SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

o **Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934**

or

þ **Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934**

For Fiscal year ended: December 31, 2005 **Commission File number: No. 1-9059**

BARRICK GOLD CORPORATION

(Exact name of registrant as specified in its charter)

Ontario	**1041**	**Not Applicable**
(Province or other jurisdiction of incorporation or organization)	(Primary standard industrial classification code number, if applicable)	(I.R.S. employer identification number, if applicable)

BCE Place
Canada Trust Tower
Suite 3700
161 Bay Street, P.O. Box 212
Toronto, Canada M5J 2S1
(800) 720-7415
(Address and telephone number of registrant's principal executive office)

Barrick Goldstrike Mines Inc.
P.O. Box 29, Elko, Nevada 89803
(702) 738-8043
(Name, address and telephone number of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Name of each exchange on which registered:
Common Shares	**New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this form:

þ Annual Information Form þ Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

Common Shares 538,081,875

Indicate by check mark whether the registrant by filing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). If "Yes" is marked, indicate the file number assigned to the registrant in connection with such rule.

Yes o No þ

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13(d) or 15(d) of the Exchange Act during the proceeding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements in the past 90 days.

Yes þ No o

CONTROLS AND PROCEDURES

The disclosure provided under “Controls and Procedures” on pages 92 through 93 of Exhibit 1, Barrick’s Annual Information Form, is incorporated by reference herein.

AUDIT COMMITTEE

The disclosure provided under “Composition of the Audit Committee” on pages 90 through 91 of Exhibit 1, Barrick’s Annual Information Form, is incorporated by reference herein. Barrick has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended.

CODE OF ETHICS

Barrick has adopted a code of ethics entitled, “Barrick Gold Corporation Code of Business Conduct and Ethics”. The Code of Business Conduct and Ethics applies to all directors, officers and employees of Barrick, including Barrick’s principal executive officer, principal financial officer and principal accounting officer. The Code of Business Conduct and Ethics is available at Barrick’s Internet website, www.barrick.com, in the Company — Corporate Governance section and is available in print to any shareholder upon written request to the Secretary of Barrick.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The disclosure provided under “Principal Accountant Fees and Services” on pages 91 through 92 of Exhibit 1, Barrick’s Annual Information Form, is incorporated by reference herein.

AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES

The disclosure provided under “Audit Committee Pre-Approval Policies and Procedures” on page 91 of Exhibit 1, Barrick’s Annual Information Form, is incorporated by reference herein. No audit-related fees, tax fees or other non-audit fees were approved by the Audit Committee pursuant to paragraph (c)(7)(i)(C) of Regulation S-X.

OFF-BALANCE SHEET ARRANGEMENTS

The disclosure provided under “Off-Balance Sheet Arrangements” on pages 61 through to 64 of Exhibit 3, Management’s Discussion and Analysis of Financial and Operating Results, is incorporated by reference herein.

CONTRACTUAL OBLIGATIONS

The disclosure provided under “Contractual Obligations and Commitments” on pages 59 through to 60 of Exhibit 3, Management’s Discussion and Analysis of Financial and Operating Results, is incorporated by reference herein.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

B. Consent to Service of Process

The Registrant has previously filed with the Commission a Form F-X in connection with the Common Shares.

INCORPORATION BY REFERENCE

The Registrant's annual report on Form 40-F is incorporated by reference in the Registrant's registration statements on Form F-3 (No. 333-14148) and Form F-9 (Nos. 333-120133 and 333-106592) and in the registration statements on Form F-9 of Barrick Gold Finance Company (No. 333-120133-01) and Barrick Gold Inc. (Nos. 333-120133-02 and 333-106592-01).

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

BARRICK GOLD CORPORATION

By: /s/ Sybil E. Veenman
Name: Sybil E. Veenman
Title: Vice President, Assistant General Counsel and Secretary

Dated: March 31, 2006

EXHIBIT INDEX

Exhibits	Description
1	Annual Information Form dated as of March 30, 2006
2	Barrick Gold Corporation's Comparative Audited Consolidated Financial Statements prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), including the Notes thereto, as at December 31, 2005 and 2004 and for the years ended December 31, 2005, 2004 and 2003, together with the Auditor's report thereon
3	Barrick Gold Corporation's Management's Discussion and Analysis (US GAAP) for the year ended December 31, 2005
4	Management Information Circular and Proxy Statement dated as of March 24, 2006 other than the sections entitled "Report on Executive Compensation" and "Performance Graph" (incorporated by reference to Exhibit 2 of Barrick Gold Corporation's Form 6-K (Commission file No. 1-9059), excluding such sections, furnished to the Commission on March 31, 2006)
5	Consent of PricewaterhouseCoopers LLP
6	Certification of Gregory C. Wilkins required by Rule 13a-14(a) or Rule 15d-14(a), pursuant to Section 302 of Sarbanes-Oxley Act of 2002
7	Certification of Jamie C. Sokalsky required by Rule 13a-14(a) or Rule 15d-14(a), pursuant to Section 302 of Sarbanes-Oxley Act of 2002
8	Certification of Gregory C. Wilkins pursuant to 18 U.S.C. Section 1350, as enacted pursuant to Section 906 of Sarbanes-Oxley Act of 2002
9	Certification of Jamie C. Sokalsky pursuant to 18 U.S.C. Section 1350, as enacted pursuant to Section 906 of Sarbanes-Oxley Act of 2002

Exhibit 1

BARRICK GOLD CORPORATION

BCE Place
Canada Trust Tower, Suite 3700
P.O. Box 212
161 Bay Street
Toronto, Ontario
M5J 2S1

ANNUAL INFORMATION FORM

For the year ended December 31, 2005

Dated as of March 30, 2006

BARRICK GOLD CORPORATION
ANNUAL INFORMATION FORM

TABLE OF CONTENTS

GLOSSARY OF TERMS **3**

REPORTING CURRENCY AND FINANCIAL INFORMATION **8**

IMPORTANT NOTICE ABOUT INFORMATION IN THIS ANNUAL INFORMATION FORM **8**

FORWARD-LOOKING INFORMATION **8**

SCIENTIFIC AND TECHNICAL INFORMATION **9**

GENERAL INFORMATION **9**

Incorporation 9
Subsidiaries 10
Areas of Interest 10
General Development of the Business 10
Acquisition of Placer Dome 12

NARRATIVE DESCRIPTION OF THE BUSINESS **16**

Production and Total Cash Costs 16
Gold Mineral Reserves and Mineral Resources 17
Uses of Gold 24
Sales and Refining 24
Employees — Labour Relations 25
Competition 25

PRINCIPAL REGIONS **25**

North America 25
Goldstrike Property 26
Cortez Mine 32
Australia/Africa 38
South America 38
Lagunas Norte Mine 38
Veladero Mine 42
Zaldivar Mine 47
Pascua-Lama Project 52

EXPLORATION, DEVELOPMENT AND BUSINESS DEVELOPMENT **57**

ENVIRONMENT AND CLOSURE **58**

FINANCIAL RISK-MANAGEMENT **59**

LEGAL MATTERS **63**

Government Controls and Regulations 63
Litigation 64

RISK FACTORS **67**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS **76**

CONSOLIDATED FINANCIAL STATEMENTS **76**

CAPITAL STRUCTURE **76**

RATINGS **79**

MARKET FOR SECURITIES **81**

MATERIAL CONTRACTS **82**

TRANSFER AGENTS AND REGISTRARS **83**

DIVIDEND POLICY **83**

DIRECTORS AND OFFICERS OF THE COMPANY **83**

AUDIT COMMITTEE **86**

Audit Committee Mandate 86
Composition of the Audit Committee 90
Participation on Other Audit Committees 91
Audit Committee Pre-Approval Policies And Procedures 91
Principal Accountant Fees And Services 91

CONTROLS AND PROCEDURES **92**

ADDITIONAL INFORMATION **93**

GLOSSARY OF TERMS

Assay

Analysis to determine the amount or proportion of the element of interest contained within a sample.

Autoclave system

Oxidation process in which high temperatures and pressures are applied within a pressurized closed vessel to convert refractory sulphide mineralization into amenable oxide ore.

Ball mill

A horizontal rotating steel cylinder which grinds ore to fine particles. The grinding is carried out by the pounding and rolling of a charge of steel balls carried within the cylinder.

By-product

A secondary metal or mineral product that is recovered along with the primary metal or mineral product during the ore concentration process.

Carbonaceous

Containing carbon or coal, especially shale or other rock containing small particles of carbon distributed throughout the mass.

Carbon-in-leach (C-I-L)

A process step wherein granular activated carbon particles much larger than the ground ore particles are introduced into the ore pulp. Cyanide leaching and precious metals adsorption onto the activated carbon occurs simultaneously. The loaded activated carbon is mechanically screened to separate it from the barren pulp, processed to remove the precious metals and finally prepared for reuse.

Concentrate

A processing product containing the valuable ore mineral from which most of the waste mineral has been eliminated.

Contained ounces

Represents total ounces in a mineral reserve before reduction to account for ounces not able to be recovered by the applicable metallurgical process.

Contango

The positive difference between the spot market gold price and the forward market gold price. It is often expressed as an interest rate quoted with reference to the difference between inter-bank deposit rates and gold lease rates.

Crushing

Breaking of ore from the size delivered from the mine into smaller and more uniform fragments to be then fed to grinding mills or to a leach pad.

Cyanidation

A method of extracting gold or silver by dissolving it in a weak solution of sodium cyanide.

Development

Work carried out for the purpose of opening up a mineral deposit. In an underground mine, this includes shaft sinking, crosscutting, drifting and raising. In an open pit mine, development includes the removal of overburden and/ or waste rock.

Dilution

Sub-economic material that is unavoidably included with the mined ore, lowering the mined grade.

Doré

Unrefined gold and silver bullion bars usually consisting of approximately 90 percent precious metals that will be further refined to almost pure metal.

Drift

A horizontal tunnel generally driven within or alongside an ore body and aligned parallel to the long dimension of the ore.

Drilling

Core: a drilling method that uses a rotating barrel and an annular-shaped, diamond-impregnated rock-cutting bit to produce cylindrical rock cores and lift such cores to the surface, where they may be collected, examined and assayed.

Reverse circulation: a drilling method that uses a rotating cutting bit within a double-walled drill pipe and produces rock chips rather than core. Air or water is circulated down to the bit between the inner and outer wall of the drill pipe. The chips are forced to surface through the centre of the drill pipe and are collected, examined and assayed.

Conventional rotary: a drilling method that produces rock chips similar to reverse circulation except that the sample is collected using a single-walled drill pipe. Air or water circulates down through the center of the drill pipe and returns chips to the surface around the outside of the pipe.

In-fill: The collection of additional samples between existing samples, used to provide greater geological detail and to provide more closely-spaced assay data.

Geotechnical: diamond drilling targeted and utilized specifically for the collection of information used for mine engineering, slope stability, and underground ground reinforcement purposes.

Exploration

Prospecting, sampling, mapping, diamond-drilling and other work involved in locating the presence of economic deposits and establishing their nature, shape and grade.

Flotation

A process by which some mineral particles are induced to become attached to bubbles and float, and other particles to sink, so that the valuable minerals are concentrated and separated from the uneconomic gangue or waste.

Grade

The amount of metal in each ton of ore, expressed as troy ounces per ton or grams per tonne for precious metals and as a percentage for most other metals.

Cut-off grade: the minimum metal grade at which material can be economically mined and processed (used in the calculation of ore reserves).

Mill-head grade: metal content of mined ore going into a mill for processing.

Recovered grade: metal content that was extracted from ore by processing.

Reserve grade: estimated metal content of an orebody that satisfies all economic, mining, and other criteria to be considered a reserve.

Grinding (Milling)

Powdering or pulverising of ore, by pressure or abrasion, to liberate valuable minerals for further metallurgical processing.

Heap leaching

A process whereby gold is extracted by “heaping” broken ore on sloping impermeable pads and continually applying to the heaps a weak cyanide solution which dissolves the contained gold. The gold-laden solution is then collected for gold recovery.

Lode

A mineral deposit, consisting of a zone of veins, veinlets or disseminations, in consolidated rock as opposed to a placer deposit.

Long-hole open stoping

A method of underground mining involving the drilling of holes up to 30 meters or longer into an ore bearing zone and then blasting a slice of rock which falls into an open space. The broken rock is extracted and the resulting open chamber may or may not be filled with supporting material.

Metric conversion

Troy ounces	×	31.10348	=	Grams
Troy ounces per short ton	×	34.28600	=	Grams per tonne
Tons	×	0.90718	=	Tonnes
Feet	×	0.30480	=	Meters
Miles	×	1.60930	=	Kilometers
Acres	×	0.40468	=	Hectares
Fahrenheit		(°F-32) × 5 ¸ 9	=	Celsius

Mill

A processing facility where ore is finely ground and thereafter undergoes physical or chemical treatment to extract the valuable metals. Also the device used to perform grinding (milling).

Mineral reserve

See “Narrative Description of the Business – Gold Mineral Reserves and Mineral Resources.”

Mineral resource

See “Narrative Description of the Business – Gold Mineral Reserves and Mineral Resources.”

Mining claim

That portion of applicable mineral lands that a party has staked or marked out in accordance with applicable mining laws to acquire the right to explore for and exploit the minerals under the surface.

Net profits interest royalty

A royalty based on the profit remaining after recapture of certain operating, capital and other costs.

Net smelter return royalty

A royalty based on a percentage of valuable minerals produced with settlement made either in kind or in currency based on the spot sale proceeds received less all of the offsite smelting, refining and transportation costs associated with the purification of the economic metals.

Open pit mine

A mine where materials are removed entirely from a working that is open to the surface.

Ore

Rock, generally containing metallic or non-metallic minerals, which can be mined and processed at a profit.

Orebody

A sufficiently large amount of ore that is contiguous and can be mined economically.

Oxide ore

Mineralized rock in which some of the original minerals have been oxidized. Oxidation tends to make the ore more amenable to cyanide solutions so that minute particles of gold will be readily dissolved.

Qualified Person

See “Scientific and Technical Information”.

Reclamation

The process by which lands disturbed as a result of mining activity are modified to support beneficial land use . Reclamation activity may include the removal of buildings, equipment, machinery and other physical remnants of mining, closure of tailings storage facilities, leach pads and other mine features, and contouring, covering and re-vegetation of waste rock and other disturbed areas.

Reclamation and Closure Costs

The cost of reclamation plus other costs, including without limitation certain personnel costs, insurance, property holding costs such as taxes, rental and claim fees, and community programs associated with closing an operating mine.

Recovery rate

A term used in process metallurgy to indicate the proportion of valuable material physically recovered in the processing of ore. It is generally stated as a percentage of the material recovered compared to the total material originally present.

Refining

The final stage of metal production in which impurities are removed from the molten metal.

Refractory material

Mineralized material in which the metal is not amenable to recovery by conventional cyanide methods without any pre-treatment. The refractory nature can be due to either silica or sulphide encapsulation of the metal or the presence of naturally occurring carbons or other constituents that reduce gold recovery.

Roasting

The treatment of sulphide ore by heat and air, or oxygen enriched air, in order to oxidize sulphides and remove other elements (carbon, antimony or arsenic).

Shaft

A vertical passageway to an underground mine for ventilation, moving personnel, equipment, supplies and material including ore and waste rock.

Stope

An underground excavation from which ore is extracted.

Strike length

The distance measured along the longest horizontal dimension of an orebody or zone of mineralization.

Tailings

The material that remains after all economically and technically recoverable precious metals have been removed from the ore during processing.

Tailings storage facility

A natural or man-made confined area suitable for depositing the material that remains after the treatment of ore.

Tons

Short tons (2,000 pounds).

Total cash costs

See “Narrative Description of the Business-Production and Total Cash Costs”

REPORTING CURRENCY AND FINANCIAL INFORMATION

All currency amounts in this Annual Information Form are expressed in United States dollars, unless otherwise indicated. References to "C$" are to Canadian dollars. References to "A$" are to Australian dollars. For Canadian dollars to U.S. dollars, the average exchange rate for 2005 and the exchange rate at December 31, 2005 were one Canadian dollar per 0.8225 and 0.8577 U.S. dollars, respectively. For Australian dollars to U.S. dollars, the average exchange rate for 2005 and the exchange rate at December 31, 2005 were one Australian dollar per 0.7625 and 0.7337 U.S. dollars, respectively.

Barrick Gold Corporation ("Barrick" or the "Company") prepares its financial statements in accordance with the United States generally accepted accounting principles ("US GAAP"). Accordingly, unless otherwise indicated, financial information in this Annual Information Form is presented in accordance with US GAAP. The consolidated financial statements of the Company for the year ended December 31, 2005 (the "Consolidated Financial Statements") are incorporated by reference in this Annual Information Form.

IMPORTANT NOTICE ABOUT INFORMATION IN THIS ANNUAL INFORMATION FORM

Barrick completed its acquisition of Placer Dome Inc. ("Placer Dome") on March 8, 2006, following the end of the fiscal year to which this Annual Information Form relates (see "General Information – Acquisition of Placer Dome"). In certain parts of this Annual Information Form, Barrick has included historical information relating to Placer Dome and information regarding Barrick, post-Placer Dome acquisition. These sections have been clearly marked. Where information in this Annual Information Form specifically provides that it is presented post-Placer Dome acquisition, such information also assumes the completion of the sale of certain assets to Goldcorp Inc. ("Goldcorp") (see "General Information – Acquisition of Placer Dome"). This information may be subject to different risks and uncertainties than the historical information relating to Barrick set forth in this Annual Information Form. See "Risk Factors — Inclusion of Historical Placer Dome Information in Annual Information Form" and "- Closing of the Goldcorp Transaction". Unless specifically indicated otherwise in this Annual Information Form:

1. information is presented as at December 31, 2005;
2. information presented does not reflect the acquisition of Placer Dome by Barrick; and
3. references to "Barrick", the "Company", "its", "our" and "we", or related terms, refer to Barrick and its subsidiaries prior to the Placer Dome acquisition.

FORWARD-LOOKING INFORMATION

Certain information contained or incorporated by reference in this Annual Information Form, including any information as to our future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets (such as the Canadian and Australian dollars versus the U.S. dollar); fluctuations in the spot and forward price of gold or certain other commodities (such as copper, silver, diesel fuel and electricity); changes in U.S. dollar interest rates or gold lease rates that could impact the mark-to-market value of outstanding derivative instruments and ongoing payments/receipts under interest rate swaps and variable rate debt obligations; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, Dominican Republic, Australia, Papua New Guinea, Chile, Peru, Argentina, Tanzania, South Africa, Russia or Barbados or other countries in which we do or may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to

successfully integrate acquisitions, including the Placer Dome acquisition; operating or technical difficulties in connection with mining or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in our credit rating; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this Annual Information Form are qualified by these cautionary statements. Specific reference is made to "Narrative Description of the Business – Gold Mineral Reserves and Mineral Resources" and "Risk Factors" and to the "Management's Discussion and Analysis of Financial and Operating Results for the year ended December 31, 2005" incorporated by reference herein for a discussion of some of the factors underlying forward-looking statements.

The Company may, from time to time, make oral forward-looking statements. The Company advises that the above paragraph and the risk factors described in this Annual Information Form and in the Company's other documents filed with the Canadian securities commissions and the United States Securities and Exchange Commission should be read for a description of certain factors that could cause the actual results of the Company to materially differ from those in the oral forward-looking statements. The Company disclaims any intention or obligation to update or revise any oral or written forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

SCIENTIFIC AND TECHNICAL INFORMATION

Scientific or technical information in this Annual Information Form relating to mineral reserves or mineral resources is based on information prepared under the supervision of, or has been reviewed by, Jacques McMullen, Corporate Head, Metallurgy and Process Development of Barrick, Rick Allan, Director — Engineering and Mining Support of Barrick, and Rick Sims, Manager Corporate Reserves of Barrick.

Scientific or technical information in this Annual Information Form relating to the geology of particular properties, and the exploration programs described in this Annual Information Form, are prepared and/or designed and carried out under the supervision of Alexander J. Davidson, P. Geo., Executive Vice President, Exploration and Corporate Development of Barrick.

Each of Messrs. McMullen, Allan, Sims and Davidson is a "Qualified Person" as defined in National Instrument 43-101. A "Qualified Person" means an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, has experience relevant to the subject matter of the mineral project, and is a member in good standing of a professional association.

GENERAL INFORMATION

Incorporation

Barrick is a corporation governed by the *Business Corporations Act* (Ontario) resulting from the amalgamation, effective July 14, 1984 under the laws of the Province of Ontario, of Camflo Mines Limited, Bob-Clare Investments Limited and the former Barrick Resources Corporation. By articles of amendment effective December 9, 1985, the Company changed its name to American Barrick Resources Corporation. Effective January 1, 1995, as a result of an amalgamation with a wholly-owned subsidiary, the Company changed its name from American Barrick Resources Corporation to Barrick Gold Corporation. On December 7, 2001, in connection with its acquisition of Homestake Mining Company ("Homestake"), the Company amended its articles to create a special voting share, which has

special voting rights designed to permit holders of Barrick Gold Inc. (formerly Homestake Canada Inc.) ("BGI") exchangeable shares to vote as a single class with the holders of Barrick common shares. For a description of Barrick's acquisition of Homestake, see "General Information – General Development of the Business". Barrick's head and registered office is located at BCE Place, Canada Trust Tower, 161 Bay Street, Suite 3700, Toronto, Ontario, M5J 2S1.

Subsidiaries

A significant portion of Barrick's business is carried on through subsidiaries. A chart, which reflects Barrick's acquisition of Placer Dome and assumes the completion of the sale of certain assets to Goldcorp (see "– Acquisition of Placer Dome") showing Barrick's mines, projects, operating subsidiaries and associated subsidiaries as at March 30, 2006 and their respective jurisdictions of incorporation is set out at the end of this "General Information" section. All subsidiaries referred to in the chart are 100% owned unless otherwise noted.

Areas of Interest

A map showing Barrick's mining operations and projects as at March 30, 2006, which reflects Barrick's acquisition of Placer Dome and assumes the completion of the sale of certain assets to Goldcorp (see "– Acquisition of Placer Dome"), is set out at the end of this "General Information" section.

General Development of the Business

Barrick entered the gold mining business in 1983 and is now one of the largest gold mining companies in the world in terms of production, reserves and market capitalization. Reflecting the acquisition of Placer Dome and assuming the completion of the sale of certain assets to Goldcorp, the Company has operating mines or development projects in Canada, the United States, Dominican Republic, Australia, Papua New Guinea, Peru, Chile, Argentina, South Africa and Tanzania.

During its first ten years, Barrick focused on acquiring and developing properties in North America, notably the Company's flagship Goldstrike property on the Carlin Trend in Nevada. Since 1994, Barrick has strategically expanded beyond its North American base to ensure growth in reserves and production and now operates in South America, Africa, Australia, Papua New Guinea, Russia and Central Asia.

Barrick has employed a growth strategy that involves acquisitions, a district development program and exploration. On March 8, 2006, Barrick completed its acquisition of Placer Dome. For additional details regarding the acquisition of Placer Dome, see "–Acquisition of Placer Dome". The district development program involves focusing exploration on and around existing properties. Through this program, the Company discovered and brought into production the Goldstrike Underground mine and related mineral deposits on the Goldstrike property. Although the trend changed in 2003, exploration spending across the industry, particularly among junior companies, had decreased significantly. During this same period, Barrick increased its exploration activities and engaged in early stage exploration in four major areas: Peru, Tanzania, Australia and Chile/Argentina. This program resulted in the grassroots discovery of the Lagunas Norte deposit in the Alto Chicama District in Peru in 2002. Barrick's exploration program continues to focus both on areas around our existing mines and early stage exploration activities in the United States, Canada, Peru, Tanzania, Australia, Argentina, Chile, Russia and Central Asia.

In 2002 through 2004, production at Barrick's existing mines decreased and average total cash costs per ounce increased. However, in 2005, overall production increased from 2004 as Barrick's Lagunas Norte and Veladero mines commenced operations in the second half of 2005, with 2005 average total cash costs of $227 per ounce exceeding 2004 average total cash costs of $214 per ounce. Reflecting Barrick's acquisition of Placer Dome and assuming completion of the sale of certain assets to Goldcorp, 2006 gold production is expected to be between 8.6 and 8.9 million ounces, with total cash costs expected to be between $275 and $290 per ounce, and 2006 copper production is expected to be approximately 350 million pounds, with total cash costs per pound expected to be $1.10 per pound. Copper total cash costs per pound include the estimated impact of purchase accounting fair value

adjustments. Excluding these one-time, non-cash accounting adjustments, copper total cash costs would be lower by approximately $0.35 per pound. The above 2006 guidance is preliminary in nature.

At December 31, 2005, proven and probable mineral reserves for Barrick were 88.6 million ounces of gold and mineral resources stood at 17.6 million ounces of measured and indicated gold and 12.4 million ounces of inferred gold. For a breakdown of Barrick's reserves and resources by category, see "Narrative Description of the Business — Gold Mineral Reserves and Mineral Resources". In addition, Placer Dome announced total proven and probable gold reserves of 60.4 million ounces and copper reserves of 6.15 billion pounds as at December 31, 2005. Including Placer Dome's reserves as at December 31, 2005, assuming the sale of certain assets to Goldcorp, Barrick had proven and probable reserves of 139 million ounces of gold and 6.15 billion pounds of copper. For a breakdown of Placer Dome's reserves and resources by category and other information relating to Placer Dome's reserves and resources, see Placer Dome's press release dated February 20, 2006. Placer Dome's announced reserves and resources were calculated by employees of Placer Dome in accordance with National Instrument 43-101, as required by Canadian securities regulatory authorities, and in accordance with Placer Dome's previously established policies and procedures, and have not been independently verified by Barrick. Information relating to Placer Dome may be subject to different risks and uncertainties than the historical information relating to Barrick set forth in this Annual Information Form. See "Risk Factors — Inclusion of Historical Placer Dome Information in Annual Information Form". Industry Guide 7 (under the Securities and Exchange Act of 1934), as interpreted by Staff of the SEC, applies different standards to classify mineralization as a reserve. Based on a preliminary review, Barrick does not intend to report mineralization at the Pueblo Viejo project as a reserve for US reporting purposes at this time.

For the year-ended December 31, 2005, Barrick produced 5.46 million ounces of gold. The following table summarizes Barrick's interest in its principal producing mines and its share of gold production from these mines:

Mines	**Ownership**[1]	**2005** (thousands of ounces)	**2004** (thousands of ounces)
North America			
Goldstrike Property, Nevada			
Goldstrike Open Pit	100%	1,514	1,381
Goldstrike Underground	100%	510	562
Goldstrike Property total		2,024	1,943
Eskay Creek Mine, British Columbia	100%	172	290
Round Mountain Mine, Nevada[3]	50%	368	381
Hemlo Property, Ontario [3]	50%	230	247
Marigold Mine, Nevada [3]	33%	69	47
Holt-McDermott Mine, Ontario[2]	100%	—	55
		2,863	2,963

Mines	Ownership(1)	2005 (thousands of ounces)	2004 (thousands of ounces)
South America			
Veladero Mine, Argentina(4)	100%	56	—
Pierina Mine, Peru	100%	628	646
Lagunas Norte Mine, Peru(4)	100%	550	—
		1,234	646
Australia/Africa			
Plutonic Mine, Western Australia	100%	251	305
Darlot Mine, Western Australia	100%	135	140
Lawlers Mine, Western Australia	100%	131	110
Kalgoorlie Mine, Western Australia *(3)*	50%	417	444
		934	999
Bulyanhulu Mine, Tanzania	100%	311	350
Tulawaka Mine, Tanzania(3)	70%	87	—
		1,332	1,349
Highland Equity Portion		31	—
Company total		5,460	4,958

(1) Barrick's interest is subject to royalty obligations at certain mines.

(2) The Holt-McDermott mine was sold in October 2004.

(3) Barrick's proportional share.

(4) The Veladero and Lagunas Norte mines commenced production in the second half of 2005.

See Note 4 "Segment Information" to the Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2005 (the "Management's Discussion and Analysis") for further information on the Company's operating and geographic segments.

Acquisition of Placer Dome

On October 31, 2005, Barrick announced its offer to acquire all the outstanding shares of Placer Dome. Placer Dome is principally engaged in the exploration for, and the acquisition, development and operation of gold mineral properties. Its major mining operations are located in Canada, the United States, Australia, Papua New Guinea, South Africa, Tanzania and Chile. Exploration work is carried out in the foregoing countries and elsewhere throughout the world. Placer Dome's principal product is gold, although it also produces significant quantities of copper and silver. On January 19, 2006, Barrick acquired approximately 81% of the outstanding shares of Placer Dome. On March 8, 2006, Barrick completed its acquisition of the remaining outstanding shares of Placer Dome and, as a result, Placer Dome became a wholly-owned subsidiary of Barrick. Barrick's total acquisition costs for Placer Dome were approximately $10.1 billion (this figure does not reflect the proceeds to be received by Barrick in respect of the Goldcorp Transaction (as defined below)). Barrick will account for its acquisition of Placer Dome as a purchase business combination, with Barrick as the accounting acquirer. For additional information regarding Barrick's accounting for the acquisition of Placer Dome, see Note 3 to the Consolidated Financial Statements.

As of 2007, Barrick anticipates achieving $200 million in annual synergies with respect to its acquisition of Placer Dome. These synergies are anticipated in five key areas: operations, exploration, procurement, general and

administrative ("G&A"), and finance and tax. In operations, Barrick plans to optimize and share mining and processing infrastructure in Nevada, Australia and Tanzania; reduce energy costs and inventory levels through joint infrastructure; and implement combined best practices at all locations. In exploration, Barrick plans on consolidating its land positions on the most prospective belts, and prioritize its pipeline of exploration projects. In procurement, Barrick expects to generate significant savings from its improved purchasing power, as deployed by its worldwide supply management group. The savings in G&A are expected to be derived from shared business practices and the elimination of duplication in offices and overheads in all regions. With respect to finance and tax, Barrick expects to realize jurisdictional tax synergies and enjoy both debt optimization and a lower overall cost of capital. As a result of its acquisition of Placer Dome, in addition to the above synergies, Barrick anticipates benefiting from increased reserves, resources and production; low-cost operations; having operations that are in close proximity to each other and on prospective gold belts; an expanded pipeline of projects; a strengthened exploration and development teams and a strong financial position.

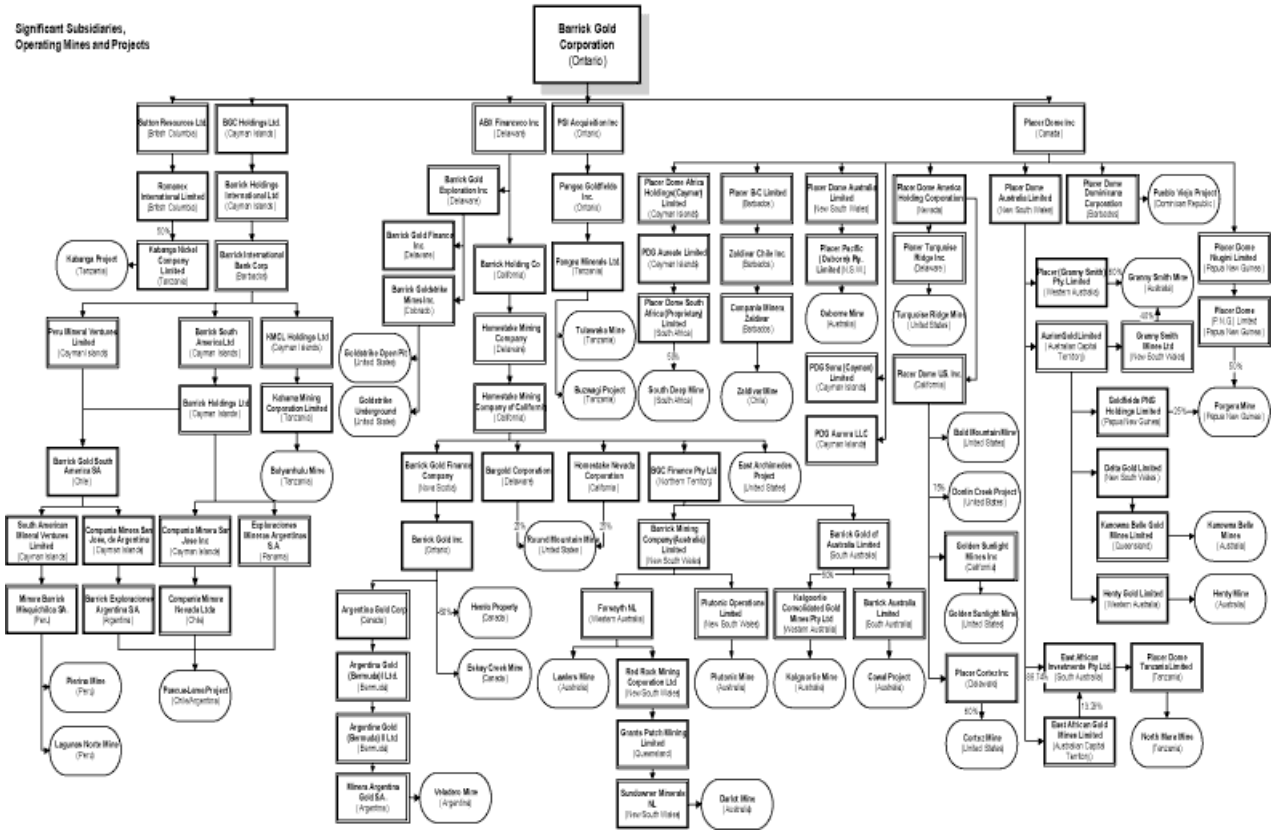
Pursuant to the provisions of a bid support and purchase agreement between Barrick and Goldcorp dated October 30, 2005, for cash consideration of approximately $1.5 billion, subject to adjustments, Goldcorp has agreed to acquire all of Placer Dome's Canadian properties and operations (other than the offices in Toronto and Vancouver) (the "Goldcorp Transaction"), including all historic mining, reclamation and exploration properties, Placer Dome's interest in the La Coipa mine in Chile, 40% of Placer Dome's interest in the Pueblo Viejo project in the Dominican Republic, certain related assets and, at the option of Goldcorp, Barrick's shares in Agua de La Falda S.A, which includes Barrick's interest in the Jeronimo project. Goldcorp has also agreed to be responsible for all liabilities relating solely to these assets, including employment commitments and environmental, closure and reclamation liabilities. Pursuant to the provisions of the bid support and purchase agreement described above, as of October 31, 2005, Goldcorp bears the economic risks and benefits of the assets and liabilities to be acquired by it under the Goldcorp Transaction. Having completed the acquisition of Placer Dome, Barrick is working with Goldcorp to complete the Goldcorp Transaction. Subject to satisfying certain regulatory and tax matters, Barrick expects to complete the Goldcorp Transaction in the second quarter of 2006. See "Risk Factors – Closing of the Goldcorp Transaction".

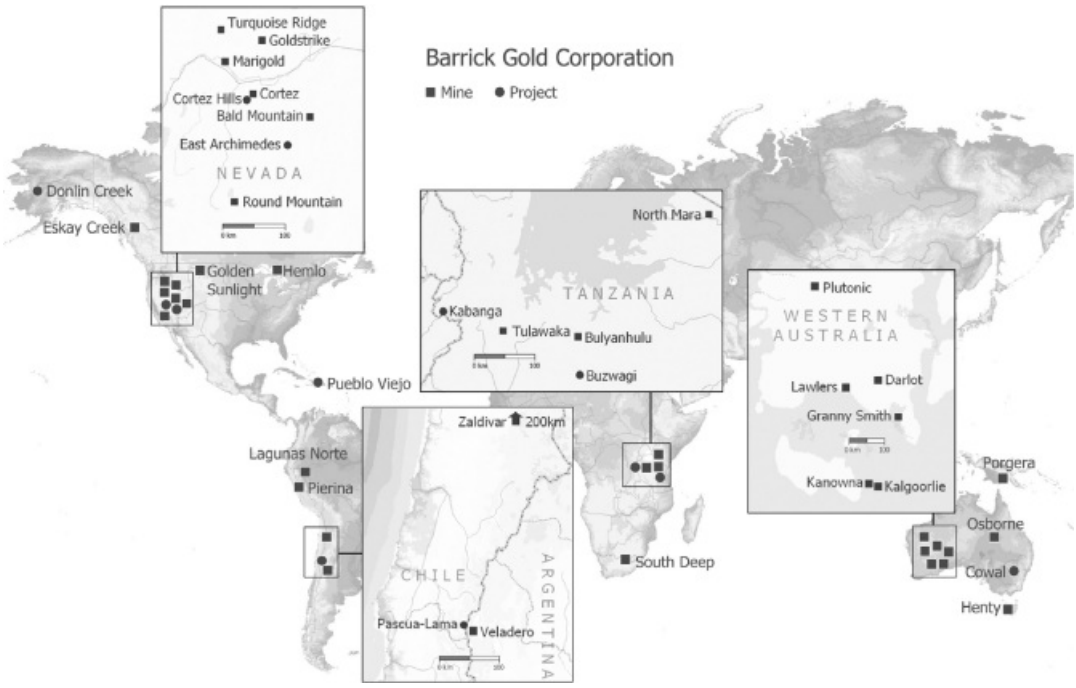
In October 2005, Placer Dome reached an agreement in principle whereby it would sell its interest in the Cerro Casale project to Bema Gold Corporation and Arizona Star Resources Corp. Information contained in this Annual Information Form regarding Placer Dome or Barrick, subsequent to its acquisition of Placer Dome, assumes the sale of the Cerro Casale project.

On February 20, 2006, Placer Dome announced its fourth quarter and year end results for 2005. Placer Dome reported gold mineral reserves of 60.4 million ounces and copper reserves of 6.15 billion pounds at December 31, 2005 (these figures include the Placer Dome properties to be sold to Goldcorp). Placer Dome reported that it produced 3.6 million ounces of gold and 359 million pounds of copper in 2005. The results of Placer Dome set out in this paragraph are as per Placer Dome's press release dated February 20, 2006. Information relating to Placer Dome may be subject to different risks and uncertainties than the historical information relating to Barrick set forth in this Annual Information Form. See "Risk Factors — Inclusion of Historical Placer Dome Information in Annual Information Form".

The properties acquired by Barrick as a result of its acquisition of Placer Dome include 12 producing mines based in North America, South America, Africa, Australia and Papua New Guinea, and three significant projects that are in various stages of exploration/development. Of these properties, the most significant mines are Cortez in the United States, Zaldivar in Chile, Porgera in Papua New Guinea, North Mara in Tanzania and South Deep in South Africa. The most significant projects are Cortez Hills and Donlin Creek in the United States, and Pueblo Viejo in the Dominican Republic. For a description of Barrick's principal operating properties, including former Placer Dome properties, see "Principal Regions".

Significant Subsidiaries,
Operating Mines and Projects




Barrick Gold Corporation
Mine
Project
Turquoise Ridge
Goldstrike
Marigold
Cortez Hills
Cortez
Bald Mountain
East Archimedes
NEVADA
Round Mountain
Donlin Creek
Eskay Creek
Golden Sunlight
Hemlo
North Mara
TANZANIA
Kabanga
Tulawaka
Bulyanhulu
Buzwagi
Plutonic
WESTERN AUSTRALIA
Lawlers
Darlot
Granny Smith
Kanowna
Kalgoorlie
Porgera
Osborne
Cowal
Henty
Pueblo Viejo
Zaldivar
200km
Lagunas Norte
Pierina
South Deep
CHILE
ARGENTINA
Pascua-Lama
Veladero

NARRATIVE DESCRIPTION OF THE BUSINESS

Production and Total Cash Costs

For the year-ended December 31, 2005, Barrick produced 5.46 million ounces of gold at average total cash costs of $227 per ounce. Reflecting its acquisition of Placer Dome, Barrick's 2006 gold production is targeted at between 8.6 and 8.9 million ounces of gold, at expected average total cash costs of $275 to $290 per ounce of gold and copper production is targeted at approximately 350 million pounds, at expected total cash costs of $1.10 per pound of copper. Copper total cash costs per pound include the estimated impact of purchase accounting fair value adjustments. Excluding these one-time, non-cash accounting adjustments, copper total cash costs would be lower by approximately $0.35 per pound. The above 2006 guidance is preliminary in nature. Information relating to Barrick's production and cost targets post-Placer Dome acquisition also assumes the completion of the Goldcorp Transaction and is subject to risks and uncertainties. See "Risk Factors — Inclusion of Historical Placer Dome Information in Annual Information Form" and "- Closing of the Goldcorp Transaction", as well as "Forward-looking Information".

Total cash costs include all costs absorbed into inventory, including royalties, by-product credits, mining taxes and accretion expense, except for amortization. Total cash costs per ounce is calculated by dividing the aggregate of these costs by gold ounces (or pounds of copper, as applicable) sold. Subject to the impact of the change in accounting policy described below, total cash costs and total cash costs per ounce are calculated on a consistent basis for the periods presented. Barrick presents amortization separately from cost of sales in its income statement. Some companies include amortization in cost of sales, which results in a different measurement of cost of sales on the income statement. Set out below is a reconciliation illustrating the impact of excluding amortization from 2005 and 2004 cost of sales and total cash costs per ounce statistics.

In managing Barrick's mining operations, management disaggregates cost of sales between amortization and the other components of cost of sales. Total cash costs per ounce statistics are used by management as a key measure to monitor the performance of Barrick's mines. Management uses the statistics to assess how well the Company's mines are performing against internal plans, and also to assess the overall effectiveness and efficiency of the Company's mining operations. Management also uses amortization cost per ounce statistics to monitor business performance. By disaggregating cost of sales into these two components and separately monitoring them, management is better able to identify and address key performance trends. Management believes that the presentation of these statistics in this manner in this Annual Information Form enhances the ability of investors to assess Barrick's performance. These statistics also enable investors to better understand year-on-year changes in cash production costs, which in turn affect Barrick's profitability and ability to generate cash flow.

The principal limitation associated with total cash costs per ounce statistics is that they do not reflect the total costs to produce gold or copper, which in turn impacts the earnings of Barrick. Management believes that it has compensated for this limitation by highlighting the fact that total cash costs exclude amortization as well as providing details of the financial effect. Management believes that the benefits of providing disaggregated information outweigh the limitation in the method of presentation of total cash costs per ounce statistics.

Total cash costs per ounce statistics are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with US GAAP. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under US GAAP. Other companies may calculate these measures differently.

Illustration of Impact of Excluding Amortization from Total Cash Costs Per Ounce

($ millions, except per ounce information in dollars)

For the years ended December 31	2005	2004
Cost of sales per Barrick income statement	$ 1,214	$ 1,047
Amortization at producing mines	409	425
Cost of sales including amortization	$ 1,623	$ 1,472
Ounces sold (thousands)	5,320	4,936
Total cash costs per ounce as reported	$ 227	$ 214
Amortization per ounce	76	86
Cost of sales (including amortization) per ounce	$ 303	$ 300

In 2005, Barrick adopted “Emerging Issues Task Force Issue No. 04–6, Accounting for Stripping Costs Incurred During Production in the Mining Industry” (“EITF 04–6”), which relates to the accounting for stripping costs in the production stage at a mine. The new accounting rules require the actual stripping costs incurred each period be reflected in the cost of ore mined for the same period, and will likely lead to greater period-to-period volatility in total cash costs. Previously, stripping costs were deferred and amortized based on a life-of-mine stripping ratio that smoothed the costs over time. Results for periods prior to 2005 were not restated in accordance with the transition rules of EITF 04-6. Cost of sales and related total cash costs per ounce statistics for 2004 and prior periods have not been restated, and are therefore not comparable to current-year amounts.

Gold Mineral Reserves and Mineral Resources

At December 31, 2005, Barrick’s total proven and probable gold mineral reserves were 88.6 million ounces. During 2005, Barrick produced 5.46 million ounces of gold (6.5 million contained ounces) and added approximately 6 million contained ounces to reserves for a minor decrease in total reserves from year-end 2004 of approximately 500,000 contained ounces (see “- Reconciliation of Mineral Reserves”). The addition to reserves of 6 million contained ounces is primarily attributable to Pascua-Lama, Round Mountain and Buzwagi. Except as noted below, 2005 reserves have been calculated using an assumed gold price of $400 (A$560) per ounce, a silver price of $6.25 per ounce and exchange rates of $1.30 C$/US$ and $0.72 US$/A$. Reserves at the Hemlo and Eskay Creek properties assumed a gold price of $425 per ounce, with Hemlo assuming an exchange rate of $1.20 C$/US$. Reserve calculations incorporate current and/or expected mine plans and cost levels at each property.

Placer Dome announced gold mineral reserves of 60.4 million ounces and copper reserves of 6.15 billion pounds at December 31, 2005 (these figures include the Placer Dome properties to be sold to Goldcorp). Assuming the sale of certain Placer Dome properties to Goldcorp, Placer Dome had gold mineral reserves of 50.1 million ounces and copper reserves of 6.15 billion pounds at December 31, 2005. For a breakdown of Placer Dome’s reserves and resources by category and other information relating to Placer Dome’s reserves and resources, see Placer Dome’s press release dated February 20, 2006. Placer Dome’s announced reserves and resources were calculated by employees of Placer Dome in accordance with National Instrument 43-101, as required by Canadian securities regulatory authorities, and in accordance with Placer Dome’s previously established policies and procedures, and have not been independently verified by Barrick. Industry Guide 7 (under the Securities and Exchange Act of 1934), as interpreted by Staff of the SEC, applies different standards to classify mineralization as a reserve. Based on a preliminary review, Barrick does not intend to report mineralization at the Pueblo Viejo project as a reserve for US reporting purposes at this time.

Barrick’s reserves and resources have been calculated as at December 31, 2005 in accordance with definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum and incorporated into National Instrument 43-101 (see “Definitions” below). Calculations have been prepared by employees of Barrick under the supervision

of Jacques McMullen, Corporate Head, Metallurgy and Process Development, Rick Allan, Director — Engineering and Mining Support, and Rick Sims, Manager Corporate Reserves. Such calculations incorporate then current and/or expected mine plans and cost levels at each property. Varying cut-off grades have been used depending on the mine, methods of extraction and type of ore contained in the reserves. Mineral resource metal grades and material densities have been estimated using industry-standard methods appropriate for each mineral project with support of various commercially available mining software packages. For the cut-off grades used in the calculation of reserves, see " – Notes to the Reserves, Resources and Reconciliation Tables". Barrick's normal data verification procedures have been employed in connection with the calculations. Sampling, analytical and test data underlying the stated mineral resources and reserves have been verified by Mr. McMullen, Mr. Allan and/or Mr. Sims, employees under their supervision, and/or independent Qualified Persons. Verification procedures include industry-standard quality control practices. For details of data verification and quality control practices at each material property, see "Principal Regions".

Barrick reports its reserves in accordance with National Instrument 43-101, as required by Canadian securities regulatory authorities and, for United States reporting purposes, Industry Guide 7 under the Securities Exchange Act of 1934, which (as interpreted by the Staff of the U.S. Securities and Exchange Commission) applies different standards in order to classify mineralization as a reserve (see Note 7 of the " – Notes to the Mineral Reserves and Resources and Reconciliation Tables").

Although the Company has carefully prepared and verified the mineral reserve figures presented below and elsewhere in this Annual Information Form, such figures are estimates, which are, in part, based on forward-looking information, and no assurance can be given that the indicated level of gold will be produced. Estimated reserves may have to be recalculated based on actual production experience. Market price fluctuations of gold, copper and silver, as well as increased production costs or reduced recovery rates, may render the present proven and probable reserves unprofitable to develop at a particular site or sites for periods of time. See "Risk Factors" and "Forward-Looking Information".

Definitions

A ***mineral resource*** is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories.

An ***inferred mineral resource*** is that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence, limited sampling and reasonably assumed but not verified geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An ***indicated mineral resource*** is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

A ***measured mineral resource*** is that part of a mineral resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

A ***mineral reserve*** is the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined. Mineral reserves are sub-divided in order of increasing confidence into probable mineral reserves and proven mineral reserves.

A ***probable mineral reserve*** is the economically mineable part of an indicated and, in some circumstances, a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

A ***proven mineral reserve*** is the economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

Gold Mineral Reserves (1), (3), (4), (7), (10), (11)

As at December 31, 2005

	PROVEN			PROBABLE			TOTAL		
Based on attributable ounces	Tons (000's)	Grade[8] (oz/ton)	Ounces[9] (000's)	Tons (000's)	Grade[8] (oz/ton)	Ounces[9] (000's)	Tons (000's)	Grade[8] (oz/ton)	Ounces[9] (000's)
North America									
Operating Mines									
Goldstrike Open Pit	65,522	0.119	7,773	48,990	0.139	6,830	114,512	0.128	14,603
Goldstrike Underground	2,867	0.489	1,403	4,452	0.308	1,370	7,319	0.379	2,773
Goldstrike Property									
Total	68,389	0.134	9,176	53,442	0.153	8,200	121,831	0.143	17,376
Round Mountain (50%)	47,013	0.022	1,056	90,791	0.014	1,282	137,804	0.017	2,338
Hemlo (50%)	7,070	0.103	729	3,312	0.065	215	10,382	0.091	944
Eskay Creek	180	0.828	149	88	0.773	68	268	0.810	217
Marigold (33%)	17,701	0.022	389	14,845	0.020	300	32,546	0.021	689
Project									
East Archimedes	7,363	0.061	446	9,730	0.058	565	17,093	0.059	1,011
South America									
Operating Mines									
Veladero	22,139	0.037	812	363,998	0.032	11,829	386,137	0.033	12,641
Lagunas Norte	11,198	0.041	460	215,942	0.036	7,806	227,140	0.036	8,266
Pierina	24,974	0.038	949	40,466	0.024	967	65,440	0.029	1,916
Projects									
Pascua-Lama[12]	43,666	0.051	2,218	353,775	0.046	16,131	397,441	0.046	18,349
Australia/Africa									
Operating Mines									
Kalgoorlie (50%)	45,518	0.053	2,395	39,365	0.063	2,499	84,883	0.058	4,894
Plutonic	235	0.149	35	16,319	0.145	2,364	16,554	0.145	2,399
Lawlers	1,505	0.106	159	2,255	0.139	313	3,760	0.126	472
Darlot	1,968	0.116	229	4,375	0.157	685	6,343	0.144	914
Bulyanhulu	1,809	0.412	745	24,107	0.414	9,987	25,916	0.414	10,732
Tulawaka (70%)	195	0.195	38	778	0.436	339	973	0.387	377
Projects									
Cowal	5,191	0.046	238	58,409	0.039	2,257	63,600	0.039	2,495
Buzwagi[7]	765	0.061	47	38,466	0.061	2,356	39,231	0.061	2,403
OTHER	—	—	—	363	0.435	158	363	0.435	158
TOTAL	306,879	0.066	20,270	1,330,826	0.051	68,321	1,637,705	0.054	88,591

See " — Notes to the Mineral Reserves, Resources and Reconciliation Tables".

Gold Mineral Resources (1), (2), (3), (5)

As at December 31, 2005

	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable ounces	Tons (000's)	Grade[8] (oz/ton)	Ounces[9] (000's)	Tons (000's)	Grade[8] (oz/ton)	Ounces[9] (000's)	Ounces[9] (000's)	Tons (000's)	Grade[8] (oz/ton)	Ounces[9] (000's)
North America										
Operating Mines										
Goldstrike Open Pit	12,072	0.054	650	9,043	0.045	404	1,054	417	0.089	37
Goldstrike Underground	1,015	0.472	479	2,219	0.346	768	1,247	3,034	0.386	1,172
Goldstrike Property Total	13,087	0.086	1,129	11,262	0.104	1,172	2,301	3,451	0.350	1,209
Round Mountain (50%)	6,605	0.019	124	11,101	0.015	172	296	17,687	0.013	229
Hemlo (50%)	821	0.166	136	1,159	0.141	163	299	2,820	0.143	404
Eskay Creek	235	0.332	78	441	0.306	135	213	176	.0443	78
Marigold (33%)	11,813	0.018	216	8,093	0.021	173	389	54,368	0.013	693
Projects										
East Archimedes	979	0.063	62	2,070	0.060	125	187	—	—	—
South America										
Operating Mines										
Pierina	1,057	0.020	21	2,521	0.018	46	67	265	0.023	6
Veladero	663	0.005	3	2,108	0.005	11	14	125,649	0.010	1,266
Lagunas Norte	822	0.028	23	47,142	0.036	1,676	1,699	21,592	0.051	1,103
Projects										
Pascua-Lama	7,725	0.035	270	53,687	0.038	2,034	2,304	20,400	0.049	1,003
Australia/Africa										
Operating Mines										
Kalgoorlie (50%)	1,663	0.058	96	2,602	0.065	169	265	2,009	0.149	300
Plutonic	274	0.245	67	17,934	0.150	2,686	2,753	9,527	0.189	1,800
Lawlers	11	—	—	6,235	0.169	1,054	1,054	953	0.161	153
Darlot	490	0.116	57	2,956	0.111	328	385	117	0.222	26
Bulyanhulu	—	—	—	3,776	0.469	1,770	1,770	4,601	0.567	2,608
Tulawaka (70%)	—	—	—	—	—	—	—	110	0.127	14
Projects										
Cowal	2,594	0.038	98	54,614	0.034	1,868	1,966	14,534	0.034	488
Buzwagi	309	0.042	13	18,411	0.043	796	809	618	0.040	25
Other	—	—	—	6,940	0.113	783	783	8,529	0.112	954
TOTAL	49,148	0.049	2,393	253,052	0.060	15,161	17,554	287,406	0.043	12,359

See " — Notes to the Mineral Reserves, Resources and Reconciliation Tables".

Reconciliation of Mineral Reserves *(1), (7), (10), (11)*

Property (000's of ounces)[9]	Mineral Reserves December 31, 2004[6]	Processed in 2005	Increase (decrease)	Mineral Reserves December 31, 2005[4]
North America				
Operating Mines				
Goldstrike Open Pit	16,188	(1,767)	182	14,603
Goldstrike Underground	2,970	(567)	370	2,773
Round Mountain	1,538	(474)	1,274	2,338
Marigold	744	(81)	26	689
Eskay Creek	513	(183)	(113)	217
Hemlo	1,260	(245)	(71)	944
Project				
East Archimedes	1,011			1,011
South America				
Operating Mines				
Lagunas Norte	9,123	(842)	(15)	8,266
Pierina	2,508	(718)	126	1,916
Veladero	12,849	(99)	(109)	12,641
Project				
Pascua-Lama[12]	17,615		734	18,349
Australia/Africa				
Operating Mines				
Plutonic	2,512	(273)	160	2,399
Lawlers	405	(168)	235	472
Darlot	1,048	(142)	8	914
Kalgoorlie (50%)	5,181	(489)	202	4,894
Bulyanhulu	10,596	(351)	487	10,732
Tulawaka	382	(87)	82	377
Projects				
Cowal	2,495			2,495
Buzwagi[7]			2,403	2,403
OTHER	118		40	158
Total	**89,056**	**(6,486)**	**6,021**	**88,591**

Notes to the Mineral Reserves, Resources and Reconciliation Tables

(1) Reflects Barrick's ownership share where ownership interest is less than 100%.

(2) These mineral resources are in addition to mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability when calculated using mineral reserve assumptions.

(3) Mineral reserves and resources have been calculated as at December 31, 2005 and exclude reserves and resources of Placer Dome, which was acquired by Barrick in early 2006. For

information on reserves and resources as at December 31, 2005 announced by Placer Dome, see Placer Dome's press release of February 20, 2006.

