

Onwards and Upwards: A Tribute to a Cherished Friend, Igor Levental

Words cannot properly express what I am feeling as I write this encomium, and I know that so many of you felt likewise upon hearing the shocking news of Igor Levental's passing on June 10th. His tragic loss is a crushing blow, not just for his family and friends but a vast array of colleagues within the North American gold mining industry — and indeed the industry itself. His breadth of knowledge and colossal frame of reference, the deep well of respect, affection, and loyalty that he both enjoyed and shared, and an abiding passion for his craft rendered him among the last of a certain breed of mining experts.

Of course, Igor — or Misha, my own customary term of affection for him — was so much more than that. In a world that often seems plagued by “Life diminishers”, Igor was the antidote. In fact, he embodied what the art historian Bernard Berenson would refer to as a “Life enhancer”. A man of so many parts and all of them charming, Igor was wonderful company, always fun, curious, and vividly appreciating life — his as well as yours. Though raised in the Russian language, he quite astonishingly enriched my own use of language more than anyone before him. Misha was one of the most cultured and cultivated people in my personal universe, and we enjoyed a shared love of beauty in all its forms that far transcended the love of our trade. His characteristically broad smile, readily exhibited, was a thing of beauty. His irresistible laugh would, on its own, raise one's spirits.

Armed after work with a bottle of Stoli seasoned with a veritable grove of olives, Igor would enthrall his friends with elevated conversation and discourse. The insights that he shared from his youth in his native Odessa would often begin with his signature lines: “I come from the old country...” or “I come from the future...”, and would be followed with the wit, wisdom, and pathos of what Misha had seen and gone through in his Canadian and American journey as an immigrant. It was a pleasure to experience the wide and rapturous arc of Igor's knowledge and passions for art that gave him greater understanding for the human condition — from Dostoyevsky to Wagner to Swedish cinema. Among so many wonderful vignettes, on one especially memorable occasion, while serving as my plus-one for the screening of a Woody Allen movie, I introduced him to the virtuoso artist. I left them alone, and when I returned found Igor and Woody deeply immersed in the nuances of Ingmar Bergman's character studies. This epitomized the quintessential Igor, and my eyes are brimming from this image. Reminiscing upon it now, I last said goodbye to Igor in Salt Lake City in May with my planting a big parting kiss on his forehead — a tradition we maintained for years. He chuckled, and his smile was beatific.

When accompanying a gutting trauma, shock is our way of coping with a sudden change to have the time to come to terms with it. It is this precise sensation that Igor's colleagues and friends are experiencing now, with the tragic loss of one of our most beloved comrades. Trying to stay a step ahead of our grief, before that shock wears off and the full realization of the magnitude of our deprivation sinks in, I am using

what will assuredly be a merely transient moment of composure to reflect on the wonderful journey that I and many others shared with one of my closest collaborators and friends, not to mention a cherished and core member of my family.

Over the nearly 20 years that we knew and worked with each other, Igor became one of my closest advisors and friends, and rose to become President of my family's investment firm, The Electrum Group ("TEG"). I will not really speak to Igor's professional biography prior to joining me. Not because I am unfamiliar with it, quite the contrary. But because it forms such a rich tapestry of anecdotes and mining lore that I simply cannot even begin to do it proper service. Doubtless, at the memorial which will be organized for our fallen partner, those who knew him best during those years will do real justice to that fascinating part of his life. What I can attest, with all the love and joy that I can summon despite my very broken heart, is some of what Igor meant to me personally and to those with whom he worked most closely in TEG and its affiliated companies. His generosity of spirit was legendary, and profound was the contribution he made to our lives. To us all, he was a wise confidant, an energetic leader, a patient mentor, a devoted collaborator, and a teammate of the highest integrity.

Aristotle observed that "a friendship is a partnership." Igor, a true gentleman, illustrated that wisest of maxims in full. Working alongside his partners Ali Erfan, Larry Buchanan, Michael Williams, Peter Cheesbrough, Olivia Blechner, Andy Shapiro, Mark Wallace, Josh Fink, Amy Zoler, Felicity Twort, Forrest Tierney, and Ryan Miles, Igor proved to be a most talented dealmaker. Likewise, he was also very tough in his analysis — a reputation that led to him and his outstanding and devoted cohort of Ken Rye and Heather White to earn the collective sobriquet of "Drs. Nyet". When I thought he might be a tad too strict, I would actually stop calling him Misha and pivot cheekily to "Boris" to get my point across. But that was rare. And as those who dealt with him are keenly aware, Igor was actually the easiest counterpart when dealing with like-minded individuals. "Win-Win" was one of his favorite expressions, as well as outcomes. As he would say playfully of his endeavors to work with our portfolio companies, "we give, we give, we give" — or sometimes simply but emphatically "we serve the shareholders". Misha meant this sincerely, and it showed. As our friends John Paulson and Marcelo Kim wrote so poignantly upon hearing the news, Igor was "a comrade in the truest sense through many tours", "a brother in arms". I wept for the beauty of the sentiments, felt intimately by so many investors who knew him and respected him, and for the beauty of Igor's possessing such a legacy.

