous reserves, multiple asset bases, exploration budgets, processing costs, labor costs – you name it. Simply put, these majors play all their cards on the same table.

Growth for these companies, on the other hand, tends to happen on the margins.

If gold prices are rising, it's very hard to lose as a major. But when gold prices are unfavorable, it's all up to management to make sound operational and financial decisions to remain profitable.

There's not much of a case to be made for owning an individual major as opposed to diversifying across the sector…

But that doesn't hold us back from revealing our favorite major producers (and management teams) in the section below.

The upside on these stocks are rarely life-changing, however, a large portfolio allocation into these stocks will greatly help offset the risk that comes along with gold investing.

We suggest these stocks to make up about 25% of your entire gold investment portfolio..

Top Major Producers Stocks:

Newmont-Goldcorp (NEM)

Primary Focus: Newmont-Goldcorp is the world's largest gold mining company.

Reason To Buy: In April 2019, the company concluded its purchase of the third-largest gold mining producer, Goldcorp, for $10 billion – forming the new company. Through the acquisition, Newmont now has mining operations spread across 23,000 square miles and four continents – North America, South America, Africa, and Australia.

Barrick Gold (GOLD)

Primary Focus: Barrick Gold is the second-largest gold producer in the world, mining an estimated 4.5 million ounces of gold in 2018.

Reasons To Buy: Barrick owns some of the highest-quality gold mines in the world. Its Cortez and Goldstrike properties in Nevada produced 2.1 million ounces of gold in 2018. Each asset contains about 8.7 and 8.5 million ounces of proven and probable gold reserves respectively. Not to be overlooked, Barrick also has a controlling interest in the Pueblo Viejo mine in the Dominican Republic, as well as the Turquoise Ridge mine and its Fourmile project. In January 2019, Barrick also completed a merger with South Africa's Randgold Resources which produced an estimated 1.3 million ounces of gold in 2018.

Note: As the #1 and #2 gold producers in the world, Newmont-Goldcorp and Barrick Gold are very similar companies. One thing to note as an investor though is their hedging and market pricing strategies. Barrick Gold hedges its gold sales while Newmont does not. This allows Newmont to benefit more in a rising gold market and Barrick to be safer in a falling market.

Agnico Eagle Mines (AEM)

Primary Focus: Although Agnico is a major producer, operating eight mines across Canada, Mexico, and Finland, the company doesn't shy away from a bit of exploration. The company currently owns 115 exploration and development assets across the U.S., Canada, Mexico, Finland, and Sweden.

Reasons To Buy: In business since 1957, Agnico's team has survived multiple gold cycles and has paid annual dividends for 37 straight years. If you are looking for a company that checks the boxes of: 1) good management, 2) low political risk and 3) growth (as output forecast is increasing from 1.6 million ounces in 2018 to 2.1 ounces in 2021), Agnico is your company.

ROYALTY COMPANIES

Let's face it – mining is one of the worst business models in the world.

And we won't be the first one to tell you that.

This is a sentiment shared by some of the greatest fund managers in the world.

Before drilling or production even starts, you have to first pay geologists to scour the land in search of prospective gold deposits.

Then, mining companies must deal with massive building, infrastructure, and permit expenses – all of which can cost a fortune alone. You may even have to rent or buy chunks of land too… often in dangerous countries.

And even after all of that, the risks are endless…

Every mine may be challenged by:

- Environmental issues
- Strikes
- Shifting political regimes
- Engineering problems
- Market capitulation
- Wasted drilling campaigns

...You get the point.

But there is one sector of mining stocks that completely avoids most of these pitfalls and detrimental headwinds. These stocks have a history of outperforming most gold producers, regardless of their size, even in the steepest bear and bull markets.

They're called royalty companies.

And right now, these stocks could provide enormous profits for gold investors over the next decade.

Let us explain...

The key to royalty companies is that they do NOT operate mines. They don't put their boots on the ground, they don't have thousands of employees... and most importantly, they are not riddled with sky-high or unexpected expenses that all miners face.