(4) Mineral reserves have been calculated as at December 31, 2005 using an assumed gold price of $400 (A$560), a silver price of $6.25 and exchange rates of $1.30 $Can/$US and $0.72 $US/$Aus. Reserves at the Hemlo and Eskay Creek properties assumed a gold price of $425. Reserves at the Hemlo property assumed an exchange rate of $1.20 $Can/$US. Reserve calculations incorporate current and/or expected mine plans and cost levels at each property.

(5) Resources as at December 31, 2005 have been estimated using varying cut-off grades, depending on both the type of mine, its maturity and ore type at each property. Assumed gold prices of $450 and A$625 have been used in estimating resources.

(6) Mineral reserves have been calculated as at December 31, 2004 using an assumed gold price of $375 per ounce, a silver price of $5.50 per ounce and an exchange rate of $1.45 C$/US$. Reserves at the Australian properties assumed a gold price of A$560 per ounce. Reserves at the Hemlo property assumed a gold price of $350 per ounce and an exchange rate of $1.35 C$/US$. Reserves at Round Mountain are based on pit designs consistent with a gold price of $375 per ounce. Reserves at the Marigold property assumed a gold price of $350 per ounce. Reserve calculations incorporate current and/or expected mine plans and cost levels at each property. Cost estimates at each Australian property assumed an exchange rate of $0.70 US$/A$.

(7) Mineral reserves have been calculated in accordance with National Instrument 43-101, as required by Canadian securities regulatory authorities. For United States reporting purposes, Industry Guide 7 (under the Securities Exchange Act of 1934), as interpreted by Staff of the U.S. Securities and Exchange Commission, applies different standards in order to classify mineralization as a reserve. For U.S. reporting purposes, as at December 31, 2005, the mineralization at the Buzwagi project was classified as mineralized material.

(8) Grade represents an average, weighted by reference to tons of ore type where several recovery processes apply.

(9) Ounces estimated to be present in the tons of ore which would be mined and processed. Mill recovery rates have not been applied in calculating the contained ounces.

(10) Reserves as at December 31, 2005 include stockpile material totalling approximately 77.6 million tons, containing approximately 4.7 million ounces. Properties at which stockpile material represents more than 5% of the reported reserves are as follows:

Property	Tons (000's)	Grade (oz/ton)	Contained Ounces (000's)
Kalgoorlie	12,629	0.033	419
Goldstrike	40,347	0.095	3,848
Round Mountain	21,089	0.014	287

(11) The metallurgical recovery applicable at each property and the cut-off grades used to determine reserves as at December 31, 2005 are as follows:

	Metallurgical Recovery (%)	Cut-off Grade (oz/ton)
OPERATING MINES		
Goldstrike Property		
Open Pit	83.0	0.050-0.070
Underground	89.8	0.110-0.328

	Metallurgical Recovery (%)	Cut-off Grade (oz/ton)
Marigold	68	0.010
Round Mountain	69.6	0.006-0.028
Eskay Creek	82.7	0.890
Hemlo Property		
David Bell	93.0	0.160-0.213
Williams	94.7	0.038-0.205
East Archimedes	74.3	0.011-0.088
Pierina	84.5	0.010-0.015
Lagunas Norte	70.8	0.007-0.027
Veladero	72.4	0.017-0.022
Pascua-Lama	82.4	0.025-0.094
Darlot	97.0	0.058-0.116
Lawlers	95.6	0.029-0.106
Plutonic	90.0	0.082-0.111
Kalgoorlie	87.7	0.026
Cowal	83.2	0.012-0.018
Bulyanhulu	89.0	0.219-0.241
Tulawaka	95.0	0.036-0.047
Buzwagi	90.3	0.020-0.023

(12) Barrick is currently assessing the implications of conditions contained in the resolution issued by Chilean regulatory authorities approving the environmental impact assessment for the Pascua-Lama project. It is possible that, following the completion of such assessment, up to 1 million ounces of mineralization at the Pascua-Lama project may be reclassified from reserves to mineralized material for U.S. reporting purposes.

Uses of Gold

Product fabrication and bullion investment are two principal uses of gold. The introduction of more readily accessible and more liquid gold investment vehicles (such as gold exchange traded funds) may further facilitate investment in gold. Within the fabrication category, there are a wide variety of end uses, the largest of which is the manufacture of jewelry. Other fabrication purposes include official coins, electronics, miscellaneous industrial and decorative uses, dentistry, medals and medallions.

Sales and Refining

Gold can be readily sold on numerous markets throughout the world and it is not difficult to ascertain its market price at any particular time. Since there are a large number of available gold purchasers, the Company is not dependent upon the sale of gold to any one customer. Barrick's gold is currently being refined to market delivery standards by several refiners throughout the world. The gold is then delivered to meet commitments under gold sale contracts or sold to various gold bullion dealers or smelters on a competitive basis at spot prices. Certain of Barrick's operations also produce gold concentrate, which is sold to various smelters and refiners. The Company believes that, because of the availability of alternative refiners, no material adverse effect would result if the Company lost the services of any of its current refiners.

Employees — Labour Relations

As at February 15, 2006, Barrick employed approximately 7,400 employees worldwide, as well as approximately 1,600 employees at operations jointly owned by Barrick, substantially all of who are employed in the United States, Canada, Australia, Chile, Peru, Argentina and Tanzania. Unions represent approximately 1,100 persons at the Company's operations. Management believes that labour relations at all locations are good.

At December 31, 2005, Placer Dome employed approximately 15,000 people worldwide, including approximately 12,800 employees at its subsidiaries and joint ventures, and 2,200 contract employees. Labour relations with unionized workers, at operations where collective agreements are in place, were good with no labour unrest experienced in 2005 with the exception of South Deep and Zaldivar. The South Deep mine was impacted by a brief strike in August 2005. At Zaldivar, the mine experienced a strike in July 2005. In January 2006, the Porgera mine experienced a short strike.

Despite generally good labour relations, recent increased demand for skilled workers in the resource industry has led to an increase in employee turnover at certain of Barrick's operations. This competition for qualified employees may lead to workforce shortages.

Competition

The Company competes with other mining and exploration companies in connection with the acquisition of mining claims and leases on gold and other precious metals prospects and in connection with the recruitment and retention of qualified employees (see " — Employees — Labour Relations").

There is significant competition for the limited number of gold acquisition opportunities and, as a result, the Company may be unable to continue to acquire attractive gold mining properties on terms it considers acceptable.

PRINCIPAL REGIONS

Barrick's principal regions are North America, Australia/Africa, South America and Russia/Central Asia. For the purposes of this Annual Information Form, reflecting its acquisition of Placer Dome, Barrick has identified Goldstrike, Cortez, Lagunas Norte, Veladero and Zaldivar as material operating properties and Pascua-Lama as a material development project. The following is a description of Barrick's material operations and its material development project by region.

North America

Operating Properties

Reflecting Barrick's acquisition of Placer Dome, Barrick's material North American operations consist of its Goldstrike property and its 60% interest in the Cortez property, including the Cortez Hills project. Its other operations consist of its 50% interest in the Round Mountain mine, its Eskay Creek mine, its 50% interest in the Hemlo property, its 33% interest in the Marigold mine, its Bald Mountain mine, its Golden Sunlight mine and its 75% interest in the Turquoise Ridge mine. Barrick's North American projects are its East Archimedes project, its Donlin Creek project and its Pueblo Viejo project.

Goldstrike Property

General Information

The Goldstrike property is located in Elko and Eureka Counties in north central Nevada, approximately 40 kilometers north of the town of Carlin, at an elevation of 1,700 meters in the hilly terrain of the Tuscarora Mountains. Access to the property is provided by certain access agreements with Newmont Mining Corporation that allow for the use of various roads in the area, and a right-of-way issued by the Bureau of Land Management. Such roads are accessed from Elko, Nevada by traveling west on U.S. Interstate 80 to Carlin, Nevada and then by approximately 40 kilometers of local roads north of Carlin. The Northern Nevada climate is fairly arid and has little impact on the mine's operations.

PanCana Minerals Ltd. ("PanCana") first mined the property for gold in 1976. In 1978, Western States Minerals Corporation ("WSMC") became the operator in a 50/50 joint venture with PanCana. Barrick acquired a 50% interest and assumed management of the Goldstrike property on December 31, 1986 with the acquisition of WSMC's 50% interest in the property. It completed the acquisition of 100% ownership of the property pursuant to a plan of arrangement entered into with PanCana in January 1987. At the time of acquisition, mining operations on the property were concentrated on various shallow oxide deposits. The principal known deposit was the Post surface oxide deposit, which then contained approximately half a million ounces of gold. The property was operated as an open pit, heap leach operation. Reserves for the Post deposit were delineated during 1986 and mining of the Post deposit commenced in 1987. Following acquisition, two sulphide ore zones were identified (the Betze and Deep Post deposits). During the first two years after acquisition, a carbon-in-leach mill and ancillary facilities, as well as a crushing and agglomeration plant designed to improve recoveries from low grade oxide ore, were constructed. In January 1989, Barrick announced the four-year Betze Development Plan to develop the Post oxide and Betze sulphide reserves. The plan, which called for the development of a large open pit and the expansion of the milling facilities, was completed in 1993 with the commissioning of the final three of the total of six autoclaves. The Goldstrike Underground mine, which was discovered in 1989, commenced production in 1996. During 2000, the Company completed construction of a roaster facility for the treatment of carbonaceous ore on the property. The roaster increased the property's processing capacity by approximately 16,000 tons per day. In 2001, an intensive development program to bring the Rodeo deposit, part of the Goldstrike Underground mine, into production was completed and a new ball mill was added to increase autoclave recovery. A total of approximately 1,600 employees work at the Goldstrike Open Pit and Goldstrike Underground mines.

As of December 31, 2005 the Goldstrike property comprised approximately 4,197 hectares of surface rights ownership/control (3,420 hectares private and 778 hectares public), and approximately 3,535 hectares of mineral rights ownership/control (2,741 hectares private and 794 hectares public). These rights are owned or controlled through various forms of patents issued by the United States of America and by ownership of unpatented mining and millsite claims that are held subject to the paramount title of the United States of America. Patenting is the process that transfers fee simple title from the federal government to the applicant. The Goldstrike property includes a total of 298 unpatented mining and millsite claims to control the public acreage. The Goldstrike Open Pit and Goldstrike Underground mines and the majority of the beneficiation and processing facilities at the Goldstrike property are situated on land owned by Barrick.

Geology

The property is located on the Carlin trend, one of North America's most prolific gold producing areas. The area of the Goldstrike property consists of folded and faulted Paleozoic sedimentary rocks, which were intruded by the diorite to granodiorite Goldstrike stock of the Jurassic Age. Mesozoic folding and thrust faults form important structural traps for the mineralization in the Betze-Post pit. Tertiary

faulting developed ranges and basins, which were subsequently filled with volcanics and sediments during Tertiary time. The gold mineralization occurred at the onset of Tertiary volcanism, approximately 39 million years ago.

The major gold deposits — Post Oxide, Betze and Meikle — are all hosted in sedimentary rocks of Silurian to Devonian ages. The Post Oxide orebody occurs in the siliceous siltstones, mudstones, argillites and minor limestones of the Rodeo Creek Formation. Betze and Meikle are found in the silty limestones and debris flows of the Popovich Formation. The gold at Goldstrike was carried into the various ore bodies by hot hydrothermal fluids, and deposited with very fine pyrite and silica. Over time, the pyrite oxidized, freeing the gold and making its extraction relatively easy, as in the Post Oxide deposit. In the deeper deposits — Betze, Deep Post and Meikle — the gold is still locked up with the iron sulphide and an additional processing step (autoclaving or roasting) is required to free the gold.

Processing

The property has two processing facilities: an autoclave installation, which is used to treat the property's non-carbonaceous sulphide (refractory) ore; and the roaster, which is used to treat the property's carbonaceous ore (whose active carbon content responds poorly to autoclaving). The combined design capacity of these two facilities is approximately 33,000 to 35,000 tons per day. These process facilities treat the ore from both the Goldstrike Open Pit and Goldstrike Underground mines. Gold contained in recovered ore is processed into doré on-site and shipped to outside refineries for processing into gold bullion. All operations permits have been obtained and are in good standing. In 2004, the Nevada Public Utilities Commission approved Barrick's proposal to build a 115 megawatt natural gas-fired power plant that is capable of providing 85 percent of Goldstrike's future power requirements. The plant was completed and began operating in December 2005. By building the power plant and bringing additional energy generating capacity on line, Barrick was granted the right to purchase power on the open market and firm import capacity on the transmission system to meet approximately 15% of Goldstrike's future power requirements. Barrick has engaged a third-party energy management company to purchase natural gas to fuel the power plant and to optimize power purchases in the open market. The State of Nevada imposes a 5% net proceeds tax on the value of all minerals severed in the State. This tax is calculated and paid based on a prescribed net income formula which is different from book income.

Environment

The Goldstrike property operating facilities have been designed to mitigate environmental impacts. The operations have processes, procedures or facilities in place to manage substances that have the potential to be harmful to the environment. In order to prevent and control spills and protect water quality, the mine utilizes multiple levels of spill containment procedures and routine inspection and monitoring of its facilities. The mine also has various programs to reuse and conserve water at its operations. In order to mitigate the impact of dust produced by its operations, the mine uses several different dust suppression techniques. In 2005, except as described below, all activities at the Goldstrike property were, and continue to be, in compliance in all material respects with applicable corporate standards and environmental regulations. The Company did pay one fine of $10,000 to the State of Nevada for a violation of its air permit at the Goldstrike property. A panel of a dust shield (essentially, a large metal shed) that surrounds the Rodeo backfill shaft was removed to allow a drill rig to drill through and blast an obstruction in the shaft, but was not replaced before the backfill shaft resumed operations. Dust was allowed to escape into the area of the open pit mine during the incident and there are no long-term environmental consequences.

At December 31, 2005, the recorded amount of estimated future reclamation and closure costs that were also asset retirement obligations, as defined in FAS 143 (as described in note 17 to the Consolidated

Financial Statements), for the property was $49.9 million. In connection with the reclamation of the mine area, Barrick has provided the financial security as required by governmental authorities. Major expenditure items covered by the asset retirement obligation are long term care and monitoring, surface contouring, waste dump closure and process facility demolition. See “Environment and Closure”.

Exploration

In 2005, exploration and development drilling programs focused on the North Post underground resource delineation target and exploring for new resources to the North and South of the pit, along the Post fault zone corridor and under the Goldstrike stock. In 2006, the exploration group will focus on resource delineation drilling at the underground North Post and Banshee deposits, expanding new resources discovered at North Post in 2005. Drilling for new resources in 2006 will also be conducted based on targets generated from revisions to the property-wide 3D geology model.

Recent exploration on the Goldstrike property tested for deep mineralization below the North Post deposit with positive results, extensions of mineralization discovered in 2003 and 2004 to the north and south of the pit with mixed results, and deep conceptual targets below the Goldstrike Underground mine and below the Goldstrike intrusive with negative results. Down-dip extensions of the Rodeo upper zone were tested along the Post fault zone with negative results, but other targets at Rodeo were not tested due to difficult drilling conditions and a lack of drill rig availability. A deep drill test east of the Post fault failed to reach the target horizon due to difficult drilling conditions. The 2003 re-evaluation and re-interpretation of mine and exploration data gathered from 1987 to 2003 focused on the areas directly north and south of the pit and led to successful drilling programs in 2003 and 2004. The mixed results of 2005 were in part due to testing high-risk conceptual targets and testing beyond the limits of the most updated/accurate portions of the geology model. A total of approximately 50,400 meters of drilling were completed for the year.

In 2006, Barrick plans to advance and expand the North Post reserve development drilling program, and start reserve development drilling at the Banshee deposit as the Banshee drift is completed. Barrick also plans to refine the property-wide geology model and test drill targets across the Goldstrike property by expanding the re-logging and re-modeling program initiated in 2003. The goal is to increase the drill sample density within existing resources areas and add new resources in 2006.

Goldstrike Open Pit Mine

The Goldstrike Open Pit mine is an open pit truck-and-shovel operation, using standard, proven equipment. It produced 1,514,000 ounces of gold in 2005 at average total cash costs of $235 per ounce. Based on existing reserves and production capacity, the expected remaining mine life is approximately 18 years.

Geology

The gold mineralization at Goldstrike Open Pit is controlled by favorable stratigraphy, structural complexities in the form of faults and folds, and the contact of the Goldstrike intrusive. The deposit represents many styles of mineralization occurring within numerous rock types and alteration assemblages. The favored host for gold mineralization is the Popovich limestone followed by the Rodeo Creek unit, Goldstrike sill complex and Roberts Mountains Formation. Some ore occurs below sills, which act as dams to the ascending hydrothermal fluids. Alteration is characterized by decalcification of limestone, silicification of all rock types and clay development in structurally disturbed areas. Overall, the Betze-Post ore zones extend for 1,829 meters in a northwest direction and average 183 to 244 meters in width and 122 to 183 meters in thickness.

Drilling and Analysis

More than 6,500 drill holes have been completed within and around the Betze-Post deposit. Approximately 69 percent of the total drill holes are reverse circulation and rotary drill holes and the remaining are diamond core holes. Drill spacing through the Betze, West Betze and Screamer deposits is approximately 53 meters and at Post is 46 meters. Drill spacing in the North Screamer and West Barrel deposits is approximately 30 meters. Almost all of the total drill hole footage has been sampled on 1.5 meter intervals and assayed for gold by the fire assay method with cyanide AA finish. All assaying is checked and verified under a comprehensive, multi-level quality assurance and quality control program that includes external laboratory check assays.

Drill samples collected for use in the geologic modeling and mineral resource estimation are under the direct supervision of the geology department at Goldstrike. Sample preparation and analyses are conducted by the Barrick Goldstrike lab and by independent laboratories. Procedures are employed to ensure security of samples during their delivery from the drill rig to the laboratory. All drill hole collar, survey and assay information used in modeling and resource estimation are manually verified and approved by geologic staff prior to entry into the mine-wide database.

The quality assurance procedures and assay protocols used in connection with drilling and sampling on the Goldstrike property conform to industry accepted quality control methods.

Royalties

Most of the property comprising the Goldstrike Open Pit mine is subject to net smelter return and net profits interest royalties payable on the valuable minerals produced from the property. The maximum third party royalties payable on the Betze deposit are a 4% net smelter return and a 6% net profits interest.

Production Information

The following table summarizes certain production and financial information for the Goldstrike Open Pit mine for the periods indicated:

	Year ended December 31, 2005	Year ended December 31, 2004
Tons mined (000's)	129,833	134,212
Tons of ore processed (000's)	10,097	10,779
Average grade processed (ounces per ton)	0.175	0.151
Recovery rate (%)	85.6	85.1
Ounces of gold produced (000's)	1,514	1,381
Average total cash costs per ounce[1]	$ 235	$ 249

1. For an explanation of the use of non-GAAP performance measures, refer to "Narrative Description of the Business — Production and Total Cash Costs".

Goldstrike Underground Mine

The Meikle orebody, located 1.6 kilometers north of the Goldstrike Open Pit mine on the Goldstrike property, is a high grade orebody which was discovered in 1989. The Meikle orebody now incorporates the Main Meikle, Meikle Extension, South Meikle and Griffin underground zones. An intensive development program to bring the Rodeo deposit into production was completed in late 2001. While exploration drilling will continue at depth below Main Meikle and in the Rodeo area, the best potential for reserve additions is likely north of Main Meikle, in an area known as Banshee.

Two different underground mining methods are used at Goldstrike Underground, long-hole open stoping and drift-and-fill (used for flat-lying mineralization or where ground conditions are less competent). Goldstrike Underground is a trackless operation which commenced production in September 1996. Based on existing reserves and production capacity, the expected remaining mine life is 7 years.

The underground mine, which originally produced at a rate of approximately 2,000 tons of ore per day, averaged 4,036 tons per day in 2005 and 4,305 tons per day in 2004. Goldstrike Underground produced approximately 510,000 ounces of gold in 2005 at average total cash costs of $314 per ounce. In 2005, mining activity took place in five main areas – Main Meikle, Meikle Extension, South Meikle, Griffin and Rodeo. In 2006, mining activity will continue in these five areas.

Geology

Carbonate breccias and limestones of the Devonian Popovich Formation and various intrusive rocks host the orebodies that comprise the Goldstrike Underground mine. In contrast to the Goldstrike Open Pit area, the overlying mudstones and argillites of the Devonian Rodeo Creek Member are generally unmineralized. Gold-bearing fluids have ascended faults and fractures and have deposited gold and other minerals, such as pyrite and barite, in permeable horizons in the breccias and limestones. These breccias were formed by a combination of collapse, tectonic and hydrothermal processes, and display excellent continuity of grade both down dip and along strike. The fluids have been focused below a steep dipping monzonite porphyry dyke and the overlying relatively impermeable Rodeo Creek Member. Since silicification is the dominant alteration, the bulk of the ore is quite hard and competent.

Drilling and Analysis

Underground drilling at the Meikle deposit (Meikle, South Meikle, Griffin, and West Griffin) commenced in 1995 and a total of 356,837 meters in 5,350 underground holes had been completed in and around the deposit as of December 31, 2005. A total of 338 surface holes, for 157,608 meters, have been drilled in and around the Meikle deposit.

Underground drilling commenced at the Rodeo deposit (Rodeo, West Rodeo, and Barrel) in 1998 and, as of December 31, 2005, a total of 2,041 underground holes totaling 161,267 meters had been drilled in and around the deposit. A total of 230 surface holes, for 104,943 meters, have been drilled in and around the Rodeo deposit.

Although the majority of drilling is core, approximately 43% of Meikle and 60% of Rodeo definition drilling are by underground reverse-circulation methods. Drill spacing through the Meikle deposit is 8 to 26 meters. Some of the wider-spaced core holes are sampled on six meter intervals (chip samples) and 1.5 meter whole or split core in mineralized intervals. All samples are fire-assayed with an atomic absorption spectrometer finish followed by a gravimetric finish for samples with AuFA greater than 0.436 oz of gold per ton. Most sampling and assaying is done on-site with both internal check assays and external check assays performed by independent laboratories.

Drill samples collected for use in the geologic modeling and mineral resource estimation are under the direct supervision of the geology department at Goldstrike. Sample preparation and analyses are conducted by the Barrick Goldstrike lab and by independent laboratories. Procedures are employed to ensure security of samples during their delivery from the drill rig to the laboratory. All drill hole collar, survey and assay information used in modeling and resource estimation are manually verified and approved by geologic staff prior to entry into the mine-wide database.

The quality assurance procedures and assay protocols followed by Barrick in connection with drilling and sampling on the Goldstrike property conform to industry accepted quality control methods.

Royalties

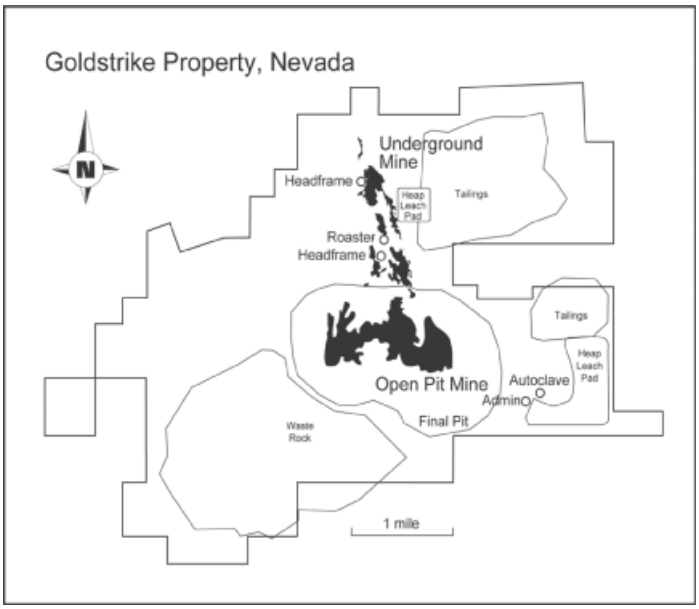
The maximum royalties payable on the Meikle deposit are a 4% net smelter return and a 5% net profits interest.

Production Information

The following table summarizes certain production and financial information for the Goldstrike Underground mine for the periods indicated:

	Year ended December 31, 2005	Year ended December 31, 2004
Tons mined (000's)	1,463	1,573
Tons of ore processed (000's)	1,488	1,566
Average grade processed (ounces per ton)	0.38	0.40
Recovery rate (%)	89.9	89.7
Ounces of gold produced (000's)	510	562
Average total cash costs per ounce[1]	$ 314	$ 255

1. For an explanation of the use of non-GAAP performance measures, refer to "Narrative Description of the Business – Production and Total Cash Costs".



Cortez Mine

Barrick acquired the Cortez mine in the Placer Dome acquisition . Thus, information relating to the Cortez mine may be subject to different risks and uncertainties than the historical information relating to Barrick set forth in this Annual Information Form. See "Risk Factors - Inclusion of Historical Placer Dome Information in Annual Information Form".

General Information

Reflecting its acquisition of Placer Dome, Barrick is the owner of a 60% joint venture interest and is the operator of the Cortez joint venture ("Cortez"). The remaining 40% interest is held by Kennecott Explorations (Australia) Ltd. The Cortez mine is located 100 kilometers southwest of Elko, Nevada in Lander County, United States of America and currently employs approximately 475 people. The Pipeline property is 11 kilometers northwest and the Cortez Pediment property (which includes the Cortez Hills deposit) is 4 kilometers southeast of the original Cortez milling complex. Cortez is accessed via Nevada State Highway 306, which extends southward from U.S. Interstate 80, both of which are paved roads. The climate is fairly arid and has little impact on the mine's operations. The elevation at the site is 1,600 meters.

In 1964, the Cortez joint venture was formed to explore the Cortez area. In 1969, the original Cortez mine went into production. From 1969 to 1997, gold ore was sourced from open pits at Cortez, Gold Acres, Horse Canyon and Crescent. In 1990, a roaster facility was commissioned to process refractory ore. The roaster facility was decommissioned in 1996. In 1991, the Pipeline and South Pipeline deposits were discovered, with development approval received in 1996. In 1998, the Cortez Pediment was discovered. The Cortez Hills discovery was announced in April 2003. The Cortez Hills development was approved by Placer Dome and Kennecott in September 2005. Barrick is currently reviewing these development plans.

The Cortez area of interest comprises approximately 261,000 hectares along the Cortez/Battle Mountain trend, within which about 92,000 hectares are directly controlled by the Cortez joint venture. In total, the property rights controlled by Cortez either from outright ownership or by lease consist of 9,566 unpatented mining claims and 24,895 hectares of patented mining claims and fee mineral and surface land. Inclusive in the overall property rights, Cortez also manages the Buckhorn joint venture ground which consists of 789 patented and unpatented mining claims, and the Coral joint venture ground which consists of 161 unpatented lode claims.

Geology

The Cortez Joint Venture property is situated along the Cortez/Battle Mountain trend in north-central Nevada. The principal gold deposits and mining operations are located on the southwest and south sides of Crescent Valley, which was formed by basin and range extensional tectonism. Mineralization is sedimentary rock-hosted and consists of micron-sized free gold particles that are disseminated throughout the host rock, commonly in association with secondary silica, iron oxides or pyrite.

The Cortez property consists of the Pipeline/South Pipeline Complex (includes Crossroads area), Gap, Gold Acres, Cortez, Horse Canyon, Cortez Hills and Pediment deposits. Principal lithologic units identified within the Pipeline/South Pipeline complex deposit area are the Silurian Roberts Mountains Formation (“Srm”), Devonian Wenban Limestone (“Dw”), and the Quaternary alluvium. The Pipeline/South Pipeline complex deposits are hosted primarily in the sheared and variably altered Srm, a thinly bedded calcareous siltstone (silty carbonate unit). The thickness of the Srm exceeds 600 meters in the deposit area.

The Pipeline/South Pipeline complex deposit area is covered by Quaternary alluvium ranging in thickness from approximately 10 meters to greater than 200 meters. The alluvium-bedrock contact dips gradually to the east (less than 10 degrees) at an angle shallower than and sub-parallel to the bedding of the strata below. The Dw is exposed along the western portion of the Pipeline/South Pipeline open pit high wall.

The Pipeline/South Pipeline complex deposits are comprised of two mineralized zones: a shallow zone with depth to the top of the zone ranging from 10 meters to 180 meters below the pre-mining surface and a deeper zone that begins approximately 300 meters below the pre-mining surface. Both mineralized zones are low angle and tabular and range from 15 meters to 110 meters thick and dip to the east. The deposits are part of the same mineralized system and occupy area approximately 3,000 meters in a northerly direction and about 1,000 meters in an easterly direction.

The Cortez Pediment deposit has one primary mineralized zone that is about 45 meters below the surface on the southern portion of the deposit and about 170 meters below the surface on the northern end of the deposit. The average thickness of the low angle tabular zone is about 75 meters. The deposit occupies area approximately 1,000 meters in a northerly direction and about 180 meters in an easterly direction.

The Cortez Hills deposit is hosted in the upper portion of the Devonian carbonate sequence, has a strike length of more than 500 meters, and is approximately 200 meters wide. The mineralized zone starts approximately 120 meters below surface and continues up to 600 meters. The deposit remains open to the west and at depth.

Reserves and Resources

Place Dome announced its share of estimated reserves for Cortez as at December 31, 2005 of 6.3 million ounces of gold (141 million tonnes at average grade of 0.041 oz/ton) with a projected life of 17 years, For a breakdown of Placer Dome's reserves and resources by category and additional information relating to such reserves and resources, see Placer Dome's press release of February 20, 2006. Such reserves and resources were calculated by employees of Placer Dome in accordance with Placer Dome's previously established policies and procedures, and have not been independently verified by Barrick.

Mining and Processing

The Pipeline and South Pipeline deposits are being mined by conventional open pit methods in nine stages. The first three stages of mining occurred in the Pipeline deposit over a period of ten years (1996 – 2005) and then mining of Pipeline/South Pipeline stages four through nine plus South GAP and Crossroads are scheduled to continue through 2018. Subject to permitting, Cortez Hills and Pediment are scheduled to be mined from 2006 through 2014. From 2005 through 2018, the mining production rate is expected to average 150 million tonnes per year.

Three different metallurgical processes are employed for the recovery of gold. The process used for a particular ore is determined based on grade and metallurgical character of that ore. Lower grade oxide ore is heap leached, while higher-grade non-refractory ore is treated in a conventional mill using cyanidation and a carbon-in-leach ("CIL") process. Carbonaceous ore is first dry ground, and then oxidized in a circulating fluid bed roaster, followed by CIL recovery. In 2002, a new leach pad and related process plant was commissioned with a capacity of processing 164 million tonnes of heap leach ore over the life of the asset. This facility was expanded in 2004 to a capacity of 272 million tonnes.

Heap leach ore is hauled directly to leach pads for gold recovery. Carbonaceous mill ore is mined intermittently during the mining of the Pipeline/South Pipeline deposits. A portion of this ore was sold to the Jerritt Canyon Joint Venture in 2001 and to Barrick in 2001 through 2005. Additional high grade carbonaceous ore may be sold to third party roast plants; however, research and engineering studies indicate two different process options are viable for processing Pipeline / South Pipeline carbonaceous ore. Economic studies continue on these options including pre-feasibility / feasibility work.

Water for process use at Pipeline is supplied from the open pit dewatering system. Electric power at Pipeline is supplied by Sierra Pacific Power Company ("SPPC") through a 73 kilometer transmission line. A long term agreement is in place with SPPC to provide power through the regulated power system.

The State of Nevada imposes a 5% net proceeds tax on the value of all minerals severed in the State. This tax is calculated and paid based on a prescribed net income formula which is different from book income.

All requisite permits for the development of the entire Pipeline/South Pipeline deposit have been issued. The permits allow mining of the Pipeline / South Pipeline deposit, the South GAP deposit, and the Crossroads deposit with a restriction of dewatering depth to 3400-feet above mean sea level. Additional permitting will be required for the Cortez Hills Project, which includes the Pediment deposit.

In its February 20, 2006 press release, Placer Dome reported that, during 2005, Cortez produced 903,621 ounces of gold. Placer Dome's share of production was 542,173 ounces at an average cash and total cost of $206 and $242 per ounce, respectively. For an explanation of the use of above non-GAAP performance measures ("average cash and total cost"), see Placer Dome's press release dated February 20, 2006 under the heading "Non-GAAP Measures".

Environment

The mine's dewatering operations have been improved with the addition of several new rapid infiltration sites. Current dewatering operations focus on bedrock water production. A portion of the dewatering water is being utilized at a local ranch on a seasonal basis for irrigation purposes. Overall less than 1% of dewatering water is lost to evaporation. The balance is returned to the basin through the rapid infiltration basins or consumed in processing activities (i.e., dust suppression and process makeup water).

Cortez's operating facilities have been designed to mitigate environmental impacts. The operations have processes, procedures or facilities in place to manage substances that have the potential to be harmful to the environment. In order to prevent and control spills and protect water quality, the mine utilizes multiple levels of spill containment procedures and routine inspection and monitoring of its facilities. The mine also has various programs to reuse and conserve water at its operations. In order to mitigate the impact of dust produced by its operations, the mine uses several different dust suppression techniques. In 2005, all activities at Cortez were, and have continued to be, in compliance in all material respects with applicable corporate standards and environmental regulations. United States regulations regarding arsenic drinking water standards have been revised, and the significance of these revisions to Cortez is being reviewed.

At December 31, 2005, the amount of estimated future reclamation and closure costs that were also asset retirement obligations, as defined in FAS 143, for the property was $19.4 million (Placer Dome has accrued its 60% share — $11.6 million). In connection with the reclamation of the mine area, Barrick has provided the financial security as required by governmental authorities. See "Environment and Closure".

Exploration, Drilling and Analysis

Approximately 165,000 meters of exploration, development and condemnation drilling were completed in 2005. Of this drilling, 4% was directed to the Pipeline/South Pipeline/GAP Complex, 64% to the Cortez Hills/Pediment area and 11% to adjacent targets.

The exploration potential in the immediate Cortez Hills/Pediment project areas remains positive. The potential mineralization in the Cortez Hills/Pediment area is located adjacent to and at depth from the Cortez Hills mineral reserve and between the Cortez Hills mineral reserve and the Pediment deposit. Additional drilling is in progress to better delineate the extent of the Cortez Hills/Pediment area.

The drilling focus in 2005 was on exploration and condemnation drilling in the Cortez Hills / Pediment area, the Horse Canyon / ET Blue area, and the GAP, North GAP, and Pipeline Stages 8 and 9 areas, as well as other targets in the greater Gold Acres area and the Shoshone Range.

Attractive drill intercepts requiring follow up, as well as geologic and geophysical targets, are present to the south of the South Pipeline deposit along the projected strike of the Pipeline fault. These targets could generate additional mineralized material. Outside the Pipeline/South Pipeline and Cortez Hills/Pediment deposit areas, exploration efforts around the existing deposits at Cortez, Gold Acres, Horse Canyon and Hilltop continue to display exploration potential.

Assay data used for modeling and mineral resource estimation are predominantly from core and the remainder from reverse circulation drill samples. The Pipeline / South Pipeline deposit is drilled on 43 meter centres and the Cortez Hills/ Pediment deposits on 30 meter centres. Samples are collected at regular intervals (generally 3 meter intervals for reverse circulation and for core). Sample collection in areas with underground potential are collected on geologic intervals with a minimum sample interval of 0.3 meters and the maximum sample interval of 1.52 meters.

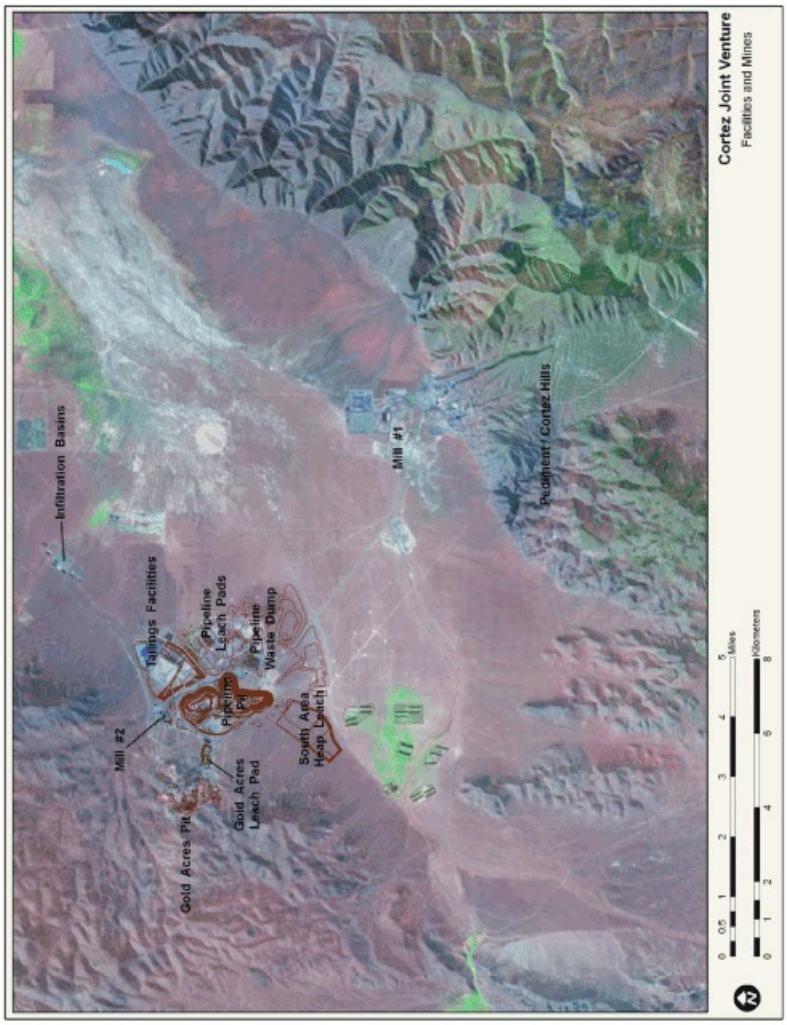
Drilling in the Pipeline/South Pipeline, Gap, Cortez Hills and Pediment area is completed with reverse circulation pilots and diamond core tails. The mineralized portion of the deposit is drilled almost exclusively with diamond core holes. Geologic models are developed based on the drill hole database. Reconciliation of the Pipeline/South Pipeline geology model with mining to date indicates a good geological representation of the deposit by the model.

An independent contractor has reviewed the sampling and analytical protocol of the drill samples from the deposit areas, including collection through final analysis and the quality control programs that meet industry standards. All analytical data is verified by the Cortez geologic staff prior to entry into the database used for modeling and mineral resource estimation. Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Drill samples collected for use in the geologic modeling and mineral resource estimation are under the direct supervision of the geology department at Cortez Gold Mines. Sample preparation and analyses are conducted by the Cortez Gold Mines lab and by independent laboratories. Procedures are employed to ensure security of samples during their delivery from the drill rig to the laboratory.

Royalties

All production by Cortez is subject to a 1.5% gross smelter return (“GSR”) royalty payable to the former shareholders of Idaho Mining Corporation. In addition, Royal Gold Inc. holds a GSR royalty over the Pipeline/South Pipeline deposit (graduating from 0.4% to 5.0% based on the price of gold) and ECM Inc. holds a net value royalty of 5% (shared between ECM, Inc. and Royal Crescent Valley, Inc.) over a portion of the Pipeline/South Pipeline deposit.


Cortez Joint Venture
Facilities and Mines
Infiltration Basins
Tailings Facilities
Pipeline
Leach Pads
Pipeline
Waste Dump
Pipeline
Pit
South Area
Heap Leach
Gold Acres
Leach Pad
Gold Acres Pit
Mill #2
Mill #1
Piedmont / Conez Hills
Miles
Kilometers

Australia/Africa

Reflecting Barrick's acquisition of Placer Dome, Barrick's Australian operations consist of its Kalgoorlie mine, its operating mines located in the Yilgarn District in Western Australia (Plutonic, Darlot and Lawlers) its Granny Smith mine, its Henty mine, its Kanowna mine and its Osborne mine. Barrick's Australian project is its Cowal project located in central New South Wales. Barrick's African operations are its Bulyanhulu mine, its Tulawaka mine and its North Mara mine, each in Tanzania, and its 50% interest in the South Deep mine in South Africa. Barrick owns a 75% interest in the Porgera mine, which is in Papua New Guinea.

South America

Reflecting Barrick's acquisition of Placer Dome, Barrick's material South American operations consist of its Lagunas Norte mine, Veladero mine, in Argentina, and its Zaldivar copper mine, in Chile. Barrick's material South American development project consists of the Pascua-Lama project in Chile and Argentina.

Lagunas Norte Mine

General Information

The Lagunas Norte mine is an open pit, heap leaching operation. The mine is in the Alto Chicama mining district and is 140 kilometers east of the coastal city of Trujillo, Peru, and 175 kilometers north of Barrick's Pierina mine. The property is located on the western flank of the Peruvian Andes and is at an elevation of 4,000 to 4,260 meters above sea level. The area is considered to have a mountain climate. Generally, the climate of the area does not impact on the mine's operations. Vegetation consists of small shrubs and grasses. The property is accessible year round by road from both Trujillo and Huamachuco, Peru.

The Alto Chicama region has been actively mined for coal since the 19th century, principally for domestic consumption. In 1990, Minero Peru S.A. (CENTROMIN Peru S.A. ("Centromin")), the State mining company, constructed a camp to re-evaluate the previous carbon operations. The Alto Chicama region hosts a low grade anthracite coal deposit, but it was not developed due to the availability of cheaper sources of energy elsewhere. Centromin conducted field surveys in 1999 and concluded there was potential for other mineralization on the property, including gold.

The Alto Chicama mining district encompasses four concessions or mining rights totaling 20,322 hectares. In 2002, Barrick acquired the three primary mining concessions, encompassing 18,550 hectares, from Centromin pursuant to an international bid process. In 2005, these three concessions were consolidated into a single mining concession called "Acumulacion Alto Chicama". Three additional mining concessions, encompassing 1,772 hectares, were subsequently acquired directly by Barrick. The mining rights have no expiry date as long as the annual land payments (currently $3.00 per hectare) are made.

Peruvian authority approval of both the mine's Environmental Impact Study ("EIS") and principal construction permit were received in April 2004. Barrick commenced construction of the mine facilities in April 2004. In June 2005, Barrick obtained approval from the Peruvian authorities in respect of mine production start-up. Total capital construction cost for the mine was $323 million. In January 2006, the

increase in ore processing capacity from 42,000 tonnes per day to up to 63,000 tonnes per day was authorized by the Peruvian authorities. All other material permits to conduct the operation of the Lagunas Norte mine have been obtained and are in good standing. The mine has approximately 400 employees.

On December 29, 2004, Barrick entered into a Legal Stability Agreement with the Peruvian government. The Legal Stability Agreement provides increased certainty with respect to foreign exchange and the fiscal and administrative regime for 15 years. The 15 year period will be counted as from January 1, 2006.

Barrick has an extensive community development program associated with this mine. Still, in the current political environment in Peru, it is expected that Barrick may experience some level of opposition and protest from local interests seeking additional benefits from Barrick's mining activities.

Geology

The regional geology of the Alto Chicama area is dominated by a thick sequence of Mesozoic marine clastic and carbonate sedimentary rocks and andesitic and dacitic volcanic rocks of the Tertiary Calipuy Group. The Mesozoic sequence is unconformably overlain by the Tertiary Calipuy volcanic rocks and cut by numerous small intrusive bodies. The Mesozoic sequence has been affected by at least one and probably two stages of compressive deformation during Andean orogenesis.

The Lagunas Norte mineralization occurs on the 185 square kilometer Alto Chicama property. The mineralization is of the high sulphidation type. It is disseminated and hosted in variably brecciated sedimentary rocks as well as in volcanic breccias and tuffs. The mineralization outcrops and has been defined by drilling over an area of 1,000 meters long by 2,000 meters with up to 300 meters depth.

Mining and Processing

The ore body is being mined as an open pit, truck-and-loader operation, at an average mining rate of 80,000 tonnes per day. Ore is crushed and then transported via truck to the leach pad. Run-of-mine ore is trucked directly to the leach pad. Gold and silver recovered from the leached ore is smelted into doré on-site and shipped to an outside refinery for processing into bullion. Power is provided by a utility company through a 138-kilowatt line connected to the Trujillo Norte substation, located in the costal city of Trujillo, approximately 95 kilometers from the mine. The waste dump and leach pad facilities are contained within one valley, limiting potential environmental impacts. The effects of the operation on surface water and ground water resources are carefully monitored and controlled to ensure that residents downstream of the site are not adversely affected. Barrick has obtained property rights for the surface land required for the operation of the Lagunas Norte mine. Based on existing reserves and production capacity, the expected mine life is 9 years.

Mining activity is focused on developing Phase 1 of the orebody, which is a high grade and low strip area of the mine site located directly north of the crusher. During 2006, Barrick will continue the development of Phase 2, which is also of high grade but significantly smaller in size in comparison to Phase 1. Phase 2 is located at the extreme north end of the orebody and consequently has a longer ore haul cycle.

Environment

Lagunas Nortes' operating facilities have been designed to mitigate environmental impacts. The operations have processes, procedures or facilities in place to manage substances that have the potential to be harmful to the environment. In order to prevent and control spills and protect water quality, the mine

utilizes multiple levels of spill containment procedures and routine inspection and monitoring of its facilities. The mine also has various programs to reuse and conserve water at its operations. In order to mitigate the impact of dust produced by its operations, the mine uses several different dust suppression techniques. In 2005, all activities at Lagunas Norte were, and continue to be, in compliance in all material respects with applicable corporate standards and environmental regulations.

At December 31, 2005, the recorded amount of estimated future reclamation and closure costs that were also asset retirement obligations, as defined in FAS 143 (as described in note 17 to the Consolidated Financial Statements), for the property was $27.5 million. See “Environment and Closure”.

Exploration, Drilling and Analysis

At December 31, 2005, Lagunas Norte had proven and probable reserves of 8.3 million ounces of gold. As of the December 31, 2005, 777 exploration and definition holes had been drilled, totaling 167,728 meters of drilling. Drilling of Lagunas Norte has been completed on average to 62 meter centers. Drill hole collars have been surveyed, and down-hole Sperry Sun surveys conducted on the holes, with data collected approximately every 50 meters. Core is placed in metal trays at the drill site and transported to the core facility. Geological logs of all core are then compiled on handheld computers, using standardized rock codes and descriptive information developed by Barrick geologists. Data recorded on the handheld computers are downloaded to the main server at the end of every shift, reviewed, field checked if necessary, and then incorporated into the main database. Generally, sample lengths vary from 0.3 meters to 4.0 meters. A total of 129,374 samples have been taken during these drill programs. The average sample length is 1.3 meters. During the exploration and definition stages of the drilling, all samples were prepared on-site and fire assayed at an independent laboratory in Lima, Peru. Since the commencement of operations, an on-site laboratory has been established. Industry standard quality assurance and quality control procedures, including the insertion of standards, duplicates and check assays, have been and continue to be employed since early exploration. Other projects and opportunities in the Alto Chicama district are being evaluated.

Royalties

Under the terms of the agreement with Centromin, Barrick has paid Centromin an advance contractual royalty of $2 million, which will be a credit against Centromin’s retained net smelter royalty of 2.51%.

Financing

In September 2004, Minera Barrick Misquichilca S.A. (“MBM”), a wholly-owned subsidiary of Barrick, established a $56 million capital lease program with Citibank del Peru S.A. to partially finance the construction of certain assets at Lagunas Norte. The lease program was later increased and consolidated in September 2005, totaling $103 million. At December 31, 2005, the aggregate amount outstanding was $76 million. The lease has a term of five years and is non-recourse to Barrick. In November 2004, MBM filed an initial shelf prospectus relating to up to $150 million aggregate principal amount of bonds with CONASEV, the National Supervisory Commission of Companies and Securities in Peru. In March 2005, MBM filed an amended shelf prospectus with CONASEV and issued in April 2005 its first bond issuance for a total of $50 million having an 8 year term. MBM used all the proceeds from the bond issuance to finance construction and development costs of Lagunas Norte. In the second quarter of 2005, the mine was completed and production start-up was achieved.

In addition, MBM has entered into two capital lease programs with Banco de Crédito del Perú up to $20 million and $10 million, to finance the construction of the Phases 1-1A and 2 of the Lagunas Norte Leach Pad.

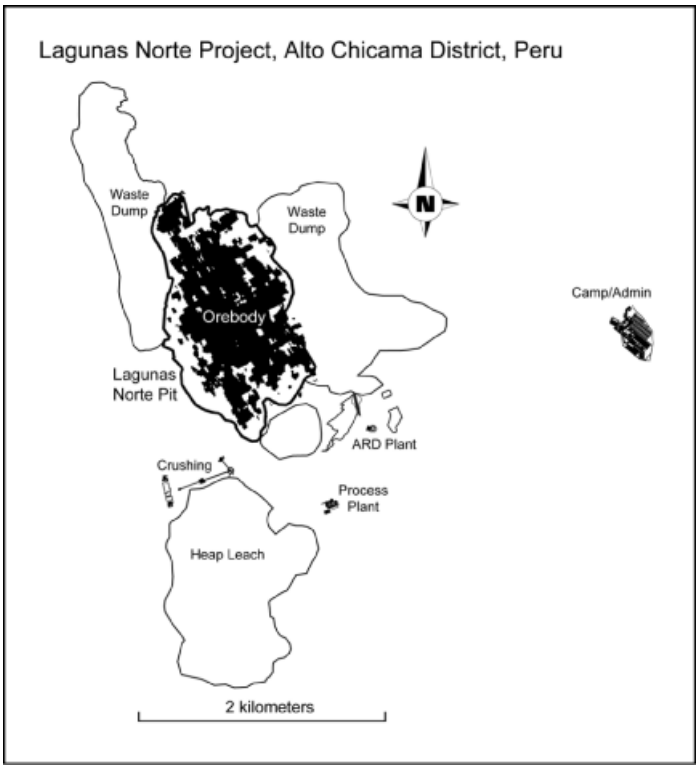
Production Information

The following table summarizes certain production and financial information for the Lagunas Norte mine for the period indicated:

	Year ended December 31, 2005[1]
Tons mined (000's)	23,653
Tons of ore processed (000's)	14,269
Average grade processed (ounces per ton)	0.06
Ounces of gold produced (000's)	550
Average total cash costs per ounce[2]	$ 110

1. Lagunas Norte began production in the second quarter of 2005.
2. For an explanation of the use of non-GAAP performance measures, refer to "Narrative Description of the Business – Production and Total Cash Costs".

The following diagram sets out the design and layout of the Lagunas Norte mine.



Veladero Mine

General

The Veladero mine is an open pit mine using heap leaching. The Veladero mine includes the mining of gold and silver from two open pits: the Filo Federico pit and the Amable pit. Full construction of the mine commenced in the fourth quarter of 2003 and the first gold pour occurred in September 2005. The Veladero property is located entirely in San Juan Province, Argentina, immediately to the south of the Pascua-Lama property, approximately 370 kilometers by road northwest of the city of San Juan. The mine site is located at elevations of between 4,000 and 4,850 meters above sea level. The area is considered to have a sub-arid, sub-polar, mountain climate. During the winter months, extreme weather may create a challenging operating environment. Recognizing this issue, the potential impact of possible

extreme weather conditions, to the extent possible, has been incorporated into the project's operating plan. Access to the property is via a combination of public highways and an upgraded private gravel road.

Following its merger with Homestake, Barrick redesigned the Veladero mine, as previously designed by Homestake, and incorporated the exploitation of the Filo Norte deposit (which was situated within the boundaries of the Pascua-Lama property before the merger) as part of the Veladero mine. The Veladero mine is a combination of two properties: (i) the Veladero mining group, consisting of eight mining concessions owned by the Provincial Mining Exploration and Exploitation Institute ("IPEEM") and operated by Barrick, pursuant to the provisions of the provincial law which governs the functioning of IPEEM, and by virtue of the contract between IPEEM and Barrick, and ii) Mina Ursulina Sur mining concession owned and controlled by Barrick. These two properties cover an area of approximately 12,350 hectares. Barrick exercised its option to enter into an exploitation contract with IPEEM in July 2003, in accordance with the terms of the previous exploration contract.

Barrick has obtained all necessary surface rights for the mine's operation. Barrick has an undivided 90% interest in "Campos Las Taguas", which encompasses the surface property affected by Veladero's mining facilities. With respect to the 10% interest of "Campos Las Taguas" owned by third parties, Barrick and IPEEM have obtained all necessary easements for access over surface property. Certain other mine related facilities are located in Campo Colangui, also owned by a Barrick.

The Veladero mine received environmental impact study (EIS) approval in November 2003 from the Mining Authority of the San Juan Province. All the key additional permits to start the mine's operation, such as water concessions, construction permits for civil and hydraulic works, fuel storage permits, explosives and hazardous substances handling permits, have been obtained.

The principal mine commissioning activities were completed in the fourth quarter of 2005 and the remaining construction activities will be completed in the first quarter of 2006.

Barrick implemented a comprehensive recruitment and training program for personnel required for the operation prioritizing the local labour market. As at December 31, 2005, the mine had approximately 660 employees.

Geology

The Veladero deposit is an oxidized, high sulfidation gold-silver deposit hosted by volcaniclastic sediments, tuffs, and volcanic breccias related to a Miocene diatreme-dome complex. Disseminated precious metals mineralization forms a broad, 3-kilometer long tabular blanket localized between the 4,000 and 4,350 meter elevations. The mineralized envelope encompassing greater than 0.4 ppm gold is oriented along a 345°-trending regional structural corridor. Higher grade zones within this envelope occupy northeast-striking faults and fracture zones. Hydrothermal alteration is typical of high sulfidation gold deposits, with a silicified core grading outward into advanced argillic alteration, then into peripheral argillic and propylitic alteration haloes. Gold occurs as fine native grains, and is dominantly associated with silicification and with iron oxide or iron sulfate fracture coatings. Silver mineralization is distinct from gold, and occurs as a broader, more diffuse envelope, probably representing a separate mineralizing event. Copper and other base metals are insignificant, and sulfide mineralization is negligible. Principal controls on gold mineralization are structures, brecciation, alteration, host rocks, and elevation.

The Veladero deposit comprises three main ore bodies: Amable in the south; Cuatro Esquinas in the center; and Filo Federico in the north. Much of the Veladero deposit is covered by up to 170 meters of overburden. The current gold reserves identified in the Veladero mine is 12.8 million ounces

A variety of volcanic explosion breccias and tuffs are the principal host rocks at the two northern ore bodies, where alteration consists of intense silicification. The Amable ore body is hosted within bedded pyroclastic breccias and tuffs, which are affected by silicification and advanced argillic alteration.

Mining and Processing

The Veladero mine is an open pit mine with a valley-fill heap leach operation and two-stage crushing process. Recovered gold is smelted into doré on-site and shipped to an outside refinery for processing into bullion. Construction of a second primary crusher along with a 4 kilometer vertically and horizontally curved, overland conveyor belt are expected to be commissioned in June 2007. With the second crusher, ore processing will increase in capacity from 45,000 tpd to 70,000 tpd. In addition, a 120 megawatt (20 megawatt Veladero; 100 megawatt Pascua-Lama) power line is expected to replace the existing 13 megawatt power plant that currently supplies the mine's power. Increased winter operating costs and increased costs with respect to fuel, steel, concrete and labour cost increases may impact on future operating costs. Currently, all gold dore exported by the Veladero mine is subject to a 5% export duty. Although the export duty was enacted under the 2002 temporary emergency measures, Veladero's export of gold dore will continue to be subject to this 5% export duty until such time as the legislation enacting the duty is repealed. Based on existing reserves and production capacity, the expected mine life is approximately 16 years.