Igor and I shared the fundamental belief that personal relationships and honor superseded sharp practices, and that winning did not mean someone else having to lose. He understood that life is long and indeed, as it is said, more of a marathon not a sprint. Alas, Igor's own life was itself not remotely long enough. He did not have the opportunity to experience the richly deserved retirement that he would have had together with, as he called his adored Jessica, "(his) honey" or his pet name for that most extraordinary woman, "Kitty". That was not to be. Still, in typical Igor-style, he did not leave behind loose ends. As is our practice at Electrum, all of the executive

team created a system of what engineers call “redundancy” such that, if anything unexpected happened to any one of us — including, I hasten to add, me — the organization would not be incapacitated or lose its place, because Igor had arranged it that way. Those who are engaged with Electrum in any fashion will find that life will go on as before. But for us, those that Igor left behind, life will never be quite the same.

Igor was a core member of our family. He will be missed as dearly as he was loved and loved us all. Every single day, he stood in the front line of our band of brothers and sisters. As a matter of fact, for many in our industry, President Leventhal was the beautiful face of our enterprise. He had assumed this role not just because he was a consummate professional but indeed because, of far greater importance to me, Igor embraced the personal values that I most cherish — not merely in a businessperson, but in a *person* period. From the moment that we met on his job interview in Florida in December 2002, and it dawned on him that what I sought in a confidant was not simply someone who was good at his job, but was himself *good*, we were all bonded. That Misha was an expert in his field was something about which I was already well briefed. What I was searching for in that interview was much deeper — whether he could best represent my core values to the outside world, without artifice and with his own sense of integrity. He absorbed fully that I would rather be thought of as a good partner than as a good businessman, that it was my wish that those who engaged with our company could know that a handshake was a handshake, and that our word was worth more than volumes of contracts. That very ethic Igor was to convey in the years that followed, and did so to perfection. He projected so unfailingly my personal credo that, from the time that we began our work together, he came to embody the true spirit of TEG’s corporate axiom:

“Intelligence is a commodity; Character is a currency”

It was my luck that *La Fortuna* herself (or perhaps more aptly, acting through Jessica) gave him to us. Igor was, in so many of TEG’s interactions, the tip of the spear. He and I sometimes spent hours on the phone on weekends, catching up on all aspects of the business. Nothing was off-limits. He appreciated that I subscribed to the Solomonic proverb that goes “*as iron sharpens iron, a friend sharpens a friend.*” And in that capacity, as so many others, he counseled me masterfully. While there are so many anecdotes to relate, the story of TEG’s longstanding and rewarding engagement with NOVAGOLD — of which I have written and spoken previously — springs forth so vividly. This particular aspect of our professional lives displays the enormous range of Igor’s talents, but it also reflects the profound impact that Misha had in the industry. In that, the mourning at NOVAGOLD among the close-knit management team and Igor’s fellow board members, so deeply felt, should be honored too.

As I have cited in the company’s past Annual Reports¹:

¹ https://www.novagold.com/_resources/NG-2020-Chairman-Message.pdf

As a bit of background, I had long coveted exposure to the Donlin story. Watching at a distance from the early 2000s, I felt that I had missed the chance as NOVAGOLD's shares rose from pennies into the teens on the back of drilling that produced what were clearly among the best exploration results in the gold industry. I wasn't the only one who saw this potential; Barrick not only shared my view, but also tried to buy the company in 2006... The failure of their takeover attempt was to have enormous implications for both companies.

By the end of 2008, NOVAGOLD was untouchable. Name the crisis and the company defined it: debt coming due that would have put it into bankruptcy, class-action lawsuits, environmental concerns with the EPA (regarding a modest gold property that was remediated and is now divested), loss of credibility with investors and analysts, and hostility from at least one of its key partners. I could go on. But being that we were not irrational by nature, we reached the conclusion that if we could turn this disaster around it would prove to be worth it.

While TEG had never been a shareholder of the company prior to our intervention, Igor was tasked with monitoring NOVAGOLD and keeping me updated so that we could pounce when the moment was right. Barrick itself was by now waiting in the wings to get a second bite of the apple and buy the company out of what was assumed to be an imminent bankruptcy.