Instead, these are simply financing companies. They exist to finance mining projects. Think of them as startup accelerators or incubators. These companies make upfront payments to mining companies that need funding. In return, the royalty companies get a piece of the production income once operations launch. Better yet, most royalty contracts cover the entire lifetime of the mine. That means these companies will still get paid years after gold production comes into fruition.

Unlike mining in general, royalty companies have one of the best business models in the world.

If anything unexpected happens to the mine, it's the mining company that has to deal with the associated costs – not the royalty financing company.

Aside from the initial upfront payment, the downside risk for royalty firms is next to nothing. No exploration costs, no capital expense overruns, no fixed costs... yet they reap the benefits of favorable commodity prices and production rates and even new drilling campaigns.

Additionally, these companies are vastly diversified. Most premier royalty companies have their cards stacked among several projects, which reduces project-specific risk. If something goes AWOL on one asset, there's still plenty of growth opportunities from their other assets.

With the anticipation of another gold bull market, the following gold royalty companies have been quietly building up their portfolios.

We suggest you distribute 25% (the same allocation as the majors) of your gold investment capital in the following stocks:

Top Royalty Stocks:

Franco-Nevada (FNV)

Primary Focus: Franco-Nevada has a portfolio of over 350 assets around the world. The portfolio includes royalties on some of the most famous mines on Earth – including Goldstrike, Detour Lake, Kirkland Lake, Stillwater, Palmarejo, and Candelaria. When the rest of the gold industry is hurting, Franco-Nevada strikes – by investing in amazing mines at great prices.

Reasons to Buy: Franco-Nevada was the first publicly traded royalty company and has consistently proven to be one of the best managed companies in the entire gold market. Run by the legendary Pierre Lassonde, it currently generates around $640 million per year in revenue with only around 30 employees. That's over $20 million per employee! The company has among the highest revenue per employee rates in the world. If you are looking for a capital efficient company with an amazing track record, look no further.

Royal Gold (RGLD)

Primary Focus: The company's current portfolio includes 39 producing mines and another 22 in development. It also owns a stake in more than 100 exploration and evaluation-stage properties.

Reasons to Buy: One of Royal Gold's most valuable royalties is on the Peñasquito mine in Mexico. The mine contains over 10 million ounces of gold and more than 500 million ounces of silver. Royal Gold simply gets to sit back and collect 2% of everything that comes out of the ground. Other noteworthy projects are the Pueblo Viejo mine in the Dominican Republic and the Mount Milligan mine in British Columbia. This is a company you will want to own in your portfolio as the price of gold heads higher.

Wheaton Precious Metals (WPM)

Primary Focus: Wheaton Precious Metals is the largest precious-metals streaming company in the world. Previously named, Silver Wheaton, the company dealt mostly with silver. That changed in 2017, after a couple of large acquisitions. Wheaton's streams now consist of a 50/50 ratio of gold and silver.

Reasons to Buy: Wheaton's business model is similar to other royalty companies, but with a twist. When a base metal miner (think, copper, zinc or iron) extracts ore from it's mine, it usually contains other minerals – including silver and gold. The base metal miner doesn't want the hassle of smelting and dealing with the precious metals from it's mine, so Wheaton will make a deal up front for the silver or gold (usually at a fraction of the spot price). With an impressive portfolio, and quality long-term purchase agreements, any increase in precious-metal prices goes right to its bottom line.

SMALL PRODUCERS

The small producers segment of this market are made of companies that have smaller operations. They are either just starting to produce, or only have a few mines. These are commonly known as the "junior miners."

Investor's Note: As we start to explore lesser known gold companies – particularly the Small Producers and Explorers – you will likely find these stocks trading on the Canadian stock exchanges in Toronto. Canada is a powerhouse when it comes to the energy and mining markets. Because of the resource-rich nature of their country, their exchanges list many resource stocks that populate the region. If you're serious about investing in the gold markets, you'll have to buy Canadian stocks. Otherwise, you'll be missing out on some of the best resource opportunities.