Environment

In November 2005, Barrick submitted its biannual update of the Veladero EIS (the "EIS Update") to the San Juan mining authority. The EIS Update outlines the mine's environmental management results for the 2003-2005 period, updates information related to the mine's environmental management plan and the production plan and sets out the mine's planned increase in processing capacity. Once the evaluation process is completed, Barrick expects to obtain the additional permits required for the execution of the current production plan in a timely fashion and in the ordinary course of business.

Veladero's operating facilities have been designed to mitigate environmental impacts. The operations have processes, procedures or facilities in place to manage substances that have the potential to be harmful to the environment. In order to prevent and control spills and protect water quality, the mine utilizes multiple levels of spill containment procedures and routine inspection and monitoring of its facilities. The mine also has various programs to reuse and conserve water at its operations. In order to mitigate the impact of dust produced by its operations, the mine uses several different dust suppression techniques. In 2005, all activities at Veladero were, and continue to be, in compliance in all material respects with applicable corporate standards and environmental regulations.

At December 31, 2005, the recorded amount of estimated future reclamation and closure costs that were also asset retirement obligations, as defined in FAS 143 (as described in note 17 to the Consolidated Financial Statements), for the property was $24 million.

Exploration, Drilling and Analysis

A total of 15 diamond holes for 3,682 meters were drilled during 2005. In addition, 22 reverse circulation holes totaling 5,210 meters, and 11 pre-collar RC holes for 948 meters were completed in that year. The drilling program was designed to convert resources in reserves for Zone 593 and Cuatro Esquina, and test mineralization in Zones 593 and 203. It also included drilling condemnation holes in Federico waste dump. A total of 980 meters of diamond drilling was performed in Cerro Pelado western side to test geophysical targets. No interesting mineralization was intercepted in any holes.

For 2006, the exploration plan includes testing potential areas of mineralization in Cerro Colorado, Cerro Corazón, Dos Lagunas and Cerro Pelado. Further drilling is expected to be performed in Zone 503 to close off the mineralization and some exploratory holes to define the ore body in Agostina Sur.

At December 31, 2005, the Veladero resource database contained 815 reverse circulation drill holes totaling 214,269 meters; 143 diamond drill holes for 30,239 meters; and 5,153 meters of channel samples from two declines which total 1,147 meters in length. Drill spacing within mineralized zones varies from 30 meters to 100 meters, and averages approximately 35 meters.

Sampling has been done with reverse circulation and core drill holes. Reverse circulation samples were collected on 1 meter intervals. Drill core holes were sampled on nominal 1 meter intervals, depending on geologic conditions. The maximum length for individual samples from drill core holes was 2 meters. Core samples are cut in half, with one half being submitted for assay, and the remaining half being retained for reference or for metallurgical sampling.

Rock chip and drill samples are delivered by mine personnel to the ALS Chemex sample preparation facility at the mine, where the lab assumes sample custody. Veladero's standard assay protocol for drill samples and rock chips involves initial assaying for gold by fire assay fusion of a 50 gram pulp and analysis by atomic absorption. Analytical results are received from the lab in an electronic format and are entered into the database without external manipulation.

Veladero's quality assurance and quality control program utilizes field blanks to monitor contamination, pulp standards to monitor accuracy, and field duplicates, preparation duplicates and pulp duplicates to monitor precision. Quality control samples are included with sample submittals from reverse circulation chips, drill core, and chip or channel sampling. A detailed quality control report is prepared at least annually, or after each major sampling program is completed. External quality assurance and quality control reviews have been conducted periodically. All of these reviews concluded that Veladero's quality assurance and quality control procedures meet or exceed industry standards.

Royalties

Pursuant to legislation passed by the government of the Province of San Juan, all gold and silver, among other ores, extracted from the property within the Province of San Juan are subject to a royalty, payable to the government of the Province of San Juan, of 3% of the value of the ore at the "mine mouth". Under the terms of the exploitation contract between Barrick and IPEEM, a 0.75% "mine mouth" royalty on the minerals produced from the Veladero property is payable to IPEEM. This agreement also provides for the payment of a 0.75% "mine mouth" royalty on the minerals produced from the Mina Ursulina Sur, on which the Filo Norte deposit is situated.

Production Information

The following table summarizes certain production and financial information for the Veladero mine for the period indicated:

	Year ended December 31, 2005[1]
Tons mined (000's)	63,514
Tons of ore processed (000's)	4,513
Average grade processed (ounces per ton)	0.021
Ounces of gold produced (000's)	56
Average total cash costs per ounce[2]	n/a

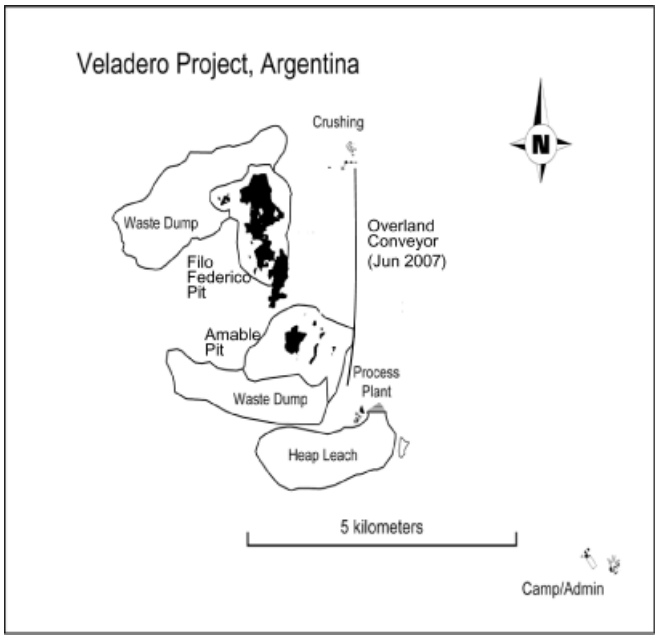
1. Veladero completed its first gold pour in 2005.

2. For an explanation of the use of non-GAAP performance measures, refer to "Narrative Description of the Business – Production and Total Cash Costs".

Pledge of Assets

During 2004, Barrick's wholly-owned subsidiary, Minera Argentina Gold S.A. ("MAGSA"), secured a variable rate, limited recourse $250 million loan facility for Veladero. As at December 31, 2005, MAGSA had drawndown approximately $237 million under the facility. Barrick has guaranteed the loan until completion of the project has occurred, after which it will become non-recourse. This facility is insured for political risks by branches of the Canadian government and German government. Substantially all the assets of MAGSA, including the Veladero property and related assets, have been pledged as security under the loan. The effective interest rate for 2005 was 8.6%.

The following diagram sets out the current mine facilities and planned expansion:



Zaldivar Mine

Barrick acquired Zaldivar in the Placer Dome acquisition. Thus, information relating to Zaldivar may be subject to different risks and uncertainties than the historical information relating to Barrick set forth in this Annual Information Form. See "Risk Factors — Inclusion of Historical Placer Dome Information in Annual Information Form".

General Information

Zaldívar is an open pit heap leach copper mine located in northern Chile. The mine is located in the Andean Precordillera in Region II of northern Chile, approximately 1,400 kilometers north of Santiago and 175 kilometers southeast of the port city of Antofagasta. The site is accessible by highway from the port of Antofagasta. The Antofagasta-Salta railway and a dirt airstrip constructed by Zaldívar and maintained by both Zaldívar and Minera Escondida Limitada also service the site. Zaldivar employed 685 employees and approximately 539 contractors at January 31, 2006.

The climate is characterized by very low relative humidity and practically no precipitation and has little impact on the mine's operations. The surface topography lies at an average elevation of 3,300

meters above mean sea level. There is little or no vegetation. The property is within a 1,240-hectare claim area covered by 247 exploitation concessions. Exploitation concessions are registered within Conservador de Minas and Sernageomin (Servicio National de Geologia y Minera). Environmental permit(s) are issued and registered with the Conama (Corporacion National de Medio Ambiente).

In 1979, the initial declaration or statement of discovery (manifestacion minera) was presented to the First Civil Court of Antofagasta by Mr. Pedro Buttazzoni Alvarez. In 1981, Mr. Buttazzoni, through his company Sociedad Contractual Minera Varillas ("SCMV"), formed the company Sociedad Legal Minera Zaldívar 262 de Zaldívar. Shareholders in this new company were: SCMV, 88.33%, and Minera Utah de Chile Inc. and Getty Mining (Chile) Inc. jointly holding the other 11.67%. In 1989, as a result of various transactions during the previous eight years, SCMV held 51% and Minera Escondida Limitada owned the other 49%. In March 1989, the mining rights were sold to Sociedad Minera La Cascada Limitada ("SMCL-Pudahuel"). In that same year, a sales contract was executed between SMCL-Pudahuel and Outokumpu Resources (Services) Limited ("Outokumpu"). The mining claims were then transferred to Minera Outokumpu Chile Limitada in November 1989. Outokumpu announced the formation of a 50/50 joint venture with Placer Dome in December 1992, at which time a joint venture company, Compañía Minera Zaldívar ("CMZ"), was formed. Commercial production began in November 1995, after completion of construction at a cost of $574 million. Placer Dome acquired the remaining 50% interest in CMZ from Outokumpu effective December 13, 1999 at a cost of $251 million.

Geology

The Zaldívar porphyry copper deposit is situated on the western margin of the Atacama Plateau in northern Chile. The deposit is part of a large Tertiary porphyry copper system which includes the Escondida porphyry copper deposit. This porphyry complex occurs within the large West Fissure structural system which controls most of the large porphyry copper deposits in Chile. The Zaldívar porphyry system is at the intersection of the West Fissure and a series of Northwest and Northeast striking faults. The deposit is generally centered on a Northeast striking granodiorite porphyry body that intrudes andesites and rhyolites, and cuts across the north-south striking Portezuelo fault. Although the geology and the Zaldívar mineral deposit are generally continuous from east to west, the ore body was arbitrarily divided into two zones; the Main zone (area east of 93,000E) and the Pinta Verde zone (area west of 93000E).

The Zaldívar ore body contains both sulphide and oxide copper mineralization. The majority of the copper occurs in a blanket of oxide and secondary sulphide ore which overlays deeper primary sulphide mineralization of lower grade. The economically important mineralization types are secondary sulphide (chalcocite), oxide (brochantite and chrysocolla) and a mixed mineralization type of combined sulphide and oxide copper minerals. Primary sulphide mineralization consists of pyrite, chalcopyrite, bornite and molybdenite.

In the Main Zone ore body, to the east of the Portezuelo fault, rhyolite is the host rock and secondary sulphide mineralization is dominant (85% to 90%) with the balance of the copper present as oxide minerals. West of the fault, andesite and granodiorite are the host rocks and the copper is present as a mixture of both oxide and secondary sulphide minerals.

The Pinta Verde orebody is an extension of the main orebody and has similar host rocks to those found in the west of the Main Zone, namely andesite and granodiorite. Generally the ore contains 70% of the copper as oxide copper minerals.

Reserves and Resources

Placer Dome announced estimated proven and probable mineral reserves as at December 31, 2005 of 5,854 million pounds (2,655,000 tonnes) of copper with a projected mine life of approximately 20 years. In addition to the mineral reserve, Placer Dome announced estimated measured and indicated mineral resources of 1,070 million pounds of copper. For a breakdown of Placer Dome's reserves and resources by category and additional information relating to such reserves and resources, see Placer Dome's press release of February 20, 2006. Such reserves and resources were calculated by employees of Placer Dome in accordance with Placer Dome's previously established policies and procedures, and have not been independently verified by Barrick.

Mining and Processing

The open pit contemplates mining the remaining mineral reserves in eight stages, referred to as Stage 3 through to Stage 10. During 2005, ore production came from Stages 3 and 4 of the Main Zone. Conventional methods of open pit mining are used. During 2005, Zaldívar focused on improving operational efficiencies and reliability of key process equipment such as the bucket wheel excavator for rehandling the spent ore and the Rahco stacker.

Pure cathode copper is produced by three stages of crushing and stacking of ore, followed by heap leaching and bacterial activity to remove the copper from the ore into solution. Run of mine dump leach material is placed on the old sulphide ore pad, and is also leached. A solvent extraction and electrowinning process then removes the copper from solution and produces the cathode copper. The electrowinning plant has been modified to produce 331 million pounds (150,000 tonnes) of cathode copper per year, 20% over the original design capacity. A flotation plant is also used to recover copper, in the form of copper concentrate, contained in the fine fraction of the crushed ore.

Copper recoveries and leaching kinetics have improved for sulphide ores by more than 20% in the last 8 years and leach cycle times are currently 330 days. Notwithstanding these improvements, declining head grades mean that more material must be placed on the leach pads and more capital investment is required to sustain current copper production rates. Zaldívar will concentrate on improving leaching kinetics and accelerating the oxidation of sulphide ores to minimize future capital requirements and maximize cathode production.

Process water is being supplied from ground water at Negrillar, 120 kilometers east of Zaldívar. Water is drawn from six production wells and pumped along the 120-kilometer route to a fresh water pond located near the tertiary crushing facility at the plant site. Zaldívar receives power from SING, the regional electricity grid system, and purchases electricity from one of the electrical utilities operating on the SING system. A 230 kilometer transmission line was constructed in conjunction with Minera Escondida Limitada between the Zaldívar and Escondida plant sites and the SING system substation at El Crucero. In addition, Gener constructed a link from their power line that crosses the Andes from Salta to the Zaldívar sub-station. All operation permits have been obtained and are in good standing.

In its February 20, 2006 press release, Placer Dome reported that, during 2005, Zaldivar produced 272 million pounds of copper (123,286 tonnes) consisting of 98.01% copper cathodes and the remainder as copper contained in flotation concentrate, at average cash and total production costs of $0.61 and $0.73 per pound respectively. In 2005, there were 16 annual contracts and 17 spot contracts for the sale of copper, the largest 10 of which represented 68.47% of production during the year. For an explanation of the use of above non-GAAP performance measures ("average cash and total cost"), see Placer Dome's press release dated February 20, 2006 under the heading "Non-GAAP Measures".

On December 14, 2004, the Chilean government presented a new mining sector specific tax project to the Chamber of Deputies proposing a 5% tax on operating profits derived from the sale of mineral products. The proposed 5% tax became law during 2005. Companies protected from income tax increases under Chile's DL 600 foreign investment law, which was the case for Placer Dome's Chilean subsidiary which holds the Zaldívar mine, had the option to either wait for their DL 600 contract to expire, after which their investment would be subject to the new tax, or renounce their status under the existing DL600 regime, before November 30, 2005, and face a reduced 4% tax in return for a 12 year mining tax invariability clause. The new tax honors all existing contracts between mining companies and the state, which are protected under Chile's DL 600 foreign investment law, and would not be applied to such companies while their current tax contracts remain in force.

In November 2005, Placer Dome's Chilean subsidiary opted out of its existing DL 600 regime and entered into the new DL 600 regime, the terms of which include the 4% tax and a 12 year tax invariability clause.

Environment

Zaldívar operates in an environmentally responsible manner with limited adverse impacts to the environment. This is largely due to the heap leaching process that operates entirely as a closed circuit with no discharge to the environment. There are programs that continuously monitor the process and surrounding areas, including leak detection wells to detect any potential circuit failures.

In 2005, all activities at Zaldívar were, and continue to be, in compliance in all material respects with applicable corporate standards and environmental regulations. Management is not aware of any proposed changes to these standards or regulations that would materially affect the operations or the approved closure plan.

At December 31, 2005, the amount recorded by Placer Dome for estimated future reclamation and closure costs that were also asset retirement obligations, as defined in FAS 143, for the property was $11 million.

Exploration, Drilling and Analysis

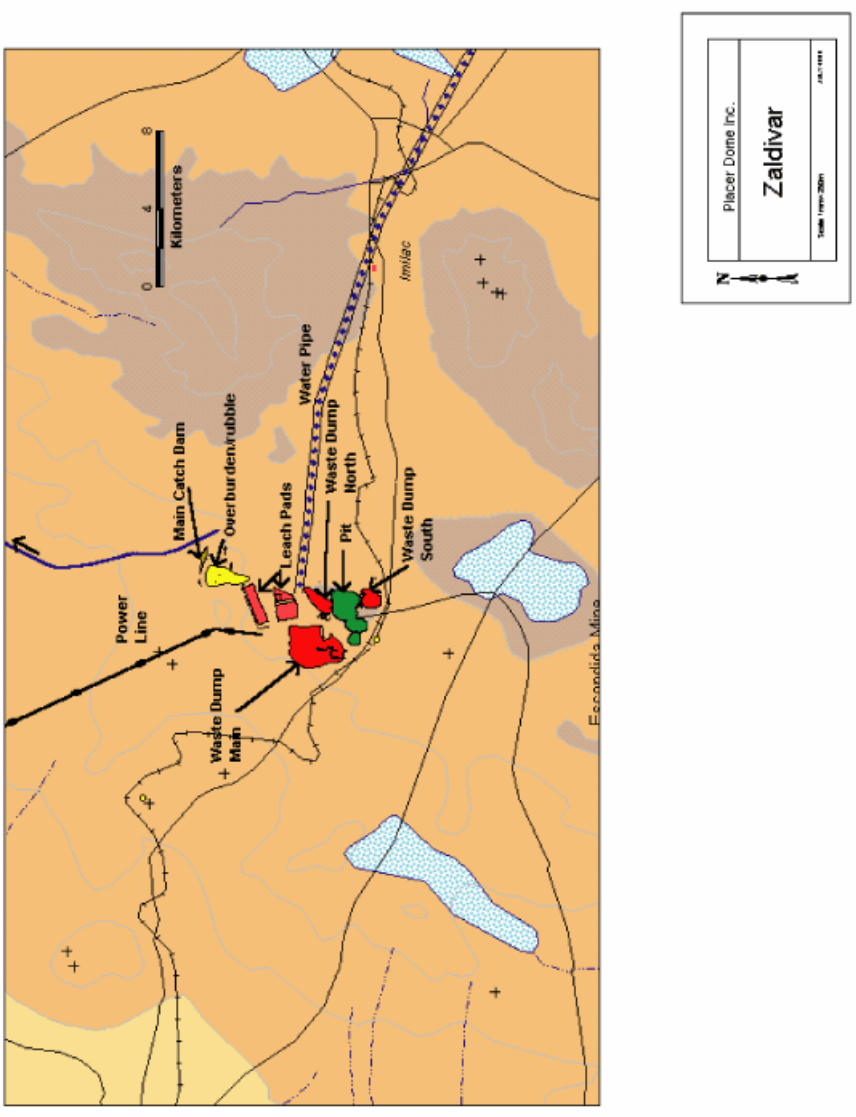
The Zaldívar orebody has been extensively drilled. Reverse circulation drilling has been done in order to develop a geological model. For exploration holes, whole core samples are taken at every 1 meter down-the-hole interval. Sampling is on 2 meter intervals. All holes are logged for lithology, alteration, mineralization and structure. No in pit drilling was carried out during 2005.

Sampling and analysis of the drilling and blast holes comply with industry standards. Blank sample protocols are used in the normal row of samples sent to the Zaldivar laboratory. Controls exist on biases and the product is checked with the security sampling curves. As well, external laboratories have been used to verify results. Databases generated with these results are thoroughly reviewed and cross checked before being used in the mineral resource/mineral reserve estimation processes. Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Special field controllers ensure that the samples collected for modeling and mineral resource estimation have been delivered under secure conditions to the laboratory.

Royalties

The Zaldivar mine is not subject to any royalties.


Placer Dome Inc.
Zaldivar
0
4
8
Kilometers
Water Pipe
Waste Dump
North
Pit
Waste Dump
South
Leach Pads
Main Catch Dam
Overburden/rubble
Power
Line
Waste Dump
Main
Escondida Mine

Projects

Pascua-Lama Project

General

The Pascua-Lama property is located in the Frontera District in Chile's Region III and Argentina's San Juan Province. It straddles the Chile-Argentina border and is approximately 150 kilometers southeast of the city of Vallenar, Chile, 380 kilometers by road northwest of the city of San Juan, Argentina and approximately 10 kilometers from the Veladero mine. The total project area consists of approximately 45,500 hectares in Chile and Argentina. The Chilean part of the deposit, which is at an elevation of approximately 4,300 to 5,250 meters above sea level, was acquired by Barrick through its acquisition of Lac Minerals Ltd. in 1994. Lac Minerals acquired its interest in the property from Bond Gold International in 1989. Exploration on the property dates back as far as 1977. With respect to the portion of the project located in Argentina, Barrick acquired certain of the mining concessions that form part of the project in 1995. It acquired the remaining project mining concessions through its acquisition of Exploraciones Mineras Argentinas S.A. from Minera S.A. in 1997.

In both Chile and Argentina, Barrick owns the mining property in the project area. The legislatures of both Chile and Argentina completed the ratification of a Mining Treaty between the two countries in 2000. The Specific Additional Protocol for the Pascua-Lama project under the Mining Treaty was signed into law by both countries in the third quarter of 2004. The Pascua-Lama project is within the area subject to the Mining Treaty and the project is entitled to enjoy the benefits to cross-border mining operations that are granted by the Mining Treaty.

The Pascua-Lama property area is characterized by high mountain ranges and deep valleys with natural slopes of 20 to 40 degrees. Surface material consists of rock outcrops, scree and colluvial materials, which are primarily gravel, sand, silt and clay. Vegetation is sparse. The area is considered to have a sub-arid, sub-polar, mountain climate. During the winter months, extreme weather may create a challenging operating environment. Recognizing this issue, the potential impact of possible extreme weather conditions, to the extent possible, will be incorporated into the project's operating plan. Access to the property is pursuant to a combination of public highways and private roads from both Vallenar, Chile and San Juan, Argentina.

Geology

The Pascua-Lama property is located in the high Andean Mountains, in what has been designated as the Eastern Belt of Hydrothermal Alteration. The gold, silver and copper mineralization at Pascua-Lama is part of a mineralized acid sulfate system that was structurally controlled within intrusive and volcanic rock sequences of Upper Paleozoic and Middle Tertiary age.

Basement rocks in the Pascua-Lama area are dominated by a multiphase granite pluton that may be a slightly younger upper Permian or lower Triassic phase of the Permian Guanaco Sonso sequence of intrusives and volcanics. In the deposit area, the granite intrudes older diorites and volcanic pyroclastic units and is, in turn, intruded by diorite stocks and dykes of mid-Tertiary Bocatoma age. During Tertiary time, all of the previously described rocks were cut by sub-vertical fault zones and hydrothermal breccias located at complex fault intersections.

Numerous breccia bodies occur in the Esperanza, Quebrada de Pascua and Lama areas. At the surface, these breccias vary in size from outcrops measured in centimeters up to hundreds of meters. Typically the breccias show a strong correlation to zones of intersection of two or more major structural

zones. Breccia Central, the large inter mineral breccia pipe, occurs in the Quebrada de Pascua area. On the surface this breccia is about 650 meters long and up to 250 meters in width, while underground, between 200 and 400 meters below the surface, the composite body measures about 550 meters in length and up to 130 meters in width. It extends to at least 700 meters below surface. This well mineralized breccia pipe is evidence of an explosive hydrothermal event related to the formation of the Quebrada de Pascua ore deposit. Breccia Oeste and Breccia Sur are the two large post mineralization breccia pipe complexes located in the mine area. Oriented north/south along the Breccia Oeste fault zone in the Esperanza area, the Breccia Oeste pipe measures up to 500 meters long, up to 150 meters wide, and extends up to 300 meters below surface.

Development

The Pascua-Lama mine is being designed as an open pit, centered at an elevation of 4,600 meters. The project will produce both oxide and sulfide ores. Both ore types will be put through a processing circuit expected to consist of crushing, grinding and a washing circuit to remove soluble salts. The oxide ore will then be processed through a cyanide leaching circuit. The sulfide ore will then undergo a flotation process to produce a smelter saleable concentrate, with the sulfide ore flotation tails being routed to the cyanide leach circuit. Recovered gold and silver from the leach circuit will be smelted into doré on-site and shipped to an outside refinery for processing into bullion.

The Pascua-Lama project environmental permit was submitted to both Chile and Argentina authorities in 2000. The Pascua-Lama project received Environmental Impact Assessment ("EIA") approval from appropriate authorities in Chile in May 2001 and, in December 2004, Barrick submitted a second EIA in respect of modifications of the project. In 2005, three addendums were submitted in response to questions and concerns raised by the communities and authorities. Barrick recently received approval of the EIA from Chilean environmental regulatory authorities and the Company is committed to working within the framework of the related resolution. Barrick is currently assessing the resolution and the effects, if any, of the conditions of approval are expected to be incorporated in an update of the project's feasibility study in the first half of 2006.

As noted above, the Environmental Impact Statement ("EIS") prepared for the portion of the mine, mill and tailings storage facility for the project located in Argentina was submitted in 2000 and updated in 2004 to incorporate the cumulative impacts of the construction and development of the nearby Veladero project. This updated EIS was submitted in November 2004. An addendum in response to questions and concerns raised by the communities and authorities and reflecting certain project modifications was issued in late October 2005 and is currently in the evaluation process. Following the completion of EIS process in Argentina, Barrick will also need to obtain various sectoral permits for the construction and operation of the project. The timing of receipt of the EIS approval, as well as the resolution of some of the other external issues, such as permitting and licensing, cross-border operating issues and fiscal, tax and royalty issues are largely beyond Barrick's control.

In Chile, Barrick owns the surface land required for the facilities of the project in Chile and has obtained sufficient water rights for the project's needs. In Argentina, Barrick has an undivided 90% interest in "Campos Las Taguas" which is the surface property affected by the mining facilities of the project. With respect to the 10% interest of "Campos Las Taguas" owned by third parties, Barrick has submitted an application for an easement pursuant to the Federal Mining Code of Argentina which grants mining concession holders the right to request easements over surface property. Barrick also has pending applications for water rights required for the project in Argentina. Based on Barrick's experience to date, the Company expects that the easement and other rights required for development will be obtained in a timely fashion and in the ordinary course of business.

Capital and operating cost estimates for the Pascua-Lama project were based on the cost and commodity price environment prevailing at the time of the updated feasibility study, which was finalized in June 2004. The design of the project is currently being optimized in the course of the permitting process to incorporate additional operating and construction efficiencies, additional environmental mitigation measures, and other project improvements. Barrick is in the course of updating cost estimates to reflect such changes, inflationary cost pressures and higher commodity prices. Although such factors will result in some increase in capital and operating cost estimates, based on the current cost and commodity price environment, and combined with other efficiencies, Barrick does not expect significant changes to the overall economics of the project.

The Company is in the process of finalizing fiscal and taxation matters, which are expected to be resolved in 2006, concurrent with approval of the EIS, at which time a three-year construction schedule is expected to begin. Production is anticipated in 2009, subject to obtaining the necessary permits, approvals and fiscal regimes. In 2006, Barrick will continue its efforts with respect to community/government relations, permitting, protocol implementation and tax stability. The resolution of certain external issues such as permitting, protocol implementation, tax stability, export duties, other fiscal and taxation matters, royalties, rising costs of materials and currency fluctuations are largely beyond Barrick's control and may impact on the timing and the cost of development and operation of the project.

Barrick is implementing a comprehensive recruitment and training program for personnel required for both construction and operation of the project. The Company expects to fill the job positions predominantly from the local labour markets.

Environment

The Pascua-Lama project will handle ore or rock which has the potential to be acid generating and will use cyanide in the processing of ore. The project has been designed to manage the handling of ore and rock to reduce the potential volume for acid rock drainage. Such considerations include diversion and containment systems for the collection, storage and treatment of drainage and closure and reclamation designed to minimize water infiltration. The process facilities that use cyanide have been designed to prevent process solutions from being released to surface water or groundwater. These facilities will be lined and will include a seepage detection and collection systems. The facilities will also include treatment for cyanide removal and destruction. Management procedures for cyanide handling, monitoring and transportation in accordance with the International Cyanide Code will be implemented for the project.

Exploration, Drilling and Analysis

At December 31, 2005, Pascua-Lama had proven and probable reserves of 18.4 million ounces of gold and 685 million ounces of silver contained within gold reserves. It is possible that, upon completion of the assessment of the recent EIA resolution in Chile, up to one million ounces of gold mineralization may be reclassified from reserves to mineralized material for U.S. reporting purposes, but will remain as reserves for Canadian reporting purposes.

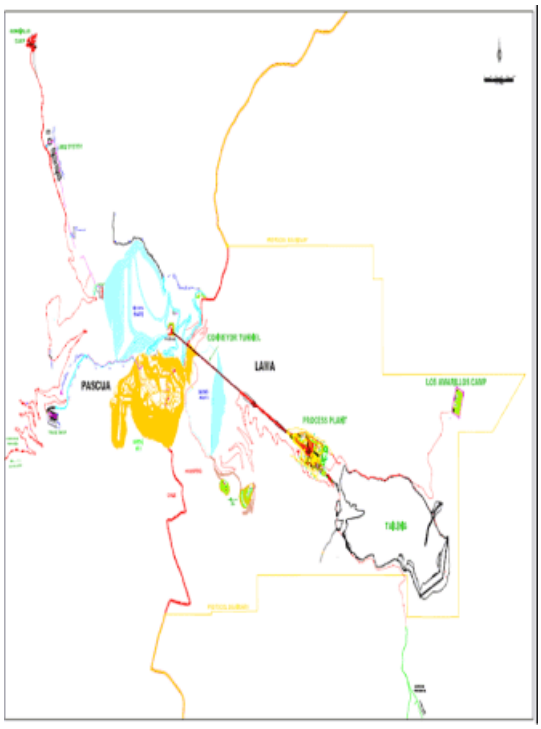
The drill hole database for the Pascua-Lama property contains 1,173 reverse circulation holes, 562 diamond drill core holes, 22,302 meters of underground tunnel samples and 12,774 meters of surface trench samples. Samples totaling 322,288 meters from reverse circulation holes, 151,265 meters from diamond drill core holes, 22,302 meters from underground tunnels, and 12,774 meters from surface trenches were used to estimate the gold and silver resources. The drill hole spacing is variable, approximately 40 meters in the Esperanza area and 40 to 60 meters in the Quebrada de Pascua area. Pascua-Lama samples were analyzed for gold, silver and copper by independent laboratories in Santiago, Chile. The quality assurance procedures and assay protocols followed by Barrick in connection with

drilling and sampling on the Pascua-Lama property conform to industry accepted quality control methods. Quality control and assurance protocols included controls during sampling, transport, laboratory preparation and analysis. All samples remained in the possession of Barrick employees until delivery to third party laboratories. A final check by statistical means indicated that sampling methodologies were accurate and precise without contamination. Only when all data was checked were results introduced into the data base. Additionally, the data base was checked against the original data before use in the reserve model.

Royalties

Pursuant to legislation passed by the government of the Province of San Juan, all gold and silver, among other ores, extracted from the property within the Province of San Juan are subject to a royalty, payable to the government of the Province of San Juan, of 3% of the value of the ore at the “mine mouth”. In addition, Barrick is obligated to pay a gross proceeds sliding scale royalty on gold produced from the Pascua-Lama properties located in Chile ranging from 1.47% to 9.8% and a 1.96% net smelter royalty on copper produced from the properties. In addition, a step-scale 5% or 7.5% gross proceeds royalty on gold produced and a sliding scale net smelter royalty of 0.5% to 6% on all products other than gold and silver is payable in respect of certain portions of the property located in Argentina. The sliding scale and step-scale royalties on gold increase with rising spot gold prices.

The following diagram sets out the proposed design and layout of the Pascua-Lama mine.


PASCUA
LAIVA
CONVEYOR TUNNEL
PROCESS PLANT
LOS ANDES LOG CAMP
TAILINGS

EXPLORATION, DEVELOPMENT AND BUSINESS DEVELOPMENT

Barrick has traditionally grown its reserve base through a combination of acquisitions and focused exploration on and around its operating properties. Barrick believes there is a higher probability of finding new mineral reserves around existing mines. Once found, these new reserves can be developed more quickly and profitably due to existing infrastructure. The Company's strategy is to maintain a geographic mix of projects at different stages in the exploration and development sequence. The low gold price environment that existed in recent years required that major mining companies undertake more early stage exploration than in the past because junior exploration companies had been less active, and there were fewer new discoveries to buy or joint ventures to fund. Accordingly, Barrick is engaged in early stage exploration in four major areas where it possesses significant infrastructure: Peru, Tanzania, Australia and Chile/Argentina. This program resulted in the grassroots discovery at the Lagunas Norte project, in the Alto Chicama District, in Peru.

Barrick utilizes state-of-the-art technology to explore deeper and more effectively. At Goldstrike, Barrick uses new deep-penetrating geophysical techniques and geological modeling to locate and define new targets. These new techniques can also be applied in Tanzania and Australia.

Exploration is directed from Barrick's head office in Toronto and is conducted through a number of exploration offices around the world.

The Company spent $141 million on its exploration, development and business development activities in 2005 (2004 – $141 million). Of the $98 million spent on exploration in 2005, approximately $29 million was spent in North America, approximately $19 million was spent in South America, approximately $41 million was spent in the Australia/Africa region and approximately $6 million was spent in Russia and Central Asia. Development expenditures in 2005 totaled approximately $12 million. Business development costs in 2005 totaled approximately $10 million. In its February 20, 2006 press release, Placer Dome reported 2005 exploration costs of $91 million. Barrick expects to consolidate the former Placer Dome properties with its current land position, prioritizing its combined exploration properties.

In connection with its exploration strategy and goal of establishing a business unit in respect of Russia and Central Asia, Barrick acquired a 10% equity interest in Highland Gold Mining PLC ("Highland") in October 2003. In January 2004, Barrick acquired an additional equity interest, bringing its total interest in Highland to approximately 14% at December 31, 2004, and certain participation and other rights with respect to properties in Russia. In May 2005, Barrick acquired an additional equity interest in Highland, increasing its total equity interest in Highland to approximately 20% at December 31, 2005. In June 2005, Barrick entered into a purchase agreement with Highland pursuant to which it purchased a 50% interest in the Taseevskoye deposit ("Taseevskoye").

In January 2005, Barrick acquired a 9% equity interest in Celtic Resources Holdings PLC ("Celtic"). In addition, Barrick acquired additional subscription rights for shares in Celtic, certain rights with respect to the Nezhdaninskoye deposit in Russia and certain participation rights with respect to properties Celtic acquires in Kazakhstan.

ENVIRONMENT AND CLOSURE

The Company's mining, exploration and development activities are subject to various levels of federal, provincial or state, and local laws and regulations relating to protection of the environment, including requirements for closure and reclamation of mining properties (see "Legal Matters — Government Controls and Regulations").

Barrick has a policy of conducting environmental audits of its operations to assess the operations' performance in adhering to policies, guidelines, procedures and adopted codes of practice, maintaining compliance, reducing risk and managing liabilities. The Company's policy is to perform environmental audits on a regular and scheduled basis. In practice, this typically results in environmental audits at each operating mine every second year and at least once every five years for other properties. A committee of Barrick's Board of Directors reviews the Company's environmental policies and programs and oversees Barrick's environmental performance.

In 2005, Barrick became a signatory to the United Nations ("UN") Global Compact, which represents the world's largest voluntary corporate citizenship initiative. Among its principles, the UN Global Compact encourages businesses to support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies. To provide further guidance toward achieving its environmental objectives, Barrick developed a new Environmental Management System Standard in 2005. Each year, Barrick issues a Responsibility Report that outlines its environmental, health and safety and social responsibility performance for the year.

During 2005, all of the Company's operations were in compliance in all material respects with applicable corporate standards and environmental regulations and there were no material notices of violations, fines or convictions relating to environmental matters at any of the Company's operations.

As part of Barrick's goal to minimize the impact on the environment, it develops closure and reclamation plans as part of its initial project planning and design. If it acquires a property that lacks a closure plan, Barrick requires preparation of a closure plan. The Company periodically reviews and updates closure plans to account for additional knowledge of a property or for changes in applicable laws or regulations. The Company has estimated future site reclamation and closure obligations, which it believes will meet current regulatory requirements. See Notes 2 and 17 of the Notes to the Consolidated Financial Statements.

The Company's operating facilities have been designed to mitigate environmental impacts. The operations have processes, procedures or facilities in place to manage substances that have the potential to be harmful to the environment. In order to prevent and control spills and protect water quality, Barrick utilizes multiple levels of spill containment procedures and routine inspection and monitoring of its facilities. The Company also has various programs to reuse and conserve water at its operations. In order to mitigate the impact of dust produced by its operations, Barrick uses several different dust suppression techniques at its properties. The Company has also implemented safeguards at its properties that are designed to protect wildlife in the surrounding areas. Such safeguards include fencing and netting or other coverings of ponds and tanks, bird hazing techniques, such as mechanized scarecrows or noisemakers, and the establishment of water sources for wildlife and small mammal refuges.

Certain of the Company's operating properties handle ore or rock which has the potential to be acid generating, and hence has the potential to contaminate water by the leaching of metals and salts. Other operating properties lack acid generating potential, but still present the potential for leaching of certain salts, such as sulfates, or metalloids, such as arsenic, by precipitation that might run off of the property.

The Company has implemented programs to manage the handling of ore and rock to reduce the potential for contamination of surface or groundwater by either acid or neutral drainage. Such procedures include segregation of rock with potential for leaching, containment systems for the collection and treatment of drainage and reclamation and closure steps designed to minimize water infiltration and oxygen flux.

Most of the Company's operating properties use cyanide. Those facilities are designed and constructed to prevent process solutions from being released to surface water or groundwater. Typically, those facilities include leak detection systems and have the ability to collect and treat seepage that may occur. The tailings storage facilities are typically fenced and process ponds are typically netted or other procedures implemented to deter access. In September 2005, the Company became a signatory to the International Cyanide Management Code, which is administered by the International Cyanide Management Institute (the "ICMI"). The ICMI is an independent body that was established by a multi-stakeholder group under the guidance of the United Nations Environmental Programme. The Code established operating standards for manufacturers, transporters and mines and provides for third-party certification of facilities' compliance with the Code. Under the Code, each of the mines that use cyanide must receive a third party compliance inspection by September 2008. The Company listed all of its mines that use cyanide plus the Cowal development project for code certification. Placer Dome also became a signatory to the cyanide code in 2005. Placer Dome listed all of its facilities that use cyanide for code certification except for the Bald Mountain, Golden Sunlight, Henty and Granny Smith mines. In the case of those four mines, Placer Dome indicated that it was not listing them for certification due to the limited amount of remaining reserves. Barrick will review the decision not to certify those mines as it reviews their reserves and life of mine plans. While the Company believes that most of its operations that use cyanide are already substantially in compliance with the Code, it will incur expenses achieving full Code compliance at some of its operations over the next three years.

Certain of the Company's operations also produce mercury as a co-product of gold. Site specific management procedures for mercury handling, monitoring and transportation exist at each of the operations that produce mercury as a co-product. Further, employees receive training in the safe use and proper management of cyanide, mercury and other hazardous materials. The facilities have instituted handling and shipping procedures designed to minimize the risk of spills. All of the mercury is sold to a licensed facility in the United States.

FINANCIAL RISK-MANAGEMENT

Forward Sales Program

Reflecting its acquisition of Placer Dome, the Company has operations in ten principal countries which produce its primary product, gold, as well as other minerals such as copper and silver. The Company's activities expose it to a variety of market risks, including risks related to the effects of changes in gold prices and the price of certain other metals. This financial exposure is monitored and managed by the Company as an integral part of its overall risk-management program. The Company's risk-management program has historically focused on the unpredictability of commodity and financial markets and used financial instruments and forward sales contracts to mitigate significant, unanticipated earnings and cash flow fluctuations that may arise from volatility in commodity prices. Price fluctuations in gold and other metals could cause actual cash inflows from the sale of production to differ from anticipated cash inflows

For most of Barrick's history, gold forward sales were a significant element in providing the Company the relatively stable revenue that helped fuel its growth. In 2002, Barrick began to take steps to simplify and reduce the size of its gold forward sales program. With the Company's positive outlook for the gold price, continued low historical interest rates (which may lead to lower forward sales price

premiums) and Barrick's strong financial position, the Company has been managing the program down to a lower percentage of overall gold reserves. In late 2003, Barrick adopted a "no-new-hedge" gold policy such that it will not add new ounces to its gold forward sales program and will pursue opportunities to reduce its gold forward sales position.

In 2006, Barrick purchased put options to protect revenue on approximately 300 million pounds of expected 2006 copper production from the Zaldivar mine (acquired with Placer Dome). These options guarantee a minimum price of $2.00 per pound, while allowing Barrick to fully participate in higher spot copper prices. Barrick continues to enter into other financial and commodity instruments to mitigate the effect of other risks that are inherent in its business, and also to take advantage of opportunities to secure attractive pricing for currencies, interest rates and other commodities.

Barrick's gold and silver forward sales contracts represent agreements to sell gold and silver on a delivery date in the future. These contracts are structured as normal sales contracts and Barrick will deliver actual production to satisfy the obligations under these contracts. Barrick may, at its discretion, choose to deliver gold production against any gold forward sales contract in advance of the contract's termination date. For currencies, fuel, interest rates and other commodities, Barrick sets the contract terms with the intention of receiving hedge accounting treatment.

The rights and obligations under Barrick's fixed-price gold forward sales contracts are set out in master trading agreements executed with various counterparties. The selling price under a contract is based on the forward price of gold at the future delivery date, which we believe is essentially a function of the spot gold price on the date the contract is entered into plus a premium (commonly referred to as "contango") through the future delivery date. Generally, though not always, the future price for the sale of gold under the contract is higher than the spot gold price at the time the contract is entered into. In general, the longer the period of time from the start of the contract until delivery, the greater the amount of the forward premium or contango and the greater the contract price compared to the spot price at the start of the contract. In some cases, the "premium" becomes negative (known as "backwardation"). However, this occurrence is relatively uncommon, and, historically, any periods of "backwardation" have been relatively short-lived.

Barrick diversifies its fixed-price forward sales contracts across a number of counterparties, limits exposure to individual counterparties and regularly monitors its counterparties' credit ratings. Barrick spreads out the delivery dates under such contracts so as to have more production than is required to be delivered into such contracts at any given time. To date, all counterparties have fully performed their obligations under such arrangements.

During 2005, the Company delivered 800,000 ounces of its gold production into its gold forward sales program and delivered its remaining gold production into the spot market. In 2005, the Company realized an average price of $439 per ounce compared with the average London P.M. Fix for the year of $444 per ounce. In comparison, for 2004, the Company realized an average gold price of $391 per ounce compared with the average London P.M. Fix for the year of $409 per ounce.

At December 31, 2005, the Company had outstanding commitments to deliver approximately 12.5 million ounces of its future gold production under its fixed-price gold forward sales program. The Company also had floating-price gold forward sales contracts under which, at year end, Barrick is committed to deliver 0.7 million ounces of gold over the next ten years at spot prices, less an average fixed-price adjustment of $127 per ounce. In anticipation of building the Pascua-Lama project and in support of any related third party financing, in 2004, the Company allocated 6.5 million ounces of existing fixed-price gold forward sales contracts specifically to Pascua—Lama's future gold production. The Company believes that the allocation of these contracts will help reduce gold price risk at Pascua—

Lama and should facilitate the financing for its construction. The Company expects the allocation of these contracts to eliminate requirements by lenders to add incremental gold hedge contracts in the future to support the financing of Pascua—Lama. The designated contracts represent just over 35% of the 18.3 million ounces of current gold reserves at Pascua—Lama and do not impact any of the 685 million ounces of silver contained in gold reserves at Pascua—Lama. The remaining 6.0 million ounces of existing fixed-price gold forward sales contracts represent less than one year of expected future gold production and approximately 9% of Barrick's reserves, excluding Pascua—Lama and Placer Dome.

As a result of the Placer Dome acquisition, Barrick acquired an additional 7.5 million ounces of gold sale commitments as at December 31, 2005. Since year end, Placer Dome's gold hedge program has been reduced and simplified, with outstanding sold call options eliminated. As of February 22, 2006, the combined gold forward sales program (i.e. Barrick's original fixed-price gold sales contracts plus the gold hedge contracts acquired through the Placer Dome acquisition) totaled 18.5 million ounces, a reduction of 1.5 million ounces since year-end 2005.

Unlike Barrick's original gold forward sales contracts, which typically have long-dated termination dates (typically 2015 or later) and which are accounted for as normal sales, the gold hedge contracts that Barrick acquired in connection with the Placer Dome acquisition typically have termination dates within the next 1-5 years and are accounted for as hedges. Furthermore, Barrick's original gold forward sales contracts typically have a built-in "evergreen" provision, which contemplates extending the termination date out by one year on an annual basis, while the gold hedge contracts Barrick acquired in connection with the Placer Dome acquisition do not have this provision.

As part of the Placer Dome acquisition, Barrick acquired the Pueblo Viejo development project ("Pueblo Viejo"). Once the sale of certain Placer Dome operations to Goldcorp closes, the Company will have a 60% interest in the project. In anticipation of financing Barrick's share of this project, subsequent to year end, Barrick allocated 3.0 million ounces of existing fixed-price gold forward sales contracts to this project. This allocation does not impact any of the 40% interest in Pueblo Viejo to be owned by Goldcorp. As at February 22, 2006, the remaining 9.0 million ounces under Barrick's combined gold forward sales program represent approximately 8% of total combined reserves, excluding Pascua-Lama and Pueblo Viejo.

Barrick plans to continue to explore and evaluate various strategies to reduce the size of its combined gold forward sales program. In general, the Company will endeavor to make use of gold market volatility or other opportunities in reducing this position. Depending on market conditions and other factors, Barrick may choose to deliver a portion of its gold production into its gold forward sales program at prices that are below the spot price. For gold hedge contracts that are accounted for as hedges, Barrick may choose to pursue any of a number of alternative methods of reducing such gold hedge position, including, but not restricted to, voluntary financial settlement of these contracts. Such financial settlements may result in significant cash outlays by the Company. There can be no assurance that Barrick will be able to achieve in the future realized prices for gold that exceed the spot price as a result of its gold forward sales program. If Barrick chooses to deliver a portion of its gold production into its gold forward sales program at prices that are below the spot price, it will incur an opportunity loss on those contracts.

For a summary of the Company's future gold sale and delivery commitments, derivative financial instruments used in the gold forward sales hedge program and associated risks, see Notes 5 and 16 of the Notes to the Consolidated Financial Statements for the year ended December 31, 2005, pages 43 to 44 and 61 to 64 of the Company's Annual Report to Shareholders for the year ended December 31, 2005 and "Risk Factors". For additional detail regarding the gold forward hedge program acquired in connection Barrick's acquisition of Placer Dome, see Placer Dome's February 20, 2006 press release.

Currency, Interest Rate and Commodity Hedge Programs

The Company also monitors and manages exposures related to currencies, interest rates and commodity prices. Currency risk mainly arises on non-US dollar cash expenditures at the Company's Australian, Canadian, South African and Papua New Guinea mines that are denominated in local currencies. Interest rate risk mainly relates to interest income receipts on cash balances and interest payments on variable-rate debt obligations. Commodity price risk arises in respect of commodities such as copper produced at the Zaldivar and Osborne mines, and diesel fuel and natural gas consumed at each of the Company's operations. The Company mainly uses forward exchange contracts, interest rate swaps and forward commodity contracts to mitigate the impact of volatility in currency exchange rates, interest rates and commodity prices on its business. For a summary of the derivative instruments used in the Company's currency, interest rate and commodity hedge programs, see Note 16 of the Notes to the Consolidated Financial Statements.

Oversight and Control Over Risk-Management Activities

The Company's financial risk-management activities are subject to the management, direction, and control of its Finance Committee as part of that Committee's oversight of the Company's investment activities and treasury function. The Finance Committee, which is comprised of four members of the Company's Board of Directors, including the Company's Chief Executive Officer, reports to the Board of Directors on the scope of the Company's risk-management strategy (including the gold forward sales hedge program) and other activities. The Finance Committee approves corporate policy that defines the Company's risk-management objectives and philosophy relating to financial risk-management activities and provides guidance for financial instrument usage. The Finance Committee also approves hedging strategies that are developed by management through its analysis of risk exposures to which the Company is subject, and commodity, foreign exchange and interest rate market analysis from internal and industry sources. The resulting hedging strategies are then incorporated into the Company's overall risk-management strategies.

Responsibility for the implementation of gold sales, hedging and risk-management strategies is delegated to the Company's treasury function. A report on Barrick's gold sales and hedge position, detailing the size of the hedge position by contract type, diversification of the position among counterparties and each counterparty's recent credit rating and the latest fair value of each group of contracts, is prepared each week and distributed to the Chief Financial Officer and the Chairman of the Finance Committee. The Finance Committee and the Board of Directors also receive a report on Barrick's hedging and overall risk-management position at each of their regularly scheduled meetings.

Barrick maintains a separate compliance function to independently monitor and verify gold sales and hedging activities and achieve segregation of duties of personnel responsible for entering into hedging transactions from personnel responsible for recording and reporting transactions. In addition, the treasurer regularly monitors gold sales and hedging transactions entered into by the treasury group. All confirmations and settlements of transactions are processed and checked independently of the treasury group. Responsibility for entering into gold sales and hedging transactions is limited to a small group of experienced treasury personnel. Summaries of each individual transaction, setting out the terms of the transactions and the identity of the individual executing each transaction, are generated by the treasury group and delivered to the compliance function on a daily basis. Confirmations from counterparties are received directly by the compliance function and checked against the documentation generated by the treasury group. Barrick has not entered into gold delivery commitments that are not covered by scheduled production.

LEGAL MATTERS

Government Controls and Regulations

The Company's business is subject to various levels of government controls and regulations, which are supplemented and revised from time to time.

In the U.S., certain of Barrick's mineral reserves and operations occur on unpatented lode mining claims and mill sites that are on federal lands that are subject to federal mining and other public land laws. Changes in such laws or regulations promulgated under such laws could affect mine development and expansion and significantly increase regulatory obligations and compliance costs with respect to exploration, mine development, mine operations and closure and could prevent or delay certain operations by the Company.

In 2002, under its temporary emergency measures, Argentina enacted a 5% export duty on mineral products, including gold. Veladero's export of gold dore is subject to this 5% export duty until such time as the legislation enacting the duty is repealed.

In October 2003, Peru enacted legislation governing mine closure, which, among other things, requires that closure plans for existing operations be submitted to the Ministry of Energy and Mining. The enabling regulations for this legislation were promulgated in August 2005. Barrick's Lagunas Norte and Pierina mines are subject to this legislation.

The State of Nevada proposed new regulations governing mercury air emissions from precious metal mining operations in 2005. Those regulations will be finalized through the public hearing and rulemaking process during 2006. As proposed, the Company believes that it will be able to comply with those regulations. Barrick expects that these regulations will likely impose additional capital and operating costs at its operations in Nevada.

The legislative regime governing the South African mining industry has undergone a series of significant changes over the past two years, culminating in the enactment of the Mineral and Petroleum Resources Development Act No. 28 of 2002 ("the Act") on May 1, 2004. The Act legislates the abolition of private mineral rights in South Africa and replaces them with a system of state licensing based on the patrimony over minerals, as is the case with the bulk of minerals in other established mining jurisdictions such as Canada and Australia. Provision is made in the Act for compensation to be paid to any person who is able to establish that his/her property has been expropriated under the Act. On May 3, 2004, the Department of Minerals and Energy (the "DME") announced that it was seeking legal advice on the implications of the Act in light of South Africa's international agreements.

Holders of old-order mining rights, of the type held by Barrick for its South Deep mine, are required within five years of the May 1, 2004 commencement date, to apply for conversion of their old order rights into new order mining rights in terms of the Act. Old order mining rights will continue to be in force during the conversion period, subject to the terms and conditions under which they were granted. Once a new order right is granted, security of tenure is guaranteed for a period of up to 30 years, subject to ongoing compliance with the conditions under which the right has been granted. A mining right may be renewed for further periods of up to 30 years at a time, subject to fulfillment of certain conditions.

As part of the application, holders of old-order mining rights must undertake to "give effect to" the black economic empowerment and socio-economic objectives of the Act and set out the manner in which it will give effect to such objectives. In general, the objectives relate to achieving ownership targets in the South African mining industry for historically disadvantaged South Africans ("HDSAs") and improving

conditions for HDSAs. Although the manner is not specified, the South African mining industry will be required to assist HDSA companies in securing financing to fund HDSA participation, in the amount of ZAR100 billion within the first five years.

Barrick is actively engaged in discussions with DME officials and others to ensure that Barrick fulfils the ownership requirements for conversion of its rights under the Act; however, the finalization of the means of achieving that end will require greater certainty regarding the operation and interpretation of the Act and pending related legislation.

At present, the financial implications and market-related risks brought about by the various pieces of the new legislation (including the Mineral and Petroleum Royalty Bill) cannot be assessed. It is not clear when a next draft of the Mineral and Petroleum Royalty Bill will be released. The Government has however indicated that no royalties will be payable until 2009. Material impacts on both the ownership structure and operational costs at South Deep are possible. Barrick continues to explore its options and monitor the implementation and interpretation of the Act and the progress of other ancillary regulations and legislation closely.

Barrick is unable to predict what additional legislation or revisions may be proposed that might affect its business or when any such proposals, if enacted, might become effective. Such changes, however, could require increased capital and operating expenditures and could prevent or delay certain operations by the Company.

The various levels of government controls and regulations address, among other things, the environmental impact of mining and mineral processing operations. With respect to the regulation of mining and processing, legislation and regulations in various jurisdictions establish performance standards, air and water quality emission standards and other design or operational requirements for various components of operations, including health and safety standards. Legislation and regulations also establish requirements for decommissioning, reclamation and rehabilitation of mining properties following the cessation of operations, and may require that some former mining properties be managed for long periods of time. In addition, in certain jurisdictions, the Company is subject to foreign investment controls and regulations governing its ability to remit earnings abroad.

The Company believes that it is in substantial compliance with all material current government controls and regulations at each of its properties.

Litigation

Set out below is a summary of potentially material legal proceedings to which Barrick, reflecting the acquisition of Placer Dome, is a party.

Placer Dome's subsidiary, Golden Sunlight Mines, Inc. is presently a co-defendant with the Montana Department of Environmental Quality ("DEQ") in a lawsuit filed in the Montana District Court by five environmental groups against the Record of Decision that was issued by the DEQ on June 29, 1998. The lawsuit alleges that the permit approving the pit expansion violates certain Montana regulations and the Montana Constitution because it did not include certain reclamation requirements, primarily the partial backfilling of the open pit, the cost of which has been estimated at approximately $55 million. The matter remains pending before the courts in Montana. No additional closure accruals have been made for the partial backfill option.

Placer Dome, and Marcopper Mining Corporation ("Marcopper") are named as defendants (the "Defendants") in two complaints detailed below (the "Complaints") filed in the Regional Trial Court (the

"Court"), Fourth Judicial Region, Boac, Marinduque, Philippines respecting alleged damages arising from the mining operations of the Marcopper mine. The Marcopper Mine is located on the island province of Marinduque, 165 kilometers southeast of Manila in the Philippines. Since the commissioning of the Marcopper mine in 1969, the mine has been owned and operated by Marcopper. The Marcopper mine ceased mining operations in 1996. Placer Dome owned a minority shareholding in Marcopper until it divested all of its interests in Marcopper in 1997.

In April 2001, a complaint was filed in the Court (the "Mogpog Complaint") by Rita Natal and 60 other individuals (the "Mogpog Plaintiffs") against the Defendants. The claim made against the Defendants is for recovery of damages in the total amount of P41,193,267 (approximately US$750,000) arising from alleged tortious acts and omissions by the Defendants that contributed to the siltation and flooding of the Mogpog River in Marinduque, Philippines. The Mogpog Plaintiffs also seek an order for the closure and removal of the Marcopper Mine dumps and an order compelling the complete rehabilitation and restoration of the Mogpog River to its natural state.