They were not the only ones. That was the reason I didn't try to acquire the whole company...The argument went as follows: If you try to take it all and right out from under the noses of the majors that covet the company, all they have to do is walk you up dollar for dollar and so long as the number they pay is less than the takeover price that Barrick offered (and the shareholders rejected), it is worth it for them. It was a pretty good point, so we settled for less ownership but with certainty of transaction.

I later expanded on this most “pregnant moment”, as Igor would say, in an interview with Dan Tapiero for Real Vision²:

The reason I didn't buy the whole thing was because wiser voices prevailed in my office and, believing very strongly that, even in triumph the Caesar has to be “told thou art mortal”, the President of the Electrum Group, Igor Levental, was whispering just that into my ear: remember, thou are mortal. If you go after this and try to buy the whole company for \$2, even though Barrick is asleep they will walk you up dollar for dollar until a certain point, and even you will throw in the towel. Better to own 40% of something wonderful. That's greedy enough. Don't be stupid greedy. It was great advice.

Nonetheless, I could count on the fog of war for only so long and the fuse on the rescue of this corporate pariah was short. It was so short, in fact, that I decided to somewhat relax our characteristically fastidious due diligence process to rely upon the distressed company's joint disclosures with Barrick. I decided that we didn't have to trust NOVAGOLD's representations about Donlin Gold, just their partner's...

...with the wise counsel of The Electrum Group's President (and fellow NOVAGOLD Director) Igor Levental, we entered the NOVAGOLD saga as something of a white knight, purchasing the Company's shares for the very first time in order to save it from existential challenges across an extraordinarily broad front. Putting aside the fact that the economic environment at that time

² <https://www.realvision.com/shows/the-interview/videos/the-kaplan-doctrine-conservation-preservation-and-value>

was not particularly permissive of any investment at all, our intervention appeared – even to our closest friends – as akin to catching a falling knife.

When I pulled the trigger, Igor negotiated our deal with NOVAGOLD, which we signed on December 31, 2008. He then led the SWAT team that worked with the company to untangle its affairs and together we spent literally days' worth of hours scrubbing texts to identify the precise words to capture the narrative that we have so transparently and faithfully conveyed to our co-investors since. Within a year or so, TEG had worked through the various issues that were leading NOVAGOLD to collapse before 2009, and by 2010 the equity multiplied many-fold, once again scaling the heights of the price it had reached during the Barrick takeover attempt. By this point, we could begin to think of really revamping the company and unlocking the value of its assets.

Once again, Igor led from the front. In 2011, not long after Barrick and NOVAGOLD announced the results of the feasibility study on Donlin Gold, he introduced me to Greg Lang — a 25-year veteran of Barrick and its predecessor companies, including eight years as president of Barrick Gold North America. Greg's experience in overseeing the permitting and building of large mines (including the Cortez Hills Mine in Nevada, which impressively came in within budget and on time) encapsulated what I was looking for. Having concluded that the Donlin Gold deposit displayed all the makings of the Holy Grail for a gold investor, I sought a CEO who could take Donlin Gold through permitting. When Misha and his pal, the late and great Gil Leathley, spoke about Greg, it seemed fated. His Homestake pedigree, one that he shared with both Igor and Gil, was an added plus.

In fact, as with Igor himself, I have always found that most everyone who worked well with the legendary Harry Conger possessed that subtle combination of intelligence and character that I seek in my colleagues. Harry was and remains one of the finest gentlemen I have ever met in any field. He was also an outstanding professional, who inculcated as good a corporate culture as I have yet discovered in the mining business. In all my subsequent ventures — starting with Igor and extending through to many members of the "A" Team including Ken Rye at TEG and the "All Stars" Greg Lang and Gil Leathley at NOVAGOLD — Igor was proven right: a Homestake pedigree constitutes one of the highest recommendations of any hire I could ever consider. But the truth is that pretty much all of his recommendations, from Ken Rye and Peter Cheesbrough to Heather White and too many stellar board members to name individually, were truly outstanding.

As it happened, Igor and Gil discovered that my appetite coincided with Greg Lang's desire to be engaged with the pure play on the asset he thought could become the greatest gold mine in the world. Greg was an educated consumer, having sat on the Barrick side of the table during the hostile takeover attempt, and later on as a Barrick representative on the Donlin Gold LLC board. Igor made the arrangements and so we met. Greg and I had a meeting of the minds, nodding to each other as we ticked off the attributes that rendered Donlin Gold not just a great development-stage asset, but

also quite possibly the best. Greg — now “Brother Greg” to me — and I hit it off immediately, he becoming CEO as I became Chairman. With Igor, we came to form a kitchen cabinet for the capital raises and valuation exercises that the company dutifully implemented. And with Mélanie Hennessey, we traveled the world together, from Switzerland to Singapore to Saudi Arabia, to get the job done.