As you scan the sector, there's two things you want to look for in the smaller producers…

1. Prized precious metal deposits
2. Proven management teams

The companies with prized precious metal deposits are what we like to coin "gold-in-the-ground" stocks. These are firms sitting on top of a world-class asset.

They've already found the buried treasure... they have extraordinary drill results to prove it... and they are no longer developing a mine.

These "gold-in-the-ground" producers have amazing leverage in the market as they don't have to deal with the associated risks of production, developing, and mining.

Secondly, you want to scan for small producers with promising gold deposits and a proven management team. As these companies grow their operations, there's a lot for us to look at: deposit size, the number of drill spots, surrounding political jurisdiction, ore grades, infrastructure...

The list goes on – but nothing is more important than a sound management team with proven experience, especially if you're a small to mid-tier producer.

You want to look for management teams that have handled these growth intricacies in a cost efficient manner. These are teams with a knack for capital efficiency. They know how to maintain earnings in bear markets, and know when to strike as gold prices rise in their favor. Operational skills are critical to their long-term performance.

These small producers tend to carry more risk than the majors because they often lack diversification.

All their eggs are in only one or two baskets.

If their primary, prized project hits adversity, their stock price can take a hit. Additionally, these stocks are often priced under $10 per share to begin with... and can be dangerously volatile even in a flat gold price market.

This is why we recommend to only allocate 15% of your portfolio to this specific subsector.

In retrospect, these stocks carry very high growth profiles. Small producers rally every time there's positive news such as adding reserves, acquisitions, production growth, and favorable drill results. The market revalues these businesses accordingly, and the stocks shoot upwards as a result.

As for the staple "gold-in-the-ground" businesses – these stocks are heavily correlated with the price of gold. When gold prices rally, these stocks flourish.

The stock market loves growth, and here is where we find it.

Here are a few stocks that fit the bill:

Top Small Producer Stocks

NovaGold (NG)

Primary Focus: NovaGold has ownership in one of the largest undeveloped gold mines in the world. It's flagship project, Donlin Gold is a 50-50 joint venture with Barrick Gold in rural Alaska. Once in production, Donlin Gold will produce more than 1 million ounces of gold a year.

Reasons to Buy: With one of the largest and highest grade deposits of gold in the world, it's the kind of gold stock you can buy, hold and forget about. As gold prices move higher, NovaGold's shares could easily 10x.

Kirkland Lake Gold (KL)

Primary Focus: Based in Canada, Kirkland has four operating mines: three in Canada (Macassa, Taylor, and Holt) and one in Australia: Fosterville. The Macassa and Fosterville mines are the company's flagship properties.

Reasons to Buy: Kirkland's mines are world class and located in regions that have birthed some of the largest mining companies. They are already producing more than 723,000 ounces of gold at a profit and all indicators show there is no reason for production to slow down. Kirkland Lake expects to produce 1 million ounces per year by 2021. The company's management team also has a successful track record of permitting, developing, and running mines in Canada and other parts of the world.

EXPLORERS

The explorers are the lottery tickets of the group. The chances of winning are slim, but when you buy the right ticket, you win big.

...the kind of returns that can change your life.

The explorers are essentially the drillers and geology-minded journeymen. These companies scan entire continents, in some of the most remote areas on Earth, with the hopes of discovering high-grade gold deposits.

According to the 2018 World Exploration Trends report, the global budget on all mineral exploration surpassed slightly over $10 billion. 50% of that budget was materialized by gold explorers alone.

Yet out of the thousands of exploration companies still in business, only a handful find success every year. The rest, peddle funds from mining investors in order to survive and continue operations.

As you can imagine, finding untapped gold deposits in today's world is no easy task.

The complexities in discovering minerals, finding economical jurisdictions, the costs involved, and the expertise needed all make exploration one of the riskiest businesses you can invest in.