In July 2004, the Court dismissed the case on its own motion on grounds that the Mogpog Plaintiffs had not complied with the Court's prior orders with respect to service of the Mogpog Complaint and had not diligently prosecuted the case. In August 2004, the Plaintiffs filed a motion for reconsideration of the dismissal order. By order issued November 22, 2004, the Court granted the motion for reconsideration reinstating the claims against Marcopper only and dismissing the motion against Placer Dome. Subject to appeal, the case stands dismissed against Placer Dome. No appeal has been commenced by the Mogpog Plaintiffs. To date, the Court has not affected service of the Mogpog Complaint on Placer Dome. Based on evaluations of the Mogpog Complaint and the applicable law, management believes that Placer Dome should not be liable for damages or held responsible for other claims.

In July 2004, a complaint was filed in the Court (the "Calancan Bay Complaint") framed as a proposed class action against the Defendants for alleged total damages of P49.192 billion (approximately US$900 million) relating to the deposit of tailings from the Marcopper Mine into Calancan Bay (located off the northern part of Marinduque). The class of plaintiffs (the "Calancan Bay Plaintiffs") are fishermen who are residents of barangays (communities) that surround Calancan Bay. The Calancan Bay Plaintiffs also claim to be suing on behalf of future generations of unborn Calancan Bay residents. Among other matters, the Calancan Bay Complaint alleges that the Defendants' decision to deposit mine tailing into Calancan Bay over a 16 year period has resulted in serious health problems and a general loss of livelihood. To date, the Court has not affected service of the Calancan Bay Complaint on Placer Dome. Management believes based on the applicable law, that the case is not suitable for determination as a class action, that the damages alleged are significantly overstated and that, in any event, Placer Dome should not be liable for such damages. If either of the complaints proceeds, Placer Dome intends to vigorously defend against all claims made.

Placer Dome, has been named the sole defendant in a Complaint filed on October 4, 2005, by the Provincial Government of Marinduque, an island province of the Philippines ("Province"), with the District Court in Clark County, Nevada. Placer Dome was served with a copy of the Complaint in Vancouver, British Columbia. The Complaint asserts that Placer Dome is responsible for alleged environmental degradation with consequent economic damages and impacts to the health of people living in the vicinity of the Marcopper mine that was owned and operated by Marcopper Mining Corporation. Placer Dome indirectly owned a minority shareholding of 39.9% in Marcopper Mining Corporation until the divestiture of its shareholding in 1997. According to the Complaint, the Province seeks an unspecified amount of damages (including exemplary damages, interest and attorneys' fees) and orders from the District Court requiring Placer Dome to complete an environmental clean-up of the impacted lands and water systems (including the reintroduction of harmed species into the restored environment), repair the deteriorating Marcopper mine structures and create and fund environmental and medical

monitoring funds. The Complaint has been removed from the District Court in Clark County, Nevada to the Federal Court, District of Nevada. Placer Dome will challenge the Complaint on various grounds and otherwise vigorously defend the action.

On June 12, 2003, a complaint was filed against Barrick and several of its current or former officers in the U.S. District Court for the Southern District of New York. The complaint is on behalf of Barrick shareholders who purchased Barrick shares between February 14, 2002 and September 26, 2002. It alleges that Barrick and the individual defendants violated U.S. securities laws by making false and misleading statements concerning Barrick's projected operating results and earnings in 2002. The complaint seeks an unspecified amount of damages. Other parties on behalf of the same proposed class of Barrick shareholders filed several other complaints, making the same basic allegations against the same defendants. In September 2003, the cases were consolidated into a single action in the Southern District of New York. The plaintiffs filed a Consolidated and/or Amended Complaint on November 5, 2003. On January 14, 2004, Barrick filed a motion to dismiss the Wagner complaint. On September 29, 2004, the Court issued an order granting in part and denying in part Barrick's motion to dismiss the action. Barrick has and will continue to vigorously defend the action.

On July 29th, 2003, the Lawyers Environmental Action Team ("LEAT") filed a complaint (the "Complaint") with the Tanzanian Commission for Human Rights and Good Governance ("the Commission") in its own capacity as well as allegedly on behalf of some 1,260 former small-scale miners, peasant farmers and land owners (collectively, the "Complainants") against Placer Dome and a number of high-ranking Tanzanian government officials and former officials (collectively, the "Respondents"). The Complaint is founded on alleged human and constitutional rights violations by the Respondents arising from the allegedly forced eviction of the Complainants from the North Mara mine site property (the "Property").

Several types of relief are being sought by the Complainants from the Commission, including a request to convene a public hearing in order to obtain fair and reasonable compensation of approximately $51 million (primarily relating to alleged property damages of the Complainants as a result of their eviction from the Property), and an order requiring the Tanzanian Minister of Energy and Minerals to suspend or cancel any mineral rights granted to Placer Dome and to "afresh" the Agreement between Placer Dome and the Tanzanian Government concerning the payment of royalties, taxes and other charges (with a view to increasing such amounts to be paid). The Commission has convened a hearing on certain preliminary issues respecting the Complaint. Management believes, on balance, that the Complaint will not be successful and, in particular, that it will not adversely impact Placer Dome's title to its mining concessions.

On September 8, 2004, two of Barrick's U.S. subsidiaries, Homestake Mining Company of California ("Homestake California") and Homestake Mining Company ("Homestake") were served with a First Amended Complaint by persons alleging to be current or former residents of a rural area near the former Grants Uranium Mill. The Complaint, which was filed in the U.S. District Court for the District of New Mexico, identifies 26 plaintiffs. Homestake and Homestake California, along with an unspecified number of unidentified defendants, are named as defendants. The plaintiffs allege that they have suffered a variety of physical, emotional and financial injuries as a result of exposure to radioactive and other hazardous substances. The Complaint seeks an unspecified amount of damages. On November 28, 2005, the Court issued an order granting in part and denying in part Barrick's motion to dismiss the action. Discovery has commenced in the case. Barrick has and will continue to vigorously defend the action.

In early 2006, a summons was served on, among others, certain of the participants in the Porgera mine joint venture, including Placer Dome (PNG) Limited (which holds a 50% interest in, and is manager

of, the joint venture), and various governmental entities in a lawsuit (the “Complaint”) brought in the courts of Papua New Guinea by a number of individuals. The Complaint, which was filed ostensibly as a class action, alleges that the Porgera mine joint venture has been improperly discharging wastes and other contaminants into the Porgera River and adjacent areas, causing damage to human health and the environment. The damages sought are unspecified. This matter is at a very preliminary stage and there are a number of fundamental deficiencies and irregularities in the Writ of Summons and the Statement of Claim. Should the matter proceed, it is anticipated that the defendants will challenge the Complaint and otherwise vigorously defend the action.

Opponents of Barrick’s Cowal project continue to pursue various claims, legal proceedings and complaints against the project and the Company’s compliance with its permits and licenses. Such actions have the potential to affect the timing of the mine construction schedule. Barrick has and will continue to vigorously defend such actions.

Barrick and its subsidiaries are, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. Barrick is also subject to reassessment for income and mining taxes for certain years. Barrick does not believe that adverse decisions in any pending or threatened proceedings related to any potential tax assessments or other matters, or any amount which it may be required to pay by reason thereof, will have a material adverse effect on the financial condition or future results of operations of Barrick.

RISK FACTORS

The risks described below, which reflect Barrick’s acquisition of Placer Dome, are not the only ones facing Barrick. Additional risks not currently known to Barrick, or that Barrick currently deems immaterial, may also impair Barrick’s operations.

Metal price volatility

Barrick’s business is strongly affected by the world market price of gold and copper. Gold and copper prices can be subject to volatile price movements, which can be material and can occur over short periods of time and are affected by numerous factors, all of which are beyond Barrick’s control. The factors that may affect the price of gold include industry factors such as: industrial and jewelry demand; the level of demand for gold as an investment; central bank lending, sales and purchases of gold; speculative trading; and costs of and levels of global gold production by producers of gold. Gold prices may also be affected by macroeconomic factors, including: expectations of the future rate of inflation; the strength of, and confidence in, the US dollar, the currency in which the price of gold is generally quoted, and other currencies; interest rates; and global or regional, political or economic uncertainties. Factors tending to affect the price of copper include: global mine production, scrap recycling and inventory stocks; general economic conditions; industrial demand; speculative trading; and the relative strength of the U.S. dollar against other fiat currencies.

If the world market price of gold and/or copper were to drop and the prices realized by Barrick on gold and/or copper sales were to decrease significantly and remain at such a level for any substantial period, Barrick’s profitability and cash flow would be negatively affected. In such circumstances, Barrick may determine that it is not economically feasible to continue commercial production at some or all of its operations or the development of some or all of its current projects, which could have an adverse impact on Barrick’s financial performance and results of operations. Barrick may curtail or suspend some or all of its exploration activities, with the result that depleted reserves are not replaced. In addition, the market value of Barrick’s gold and/or copper inventory may be reduced and existing reserves may be reduced to the extent that ore cannot be mined and processed economically at the prevailing prices.

Price volatility of other commodities

The profitability of Barrick’s business is also affected by the market prices of other commodities produced as by-products at Barrick’s mines, such as silver, as well as commodities which are consumed or otherwise used in connection with Barrick’s operations and development projects, such as diesel fuel, electricity, steel, concrete and cyanide. Prices of such commodities also can be subject to volatile price movements, which can be material and can occur over short periods of time, and are affected by factors that are beyond Barrick’s control. An increase in the cost, or decrease in the availability, of construction materials such as steel and concrete may affect the timing and cost of Barrick’s development projects. If Barrick’s proceeds from the sale of by-products were to decrease significantly, or the costs of certain

commodities consumed or otherwise used in connection with Barrick's operations and development projects were to increase significantly, and remain at such levels for a substantial period, Barrick may determine that it is not economically feasible to continue commercial production at some or all of Barrick's operations or the development of some or all of Barrick's current projects, which could have an adverse impact on Barrick as described under " – Metal price volatility" above.

Mining risks and insurance risks

The mining industry is subject to significant risks and hazards, including environmental hazards, industrial accidents, unusual or unexpected geological conditions, labour force disruptions, unavailability of materials and equipment, weather conditions, pit wall failures, rock bursts, cave-ins, flooding, seismic activity, water conditions and gold bullion losses, most of which are beyond Barrick's control. These risks and hazards could result in: damage to, or destruction of, mineral properties or producing facilities; personal injury or death; environmental damage; delays in mining; and monetary losses and possible legal liability. As a result, production may fall below historic or estimated levels and Barrick may incur significant costs or experience significant delays that could have a material adverse effect on Barrick's financial performance, liquidity and results of operation.

Barrick maintains insurance to cover some of these risks and hazards. The insurance is maintained in amounts that are believed to be reasonable depending on the circumstances surrounding each identified risk. No assurance can be given that such insurance will continue to be available, or that it will be available at economically feasible premiums, or that Barrick will maintain such insurance. Barrick's property, liability and other insurance may not provide sufficient coverage for losses related to these or other risks or hazards. In addition, Barrick does not have coverage for certain environmental losses and other risks, as such coverage cannot be purchased at a commercially reasonable cost. The lack of, or insufficiency of, insurance coverage could adversely affect Barrick's cash flow and overall profitability.

Mineral reserves and resources

The mineral reserves and mineral resources are estimates, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of gold and/or copper will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted. Further, it may take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a discovery may change.

Fluctuations in the price of gold, copper or other minerals, such as silver, may render mineral reserves containing relatively lower grades of gold mineralization uneconomic. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of orebodies or the processing of new or different ore grades, may cause mineral reserves to be reduced or Barrick to be unprofitable in any particular accounting period.

Estimated reserves may have to be recalculated based on actual production experience. Market price fluctuations of gold, silver and copper, as well as increased production and capital costs or reduced recovery rates, may render the present proven and probable reserves unprofitable to develop at a particular site or sites for periods of time.

Any of these factors may require Barrick to reduce its mineral reserves and resources, which could have a negative impact on Barrick's financial results. Failure to obtain necessary permits or government approvals could also cause Barrick to reduce its reserves.

There is no assurance that Barrick will obtain indicated levels of recovery of gold and/or copper or the prices assumed in determining such reserves.

Production and cost estimates

Barrick prepares estimates of future production, cash costs and capital costs of production for particular operations. No assurance can be given that such estimates will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on Barrick's future cash flows, forward sales program, profitability, results of operations and financial condition.

Barrick's actual production and costs may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the ore reserves, such as the need for sequential development of orebodies and the processing of new or different ore grades; revisions to mine plans; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, floods, and earthquakes; and unexpected labour shortages or strikes. Costs of production may also be affected by a variety of factors, including: changing waste-to-ore ratios, ore grade metallurgy, labour costs, the cost of supplies and services (for example, power and fuel), general inflationary pressures and currency exchange rates.

Accounting policies

The accounting policies and methods utilized by Barrick determine how it reports its financial condition and results of operations, and they may require management of the Company to make estimates or rely on assumptions about matters that are inherently uncertain. Barrick's financial condition and results of operations are reported using accounting policies and methods prescribed by U.S. GAAP. In certain cases, U.S. GAAP allows accounting policies and methods to be selected from two or more alternatives, any of which might be reasonable, yet result in Barrick reporting materially different amounts. Management of Barrick exercises judgment in selecting and applying accounting policies and methods to ensure that, while U.S. GAAP compliant, they reflect management's best judgment of the most appropriate manner in which to record and report the Company's financial condition and results of operations. Significant accounting policies to the Consolidated Financial Statements are described in Note 2 to such statements.

Internal controls

Barrick has invested resources to document and analyze its system of internal controls over financial reporting and it is continuing its evaluation of such internal controls. Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Given the recent acquisition of Placer Dome, Barrick will be required to evaluate Placer Dome's internal controls over financial reporting, in addition to its on-going work with respect to Barrick's internal controls over financial reporting. While Barrick has invested and will continue to invest financial and human resources to document and analyze its system of internal controls over financial reporting and is evaluating Placer Dome's internal controls over financial reporting, in the course of Barrick's ongoing evaluation and the integration of Placer Dome, it may identify areas of Barrick's (including Placer Dome's) internal controls over financial reporting requiring improvement.

Exploration

Barrick must continually replace gold reserves depleted by production to maintain production levels over the long term. Reserves can be replaced by expanding known orebodies or by locating new deposits. Gold exploration is highly speculative in nature. Barrick's exploration projects involve many risks and are frequently unsuccessful. Once a site with gold mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves and to construct mining and processing facilities. As a result of these uncertainties, there is no assurance that current or future exploration programs will be successful. There is a risk that depletion of reserves will not be offset by discoveries. As a result, the mineral base of Barrick may decline if reserves are mined without adequate replacement and Barrick may not be able to sustain production beyond the current mine lives, based on current production rates.

Development

Barrick's ability to sustain or increase its present levels of gold production is dependent in part on the successful development of new orebodies and/or expansion of existing mining operations. The economic feasibility of development projects is based upon many factors, including: the accuracy of reserve estimates; metallurgical recoveries; capital and operating costs of such projects; future gold prices; and, in certain circumstances, future silver and copper prices. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits, acquisition of satisfactory surface or other land rights and availability of adequate financing.

Development projects have no operating history upon which to base estimates of future cash flow. Substantial expenditures are required to develop mineral projects. It is possible that actual costs and economic returns may differ materially from Barrick's estimates or that Barrick could fail to obtain the governmental approvals necessary for the operation of a project. It is not unusual in the mining industry for new mining operations to experience unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated.

Environmental, health and safety regulations; permits

Barrick's mining and processing operations and exploration activities are subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine development and protection of endangered and protected species. In addition, Barrick's ability to successfully obtain key permits and approvals to explore for, develop and operate mines and to successfully operate in communities around the world will likely depend on our ability to develop, operate and close mines in a manner that is consistent with the creation of social and economic benefits in the surrounding communities. Barrick's ability to obtain permits and approvals and to successfully operate in particular communities may be adversely impacted by real or perceived detrimental events associated with Barrick's activities or those of other mining companies affecting the environment, human health and safety or the surrounding communities. Delays in obtaining or failure to obtain government permits and approvals may adversely affect Barrick's operations, including its ability to explore or develop properties, commence production or continue operations. Barrick has made, and expects to make in the future, significant expenditures to comply with such laws and regulations and, to the extent possible, create social and economic benefit in the surrounding communities. Future changes in applicable laws, regulations and permits or changes in their enforcement or regulatory interpretation could have an adverse impact on Barrick's financial condition or results of operations.

Failure to comply with applicable environmental and health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties. There can be no assurance that Barrick has been or will at all times be in full compliance with all such laws and regulations and with its environmental and health and safety permits or that Barrick has all required permits. The costs and delays associated with compliance with these laws, regulations and permits could stop Barrick from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production and may materially adversely affect Barrick's business, results of operations or financial condition. Barrick may also be held responsible for the costs of addressing contamination at the site of current or former activities or at third party sites. Barrick could also be held liable for exposure to hazardous substances. The costs associated with such responsibilities and liabilities may be significant.

In the United States and Canada, for example, Barrick is required to submit, for government approval, a reclamation plan for each of its mining sites that establishes Barrick's obligation to reclaim property after minerals have been mined from the site. In some jurisdictions, bonds or other forms of financial assurances are required for security for these reclamation activities. Barrick may incur significant costs in connection with these reclamation activities, which may materially exceed the provisions Barrick has made for such reclamation. In addition, the unknown nature of possible future additional regulatory requirements and the potential for additional reclamation activities create further uncertainties related to future reclamation costs, which may have a material adverse effect on Barrick's financial condition, liquidity or results of operations. Barrick is involved in various investigative and remedial actions. There can be no assurance that the costs of such actions would not be material. When a previously unrecognized reclamation liability becomes known or a previously estimated cost is increased, the amount of that liability or additional cost is expensed, which may materially reduce net income in that period.

Investment returns for defined benefit pension plans

Assets in Barrick's defined benefit pension plans arise through employer contributions and returns on investments made by the plans. Returns on investments made by Barrick's employee defined benefit pension plans are subject to fluctuation. Barrick is responsible for funding any shortfall of pension assets compared to pension obligations under its defined benefit pension plans.

Foreign investments and operations

Barrick conducts mining, development and exploration activities in many countries, including the United States, Canada, Australia, Argentina, Chile, Peru, Dominican Republic, Papua New Guinea, Russia, South Africa and Tanzania. Mining investments are subject to the risks normally associated with any conduct of business in foreign countries including: uncertain political and economic environments; war and civil disturbances; changes in laws or policies of particular countries, including those relating to taxation, royalties, imports, exports, duties and currency, some of which have been recently discussed in Chile, Peru and Argentina; risk of loss due to disease and other potential endemic health issues; delays in obtaining or the inability to obtain necessary governmental permits; currency fluctuations; restrictions on the ability of local operating companies to sell gold offshore for U.S. dollars, and on the ability of such companies to hold U.S. dollars or other foreign currencies in offshore bank accounts; import and export regulations, including restrictions on the export of gold or copper; limitations on the repatriation of earnings; and increased financing costs.

These risks may limit or disrupt projects, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation, and may materially adversely affect Barrick's financial position or results of operations. Furthermore, in the event of a dispute arising from Barrick's activities in Argentina, Chile, Peru, Dominican Republic,

Papua New Guinea, Russia, South Africa or Tanzania, Barrick may be subject to the exclusive jurisdiction of courts outside North America and Australia, which could adversely affect the outcome of the dispute.

In relation to South Africa and Tanzania, a number of economic and social issues exist which increase Barrick's political and economic risk. The South African government is facing economic and political issues (such as employment creation, black economic empowerment and land redistribution), and social issues (such as crime, corruption, poverty and HIV/AIDS), all of which may impact Barrick's South African operations. While the government is adopting measures to address these issues, this political climate increases the risk of the government making changes to its position on issues such as foreign investment, industrial relations, mining concessions and land tenure which in turn may adversely affect Barrick's South African operations.

HIV/AIDS and tuberculosis (which is exacerbated in the presence of HIV/AIDS) are major health care issues in South Africa and Tanzania. Tanzania also suffers from a high incidence of malaria. A portion of Barrick's South African and Tanzanian workforces is believed to be infected by HIV/AIDS. Barrick has undertaken a HIV/AIDS awareness and prevention program for its employees, families and local communities at its Bulyanhulu mine, Tulawaka mine, South Deep mine and North Mara mine. It is not possible to determine with certainty the future costs that Barrick may incur in dealing with this issue, however, if the number of infections increases, costs associated with treatment and employee retraining may also increase, affecting profitability.

In relation to Papua New Guinea, the location of the Porgera gold mine, there is a greater level of political and economic risk compared to some other countries in which Barrick operates. For example, open pit operations at the Porgera mine were suspended from August 27, 2002 to October 12, 2002 due to interruptions in the electrical power supply as a result of election-related vandalism. There is a risk that social unrest and government intervention could be exacerbated during the mine closure process. The Porgera mine's infrastructure, including power, water and fuel, may be at risk of sabotage. Porgera has extensive community relations and security groups to anticipate and manage social issues that may arise because of the evolving nature of its community.

The Porgera mine has on a number of occasions experienced delays in the granting of operating permits and licences necessary for these businesses to conduct their lawful operations. Although there has never been an interruption to operations due to an issue of this nature, if at any time in the future permits essential to lawful operations are not obtained or exemptions not granted, there is a risk that the Porgera mine may not be able to operate for a period. Future government actions cannot be predicted, but may impact the operation and regulation of mines including Porgera.

Government regulation and changes in legislation

The Company's business is subject to various levels of government controls and regulations, which are supplemented and revised from time to time. Barrick is unable to predict what legislation or revisions may be proposed that might affect its business or when any such proposals, if enacted, might become effective. Such changes, however, could require increased capital and operating expenditures and could prevent or delay certain operations by the Company. See "Legal Matters — Government Controls and Regulations".

Currency fluctuations

Currency fluctuations may affect the costs Barrick incurs at its operations and may affect Barrick's operating results and cash flows. Gold is sold throughout the world based principally on the US dollar

price, but a portion of Barrick's operating expenses are incurred in local currencies, such as the Canadian dollar, Australian dollar, South African rand and Papua New Guinean kina. The appreciation of non-US dollar currencies against the US dollar can increase the costs of gold production at Barrick's mines, making such mines less profitable. Barrick enters into currency hedging contracts to mitigate the impact on operating costs of the appreciation of non-US dollar currencies against the US dollar. This could result in Barrick failing to benefit to some degree if the US dollar appreciates in value relative to non-US dollar currencies. Also, there can be no assurance that Barrick will continue these hedging activities. See " — Use of derivatives".

Use of derivatives

Barrick uses certain derivative products to manage the risks associated with gold price volatility, changes in commodity prices, interest rates, foreign currency exchange rates and energy prices. The use of derivative instruments involves certain inherent risks including: (a) credit risk — the risk of default on amounts owing to Barrick by the counterparties with which Barrick has entered into such transaction; (b) market liquidity risk — risk that Barrick has entered into a derivative position that cannot be closed out quickly, by either liquidating such derivative instrument or by establishing an offsetting position; (c) unrealized mark-to-market risk — the risk that, in respect of certain derivative products, an adverse change in market prices for commodities, currencies or interest rates will result in Barrick incurring an unrealized mark-to-market loss in respect of such derivative products.

For a description of the steps Barrick has taken to mitigate these risks, see "Financial Risk-Management — Forward Sales Program". If the gold price rises above the price at which future production has been committed under Barrick's gold forward sales hedge program, Barrick may have an opportunity loss. However, if the gold price falls below that committed price, revenues will be protected to the extent of such committed production. There can be no assurance that Barrick will be able to achieve in the future realized prices for gold that exceed the spot price as a result of its forward sales hedge program. Barrick has announced a "no-new-hedge" gold policy such that it will not add any new ounces to its gold forward sales hedge program and it will pursue opportunities to reduce its gold forward sales hedge position. Barrick may voluntarily deliver gold production into its gold forward sales hedge program, resulting in an opportunity loss. No assurance can be given as to when such goal will be achieved or the costs of achieving such goal.

Interest rates and gold lease rates

A significant, prolonged decrease in interest rates could have a material adverse impact on the interest earned on Barrick's cash balances. A significant, prolonged decrease in interest rates and/or increase in gold lease rates could have a material adverse impact on the difference between the forward gold price over the current spot price ("contango"), and, ultimately, the realized price under gold forward sales hedge contracts entered into by Barrick. The Company's interest rate exposure mainly relates to the mark-to-market value of derivative instruments, the fair value and ongoing payments under gold lease rate and US dollar interest-rate swaps, fixed-rate and floating-rate debt and interest receipts on the Company's cash balances.

Title to properties

The validity of mining claims, which constitute most of Barrick's property holdings, can be uncertain and may be contested. Although Barrick has attempted to acquire satisfactory title to its properties, some risk exists that some titles, particularly title to undeveloped properties, may be defective.

Competition

Barrick competes with other mining companies and individuals for mining claims and leases on exploration properties and the acquisition of gold mining assets. Barrick also competes with other mining companies to attract and retain key executives and employees. Barrick cannot assure that it will continue to be able to compete successfully with its competitors in acquiring such properties and assets or in attracting and retaining skilled and experienced employees.

Acquisitions and integration

From time to time Barrick examines opportunities to acquire additional mining assets and businesses. Any acquisition that Barrick may choose to complete may be of a significant size, may change the scale of Barrick's business and operations, and may expose Barrick to new geographic, political, operating, financial and geological risks. Barrick's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of Barrick. Any acquisitions would be accompanied by risks. For example, there may be a significant change in commodity prices after Barrick has committed to complete the transaction and established the purchase price or exchange ratio; a material orebody may prove to be below expectations; Barrick may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt Barrick's ongoing business and its relationships with employees, customers, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant. In the event that Barrick chooses to raise debt capital to finance any such acquisition, Barrick's leverage will be increased. If Barrick chooses to use equity as consideration for such acquisition, existing shareholders may suffer dilution. Alternatively, Barrick may choose to finance any such acquisition with its existing resources. There can be no assurance that Barrick would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Integration of Placer Dome

The Placer Dome acquisition involves the integration of two large companies that previously operated independently. As a result of the acquisition of Placer Dome, significant demands have been and will be placed on Barrick's managerial, operational and financial personnel and systems. No assurance can be given that Barrick's systems, procedures and controls will be adequate to support the expansion of Barrick's operations resulting from the Placer Dome acquisition. Barrick's future operating results could be affected by the ability of its officers and key employees to manage the changing business conditions and to integrate Placer Dome's operational and financial controls and reporting systems into Barrick's systems. No assurance can be given that the combined operations resulting from the Placer Dome acquisition will result in the anticipated synergies or other benefits expected from the acquisition.

Unforeseen Liabilities from Placer Dome Acquisition

There may be liabilities, such as environmental liabilities, that Barrick has failed to discover or has underestimated in connection with its acquisition of Placer Dome. In addition, there may be capital expenditure requirements that Barrick has failed to discover or underestimated in connection with its acquisition, which amounts may be material. Any such liabilities or capital expenditure requirements could have a material adverse effect on Barrick's business, financial condition or future prospects.

Inclusion of Historical Placer Dome Information in Annual Information Form

The acquisition of Placer Dome by Barrick was completed in early 2006, following the end of the fiscal year to which this Annual Information Report relates. Barrick has included information in this Annual Information Form relating to Placer in order to provide the reader with information relating to the combined entity post-acquisition. The historical information relating to Placer Dome in this Annual Information Form is derived, among other things, from previous Placer Dome public disclosure and from Placer Dome officers and employees. Some of the disclosure relating to Placer Dome relates to periods prior to Barrick's ownership of Placer, and therefore was generated by disclosure controls and procedures that may have been different than those in place at Barrick. Thus, information from the two companies may not have been generated and reported using equivalent standards. Among other things, reserves and resources reported by Placer Dome as at December 31, 2005 were calculated by employees of Placer Dome in accordance with Placer Dome's previously established policies and procedures, and have not been independently verified by Barrick. Further, Barrick's management's expectations about the combined entity's future performance reflect the current state of its information about Placer Dome and its operations and there can be no assurance that such information is correct in all material respects.

Closing of the Goldcorp Transaction

The Goldcorp Transaction is subject to normal commercial risks, including that the Goldcorp Transaction may not close, on the terms negotiated or at all. Furthermore, if the closing does not occur for any reason by the latest possible closing dated agreed by the parties, then the transaction may not be completed. If the Goldcorp Transaction does not close, or is subject to significant delays, Barrick may incur additional costs and not receive the cash consideration for the sale of assets of approximately $1.5 billion (subject to adjustments). No assurance can be given that an alternative transaction or transactions will be available for all of the assets and liabilities that are the subject of the Goldcorp Transaction, on acceptable terms or at all. The purchase price paid to Barrick in any such alternative transaction or transactions and the terms of any such alternative transaction or transactions may be less favorable to Barrick than the purchase price and terms of the Goldcorp Transaction. Pending any such alternative transaction or transactions, or in the event that the assets and liabilities are not disposed of, significant demands may be placed on Barrick's managerial, operational and financial personnel and systems as they manage these assets and liabilities.

Employee relations

Barrick's ability to achieve its future goals and objectives is dependent, in part, on maintaining good relations with its employees. A prolonged labour disruption at any of its material properties could have a material adverse impact on its operations as a whole.

Joint ventures

Certain of the properties in which Barrick has an interest are operated though joint ventures with other mining companies. Any failure of such other companies to meet their obligations to Barrick or to third parties could have a material adverse effect on the joint ventures. In addition, Barrick may be unable to exert control over strategic decisions made in respect of such properties.

Level of indebtedness

As of December 31, 2005, on pro forma basis, reflecting Barrick's acquisition of Placer Dome, Barrick had capital leases and long-term debt of $3,060 million (this pro forma figure does not include approximately $1.4 billion in debt which Barrick expects to repay with approximately $1.5 billion in cash consideration it will receive in respect of the sale of certain assets to Goldcorp (see "- Closing of the Goldcorp Transaction"). Although Barrick has been successful in repaying debt in the past, there can be

no assurance that it can continue to do so. Barrick's level of indebtedness could have important consequences for its operations, including:

- Barrick may need to use a large portion of its cash flow to repay principal and pay interest on its debt, which will reduce the amount of funds available to finance its operations and other business activities; and
- Barrick's debt level may limit its ability to pursue other business opportunities, borrow money for operations or capital expenditures in the future or implement its business strategy.

Barrick expects to obtain the funds to pay its expenses and to pay principal and interest on its debt by utilizing cash flow from operations. Barrick's ability to meet these payment obligations will depend on its future financial performance, which will be affected by financial, business, economic and other factors. Barrick will not be able to control many of these factors, such as economic conditions in the markets in which it operates. Barrick cannot be certain that its future cash flow from operations will be sufficient to allow it to pay principal and interest on Barrick's debt and meet its other obligations. If cash flow from operations is insufficient or if there is a contravention of its debt covenants, Barrick may be required to refinance all or part of its existing debt, sell assets, borrow more money or issue additional equity.

Litigation

Barrick is currently subject to litigation and may be involved in disputes with other parties in the future which may result in litigation. If Barrick is unable to resolve these disputes favourably, it may have a material adverse impact on Barrick's financial performance, cash flow and results of operations. See "Legal Matters – Litigation".

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Reference is made to the Management's Discussion and Analysis of Financial and Operating Results of the Company (US GAAP) for the year ended December 31, 2005 which is incorporated by reference into this Annual Information Form.

CONSOLIDATED FINANCIAL STATEMENTS

Reference is made to the Company's Consolidated Financial Statements for the year ended December 31, 2005 (US GAAP) which is incorporated by reference into this Annual Information Form.

CAPITAL STRUCTURE

Set forth below is a description of Barrick's share capital. The following statements are brief summaries of, and are subject to the provisions of, the articles of amalgamation and by-laws of Barrick and the relevant provisions of the *Business Corporations Act* (Ontario).

General

Barrick's authorized share capital consists of an unlimited number of Barrick common shares, an unlimited number of first preferred shares issuable in series and an unlimited number of second preferred shares issuable in series.

Common Shares

The holders of Barrick common shares are entitled to one vote for each share on all matters submitted to a vote of shareholders and do not have cumulative voting rights. The holders of Barrick common shares are entitled to receive dividends if, as and when declared by the Board of Directors of Barrick in respect of the Barrick common shares. Subject to the prior rights of the holders, if any, of the first preferred shares and second preferred shares then outstanding and of the shares then outstanding of any other class ranking senior to the Barrick common shares, the holders of Barrick common shares are entitled to share ratably in any distribution of the assets of Barrick upon liquidation, dissolution or winding-up, after satisfaction of all debts and other liabilities.

The rights, preferences and privileges of holders of Barrick common shares are subject to the rights of the holders of shares of any series of first preferred shares (the "First Preferred Shares") or second preferred shares (the "Second Preferred Shares") or any other class ranking senior to the Barrick common shares that Barrick may issue in the future.

There are no limitations contained in the articles or by-laws of Barrick or the *Business Corporations Act* (Ontario) on the ability of a person who is not a Canadian resident to hold Barrick common shares or exercise the voting rights associated with Barrick common shares.

Preferred Shares

First Preferred Shares and Second Preferred Shares may be issued from time to time in series. The board of directors of the Company determines by resolution the designation, rights, privileges, restrictions and conditions to be attached to each such series.

The Company is entitled to redeem all or any part of the First Preferred Shares or Second Preferred Shares of any series on payment for each share of the amount equal to the result obtained when the stated capital account for the series is divided by the number of issued and outstanding shares of such series together with such premium, if any, as may be determined by the board of directors in connection with its determination of the designation, rights, privileges, restrictions and conditions to be attached to the applicable series, and all declared and unpaid dividends thereon. The Company is also entitled to purchase for cancellation all or any part of the First Preferred Shares of any series.

The First Preferred Shares and the Second Preferred Shares of each series are entitled to a preference over the common shares of the Company and any other shares ranking junior to the First Preferred Shares or Second Preferred Shares, as the case may be, with respect to the payment of dividends and the distribution of assets in the event of a liquidation, dissolution or winding-up of the Company. Any series of First Preferred Shares or Second Preferred Shares may also be given such other preferences over the common shares and any other shares ranking junior to the First Preferred Shares or Second Preferred Shares, as the case may be, as may be determined. In the event of a liquidation, dissolution or winding-up of the Company, the holders of the First Preferred Shares are entitled to receive, in the aggregate, the amount of the stated capital account of the First Preferred Shares plus all declared and unpaid dividends plus, if the liquidation, dissolution or winding-up is voluntary, any premium to which the shares would be entitled on a redemption, before any amount is paid or property or assets are distributed to the holders of common shares or any other shares ranking junior to the First Preferred Shares. After payment of such amount, the holders of the First Preferred Shares are not entitled to share in any further distribution of the property or assets of the Company. In the event of a liquidation, dissolution or winding-up of the Company, the holders of the Second Preferred Shares are entitled to receive, in the aggregate, the amount of the stated capital account of the Second Preferred Shares plus all declared and unpaid dividends plus, if the liquidation, dissolution or winding-up is voluntary, any premium to which the shares would be entitled on a redemption, before any amount is paid or property or assets are distributed to the holders of common shares or any other shares ranking junior to the Second Preferred Shares. After payment of such

amount, the holders of the Second Preferred Shares are not entitled to share in any further distribution of the property or assets of the Company.

The holders of First Preferred Shares and Second Preferred Shares are entitled to receive fixed, non-cumulative preferential quarterly cash dividends at such rate and on such dates as may be determined by the board of directors in connection with its determination of the designation, rights, privileges, restrictions and conditions to be attached to the applicable series.

The approval of the holders of the First Preferred Shares or the Second Preferred Shares is required to delete or vary any right, privilege, restriction or condition attaching to the First Preferred Shares or Second Preferred Shares, as the case may be, as a class and any other matter requiring the approval or consent of the holders of the First Preferred Shares or the Second Preferred Shares, as the case may be, as a class.

The first series of First Preferred Shares is designated as "$0.114 Non-cumulative Redeemable Convertible First Preferred Shares, Series A" (the "First Preferred Shares, Series A"), consisting of 10,000,000 First Preferred Shares. In addition to the rights, privileges, restrictions and conditions attached to the First Preferred Shares as a class, the First Preferred Shares, Series A are entitled to fixed non-cumulative preferential cash dividends of C$0.114 per year, payable quarterly and can be converted into common shares on a one for one basis (subject to adjustment) if called for redemption. The redemption price for the First Preferred Shares, Series A is initially C$1.90 per share, but it may change if the Company gives notice that it has determined that the market price of the First Preferred Shares, Series A is a stipulated price. On or after the day that is 30 days after such notice is given, a holder of First Preferred Shares, Series A can require the Company to redeem his or her First Preferred Shares, Series A. The approval of the holders of the First Preferred Shares, Series A is required in respect of certain changes to the provisions relating to the First Preferred Shares or the First Preferred Shares, Series A. As of March 30, 2006 there were no First Preferred Shares, Series A issued and outstanding.

The second series of First Preferred Shares is designated as "$0.126 Non-cumulative Redeemable Convertible First Preferred Shares, Series B" (the "First Preferred Shares, Series B"), consisting of 10,000,000 First Preferred Shares. In addition to the rights, privileges, restrictions and conditions attached to the First Preferred Shares as a class, the First Preferred Shares, Series B are entitled to fixed non-cumulative preferential cash dividends of C$0.126 per year, payable quarterly and can be converted into common shares on a one for one basis (subject to adjustment) if called for redemption. The redemption price for each First Preferred Share, Series B is its stated capital (being C$2.10 per share) plus a premium of C$0.2625 per share, together with all declared and unpaid dividends. The approval of the holders of the First Preferred Shares, Series B is required in respect of certain changes to the provisions relating to the First Preferred Shares or the First Preferred Shares, Series B. No class of shares may be created or issued ranking as to capital or dividends prior to or on parity with the First Preferred Shares except with the prior approval of the holders of the First Preferred Shares, Series B. As of March 30, 2006 there were no First Preferred Shares, Series B issued and outstanding.

The third series of First Preferred Shares is designated as "First Preferred Shares, Series C Special Voting Share" (the "Special Voting Share"), consisting of one Special Voting Share. The Special Voting Share was issued to effect the assumption by Barrick of the BGI exchangeable share structure in connection with the acquisition of Homestake. In connection with a prior merger transaction, BGI, a subsidiary of Homestake, issued a class of exchangeable shares to investors resident in Canada and, to a lesser extent, the United States that allowed the holders of those shares to exchange their shares for shares of Homestake on a share-for-share basis. On the completion of the acquisition of Homestake by Barrick, those holders became entitled to exchange their BGI exchangeable shares for Barrick common shares on the basis of 0.53 Barrick common shares for each BGI exchangeable share.

In addition to the rights, privileges, restrictions and conditions attached to the First Preferred Shares as a class, except as otherwise required by applicable law, the holder of record of the Special Voting Share has a number of votes equal to the number of BGI exchangeable shares outstanding from time to time, which are not owned by Barrick or its subsidiaries or affiliates, multiplied by 0.53. The holder of the Special Voting Share will vote together with the holders of Barrick common shares as a single class on all matters submitted to a vote of the holders of the Barrick common shares, except as may be required by applicable law. The holder of the Special Voting Share is entitled to receive, in any distribution of property or assets of Barrick upon any liquidation, dissolution or winding-up of Barrick, an amount equal to the stated capital of the share plus all declared and unpaid dividends on the share, before any amount is paid or distributed in respect of the Barrick common shares or any other Barrick shares ranking junior to the Special Voting Share. The holder of the Special Voting Share is entitled to receive a dividend of C$0.04 per year. At such time as no BGI exchangeable shares (other than BGI exchangeable shares owned by Barrick or any subsidiary or affiliate of Barrick) are outstanding and there are no shares, securities, debt obligations, options or other agreements that could give rise to the issuance of any BGI exchangeable shares to any person (other than to Barrick or any subsidiary or affiliate of Barrick), the Special Voting Share will be redeemed by Barrick for C$1.00 plus all declared and unpaid dividends. As of March 30, 2006 there was one Special Voting Share issued and outstanding.

The first series of Second Preferred Shares is designated as "$0.222 Non-cumulative Redeemable Convertible Second Preferred Shares, Series A" (the "Second Preferred Shares, Series A"), consisting of 15,000,000 Second Preferred Shares. In addition to the rights, privileges, restrictions and conditions attached to the Second Preferred Shares as a class, the Second Preferred Shares, Series A are entitled to fixed non-cumulative preferential cash dividends of C$0.222 per year, payable quarterly and can be converted into common shares on a one for one basis (subject to adjustment) if called for redemption. The redemption price for each Second Preferred Share, Series A is C$2.43 per share, together with all declared and unpaid dividends. A holder of Second Preferred Shares, Series A can require the Company to redeem his or her Second Preferred Shares, Series A at the redemption price. The approval of the holders of the Second Preferred Shares, Series A is required in respect of certain changes to the provisions relating to the Second Preferred Shares or the Second Preferred Shares, Series A. No class of shares may be created or issued ranking as to capital or dividends prior to or on parity with the Second Preferred Shares (with the exception of the First Preferred Shares) except with the prior approval of the holders of the Second Preferred Shares, Series A. As of March 30, 2006 there were no Second Preferred Shares, Series A issued and outstanding.

RATINGS

The following table sets out the ratings of Barrick's corporate debt, reflecting its acquisition of Placer Dome, by the rating agencies indicated as at March 30, 2006:

Rating Agency	Moody's Investor Service	Standard & Poor's Rating Services	Dominion Bond Rating Service
Barrick (original issuer)			
Senior, unsecured debt	Baa1	A-	A
Municipal bonds, due 2029 (1)	Aa1/VMIG1	AA+/A-1+	Not Rated
Municipal bonds, due 2032 (1)	Aa2/P-1	Not Rated	Not Rated
Placer Dome (original issuer)			
Bond, unsecured	Baa1	A-	A
Preferred securities, unsecured	Baa2	BBB	Pdf2
Medium term notes, unsecured	No rating	No rating	A
Commercial paper	No rating	A-2	R-1 (low)

1 Barrick, through two wholly-owned subsidiaries, issued a total of $63 million of tax exempt, variable rate, solid waste disposal bonds.

The bonds are guaranteed by Barrick and no principal payments are required until cancellation, redemption or maturity.

A portion of such bonds mature in 2029, with the remainder maturing in 2032.

Moody's Investors Service ("Moody's") credit ratings for long-term debt and preferred stock are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of such securities rated. According to Moody's, a rating of Baa is the fourth highest of nine major categories. Moody's applies numerical modifiers 1, 2 and 3 in each generic rating classification from Aa to Caa in its corporate bond rating system. The modifier 1 indicates that the issue ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

In the case of variable rate demand obligations ("VRDOs"), a two-component rating system is assigned by Moody's, a long or short-term rating and a demand obligation rating. The first element represents Moody's evaluation of the degree of risk associated with scheduled principal and interest payments. The second element represents Moody's evaluation of the degree of risk associated with the ability to receive purchase price upon demand, using a variable municipal investment grade rating. Moody's credit ratings for long-term aspect of VRDOs are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of such securities rated. According to Moody's, a rating of Aa is the second highest of nine major categories. Moody's applies numerical modifiers 1, 2 and 3 in each generic rating classification from Aa to Caa in its municipal bond rating system. The modifier 1 indicates that the issue ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category. Moody's credit ratings for the short-term or demand aspect of VRDOs are on a rating scale that ranges from VMIG 1 to SG, which represents the range from highest to lowest quality of such securities rated. According to Moody's, a rating of VMIG 1 is the highest of four categories.

Moody's also uses credit ratings for the short-term or demand aspect of VRDOs on a rating scale that ranges from P-1 to NP, which represents the range from highest to lowest quality of such securities rated. According to Moody's, a rating of P-1 is the highest of four categories.

Standard & Poor's Ratings Services ("S&P") credit ratings for long-term debt and preferred shares are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. According to S&P, the AAA rating is the highest, the A rating is the third highest and the BBB rating is the fourth highest of ten major categories. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

S&P assigns a dual rating to debt issues that have a put option or demand feature as part of their structure. The first rating addresses the likelihood of repayment of principal and interest as due, and the second rating addresses only the demand feature. S&P's long-term debt rating symbols are used for bonds to denote the long-term maturity and its short term debt (including commercial paper) rating symbols are used for the put option. According to S&P, the AAA rating is the highest of ten major categories. S&P's credit ratings for short-term debt are on a rating scale that ranges from A-1 to D, which represents the range from highest to lowest quality of such securities rated. According to S&P, the A-1 rating is the highest of six major categories. Within the A-1 category, certain obligations are designated with a plus (+) sign. This indicates that the obligors capacity to meet is financial commitment on these obligations is extremely strong.

S&P's credit ratings for commercial paper are on a rating scale that ranges from A-1+ to C, which represents the range from highest to lowest quality of such securities rated. According to S&P, the A-2 rating is the second highest of six major categories.

Dominion Bond Rating Service Limited ("DBRS") credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. According to DBRS, a rating of A by DBRS is in the middle of three subcategories within the third highest of ten major categories. The assignment of a "(high)", "(middle)" or "(low)" modifier within each rating category indicates relative standing within such category. The "(high)", "(middle)"and "(low)" grades are not used for the AAA category.

DBRS credit ratings for short-term debt are on a rating scale that ranges from R-1 to R-3, which represents the range from the highest to lowest quality of such securities rated. According to DBRS, a rating of R-1 (low) is the third highest of ten major rating categories. The assignment of a "(high)", "(middle)" or "(low)" modifier within each rating category indicates relative standing within such category.

DBRS credit ratings for preferred shares are on a rating scale that ranges from Pfd1 to Pfd5, which represents the range from the highest to lowest quality of such securities rated. According to DBRS, a rating of Pfd2 is the second of six major rating categories. The assignment of a " (high)" or "(low)" modifier within each rating category indicates relative standing within such category.

Barrick understands that the ratings are based on, among other things, information furnished to the above ratings agencies by Barrick and information obtained by the ratings agencies from publicly available sources. The above ratings reflect Barrick's acquisition of Placer Dome and, consequently, reflect information that Placer Dome has previously furnished to the rating agencies (see "Risk Factors — Inclusion of Historical Placer Dome Information in Annual Information Form"). The credit ratings given to Barrick's debt instruments by the rating agencies are not recommendations to buy, hold or sell such debt instruments since such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

MARKET FOR SECURITIES

Barrick's common shares are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange, the London Stock Exchange, the Swiss Stock Exchange and Euronext-Paris. The majority of trading of Barrick's common shares take place on the Toronto Stock Exchange and the New York Stock Exchange under the symbol ABX. The following table outlines the closing share price trading range and volume of shares traded by month in 2005.

	Toronto Stock Exchange			New York Stock Exchange		
	Share Price Trading Range		Share Volume	Share Price Trading Range		Share Volume
	High	Low		High	Low	
2005	(C$ per share)		(millions)	($ per share)		(millions)
January	28.57	26.54	27.2	23.97	21.72	28.8
February	31.38	26.66	28.0	25.29	21.27	29.2
March	31.71	28.53	34.9	26.32	23.55	30.3
April	29.20	26.92	35.0	24.49	21.51	33.1
May	29.09	26.80	19.6	23.34	21.09	26.7

	Toronto Stock Exchange			New York Stock Exchange		
	Share Price Trading Range		Share Volume	Share Price Trading Range		Share Volume
	High	Low		High	Low	
2005	(C$ per share)		(millions)	($ per share)		(millions)
June	31.80	28.09	29.9	25.90	22.45	32.7
July	30.70	28.55	24.1	25.37	23.35	24.9
August	33.40	30.00	36.4	27.97	24.46	39.9
September	35.05	31.50	43.1	29.95	26.68	50.0
October	34.01	29.23	40.4	29.12	24.81	47.4
November	32.83	28.96	51.7	27.96	24.58	52.7
December	33.16	30.52	47.4	28.64	26.36	63.2

MATERIAL CONTRACTS

Reflecting Barrick's acquisition of Placer Dome, set out below is a description of Barrick's material contracts as at December 31, 2005.

On March 6, 2003, Placer Dome entered into a Registration Rights Agreement with Citigroup Global Markets Inc., J.P. Morgan Securities Inc. and Morgan Stanley and Co. Incorporated in connection with the issuance by Placer Dome of US$200,000,000 principal amount of 6.375% debentures due in 2033. Under the Agreement, the purchasers of the debentures were provided with registration rights as set forth in the Agreement.

On March 6, 2003, Placer Dome entered into an Indenture (the "Indenture") with Deutsche Bank Trust Company Americas in connection with the issuance of senior debt securities.

On March 6, 2003, Placer Dome entered into a First Supplemental Indenture with Deutsche Bank Trust Company Americas in connection with the issuance and sale by Placer Dome of $200,000,000 principal amount of 6.375% debentures on March 6, 2003. This First Supplemental Indenture, together with the original Indenture, set out the terms and conditions pertaining to the $200,000,000 principal amount 6.375% debentures.

On October 10, 2003, Placer Dome entered into a Second Supplemental Indenture with Deutsche Bank Trust Company Americas in connection with the issuance and sale by Placer Dome of $300,000,000 principal amount of 6.45% debentures on October 10, 2003. This Second Supplemental Indenture, together with the original Indenture, set out the terms and conditions pertaining to the $300,000,000 principal amount 6.45% debentures.

On October 10, 2003, Placer Dome entered into a Third Supplemental Indenture with Deutsche Bank Trust Company Americas in connection with the issuance and sale by Placer Dome of $230,000,000 principal amount of 2.75% convertible debentures on October 10, 2003. This Third Supplemental Indenture, together with the original Indenture, sets out the terms and conditions pertaining to the $230,000,000 principal amount 2.75% convertible debentures.

On November 12, 2004, Barrick entered into an Indenture with Barrick Gold Inc., Barrick Gold Finance Company and JPMorgan Chase Bank. Pursuant to such Indenture, (a) Barrick issued $200,000,000 principal amount of 5.80% notes due 2034 (the "Barrick 2034 Notes"), (b) Barrick Gold Finance Company issued $200,000,000 principal amount of 5.80% notes due 2034 (the "BGFC 2034 Notes"), and (c) Barrick Gold Finance Company issued $350,000,000 principal amount of 4.875% notes due 2014 (the "2014 Notes"), all on November 12, 2004. The Indenture sets out the terms and conditions pertaining to the Barrick 2034 Notes, the BGFC 2034 Notes and the 2014 Notes. Each of the BGFC 2034 Notes and the 2014 Notes are unconditionally guaranteed by Barrick.

On October 30, 2005, Barrick entered into a bid support and purchase agreement with Goldcorp Inc. ("Goldcorp") pursuant to which Goldcorp has agreed to acquire all of Placer Dome's Canadian properties and operations (other than the offices in Vancouver and Toronto) (the "Goldcorp Transaction"), including all historic mining, reclamation and exploration properties, Placer Dome's interest in the La Coipa mine in Chile, 40% of Placer Dome's interest in the Pueblo Viejo project in the Dominican Republic, certain related assets and, at the option of Goldcorp, Barrick's shares in Agua de La Falda S.A, which includes Barrick's interest in the Jeronimo project. Goldcorp has also agreed to be responsible for all liabilities relating solely to these assets, including employment commitments and environmental, closure and reclamation liabilities. Having completed its acquisition of Placer Dome, Barrick expects to complete the Goldcorp Transaction in the second quarter of 2006.

TRANSFER AGENTS AND REGISTRARS

Barrick's transfer agent and registrar for its common shares is CIBC Mellon Trust Company, Toronto, Ontario. Barrick's transfer agent and registrar for the BGI exchangeable shares is Computershare Trust Company of Canada, Toronto, Ontario.

DIVIDEND POLICY

In each of 2003, 2004 and 2005, Barrick paid a total cash dividend of $0.22 per share — $0.11 in mid-June and $0.11 in mid-December. The amount and timing of any dividends is within the discretion of Barrick's Board of Directors. The Board of Directors reviews the dividend policy semi-annually based on the cash requirements of Barrick's operating assets, exploration and development activities, as well as potential acquisitions, combined with the current and projected financial position of Barrick.

DIRECTORS AND OFFICERS OF THE COMPANY

Reference is made to the sections "Election of Directors" and "Statement of Corporate Governance Practices" on pages 6 to 19 of the Management Information Circular and Proxy Statement of the Company dated March 24, 2006 for information regarding directors of the Company and the Committees of the Board which pages are incorporated herein by reference. The Management Information Circular and Proxy Statement of the Company is available on SEDAR at www.sedar.com and is furnished to the U.S. Securities and Exchange Commission on Form 6-K, which can be found on EDGAR at www.sec.gov. As of March 16, 2006, directors and executive officers of Barrick as a group beneficially own, directly or indirectly, or exercise control or direction over, approximately 0.2% of the outstanding common shares of Barrick.

Mr. J.L. Rotman, a director of the Company, has been a director of other companies, which during the past ten years have been the subject of a cease trade or similar order while Mr. Rotman was acting as a director of such companies. Livent Inc. was the subject of a cease trade order issued by the Ontario Securities Commission on August 7, 1998 following the discovery of accounting irregularities. In November 1998 Livent Inc. filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code and filed for protection under the Companies Creditors Arrangement Act in Canada. The cease trade order was revoked effective November 20, 1998 and Mr. Rotman resigned as a director of Livent Inc. on September 29, 1999. Paragon Entertainment Corporation made a filing under the Companies Creditors Arrangement Act in April 1998; Mr. Rotman resigned as a director of Paragon in June 1998. Mr. M.A. Cohen, a director of the Company, is a director of Collins & Aikman Inc., a company which during the past ten years has made a proposal under legislation relating to bankruptcy or insolvency or instituted an arrangement with creditors while Mr. Cohen was acting as a director for such company. On May 17,

2005, Collins & Aikman and substantially all of its U.S. operating subsidiaries filed a voluntary petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code.

Executive Officers of the Company

The following are the executive officers of the Company as at March 16, 2006:

Name (age) and municipality of residence	Office (date became an Officer)	Principal occupations during past 5 years
Peter Munk *(78)* Toronto, Ontario	Chairman and Director *(1984)*	Chairman of the Company; Chairman of Trizec Properties, Inc. (real estate) and Chairman and Chief Executive Officer, Trizec Canada Inc. (real estate); prior to May 2002, Chairman, TrizecHahn Corporation (real estate).
C. William D. Birchall *(63)* Toronto, Ontario	Vice Chairman and Director *(2005)*	Vice Chairman of the Company; prior to July 2005, Chief Executive Officer of ABX Financeco Inc., a Barrick subsidiary; prior to January 2005, Chairman of Barrick International Bank Corp., a Barrick subsidiary.
Gregory C. Wilkins (50) Toronto, Ontario	President and Chief Executive Officer *(2003)* and Director *(1991)*	President and Chief Executive Officer of the Company; prior to February 2003, Corporate Director; prior to May 2002, Vice-Chairman, TrizecHahn Corporation (real estate); prior to March 2001, President and Chief Operating Officer, TrizecHahn Corporation.
Alexander J. Davidson *(54)* Toronto, Ontario	Executive Vice President, Exploration and Corporate Development *(1993)*	Executive Vice President, Exploration and Corporate Development of the Company; prior to March 2005, Executive Vice President, Exploration of the Company; prior to May 2003, Senior Vice President, Exploration of the Company.
Patrick J. Garver *(54)* Toronto, Ontario	Executive Vice President and General Counsel *(1993)*	Executive Vice President and General Counsel of the Company.