Once more, Igor led the way. Not just in his work on the exciting NovaCopper spin-off (now Trilogy Metals), but NOVAGOLD’s Galore Creek transaction with Newmont Mining too. Conceived and executed by Igor, the deal was a masterpiece in the genre of Win-Win for all stakeholders involved. And as its direct consequence, to the delight of Greg, David Ottewell, Richard Williams, and Ron Rimelman, NOVAGOLD’s treasury is cash-rich and debt-free. But in many respects, this is only to the extent of the debt of gratitude that the company owes to Igor’s unfailing belief in Galore Creek. His ability to translate that fervid creed into a real cornucopia is why NOVAGOLD has enjoyed the rare luxury of not having to raise outside capital in over a decade. Igor’s corporate legacy lives on.

I invoke the NOVAGOLD journey because our collective pride in this story has been so meaningful to me personally, as well as to him, an unsung hero of a project that we so love. I have been enamored with Donlin Gold for so long that I nearly tried to name our younger son by that name. That did not happen, but the gold spoon that Igor and Jessica sent to commemorate the boy’s birth remains a vivid reminder of that sentiment...and of the unique style of one of the mining industry’s rare power couples.

As a team, Jessica and Igor were as devoted to the mining world as they were to each other. If one ever wanted to elicit joy from Igor, it was to mention Jessica’s name. His pride in her accomplishments was manifest — and amply justified. She is, in a nutshell, the “real deal”. I say this not only for the role that she has played so brilliantly in advancing responsible mining and expanding exposure for mining professionals and companies alike, but also in light of how, as the Executive Director of the Denver Gold Group and the Founder and Chief Executive Officer of the Precious Metals Summit Conferences — “where the smart money goes prospecting” — she now *personifies* for many investors in the space the central importance of women in enabling the junior and development-stage sector’s survival. As a matter of fact, in the 25 years or so in which I have been in the mining industry, I have met but a few figures who could compete with her in the combination of those rarest of attributes: namely, passion, intellect, integrity, deep insight, and an unbroken track record of success. Jessica is that and so much more. Having attended many of her conferences, I would say that one of the descriptives most often heard regarding Jessica is “star”. And indeed she is one. Igor so rejoiced, so *kvelled* from that knowledge.

The joint legacy of Team Levental as an “indomitable” and mutually-reinforcing duet cannot be overstated. “Cousin Jess”, as we in my family have long called her, will have to draw on what Igor might have called their “massive endowment” of tenacity and resilience to deal with a life without Igor. But Jessica knows that she and the two exceptional and loving sons of whom he was so proud, Casey, Misha and his wife Evan

— and Igor’s father, Genady, whom I have come to refer to unabashedly and sincerely as “Papa” — have the entire resources of my wife, Daphne, and my family to support them as our own, as well as the steadfast backing of our collective ecosystem.

Truth be told, as I owe my career to Daphne’s intuition and insights, I owe my relationship with Igor to Jessica’s intuition and insights too. Knowing how much I *do not* know, from the very outset of my career I made it the first order of business to surround myself with people of the greatest integrity — that is, who are not afraid to tell me when the emperor is naked — and who are also at the top of their games in their respective spheres. Igor had been a highly respected member of the mining knighthood for decades before we first met in Miami on that day in December 2002. By the time he came to see me for his interview, he had already met with everyone else on our Denver team. But for all practical purposes, the immediate job description in investor relations meant that he effectively would be reporting to me. Over lunch, we quickly found common ground in our mutual admiration for his previous boss, the aforementioned Harry Conger. That bond established, we moved on to other subjects and spoke animatedly for several hours. As Igor told the story, when he returned home to Jessica, upon her asking how the meeting had gone, he replied that it was the strangest interview he had ever experienced. He told her that we had spoken about philosophy, Russian literature, but also music, art, culture, the environment, world history, and more. But he then added, somewhat incredulously, that at no point did we actually discuss mining. *“Take the job”*, Jessica responded immediately: *“that’s the guy you want to work for”*.

And so he did. From that initial meeting of the minds, and of the hearts, Igor and I never looked back — but always ahead. On behalf of a vast part of his extended family for whom I can speak, I wish for our precious Igor a well-deserved and peaceful rest for a life so well lived. Or perhaps, to put it as he himself would often sign-off: *“Onwards and Upwards.”*

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