The odds are stacked against nearly every single exploration company to this day.

But the potential rewards are simply too good to ignore.

Although the exploration market is considered the riskiest subsector we cover in this report, the upside is nothing short of extraordinary.

Once an explorer finds a favorable gold deposit, they'll partner with a larger firm (usually one of the majors in the space) to bring their discoveries to production. As a result, you can expect their stock to go from pennies on the dollar to over $5 per share.

Exposure to the right exploration stock can win you the jackpot – kicking your portfolio up hundreds of percent in a very short period of time. Nowhere else in the market will you find as much potential for investments to double, triple or more in such a short span of time.

Fortunes are often made or lost in the blink of an eye with these companies. This is why exploration companies are considered the quintessential high risk, high reward bet in this market.

With these steep risks in mind, along with the extreme volatility this subsector brings, we advise readers to allocate only a small percentage – less than 5% – of their investment portfolio into these types of stocks.

And more so than any other subsector, it's critical you choose to invest in companies that pass the sniff test – a set of rules that will significantly reduce your risk.

1. **Invest alongside an experienced management team:** Find a team that has successfully taken a mine from early stage development to production once before.
2. **Geography:** Be sure the company operates in mine-friendly areas of the world.
3. **Insider ownership:** Be sure management has skin in the game.

The companies we unveil below follow suit to each and every one of these rules. Better yet, they're a market that's finally beginning to trend in the right direction.

Gold exploration budgets increased 10% in 2019. In July 2019, companies reported exploration results for 171 projects, which is the highest count observed since the beginning of 2019. And the recent surge in gold prices and overall optimism have finally encouraged explorers to pour more money into drilling campaigns.

Here's a few explorers that are leading the way...

Top Gold Exploration Stocks

Midas Gold (MDRPF)

Primary Focus: Midas controls the Stibnite Gold mine located in central Idaho, a multimillion-ounce, high-grade, open-pit gold mine with the eighth-largest gold reserves in the US. The project is still in the permitting process and Midas is rehabilitating the site and cleaning up the surrounding environment in an effort to obtain all the necessary permits – which, full disclosure, could be several years away.

Reasons to Buy: The company's management team has a lengthy track record of taking projects from nothing into development. Patient investors have great upside waiting for potential permits to be approved. Midas is also a great potential takeover target for bigger players.

Gold Mining (GLDLF)

Primary Focus: Formerly known as Brazil Resources, GoldMining Inc. is an exploration company that controls a large diversified portfolio of gold-copper and early-stage gold developments. The company also owns a 75% interest in the Rea Uranium Project, located in the Western Athabasca Basin of Alberta, Canada.

Reasons to Buy: Over the past several years, GoldMining Inc. has been on an aggressive rollup strategy. Despite their size, the company has managed to acquire several sought-after gold and resource assets at a fraction of the cost to drill. Most notably, GoldMining's Rea Uranium Project (acquired in 2013) gives investors exposure to the trending uranium market – one of the best performing commodities of 2018-2019.

PHYSICAL GOLD

At the end of the day, we can't forget the fact that stocks are volatile.

When the trends are favorable, stocks can do wonders. But when the tides turn, it's not very pretty.

This is why we suggest that all investors own physical gold. The bigger the position, the better. In fact, we suggest all readers to put their largest gold investment allocation in physical gold - around 30% is optimal.

There's a reason why we pound the table on real, hold-in-your-hand gold...

Owning physical gold will (1) protect your wealth from any black-swan event or market crisis... and (2) will greatly lower the volatility of your entire gold portfolio.

Nothing replaces having physical gold in your possession and under your own control. It's the least volatile. It's internationally accepted. It's secure... and it has offered investors the same utility for thousands of years.

There's a number of reasons gold is the perfect safe-haven currency...

Tip: Some of you are thinking - why not hold physical silver? Although it's still in option, owning silver is a bit harder than owning gold. The truth of the matter is, silver is a heavy metal. It's more difficult to store. The value of only one ounce of gold equals roughly 80 ounces silver!