Name (age) and municipality of residence	Office (date became an Officer)	Principal occupations during past 5 years
Peter J. Kinver *(50)* Toronto, Ontario	Executive Vice President and Chief Operating Officer (*2003)*	Executive Vice President and Chief Operating Officer of the Company; prior to February 2004, Executive Vice President, Operations of the Company; prior to August 2003, Divisional Director, Western Division, Anglo American Platinum plc (platinum mining).
Jamie C. Sokalsky *(48)* Toronto, Ontario	Executive Vice President and Chief Financial Officer *(1993)*	Executive Vice President and Chief Financial Officer of the Company; prior to April 2004, Senior Vice President and Chief Financial Officer of the Company.
Gregory A. Lang *(51)* Sandy, Utah	President, North America *(2001)*	President, North America of the Company; prior to September 2005, Vice President North America Operations; prior to February 2004, Vice President, Australian Operations of the Company; prior to December 2001, Vice President, Australia, Homestake Mining Company (gold mining).
Igor Gonzales *(51)* La Molina, Lima, Peru	President, South America *(2004)*	President, South America; prior to September 2005, Vice President, Peru of the Company; prior to February 2004, Vice President and General Manager, Pierina mine, of the Company.
John Shipp *(59)* Perth, Australia	President, Australia/Africa (*2004)*	President, Australia/Africa; prior to September 2005, Vice President, Australia/Africa of the Company; prior to September 2004, General Manager at Kalgoorlie Consolidated Gold Mines.
René L. Marion *(43)* Toronto, Ontario	Vice President, Russia and Central Asia *(2004)*	Vice President, Russia and Central Asia; prior to December 2005, Vice President, Technical Services of the Company; prior to February 2004, Vice President & General Manager, Kahama Mining of the Company; prior to July 2003, Corporate Head, Evaluations and Development of the Company; prior to April 2002, Senior Manager, Development of the Company; prior to January 2001, Staff Mining Engineer of the Company.

AUDIT COMMITTEE

Audit Committee Mandate

Purpose

1. The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") is to assist the Board in its oversight of: (i) the financial reporting process and the quality, transparency and integrity of the Company's financial statements and other related public disclosures; (ii) the Company's internal controls over financial reporting; (iii) the Company's compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; (v) the external auditors' qualifications and independence; and (v) the performance of the internal audit function and the external auditors.

2. The function of the Committee is oversight. The members of the Committee are not full-time employees of the Company. The Company's management is responsible for the preparation of the Company's financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Company's external auditors are responsible for the audit or review, as applicable, of the Company's financial statements in accordance with applicable auditing standards and laws and regulations.

Committee Responsibilities

3. The Committee's responsibilities shall include:

External Auditors

(a) retaining and terminating, and/or making recommendations to the Board of Directors and the shareholders with respect to the retention or termination of, an external auditing firm to conduct review engagements on a quarterly basis and an annual audit of the Company's financial statements;

(b) communicating to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders;

(c) obtaining and reviewing an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;

(d) evaluating the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Company, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Company;

(e) approving, or recommending to the Board of Directors for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditors prior to the commencement of the engagement;

(f) reviewing with the external auditors the plan and scope of the quarterly review and annual audit engagements;

(g) setting hiring policies with respect to the employment of current or former employees of the external auditors;

Financial Reporting

(h) reviewing, discussing and recommending to the Board for approval the annual audited financial statements and related "management's discussion and analysis of financial and operating results" prior to filing with securities regulatory authorities and delivery to shareholders;

(i) reviewing and discussing with the external auditors the results of their reviews and audit, any issues arising and management's response, including any restrictions on the scope of the external auditors' activities or requested information and any significant disagreements with management, and resolving any disputes;

(j) reviewing, discussing and approving, or recommending to the Board for approval, the quarterly financial statements and quarterly "management's discussion and analysis of financial and operating results" prior to filing with securities regulatory authorities and delivery to shareholders;

(k) reviewing and discussing with management and the external auditors the Company's critical accounting policies and practices, material alternative accounting treatments, significant accounting and reporting judgments, material written communications between the external auditor and management (including management representation letters and any schedule of unadjusted differences) and significant adjustments resulting from the audit or review;

(l) reviewing and discussing with management the Company's earnings press releases, as well as type of financial information and earnings guidance (if any) provided to analysts and ratings agencies;

(m) reviewing and discussing such other relevant public disclosures containing financial information as the Committee may consider necessary or appropriate;

(n) reviewing and discussing with management the disclosure controls relating to the Company's public disclosure of financial information, including information extracted or derived from the financial statements, and periodically assess the adequacy of such procedures;

Internal Controls Over Financial Reporting

(o) reviewing and discussing with management, the external auditors and the head of internal audit the effectiveness of the Company's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting;

(p) discussing the Company's process with respect to risk assessment (including fraud risk), risk management and the Company's major financial risks and financial reporting exposures, all

as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks;

(q) reviewing and discussing with management the Company's Code of Business Conduct and Ethics and anti-fraud program and the actions taken to monitor and enforce compliance;

(r) establishing procedures for:

(i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and

(ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting, internal controls or auditing matters;

Internal Audit

(s) reviewing and discussing with management, the external auditors and the head of internal audit the responsibilities and effectiveness of the Company's internal audit function, including reviewing the internal audit mandate, independence, organizational structure, internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis;

(t) approving in advance the retention and dismissal of the head of internal audit;

Other

(u) meeting separately, periodically, with each of management, the head of internal audit and the external auditors;

(v) reporting regularly to the Board;

(w) reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance and Nominating Committee of the Board on an annual basis; and

(x) evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Corporate Governance and Nominating Committee, which shall report to the Board.

Responsibilities of the Committee Chair

4. The fundamental responsibility of the Committee Chair is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the Board. To that end, the Committee Chair's responsibilities shall include:

(a) working with the Chairman of the Board, the Chief Executive Officer and the Secretary to establish the frequency of Committee meetings and the agendas for meetings;

(b) providing leadership to the Committee and presiding over Committee meetings;

(c) ensuring that the Committee is properly organized and effectively discharges its duties;

(d) facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;

(e) reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;

(f) leading the Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and

(g) taking such other steps as are reasonably required to ensure that the Committee carries out its mandate.

Powers

5. The Committee shall have the authority, including approval of fees and other retention terms, to obtain advice and assistance from outside legal, accounting or other advisors in its sole discretion, at the expense of the Company, which shall provide adequate funding for such purposes. The Company shall also provide the Committee with adequate funding for the ordinary administrative expenses of the Committee. The Committee shall have unrestricted access to information, management, the external auditors and the head of internal audit, including private meetings, as it considers necessary or appropriate to discharge its duties and responsibilities. The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

Composition

6. The Committee shall be appointed by the Board annually and shall be comprised of a minimum of three directors, a majority of whom shall be resident Canadians. If an appointment of members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed.

7. All of the members of the Committee shall be directors whom the Board has determined are independent, taking into account the applicable rules and regulations of securities regulatory authorities and/or stock exchanges.

8. Each member of the Committee shall be "financially literate" and at least one member of the Committee shall have "accounting or related financial management expertise"[1]. At least one member of the Committee shall be an "audit committee financial expert", as defined in the applicable rules and regulations of securities regulatory authorities and/or stock exchanges.

---

[1] For purposes of this mandate, "financially literate" means the ability to read and understand a balance sheet, an income statement, a cash flow statement and the related notes that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, and "accounting or related financial management expertise" means the ability to analyze and interpret a full set of financial statements, including the related notes that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

9. If a Committee member simultaneously serves on the audit committee of more than three public companies, the Board shall make a determination as to whether such service impairs the ability of such member to serve effectively on the Committee and disclose such determination in the Company's annual proxy statement.

Meetings

10. The Committee shall have a minimum of four meetings per year, to coincide with the Company's financial reporting cycle. Additional meetings will be scheduled as considered necessary or appropriate, including to consider specific matters at the request of the external auditors or the head of internal audit.

11. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chairman of the Committee.

Composition of the Audit Committee

The Audit Committee is comprised entirely of independent directors (S.J. Shapiro, H.L. Beck and P.A. Crossgrove). There were eight meetings of the Committee during 2005. All of the members of the Committee attended all of the meetings, with the exception of Mr. Shapiro who did not attend one meeting.

All of the members of the Committee are financially literate and at least one member has accounting or related financial management expertise. The Board has determined that S.J. Shapiro, a member of the Committee, is an "audit committee financial expert" as defined by U.S. Securities and Exchange Commission (SEC) rules and is independent, as that term is defined by the New York Stock Exchange's corporate governance standards applicable to Barrick.

The rules adopted by the SEC indicate that the designation of Mr. Shapiro as an audit committee financial expert will not deem him to be an "expert" for any purpose or impose any duties, obligations or liability on Mr. Shapiro that are greater than those imposed on members of the Committee and Board of Directors who do not carry this designation.

Howard L. Beck, 72 Toronto, Ontario, Canada	Mr. Beck is a corporate director. Prior to November 2002, Mr. Beck was the Chairman of Wescam Inc., a company engaged in the design and manufacturing of stabilized imaging and transmission systems. Mr. Beck is also a director of Citibank Canada and Trizec Canada Inc. and a trustee of Cineplex Galaxy Trust. Mr. Beck holds an undergraduate degree and law degree from the University of British Columbia and a master's degree in law from Columbia University. He was called to the bar of British Columbia and Ontario, and appointed Queen's Counsel in 1971.
Peter A. Crossgrove, 69 Toronto, Ontario, Canada	Mr. Crossgrove is a corporate director. Prior to May 2005, Mr. Crossgrove was the Chairman of Masonite International Corporation, a door manufacturing company. He is also a director of Quadra Logic Technologies Inc., Dundee Realty Inc., Band-Ore Resources Ltd. and Excellon Resources. Mr. Crossgrove is the Chairman of Cancer CARE Ontario. He holds an undergraduate degree from McGill University and Concordia University and a master's degree in

	business administration from the University of Western Ontario. Mr. Crossgrove is a recipient of the Queen's Jubilee Medal and an Officer of the Order of Canada.
Steven J. Shapiro, 53 Houston, Texas, USA	Mr. Shapiro is Executive Vice President, Finance and Corporate Development, and a director of Burlington Resources, Inc., an oil and gas exploration and production company. Prior to April 2005, he was Executive Vice President and Chief Financial Officer of Burlington Resources, Inc., and prior to January 2003, he was Senior Vice President and Chief Financial Officer of Burlington Resources, Inc. He serves as chairman of the executive committee of the American Petroleum Institute's general committee on finance. Mr. Shapiro holds an undergraduate degree from Union College and a master's degree in business administration from Harvard University.

Participation on Other Audit Committees

Barrick does not restrict the number of other audit committees on which members of its Audit Committee may serve. P.A. Crossgrove currently serves on the audit committees of three other public companies. Barrick's board of directors has determined that the service of Mr. Crossgrove on the audit committees of such other companies does not impair his ability to effectively serve on the Audit Committee, particularly given his experience as a director of public companies and the fact that he is retired from full-time employment.

Audit Committee Pre-Approval Policies And Procedures

Barrick's Audit Committee has adopted a pre-approval policy with respect to permitted non-audit services. Under this policy, subject to certain conditions, specified audit-related services, tax compliance, audit services and tax services may be presented to the Audit Committee for pre-approval as a category of services on an annual or project basis. On a quarterly basis, management of Barrick is required to update the Audit Committee in respect of the actual amount of fees in comparison to the pre-approved estimate. All non-audit services not otherwise pre-approved by the Audit Committee must be pre-approved by the Audit Committee on an individual basis. Non-audit services for which the estimate of fees does not exceed $100,000 may be approved by the Chairman of the Audit Committee, provided that any such pre-approval is reported to the full Audit Committee at its next meeting.

Principal Accountant Fees And Services

PricewaterhouseCoopers LLP are the auditors of Barrick's Consolidated Financial Statements. The following PricewaterhouseCoopers LLP fees were incurred by Barrick in each of the years ended December 31, 2005 and 2004 for professional services rendered to Barrick:

Fees (amount in millions)	2005	2004
Audit Fees[1]	$2.9	$2.3
Audit-Related Fees[2]	0.7	0.5
Tax Fees[3]	0.5	0.8
All Other Fees[4]	0.1	—
Total	**$4.2**	**$3.6**

1 Audit Fees comprise professional services for the audit of Barrick's annual financial statements, review of Barrick's interim financial statements, and services normally provided in connection with Barrick's statutory and regulatory filings.

2 Audit-Related Fees comprise amounts paid for consultations on accounting developments and the accounting for potential corporate transactions. In 2005, Audit-Related Fees included approximately $675,000 for Sarbanes-Oxley preparation services.

3 Tax Fees comprise amounts paid for tax compliance and advisory services.

4 In 2005, Other Fees included approximately $50,000 for non-audit related services. No Other Fees were paid in 2004.

CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to ensure that information required to be disclosed by Barrick in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to Barrick's management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

An evaluation was carried out under the supervision of and with the participation of Barrick's management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in rules adopted by the U.S. Securities and Exchange Commission) as of December 31, 2005. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures were effective.

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. Accordingly, Barrick's management, including our Chief Executive Officer and our Chief Financial Officer, does not expect that Barrick's internal controls over financial reporting will prevent or detect all error and all fraud.

There has been no change in Barrick's internal controls over financial reporting during the year ended December 31, 2005 that materially affected, or that is reasonably likely to materially affect, Barrick's internal controls over financial reporting.

Barrick will continue to periodically review its disclosure controls and procedures and internal controls over financial reporting and may make modifications from time to time as considered necessary or desirable. Barrick has been undertaking a comprehensive review of its existing internal controls over financial reporting in preparation for the reporting and attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 becoming effective. In connection with such review, modifications have

been made to Barrick's disclosure controls and procedures and internal controls over financial reporting and modifications may, as appropriate, be made to Barrick's disclosure controls and procedures or internal controls over financial reporting in the future.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and options to purchase securities is contained in the Company's Management Information Circular and Proxy Statement dated March 24, 2006. As well, additional financial information is provided in the Company's 2005 Annual Report, in the Company's Consolidated Financial Statements (as prepared under US GAAP) and Management's Discussion and Analysis of Financial and Operating Results for the year ended December 31, 2005 (as prepared under US GAAP), each of which is available electronically from the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) (http://www.sedar.com) and from the U.S. Securities and Exchange Commission's Electronic Document Gathering and Retrieval System (EDGAR) (http://www.sec.gov).

Management's Responsibility

Management's Responsibility for Financial Statements

The accompanying consolidated financial statements have been prepared by and are the responsibility of the Board of Directors and Management of the Company.

The consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles and reflect Management's best estimates and judgments based on currently available information. The company has developed and maintains a system of internal accounting controls in order to ensure, on a reasonable and cost effective basis, the reliability of its financial information.

The consolidated financial statements have been audited by PricewaterhouseCoopers LLP, Chartered Accountants. Their report outlines the scope of their examination and opinion on the consolidated financial statements.



Jamie C. Sokalsky

Executive Vice President
and Chief Financial Officer
Toronto, Canada
February 21, 2006

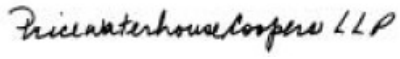
Auditors' Report

To the Shareholders of Barrick Gold Corporation

We have audited the consolidated balance sheets of Barrick Gold Corporation as at December 31, 2005 and 2004 and the consolidated statements of income, cash flows, shareholders' equity and comprehensive income for each of the years in the three-year period ended December 31, 2005. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation.

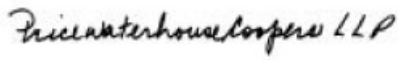
In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2005 and 2004 and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2005 in accordance with United States generally accepted accounting principles.



Chartered Accountants
Toronto, Canada
February 21, 2006

Comments by Auditors for US Readers On Canada-US Reporting Differences

In the United States, reporting standards for auditors require the addition of an explanatory paragraph (following the opinion paragraph) when there is a change in accounting principles that has a material effect on the comparability of the Company's financial statements, such as the changes described in Note 2 to these consolidated financial statements. Our report to the shareholders dated February 21, 2006 is expressed in accordance with Canadian reporting standards which do not require a reference to such a change in accounting principles in the Auditors' report when the change is properly accounted for and adequately disclosed in the financial statements.



Chartered Accountants
Toronto, Canada
February 21, 2006

Exhibit 2

Consolidated Statements of Income

Barrick Gold Corporation
For the years ended December 31 (in millions of United States dollars, except per share data)

	2005	2004	2003
Gold sales (notes 4 and 5)	**$ 2,350**	$ 1,932	$ 2,035
Costs and expenses			
Cost of sales[1] (note 6)	**1,214**	1,047	1,069
Amortization (note 4)	**427**	452	522
Corporate administration	**71**	71	73
Exploration, development and business development	**141**	141	137
	1,853	1,711	1,801
Other (income) expense			
Interest income	**(38)**	(25)	(31)
Equity in investees (note 11)	**6**	—	—
Interest expense (note 16b)	**7**	19	44
Impairment of long-lived assets (note 7a)	**—**	139	5
Other (note 7b)	**67**	43	(6)
	42	176	12
Income before income taxes and other items	**455**	45	222
Income tax (expense) recovery (note 8)	**(60)**	203	(5)
Income before cumulative effect of changes in accounting principles	**395**	248	217
Cumulative effect of changes in accounting principles (note 2e)	**6**	—	(17)
Net income for the year	**$ 401**	$ 248	$ 200
Earnings per share data (note 9)			
Income before cumulative effect of changes in accounting principles			
Basic	**$ 0.74**	$ 0.47	$ 0.40
Diluted	**$ 0.73**	$ 0.46	$ 0.40
Net income			
Basic	**$ 0.75**	$ 0.47	$ 0.37
Diluted	**$ 0.75**	$ 0.46	$ 0.37

1. Exclusive of amortization (note 6).
The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flow

Barrick Gold Corporation
For the years ended December 31 (in millions of United States dollars)

	2005	2004	2003
Operating Activities			
Net income	**$ 401**	$ 248	$ 200
Amortization (note 4)	**427**	452	522
Deferred income tax recovery (notes 8 and 19)	**(30)**	(225)	(49)
Inmet litigation settlement (note 7b)	**—**	—	(86)
Impairment of long-lived assets (note 7a)	**—**	139	5
Gains on sale of long-lived assets (note 7b)	**(5)**	(36)	(36)
Other items (note 10)	**(67)**	(69)	(37)
Net cash provided by operating activities	**726**	509	519
Investing Activities			
Property, plant and equipment			
Capital expenditures (note 4)	**(1,104)**	(824)	(322)
Sales proceeds	**8**	43	40
Cash receipt from Kabanga transaction (note 7b)	**15**	—	—
Purchase of equity method investments (note 11)	**(58)**	(40)	(46)
Available-for-sale securities (note 11)			
Purchases	**(31)**	(7)	(14)
Sales proceeds	**10**	9	8
Other investing activities	**(20)**	(2)	—
Net cash used in investing activities	**(1,180)**	(821)	(334)
Financing Activities			
Capital stock			
Proceeds from shares issued on exercise of stock options	**92**	49	29
Repurchased for cash (note 20a)	**—**	(95)	(154)
Long-term debt (note 16b)			
Proceeds	**179**	973	—
Repayments	**(59)**	(41)	(23)
Dividends (note 20a)	**(118)**	(118)	(118)
Other financing activities	**(1)**	(28)	—
Net cash provided by (used in) financing activities	**93**	740	(266)
Effect of exchange rate changes on cash and equivalents	**—**	—	7
Net (decrease) increase in cash and equivalents	**(361)**	428	(81)
Cash and equivalents at beginning of year (note 16a)	**1,398**	970	1,044
Cash and equivalents at end of year (note 16a)	**$ 1,037**	$ 1,398	$ 970

The accompanying notes are an integral part of these consolidated financial statements.

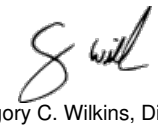
Consolidated Balance Sheets

Barrick Gold Corporation
At December 31 (in millions of United States dollars)

	2005	2004
Assets		
Current assets		
Cash and equivalents (note 16a)	**$ 1,037**	$ 1,398
Accounts receivable (note 12)	**54**	58
Inventories (note 12)	**402**	215
Other current assets (note 12)	**255**	288
	1,748	1,959
Available-for-sale securities (note 11)	**62**	61
Equity method investments (note 11)	**138**	86
Property, plant and equipment (note 13)	**4,146**	3,391
Capitalized mining costs (note 2e)	**—**	226
Non-current ore in stockpiles (note 12)	**251**	65
Other assets (note 14)	**517**	499
Total assets	**$ 6,862**	$ 6,287
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	**$ 386**	$ 335
Current part of long-term debt (note 16b)	**80**	31
Other current liabilities (note 15)	**94**	54
	560	420
Long-term debt (note 16b)	**1,721**	1,655
Asset retirement obligations (note 17)	**409**	334
Other long-term obligations (note 18)	**208**	165
Deferred income tax liabilities (note 19)	**114**	139
Total liabilities	**3,012**	2,713
Shareholders' equity		
Capital stock (note 20)	**4,222**	4,129
Deficit	**(341)**	(624)
Accumulated other comprehensive income (loss) (note 21)	**(31)**	69
Total shareholders' equity	**3,850**	3,574
Contingencies and commitments (notes 8 and 13d)		
Total liabilities and shareholders' equity	**$ 6,862**	$ 6,287

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Board,



Gregory C. Wilkins, Director



Steven J. Shapiro, Director

Consolidated Statements of Shareholders' Equity

Barrick Gold Corporation
For the years ended December 31 (in millions of United States dollars)

	2005	2004	2003
Common shares (number in millions)			
At January 1	**534**	535	542
Issued on exercise of stock options (note 22a)	**4**	3	2
Repurchased (note 20a)	**—**	(4)	(9)
At December 31	**538**	534	535
Common shares			
At January 1	**$ 4,129**	$ 4,115	$ 4,148
Issued on exercise of stock options (note 22a)	**93**	49	34
Repurchased (note 20a)	**—**	(35)	(67)
At December 31	**$ 4,222**	$ 4,129	$ 4,115
Deficit			
At January 1	**$ (624)**	$ (694)	$ (689)
Net income	**401**	248	200
Dividends (note 20a)	**(118)**	(118)	(118)
Adjustment on repurchase of common shares (note 20a)	**—**	(60)	(87)
At December 31	**$ (341)**	$ (624)	$ (694)
Accumulated other comprehensive income (loss) (note 21)	**$ (31)**	$ 69	$ 60
Total shareholders' equity at December 31	**$ 3,850**	$ 3,574	$ 3,481

Consolidated Statements of Comprehensive Income

Barrick Gold Corporation
For the years ended December 31 (in millions of United States dollars)

	2005	2004	2003
Net income	**$ 401**	$ 248	$ 200
Other comprehensive income (loss), net of tax (note 21)	**(100)**	9	185
Comprehensive income	**$ 301**	$ 257	$ 385

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Barrick Gold Corporation. Tabular dollar amounts in millions of United States dollars, unless otherwise shown. References to C$, A$, € and ARS are to Canadian dollars, Australian dollars, Euros, and Argentinean pesos, respectively.

1 n Nature of Operations

Barrick Gold Corporation ("Barrick" or the "Company") engages in the production and sale of gold from underground and open-pit mines, including related activities such as exploration and mine development. Our operations are mainly located in North America, South America, Australia, Africa and Russia/Central Asia. Our gold is sold into the world market.

2 n Significant Accounting Policies

a) Basis of Preparation

These financial statements have been prepared under United States generally accepted accounting principles ("US GAAP"). To ensure comparability of financial information, certain prior-year amounts have been reclassified to conform with the current year presentation.

b) Consolidation

These financial statements reflect consolidation of entities in which we have a controlling financial interest. The usual condition for a controlling financial interest is ownership of a majority of the voting interests of an entity. A controlling financial interest may also exist through arrangements that do not involve voting interests, where an entity is a variable interest entity ("VIE"). Intercompany balances and transactions are eliminated on consolidation.

A VIE is an entity that either lacks enough equity investment at risk to permit the entity to finance its activities without additional subordinated financial support from other parties; has equity owners who are unable to make decisions about the entity; or has equity owners that do not have the obligation to absorb the entity's expected losses or the right to receive the entity's expected residual returns. VIEs can arise from a variety of contractual arrangements or other legal structures.

Where a VIE exists, the variable interest holder who is the primary beneficiary consolidates the VIE. The primary beneficiary is the entity that, after evaluating all expected transactions between the VIE and the variable interest holders, expects to absorb a majority of the expected losses of the VIE, receive a majority of the residual returns of the VIE, or both.

We hold a 70% interest in an unincorporated joint venture that owns the Tulawaka mine. This joint venture was originally formed to share in the risks and rewards of exploring for gold and developing any mines on a significant land position in Tanzania. Until June 2004, we used the proportionate consolidation method for our 70% joint venture interest. In June 2004, upon entering into an agreement to finance the other joint venture partner's share of mine construction costs, we concluded that the joint venture had become a VIE and that we are the primary beneficiary. From June 2004 onwards, we began consolidating 100% of the joint venture, recording a non-controlling interest for the interest held by the other joint venture partner. The carrying value of assets that are collateral for the VIEs obligations are property, plant and equipment of $63 million and working capital of $24 million. The creditors of the joint venture have recourse only to the assets of the joint venture and not to any other assets of Barrick.

We hold our interests in the Round Mountain, Hemlo, Marigold and Kalgoorlie mines through unincorporated joint ventures under which we share joint control of operating, investing and financing decisions with the other joint venture partners. We use the proportionate consolidation method to account for our interests in these unincorporated joint ventures. For further information refer to note 25.

c) Foreign Currency Translation

The functional currency of all our operations is the US dollar. We translate non-US dollar balances into US dollars as follows:

- non-monetary assets and liabilities using historical rates;
- monetary assets and liabilities using closing rates with translation gains and losses recorded in earnings; and
- income and expenses using average exchange rates, except for expenses that relate to non-monetary assets and liabilities measured at historical rates.

d) Use of Estimates

The preparation of these financial statements requires us to make estimates and assumptions. The most significant ones are: quantities of proven and probable gold reserves; the value of mineralized material beyond proven and probable reserves; future costs and expenses to produce proven and probable reserves; future commodity prices and foreign currency exchange rates; the future cost of asset retirement obligations; the amounts of contingencies; and assumptions used in the accounting for employee stock options such as volatility, expected term and forfeiture rates for unvested options. Using these estimates and assumptions, we make various decisions in preparing the financial statements including:

- the treatment of mine development costs as either an asset or an expense;
- whether long-lived assets are impaired, and if so, estimates of the fair value of those assets and any corresponding impairment charge;
- our ability to realize deferred income tax assets;
- the useful lives of long-lived assets and the measurement of amortization;
- the fair value of asset retirement obligations;
- the likelihood of loss contingencies occurring and the amount of any potential loss;
- whether investments are impaired; and
- the amount of stock option expense included in pro forma stock option disclosures.

As the estimation process is inherently uncertain, actual future outcomes could differ from present estimates and assumptions, potentially having material future effects on our financial statements.

e) Accounting Changes

Cumulative Effect of Accounting Changes on Earnings

Earnings increase (decrease)

For the years ended December 31	**2005**	2004	2003
Adoption of FAS 143[1]	**$ —**	$ —	$ 4
Underground mine development costs[2]	**—**	—	(21)
Adoption of EITF-04-6[3]	**6**	—	—
Total	**$ 6**	$ —	$ (17)

1. On adoption of FAS 143 on January 1, 2003, we recorded an increase in property, plant and equipment of $39 million; an increase in other long-term obligations of $32 million; and an increase in deferred income tax liabilities of $3 million; as well as a $4 million credit in earnings for the cumulative effect of this change.
2. On January 1, 2003, we changed our accounting policy for amortization of underground mine development costs to exclude estimates of future underground development costs. On January 1, 2003, we recorded a decrease in property, plant and equipment of $19 million; an increase in deferred income tax liabilities of $2 million; and a $21 million charge to earnings for the cumulative effect of this change.
3. In second quarter 2005, we adopted EITF 04-6 and changed our accounting policy for stripping costs incurred in the production phase. Prior to adopting EITF 04-6, we capitalized stripping costs incurred in the production phase, and we recorded amortization of the capitalized costs as a component of the cost of inventory produced each period. Under EITF 04-6, stripping costs are recorded directly as a component of the cost of inventory produced each period. Using an effective date of adoption of January 1, 2005, we recorded a decrease in capitalized mining costs of $226 million; an increase in the cost of inventory of $232 million; and a $6 million credit to earnings for the cumulative effect of this change. For the year ended December 31, 2005, the effect of adopting EITF 04-6 compared to the prior policy was an increase in net income of $44 million ($0.08 per share), excluding the cumulative effect on prior periods.

FSP FAS 115-1 and FAS 124-1, The Meaning of Other-Than-Temporary Impairment and its Application to Certain Investments

FSP FAS 115-1 and FAS 124-1 was issued in November 2005 to provide further guidance to determine when an investment is considered impaired, whether the impairment is other than temporary, and the measurement of an impairment loss. We prospectively adopted this FSP in fourth quarter 2005. Our accounting policy for assessing the impairment of investments is described in note 11. The adoption of FSP FAS 115-1 and FAS 124-1 in 2005 had no effect on our financial statements.

FIN 47, Accounting for Conditional Asset Retirement Obligations (AROs)

FIN 47 was issued in March 2005 and is effective for our 2005 fiscal year. It relates to the accounting for a legal obligation to perform an asset retirement activity, when the timing or method of settlement is conditional on a future event, which may not be within our control. Under FIN 47, a liability for the fair value of a conditional ARO is recorded if the fair value can be reasonably estimated. FIN 47 was issued because of diversity in practice in applying FAS 143. Some entities recorded AROs prior to the retirement of an asset, while other entities recorded the ARO only when it was either probable that the asset would be retired or when the asset was actually retired. The adoption of FIN 47 in 2005 had no significant effect on the amount of AROs recorded in our financial statements.

f) Accounting Developments

FAS 123R, Accounting for Stock-Based Compensation

FAS 123R is applicable to transactions in which an entity exchanges its equity instruments for goods and services. It focuses primarily on transactions in which an entity obtains employee services in share-based payment transactions. The principal reason for issuing FAS 123R was to address concerns of users of financial statements, including institutional and individual investors that using an intrinsic value method results in financial statements that do not faithfully represent the economic effect of the receipt and consumption of employee services in exchange for equity instruments. FAS 123R addresses these concerns by requiring an entity to recognize the cost of employee services received in share-based payment transactions, thereby reflecting the economic consequences of those transactions in the financial statements. A further reason was to improve the comparability of reported financial information by eliminating alternative accounting methods. By requiring the fair-value-based method for all public entities, FAS 123R eliminates an alternative accounting method; consequently, similar economic transactions will be accounted for similarly. FAS 123R requires that the fair value of such equity instruments be recorded as an expense as services are performed. Equity instruments included under the scope of FAS 123R are our stock options, restricted share units (RSUs) and deferred share units (DSUs). Prior to FAS 123R, a company could elect to account for the cost of employee stock options using an intrinsic value approach based on the excess of the market price at the date of grant over the exercise price, and provide pro forma disclosures of the effect of accounting for employee stock options using a fair value approach. The adoption of FAS 123R will not have a significant impact on how we account for RSUs and DSUs. We intend to adopt FAS 123R for our first quarter 2006 financial statements. FAS 123R permits different transition methods including retroactive adjustment of prior periods as far back as 1995 to give effect to the fair-value-based method of accounting for awards granted in those prior periods; or a modified prospective application beginning in 2006. For further information see note 22.

FAS 151, Inventory Costs

FAS 151 specifies the general principles applicable to the pricing and allocation of certain costs to inventory. FAS 151 is the result of a broader effort by the Financial Accounting Standards Board (FASB) to improve the comparability of cross-border financial reporting by working with the International Accounting Standards Board (IASB) toward development of a single set of high-quality accounting standards. As part of that effort, the FASB and the IASB identified opportunities to improve financial reporting by eliminating certain narrow differences between their existing accounting standards. The accounting for inventory costs, in particular, abnormal amounts of idle facility expense, freight, handling costs, and spoilage, is one such narrow difference that the FASB decided to address by issuing FAS 151. As currently worded in ARB 43, Chapter 4, the term “abnormal” was not defined and its application could lead to unnecessary noncomparability of financial reporting. FAS 151 eliminates that term. Under FAS 151, abnormal amounts of idle facility expense, freight, handling costs and wasted materials are recognized as current period charges rather than capitalized to inventory. FAS 151 also requires that the allocation of fixed production overhead to the cost of inventory be based on the normal capacity of production facilities. FAS 151 will be effective beginning in first quarter 2006.

FAS 154, Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20 and FAS 3

FAS 154 relates to the accounting for and reporting of a change in accounting principle and applies to all voluntary changes in accounting principles. The reporting of corrections of an error by restating previously issued financial statements is also addressed by this statement. FAS 154 applies to authoritative pronouncements in the event they do not include specific transition provisions. When an authoritative pronouncement includes specific transition provisions, those provisions should be followed. FAS 154 requires retrospective application to prior periods' financial statements of changes in accounting principle, unless the period-specific effects or cumulative effects of an accounting change are impracticable to determine, in which case the new accounting principle is required to be applied to the assets and liabilities as of the earliest period practicable, with a corresponding adjustment made to opening retained earnings. Prior to FAS 154, most accounting changes were recorded effective at the beginning of the year of change, with the cumulative effect at the beginning of the year of change recorded as a charge or credit to earnings in the period a change was adopted. FAS 154 will be effective for accounting changes and corrections of errors occurring in 2006 onwards. FAS 154 does not change the transition provisions of any existing accounting pronouncements, including those that are in the transition phase as of the effective date of FAS 154.

Exposure Draft, Accounting for Uncertain Tax Positions

In July 2005, the FASB issued an exposure draft on Accounting for Uncertain Tax Positions — an Interpretation of FASB Statement No. 109. The interpretation has been developed because of diversity in practice for accounting for uncertain tax positions. Some entities record tax benefits for uncertain tax positions as they are filed on the income tax return, while others use either gain contingency accounting or a probability threshold.

The exposure draft requires companies to record the best estimate of the benefits of an uncertain tax position only if it is probable of being sustained on audit by the taxing authority based solely on the technical merits of the position. Under the draft Interpretation, benefits from tax positions that previously failed to meet the recognition threshold would be recognized in any subsequent period in which that threshold is met. Previously recognized tax benefits from positions that no longer meet a more-likely-than-not recognition threshold would be de-recognized by recording an income tax liability or eliminating a deferred tax asset in the period in which it is more likely than not that the tax position will not be sustained. The requirement to assess the need for a valuation allowance for deferred tax assets based on the sufficiency of future taxable income would be unchanged by the final Interpretation. The final Interpretation will also provide guidance on disclosure, accrual of interest and penalties, and accounting in interim periods and transition. In November 2005, the FASB decided to change the initial recognition threshold proposed in the exposure draft from "probable" to "more-likely-than-not". The FASB expects to issue a final Interpretation in 2006 that would be effective for our fiscal 2007 financial statements. After the final Interpretation is issued, we intend to complete our assessment of the impact on our financial statements.

g) Changes in Estimates

Gold Mineral Reserves

At the end of each fiscal year we update estimates of proven and probable gold mineral reserves at each mineral property. Following the update, we prospectively revise calculations of amortization of property, plant and equipment beginning in the first quarter of the next fiscal year. The effect of changes in reserve estimates at the end of 2004 on amortization expense for the fiscal year ended December 31, 2005 was a decrease of $28 million (2004: $15 million decrease; 2003: $14 million decrease).

Asset Retirement Obligations (AROs)

Each period we update cost estimates for AROs at each of our mineral properties to reflect new events, changes in circumstances and any new information that is available. The changes in these cost estimates generally have a corresponding impact on the fair value of the ARO. For closed mines any change in the fair value of AROs is included as a charge or credit within environmental remediation costs in other expense. An expense of $15 million was recorded in 2005 for changes in cost estimates for AROs at closed mines (2004: $22 million expense; 2003: $10 million expense).

Tax Valuation Allowances

For a description of changes in valuation allowances refer to note 8.

h) Other Significant Accounting Policies

	Note	Page
Business combinations	3	86
Segment information	4	93
Revenue and gold sales contracts	5	95
Cost of sales	6	96
Other (income) expense	7	96
Income tax (recovery) expense	8	98
Earnings per share	9	99
Operating cash flow — other items	10	100
Investments	11	100
Accounts receivable, inventories and other current assets	12	102
Property, plant and equipment	13	103
Other assets	14	105
Other current liabilities	15	105
Financial instruments	16	106
Asset retirement obligations	17	114
Other long-term obligations	18	114
Deferred income taxes	19	115
Capital stock	20	116
Other comprehensive income (loss)	21	117
Stock-based compensation	22	118
Post-retirement benefits	23	121
Litigation and claims	24	123
Joint ventures	25	124

3 n Business Combinations

a) Acquisition of Placer Dome Inc. (“Placer Dome”)

Placer Dome Offer and Acceptance

On October 31, 2005 we announced a proposed acquisition of Placer Dome. In early 2006, we offered to acquire all of the outstanding common shares of Placer Dome for either US$22.50 in cash or 0.8269 of a Barrick common share plus US$0.05 in cash per Placer Dome common share, subject in each case to pro ration of a maximum cash amount of $1,344 million. Funding for the maximum cash amount will be from our $1 billion credit and guarantee agreement, with any excess from our existing cash position. By February 3, 2006, 419 million common shares of Placer Dome had been validly deposited to our offer. We took up and accepted for payment all of such shares, which represented about 94% of the common shares of Placer Dome. For the common shares tendered by February 3, 2006, the aggregate cash consideration was US$1,161 million and the aggregate number of Barrick common shares issued was 304 million shares.

Placer Dome is one of the world’s largest gold mining companies, and produced 3.6 million ounces of gold and 359 million pounds of copper in 2005 (unaudited). It has 12 producing mines based in North America, South America, Africa and Australia/New Guinea, and four projects that are in various stages of exploration/ development. Its most significant mines are Cortez in the United States, Zaldívar in Chile, Porgera in New Guinea, North Mara in Tanzania and South Deep in South Africa. The most significant projects are Cortez Hills and Donlin Creek in the United States, and Pueblo Viejo in the Dominican Republic. We plan to sell Placer Dome’s Canadian mines to Goldcorp Inc. (“Goldcorp”), as well as certain other interests in mineral properties. Placer Dome had a gold hedge position totaling 7.2 million ounces at the date of acquisition. Furthermore, Placer Dome has gold lease rate swaps where the obligation was expressed in ounces. We plan to focus on reducing this acquired hedge position over time, consistent with the plans for our existing gold hedge position.

We believe that the business combination between ourselves and Placer Dome is a unique opportunity to create a Canadian-based leader in the global gold mining industry. This business combination strengthens our position, including in respect of reserves, production, growth opportunities, and balance sheet strength.

Accounting for the Placer Dome Acquisition

The Placer Dome acquisition will be accounted for as a purchase business combination, with Barrick as the accounting acquirer. We secured control of Placer Dome on January 19, 2006, which is the accounting acquisition date with the results of operations of Placer Dome consolidated from January 20, 2006. Assuming 100% of the outstanding common shares of Placer Dome are acquired, the purchase cost is estimated at $10.1 billion, including all the consideration issued in the form of cash, Barrick common shares, and direct costs related to the acquisition.

Value of 322.8 million Barrick common shares at $27.14 per share	$ 8,761
Cash	1,344
Transaction costs	25
	$10,130

The measurement of the purchase consideration will be based on a Barrick common share price of $27.14, representing the average closing price on the New York Stock Exchange for the two days prior to and two days after the public announcement of our final offer for Placer Dome.

The purchase cost will be allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of acquisition. We will determine the estimated fair values based on independent appraisals, discounted cash flows, quoted market prices, and estimates made by management. To the extent that the purchase cost exceeds the fair value of the net identifiable tangible and intangible assets acquired, such excess will be allocated to goodwill. The following table summarizes the current allocation of the Placer Dome purchase cost to assets and liabilities. It reflects only certain limited fair value adjustments for identifiable assets and liabilities acquired, including an adjustment for the fair value of derivatives at acquisition. The purchase price allocation is preliminary and subject to adjustment following completion of the valuation process and analysis of tax effects. The difference between the cost of acquisition and the values of net assets acquired has been presented as “unallocated purchase price”.

Condensed Balance Sheet at Acquisition [1]

Cash	$ 880
Other current assets	738
Property, plant and equipment	2,371
Goldcorp assets	298
Other assets	696
Unallocated purchase price	8,652
Total assets	13,635
Current liabilities	522
Goldcorp liabilities	77
Long-term debt	1,107
Other long-term obligations	1,799
Total liabilities	3,505
Net assets acquired	$10,130

1. For the purposes of presenting a summary of assets and liabilities acquired, the balance sheet of Placer Dome at December 31, 2005 has been used as a proxy for the balance sheet on January 19, 2006. We do not expect any material differences between the balance sheet at January 19, 2006 and the balance sheet at December 31, 2005.

b) Sale of Operations to Goldcorp

Goldcorp has agreed, subject to conditions to acquire from us, all of Placer Dome’s Canadian properties and operations (other than Placer Dome’s offices in Vancouver and Toronto), including all mining, reclamation and exploration properties, Placer Dome’s interest in the La Coipa mine in Chile, 40% of Placer Dome’s interest in the Pueblo Viejo project in the Dominican Republic, certain related assets and, at the option of Goldcorp, our share in Agua de la Falda S.A., which includes our interest in the Jeronimo project (collectively, the “Goldcorp Assets’’). Goldcorp will be responsible for all liabilities relating solely to the Goldcorp Assets, including employment commitments and environmental, closure and reclamation liabilities (collectively, the “Goldcorp Liabilities’’).

The estimated sales proceeds from Goldcorp are about $1,500 million, subject to certain adjustments on closing that are defined in the sale agreement. The results of operations will be consolidated into Barrick until the closing of the sale of operations to Goldcorp. On closing of the sale, the assets and liabilities relating to those operations, as well as a portion of the unallocated purchase price will be removed from our balance sheet. We do not expect to record a significant gain or loss on closing of the sale. At December 31, 2005, the carrying amount of assets was about $298 million and liabilities was about $77 million relating to the operations that will be sold to Goldcorp.

c) Pro Forma Information (Unaudited)

Pro Forma Consolidated Statement of Income

For the year ended December 31, 2005 ($ millions of US dollars, except per share data in dollars)	As reported		Pro forma purchase adjustments[1]		Pro forma consolidated Barrick before sale of certain operations to Goldcorp	Pro forma adjustments for sale of certain operations to Goldcorp[2]		Pro forma consolidated Barrick
	Barrick	Placer Dome						
Sales	$2,350	$ 1,978			$ 4,328	$ (251)	(e)	$ 4,077
Costs and expenses								
Cost of sales[3]	1,214	1,271			2,485	(177)	(e)	2,308
Amortization	427	264			691	(35)	(e)	656
Corporate administration	71	68			139			139
Exploration, development and business development	141	178			319	(28)	(e)	291
	1,853	1,781			3,634	(240)		3,394
Other (income) expense								
Interest income	(38)	(44)	(5)	(a)	(87)			(87)
Equity in investees	6	(4)			2	4	(e)	6
Interest expense	7	92	48	(b)	147	(49)	(b)	98
Impairment of long-lived assets	—	—						
Other	67	40	(21)	(c)	86			86
	42	84	22		148	(45)		103
Income before income taxes and other items	455	113	(22)		546	34		580
Income tax expense	(60)	(21)	10	(d)	(71)	(14)	(f)	(85)
Minority interest	—	2			2			2
Income before cumulative effect of changes in accounting principles	395	94	(12)		477	20		497
Cumulative effect of changes in accounting principles, net of tax	6	(14)			(8)			(8)
Net income	$ 401	$ 80	$ (12)		$ 469	$ 20		$ 489
Earnings per share data:								
Net income								
Basic and diluted	$ 0.75	$ 0.18						$ 0.57

1. Adjustments to reflect certain estimated effects of purchase accounting.
2. Adjustments to reflect the estimated effects of the sale of certain Placer Dome operations to Goldcorp.
3. Exclusive of amortization.

Pro Forma Consolidated Balance Sheet

As at December 31, 2005 ($ millions of US dollars)	As reported Barrick	As reported Placer Dome	Pro forma purchase adjustments[1]		Pro forma consolidated Barrick before sale of certain operations to Goldcorp	Pro forma adjustments for sale of certain operations to Goldcorp[2]		Pro forma consolidated Barrick
Assets								
Current assets								
Cash and equivalents	$1,037	$ 880	152	(g)	$ 2,069	$ 1,500	(t)	
						(1,344)	(u)	$ 2,225
Restricted cash		150			150			150
Accounts receivable	54	152			206	(6)	(v)	200
Inventories	402	310			712	(25)	(v)	687
Other current assets	255	157			412			412
	1,748	1,649	152		3,549	125		3,674
Available-for-sale securities	62	22			84			84
Equity method investments	138	33			171	(33)	(v)	138
Property, plant and equipment	4,146	2,592			6,738	(221)	(v)	6,517
Capitalized mining costs	—	240	(240)	(h)	—			—
Non-current ore in stockpiles	251	63			314	(11)	(v)	303
Other assets	517	641	(17)	(i)	1,141	(2)	(v)	1,139
Goodwill	—	454	(454)	(j)	—			—
Unallocated purchase price	—	—	8,500	(k)	8,500	(1,279)	(w)	7,221
Total assets	6,862	5,694	7,941		20,497	(1,421)		19,076
Liabilities and shareholders' equity								
Current liabilities								
Accounts payable	386	305	25	(l)	716	(24)	(v)	692
Short-term debt	—	—	1,344	(m)	1,344	(1,344)	(u)	—
Current portion of long-term debt	80	152			232			232
Other current liabilities	94	89			183			183
	560	546	1,369		2,475	(1,368)		1,107
Long-term debt	1,721	1,107			2,828			2,828
Asset retirement obligations	409	294			703	(21)	(v)	682
Other long-term obligations	208	260	1,051	(n)	1,519	(32)	(v)	1,487
Deferred income tax liabilities	114	247			361			361
Total liabilities	3,012	2,454	2,420		7,886	(1,421)		6,465
Shareholders' equity Capital stock	4,222	2,555	152	(g)				
			(2,707)	(o)				
			8,761	(p)	12,983			12,983
Retained earnings (deficit)	(341)	624	(624)	(q)	(341)			(341)
Accumulated other comprehensive income	(31)	(12)	12	(r)	(31)			(31)
Contributed surplus	—	73	(73)	(s)	—			—
Total shareholders' equity	3,850	3,240	5,521		12,611			12,611
Total liabilities and shareholders' equity	$6,862	$ 5,694	7,941		$ 20,497	$ (1,421)		$ 19,076

1. Adjustments to reflect certain estimated effects of purchase accounting.
2. Adjustments to reflect the estimated effects of the sale of certain Placer Dome operations to Goldcorp.

Basis of Presentation

This unaudited pro forma consolidated financial statement information has been prepared by us for illustrative purposes only to show the effect of the acquisition of Placer Dome by Barrick. The unaudited pro forma consolidated statement information assumes that Barrick will acquire all of Placer Dome's outstanding shares and exchange any outstanding Placer Dome stock options for equivalent Barrick stock options. The unaudited pro forma consolidated financial statement information assumes that all in-the-money Placer Dome stock options will be exercised and included in the outstanding Placer Dome shares to be acquired by Barrick. Barrick has entered into an agreement with Goldcorp that will result in the sale of certain operations and projects of Placer Dome, including the Canadian operations, the La Coipa mine and a 40% interest in the Pueblo Viejo project. Barrick will receive about $1,500 million in cash from Goldcorp for the sale of these operations (assuming no adjustments are required). This unaudited pro forma consolidated financial statement information assumes that there will be no tax consequences to Barrick for the sale of these operations to Goldcorp. Pro forma adjustments for the assumed effect of the sale of these operations to Goldcorp on the results of operations of Barrick have been reflected in this unaudited pro forma consolidated financial statement information.

The unaudited pro forma consolidated financial statement information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon finalization of purchase price adjustments and subsequent sale of certain Placer Dome operations to Goldcorp will likely differ from those recorded in this unaudited pro forma consolidated financial statement information. Any potential synergies that may be realized and integration costs that may be incurred have been excluded from the unaudited pro forma financial statement information, including Placer Dome transaction costs and amounts payable under change of control agreements to certain members of management that are estimated at a combined total of $93 million. The information prepared is only a summary.

In preparing the unaudited pro forma consolidated financial statement information, an initial review was undertaken to identify Placer Dome accounting policy differences where the impact was potentially material and could be reasonably estimated. Further accounting policy differences may be identified. In particular, we adopted EITF 04-6, Accounting for Stripping Costs Incurred during Production in the Mining Industry, effective January 1, 2005, whereas Placer Dome has not yet adopted EITF 04-6. Estimates concerning the impact of Placer Dome applying EITF 04-6 in the unaudited pro forma consolidated financial statement information have not yet been finalized and no adjustment has been recorded. The effects on the Placer Dome mines of adopting EITF 04-6 could be significant.

The unaudited pro forma consolidated statement of income for the year ended December 31, 2005 has been prepared from the statements of income for each of Barrick and Placer Dome for the period after giving pro forma effect to the acquisition of Placer Dome by Barrick and subsequent sale of certain operations to Goldcorp as if both transactions had occurred on January 1, 2005 based on the assumptions below.

The unaudited pro forma consolidated balance sheet as at December 31, 2005 has been prepared from the consolidated balance sheets of Barrick and Placer Dome as at December 31, 2005, after giving pro forma effect to the acquisition of Placer Dome by Barrick and subsequent sale of certain operations to Goldcorp as if both transactions had occurred on December 31, 2005 based on the assumptions below.

Pro Forma Assumptions and Adjustments

The acquisition of Placer Dome will be accounted for using the purchase method of accounting. Certain adjustments have been reflected in this unaudited pro forma consolidated statement of income to illustrate the effects of purchase accounting and to reflect the impact of the sale of certain Placer Dome operations to Goldcorp, where the impact could be reasonably estimated. In 2006, we will complete an exercise to value the identifiable assets and liabilities acquired, including any goodwill that may arise in the acquisition.

On December 31, 2005, Placer Dome had certain convertible debt and stock options outstanding, which if converted/exercised would result in an increase in Placer Dome common shares outstanding by approximately 22.7 million shares. This unaudited pro forma consolidated financial statement information reflects the issuance by Placer Dome of approximately 10.1 million shares on exercise of in-the-money stock options

of Placer Dome at December 31, 2005, but excludes the impact of 12.6 million potential shares that could theoretically be issued due to the conversion/exercise of Placer Dome's convertible debt and other stock options.

We have not yet determined the fair value of all identifiable assets and liabilities acquired, the amount of the purchase price that may be allocated to goodwill, or the complete impact of applying purchase accounting on the income statement. Therefore, after reflecting the pro forma purchase adjustments identified to date, the excess of the purchase consideration over the adjusted book values of Placer Dome's assets and liabilities has been presented as "unallocated purchase price". In 2006, the fair value of all identifiable assets and liabilities acquired as well as any goodwill arising upon the acquisition will be determined. On completion of valuations, with a corresponding adjustment to the historic carrying amounts of property, plant and equipment, or on recording of any finite life intangible assets on acquisition, these adjustments will impact the measurement of amortization recorded in our consolidated income statement for periods after the date of acquisition. We estimate that a $100 million adjustment to the carrying amount of property, plant and equipment of Placer Dome would result in a corresponding adjustment to amortization expense in the pro forma statement of income by approximately $6 million for the year ended December 31, 2005. No pro forma adjustments have been reflected for any changes in deferred tax assets or liabilities that would result from recording Placer Dome's identifiable assets and liabilities at fair value as the process of estimating the fair value of identifiable assets and liabilities is not complete.

Pro Forma Adjustments

The unaudited pro forma consolidated statement of income reflects the following adjustments as if the acquisition of 100% of Placer Dome and subsequent sale of certain operations to Goldcorp had occurred on January 1, 2005:

(a) An increase in interest income by $5 million for the year ended December 31, 2005 to reflect interest income earned on the cash proceeds generated by the assumed exercise of Placer Dome stock options.

(b) An increase in interest expense by $48 million for the year ended December 31, 2005 to reflect the interest costs (net of amounts that would have been capitalized to Barrick development projects) relating to the cash component of the Offer that will be financed through temporary credit facilities. A decrease in interest expense by $49 million for the year ended December 31, 2005 to reflect the assumed avoidance of interest on the temporary financing for the cash component of the Offer assuming the repayment of such financing from the receipt of cash proceeds from the sale of certain Placer Dome operations to Goldcorp.

(c) A decrease in other expense by $21 million to de-recognize non-recurring transaction costs recorded by Placer Dome relating to the Barrick offer.

(d) A credit to tax expense of $10 million for the year ended December 31, 2005 to reflect the tax effect of the pro forma purchase adjustments in (a) through (c).

(e) Adjustments to de-recognize the revenues and expenses for the year ended December 31, 2005 relating to the Placer Dome operations that will be sold to Goldcorp.

(f) Adjustments to de-recognize income tax expense for the operations that will be sold to Goldcorp for the year ended December 31, 2005 and to record the tax effect of other pro forma adjustments relating to the sale of certain Placer Dome operations to Goldcorp.

The unaudited pro forma consolidated balance sheet reflects the following adjustments as if the acquisition of 100% of Placer Dome and subsequent sale of certain operations to Goldcorp had occurred on December 31, 2005:

(g) An increase in cash and equivalents by $152 million with a corresponding increase in Placer Dome's capital stock, to reflect the proceeds received by Placer Dome on exercise of 10.1 million in-the-money Placer Dome stock options.

(h) A reduction in capitalized mining costs by $240 million to de-recognize this asset of Placer Dome, which will not be recorded as a separate identifiable asset on acquisition.

(i) A reduction in other assets by $17 million to de-recognize deferred debt issue costs of Placer Dome that will not be recorded as a separate identifiable asset on acquisition.

(j) The de-recognition of goodwill of $454 million that was recorded by Placer Dome for previous business combinations.

(k) An adjustment of $8,500 million to reflect the unallocated purchase price.

(l) An increase in accounts payable by $25 million to record estimated transaction costs relating to the acquisition of Placer Dome.

(m) An increase in short-term debt by $1,344 million to reflect temporary financing by Barrick for the cash component of the Offer.

(n) An increase in other long-term obligations by $1,051 million to record the estimated fair value of Placer Dome's metal sales contracts at December 31, 2005.

(o) A reduction in capital stock of $2,707 million to de-recognize Placer Dome's historic capital stock (including the adjustment for the assumed exercise of in-the-money stock options).

(p) An increase in capital stock by $8,761 million to record the value of common shares of Barrick issued in respect of the assumed share component of the Offer.

(q) An adjustment of $624 million to de-recognize Placer Dome's historic retained earnings. (r) An adjustment of $12 million to de-recognize Placer Dome's historic accumulated other comprehensive income.

(r) An adjustment of $12 million to de-recognize Placer Dome's historic accumulated other comprehensive income.

(s) An adjustment of $73 million to de-recognize Placer Dome's historic contributed surplus. (t) An increase in cash and equivalents by $1,500 million to record the assumed cash receipts by Barrick for the sale of the Placer Dome operations to Goldcorp.

(t) An increase in cash and equivalents by $1,500 million to record the assumed cash receipts by Barrick for the sale of the Placer Dome operations to Goldcorp.

(u) A decrease in cash and equivalents by $1,344 million and a corresponding decrease in short-term debt to reflect the assumed repayment of the temporary financing used to fund the cash component of the Offer upon the receipt of the cash proceeds from Goldcorp relating to the sale of certain Placer Dome operations.

