



Bob Moriarty  
October 21, 2008

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## Evolving Gold

(Excerpt taken from ["The Panic of 2008"](#), Oct. 21, 2008)

My second visit on this trip was to another excellent company, **Evolving Gold**. (EVG-V) Evolving Gold is another absurd situation where a good company, well cashed up and well run with excellent prospects, is selling for less than the cash they have on hand.

It was worse. In a perfect example of deleveraging, a large shareholder with a 500,000-share position had to unload those shares last week. The shares plunged to \$.14 on Friday before closing the day up \$.06 at \$.22. You could have been picking up \$1 bills for \$.50 on Friday.

Evolving Gold has ten projects total. Eight are located in Nevada around the Carlin trend. One is in New Mexico and one is in Wyoming. The company is extremely well cashed up with \$19.3 million in the bank.

Along with a lot of other shareholders, I have a bit of a bone to pick with management and I spared Evolving Gold President Quinton Hennigh no mercy on our four-hour drive from Longmont Colorado to the star of the show, the Rattlesnake Hills deposit in Wyoming.

Evolving Gold was sold to the investing public as a company with a great theory that would connect the Getchell Trend and the Carlin Trend and find zillions of ounces of gold with a single hole. Maybe two.

They drilled a few holes, claimed to have proven the theory and nothing more was heard about Carlin Trend and some giant connection. So my question to him was, "What happened to the Carlin Trend theory?"

To give Quinton full marks for candor, he didn't duck the question. Drilling is going on at Carlin but they are very deep holes and they have had a lot of technical problems. The first two holes had to be abandoned well short of their targets.

Quinton wasn't running the show a year ago and there have been major management changes. He did agree the whole Carlin theory had been oversold and it hurt the stock. I could add that there was a bit of silver lining, they oversold the area play but they did cash up the company and that is real valuable right now.

Quinton wanted to emphasize the lack of value given to what he thinks is going to be a homerun for the company. He recently [released great results](#) from the Rattlesnake Hills Project in Wyoming that we were on our way to see. Hole 3 of 12 holes planned in a 7,000-meter drill program came up with 2.48 grams over a 146-meter intercept.



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Rattlesnake Hills is an alkaline gold system hopefully similar to Cripple Creek in Colorado. Quinton had studied the project while he worked for Newmont and it was #1 on his target list. Newmont passed on it so when he moved to Evolving Gold, he snapped it up. EVG has 100% of the project.

We arrived at the projects just as the first snow of the season fell. The drillers were in the process of moving the drills out and were almost snowed in. We didn't get to see all of the project but what I saw, I liked.

The labs in Nevada are still backed up and it will take another two months to get all the results. EVG is expecting 8 more holes to be released starting in a couple of weeks and coming through December. At the same time there will be holes from Carlin released. Rattlesnake Hills has the potential for more world-class holes and if they do, the confidence in the project is going through the roof. The Carlin holes have higher odds of success but even higher payout should they hit.

Evolving Gold has excellent hands-on management who is one of the top alkaline gold systems experts in the world who is drilling his dream project. The results so far have been excellent. The project has the potential for being a company maker in the next 8 weeks. Meanwhile, something may actually come though in the Carlin Trend.

But in real simple terms you can buy dollar bills for \$.83 and have a free lottery ticket on two potentially giant gold systems. Evolving Gold is an excellent company with nearly no risk. With a market cap of less than \$16 million, Evolving Gold has \$19.3 million cash.

Miranda Gold and Evolving Gold are advertisers and we are biased. We participated in a private placement in EVG at much higher prices and have bought more shares while they are on the sale rack. We don't share in your profits or losses so please be responsible for your own due diligence.

### **Evolving Gold Corporation**

EVG-V \$.20 (Oct 20, 2008)

EVOGF-PK 79.9 million shares

Evolving Gold [website](#)

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