- **Never loses value.**
  Sure, the price of gold may change – but that doesn't mean the VALUE of gold is changing. This is the no. 1 reason why you want to own gold during a crisis. All securities and assets around gold may change value, but not gold itself. Price is just a ratio.
- **Universally accepted**
  Major countries and cultures all around the world acknowledge the value of gold.
- **Never consumed**
  Unlike most precious metals, gold isn't used for industrial purposes. 99% of mined gold turns into coins, bars, or jewelry.
- **Rare**
  All the mined gold in the world can fit into two olympic-sized swimming pools.

- **Never tarnishes**
  Pure gold never loses its color or shine. It remains unchanged. Gold is one of the least reactive chemical elements in the world.

- **Portable & Transferrable**
  You can take gold with you anywhere you want in the world. Additionally, it's very easy to pass it along to your heirs or family members.

- **Liquid**
  You can buy, sell, and trade your physical gold with ease.

There's two different ways of owning physical gold – and we're going to explain both of them.

Bullion

The first is bullion. Bullion is plain and simple, no gimmicks, gold. And it's typically sold in coin or bar form.

Keep in mind, these coins are not collectables (which we'll be discussing the next section). Depending on the type of coin and dealer, bullion coins will cost anywhere between $30-$80 higher than market value (also known as the spot price). Coins will usually come in one-ounce increments.

Bullion bars, on the other hand, come in one, ten, and four-hundred ounce increments... and are typically for investors who have extensive financial wealth.

Although you may be spending more here, bullion bars are actually the cheapest way of purchasing gold. Most dealers will sell one ounce bullion bars for just roughly $30 over the spot price. For those who purchase four-hundred ounce bars, you'll spend just roughly $10 over the spot price. Generally speaking, the more ounces you buy, the cheaper the purchasing fees will be.

In any market, not just buying bullion, there are scammers. Some dealers are good, and some will run you for your money.

So let's quickly touch base on where you can safely purchase bullion. The following dealers and online services are what we recommend:

- **BullionVault**
  BullionVault is an online service that allows investors to purchase and store bullion. Instead of getting the gold delivered to your doorstep, BullionVault also gives customers the option to store your purchased gold in a secure, physical vault. The more you buy, the smaller the commission rate will

be however it starts at 0.5%. If you go this route, be prepared to face storage, insurance, and possible currency transfer fees as well – all of which, again, varies depending on how much bullion you purchase. Fee's aside, BullionVault is one of the most trusted dealers in the industry. **Click here to learn more**.

- **Miles Franklin**
  MilesFranklin.com (1-800-822-8080). Miles Franklin has one of the deepest contact books in the industry. It can source metal when many other dealers can't. With some of the best prices, it's one of our top picks.

- **FisherPrecious Metals**
  FisherPreciousMetals.com (1-800-390-8576). A national bullion dealer that offers highly competitive pricing and a full "Authentication Guarantee" to protect against counterfeit products.

Sprott Physical Gold and Silver Trust (CEF)

The next way of buying physical gold is a little less complex...

CEF is the ticker symbol for the Sprott Physical Gold and Silver Trust (formerly known as the Central Fund of Canada).

It's a security that you can buy and sell just like any other stock on the New York Stock Exchange (NYSE). Except instead of ordinary shares, you're essentially purchasing a stake in a real stockpile of precious metals – 65% gold and 35% silver, to be exact.

The fund doesn't do anything complicated with the gold and silver it holds. They don't trade their own assets in order to improve shareholder prices. They really don't do much, aside from simply holding allocated and unencumbered precious metals.

The easiest way to put it is – the fund holds a vault of gold and silver so you don't have to.

Without diving too much into the details, there are two major benefits of buying your gold through the Sprott Physical Gold and Silver Trust.

The first is that it's a closed-end fund. Which means it's often one of the only ways you can buy physical gold at a discount. Currently, the fund is trading at a 3% discount to its Net Asset Value (NAV) - also known as the melt value.