(v) Adjustments to de-recognize the estimated carrying amount of the Placer Dome assets and liabilities included in the Placer Dome operations that will be sold to Goldcorp.

(w) A reduction in the unallocated purchase price by $1,279 million to adjust for the unallocated purchase price relating to the sale of Placer Dome operations to Goldcorp.

Pro Forma Earnings Per Share

For the year ended December 31, 2005 (millions of shares or US dollars, except per share data in dollars)	
Actual weighted average number of Barrick common shares outstanding	536
Assumed number of Barrick common shares issued to Placer Dome shareholders	323
Pro forma weighted average number of Barrick common shares outstanding	859
Pro forma net income	$ 489
Pro forma earnings per share — basic	$ 0.57
Pro forma weighted average number of Barrick common shares outstanding	859
Dilutive effect of stock options	2
Pro forma weighted average number of Barrick common shares outstanding — diluted	861
Pro forma earnings per share — diluted	$ 0.57

d) Summary Historical Placer Dome Financial Information (Unaudited)

While there are publicly-traded shares of Placer Dome outstanding, we are required to present certain summary consolidated financial information relating to Placer Dome. This information has been prepared on a historical cost basis in accordance with the US GAAP accounting policies of Placer Dome, which in certain respects differ from the accounting policies of Barrick.

For the years ended December 31	**2005**	2004
Income statement information		
Total revenues	**$ 1,978**	$ 1,888
Net income	**$ 80**	$ 284
Balance sheet information		
Current assets	**$ 1,649**	$ 1,636
Non-current assets	**4,045**	3,908
Current liabilities	**546**	453
Non-current liabilities	**1,908**	1,927
Net assets	**$ 3,240**	$ 3,164

e) Acquisition of Mineral Interest in Pakistan

On February 14, 2006, we entered into an agreement with Antofagasta plc ("Antofagasta") to acquire 50% of Tethyan Copper Company's ("Tethyan") Reko Diq project and associated mineral interests in Pakistan in the event that Antofagasta is successful in its bid to acquire Tethyan. Upon successful completion of the bid, we will reimburse Antofagasta approximately $100 million in cash for 50% of the acquisition, including the claw-back right to be acquired/extinguished from BHP Billiton who have a right to claw back a material interest in certain Tethyan's mineral interests.

4 n Segment Information

Our operations are managed on a regional basis. Our four regional business units are North America, Australia/Africa, South America and Russia/Central Asia. Financial information for each of our mines and our exploration group is reviewed regularly by our chief operating decision maker.

Segment income for operating segments comprises segment revenues less segment operating costs and segment amortization in the format that internal management reporting is presented to the chief operating decision maker. For internal management reporting purposes, we measure segment revenues and income using the average consolidated realized gold selling price for each period. Segment expenses represent our internal presentation of costs incurred to produce gold at each operating mine, and exclude the following costs that we do not allocate to operating segments: environmental remediation costs at closed mines; regional business unit overhead; amortization of corporate assets; business development costs; administration costs; impairments of long-lived assets; other income/expense; and the costs of financing their activities. Segment expenses for development projects and the exploration group represent expensed exploration, mine development and mine start-up costs.

Income Statement Information

	Gold sales			Segment expenses[1]			Segment income (loss)		
For the years ended December 31	**2005**	2004	2003	**2005**	2004	2003	**2005**	2004	2003
Goldstrike	**$ 877**	$ 745	$ 813	**$ 510**	$ 478	$ 533	**$ 217**	$ 118	$ 120
Round Mountain	**164**	148	139	**93**	85	68	**54**	46	51
Eskay Creek	**72**	112	130	**8**	9	18	**38**	52	65
Other producing mines	**136**	135	148	**84**	79	90	**32**	34	33
North America	**1,249**	1,140	1,230	**695**	651	709	**341**	250	269
Kalgoorlie	**177**	183	153	**101**	109	88	**56**	54	45
Plutonic	**109**	122	120	**66**	69	62	**33**	42	48
Bulyanhulu	**129**	135	109	**108**	96	74	**(13)**	5	(2)
Other producing mines	**165**	101	91	**97**	60	55	**37**	27	24
Cowal	**—**	—	—	**9**	1	—	**(9)**	(1)	—
Australia/Africa	**580**	541	473	**381**	335	279	**104**	127	115
Pierina	**273**	251	332	**87**	72	79	**114**	72	87
Lagunas Norte	**248**	—	—	**62**	12	29	**157**	(12)	(29)
Veladero	**—**	—	—	**5**	5	18	**(5)**	(5)	(18)
Pascua-Lama	**—**	—	—	**6**	4	—	**(6)**	(4)	—
Other	**—**	—	—	**—**	3	—	**—**	(3)	—
South America	**521**	251	332	**160**	96	126	**260**	48	40
Exploration group	**—**	—	—	**109**	96	67	**(109)**	(96)	(67)
Segment total	**$2,350**	$1,932	$2,035	**$1,345**	$1,178	$1,181	**$ 596**	$ 329	$ 357

1. In 2005, we revised our internal definition of segment expenses to include accretion expense. Segment information for all the years presented reflects this change in the measurement of segment expenses.

Geographic Information

For the years ended December 31	Assets		Gold sales		
	2005	2004	**2005**	2004	2003
United States	**$ 1,991**	$ 1,976	**$ 1,073**	$ 911	$ 970
Canada	**531**	406	**176**	229	260
North America	**2,522**	2,382	**1,249**	1,140	1,230
Australia	**1,010**	838	**401**	406	364
Tanzania	**787**	774	**179**	135	109
Australia/Africa	**1,797**	1,612	**580**	541	473
Peru	**675**	811	**521**	251	332
Argentina	**1,001**	645	**—**	—	—
Chile	**222**	120	**—**	—	—
South America	**1,898**	1,576	**521**	251	332
Other	**645**	717	**—**	—	—
	$ 6,862	$ 6,287	**$ 2,350**	$ 1,932	$ 2,035

Reconciliation of Segment Income

For the years ended December 31	**2005**	2004	2003
Segment income	**$ 596**	$ 329	$ 357
Other expenses at producing mines	**—**	8	(8)
Amortization of corporate assets	**(18)**	(27)	(25)
Business development costs	**(10)**	(18)	(17)
Corporate administration	**(71)**	(71)	(73)
Equity in investees	**(6)**	—	—
Interest income	**38**	25	31
Interest expense	**(7)**	(19)	(44)
Impairment of long-lived assets	**—**	(139)	(5)
Other income (expense)	**(67)**	(43)	6
Income before income taxes and other items	**$ 455**	$ 45	$ 222

Asset Information

For the years ended December 31	Segment assets		Amortization[1]			Segment capital expenditures		
	2005	2004	**2005**	2004	2003	**2005**	2004	2003
Goldstrike	**$ 1,395**	$ 1,290	**$ 150**	$ 149	$ 160	**$ 162**	$ 72	$ 51
Round Mountain	**52**	67	**17**	17	20	**1**	5	6
Eskay Creek	**66**	91	**26**	51	47	**2**	7	5
East Archimedes	**36**	—	**—**	—	—	**35**	—	—
Other operating segments	**82**	91	**20**	22	25	**18**	20	18
North America	**1,631**	1,539	**213**	239	252	**218**	104	80
Plutonic	**106**	92	**10**	11	10	**20**	15	44
Kalgoorlie	**354**	277	**20**	20	20	**12**	10	14
Cowal	**412**	130	**—**	—	—	**258**	73	24
Bulyanhulu	**574**	566	**34**	34	37	**37**	46	36
Tulawaka	**80**	70	**15**	—	—	**8**	48	1
Other operating segments	**93**	89	**16**	14	12	**18**	12	21
Australia/Africa	**1,619**	1,224	**95**	79	79	**353**	204	140
Pierina	**236**	269	**72**	107	166	**20**	8	17
Lagunas Norte	**384**	220	**29**	—	—	**141**	182	4
Veladero	**783**	443	**—**	—	—	**266**	284	68
Pascua-Lama	**389**	286	**—**	—	—	**98**	35	9
South America	**1,792**	1,218	**101**	107	166	**525**	509	98
Segment total	**5,042**	3,981	**409**	425	497	**1,096**	817	318
Cash and equivalents	**1,037**	1,398	**—**	—	—	**—**	—	—
Other items not allocated to segments	**783**	908	**18**	27	25	**8**	7	4
Enterprise total	**$ 6,862**	$ 6,287	**$ 427**	$ 452	$ 522	**$ 1,104**	$ 824	$ 322

1. Includes amortization on assets under capital lease.

5 n Revenue and Gold Sales Contracts

For the years ended December 31	2005	2004	2003
Gold bullion sales			
Spot market sales	**$ 1,940**	$ 1,111	$ 426
Gold sales contracts	**300**	709	1,504
	2,240	1,820	1,930
Concentrate sales	**110**	112	105
	$ 2,350	$ 1,932	$ 2,035

We record revenue when the following conditions are met: persuasive evidence of an arrangement exists; delivery and transfer of title have occurred under the terms of the arrangement; the price is fixed or determinable; and collectability is reasonably assured.

Bullion Sales

We record revenue from gold and silver bullion sales at the time of physical delivery, which is also the date that title to the gold or silver passes. The sales price is fixed at the delivery date based on either the terms of gold sales contracts or the gold spot price. Incidental revenues from the sale of by-products such as silver are classified within cost of sales.

At December 31, 2005, we had fixed-price gold sales contracts with various customers for a total of 12.5 million ounces of future gold production and floating-price gold sales contracts for 0.7 million ounces. In 2005, we allocated 6.5 million ounces of fixed-price gold sales contracts specifically to Pascua-Lama. The allocation of these contracts will help reduce gold price risk at Pascua-Lama and will help secure financing for its construction. In addition to the gold sales contracts allocated to Pascua-Lama, we have 6 million ounces of Corporate gold sales contracts that we intend to settle through delivery of future gold production from our operating mines and development projects, excluding Pascua-Lama. The terms of the contracts are governed by master trading agreements (MTAs) that we have in place with the customers. The contracts have final delivery dates primarily over the next 10 years, but we have the right to settle these contracts at any time over this period. Contract prices are established at inception through to an interim date. If we do not deliver at this interim date, a new interim date is set. The price for the new interim date is determined in accordance with the MTAs which have contractually agreed price adjustment mechanisms based on the market gold price. The MTAs have both fixed and floating price mechanisms. The fixed-price mechanism represents the market price at the start date (or previous interim date) of the contract plus a premium based on the difference between the forward price of gold and the current market price. If at an interim date we opt for a floating price, the floating price represents the spot market price at the time of delivery of gold adjusted based on the difference between the previously fixed price and the market gold price at that interim date. The final realized selling price under a contract primarily depends upon the timing of the actual future delivery date, the market price of gold at the start of the contract and the actual amount of the premium of the forward price of gold over the spot price of gold for the periods that fixed selling prices are set. The mark-to-market value of the fixed-price gold sales contracts (at December 31, 2005) was negative $1,453 million for the Pascua-Lama gold sales contracts and negative $1,277 million for the Corporate gold sales contracts.

The difference between the forward price of gold and the current market price, referred to as contango, can be expressed as a percentage that is closely correlated to the difference between US dollar interest rates and gold lease rates. Historically short-term gold lease rates have been lower than longer-term rates. We use gold lease rate swaps to achieve a more economically optimal term structure for gold lease rates implicit in contango. Under the swaps we receive a fixed gold lease rate, and pay a floating gold lease rate, on a notional 1 million ounces of gold spread from 2005 to 2013. The swaps are associated with fixed-price gold sales contracts with expected delivery dates beyond 2006. Lease rate swaps are classified as non-hedge derivatives (note 16c) and had a fair value of $66 million at December 31, 2005 (2004: $74 million).

Floating spot price sales contracts were previously fixed-price forward sales contracts for which, in accordance with the terms of our MTAs, we have elected to receive floating spot gold and silver prices, adjusted based on the difference between the spot price and the contract price at the time of such election. Floating prices were elected for these contracts so that we could economically regain spot gold price leverage under the terms of delivery into these contracts. Furthermore, floating price mechanisms were elected for these contracts at a time when the then current market price was higher than the fixed price in the contract. The mark-to-market value of these contracts (at December 31, 2005) was negative $89 million, which equates to an average reduction to the future spot sales price of approximately $127 per ounce, when we deliver gold at spot prices against these contracts.

At December 31, 2005, one customer made up 11% of the ounces committed under gold bullion sales contracts.

Concentrate Sales

Our Eskay Creek and Bulyanhulu mines produce gold in concentrate form. Our Pascua-Lama mine will also produce gold in concentrate form. Under the terms of concentrate sales contracts with independent smelting companies, gold sales prices are set on a specified future date after shipment based on market prices. We record revenues under these contracts at the time of shipment, which is also when title passes to the smelting companies, using forward market gold prices on the expected date that final sales prices will be fixed. Variations between the price recorded at the shipment date and the actual final price set under the smelting contracts are caused by changes in market gold prices, and result in an embedded derivative in the accounts receivable. The embedded derivative is recorded at fair value each period until final settlement occurs, with changes in fair value classified as a component of revenue. The notional amount typically outstanding is between ten and fifteen thousand ounces.

6 n Cost of Sales

For the years ended December 31	**2005**	2004	2003
Cost of goods sold[1]	**$ 1,265**	$ 1,128	$ 1,118
By-product revenues[2]	**(132)**	(146)	(114)
Royalty expense	**63**	53	50
Mining taxes	**18**	12	15
	$ 1,214	$ 1,047	$ 1,069

1. Cost of goods sold includes accretion expense at producing mines of $11 million (2004: $11 million; 2003: $10 million). The cost of inventory sold in the period reflects all components capitalized to inventory, except that, for presentation purposes the component of inventory cost relating to amortization of property, plant and equipment is classified in the income statement under “amortization”. Some companies present this amount under “cost of sales”. The amount presented in amortization rather than cost of sales was $409 million in 2005; $425 million in 2004 and $497 million in 2003. In 2004, cost of goods sold includes the reversal of $15 million of accrued costs on resolution of the Peruvian tax assessment (see note 8).
2. We use silver sales contracts to sell a portion of silver produced as a by-product. Silver sales contracts have similar delivery terms and pricing mechanisms as gold sales contracts. At December 31, 2005, we had fixed-price commitments to deliver 14.8 million ounces of silver at an average price of $5.92 per ounce and floating spot price silver sales contracts for 7.5 million ounces over periods primarily of up to 10 years. The mark-to-market on silver sales contracts (at December 31, 2005) was negative $52 million.

Royalties

Certain of our properties are subject to royalty arrangements based on mineral production at the properties. The most significant royalties are at the Goldstrike and Bulyanhulu mines and the Pascua-Lama and Veladero projects. The primary type of royalty is a net smelter return (NSR) royalty. Under this type of royalty we pay the holder an amount calculated as the royalty percentage multiplied by the value of gold production at market gold prices less third-party smelting, refining and transportation costs. Most Goldstrike production is subject to an NSR or net profits interest (NPI) royalty. The highest Goldstrike royalties are a 5% NSR and a 6% NPI royalty. Bulyanhulu is subject to an NSR-type royalty of 3%. Pascua-Lama gold production from the areas located in Chile is subject to a gross proceeds sliding scale royalty, ranging from 1.5% to 10%, and a 2% NSR on copper production. For areas located in Argentina, Pascua-Lama is subject to a 3% NSR on extraction of all gold, silver and other minerals. Production at Veladero is subject to a 3.75% NSR on extraction of all gold, silver and other minerals. Production at Lagunas Norte is subject to a 2.51% NSR on extraction of all gold and other minerals.

Royalty expense is recorded at the time of sale of gold production, measured using the applicable royalty percentage for NSR royalties or estimates of NPI amounts.

7 n Other (Income) Expense

a) Impairment of Long-lived Assets

For the years ended December 31	**2005**	2004	2003
Eskay Creek[1]	**$ —**	$ 58	$ —
Peruvian exploration properties[2]	**—**	67	—
Other	**—**	14	5
	$ —	$ 139	$ 5

1. The asset group that comprises the Eskay Creek mine was tested for impairment effective December 31, 2004. The principal factors that caused us to test this asset group for impairment included: downward revisions to proven and probable reserves; the impact of the continued strengthening of the C$ against the US$ and upward revisions to expected asset retirement costs in the fourth quarter of 2004. An impairment charge of $58 million was recorded, which represents the amount by which the carrying amount of the asset group exceeds its estimated fair value. Fair value was estimated using the method described in note 13c.
2. At the end of 2004, upon completion of the exploration program for the year, we assessed the results and updated our future plans for various exploration properties in Peru that were originally acquired through the Arequipa acquisition in 1996. We concluded that the results and future potential did not merit any further investment for these properties. The assets were tested for impairment, and an impairment charge of $67 million was recorded that reflects the amounts by which their carrying amounts exceed their estimated fair values. The fair value of this group of assets was judged to be minimal due to the unfavorable results of exploration work on the properties.

b) Other

For the years ended December 31	2005	2004	2003
Non-hedge derivative gains (note 16c)	**$ (6)**	$ (5)	$ (71)
Gains on sale of mining property, plant and equipment [1]	**(5)**	(36)	(36)
Gains on sale of investments (note 11)	**(17)**	(6)	(4)
Gain on Kabanga transaction	**(15)**	—	—
Environmental remediation costs[2]	**28**	36	48
Accretion expense at closed mines (note 17)	**10**	7	7
Impairment charges on investments (note 11)	**16**	5	11
World Gold Council fees	**10**	9	10
Inmet settlement	**—**	—	16
Legal costs for major litigation	**8**	5	3
Currency translation (gains) losses	**(3)**	1	(2)
Pension expense (note 23b)	**1**	—	4
Peruvian tax assessment	**—**	(6)	—
Severance at closed mines	**—**	4	—
Other items[3]	**40**	29	8
	$ 67	$ 43	$ (6)

1. In 2005, we sold some land positions in Australia. In 2004 we sold various mining properties, including the Holt-McDermott mine in Canada and certain land positions around our inactive mine sites in the United States. In 2003 we sold various mining properties, including several land positions around inactive mine sites in the United States, as well as the East Malartic Mill and Bousquet mine in Canada. The majority of these land positions were fully amortized in prior years and therefore any proceeds generate gains on sale, before selling costs and taxes.
2. Includes costs at development projects and closed mines and changes in the expected costs of AROs at closed mines.
3. Includes certain costs incurred at regional business units that are not direct or indirect production costs.

Kabanga Transaction

In April 2005, we finalized a joint-venture agreement with Falconbridge Limited (“Falconbridge”) for the Kabanga nickel deposit and related concessions located in Tanzania. Under the terms of the agreement, Falconbridge acquired a 50% indirect joint venture interest for $15 million cash and a funding commitment and has agreed to be the operator of the joint venture. On closing of the transaction with Falconbridge we recorded a gain of $15 million.

Over the next several years, Falconbridge will fund and conduct a further $50 million work plan that will include additional exploration and infill drilling, and technical work to update the resource model for Kabanga and bring the project towards feasibility. Falconbridge has initiated the establishment of a dedicated team in Tanzania to coordinate and advance the work plan. After expenditures of $50 million, Falconbridge will decide on whether to proceed with the project. If Falconbridge proceeds with the project, they will fund the next $95 million of any project development expenditures to advance the Kabanga project. Thereafter, Falconbridge and Barrick will share equally in joint-venture revenues and expenditures. Until Falconbridge has fully funded its commitment under the agreement, we are not obligated to share in any revenues and expenditures and none of the expenditures on the project will be recorded in our financial statements.

Environmental Remediation Costs

During the production phases of a mine, we incur and expense the cost of various activities connected with environmental aspects of normal operations, including compliance with and monitoring of environmental regulations; disposal of hazardous waste produced from normal operations; and operation of equipment designed to reduce or eliminate environmental effects. In limited circumstances, costs to acquire and install plant and equipment are capitalized during the production phase of a mine if the costs are expected to mitigate risk or prevent future environmental contamination from normal operations.

When a contingent loss arises from the improper use of an asset, a loss accrual is recorded if the loss is probable and reasonably estimable. Amounts recorded are measured on an undiscounted basis, and adjusted as further information develops or if circumstances change. Recoveries of environmental remediation costs from other parties are recorded as assets when receipt is deemed probable.

Inmet Settlement

In November 2003, we paid Inmet C$111 million (US$86 million), in full settlement of the Inmet litigation. The settlement resulted in an expense of US$14 million in fourth quarter 2003, combined with post-judgment interest of $2 million in the first nine months of 2003.

8 n Income Tax Expense (Recovery)

For the years ended December 31	2005	2004	2003
Current			
Canada	**$ (3)**	$ 19	$ 40
International	**93**	24	14
	$ 90	$ 43	$ 54
Deferred			
Canada	**$ (15)**	$ (26)	$ (32)
International	**22**	7	45
	$ 7	$ (19)	$ 13
Income tax expense before elements below [1]	**$ 97**	$ 24	$ 67
Outcome of tax uncertainties	**—**	(141)	—
Change in tax status in Australia	**(5)**	(81)	—
Net release of beginning of year valuation allowances	**(32)**	(5)	(62)
Total expense (recovery)	**$ 60**	$ (203)	$ 5

1. All amounts are deferred tax items except for a $21 million portion of the $141 million recovery on resolution of the Peruvian tax assessment in 2004, which is a current tax item.

Outcome of Tax Uncertainties

Peruvian Tax Assessment

On September 30, 2004, the Tax Court of Peru issued a decision in our favor in the matter of our appeal of a 2002 income tax assessment of $32 million, excluding interest and penalties. The 2002 income tax assessment related to a tax audit of our Pierina Mine for the 1999 and 2000 fiscal years. The assessment mainly related to the validity of a revaluation of the Pierina mining concession, which affects its tax basis. Under the valuation proposed by the Peruvian tax agency, SUNAT, the tax basis of the Pierina mining concession would have changed from what we previously assumed with a resulting increase in current and deferred income taxes. The full life-of-mine effect on current and deferred income tax liabilities totaling $141 million was fully recorded at December 31, 2002, as well as other related costs of about $21 million ($15 million post-tax).

In January 2005, we received confirmation in writing that there would be no appeal of the September 30, 2004 Tax Court of Peru decision. The confirmation concluded the administrative and judicial appeals process with resolution in Barrick's favor. In 2004, we recorded a $141 million reduction in current and deferred income tax liabilities and a $21 million reduction in other accrued costs in 2004, $15 million of which is classified in cost of sales and $6 million of which is classified in other (income) expense. Notwithstanding the favorable Tax Court decision we received in 2004 on the 1999 to 2000 revaluation matter, on audit, SUNAT has reassessed us on the same issue for 2001 to 2003. We and our advisors believe that the audit reassessment has no merit, that we will prevail, and accordingly no provision has been booked.

Changes in Tax Status in Australia

A tax law was enacted in Australia in 2002 that allows wholly owned groups of companies resident in Australia to elect to be treated as a single entity and to file consolidated tax returns. This regime is elective and the election is irrevocable. Under certain circumstances, the rules governing the election allow for a choice to reset the tax cost basis of certain assets within a consolidated group. Our election, which was effective for our 2004 fiscal year, resulted in an estimated upward revaluation of the tax basis of our assets in Australia, by $110 million, with a corresponding $33 million adjustment to deferred taxes. In 2005, based on additional facts and refinements, the adjustment was increased by $5 million.

Also in 2004, we filed an election to use the US dollar as the functional currency for Australian tax calculations and tax returns, whereas previously the Australian dollar was used. Prior to this election, the favorable impact of changes in the tax basis of non-monetary assets caused by changes in the US$:A$ exchange rate were not recorded, as their realization was not certain. The election in 2004 created certainty about the realization of these favorable tax temporary differences and resulted in our recognition of these as deferred tax assets amounting to $48 million. The impact of the change in tax status was to increase the amount of deductible temporary differences relating to non-monetary assets by $48 million.

Release of Beginning of Year Valuation Allowances

In 2005, we released valuation allowances totaling $31 million in Argentina, relating to the effect of the higher gold price environment and the anticipated commencement of sales in 2006. We released valuation allowances of $2 million in Canada reflecting utilization of capital losses.

In 2004, we released valuation allowances totaling $5 million relating to the consolidated tax return election in Australia. Valuation allowances released in 2003 mainly included: $21 million in North America following a corporate reorganization of certain subsidiaries that enabled us to utilize certain previously unrecognized tax assets; $16 million in Australia realized in 2003 due to an increase in taxable income from higher gold prices; and $15 million in Argentina after the approval to begin construction of our new Veladero mine and classification of mineralization as a proven and probable reserve.

Reconciliation to Canadian Federal Rate

For the years ended December 31	2005	2004	2003
At 38% statutory federal rate	**$ 173**	$ 17	$ 84
Increase (decrease) due to:			
Allowances and special tax deductions[1]	**(92)**	(70)	(47)
Impact of foreign tax rates[2]	**(51)**	(5)	(42)
Expenses not tax-deductible	**9**	10	11
Release of beginning of year valuation allowances	**(32)**	(5)	(62)
Impact of changes in tax status in Australia	**(5)**	(81)	—
Valuation allowances set up against current year tax losses	**59**	65	53
Outcome of tax uncertainties	**—**	(141)	—
Mining taxes	**1**	5	9
Other items	**(2)**	2	(1)
Income tax expense (recovery)	**$ 60**	$ (203)	$ 5

1. We are able to claim certain allowances and tax deductions unique to extractive industries that result in a lower effective tax rate.
2. We operate in multiple foreign tax jurisdictions that have tax rates different than the Canadian federal rate.

Income Tax Returns

Our income tax returns for the major jurisdictions where we operate have been fully examined through the following years: Canada — 2001, United States — 2001, and Peru — 2003.

9 n Earnings per Share

For the years ended December 31 ($ millions, except shares in millions and per share amounts in dollars)	2005	2004	2003
Income before cumulative effect of changes in accounting principles	**$ 395**	$ 248	$ 217
Cumulative effect of changes in accounting principles	**6**	—	(17)
Income available to common stockholders	**$ 401**	$ 248	$ 200
Weighted average shares outstanding			
Basic	**536**	533	539
Effect of dilutive stock options	**2**	1	—
Diluted	**538**	534	539
Earnings per share			
Income before cumulative effect of changes in accounting principles			
Basic	**$ 0.74**	$ 0.47	$ 0.40
Diluted	**$ 0.73**	$ 0.46	$ 0.40
Net income			
Basic	**$ 0.75**	$ 0.47	$ 0.37
Diluted	**$ 0.75**	$ 0.46	$ 0.37

Earnings per share is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur if additional common shares are assumed to be issued under securities that entitle their holders to obtain common shares in the future. The number of additional shares for inclusion in diluted earnings per share calculations is determined using the treasury stock method, whereby stock options, whose exercise price is less than the average market price of our common shares, are assumed to be exercised and the proceeds are used to repurchase common shares at the average market price for the period. The incremental number of common shares issued under stock options and repurchased from proceeds is included in the calculation of diluted earnings per share.

On January 19, 2006 and February 3, 2006, together, we issued 304 million shares to acquire a 94% interest in the outstanding common shares of Placer Dome. We intend to acquire the remaining 6% interest through a compulsory acquisition procedure.

10 n Operating Cash Flow — Other Items

For the years ended December 31	2005	2004	2003
Income statement items:			
Currency translation (gains) losses	**$ (3)**	$ 1	$ 5
(Gains) losses on investments (note 11)	**(17)**	(6)	(4)
Gain on Kabanga transaction	**(15)**	—	—
Impairment charges on investments	**16**	5	11
Accounting changes (note 2e)	**(6)**	—	17
Equity in investee	**(6)**	—	—
Accretion expense (note 17)	**21**	18	17
Non-hedge derivative gains (note 16c)	**(6)**	(5)	(71)
Inmet litigation (note 7b)	**—**	—	16
ARO charges at closed mines (note 17)	**15**	22	10
Amortization of debt issue costs	**2**	3	1
Write-downs of inventory (note 12)	**15**	9	3
Changes in:			
Accounts receivable	**4**	(2)	3
Inventories	**(151)**	(51)	(1)
Capitalized mining costs	**—**	9	37
Goods and services taxes	**(16)**	(68)	(14)
Accounts payable	**80**	4	4
Other assets and liabilities	**—**	(8)	(75)
Other items	**—**	—	4
Other net operating activities	**$ (67)**	$ (69)	$ (37)
Operating cash flow includes net receipts (payments) for:			
Asset retirement obligations	**$ (30)**	$ (33)	$ (40)
Income taxes	**(80)**	(45)	(111)
Pension plan contributions	**(20)**	(22)	(23)
Interest	**(112)**	(57)	(48)

11 n Investments

Available-for-sale Securities

	2005		2004	
At December 31	**Fair value**	**Gains in OCI**	Fair value	Gains in OCI
Benefit plans:[1]				
Fixed-income securities	**$ 4**	**$ —**	$ 11	$ —
Equity securities	**17**	**1**	19	10
Other investments:				
Equity securities[2]	**38**	**11**	29	11
Restricted cash	**3**	**—**	2	—
	$ 62	**$ 12**	$ 61	$ 21

1. Under various benefit plans for certain former Homestake executives, a portfolio of marketable fixed-income and equity securities are held in a rabbi trust that is used to fund obligations under the plans.
2. At December 31, 2005, there were no available-for-sale securities in an unrealized loss position.

Available-for-sale securities are recorded at fair value with unrealized gains and losses recorded in other comprehensive income ("OCI"). Realized gains and losses are recorded in earnings when investments mature or on sale, calculated using the average cost of securities sold. If the fair value of an investment declines below its carrying amount, we undertake an assessment of whether the impairment is other-than-temporary. We consider all relevant facts or circumstances in this assessment, particularly: the length of time and extent to which fair value has been less than the carrying amount; the financial condition and near-term prospects of the investee, including any specific events that have impacted its fair value; both positive and negative evidence that the carrying amount is recoverable within a reasonable period of time; and our ability and intent to hold the investment for a reasonable period of time sufficient for an expected recovery of the fair value up to or beyond the carrying amount. We record in earnings any unrealized declines in fair value judged to be other than temporary. Total proceeds from the sale of investments were $10 million in 2005 (2004: $9 million; 2003: $8 million).

Gains (Losses) on Investments Recorded in Earnings

For the years ended December 31	2005	2004	2003
Realized on sale			
Gains	**$ 17**	$ 6	$ 5
Losses	**—**	—	(1)
	17	6	4
Impairment charges	**(16)**	(5)	(11)
	$ 1	$ 1	$ (7)

Investment in Celtic Resources Holdings PLC ("Celtic")

On January 5, 2005, we completed a subscription for 3,688,191 units of Celtic for a price of $7.562 per unit for a total cost of $30 million. Each unit consisted of one ordinary share of Celtic and one-half of one share purchase warrant. On June 1, 2005, the number of warrants held increased under the terms of the subscription agreement by 922,048 warrants to 2,766,143 warrants. Each whole warrant entitles us to acquire one ordinary share of Celtic for $7.562, expiring on December 31, 2007. We allocated $25 million to the ordinary shares and $5 million to the share purchase warrants based on their relative fair values at acquisition. At December 31, 2005, we held a 9% combined direct and indirect interest in Celtic's outstanding common shares. The investment in common shares is classified as an available-for-sale security. In the second half of 2005, the fair value of the

investment in common shares declined below cost and at the end of 2005 we concluded that the impairment was “other-than-temporary” and recorded a $12 million impairment charge. We concluded that the share purchase warrants are derivative instruments as defined by FAS 133. The warrants, which are classified as non-hedge derivatives, are recorded at their estimated fair value in the balance sheet with changes in fair value recorded in non-hedge derivative gains/losses. The fair value of the share purchase warrants was $0.5 million at December 31, 2005.

At the time of the initial subscription, Celtic granted us the right to acquire 50% of any interest in any mineral property in Kazakhstan that Celtic acquires in the future for a period of 12 months after any such acquisition for an amount equal to 50% of the cost to Celtic of its interest in the mineral property. No such rights have been exercised since the initial subscription.

Equity Method Investments

	2005		2004	
	Fair value[1]	**Carrying amount**	Fair value[1]	Carrying amount
Highland Gold Mining PLC	**$ 134**	**$ 131**	$ 75	$ 86
Diamondex Resources Ltd.	**6**	**7**	—	—
	$ 140	**$ 138**	$ 75	$ 86

1. Based on the closing market stock price.

Under the equity method we record our equity share of the income or loss of equity investees each period. On acquisition of an equity investment the underlying identifiable assets and liabilities of an equity investee are recorded at fair value and the income or loss of equity investees is based on these fair values. If the cost of any equity investment exceeds the total amount of the fair value of identifiable assets and liabilities, any excess is accounted for in a manner similar to goodwill, with the exception that an annual goodwill impairment test is not required. The carrying amount of each investment in an equity investee is evaluated for impairment using the same method as an available-for-sale security.

Highland Gold Mining PLC (“Highland”)

We hold a 20% interest in Highland that was acquired for cash in three tranches: 11.1 million common shares for a cost of $46 million in 2003; 9.3 million common shares for a cost of $40 million in 2004; and 11 million common shares in 2005 for a cost of $50 million.

Following the increase in our ownership to 20% in 2005, we re-evaluated the accounting method used for this investment and concluded that the equity method is the most appropriate. Previously the investment was classified as an available-for-sale security. We have recorded our equity share of income or loss of Highland each period based on our actual ownership interest for the period from fourth quarter 2003. Under a transition to equity accounting, US GAAP requires financial statements for prior periods to be revised to reflect the equity accounting treatment.

The difference between the cost of our investment in Highland and the underlying historic cost of net assets was $108 million at April 30, 2005. After finalizing valuations for the assets and liabilities of Highland in fourth quarter 2005, the difference between the cost of our investment and the underlying fair value of assets and liabilities, representing goodwill, was $85 million. On completion of the valuations, we revised our equity pick up to reflect accounting based on the fair values of Highland’s assets and liabilities.

We have participation agreements with Highland, under which we have the right to participate for up to 50% in any acquisition made by Highland in Russia, with a similar right for Highland on any acquisition made by us in certain regions in Russia, excluding Irkutsk. We have a right of first refusal with respect to any third-party investment in Highland’s Mayskoye property in the Chukotka region, Russia, and we plan to pursue discussions with Highland regarding Mayskoye.

On June 29, 2005, we entered into a purchase agreement with Highland pursuant to which we purchased a 50% interest in the Taseevskoye deposit (“Taseevskoye”). The purchase price was $13 million. Highland currently holds Taseevskoye through a subsidiary that owns other assets and liabilities. Highland has agreed to restructure the ownership of Taseevskoye into a separate Russian company. In connection with the purchase, Highland issued to us a warrant which entitles us to apply the purchase price as payment for an equivalent number of Highland shares, based on a price of $3.10 per share, subject to adjustment under certain circumstances, if Highland does not restructure the ownership of Taseevskoye prior to June 1, 2006.

During the period between the signing of the Taseevskoye purchase agreement and the time that the ownership of Taseevskoye is restructured, we agreed to fund our proportionate share of any expenditures relating to Taseevskoye. Highland agreed to deliver to us a warrant

that entitles us to apply the amount of interim expenditures paid by us as payment for an equivalent number of Highland shares based on a price of $3.10 per share, subject to adjustment in certain circumstances, if Highland does not complete the restructuring by June 1, 2006. By December 31, 2005, we had funded interim expenditures totaling $0.5 million, and we had received a warrant for the same amount.

Diamondex Resources Limited ("Diamondex")

We completed a subscription for 11,111,111 units of Diamondex for $8 million in 2005. Each unit consists of one ordinary share of Diamondex and one share purchase warrant. We hold a 14% interest in the outstanding common shares of Diamondex (25% assuming exercise of the share purchase warrants). We allocated the cost as follows: $7 million to the ordinary shares and $1 million to the share purchase warrants. We record our equity share of the income or loss of Diamondex each period based on our total 14% interest in outstanding common shares.

12 n Accounts Receivable, Inventories and Other Current Assets

At December 31	2005	2004
Accounts receivable		
Amounts due from concentrate sales	**$ 18**	$ 29
Other receivables	**36**	29
	$ 54	$ 58
Inventories		
Ore in stockpiles[1]	**$ 360**	$ 107
Ore on leach pads	**34**	17
Gold in process	**47**	33
Gold doré/bullion	**32**	20
Gold concentrate	**47**	21
Mine operating supplies	**133**	82
	653	280
Non-current ore in stockpiles[2]	**(251)**	(65)
	$ 402	$ 215
Other current assets		
Derivative assets (note 16c)	**$ 128**	$ 165
Taxes recoverable	**101**	104
Prepaid expenses	**23**	17
Other	**3**	2
	$ 255	$ 288

1. Effective January 1, 2005, an amount of $232 million was reclassified to ore in stockpiles from capitalized mining costs in connection with our adoption of EITF 04-6. See note 2e.
2. Ore that we do not expect to process in the next 12 months is classified in non-current ore in stockpiles.

Inventories

Material extracted from our mines is classified as either ore or waste. Ore represents material that can be mined, processed into a saleable form, and sold at a profit. Ore is recorded as an asset that is classified within inventory at the point it is extracted from the mine. Ore is accumulated in stockpiles that are subsequently processed into gold in a saleable form under a mine plan that takes into consideration optimal scheduling of production of our reserves, present plant capacity, and the market price of gold. Gold in process represents gold in the processing circuit that has not completed the production process, and is not yet in a saleable form.

Stockpiles are measured by estimating the number of tons added and removed from the stockpile, the number of contained ounces or pounds (based on assay data) and the estimated metallurgical recovery rates (based on the expected processing method). Stockpile ore tonnages are verified by periodic surveys. Costs are allocated to a stockpile based on relative values of material stockpiled and processed using current mining costs incurred up to the point of stockpiling the ore, including applicable overhead, depreciation, depletion and amortization relating to mining operations, and removed at each stockpile's average cost per recoverable unit.

The recovery of gold from certain oxide ores is achieved through the heap leaching process. Our Pierina, Lagunas Norte, and Veladero mines all are using a heap leaching process. Under this method, ore is placed on leach pads where it is treated with a chemical solution, which dissolves the gold contained in the ore. The resulting "pregnant" solution is further processed in a plant where the gold is recovered. For accounting purposes, costs are added to ore on leach pads based on current mining costs, including applicable depreciation, depletion and amortization relating to mining operations. Costs are removed from ore on leach pads as ounces are recovered based on the average cost per recoverable ounce of gold on the leach pad.

Estimates of recoverable gold on the leach pads are calculated from the quantities of ore placed on the leach pads (measured tons added to the leach pads), the grade of ore placed on the leach pads (based on assay data) and a recovery percentage (based on ore type). In general, leach pads recover between 50% and 95% of the recoverable ounces in the first year of leaching, declining each year thereafter until the leaching process is complete.

Although the quantities of recoverable gold placed on the leach pads are reconciled by comparing the grades of ore placed on pads to the quantities of gold actually recovered (metallurgical balancing), the nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, the metallurgical balancing process is constantly monitored and estimates are refined based on actual results over time. Historically, our operating results have not been materially impacted by variations between the estimated and actual recoverable quantities of gold on its leach pads. At December 31, 2005 and 2004, the weighted-average cost per recoverable ounce of gold on leach pads was $164 and $153 per ounce (unaudited), respectively. Variations between actual and estimated quantities resulting from changes in assumptions and estimates that do not result in write-downs to net realizable value are accounted for on a prospective basis.

The ultimate recovery of gold from a leach pad will not be known until the leaching process is concluded. Based on current mine plans, we expect to place the last ton of ore on our current leach pads at dates ranging from 2007 to 2021 (unaudited). Including the estimated time required for residual leaching, rinsing and reclamation activities, we expect that our leaching operations will terminate within approximately six years (unaudited) following the date that the last ton of ore is placed on the leach pad.

The current portion of ore inventory on leach pads is determined based on estimates of the quantities of gold at each balance sheet date that we expect to recover during the next 12 months.

Significant Ore in Stockpiles

At December 31	**2005**	2004
Goldstrike		
Ore that requires roasting	**$ 182**	$ 23
Ore that requires autoclaving	**98**	17
Kalgoorlie	**53**	46

At Goldstrike, we expect to fully process the autoclave stockpile by 2008 (unaudited) and the roaster stockpile by 2023 (unaudited). At Kalgoorlie, we expect to fully process the stockpile by 2016 (unaudited).

We record gold in process, gold doré and gold in concentrate form at average cost, less provisions required to reduce inventory to market value. Average cost is calculated based on the cost of inventory at the beginning of a period, plus the cost of inventory produced in a period. Costs capitalized to inventory include direct and indirect materials and consumables; direct labor; repairs and maintenance; utilities; amortization of property, plant and equipment; stripping costs; and local mine administrative expenses. Costs are removed from inventory and recorded in cost of sales and amortization expense based on the average cost per ounce of gold in inventory.

Mine operating supplies are recorded at purchase cost, less provisions to reduce slow-moving and obsolete supplies to market value. We recorded provisions to reduce the cost of slow moving and obsolete supplies inventory to market value as follows: 2005 — $12 million in cost of sales and $3 million in expensed development costs; 2004 — $9 million in cost of sales; 2003 — $3 million in cost of sales.

13 n Property, Plant and Equipment

At December 31	**2005**	2004
Acquired mineral properties and capitalized mine development costs	**$ 4,792**	$ 4,489
Buildings, plant and equipment[1]	**4,124**	3,289
	8,916	7,778
Accumulated amortization[2]	**(4,770)**	(4,387)
	$ 4,146	$ 3,391

1. Includes $122 million (2004: $44 million) of assets under capital leases.
2. Includes $18 million (2004: $1 million) of accumulated amortization for assets under capital leases.

a) Acquired Mineral Properties and Capitalized Mine Development Costs

Exploration and Development Stage Properties

We capitalize the cost of acquisition of land and mineral rights. The cost is allocated between proven and probable reserves and mineralization not considered proven and probable reserves at the date of acquisition, based on relative fair values. If we later establish that some mineralization meets the definition of proven and probable gold reserves, we classify a portion of the capitalized acquisition cost as relating to reserves.

After acquisition, various factors can affect the recoverability of the capitalized cost of land and mineral rights, particularly the results of exploration drilling. The length of time between the acquisition of land and mineral rights and when we undertake exploration work varies based on the prioritization of our exploration projects and the size of our exploration budget. If we conclude that the carrying amount of land and mineral rights is impaired, we reduce this carrying amount to estimated fair value through an impairment charge.

We capitalize costs incurred at development projects that meet the definition of an asset after mineralization is classified as proven and probable gold reserves (as defined by United States reporting standards). Before classifying mineralization as proven and probable gold reserves, costs incurred at development projects are considered exploration costs and are expensed as incurred. Effective May 1, 2004, we determined that mineralization at Lagunas Norte met the definition of proven and probable reserves for United States reporting purposes. Following this determination, we began capitalizing costs that meet the definition of an asset at Lagunas Norte prospectively for future periods. At new mines, the cost of start-up activities such as recruiting and training is expensed as incurred.

At December 31, 2005 the following assets were in an exploration, development or construction stage and amortization of the capitalized costs had not yet begun.

	Carrying amount at December 31, 2005	Targeted timing of production start-up (unaudited)
Development projects		
Cowal	**$ 406**	2006
East Archimedes	**35**	2007
Pascua-Lama	**340**	2009
Buzwagi exploration project	**102**	—
Total	**$ 883**	

In 2005, amortization of property, plant and equipment at our Tulawaka, Lagunas Norte, and our Veladero mines began after the mines moved from construction into the production phase. Amortization also began in 2005 at the Nevada Power Plant that was built to supply power for the Goldstrike mine as it moved from construction into the production phase.

Interest cost is considered an element of the historical cost of an asset when a period of time is necessary to prepare it for its intended use. We capitalize interest costs to assets under development or construction while activities are in progress. We stop capitalizing interest costs when construction of an asset is substantially complete and it is ready for its intended use. We measure the amount capitalized based on cumulative capitalized costs, exclusive of the impact, if any, of impairment charges on the carrying amount of an asset.

Producing Mines

We start amortizing capitalized mineral property acquisition and mine development costs when production begins. Amortization is calculated using the “units-of-production” method, where the numerator is the number of ounces produced and the denominator is the estimated recoverable ounces of gold contained in proven and probable reserves.

During production at underground mines, we incur development costs to build new shafts, drifts and ramps that will enable us to physically access ore underground. The time over which we will continue to incur these costs depends on the mine life, and in some cases could be up to 25 years. These underground development costs are capitalized as incurred. Costs incurred and capitalized to enable access to specific ore blocks or areas of the mine, and which only provide an economic benefit over the period of mining that ore block or area, are attributed to earnings using the units-of-production method where the denominator is estimated recoverable ounces of gold contained in proven and probable reserves within that ore block or area. If capitalized underground development costs provide an economic benefit over the entire mine life, the costs are attributed to earnings using the units-of-production method, where the denominator is the estimated recoverable ounces of gold contained in total accessible proven and probable reserves.

b) Buildings, Plant and Equipment

We record buildings, plant and equipment at cost. We capitalize costs that extend the productive capacity or useful economic life of an asset. Costs incurred that do not extend the productive capacity or useful economic life of an asset are considered repairs and maintenance and expensed as incurred. We amortize the capitalized cost of assets less any estimated residual value, using the straight-line method over the estimated useful economic life of the asset based on their expected use in our business. The longest estimated useful economic life for buildings and equipment at ore processing facilities is 25 years and for mining equipment is 15 years.

In the normal course of our business, we have entered into certain leasing arrangements whose conditions meet the criteria for the leases to be classified as capital leases. For capital leases, we record an asset and an obligation at an amount equal to the present value at the beginning of the lease term of minimum lease payments over the lease term. In the case of all our leasing arrangements, there is transfer of ownership of the leased assets to us at the end of the lease term and therefore we amortize these assets on a basis consistent with our other owned assets.

c) Impairment Evaluations — Operating Mines and Development Projects

We review and test the carrying amounts of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. We group assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. For operating mines and development projects, all assets are included in one group. If there are indications that an impairment may have occurred, we prepare estimates of expected future cash flows for each group of assets. Expected future cash flows are based on a probability-weighted approach applied to potential outcomes.

Estimates of expected future cash flow reflect:

- Estimated sales proceeds from the production and sale of recoverable ounces of gold contained in proven and probable reserves;
- Expected future commodity prices and currency exchange rates (considering historical and current prices, price trends and related factors);
- Expected future operating costs and capital expenditures to produce proven and probable gold reserves based on mine plans that assume current plant capacity, and exclude the impact of inflation;
- Expected cash flows associated with value beyond proven and probable reserves, which includes the expected cash outflows required to develop and extract the value beyond proven and probable reserves; and
- Environmental remediation costs excluded from the measurement of asset retirement obligations.

We record a reduction of a group of assets to fair value as a charge to earnings if expected future cash flows are less than the carrying amount. We estimate fair value by discounting the expected future cash flows using a discount factor that reflects the risk-free rate of interest for a term consistent with the period of expected cash flows.

d) Capital Commitments

At December 31, 2005, we had capital commitments of $85 million that principally relate to construction activities at our development projects.

14 n Other Assets

At December 31	2005	2004
Derivative assets (note 16c)	**$ 177**	$ 257
Goods and services taxes recoverable	**46**	50
Deferred income tax assets (note 19)	**141**	97
Debt issue costs	**35**	38
Deferred share-based compensation (note 22b)	**13**	5
Other	**105**	52
	$ 517	$ 499

Debt Issue Costs

Additions to debt issue costs in 2005 of $4 million principally relate to new debt financings put in place during the year. Amortization of debt issue costs is calculated using the interest method over the term of each debt obligation, and classified as a component of interest cost.

15 n Other Current Liabilities

At December 31	2005	2004
Asset retirement obligations (note 17)	**$ 37**	$ 33
Derivative liabilities (note 16c)	**42**	11
Post-retirement benefits (note 23)	**6**	2
Deferred revenue	**8**	5
Other	**1**	3
	$ 94	$ 54

16 n Financial Instruments

Financial instruments include cash; evidence of ownership in an entity; or a contract that imposes an obligation on one party and conveys a right to a second entity to deliver/receive cash or another financial instrument. Information on certain types of financial instruments is included elsewhere in these financial statements as follows: accounts receivable — note 12; investments — note 11; restricted share units — note 22b.

a) Cash and Equivalents

Cash and equivalents include cash, term deposits and treasury bills with original maturities of less than 90 days.

b) Long-Term Debt

	2005			2004			2003		
	At December 31	Proceeds	Repayments	At December 31	Proceeds	Repayments	At December 31	Proceeds	Repayments
7 1/2% debentures[1]	**$ 490**	**$ —**	$ —	$ 495	$ —	$ —	$ 501	$ —	$ —
5 4/5% notes[2]	**397**	**—**	**—**	397	397	—	—	—	—
4 7/8% notes[3]	**348**	**—**	**—**	348	348	—	—	—	—
Veladero financing[4]	**237**	**39**	**—**	198	198	—	—	—	—
Bulyanhulu financing[5]	**119**	**—**	**31**	150	—	24	174	—	23
Variable-rate bonds[6]	**63**	**—**	**—**	63	—	17	80	—	—
Capital leases	**4**	**—**	**1**	5	—	—	5	—	—
Peru lease facilities									
First facility[7]	**76**	**73**	**27**	30	30	—	—	—	—
Second facility[8]	**17**	**17**	**—**	—	—	—	—	—	—
Peruvian bonds[9]	**50**	**50**	**—**	—	—	—	—	—	—
	1,801	**179**	**59**	1,686	973	41	760	—	23
Less: current part	**(80)**	**—**	**—**	(31)	—	—	(41)	—	—
	$ 1,721	**$ 179**	**$ 59**	$ 1,655	$ 973	$ 41	$ 719	$ —	$ 23

1. The 7 1/2% debentures have a principal amount of $500 million and mature on May 1, 2007. The debentures have been designated in a fair value hedge relationship and consequently the carrying amount at December 31, 2005 represents the estimated fair value at each balance sheet date.
2. On November 12, 2004, we issued $400 million of debentures at a $3 million discount that mature on November 15, 2034.
3. On November 12, 2004, we issued $350 million of debentures at a $2 million discount that mature on November 15, 2014.
4. One of our wholly owned subsidiaries, Minera Argentina Gold S.A. in Argentina has a variable-rate limited recourse amortizing loan facility for $250 million. We have guaranteed the loan until completion occurs, after which it will become non-recourse. The loan is insured for political risks by branches of the Canadian and German governments.
5. One of our wholly owned subsidiaries, Kahama Mining Corporation Ltd. in Tanzania, has a variable-rate recourse amortizing loan for $119 million. The loan is insured for political risks equally by branches of the Canadian government and the World Bank. In second quarter 2005, the terms of the financing were amended, with the lender having recourse in return for a reduction in the spread over Libor on the financing, and the loan convenants were also simplified.
6. Certain of our wholly owned subsidiaries have issued variable-rate, tax-exempt bonds of $25 million (due 2029) and $38 million (due 2032) for a total of $63 million.
7. By December 31, 2005, a total of $103 million had been drawn down under a $110 million build to suit facility held by one of our wholly owned subsidiaries, Minera Barrick Misquichilca (MBM). We repaid $23 million on September 30, 2005, with the remaining $80 million repayable in 20 equal quarterly installments of $4 million commencing in fourth quarter 2005. The lease facility has an implied interest rate of Libor plus 2.5% for the first 12 installments and Libor plus 2.6% for the last 8 installments.
8. In 2005, MBM finalized a second build to suit lease facility for $30 million, which is being used to finance the extension of the leach pad at the Lagunas Norte mine.
9. In second quarter 2005, MBM issued $50 million of public debt securities in the Peruvian capital markets. The net proceeds were used to partially fund the construction of the Lagunas Norte mine. The securities bear interest at Libor plus 1.72%, and mature in 2013.
10. We have a credit and guarantee agreement with a group of banks (the “Lenders”), which requires the Lenders to make available to us a credit facility of up to $1 billion or the equivalent amount in Canadian currency. The credit facility, which is unsecured, matures in April 2010 and has an interest rate of Libor plus 0.27% to 0.35% when used, and an annual fee of 0.08%. As at December 31, 2005, we had not drawn any amounts under the credit facility. In first quarter 2006, we drew down $1 billion under this credit facility to fund a portion of the cash consideration for the acquisition of Placer Dome — see note 3a.

b) Long-Term Debt (cont'd)

	For the years ended December 31					
	2005		2004		2003	
	Interest cost	**Effective rate[1]**	Interest cost	Effective rate[1]	Interest cost	Effective rate[1]
7 1/2% debentures	**$ 41**	**8.2%**	$ 31	6.1%	$ 31	6.1%
5 4/5% notes	**24**	**6.0%**	3	6.0%	—	—
4 7/8% notes	**18**	**5.0%**	2	5.0%	—	—
Veladero financing	**20**	**8.6%**	4	7.5%	—	—
Bulyanhulu financing	**10**	**7.5%**	14	8.0%	15	7.7%
Variable-rate bonds	**1**	**2.3%**	1	1.2%	1	1.1%
Peruvian bonds	**2**	**5.0%**	—	—	—	—
Peru lease facilities	**5**	**6.0%**	—	—	—	—
Australia capital leases	**1**	**7.1%**	—	—	—	—
Other interest	**3**		5		2	
	125	**6.9%**	60	6.0%	49	6.2%
Less: interest capitalized	**(118)**		(41)		(5)	
	$ 7		$ 19		$ 44	
Cash interest paid	**$ 112**		$ 57		$ 48	
Amortization of debt issue costs	**2**		3		1	
Hedge (gains) losses	**5**		(2)		(1)	
Increase (decrease) in interest accruals	**6**		2		1	
Interest cost	**$ 125**		$ 60		$ 49	

1. The effective rate includes the stated interest rate under the debt agreement, amortization of debt issue costs, and the impact of interest rate contracts designated in a hedging relationship with long-term debt.

Scheduled Debt Repayments

	2006	2007	2008	2009	2010 and thereafter
7 1/2% debentures	$ —	$ 500	$ —	$ —	$ —
5 4/5% notes	—	—	—	—	400
4 7/8% notes	—	—	—	—	350
Veladero financing	28	55	45	50	59
Bulyanhulu financing	34	34	34	17	—
Variable-rate bonds	—	—	—	—	63
Peruvian bonds	—	—	—	—	50
	$ 62	$ 589	$ 79	$ 67	$ 922
Minimum payments under capital leases	$ 19	$ 23	$ 19	$ 19	$ 17

c) Use of Derivative Instruments ("Derivatives") in Risk Management

In the normal course of business, our assets, liabilities and forecasted transactions are impacted by various market risks including:

Item	Impacted by
n Cost of sales	
n Consumption of diesel fuel and propane	n Prices of diesel fuel and propane
n Local currency denominated expenditures	n Currency exchange rates — US dollar versus A$, C$, and ARS
n Administration costs in local currencies	n Currency exchange rates — US dollar versus A$ and C$
n Capital expenditures in local currencies	n Currency exchange rates — US dollar versus A$, C$, ARS, and €
n Interest earned on cash	n US dollar interest rates
n Fair value of fixed-rate debt	n US dollar interest rates

Under our risk management policy we seek to mitigate the impact of these market risks to control costs and enable us to plan our business with greater certainty. The time-frame and manner in which we manage these risks varies for each item based upon our assessment of the risk and available alternatives for mitigating risk. For these particular risks, we believe that derivatives are an effective means of managing risk.

The primary objective of the hedging elements of our derivative positions is that changes in the values of hedged items are offset by changes in the values of derivatives. Most of the derivatives we use meet the FAS 133 hedge effectiveness criteria and are designated in a hedge accounting relationship. Some of the derivative positions are effective in achieving our risk management objectives but they do not meet the strict FAS 133 hedge effectiveness criteria, and they are classified as "non-hedge derivatives".

Our use of derivatives is based on established practices and parameters, which are subject to the oversight of the Finance Committee of the Board of Directors. A Compliance Function independent of the Corporate Treasury Group monitors derivative transactions and has responsibility for recording and accounting for derivatives.

Accounting Policy for Derivatives

We record derivatives on the balance sheet at fair value except for gold and silver sales contracts, which are excluded from the scope of FAS 133, because the obligations will be met by physical delivery of our gold and silver production and they meet the other requirements set out in paragraph 10(b) of FAS 133. In addition, our past sales practices, productive capacity and delivery intentions are consistent with the definition of a normal sales contract. Accordingly, we have elected to designate our gold and silver sales contracts as "normal sales contracts" with the result that the principles of FAS 133 are not applied to them. Instead we apply revenue recognition accounting principles as described in note 5.

On the date we enter into a derivative that is accounted for under FAS 133, we designate it as either a hedging instrument or a non-hedge derivative.

A hedging instrument is designated in either:

n a fair value hedge relationship with a recognized asset or liability; or

n a cash flow hedge relationship with either a forecasted transaction or the variable future cash flows arising from a recognized asset or liability.

At the inception of a hedge, we formally document all relationships between hedging instruments and hedged items, including the related risk-management strategy. This documentation includes linking all hedging instruments to either specific assets and liabilities, specific forecasted transactions or variable future cash flows. It also includes the method of assessing retrospective and prospective hedge effectiveness. In cases where we use regression analysis to assess prospective effectiveness, we consider regression outputs for the coefficient of determination (R-squared), the slope coefficient and the t-statistic to assess whether a hedge is expected to be highly effective. Each period, using a dollar offset approach, we retrospectively assess whether hedging instruments have been highly effective in offsetting changes in the fair value of hedged items and we measure the amount of any hedge ineffectiveness. We also assess each period whether hedging instruments are expected to be highly effective in the future. If a hedging instrument is not expected to be highly effective, we stop hedge accounting prospectively. In this case accumulated gains or losses remain in OCI until the hedged item affects earnings. We also stop hedge accounting prospectively if:

n a derivative is settled;

n it is no longer highly probable that a forecasted transaction will occur; or

n we de-designate a hedging relationship.

If we conclude that it is probable that a forecasted transaction will not occur in the originally specified time frame, or within a further two-month period, gains and losses accumulated in OCI are immediately transferred to earnings. In all situations when hedge accounting stops, a derivative is classified as a non-hedge derivative prospectively. Cash flows from derivative transactions are included under operating activities, except for derivatives designated as a cash flow hedge of forecasted capital expenditures, which are included under investing activities.

Changes in the fair value of derivatives each period are recorded as follows:

- Fair value hedges: recorded in earnings as well as changes in fair value of the hedged item.
- Cash flow hedges: recorded in OCI until earnings are affected by the hedged item, except for any hedge ineffectiveness which is recorded in earnings immediately.
- Non-hedge derivatives: recorded in earnings.

Summary of Derivatives at December 31, 2005[1]

	Notional amount by term to maturity			Accounting classification by notional amount			Fair value (US$ millions)
	Within 1 year	2 to 5 years	Total	Cash flow hedge	Fair value hedge	Non-hedge	
US dollar interest rate contracts							
Receive-fixed swaps (millions)	$ —	$ 975	$ 975	$ 425	$ 500	$ 50	$ (21)
Pay-fixed swaps (millions)	—	125	125	—	—	125	(13)
Net notional position	$ —	$ 850	$ 850	$ 425	$ 500	$ (75)	$ (34)
Currency contracts							
C$:US$ contracts (C$ millions)	C$ 297	C$ 491	C$ 788	C$ 788	C$ —	C$ —[2]	$ 68
A$:US$ contracts (A$ millions)	A$ 537	A$ 1,676	A$ 2,213	A$ 2,212	A$ —	A$ 1	61
ARS:US$ contracts (ARS millions)	36	—	36	36	—	—	(1)
Commodity contracts							
WTI contracts (thousands of barrels)	476	1,417	1,893	1,502	—	391	$ 40
MOPS contracts (thousands of barrels)	121	—	121	121	—	—	(1)
Propane contracts (millions of gallons)	17	—	17	17	—	—	4

1. Excludes gold sales contracts (see note 5), gold lease rate swaps (see note 5) and Celtic Resources share purchase warrants (see note 11).

2. $62 million of non-hedge currency contracts were economically closed out by entering into offsetting positions, albeit with differing counterparties.

US Dollar Interest Rate Contracts

Cash Flow Hedges — Cash Balances

Receive-fixed swaps have been designated against the first $425 million of our cash balances as a hedge of the variability of forecasted interest receipts on the balances caused by changes in Libor.

Each period the effective portion of changes in the fair value of the swaps, which relates to future interest receipts, is recorded in OCI. Also, as interest is received and recorded in earnings, an amount equal to the difference between the fixed-rate interest earned on the swaps and the variable-rate interest earned on cash is recorded in earnings as a component of interest income.

Fair Value Hedges

Receive-fixed swaps totaling $500 million have been designated against the 7 1/2% debentures as a hedge of the variability in the fair value of the debentures caused by changes in Libor. We have concluded that the hedges are 100% effective under FAS 133, because the critical terms (including: notional amount, maturity date, interest payment and underlying interest rate — i.e. Libor) of the swaps and the debentures are the same. Changes in fair value of the swaps, together with an equal corresponding change in fair value of the debentures, caused by changes in Libor, are recorded in earnings each period. Also, as interest payments on the debentures are recorded in earnings, an amount equal to the difference between the fixed-rate interest received under the swap less the variable-rate interest paid under the swap is recorded in earnings as a component of interest costs.

Non-hedge Contracts

We use gold lease rate swaps as described in note 5. The valuation of gold lease rate swaps is impacted by market US dollar interest rates. Our non-hedge pay-fixed swap position mitigates the impact of changes in US dollar interest rates on the valuation of gold lease rate swaps.

Currency Contracts

Cash Flow Hedges

Currency contracts totaling C$788 million, A$2,213 million, and ARS$36 million have been designated against forecasted local currency denominated expenditures as a hedge of the variability of the US dollar amount of those expenditures caused by changes in currency exchange rates. Hedged items are identified as the first stated quantity of dollars of forecasted expenditures in a future month. For a C$547 million and A$2,065 million portion of the contracts, we have concluded that the hedges are 100% effective under FAS 133 because the critical terms (including notional amount and maturity date) of the hedged items and currency contracts are the same. For the remaining C$241 million and A$147 million portions, prospective and retrospective hedge effectiveness is assessed using the hypothetical derivative method under FAS 133. The prospective test involves comparing the effect of a theoretical shift in forward exchange rates on the fair value of both the actual and hypothetical derivative. The retrospective test involves comparing the effect of historic changes in exchange rates each period on the fair value of both the actual and hypothetical derivative using a dollar offset approach. The effective portion of changes in fair value of the currency contracts is recorded in OCI until the forecasted expenditure impacts earnings. For expenditures capitalized to the cost of inventory, this is upon sale of inventory, and for capital expenditures, this is when amortization of the capital assets is recorded in earnings.

If it is probable that a hedged item will no longer occur in the originally specified time frame or within a further two-month period, the accumulated gains or losses in OCI for the associated currency contract are reclassified to earnings immediately. The identification of which currency contracts are associated with these hedged items uses a last-in, first-out (“LIFO”) approach, based on the order in which currency contracts were originally designated in a hedging relationship.

Commodity Contracts

Cash Flow Hedges

Commodity contracts totaling 2,014 thousand barrels of diesel fuel and 17 million gallons of propane have been designated against forecasted purchases of the commodities for expected consumption at our mining operations. The contracts act as a hedge of the impact of variability in market prices on the cost of future commodity purchases. Hedged items are identified as the first stated quantity in millions of barrels/gallons of forecasted purchases in a future month. Prospective and retrospective hedge effectiveness is assessed using the hypothetical derivative method under FAS 133. The prospective test is based on regression analysis of the month-on-month change in fair value of both the actual derivative and a hypothetical derivative caused by actual historic changes in commodity prices over the last three years. The retrospective test involves comparing the effect of historic changes in commodity prices each period on the fair value of both the actual and hypothetical derivative using a dollar offset approach. The effective portion of changes in fair value of the commodity contracts is recorded in OCI until the forecasted transaction impacts earnings. The cost of commodity consumption is capitalized to the cost of inventory, and therefore this is upon the sale of inventory.

If it is probable that a hedged item will no longer occur in the originally specified time frame, or within a further two-month period, the accumulated gains or losses in OCI for the associated commodity contract are reclassified to earnings immediately. The identification of which commodity contracts are associated with these hedged items uses a LIFO approach, based on the order in which commodity contracts were originally designated in a hedging relationship.

Non-hedge Contracts

Non-hedge fuel contracts are used to mitigate the risk of oil price changes on consumption at the Pierina, Eskay Creek and Lagunas Norte mines. On completion of regression analysis, we concluded that the contracts do not meet the “highly effective” criterion in FAS 133 due to currency and basis differences between contract prices and the prices charged to the mines by oil suppliers. Despite not qualifying as an accounting hedge, the contracts protect the Company to a significant extent from the effects of oil price changes.

Derivative Assets and Liabilities

	2005	2004
At January 1	**$ 359**	$ 337
Derivatives settled	**(183)**	(120)
Change in fair value of:		
Non-hedge derivatives	**4**	3
Cash flow hedges		
Effective portion	**23**	147
Ineffective portion	**1**	—
Share purchase warrants	**5**	—
Fair value hedges	**(5)**	(8)
At December 31	**$ 204**[1]	$ 359[1]
Classification:		
Other current assets	**$ 128**	$ 165
Other assets	**177**	257
Other current liabilities	**(42)**	(11)
Other long-term obligations	**(59)**	(52)
	$ 204	$ 359

1. Derivative assets and liabilities are presented net by offsetting related amounts due to/from counterparties if the conditions of FIN No. 39, Offsetting of Amounts Related to Certain Contracts, are met. Amounts receivable from counterparties netted against derivative liabilities totaled $9 million at December 31, 2005.

Non-hedge Derivative Gains (Losses)[1]

For the years ended December 31	2005	2004	2003
Non-hedge derivatives			
Commodity contracts	**$ 4**	$ (9)	$ 3
Currency contracts	**3**	(4)	17
Interest rate contracts	**2**	16	32
Share purchase warrants	**(5)**	—	—
	4	3	52
Hedge ineffectiveness			
Ongoing hedge inefficiency	**1**	—	1
Due to changes in timing of hedged items	**1**	2	18
	$ 6	$ 5	$ 71

1. Non-hedge derivative gains (losses) are classified as a component of other (income) expense.

Cash Flow Hedge Gains (Losses) in OCI

	Commodity price hedges		Currency hedges			Interest rate hedges		
	Gold/ silver	Fuel	Operating costs	Administration costs	Capital expenditures	Cash balances	Long-term debt	Total
At December 31, 2002	$ 9	$ —	$ 26	$ —	$ —	$ 26	$ (12)	$ 49
Effective portion of change in fair value of hedging instruments	4	(1)	251	32	54	9	(1)	348
Transfers to earnings:								
On recording hedged items in earnings	(13)	—	(58)	(7)	—	(18)	5	(91)
Hedge ineffectiveness due to changes in timing of hedged items	—	—	—	—	(18)[1]	—	—	(18)
At December 31, 2003	—	(1)	219	25	36	17	(8)	288
Effective portion of change in fair value of hedging instruments	—	7	117	19	19	5	(20)	147
Transfers to earnings:								
On recording hedged items in earnings	—	(4)	(96)	(11)	(5)	(19)	3	(132)
Hedge ineffectiveness due to changes in timing of hedged items	—	—	—	—	(2)[1]	—	—	(2)
At December 31, 2004	—	2	240	33	48	3	(25)	301[2]
Effective portion of change in fair value of hedging instruments	—	46	(38)	13	(4)	1	5	23
Transfers to earnings:								
On recording hedged items in earnings	—	(10)	(100)	(16)	(4)	(6)	2	(134)
Hedge ineffectiveness due to changes in timing of hedged items	—	—	—	—	(1)[1]	—	—	(1)
At December 31, 2005	$ —	$ 38	$ 102	$ 30	$ 39	$ (2)	$ (18)	$ 189[2]

Hedge gains/losses classified within	Gold sales	Cost of sales	Cost of sales	Administration	Amortization	Interest expense	Interest cost	
Portion of hedge gain (loss) expected to affect 2006 earnings [2]	$ —	$ 11	$ 64	$ 11	$ 2	$ (3)	$ (1)	$ 84

1. On determining that certain forecasted capital expenditures were no longer likely to occur within two months of the originally specified time frame.

2. Based on the fair value of hedge contracts at December 31, 2005.

d) Fair Value of Financial Instruments

Fair value is the value at which a financial instrument could be closed out or sold in a transaction with a willing and knowledgeable counterparty over a period of time consistent with our risk management or investment strategy. Fair value is based on quoted market prices, where available. If market quotes are not available, fair value is based on internally developed models that use market-based or independent information as inputs. These models could produce a fair value that may not be reflective of future fair value.

	2005		2004	
Fair Value Information At December 31	**Carrying amount**	**Estimated fair value**	Carrying amount	Estimated fair value
Financial assets				
Cash and equivalents[1]	**$ 1,037**	**$ 1,037**	$ 1,398	$ 1,398
Accounts receivable[1]	**54**	**54**	58	58
Available-for-sale securities[2]	**62**	**62**	61	61
Equity-method investments	**138**	**140**	86	75
Derivative assets[4]	**305**	**305**	422	422
	$ 1,596	**$ 1,598**	$ 2,025	$ 2,014
Financial liabilities				
Accounts payable[1]	**$ 386**	**$ 386**	$ 335	$ 335
Long-term debt[5]	**1,801**	**1,827**	1,686	1,731
Derivative liabilities[4]	**101**	**101**	63	63
Restricted share units[6]	**17**	**17**	6	6
Deferred share units[6]	**1**	**1**	1	1
	$ 2,306	**$ 2,332**	$ 2,091	$ 2,136

1. Recorded at cost. Fair value approximates the carrying amounts due to the short-term nature and generally negligible credit losses.
2. Recorded at fair value. Quoted market prices are used to determine fair value.
3. Recorded at cost, adjusted for our share of income/loss and dividends of equity investees.
4. Recorded at fair value based on internal valuation models that reflect forward market commodity prices, currency exchange rates and interest rates, and a discount factor that is based on market US dollar interest rates. If a forward market does not exist, we obtain broker-dealer quotations. Valuations assume all counterparties have an AA credit rating.
5. Long-term debt is generally recorded at cost except for obligations that are designated in a fair-value hedge relationship, which are recorded at fair value in periods where a hedge relationship exists. The fair value of long-term debt is calculated by discounting the future cash flows under a debt obligation by a discount factor that is based on US dollar market interest rates adjusted for our credit quality.
6. Recorded at fair value based on our period end closing market stock price.

e) Credit Risk

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument. For cash and equivalents and accounts receivable, credit risk represents the carrying amount on the balance sheet.

For derivatives, when the fair value is positive, this creates credit risk. When the fair value of a derivative is negative, we assume no credit risk. In cases where we have a legally enforceable master netting agreement with a counterparty, credit risk exposure represents the net amount of the positive and negative fair values for similar types of derivatives. For a net negative amount, we regard credit risk as being zero. A net positive amount for a counterparty is a reasonable measure of credit risk when there is a legally enforceable master netting agreement. We mitigate credit risk by:

- entering into derivatives with high credit-quality counterparties;
- limiting the amount of exposure to each counterparty; and
- monitoring the financial condition of counterparties.

Credit Quality of Financial Assets At December 31, 2005	S&P Credit rating AA- or higher	A- or higher	B to BBB	Total
Cash and equivalents	$ 962	$ 54	$ 21	$ 1,037
Derivatives[1]	161	82	—	243
Accounts receivable	—	—	54	54
	$ 1,123	$ 136	$ 75	$ 1,334
Number of counterparties[2]	15	10	—	
Largest counterparty (%)	47%	49%	—	

Concentrations of Credit Risk At December 31, 2005	United States	Canada	Other International	Total
Cash and equivalents	$ 879	$ 34	$ 124	$ 1,037
Derivatives[1]	140	78	25	243
Accounts receivable	6	15	33	54
	$ 1,025	$ 127	$ 182	$ 1,334

1. The amounts presented reflect the net credit exposure after considering the effect of master netting agreements.
2. For cash and equivalents and derivatives combined.

f) Risks Relating to the Use of Derivatives

By using derivatives, in addition to credit risk, we are affected by market risk and market liquidity risk. Market risk is the risk that the fair value of a derivative might be adversely affected by a change in commodity prices, interest rates, gold lease rates, or currency exchange rates, and that this in turn affects our financial condition. We manage market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken. We mitigate this risk by establishing trading agreements with counterparties under which we are not required to post any collateral or make any margin calls on our derivatives. Our counterparties cannot require settlement solely because of an adverse change in the fair value of a derivative.

Market liquidity risk is the risk that a derivative cannot be eliminated quickly, by either liquidating it or by establishing an offsetting position. Under the terms of our trading agreements, counterparties cannot require us to immediately settle outstanding derivatives, except upon the occurrence of customary events of default such as covenant breaches, including financial covenants, insolvency or bankruptcy. We generally mitigate market liquidity risk by spreading out the maturity of our derivatives over time.

17 n Asset Retirement Obligations

Asset Retirement Obligations (AROs)

	2005	2004
At January 1	**$ 367**	$ 318
AROs incurred in the period	**47**	14
Impact of revisions to expected cash flows		
Adjustments to carrying amount of assets	**29**	32
Charged to earnings	**15**	22
Settlements		
Cash payments	**(30)**	(33)
Settlement gains	**(3)**	(4)
Accretion		
Operating mines	**11**	11
Closed mines	**10**	7
At December 31	**446**	367
Current part	**(37)**	(33)
	$ 409	$ 334

AROs arise from the acquisition, development, construction and normal operation of mining property, plant and equipment, due to government controls and regulations that protect the environment on the closure and reclamation of mining properties. The major parts of the carrying amount of AROs relate to tailings and heap leach pad closure/rehabilitation; demolition of buildings/mine facilities; ongoing water treatment; and ongoing care and maintenance of closed mines. The fair values of AROs are measured by discounting the expected cash flows using a discount factor that reflects the credit-adjusted risk-free rate of interest. We prepare estimates of the timing and amount of expected cash flows when an ARO is incurred. We update expected cash flows to reflect changes in facts and circumstances. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; changes in the quantities of material in reserves and a corresponding change in the life of mine plan; changing ore characteristics can impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; and changes in laws and regulations governing the protection of the environment. When expected cash flows increase, the revised cash flows are discounted using a current discount factor whereas when expected cash flows decrease the additional cash flows are discounted using a historic discount factor, and then in both cases any change in the fair value of the ARO is recorded. We record the fair value of an ARO when it is incurred. At producing mines AROs incurred and changes in the fair value of AROs are recorded as an adjustment to the corresponding asset carrying amounts. At closed mines, any adjustment to the fair value of an ARO is charged directly to earnings. AROs are adjusted to reflect the passage of time (accretion) calculated by applying the discount factor implicit in the initial fair-value measurement to the beginning-of-period carrying amount of the AROs. For producing mines accretion is recorded in the cost of goods sold each period. For development projects and closed mines, accretion is recorded as part of environmental remediation costs in other (income) expense. Upon settlement of an ARO, we record a gain or loss if the actual cost differs from the carrying amount of the ARO. Settlement gains are classified as environmental remediation costs in other (income) expense. Other environmental remediation costs that are not AROs as defined by FAS 143 are expensed as incurred (see note 7).

18 n Other Long-Term Obligations

At December 31	2005	2004
Pension benefits (note 23)	$ **54**	$ 49
Other post-retirement benefits (note 23)	**28**	26
Derivative liabilities (note 16c)	**59**	52
Restricted share units (note 22b)	**16**	6
Other	**51**	32
	$ 208	$ 165

19 n Deferred Income Taxes

Recognition and Measurement

We record deferred income tax assets and liabilities where temporary differences exist between the carrying amounts of assets and liabilities in our balance sheet and their tax bases. The measurement and recognition of deferred income tax assets and liabilities takes into account: enacted rates that will apply when temporary differences reverse; interpretations of relevant tax legislation; tax planning strategies; estimates of the tax bases of assets and liabilities; and the deductibility of expenditures for income tax purposes. We recognize the effect of changes in our assessment of these estimates and factors when they occur. Changes in deferred income tax assets, liabilities and valuation allowances are allocated between net income and other comprehensive income based on the source of the change.

Deferred income taxes have not been provided on the undistributed earnings of foreign subsidiaries, which are considered to be reinvested indefinitely outside Canada. The determination of the unrecorded deferred income tax liability is not considered practicable.

Sources of Deferred Income Tax Assets and Liabilities

At December 31	2005	2004[1]
Deferred tax assets		
Tax loss carry forwards	**$ 252**	$ 290
Capital tax loss carry forwards	**42**	48
Alternative minimum tax ("AMT") credits	**135**	121
Asset retirement obligations	**175**	106
Property, plant and equipment	**297**	206
Inventory	**57**	14
Post-retirement benefit obligations	**5**	18
Other	**11**	6
Gross deferred tax assets	**974**	809
Valuation allowances	**(656)**	(629)
Net deferred tax assets	**318**	180
Deferred tax liabilities		
Property, plant and equipment	**(230)**	(127)
Derivatives	**(61)**	(95)
	$ 27	$ (42)
Classification:		
Non-current assets (note 14)	**$ 141**	$ 97
Non-current liabilities	**(114)**	(139)
	$ 27	$ (42)

1. 2004 deferred tax asset balances for tax loss carry forwards, for property, plant and equipment and other have been restated with a corresponding restatement of valuation allowances.

Expiry Dates of Tax Losses and AMT Credits

	2006	2007	2008	2009	2010+	No expiry date	Total
Tax losses[1]							
Chile	$ —	$ —	$ —	$ —	$ —	$ 700	$ 700
Tanzania	—	—	—	—	—	142	142
U.S.	—	—	—	1	185	—	186
Other	19	4	2	8	15	26	74
	$ 19	$ 4	$ 2	$ 9	$ 200	$ 868	$ 1,102
AMT credits[2]	—	—	—	—	—	$ 135	$ 135

1. Represents the gross amount of tax loss carry forwards translated at closing exchange rates at December 31, 2005.
2. Represents the amounts deductible against future taxes payable in years when taxes payable exceed "minimum tax" as defined by United States tax legislation.

Valuation Allowances

We consider the need to record a valuation allowance against deferred tax assets on a country-by-country basis, taking into account the effects of local tax law. A valuation allowance is not recorded when we conclude that sufficient positive evidence exists to demonstrate that it is more likely than not that a deferred tax asset will be realized. The main factors considered are:

- historic and expected future levels of future taxable income;
- opportunities to implement tax plans that affect whether tax assets can be realized; and
- the nature, amount and expected timing of reversal of taxable temporary differences.

Levels of future taxable income are mainly affected by: market gold and silver prices; forecasted future costs and expenses to produce gold reserves; quantities of proven and probable gold reserves; market interest rates and foreign currency exchange rates. If these factors or other circumstances change, we record an adjustment to the valuation allowances to reflect our latest assessment of the amount of deferred tax assets that will more likely than not be realized.

A valuation allowance of $209 million has been set up against certain deferred tax assets in the United States. A majority of this valuation allowance relates to AMT credits which have an unlimited carry forward period. Increasing levels of future taxable income due to higher gold selling prices and other factors and circumstances may result in an adjustment to this valuation allowance.

Source of Changes in Deferred Tax Balances

For the years ended December 31	2005	2004	2003
Temporary differences			
Property, plant and equipment	**$ 30**	$ (86)	$ 26
Asset retirement obligations	**(69)**	(21)	(2)
Tax loss carry forwards	**38**	93	(10)
Derivatives	**(34)**	(4)	82
Other	**8**	(5)	4
	$ (27)	$ (23)	$ 100
Adjustment to deferred tax balances due to change in tax status [1]	**(5)**	(81)	—
Release of beginning-of-year valuation allowances	**(32)**	(5)	(62)
Outcome of tax uncertainties	**—**	(120)	—
	$ (64)	$ (229)	$ 38
Intraperiod allocation to:			
Income before income taxes	**$ (30)**	$ (225)	$ (49)
Cumulative accounting changes	**—**	—	5
OCI	**(34)**	(4)	82
Balance sheet reclassifications	**(5)**	13	23
	$ (69)	$ (216)	$ 61

1. Relates to changes in tax status in Australia (note 8).

20 n Capital Stock

a) Common Shares

Our authorized capital stock includes an unlimited number of common shares (issued 538,081,875 common shares); 9,764,929 First preferred shares Series A (issued nil); 9,047,619 Series B (issued nil); 1 Series C special voting share (issued 1); and 14,726,854 Second preferred shares Series A (issued nil).

We repurchased 4.47 million common shares in 2004 (2003: 8.75 million common shares) for $95 million, at an average cost of $21.20 per share (2003: $17.56 per share). This resulted in a reduction of common share capital by $35 million (2003: $67 million) and a $60 million (2003: $87 million) charge (being the difference between the repurchase cost and the average historic book value of shares repurchased) to retained earnings.

In 2005, we declared and paid dividends in US dollars totaling $0.22 per share ($118 million) (2004: $0.22 per share, $118 million; 2003: $0.22 per share, $118 million).

b) Exchangeable Shares

In connection with a 1998 acquisition, Barrick Gold Inc. (“BGI”), issued 11.1 million BGI exchangeable shares, which are each exchangeable for 0.53 of a Barrick common share at any time at the option of the holder, and have essentially the same voting, dividend (payable in Canadian dollars), and other rights as 0.53 of a Barrick common share. BGI is a subsidiary that holds our interest in the Hemlo and Eskay Creek Mines.

At December 31, 2005, 1.4 million (2004: 1.4 million) BGI exchangeable shares were outstanding, which are equivalent to 0.7 million Barrick common shares (2004: 0.7 million common shares), and are reflected in the number of common shares outstanding. We have the right to require the exchange of each outstanding BGI exchangeable share for 0.53 of a Barrick common share. While there are exchangeable shares outstanding, we are required to present summary consolidated financial information relating to BGI.

Summarized Financial Information for BGI

For the years ended December 31	2005	2004	2003
Total revenues and other income	**$ 181**	$ 216	$ 226
Less: costs and expenses	**186**	287	238
Income (loss) before taxes	**$ (5)**	$ (71)	$ (12)
Net income (loss)	**$ 21**	$ (41)	$ (31)

At December 31	2005	2004
Assets		
Current assets	**$ 119**	$ 67
Non-current assets	**88**	119
	$ 207	$ 186
Liabilities and shareholders’ equity		
Current liabilities	**$ 25**	$ 24
Intercompany notes payable	**390**	395
Other long-term liabilities	**55**	56
Shareholders’ equity	**(263)**	(289)
	$ 207	$ 186

21 n Other Comprehensive Income (Loss) ("OCI")

	2005	2004	2003
Accumulated OCI at January 1			
Cash flow hedge gains, net of tax of $95, $99, $17	**$ 206**	$ 189	$ 32
Investments, net of tax of $nil, $nil, $nil	**21**	25	(6)
Currency translation adjustments, net of tax of $nil, $nil, $nil	**(146)**	(147)	(144)
Additional minimum pension liability, net of tax of $nil, $nil, $nil	**(12)**	(7)	(7)
	$ 69	$ 60	$ (125)
OCI for the year:			
Changes in fair value of cash flow hedges	**23**	147	348
Changes in fair value of investments	**(8)**	(3)	24
Currency translation adjustments	**3**	1	(3)
Adjustments to minimum pension liability	**(16)**	(5)	—
Less: reclassification adjustments for gains/losses recorded in earnings:			
Transfers of cash flow hedge gains to earnings:			
On recording hedged items in earnings	**(134)**	(132)	(91)
Hedge ineffectiveness due to changes in timing of hedged items	**(1)**	(2)	(18)
Investments:			
(Gains) losses realized on sale	**16**	(6)	11
Other than temporary impairment charges	**(17)**	5	(4)
OCI, before tax	**(134)**	5	267
Income tax recovery (expense) related to OCI	**34**	4	(82)
OCI, net of tax	**$ (100)**	$ 9	$ 185
Accumulated OCI at December 31			
Cash flow hedge gains, net of tax of $61, $95, $99	**128**	206	189
Investments, net of tax of $nil, $nil, $nil	**12**	21	25
Currency translation adjustments, net of tax of $nil, $nil, $nil	**(143)**	(146)	(147)
Additional minimum pension liability, net of tax of $nil, $nil, nil	**(28)**	(12)	(7)
	$ (31)	$ 69	$ 60

22 n Stock-Based Compensation

In 2005, following a review of various types of stock-based compensation arrangements, we introduced a new stock-based compensation plan for employees. Under the new plan, selected employees are granted restricted share units (RSUs) each year that vest on the third anniversary of the date of grant. Certain employees have the ability to elect for 50% of each annual RSU grant to be exchanged for stock options using a predetermined exchange ratio. We expect that the volume of options granted each year will decline compared to historical volumes, with a greater number of RSUs issued instead.

a) Stock Options

Employee Stock Option Activity (Number of Shares in Millions)

	2005		2004		2003	
	Shares	**Average price**	Shares	Average price	Shares	Average price
C$ options						
At January 1	**19.4**	**$ 28**	21.5	$ 27	18.9	$ 27
Granted	**—**	**$ —**	0.8	$ 28	4.8	$ 29
Exercised[1]	**(3.8)**	**$ 25**	(1.7)	$ 25	(1.0)	$ 24
Forfeited	**(0.8)**	**$ 27**	(0.7)	$ 26	(0.6)	$ 24
Cancelled/expired	**(0.1)**	**$ 40**	(0.5)	$ 31	(0.6)	$ 32
At December 31	**14.7**	**$ 28**	19.4	$ 28	21.5	$ 27
US$ options						
At January 1	**5.9**	**$ 22**	2.2	$ 19	3.0	$ 17
Granted	**2.1**	**$ 25**	4.9	$ 24	—	$ —
Exercised[1]	**(0.3)**	**$ 15**	(1.0)	$ 15	(0.7)	$ 13
Forfeited	**(0.4)**	**$ 28**	—	$ —	—	$ —
Cancelled/expired	**(0.4)**	**$ 26**	(0.2)	$ 32	(0.1)	$ 22
At December 31	**6.9**	**$ 24**	5.9	$ 22	2.2	$ 19

1. The exercise price of the options is the closing share price on the day before the grant date. They vest evenly over four years, beginning in the year after granting. Options granted in July 2004 and prior are exercisable over 10 years, whereas options granted since December 2004 are exercisable over 7 years. At December 31, 2005, 12 million (2004: 13 million; 2003: 1 million) common shares, in addition to those currently outstanding, were available for granting options.

Stock Options Outstanding (Number of Shares in Millions)

	Outstanding			Exercisable	
Range of exercise prices	Shares	Average price	Average life (years)	Shares	Average price
C$ options					
$22 — $27	6.2	$ 24	6	4.9	$ 25
$28 — $31	6.5	$ 29	6	4.2	$ 29
$32 — $43	2.0	$ 39	1	2.0	$ 39
	14.7	$ 28	5	11.1	$ 29
US$ options					
$ 9 — $18	0.2	$ 13	4	0.2	$ 13
$22 — $27	6.5	$ 24	6	1.1	$ 24
$28 — $37	0.2	$ 29	5	0.1	$ 31
	6.9	$ 24	6	1.4	$ 23

We record compensation cost for stock options based on the excess of the market price of the stock at the grant date of an award over the exercise price. Historically, the exercise price for stock options has equaled the market price of the stock at the grant date, resulting in no compensation cost.

Option Information

For the years ended December 31 (per share and per option amounts in dollars)	2005		2004	2003
Valuation assumptions	**Black-Scholes**	**Lattice[2]**	Black-Scholes	Black-Scholes
Expected term (years)	**5**	**5**	5	6
Expected volatility[1,2]	**23%-30%**	**1%-38%**	30%	40%
Weighted average expected volatility[2]	**n/a**	**33.3%**	30%	40%
Expected dividend yield[1]	**0.8%-1.0%**	**0.9%**	1.0%	1.0%
Risk-free interest rate[1,2]	**3.8%-4.0%**	**4.3%-4.5%**	3.8%	4.5%
Options granted (in millions)	**1.1**	**1.0**	5.7	4.8
Weighted average fair value per option	**$ 7.30**	**$ 8.13**	$ 6.87	$ 8.50
Pro forma effects				
Net income, as reported		**$ 401**	$ 248	$ 200
Stock-option expense		**(26)**	(29)	(24)
Pro forma net income		**$ 375**	$ 219	$ 176
Net income per share:				
As reported — Basic		**$ 0.75**	$ 0.47	$ 0.37
As reported — Diluted		**$ 0.75**	$ 0.46	$ 0.37
Pro forma[3]		**$ 0.70**	$ 0.41	$ 0.33

1. Different assumptions were used for the multiple stock option grants valued under the Black-Scholes method.
2. Stock option grants issued after September 30, 2005 were valued using the Lattice valuation model. The volatility and risk-free interest rate assumption varied over the expected term of that stock option grant.
3. Basic and diluted.

We changed the method used to value stock option grants from the Black-Scholes method to the Lattice valuation model for stock options granted after September 30, 2005. We believe the Lattice valuation model provides a more representative fair value because it incorporates more attributes of stock options such as employee turnover and voluntary exercise patterns of option holders. For options granted before September 30, 2005, fair value was determined using the Black-Scholes method. The expected volatility assumptions have been developed taking into consideration both historical and implied volatility of our US dollar share price. The risk-free rate for periods within the contractual life of the option is based on the US Treasury yield curve in effect at the time of the grant.

We use the straight-line method for attributing stock option expense over the vesting period. Stock option expense incorporates an expected forfeiture rate. The expected forfeiture rate is estimated based on historical forfeiture rates and expectations of future forfeitures rates. We make adjustments if the actual forfeiture rate differs from the expected rate.

Under the Black-Scholes model the expected term assumption takes into consideration assumed rates of employee turnover and represents the estimated average length of time stock options remain outstanding before they are either exercised or forfeited. Under the Lattice valuation model, the expected term assumption is derived from the option valuation model and is in part based on historical data regarding the exercise behavior of option holders based on multiple share-price paths. The Lattice model also takes into consideration employee turnover and voluntary exercise patterns of option holders.

As at December 31, 2005, there was $56 million of total unrecognized compensation cost relating to unvested stock options. We expect to recognize this cost over a weighted-average period of 2 years.

b) Restricted Share Units (RSUs) and Deferred Share Units (DSUs)

Under our RSU Plan, selected employees are granted RSUs, where each RSU has a value equal to one Barrick common share. RSUs vest and will be settled in cash on the third anniversary of the grant date. Additional RSUs are credited to reflect dividends paid on Barrick common shares. RSUs are recorded at fair value on the grant date, with a corresponding amount recorded as deferred compensation that is amortized on a straight-line basis over the vesting period. Changes in the fair value of the RSUs are recorded, with a corresponding adjustment to deferred compensation. Compensation expense for 2005 was $2 million (2004: $4 million; 2003: $4 million). At December 31, 2005, the weighted-average remaining contractual life of RSUs was 2.5 years.

Under our DSU plan, Directors receive 50% of their basic annual retainer in the form of DSUs, with the option to elect to receive 100% of such retainer in DSUs. Each DSU has the same value as one Barrick common share. DSUs must be retained until the Director leaves the Board, at which time the cash value of the DSUs will be paid out. Additional DSUs are credited to reflect dividends paid on Barrick common shares. DSUs are recorded at fair value on the grant date and are adjusted for changes in fair value. The fair value of amounts granted each period together with changes in fair value are expensed.

DSU and RSU Activity

	DSUs (thousands)	Fair value (millions)	RSUs (thousands)	Fair value (millions)
At December 31, 2002	—	$ —	489	$ 7.3
Granted	8	0.2	130	2.9
Forfeited	—	—	(171)	(2.9)
Credits for dividends	—	—	4	0.1
Change in value		—		3.0
At December 31, 2003	8	$ 0.2	452	$ 10.4
Settled	—	—	(293)	(7.3)
Forfeited	—	—	(58)	(1.3)
Granted	23	0.5	131	3.1
Credits for dividends	—	—	3	0.1
Change in value		—		0.6
At December 31, 2004	31	$ 0.7	235	$ 5.6
Settled	(3)	(0.1)	—	—
Forfeited	—	—	(38)	(0.9)
Granted[1]	19	0.5	415	11.1
Converted to stock options	—	—	(3)	(0.1)
Credits for dividends	—	—	2	0.1
Change in value		0.3		0.6
At December 31, 2005	47	$ 1.4	611	$ 16.4

1. In January 2006, under our RSU plan, 18,112 restricted share units were converted to 72,448 stock options, and 9,395 units were forfeited.

23 n Post-Retirement Benefits

a) Defined Contribution Pension Plans

Certain employees take part in defined contribution employee benefit plans. We also have a retirement plan for certain officers of the Company, under which we contribute 15% of the officer's annual salary and bonus. Our share of contributions to these plans, which is expensed in the year it is earned by the employee, was $20 million in 2005, $19 million in 2004 and $16 million in 2003.

b) Defined Benefit Pension Plans

We have one qualified defined benefit pension plan that covers certain of our United States employees and provides benefits based on employees' years of service. Our policy is to fund the amounts necessary on an actuarial basis to provide enough assets to meet the benefits payable to plan members under the Employee Retirement Income Security Act of 1974. Independent trustees administer assets of the plans, which are invested mainly in fixed-income and equity securities. On December 31, 2004, the qualified defined benefit plan was amended to freeze benefit accruals for all employees, resulting in a curtailment gain of $2 million.

As well as the qualified plan, we have non-qualified defined benefit pension plans covering certain employees and former directors of the Company. An irrevocable trust ("rabbi trust") was set up to fund these plans. The fair value of assets held in this trust was $22 million in 2005 (2004: $31 million), and is recorded in our consolidated balance sheet under available-for-sale securities.

Actuarial gains and losses arise when the actual return on plan assets differs from the expected return on plan assets for a period, or when the expected and actuarial accrued benefit obligations differ at the end of the year. We amortize actuarial gains and losses over the average remaining life expectancy of plan participants, in excess of a 10% corridor.

Pension Expense

For the years ended December 31	2005	2004	2003
Return on plan assets	**$ (11)**	$ (11)	$ (11)
Interest cost	**12**	12	14
Actuarial gains	**—**	1	—
Loss on curtailment	**—**	(2)	—
Gain on settlement	**—**	—	1
	$ 1	$ —	$ 4

c) Pension Plan Information

Fair Value of Plan Assets

For the years ended December 31	2005	2004	2003
Balance at January 1	**$ 170**	$ 166	$ 170
Actual return on plan assets	**10**	14	19
Company contributions	**10**	6	8
Benefits paid	**(24)**	(16)	(31)
Balance at December 31	**$ 166**	$ 170	$ 166

At December 31	2005			2004
	Target	**Actual**	**Actual**	Actual
Composition of plan assets:				
Equity securities	**50%**	**49%**	**$ 81**	$ 78
Debt securities	**50%**	**51%**	**85**	92
	100%	**100%**	**$ 166**	$ 170

Projected Benefit Obligation (PBO)

For the years ended December 31	2005	2004
Balance at January 1	**$ 218**	$ 221
Interest cost	**13**	12
Actuarial losses	**17**	3
Benefits paid	**(24)**	(16)
Curtailments/settlements	**—**	(2)
Balance at December 31	**$ 224**	$ 218
Funded status[1]	**$ (58)**	$ (48)
Unrecognized actuarial losses	**29**	11
Net benefit liability recorded	**$ (29)**	$ (37)
ABO[2,3]	**$ 222**	$ 217

1. Represents the fair value of plan assets less projected benefit obligations. Plan assets exclude investments held in a rabbi trust that are recorded separately on our balance sheet under Investments (fair value $22 million at December 31, 2005). In the year ending December 31, 2006, we do not expect to make any further contributions.
2. For 2005 we used a measurement date of December 31, 2005 to calculate accumulated benefit obligations.
3. Represents the ABO for all plans. The ABO for plans where the PBO exceeds the fair value of plan assets was $222 million (2004: $49 million).

Expected Future Benefit Payments

For the years ending December 31	
2006	$ 16
2007	$ 16
2008	$ 16
2009	$ 16
2010	$ 17
2011-2015	$ 90

Total Recorded Benefit Liability

At December 31	2005	2004
Current	**$ 3**	$ —
Non-current	**26**	37
Benefit plan liability	**$ 29**	$ 37
Additional minimum liability[1] (note 20)	**28**	12
	$ 57	$ 49

1. A minimum pension liability is recognized if the Accumulated Benefit Obligation (ABO), exceeds the fair value of the pension plan assets. The liability that is recorded is calculated by subtracting the fair value of plan assets from the ABO, adjusting this amount by the accrued/prepaid pension cost that has already been recorded on the balance sheet.

d) Actuarial Assumptions

For the years ended December 31	2005	2004	2003
Discount rate[1]			
Benefit obligation	**5.50%**	5.50%	6.25%
Pension cost	**5.50%**	6.25%	6.50%
Return on plan assets[1]	**7.00%**	7.00%	7.00%
Wage increases	**5.00%**	5.00%	5.00%

1. Effect of a one-percent change: Discount rate: $26 million change in ABO and $1 million change in pension cost; Return on plan assets: $2 million change in pension cost.

Pension plan assets, which consist primarily of fixed-income and equity securities, are valued using current market quotations. Plan obligations and the annual pension expense are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected return on plan assets, discount rates, future wage increases and other assumptions. The discount rate, assumed rate of return on plan assets and wage increases are the assumptions that generally have the most significant impact on our pension cost and obligation.

The discount rate for benefit obligation and pension cost purposes is the rate at which the pension obligation could be effectively settled. This rate was developed by matching the cash flows underlying the pension obligation with a spot rate curve based on the actual returns available on high-grade (Moody's Aa) US corporate bonds. Bonds included in this analysis were restricted to those with a minimum outstanding balance of $50 million. Only non-callable bonds, or bonds with a make-whole provision, were included. Finally, outlying bonds (highest and lowest 10%) were discarded as being non-representative and likely to be subject to a change in investment grade. The resulting discount rate from this analysis was rounded to the nearest 25 basis points. The procedure was applied separately for pension and post-retirement welfare plan purposes, and produced the same rate in each case.

The assumed rate of return on assets for pension cost purposes is the weighted average of expected long-term asset return assumptions. In estimating the long-term rate of return for plan assets, historical markets are studied and long-term historical returns on equities and fixed-income investments reflect the widely accepted capital market principle that assets with higher volatility generate a greater return over the long run. Current market factors such as inflation and the interest rates are evaluated before long-term capital market assumptions are finalized.

Wage increases reflect the best estimate of merit increases to be provided, consistent with assumed inflation rates.

e) Other Post-retirement Benefits

We provide post-retirement medical, dental, and life insurance benefits to certain employees. We use the corridor approach in the accounting for post-retirement benefits. Actuarial gains and losses resulting from variances between actual results and economic estimates or actuarial assumptions are deferred and amortized over the average remaining life expectancy of participants when the net gains or losses exceed 10% of the accumulated post-retirement benefit obligation.

Other Post-retirement Benefits Expense

For the years ended December 31	2005	2004	2003
Interest cost	**$ 2**	$ 2	$ 1
Other	**5**	—	—
Curtailments/settlements	**—**	—	(1)
	$ 7	$ 2	$ —

Fair Value of Plan Assets

For the years ended December 31	2005	2004	2003
Balance at January 1	**$ —**	$ —	$ —
Contributions	**4**	2	2
Benefits paid	**(4)**	(2)	(2)
Balance at December 31	**$ —**	$ —	$ —

Accumulated Post-retirement Benefit Obligation (APBO)

For the years ended December 31	2005	2004	2003
Balance at January 1	**$ 29**	$ 24	$ 28
Interest cost	**2**	2	1
Actuarial losses	**11**	5	(3)
Benefits paid	**(3)**	(2)	(2)
Balance at December 31	**$ 39**	$ 29	$ 24
Funded status	**(38)**	(29)	(24)
Unrecognized net transition obligation	**1**	—	—
Unrecognized actuarial losses	**6**	1	(4)
Net benefit liability recorded	**$ (31)**	$ (28)	$ (28)

We have assumed a health care cost trend of 10% in 2006, decreasing ratability to 5% in 2011 and thereafter. The assumed health care cost trend had a minimal effect on the amounts reported. A one percentage point change in the assumed health care cost trend rate at December 31, 2005 would have increased the post-retirement obligation by $4 million or decreased the post-retirement benefit obligation by $4 million and would have had no significant effect on the benefit expense for 2005.

Expected Future Benefit Payments

For the years ending December 31	
2006	$ 3
2007	$ 3
2008	$ 3
2009	$ 3
2010	$ 3
2011-2015	$ 13

24 n Litigation and Claims

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. In assessing loss contingencies related to legal proceedings that are pending against us or unasserted claims that may result in such proceedings, the Company and its legal counsel evaluate the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought.

If the assessment of a contingency suggests that a loss is probable, and the amount can be reliably estimated, then a loss is recorded. When a contingent loss is not probable but is reasonably possible, or is probable but the amount of loss cannot be reliably estimated, then details of the contingent loss are disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case we disclose the nature of the guarantee. Legal fees incurred in connection with pending legal proceedings are expensed as incurred.

Wagner complaint

On June 12, 2003, a complaint was filed against Barrick and several of its current or former officers in the US District Court for the Southern District of New York. The complaint is on behalf of Barrick shareholders who purchased Barrick shares between February 14, 2002 and September 26, 2002. It alleges that Barrick and the individual defendants violated US securities laws by making false and misleading statements concerning Barrick's projected operating results and earnings in 2002. The complaint seeks an unspecified amount of damages. Other parties on behalf of the same proposed class of Barrick shareholders filed several other complaints, making the same basic allegations against the same defendants. In September 2003, the cases were consolidated into a single action in the Southern District of New York. The plaintiffs filed a Consolidated and/or Amended Complaint on November 5, 2003. On January 14, 2004, Barrick filed a motion to dismiss the complaint. On September 29, 2004, the Court issued an order granting in part and denying in part Barrick's motion to dismiss the action. The Court granted the plaintiffs leave to file a Second Amended Complaint, which was filed on October 20, 2004.

The plaintiffs filed a Third Amended Complaint on January 6, 2005. On May 23, 2005, Barrick filed a motion to dismiss part of the Third Amended Complaint. On January 31, 2006, the Court issued an order granting in part and denying in part Barrick's motion to dismiss. We intend to defend the action vigorously.

Wilcox complaint

On September 8, 2004, two of our US subsidiaries, Homestake Mining Company of California ("Homestake California") and Homestake Mining Company ("Homestake") were served with a First Amended Complaint by persons alleging to be current or former residents of a rural area near the former Grants Uranium Mill. The Complaint, which was filed in the US District Court for the District of New Mexico, identifies 26 plaintiffs. Homestake and Homestake California, along with an unspecified number of unidentified defendants, are named as defendants. The plaintiffs allege that they have suffered a variety of physical, emotional and financial injuries as a result of exposure to radioactive and other hazardous substances. The Complaint seeks an unspecified amount of damages. On November 25, 2005, the Court issued an order granting in part and denying in part a motion to dismiss the claim. The Court granted the motion and dismissed plaintiffs' claims based on strict and absolute liability and ruled that plaintiffs' state law claims are pre-empted by the Price-Anderson Act. An Initial Scheduling Order has been issued by the Court. We intend to defend the action vigorously.

25 n Joint Ventures

Our major interests in joint ventures are a 50% interest in the Kalgoorlie Mine in Australia; a 50% interest in the Round Mountain Mine in the United States; a 50% interest in the Hemlo Mine in Canada; and a 33% interest in the Marigold Mine in the United States.

Summary Financial Information (100%)

Income Statement and Cash Flow Information

For the years ended December 31	**2005**	2004	2003
Revenues	**$ 1,009**	$ 946	$ 827
Costs and expenses	**(796)**	(702)	(671)
Net income	**$ 213**	$ 244	$ 156
Operating activities[1]	**$ 318**	$ 316	$ 151
Investing activities[1]	**$ (75)**	$ (81)	$ (85)
Financing activities[1,2]	**$ (237)**	$ (236)	$ (55)

1. Net cash inflow (outflow).

2. Includes cash flows between the joint ventures and joint venture partners.

Balance Sheet Information

At December 31	**2005**	2004
Assets		
Inventories	**$ 176**	$ 110
Property, plant and equipment	**504**	579
Other assets	**87**	93
	$ 767	$ 782
Liabilities		
Current liabilities	**$ 123**	$ 93
Long-term obligations	**105**	114
	$ 228	$ 207

Management's Discussion and Analysis ("MD&A")

Contents

Our Business	30
Core Business	30
Vision and Strategy	31
Capability to Deliver Results	32
Key Economic Trends	34
Operations Review	40
Executive Overview and 2006 Outlook	40
Consolidated Gold Production and Sales	43
Total Cash Costs Performance Measures	44
Results of Operating Segments	45
Other Costs and Expenses	50
Quarterly Information	54
Liquidity, Capital Resources and Financial Position	55
Cash Flow	55
Liquidity	57
Financial Position	58
Contractual Obligations and Commitments	59
Financial Instruments	60
Off-Balance Sheet Arrangements	61
Critical Accounting Policies and Estimates	65
Cautionary Statement on Forward-Looking Information	73
Glossary of Technical Terms	74

This MD&A is intended to help the reader understand Barrick Gold Corporation ("Barrick", "we", or "the Company"), our operations and our present business environment. Unless otherwise specified, all references in this MD&A are to Barrick excluding the impact of the 2006 acquisition of Placer Dome Inc. ("Placer Dome"). It includes the following sections:

- Our Business — a general description of our core business; our vision and strategy; our capability to deliver results; and key economic trends in our present business environment.
- Operations Review — an analysis of our consolidated results of operations for the last three years focusing on our material operating segments and the outlook for 2006.
- Liquidity, Capital Resources and Financial Position — an analysis of cash flows; sources and uses of cash; financial instruments; off-balance sheet arrangements; contractual obligations and commitments; and our financial position.
- Critical Accounting Policies and Estimates — a discussion of accounting policies that require critical judgments and estimates.

This MD&A, which has been prepared as of February 22, 2006, is intended to supplement and complement our audited consolidated financial statements and notes thereto for the year ended December 31, 2005 prepared in accordance with United States generally accepted accounting principles, or US GAAP (collectively, our "Financial Statements"). You are encouraged to review our Financial Statements in conjunction with your review of this MD&A. Additional information

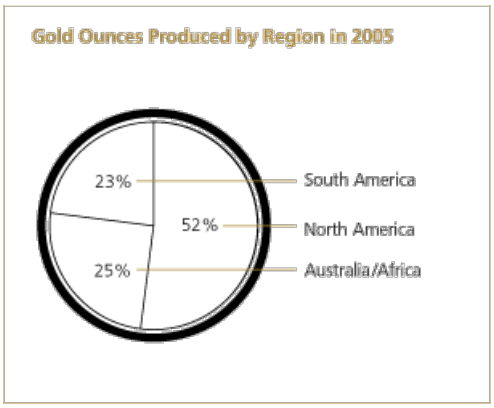
relating to our Company, including our most recent Annual Information Form, is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. For an explanation of terminology used in our MD&A that is unique to the mining industry, readers should refer to the glossary on page 74. All dollar amounts in our MD&A are in US dollars, unless otherwise specified.

For the purposes of preparing our MD&A, we consider the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. We evaluate materiality with reference to all relevant circumstances, including potential market sensitivity.

Our Business

Core Business

We are currently one of the world's largest gold companies in terms of market capitalization, annual gold production and gold reserves. In early 2006, we completed the acquisition of Placer Dome, which will result in a significant increase in the scale of our mining operations. Details of the acquisition can be found on page 41. Our operations in 2005 were concentrated in these regions: North America, Australia/Africa and South America. In 2006, we intend to divide the Australia/Africa region into two separate regions. Each region receives direction from the Corporate Office, but has responsibility for all aspects of its businesses including strategy/ sustainability and managing all aspects of mining operations including exploration, development/ construction, production and closure.



We generate revenue and cash flow from the production and sale of gold. We sell our gold production in the world market through three primary distribution channels: gold bullion is sold in the gold spot market, gold bullion is sold under gold sales contracts between ourselves and various third parties, or gold concentrate is sold to independent smelting companies.

Vision and Strategy

Our vision is to be the world's best gold company by finding, developing and producing quality reserves in a profitable and socially responsible manner.

Our goal is to create value for our shareholders. We reinvest cash flow from our mines in exploration, development projects and other investments to work towards sustainable growth in gold production and cash flow. It can take a number of years for a project to move from the exploration stage through to mine construction and production. Our business strategy reflects this long lead time, but shorter-term priorities are also set for current areas of focus.

Long-term Strategy Elements	Focus Areas	Measures
Growth in reserves and production	n Growth at existing mine sites by finding new reserves and converting mineralized material to reserves.	n Additions to and size of reserves and mineralized material.
	n Growth through successful exploration focused principally in key exploration districts (Goldstrike, Frontera, Lake Victoria and in Russia/Central Asia).	n Consistent investment in exploration and development.
	n Growth through targeted acquisitions.	n Growth in annual gold production.
	n Advance the development of Cowal, Pascua-Lama, East Archimedes and Buzwagi as well as newly acquired Placer Dome projects, including Pueblo Viejo, Cortez Hills and Donlin Creek.	n Construction progress versus estimates.
	n Continue to develop a business unit in Russia/Central Asia.	n Actual construction costs versus estimates.
Operational excellence	n Control costs. — Global supply chain management. — Continuous improvement initiatives. — Currency, interest rate and commodity hedge programs.	n Total cash costs per ounce.[1] n Amortization per ounce.[1] n Ore throughput and equipment utilization statistics.
	n Improve productivity through continuous improvement initiatives.	n Liquidity — operating cash flow and credit ratings.
	n Effective assessment and management of risk. n Effective capital allocation. n Secure efficient sources of funding for capital needs.	n Key balance sheet ratios.
Strengthen the organization	n Workforce — identify and develop talent. n Leadership development and succession planning.	n Talent review and performance management.
	n Adopt best practices in corporate governance, including strengthening internal controls over financial reporting.	n Compliance with applicable corporate governance legislation.
Responsible mining	n Reinforce health and safety culture.	n Safety leadership and other training initiatives.
	n Enhance environmental performance, including use of innovative technology to protect the environment.	n Medical aid injury frequency.
	n Maintain positive community and government relations.	n Environmental performance. n Compliance with regulatory requirements.

1. For more information on total cash costs per ounce performance measures, see pages 44–45.

Capability to Deliver Results

Resources and processes provide us with the capability to execute our strategy and deliver results. The critical ones are:

Experienced Management Team and Skilled Workforce

We have an experienced management team that has a proven track record in the mining industry. Strong leadership and governance are critical to the successful implementation of our core strategy. We are focusing on leadership development for key members of executive-level and senior mine management.

A skilled workforce has a significant impact on the efficiency and effectiveness of our operations. The remote nature of many of our mine sites presents challenges in maintaining a skilled workforce. Competition for well-trained and skilled employees is high in our industry, so we are focusing on employee retention, recruiting skilled employees, and positive labor relations. We maintain training programs to develop the skills that certain employees need to fulfill their roles and responsibilities. Priorities for our Human Resources group include strengthening our workforce, developing employee leadership skills and succession planning. We are implementing Human Resource system solutions to enhance our ability to analyze and manage labor costs, productivity and other key statistics to help us effectively manage the impact our workforce has on our mining operations.