You see, the closed-end fund concept means that CEF has a fixed basket of assets (gold and silver), and a fixed amount of shares outstanding.

Although this makes the funds value teeter back and forth – it gives us a big arbitrage opportunity when the timing is right.

If demand for CEF shares significantly increase, the market price will trade for more than the value of its precious metals – a premium. But if the demand is low, the fund can trade for less than the value of its assets – a discount.

For example, today's CEF NAV is trading at $14.98. That's what you get, per share, if the fund sold all it's metals right now. But that's not the price you'd have to pay if you were buying shares right now. Instead, you'd pay just $14.34 per share. That's how we receive our 3% discount.

With gold prices trading at $1,502.42 per ounce right now, that's like buying an ounce for $1,457 – $45 dollars less than the market value!

Keep in mind – when gold rises into a true bull market, these shares will potentially start to trade at a premium.

This discount is where much of the value lies in a closed-end fund though. As long as you purchase the fund at a discount, you always know that your investment is worth more than you paid for it.

The second major benefit of buying CEF shares is something most investors overlook...

You see, the Sprott Physical Gold and Silver Trust offers a potential tax advantage for certain non-corporate U.S. investors.

Traditional physical gold investors often think they'll be faced with a long-term capital gains tax at just 15%. But that's incorrect. Because the Internal Revenue Service (IRS) treats gold investments as collectibles – your capital gains tax rate is 28%! And that applies for anyone who buys coins, bars, and the majority of precious metal ETFs – even the popular SPDR Gold Trust (GLD).

Buying shares with the CEF, however, is a different story. Consider it a tax law loophole.

Because the IRS recognizes CEF as a "Passive Foreign Investment Company" (PFIC), the long term capital gains tax rate is just 15% here. That's like saving 50% on your gold tax bill.

COLLECTABLES

Depending on how much capital you have, collectible coins can be a very lucrative asset class.

"Numismatics" is the study of historic forms of money. We're talking coins, paper currency, and this can also extend to the collection of medals.

But the coins we'll be discussing today are what the industry calls "semi-numismatic" coins. These coins have value partially derived from their numismatic value and partially from their bullion value.

Simply put – these are gold coins that are old, no longer produced, have historic significance, and hold collectable value.

These coins can trade for a substantial premium during a gold bull market – as in thousands of dollars more than the spot price of gold – in comparison to your typical bullion coin.

For some historical context, in the mid-17th to 18th century, coin makers stopped hand-striking coins thanks to newly introduced machines. And the vast majority of these newly minted, beautifully designed coins were made of gold or silver.

It's known as the golden era for coin collectors around the world.

Because coins prior to the 17th century are so hard to come by - or likely in such poor condition with unknown historical context - most modern coin collectors focus on coins from the mid-17th century to the present.

Now, without diving too much into detail (we can spend hours talking about numismatics), let's cover the things you actually need to know as an investor.

The pricing of these collectibles come down to three things:

1. **Rarity.**
   This one is simple. The rarer the coin, obviously, the more it's worth.

2. **Condition.**
   Coin grading experts examine coins for their authenticity and physical condition. And they grade their coins based on a numerical (1-70) rating system that is used worldwide.

   It's fairly simple – the higher the number, the better the condition.

Grades also run from G (good), F (fine), VF (very find), EF (extremely fine), AU (about uncirculated), and MS (mint state). Putting it all together, the best coins on the market will have a MS rating in the 60-70 numerical range. MS60 to MS70 coins are the ones worth investing in. More on that below.

The Professional Coin Grading Service (PCGS) and the Numismatic Guaranty Corporation (NGC) are the two highly touted coin graders in the industry. Although other grading service may be less expensive, PCGS and NGC are the ones you can trust.

3. **Demand**.
Demand is a little tricky to nail down. Unlike traditional stock markets – filled with traders, speculation, and earnings reports – you're in a market primarily driven by collectors. It's almost as if you're investing into baseball cards or fine art. Typical buyers are those looking to fill their collection. But this doesn't mean investors can't make a fortune...

The demand (and value) for true authentic, rare, and mint condition coins are almost guaranteed to gradually increase over time.

But this is exactly why we only suggest to invest in the best of the best – MS60 to MS70 coins.

The coins you buy could be relatively rare and in decent condition, but if they aren't in great demand, their price won't rise.

Here's a few gold coins that are likely always to be in high demand:

- $20 Saint Gaudens Brilliant Uncirculated MS63
- Any quality gold commemoratives
- $20 Liberty coin MS65
- Gold Dollar Proof MS65

Truth be told, rare coin collecting and investing is a complicated subject... and way too extensive to cover its entirety in this report.

If you're new to gold investing, collectables should be the last place to put your investment capital. For this reason, we're not placing a specific allocation recommendation for this corner on the market.

If you have extra capital and existing positions in the sectors discussed above, only then do we recommend buying collectible gold coins to form part of your ultimate gold portfolio.

GOLD IRA

Saving the best for last, we'll talk about the Gold IRA – also known as a Precious Metals IRA.

It's just like an IRA that holds traditional stocks and bonds... except it's self-directed, holds physical coins and bars, and has a batch of benefits that are massively overlooked by your average gold bug.

This is the perfect investment vehicle for independent investors that don't want to leave the future of their wealth (aka retirement fund) in the hands of others.

Most importantly, precious metal IRA investments will significantly offset risk not only in your portfolio, but in your retirement account as well.

If this has piqued your interest, and you'd like to explore the IRA option, we highly suggest you go through Advantage Gold. There's a few other IRS-approved custodians (Regal Gold and GoldCo) but Advantage Gold is our recommendation.

Whether you decide to go this route or not, it's still worth exploring the benefits a Gold IRA can bring to the table...

After all, we ALL aim to retire one day... and we ALL want to protect our savings.

1. Easy to do

When opening a Precious Metals IRA, one can either fund it by rolling over a previous retirement account (i.e. 401k, 403b, SEP, and others) or transferring funds from another retirement vehicle. Keep in mind, rolling over into most Precious Metal IRAs are penalty-free.

One can also write a check or transfer money from a bank account to fund their Metals IRA. Pretty simple stuff.

2. Self-Directed

Most Precious Metal IRAs are self-controlled. This means that you, the investor, have full control of the portfolio's asset allocation. And unlike traditional 401ks and IRAs, you're not restricted to only hold stocks, bonds, mutual funds, or treasury notes. Instead, you can hold all types of assets in your Precious Metals IRA.

Cryptoassets like Bitcoin or Ethereum, oil and gas, and commercial real estate are perfect examples of alternative assets that you can invest alongside gold in your Precious Metal IRA.

3. Diversification

Diversification is rule number one when it comes to protecting and growing your wealth. It's one of the most compelling reasons to include precious metals as part of your retirement strategy.

4. Insurance

Consider a Gold IRA almost as an insurance policy for your savings. Imagine if another recession hits as you're on the verge of retirement. You could lose everything. A retirement fund in physical gold would essentially protect you from this disastrous situation – giving you a reliable asset that doesn't lose value, and that you can liquidate quickly and easily if needed.

5. Growth Potential

When the economy suffers, so will many traditional IRA accounts. They are usually dependent on a batch of stocks and mutual funds whose performance is closely tied with the general state of the economy. On the other hand, the economic factors that weaken stocks, bonds, and cash will very likely increase the profit potential of these funds.

6. Tax Advantage

Precious Metals IRAs generally receive the same great tax benefits as conventional IRAs.

Depending on your tax bracket, contributions to your Precious Metals IRA may be claimed as tax-deductible. But like all IRA holdings, gains from gold sold within an IRA are not taxed until cash is distributed to the taxpayer.

THE GOLD PLAYBOOK