Environmental, Health and Safety

As part of our commitment to corporate responsibility, we focus on continuously improving health and safety programs, systems and resources to help control workplace hazards. Continuous monitoring and integration of health and safety into decision-making enables us to operate effectively, while also focusing on health and safety. In 2005, we continued to focus on enhancing leadership and personal commitment through the development of our health and safety risk management guidelines, which were successfully piloted at one of our mine sites; training for all levels of supervision and management through our “Courageous Safety Leadership” program; and the full implementation of processes at both corporate and regional locations that support governance and accountability measurements. Key areas of focus for 2006 will include safety leadership through training and health and safety risk management practices; designing and enhancing processes and programs to ensure safety requirements are met; and communicating a safety culture as part of Barrick’s core values.

We are subject to extensive laws and regulations governing the protection of the environment, endangered and protected species, waste disposal and worker safety. We seek to continuously implement operational improvements to enhance environmental performance. We have environmental groups at the corporate, regional business unit and operating site levels to support our environmental efforts. In 2005, we established an Environmental, Health, Safety and Sustainability Committee to establish policy direction for environmental performance. We became a signatory to the International Cyanide Management Code and committed to certification of all of our operations. In 2005, we also became a signatory to the United Nations (“UN”) Global Compact, which represents the world’s largest voluntary corporate citizenship initiative. Among its principles, the UN Global Compact encourages businesses to support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies. To provide further guidance toward achieving our environmental objectives, we developed a new Environmental Management System Standard in 2005. Each year, we issue a Responsibility Report that outlines our environmental, health and safety and social responsibility performance for the year.

Cost Control and Supply Sourcing

Successful cost control and supply sourcing depends upon our ability to obtain and maintain adequate quantities of equipment, consumables and supplies as required by our operations at competitive prices. Our Supply Chain group is focusing on improving long-term cost control and sourcing strategies, for major consumables and supplies used in our mining activities, through global commodity purchasing teams. It also facilitates knowledge sharing across our global business and implementation of best practices in procurement. We continue to develop strategies to help us analyze and source consumables and supplies at the lowest cost over the life of a mine, including where appropriate, long-term alliances with certain suppliers to ensure adequate supply is maintained.

Maintenance represents a significant component of operating costs at our mines and impacts the availability of plant and equipment. Our Global Maintenance team is working to reduce maintenance costs and increase equipment utilization through an internal maintenance community. Key areas of focus include setting business process standards for maintenance to optimize usage of mine equipment and enable cost-effective purchasing of mine equipment. They are implementing a global maintenance system, based on the principles of Total Production Maintenance, to facilitate the sharing of best practices across the Company and to track capital equipment statistics such as utilization, availability and useful lives.

Information Management and Technology

Our Information Management and Technology group provides focused and responsive support to enable us to meet our current business objectives and long-term strategy elements. It manages significant risks, such as information security; risks relating to the implementation of new applications; and the risk of failure of critical systems. We are implementing strategies to mitigate these risks, including monitoring operating procedures and the effectiveness of system controls to safeguard data, evaluating the effective use of technology and maintaining disaster recovery plans. Other areas of focus include working with other functional groups to reduce technology diversity by standardizing system solutions, and ongoing analysis of business needs and the potential benefits that can be gained from system solution enhancements.

Continuous Improvement

Our Continuous Improvement (“CI”) group is focused on instilling a continuous improvement culture across the Company to increase shareholder value by reducing costs, improving throughput/productivity, and improving quality and safety. Our CI group coordinates annual operational/business reviews to identify and prioritize improvement opportunities. The group also facilitates strategic planning sessions to develop our business strategy.

Internal Controls Over Financial Reporting and Disclosure

We maintain a system of internal controls over financial reporting designed to safeguard assets and ensure financial information is reliable. We undertake ongoing evaluations of the effectiveness of internal controls over financial reporting and implement control enhancements, where appropriate, to improve the effectiveness of controls. In 2005, we focused on the design, testing and assessment of the effectiveness of internal controls over financial reporting to enable us to meet the certification and attestation requirements of the Sarbanes-Oxley Act (“SOA”) for 2006. We presently file management certifications annually under Section 302 and Section 906 of the SOA, and expect to comply with the reporting requirements of Section 404 of the SOA as required by law.

We also maintain a system of disclosure controls and procedures designed to ensure the reliability, completeness and timeliness of the information we disclose in this MD&A and other public disclosure documents. Disclosure controls and procedures are designed to ensure that information required to be disclosed by Barrick in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis, as required by law, and is accumulated and communicated to Barrick's management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Key Economic Trends

In 2005, there has been a continuation of the trend of higher gold and silver prices which, while benefiting gold revenues and by-product credits, also leads to higher gold royalty expenses. A trend of inflationary pressure on the cost of labor, other commodities and consumables, such as oil, natural gas and propane, has caused upward pressure on production costs. We believe that other companies in the gold mining industry are experiencing similar trends. The Placer Dome acquisition will lead to a general increase in the magnitude of the effect of these economic factors on our business.

Gold, Silver and Copper Prices

Market gold prices have a significant impact on our revenue. Silver prices impact total cash costs per ounce [1] of gold as silver sales are recorded as a by-product credit. These prices are subject to volatile price movements over short periods of time, and are affected by numerous industry and macroeconomic factors that are beyond our control.

Gold prices followed an upward trend in 2005, closing the year at $513 per ounce. This trend continued into 2006 with gold reaching a 25-year high of $572 per ounce in early February 2006. In contrast to 2004, the correlation between gold prices and the Euro has lessened, which suggests that exchange rates have become less important in determining gold prices. Other economic influences such as supply and demand, oil prices, trade deficits and US interest rates are important factors in explaining gold price movements. Demand for gold continues, with reports that certain central banks are considering buying gold to add to their reserves, and strong jewelry demand in China and India. The prospects for gold as an investment remain favorable, particularly in response to any global economic/political uncertainty. The past few years have seen a resurgence in gold as an investment vehicle, with more readily accessible gold investment opportunities (such as gold exchange traded funds — "ETFs").



Over the last three years, our realized gold sales prices have tracked the rising market gold price. Periods when our average realized price was below average market prices were primarily caused by us voluntarily choosing to deliver into gold sales contracts at dates earlier than the final contractual delivery date and at prices lower than prevailing market prices to reduce outstanding gold sales contracts.

1. Total cash costs per ounce excludes amortization, see pages 44-45 for further information on this performance measure.

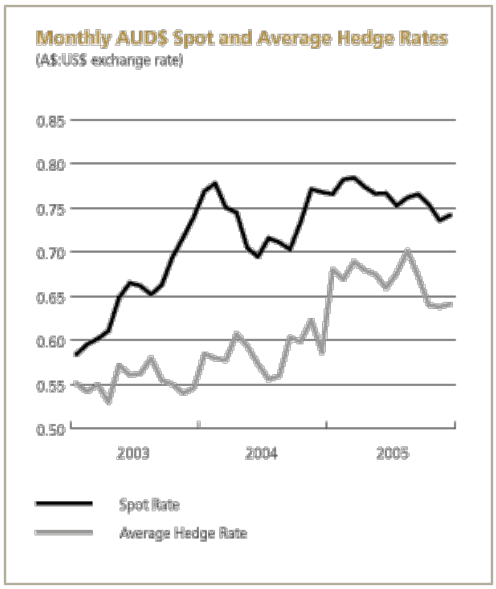


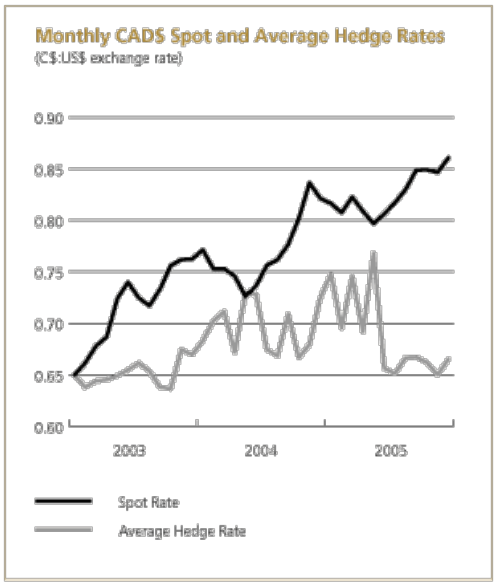


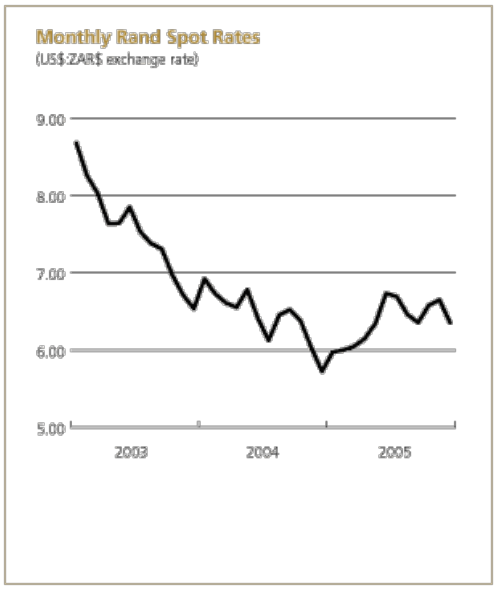
Silver rallied along with gold at the end of 2005, despite continued news that attrition in the US photographic market would depress demand. Silver prices have had support from industrial consumers as technological advances continue to provide silver with new uses, as well as robust jewelry demand from India. The last three years have seen a decline in our silver production, as reserves at our Eskay Creek mine are depleted and the mine approaches the end of its life. After Pascua-Lama begins production, we expect that the quantities of silver we produce will increase significantly.

The acquisition of Placer Dome will lead to copper prices having a more significant effect on our results due to copper production from the Zaldivar copper mine and the Osborne gold and copper mine. In 2005, these mines combined produced 359 million pounds of copper. Copper prices rose 67% in 2005 as a result of supply reductions, smelter bottlenecks, and low global copper inventory levels, combined with ongoing high levels of copper demand. In early February 2006, copper prices reached a high of $2.33 per pound. In 2006, we purchased put options to protect revenue on approximately 300 million pounds of expected 2006 copper production. These options guarantee a minimum price of $2.00 per pound, while allowing us to fully participate in higher spot copper prices.

Currency Exchange Rates







Results of our mining operations in Australia and Canada, reported in US dollars, are affected by exchange rates between the Australian and Canadian dollars and the US dollar, because a portion of our annual expenditures are based in local currencies. Placer Dome has a mine

located in South Africa that will cause us to also have economic exposure to the South African Rand in the future.

A weaker dollar would cause costs reported in US dollars to increase. The Canadian dollar outperformed most major currencies in 2005, including the US dollar, mainly due to sustained higher energy prices and global investor interest in resource assets. We expect the Canadian dollar to remain strong in 2006. The Australian dollar remains steady, mainly due to higher commodity prices, and the exchange rate with the US dollar was fairly stable in 2005. The Rand has shown increased stability against the US dollar in 2005 as compared to previous years, mainly due to increased liquidity and continued strong foreign direct investment in South Africa.

We have a currency hedge position as part of our strategy to control costs by mitigating the impact of volatility in the US dollar on Canadian and Australian dollar-based costs. Over the last three years, our currency hedge position has provided benefits to us in the form of hedge gains when contract exchange rates are compared to prevailing market exchange rates as follows: 2005 — $100 million; 2004 — $96 million; and 2003 — $58 million. These gains are reflected in our operating costs.

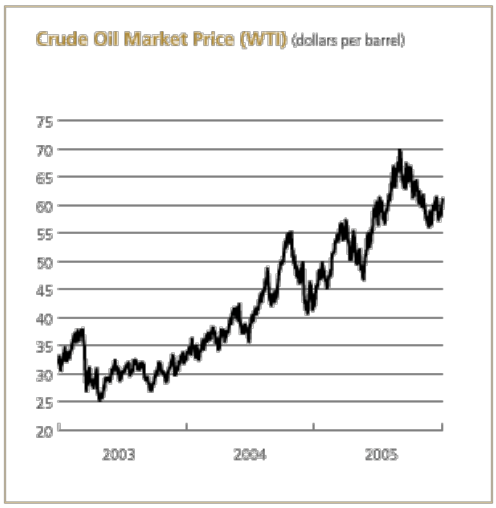
Our currency hedge position at the end of 2005 provides protection for our Canadian and Australian dollar-based costs for a significant portion of the next three years. The average hedge rates vary depending on when the contracts were put in place. For hedges in place for future years, average hedge rates are higher because some of the contracts were added over time as the US dollar weakened. The average rates of currency contracts over the next three years are $0.68 for Australian dollar contracts and $0.76 for Canadian dollar contracts. Beyond the next three years, most of our Canadian and Australian dollar-based costs are subject to market currency exchange rates, and consequently costs reported in US dollars for our Australian operations and our Canadian operations could increase if currency exchange rates against the US dollar remain at present levels.

Inflationary Cost Pressures

Our industry is experiencing significant inflationary cost pressures for many commodities and consumables used in the production of gold, as well as, in some cases, constraints on supply. These pressures have led to a trend of higher production costs reported by many gold producers, and we have been actively seeking ways to mitigate these cost pressures. In the case of diesel fuel and propane, we put in place hedge positions that have been successful in mitigating the impact of recent price increases to a significant extent. For other cost pressures, we have been focusing on supply chain management and continuous improvement initiatives to mitigate the impact on our business.

Fuel

We consume on average about 2 million barrels of diesel fuel and approximately 24 million gallons of propane annually across all our mines.



Diesel fuel is refined from crude oil and is therefore subject to the same price volatility affecting crude oil prices. With global demand increasing and oil supply disruptions in 2005, oil prices rose from $43 per barrel at the start of the year to $61 per barrel at the end of the year. To help control the costs of fuel consumption, we have a fuel hedge position totaling 2 million barrels, which represents about 25% of our total estimated consumption in each of the next four years. The fuel hedge contracts are primarily designated for our Goldstrike, Round Mountain, and Kalgoorlie mines. The average hedge rate of our fuel contracts is $44 per barrel. In 2005, we realized benefits in the form of fuel hedge gains totaling $9 million (2004: $4 million; 2003: nil), when fuel hedge prices were compared to market prices. These gains are reflected in our operating costs. If the trend of high diesel fuel prices continues, this could impact future gold production costs.

Propane prices rose from $0.76 per gallon at the start of 2005 to $1.04 at the end of the year. Propane prices have increased mainly due to a substitution of propane for natural gas by some consumers that caused an increase in demand for propane. To help control the costs of propane consumed at our mines, we have a propane hedge position totaling 17 million gallons, which represents about 70% of our estimated future propane consumption through to the end of 2006, at an average price of $0.79 per gallon. We realized hedge gains totaling $1 million in 2005 (2004 and 2003: nil), when market prices were compared to our propane hedge prices. These gains are reflected in our operating costs.

Electricity

We purchase about 1.6–1.7 million megawatt hours of electricity annually across all our mines. We buy electricity from regional power utilities, and in addition at some mines we generate our own power. Fluctuations in electricity prices are generally caused by local economic factors and impact costs to produce gold. Electricity prices have generally been rising in recent years due to increases in the price of diesel fuel, coal and natural gas, which are used by many power generators, as well as excess demand for electricity. Natural gas prices rose in North America in 2005, as Hurricane Katrina and other factors caused a tightening of supply that has not fully recovered yet.

To partially mitigate the impact of rising electricity costs, we built a 115-megawatt natural gas-fired power plant that became operational in the fourth quarter of 2005. This power plant provides Goldstrike with the flexibility to generate its own power or buy cheaper power from other producers, with the goals of minimizing the cost of power consumed and enhancing the reliability of electricity availability at the mine.

Consumables

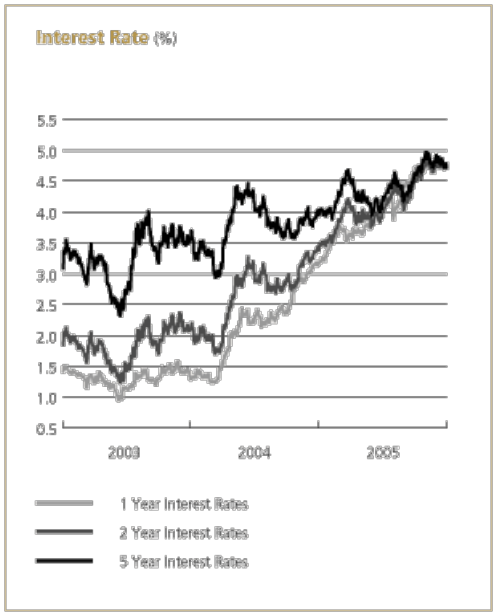
With increasing demand for tires and limitations in supply from tire manufacturers, costs have been rising and some companies have experienced difficulty securing tires. We have been seeking to mitigate this cost pressure by finding ways to extend tire lives and looking at various alternatives for supply. In 2006, our focus will be to complete a tire tender process and sign long-term agreements with preferred tire suppliers to ensure that we continue to receive an adequate supply of tires for our mines and development projects. The limited availability of tires has not had a significant impact on productivity at our mines.

Prices for certain other consumables, such as cyanide and explosives, have also been generally increasing, which in turn leads to higher mining and processing costs. In 2005, we benefited from contract pricing for cyanide that was below the prevailing market price. For 2006, we expect to procure most of our cyanide at market prices, with price increases due to higher costs for caustic soda and natural gas. For explosives, we experienced price increases in 2005 because natural gas and ammonia are both used in the production of ammonium nitrate explosives. We are evaluating alternatives to reduce consumables costs through supply chain and continuous improvement initiatives.

Labor Costs

With high demand for experienced miners and relatively inflexible supply, the industry has been facing upward pressure on labor costs, as well as higher turnover rates in some cases, due to the strong demand. Labor cost pressures have been most significant in Australia.

US Dollar Interest Rates



Short-term US dollar interest rates rose in 2005 as the US Federal Reserve continued its tightening cycle. We expect long-term interest rates to rise as the front end of the curve rises due to inflation risks. Volatility in interest rates mainly affects interest receipts on our cash balances ($1 billion cash at the end of 2005), and interest payments on variable-rate debt ($0.6 billion of variable-rate debt at the end of 2005). Based on the relative amounts of these variable-rate financial assets and liabilities, rising interest rates would have an overall positive impact on our results. The relative amounts of variable-rate financial assets and liabilities may change in the future depending upon the amount of operating cash flow we generate as well as amounts invested in capital expenditures.

In response to the volatility in interest rates, we have used interest rate swaps to alter the relative amounts of variable-rate financial assets and liabilities and to mitigate the overall impact of changes in interest rates. Management of interest-rate risk takes into account the term structure of variable-rate financial assets and liabilities. On $425 million of our cash balances, we have fixed the interest rate through 2007 at 3.63% using interest rate swaps. These interest rate swaps generated hedge gains, when rates under the swaps are compared to market interest rates, totaling $6 million in 2005; $19 million in 2004; and $18 million in 2003. In the future, we may alter the notional amounts of interest rate swaps outstanding as the relative amounts of variable-rate assets and liabilities change to manage interest rate risk.

Operations Review

Selected Annual Information

For the years ended December 31 ($ millions, except per share and per ounce data in dollars)	2005	2004	2003
Gold production (000's of ounces)	**5,460**	4,958	5,510
Gold sales			
000's of ounces	**5,320**	4,936	5,554
$ millions	**$ 2,350**	$ 1,932	$ 2,035
Market gold price[1]	**444**	409	363
Realized gold price[1]	**439**	391	366
Total cash costs[1, 2]	**227**	214	189
Amortization[1]	**76**	86	90
Total production costs[1]	**303**	300	279
Net income	**401**	248	200
Net income per share			
Basic	**0.75**	0.47	0.37
Diluted	**0.75**	0.46	0.37
Cash inflow (outflow)			
Operating activities	**726**	509	519
Capital expenditures	**(1,104)**	(824)	(322)
Other investing activities	**(76)**	3	(12)
Financing activities	**93**	740	(266)
Cash position — end of year	**1,037**	1,398	970
Total assets	**6,862**	6,287	5,345
Total long-term financial liabilities	**$ 1,780**	$ 1,707	$ 789
Gold reserves			
(millions of contained ounces)[a]	**88.6**	89.1	85.9

1. Per ounce weighted average.
2. Total cash costs per ounce statistics exclude amortization. Total cash costs per ounce is a performance measure that is used throughout this MD&A. For more information see pages 44-45.

Executive Overview and 2006 Outlook

In 2005, we produced 5.5 million ounces of gold at average total cash costs of $227 per ounce, in line with our original guidance for the year. The contribution to gold production from three new mines, Tulawaka, Lagunas Norte and Veladero, more than offset slightly lower production from Eskay Creek and Plutonic. Through our currency and commodity hedge programs, and supply chain initiatives, we were able to mitigate to some extent the impact of inflationary cost pressures.

We had earnings of $401 million ($0.75 per share) and generated operating cash flow of $726 million ($1.35 per share) in 2005.

Key Factors Affecting Earnings

For the years ended December 31 ($ millions)	Refer to page		
Net income — 2004			**$ 248**
Increase (decrease)			
Higher realized gold prices	43	**$ 255**	
Higher sales volumes[1]	43	**35**	
Higher total cash costs	44	**(69)**	
Lower amortization rates per ounce	50	**53**	
Lower interest expense	51	**12**	
Higher income tax expense[2]	53	**(36)**	
Special items[3]	41	**(111)**	
Other	52	**14**	
Total increase			**$ 153**
Net income — 2005			**$ 401**

1. Impact of changing sales volumes on margin between selling prices, total cash costs and amortization.
2. Excluding the impact of the tax effects of special items.
3. Special items are post-tax and exclude the impact on the period of deferred stripping accounting changes.

At year-end, on a pro forma basis, we had proven and probable reserves, including reserves of 88.6 million ounces at our existing properties and our acquired interest in Placer Dome reserves of 50.1 million ounces of gold**b**, of 138.7 million ounces of gold **a, b**, based on a $400 per ounce gold price assumption and 6.15 billion pounds of copper**b**, after adjusting for the anticipated sale of certain assets to Goldcorp.

We continued to effectively support and shape our growth profile, including a focus on Russia and Central Asia, and to make significant progress on the development of our new generation of mines. The Tulawaka, Lagunas Norte and Veladero mines began production in 2005, and we expect our fourth new mine, Cowal in Australia, to commence its first gold production in first quarter 2006. We continued work on advancing our other projects, including

a. Calculated in accordance with National Instrument 43-101 as required by Canadian securities regulatory authorities. For United States reporting purposes, Industry Guide 7, (under the Securities and Exchange Act of 1934), as interpreted by Staff of the SEC, applies different standards in order to classify mineralization as a reserve. Accordingly, for US reporting purposes, Buzwagi is classified as mineralized material. Barrick is currently assessing the implications of conditions contained in the resolution issued by Chilean regulatory authorities approving the environmental impact assessment for the Pascua-Lama project. It is possible that following the completion of such assessment, up to 1 million ounces of mineralization at the Pascua-Lama project may be reclassified from reserves to mineralized material for US reporting purposes. For a breakdown of reserves by category and additional information relating to reserves, see pages 125-129 of this Annual Report.

b. For a breakdown of Placer Dome's reserves and resources by category and additional information relating to such reserves and resources, see Placer Dome's press release of February 20, 2006. Such reserves and resources were calculated by employees of Placer Dome in accordance with National Instrument 43-101, as required by Canadian securities regulatory authorities, and in accordance with Placer Dome's previously established policies and procedures, and have not been independently verified by Barrick Gold Corporation. Industry Guide 7 (under the Securities and Exchange Act of 1934), as interpreted by Staff of the SEC, applies different standards to classify mineralization as a reserve. Based on a preliminary review, Barrick does not intend to report mineralization at the Pueblo Viejo project as a reserve for US reporting purposes at this time.

Buzwagi and Kabanga in Tanzania, Pascua-Lama in Chile/Argentina and East Archimedes in Nevada. We have the capital resources to fund our development projects without the need for any equity dilution. In 2005, we issued $50 million of public debt in Peru and drew down $129 million under our Peru lease and Veladero project financings. We continue to have the gold mining industry's only A credit rating (A–), as rated by Standard & Poor's.

Special Items — Effect on Earnings Increase (Decrease) ($ millions)

For the years ended December 31	Refer to page	2005 Pre-tax	2005 Post-tax	2004 Pre-tax	2004 Post-tax	2003 Pre-tax	2003 Post-tax
Non-hedge derivative gains	52	**$ 6**	**$ 4**	$ 5	$ 9	$ 71	$ 60
Gains on sale of investments, interests in mining properties and Kabanga transaction	52	**37**	**35**	42	31	40	32
Impairment charges on investments, long-lived assets and royalty interest	52	**(16)**	**(16)**	(144)	(99)	(16)	(14)
Changes in asset retirement obligation cost estimates at closed mines	52	**(15)**	**(11)**	(22)	(17)	(10)	(10)
Deferred stripping accounting changes							
Cumulative effect	65	**6**	**6**	—	—	—	—
Impact on the period compared to previous policy	65	**64**	**44**	—	—	—	—
Resolution of Peruvian tax assessment							
Outcome of tax uncertainties	53	**—**	**—**	—	141	—	—
Reversal of other accrued costs	53	**—**	**—**	21	15	—	—
Deferred tax credits							
Change in Australian tax status	53	**—**	**5**	—	81	—	—
Release of valuation allowances	53	**—**	**32**	—	5	—	62
Total		**$ 82**	**$ 99**	$ (98)	$ 166	$ 85	$ 130

Cash Flow

In 2005, our cash position decreased by $361 million. We generated $726 million of operating cash flow, $217 million higher than in 2004, mainly because of higher gold sales volumes and realized gold prices, partly offset by higher total cash costs. Capital expenditures were $1.1 billion, $280 million higher than in 2004, due to the levels of construction activity at our development projects. We received $93 million from financing activities in 2005, including $92 million in proceeds on the exercise of stock options and $179 million in proceeds from various financing facilities used to fund construction at our development projects, partly offset by $59 million of scheduled repayments on financing facilities and dividend payments of $118 million.

Acquisition of Placer Dome

In early 2006, we completed the acquisition of Placer Dome. We expect that the total cost of acquisition will be about $10.1 billion. We will consolidate Placer Dome's results of operations from January 20, 2006. Placer Dome is one of the world's largest gold mining companies, with gold mineral reserves of 60.4 million ounces and copper reserves of 6.15 billion pounds at December 31, 2005. Placer Dome produced 3.6 million ounces of gold and 359 million pounds of copper in 2005. It has 12 producing mines based in North America, South America, Africa and Australia/New Guinea, and three significant projects that are in various stages of exploration/development. Its most significant mines are Cortez in the United States, Zaldívar in Chile, Porgera in New Guinea, North Mara in Tanzania and South Deep in South Africa. The most significant projects are Cortez Hills and Donlin Creek in the United States, and Pueblo

Viejo in the Dominican Republic. We plan to sell Placer Dome's Canadian mines to Goldcorp Inc. ("Goldcorp"), as well as certain other interests in mineral properties. As at February 17, 2006, Placer Dome had a committed gold hedge position totaling approximately 6.2 million ounces. We plan to focus on reducing this acquired hedge position further over time, consistent with the plans for our existing gold hedge position.

We believe that the business combination between Barrick and Placer Dome is a unique opportunity to create a Canadian-based leader in the global gold mining industry. This business combination further strengthens our position in the industry, with respect to reserves, production, our development pipeline and balance sheet. We expect that the combination will yield synergies from the combined companies of approximately $200 million annually beginning in 2007. We expect to realize the synergies in the following areas:

- Operations — through the optimization and sharing of mining and processing infrastructure in common jurisdictions, including Nevada, Australia and Tanzania;
- Exploration — by carefully assessing our exploration spending and focusing on the most prospective areas and reducing the overall exploration spending of the combined enterprise;
- Administration — by eliminating duplication of offices and overheads;
- Procurement — through the improved purchasing power of the larger enterprise; and
- Finance and Tax — by realizing tax synergies in certain jurisdictions, opportunities for debt optimization and a lower overall cost of capital resulting from a larger balance sheet.

Sale of Certain Placer Dome Operations to Goldcorp

Goldcorp has agreed, subject to certain conditions, to acquire all of Placer Dome's Canadian operations (other than its offices in Vancouver and Toronto), including all mining, reclamation and exploration properties, Placer Dome's interest in the La Coipa mine in Chile, and a 40% interest in the Pueblo Viejo project in the Dominican Republic, for cash consideration of about $1.5 billion. We expect that the sale of these operations to Goldcorp will close in the first half of 2006. Until closing, we expect to consolidate the results of these operations, and we do not expect to record any significant gain or loss on closing of the sale.

Selected Pro Forma Consolidated Financial Information (Unaudited)

($ millions, except per share data in dollars)	As reported		Pro forma adjustments[1]	Pro forma combined Barrick/ Placer Dome
	Barrick	Placer Dome		
Income statement — For the year ended December 31, 2005				
Sales				
Gold	$ 2,350	$ 1,458	$ (251)	$ 3,557
Copper	—	520	—	520
Total sales	2,350	1,978	(251)	4,077
Costs and expenses	1,853	1,781	(240)	3,394
Income before income taxes and other items	455	113	(12)	580
Net income	401	80	8	489
Net income per share — basic and diluted	0.75	0.18		0.57
Balance sheet — As at December 31, 2005				
Cash	1,037	880	308	2,225
Other current assets	711	769	(31)	1,449
Non-current assets	5,114	4,045	(978)	8,181
Unallocated purchase price	—	—	7,221	7,221
Current liabilities	560	546	1	1,107
Long-term debt	1,721	1,107	—	2,828
Other non-current liabilities	731	801	998	2,530
Net assets	$ 3,850	$ 3,240	$ 5,521	$ 12,611

1. Adjustments to reflect certain estimated effects of purchase accounting and the estimated effects of the sale of certain Placer Dome operations to Goldcorp. See note 3 to the Financial Statements for details.

The pro forma information has been presented for illustrative purposes only to show the effect of the acquisition of 100% of Placer Dome by Barrick as though it had occurred on January 1, 2005 for the pro forma unaudited selected income statement information. The unaudited selected balance sheet information as at December 31, 2005 was prepared using the consolidated balance sheets of Barrick and Placer Dome as at December 31, 2005. Certain adjustments have been reflected in this pro forma information to illustrate the effects of harmonizing accounting policies and purchase accounting, and to reflect the impact of the sale of certain Placer Dome operations to Goldcorp, where the impact could be reasonably estimated. We will complete an exercise to value the identifiable assets and liabilities acquired, including any goodwill that may arise upon the acquisition.

This unaudited pro forma consolidated financial statement information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods. Results of operations for Placer Dome could differ materially from those recorded in 2005 due to the effects of purchase accounting, the harmonization of Placer Dome's accounting policies with Barrick's accounting policies, and other factors such as the key economic trends described on pages 34 to 39. As a result of the bid process, Placer Dome's 2005 income statement reflects approximately $21 million of non-recurring transaction-related costs. Any potential synergies that may be realized, and integration costs that may be incurred, have been excluded from the pro forma information. The information prepared is only a summary, and more details can be found in note 3 to the Financial Statements.

2006 Outlook

In 2006, we expect to produce between 8.6 to 8.9 million ounces of gold at total cash costs of $275 to $290 per ounce and approximately 350 million pounds of copper at total cash costs of about $1.10 per pound including the contribution from the Placer Dome operations after adjusting for the sale of certain operations to Goldcorp. Copper total cash costs per pound include the impact of purchase accounting fair value adjustments. Excluding these one-time, non-cash accounting adjustments, copper cash costs would be lower by approximately $0.35 per pound. The overall average total cash costs per ounce of Placer Dome's gold production is higher than the average for the existing Barrick mines, and consequently, we expect that the overall average total cash costs per ounce of our gold production will increase following the acquisition. We expect the overall amortization expense may increase following the completion of the purchase price allocation.

Consolidated Gold Production and Sales

By replacing gold reserves depleted by production year over year, we can maintain production levels over the long term. If depletion of reserves exceeds discoveries over the long term, then we may not be able to sustain gold production levels. Reserves can be replaced by expanding known ore bodies, acquiring mines or properties or locating new deposits. Once a site with gold mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves and to construct mining and processing facilities. Given that gold exploration is speculative in nature, some exploration projects may prove unsuccessful.

Our financial performance is affected by our ability to achieve targets for production volumes and total cash costs. We prepare estimates of future production and total cash costs of production for our operations. These estimates are based on mine plans that reflect the expected method by which we will mine reserves at each mine, and the expected costs associated with the plans. Actual gold production and total cash costs may vary from these estimates for a number of reasons, including if the volume of ore mined and ore grade differs from estimates, which could occur because of changing mining rates; ore dilution; metallurgical and other ore characteristics; and short-term mining conditions that require different sequential development of ore bodies or mining in different areas of the mine. Mining rates are impacted by various risks and hazards inherent at each operation, including natural phenomena such as inclement weather conditions, floods, and earthquakes and unexpected labor shortages or strikes. Total cash costs per ounce are also affected

by ore metallurgy that impacts gold recovery rates, labor costs, the cost of mining supplies and services, foreign currency exchange rates and stripping costs incurred during the production phase of the mine. In the normal course of our operations, we attempt to manage each of these risks to mitigate, where possible, the effect they have on our operating results.

In the first half of 2005, ounces produced and sold were similar to the first half of 2004. In the second half of 2005 compared to the same period in 2004, ounces produced increased by about 32%, while ounces sold increased by 26% as production and sales began at Lagunas Norte and increased at the Goldstrike Open Pit while only production began at Veladero.

In 2005, we sold most of our production at market prices, and delivered approximately 0.8 million ounces into gold sales contracts. We realized an average gold sales price of $439 per ounce, $48 higher than in 2004, mainly due to higher market gold prices. The price realized for gold sales in 2006 and beyond will depend on market conditions and the selling prices of any gold sales contracts into which we voluntarily deliver, which could be below prevailing spot market prices.

Consolidated Total Cash Costs per Ounce[2]

(in dollars per ounce) For the years ended December 31	**2005**	2004	2003
Cost of gold sales[1]	**$ 255**	$ 248	$ 210
Currency/commodity hedge gains	**(21)**	(19)	(12)
By-product credits	**(25)**	(30)	(21)
Royalties/mining taxes	**16**	13	12
Accretion/other costs	**2**	2	2
Total cash costs[2]	**$ 227**	$ 214	$ 191

1. At market currency exchange and commodity rates.
2. Total cash costs per ounce excludes amortization — see page 45.

Total cash costs for 2005 were in line with the original full-year guidance, but higher than in 2004, primarily due to inflationary cost pressures experienced in 2005, partly offset by the start-up of low-cost production from Lagunas Norte, the availability of higher-grade ore at Goldstrike Open Pit, and the impact of the change in accounting for stripping costs (see page 65).

Total Cash Costs Performance Measures

Total cash costs include all costs absorbed into inventory, including royalties, by-product credits, mining taxes and accretion expense, except for amortization. Total cash costs per ounce is calculated by dividing the aggregate of these costs by gold ounces sold. Total cash costs and total cash costs per ounce are calculated on a consistent basis for the periods presented. On our income statement we present amortization separately from cost of sales. Some companies include amortization in cost of sales, which results in a different measurement of cost of sales on the income statement. We have provided below a reconciliation to illustrate the impact of excluding amortization from cost of sales and total cash costs per ounce statistics.

In managing our mining operations, we disaggregate cost of sales between amortization and the other components of cost of sales. We use total cash costs per ounce statistics as a key performance measure internally to monitor the performance of our mines. We use the statistics to assess how well our mines are performing against internal plans, and also to assess the overall effectiveness and efficiency of our mining operations. We also use amortization cost per ounce statistics to monitor business performance. By disaggregating cost of sales into these two components and separately monitoring them, we are able to better identify and address key performance trends. We believe that the presentation of these statistics in this manner in our MD&A, together with commentary explaining trends and changes in the statistics, enhances the ability of investors to assess our performance. These statistics also enable investors to better understand year-on-year changes in cash production costs, which in turn affect our profitability and ability to generate cash flow.

The principal limitation associated with total cash costs per ounce statistics is that they do not reflect the total costs to produce gold, which in turn impacts the earnings of Barrick. We believe that we have compensated for this limitation by highlighting the fact that total cash costs exclude amortization as well as providing details of the financial effect. We believe that the benefits of providing disaggregated information outweigh the limitation in the method of presentation of total cash costs per ounce statistics.

Total cash costs per ounce statistics are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with US GAAP. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under US GAAP. Other companies may calculate these measures differently.

Illustration of Impact of Excluding Amortization from Total Cash Costs Per Ounce

($ millions, except per ounce information in dollars) For the years ended December 31	**2005**	2004
Cost of sales per Barrick income statement	**$ 1,214**	$ 1,047
Amortization at producing mines	**409**	425
Cost of sales including amortization	**$ 1,623**	$ 1,472
Ounces sold (thousands)	**5,320**	4,936
Total cash costs per ounce as reported	**$ 227**	$ 214
Amortization per ounce	**76**	86
Cost of sales (including amortization) per ounce	**$ 303**	$ 300

Results of Operating Segments

In our Financial Statements, we present a measure of historical segment income that reflects gold sales at average consolidated realized gold prices, less segment expenses and amortization of segment property, plant and equipment. Our segments mainly include producing mines and development projects. We monitor segment expenses using "total cash costs per ounce" statistics that represent segment cost of sales divided by ounces of gold sold in each period. The discussion of results for producing mines focuses on this statistic in explaining changes in segment expenses, and should be read in conjunction with the mine statistics presented on pages 26-27.

Conducting mining activities in certain countries outside North America subjects us to various risks and uncertainties that arise from carrying on business in foreign countries including: uncertain political and economic environments; war and civil disturbances; changes in laws or fiscal policies; interpretation of foreign taxation legislation; and tax implications on repatriation of foreign earnings. We monitor these risks on an ongoing basis and mitigate their effects where possible, but events or changes in circumstances could materially impact our results and financial condition.

For development projects, we prepare estimates of capital expenditures, reserves and costs to produce reserves. We also assess the likelihood of obtaining key governmental permits, land rights and other government approvals. Estimates of capital expenditures are based on studies completed for each project, which also include estimates of annual production and production costs. Adverse changes in any of the key assumptions in these studies or other factors could affect estimated capital expenditures, production levels and production costs, and also the economic feasibility of a project. We take steps to mitigate potentially adverse effects of changes in assumptions or other factors. Prior to the commencement of production, the segment results for development projects reflect expensed mine start-up costs.

North America

In 2005, the region produced 2,863,000 ounces (2004: 2,963,000 ounces) at total cash costs of $244 per ounce (2004: $223 per ounce). Gold production in 2005 was within full-year production guidance and slightly lower than 2004 as higher production at Goldstrike Open Pit was offset by slightly lower production at Goldstrike Underground, the processing of fewer tons at Eskay Creek in 2005 and the cessation and sale of mining operations at Holt-McDermott in 2004. In 2005, total cash costs per ounce increased over 2004 due to lower production levels at Goldstrike Underground and inflationary cost pressures, partly offset by higher toll milling credits and the impact of the change in accounting for stripping costs (see page 65). Total cash costs per ounce were slightly better than the full-year guidance as a result of higher production at Goldstrike Open Pit, partly offset by higher costs at Goldstrike Underground and Round Mountain.

Goldstrike Open Pit, United States

Production was higher in 2005 than 2004 as a result of mining in areas of the pit with higher ore grades, on completion of the ninth west layback in the second half of the year, partly offset by lower tons processed in the first half of the year due to above average rainfall that impacted mining rates, harder ore encountered that impacted milling rates, and higher toll milling volumes in 2005. Total cash costs per ounce in 2005 were lower than both guidance and 2004 due to the higher production levels and higher toll milling credits, as well as the impact of the change in accounting for stripping costs (see page 65), partly offset by the impact of inflationary cost pressures and higher royalties due to higher market gold prices.

Goldstrike Underground, United States

In 2005, there was an increase in drift-and-fill mining due to mine sequencing changes to compensate for difficult ground conditions. Lower mining rates due to the increase in drift-and-fill mining, as well as a temporarily plugged backfill raise, were partly offset by a drawdown of stockpiles in the first half of 2005, resulting in lower gold production than guidance and 2004. Lower production levels combined with inflationary cost pressures, higher ground support costs due to difficult ground conditions, an increase in drift-and-fill mining, and higher royalty costs due to higher market gold prices, resulted in higher total cash costs per ounce in 2005 than in 2004, and slightly higher than the guidance for 2005.

Western 102 Power Plant in Nevada, United States

The 115-megawatt natural gas-fired power plant in Nevada to supply our Goldstrike mine was completed and began operating in December 2005. The construction cost was $96 million.

Eskay Creek, Canada

As the mine approaches the end of its reserve life in 2008, lower availability of high-grade direct-to-smelter ore resulted in the mining of more lower-grade ore tons, leading to lower gold production in 2005. Total cash costs per ounce in 2005 were lower than the guidance for the year, but higher than in 2004 due to the lower production levels and lower silver by-product credits (volume-related), partly offset by lower smelter costs and higher silver prices.

Round Mountain (50% Owned), United States

In 2005, higher recoveries of gold from ore placed on the leach pad were offset by slightly lower tons placed on the pad, resulting in slightly lower production in 2005 over 2004. Tons processed and recovery rates each period do not necessarily correlate to the ounces produced in the period as there is a time delay between placing tons on the leach pad and producing gold. Total cash costs per ounce were slightly lower than the guidance for 2005, although higher than 2004, mainly due to the impact of inflationary cost pressures and the change in accounting for stripping costs (see page 65). The joint venture partners have agreed to proceed with a pit expansion project, resulting in an increase in gold reserves, and an extension of the expected mine life from 2010 to 2015.

East Archimedes, United States

In 2004, we made a decision to proceed with the East Archimedes project in Nevada. The project is an open-pit, heap leach operation exploiting the East Archimedes deposit, a deeper continuation of the ore mined previously at Ruby Hill. Construction capital is estimated at about $75 million over an expected two-year construction phase. Gold production is expected to commence by mid-2007. Project highlights include:

- Construction capital costs of $35 million were incurred in 2005.
- The workforce is in place and all major equipment is in service.
- The remaining balance of the mining fleet was received in fourth quarter 2005.
- Pre-strip activities are in progress.

South America

The region produced 1,234,000 ounces in 2005 (2004: 646,000 ounces) at total cash costs of $126 per ounce (2004: $111 per ounce). After achieving production start-up ahead of schedule in mid-June 2005, Lagunas Norte made a significant contribution to the region's results in the second half of 2005. Veladero had its first gold pour in September 2005 and commenced full production in fourth quarter 2005. We expect these two mines to make a significant contribution to production for the region in 2006 and beyond. In 2005, gold production exceeded guidance for the year due to higher than expected production at Pierina, while total cash costs per ounce were within the range of guidance provided for the year. Total cash costs per ounce were higher than 2004 due to higher total cash costs per ounce at Pierina.

Pierina, Peru

Although mining at Pierina occurred in higher-grade areas of the pit in 2005, lower quantities of run-of-mine ore were placed on the leach pad than in 2004, which led to slightly lower production in 2005. Total cash costs per ounce increased over 2004 due to the impact of inflationary cost pressures, combined with the impact of higher equipment maintenance, labor and ground support costs, partly offset by higher silver by-product credits and the positive impact of the change in accounting for stripping costs (see page 65). Mining costs per ton of ore were higher in 2005 as tons of waste mined increased over 2004. Gold production and total cash costs per ounce in 2005 were slightly higher than guidance.

Lagunas Norte, Peru

The Lagunas Norte mine achieved start-up in June 2005, ahead of schedule, with a capital construction cost of $323 million. Lagunas Norte produced 550,000 ounces in 2005, at total cash costs of $110 per ounce, with the mining of higher-grade near-surface ore. Both gold production and total cash costs per ounce were within the range of guidance for the year.

Veladero, Argentina

The Veladero mine had its first gold pour, ahead of schedule, in September 2005. Commissioning activities are complete and the mine is ramping up production levels. Capital construction costs for the project were $547 million. The mine produced 56,000 ounces in 2005.

Pascua-Lama, Chile/Argentina

In 2004, we made a decision to proceed with the development of the Pascua-Lama project in Chile/ Argentina, contingent on obtaining the necessary permits, approvals and fiscal regimes. We recently received approval of the environmental impact assessment from Chilean environmental regulatory authorities and we are committed to working within the framework of the Resolution granted to us. The Resolution, which was issued on February 17, 2006, imposes certain conditions in connection with the development of the project. We are currently assessing the implications of such conditions and it is possible that, following completion of such assessment, reserves for US reporting purposes could be reduced by up to 1 million ounces. It is expected that reserves for Canadian reporting purposes would remain unchanged. Approval of the environmental impact assessment by Argentine regulatory authorities is targeted for second quarter 2006. The timing of receipt of such approval, as well as the resolution of some of the other external issues, such as permitting and licensing, cross-border operating issues and fiscal, tax and royalty issues are largely beyond our control.

Capital and operating cost estimates for the Pascua-Lama project were based on the cost and commodity price environment prevailing at the time of the updated feasibility study, which was finalized in June 2004. The design of the project has been optimized in the course of the permitting process to incorporate additional operating and construction efficiencies, additional environmental mitigation measures, and other project improvements. We are in the course of updating cost estimates to reflect such changes, inflationary cost pressures and higher commodity prices. Although such factors will result

in some increase in capital and operating cost estimates, based on the current cost and commodity price environment, and combined with other efficiencies, we do not expect significant changes to the overall economics of the project.

Australia/Africa

The region produced 1,332,000 ounces in 2005 (2004: 1,349,000 ounces) at total cash costs of $280 per ounce (2004: $243 per ounce). Lower production in 2005 was mainly due to the discontinuation of open pit mining at Plutonic in second quarter 2005 and lower production at Kalgoorlie in the second half of the year, partly offset by new production from Tulawaka. Total cash costs per ounce were higher in 2005 mainly because of inflationary cost pressures, higher exchange rates under hedge contracts, lower tons mined and produced at Bulyanhulu and lower production levels at Plutonic after open-pit mining ended in second quarter 2005.

Kalgoorlie (50% Owned), Australia

Mill throughput was higher in 2005 due to lower maintenance downtime than in 2004; but gold production was lower in 2005 than 2004. Lower production was the result of mining in lower-grade areas of the pit and lower recovery rates experienced in the second half of 2005, partly offset by higher mill throughput due to improved mill utilization and the positive impact of finer ore sizes. Total cash costs per ounce were within the range of guidance for 2005. The combined impact of lower production levels, inflationary cost pressures and higher exchange rates under hedge contracts, and the effect of the change in accounting for stripping costs (see page 65), resulted in higher total cash costs per ounce in 2005 than in 2004. We are assessing process changes, controls and other management measures for the roaster facility to reduce mercury emissions. Kalgoorlie has installed a first-stage mercury scrubber on its carbon kiln and is assessing the performance of that unit to determine what additional steps might be appropriate. The assessment is continuing, after which we will be able to estimate any capital requirements and operating cost impact associated with such measures.

Plutonic, Australia

Gold production at Plutonic was lower in 2005, as the mine processed fewer tons of ore after open-pit mining ended in second quarter 2005, also resulting in a higher proportion of ore feed from the underground, which is of a higher grade than open-pit ore. Total cash costs per ounce were higher in 2005 than 2004, mainly due to the combined effect of the lower gold production levels, higher equipment maintenance, higher exchange rates under hedge contracts and inflationary cost pressures, partly offset by lower operating costs related to cessation of open-pit mining and the impact of the change in accounting for stripping costs (see page 65). Total cash costs per ounce were slightly higher than guidance while gold production was within the guidance range.

Bulyanhulu, Tanzania

Gold production was lower in 2005, mainly due to a combination of lower tons mined and lower ore grades. Tons mined were lower in 2005, mainly due to reduced equipment availability, a hoist gearbox failure and labor issues due to roster changes in 2005. Ore grades were also lower in 2005 as tons were mined from lower-grade stopes. Total cash costs per ounce in 2005 were higher than guidance and 2004 due to the lower gold production levels, inflationary cost pressures and higher administration and underground maintenance costs.

Cowal, Australia

The Cowal project in Australia remains on schedule for its first gold production in first quarter 2006. Construction costs are anticipated to be about ten per cent over the guidance of about $305 million as a result of the impact of inflationary cost pressures in Australia. We have been taking steps to mitigate cost increases where possible. Project highlights at the end of 2005 include:

- Capitalized costs, including capitalized interest, were $258 million in 2005.
- Construction of the systems necessary to process oxide ore were over 85% complete.
- Pre-commissioning of the process plant started in mid-December 2005 and the electrical transmission line was commissioned in January 2006.
- Plant-site concrete and buildings were 98% complete.
- About one million tons of ore have been stockpiled to date.

Buzwagi, Tanzania

The drill program at Buzwagi is substantially complete and the results are being compiled. A pre-feasibility study is complete and will be used to support a reserve of 2.4 million ounces under Canadian reporting standards.[1] The permitting process is underway with the Tanzanian authorities and an engineering project consultant has been assigned to initiate a feasibility study to support a production decision.

Kabanga (50% Owned), Tanzania

In April 2005, we entered into a joint-venture agreement with Falconbridge Limited ("Falconbridge") with respect to the Kabanga nickel deposit and related concessions in Tanzania. Falconbridge acquired a 50% indirect interest in respect of the Kabanga project for $15 million cash and a funding commitment. Falconbridge will be the operator of the joint venture. In 2004, the Kabanga project had an estimated inferred resource of 26.4 million tonnes grading 2.6% nickel.[1] This resource is currently being updated, based on the field work to be completed in 2006.

Over the next several years, Falconbridge has agreed to fund and conduct a further $50 million work plan that will include additional exploration and infill drilling, and technical work to update the resource model for Kabanga and bring the project towards feasibility. Falconbridge has initiated the establishment of a dedicated team in Tanzania to coordinate and advance the work plan. After expenditure of $50 million, Falconbridge will decide on whether to proceed with the project. If Falconbridge proceeds with the project, they will fund the next $95 million of any project development expenditures to advance the Kabanga project. Thereafter, Falconbridge and Barrick will share equally in joint-venture revenues and expenditures.

Russia/Central Asia

In 2005, we continued to focus on developing our operations in the region. In April 2005, we spent $50 million to increase our ownership in Highland Gold Mining PLC ("Highland Gold") from 14% to 20%. Our 20% ownership interest is reflected in our Financial Statements and production statistics on an equity basis. We continue to work with Highland Gold on projects where we have the option to acquire a joint interest. We established a project office in Moscow and appointed a Regional Vice President to lead the development of our business in the region.

1. Calculated in accordance with National Instrument 43-101 as required by Canadian securities regulatory authorities. For United States reporting purposes, Industry Guide 7 (under the Securities Exchange Act of 1934), as interpreted by the Staff of the SEC, applies different standards in order to classify mineralization as a reserve. Accordingly, for US reporting purposes, Buzwagi is classified as mineralized material. For additional information on reserves see the tables on pages 126-129.

Other Costs and Expenses

Exploration, Development and Business Development Expense

($ millions) For the years ended December 31	2005	2004	2003	Comments on significant trends and variances
Exploration				
North America	**$ 29**	$ 26	$ 19	2005 vs 2004 — Higher activity at Goldstrike. 2004 vs 2003 — Higher activity at Goldstrike, Eskay Creek and Round Mountain.
Australia/Africa	**41**	38	22	2005 vs 2004 — Higher activity at Bulyanhulu. 2004 vs 2003 — Higher activity in Tanzania, primarily at the Buzwagi project.
South America	**19**	20	19	
Russia/Central Asia	**6**	5	4	2005 vs 2004 — Higher activity to support development of the new business unit.
Other countries	**3**	1	—	
Mine development	**12**	22	53	2005 vs 2004 — In 2004, we expensed Lagunas Norte development costs totaling $9 million until May 1, when the project achieved the criteria to classify mineralization as a reserve for US reporting purposes. 2004 vs 2003 — In 2003, we expensed development costs at Lagunas Norte totaling $29 million, and at Veladero totaling $18 million until October 2003 when the project achieved the criteria to classify mineralization as a reserve for US reporting purposes.
Non-capitalizable project costs	**16**	7	—	Non-capitalizable costs mainly represent items incurred in the development/construction phase that cannot be capitalized.
Business development/other	**15**	22	20	2005 vs 2004 — Decrease in overhead costs associated with the administration of exploration and development programs.
Total	**$ 141**	$ 141	$ 137	

Amortization Expense

($ millions, except per ounce amounts in dollars) For the years ended December 31	2005 **Amount**	Incr. (decr.) due to: Sales volumes[1]	Incr. (decr.) due to: Other	2004 Amount	2005 **Per ounce**	2004 Per ounce	Comments on other variances
Goldstrike Open Pit	**$ 90**	$ 3	$ 4	$ 83	**$ 60**	$ 61	Capital additions in 2005, partly offset by an increase in reserves.
Goldstrike Underground	**60**	(6)	—	66	**119**	120	Capital additions in 2005, offset by an increase in reserves.
Eskay Creek	**26**	(21)	(4)	51	**153**	176	Writedown of book value in 2004, partly offset by an increase in amortization due to a decrease in reserves.
Round Mountain	**17**	—	—	17	**45**	47	Capital additions in 2005, offset by an increase in reserves.
Lagunas Norte	**29**	29	—	—	**53**	—	
Pierina	**72**	(2)	(33)	107	**115**	165	Increase in reserves and transfer of certain assets to Lagunas Norte in 2005.
Kalgoorlie	**20**	(3)	3	20	**49**	44	Capital additions in 2005.
Plutonic	**10**	(2)	1	11	**39**	34	Capital additions in 2005.
Bulyanhulu	**34**	(2)	2	34	**113**	100	Capital additions in 2005.
Other mines	**51**	13	2	36	**63**	59	
Sub total	**409**	9	(25)	425			
Corporate assets	**18**			27			
Total	**$ 427**			$ 452			

1. For explanation of changes in sales volumes refer to page 43.

Amortization Expense (cont'd)

($ millions, except per ounce amount in dollars) For the years ended December 31	2004 Amount	Incr. (decr.) due to Sales volumes[1]	Incr. (decr.) due to Other	2003 Amount	2004 Per ounce	2003 Per ounce	Comments on other variances
Goldstrike Open Pit	$ 83	$ (4)	$ —	$ 87	$ 61	$ 53	Capital additions in 2004, partly offset by an increase in reserves.
Goldstrike Underground	66	(6)	(1)	73	120	122	Increase in reserves, partly offset by capital additions in 2004.
Eskay Creek	51	(8)	12	47	176	132	Decrease in reserves and capital additions in 2004.
Round Mountain	17	—	(3)	20	47	54	Increase in reserves, and a decrease in property, plant and equipment as amortization exceeds capital additions in the year.
Pierina	107	(48)	(11)	166	165	182	Increase in reserves.
Kalgoorlie	20	1	(1)	20	44	48	Increase in reserves.
Plutonic	11	—	1	10	34	31	Capital additions in 2004, partly offset by an increase in reserves.
Bulyanhulu	34	3	(6)	37	100	123	
Other mines	36	(3)	2	37	59	57	Capital additions at Hemlo and Marigold.
Sub total	425	(65)	(7)	497			
Corporate assets	27			25			
Total	$ 452			$ 522			

1. For explanation of changes in sales volumes refer to page 43.

Corporate Administration, Interest Income and Interest Expense

($ millions) For the years ended December 31	**2005**	2004	2003	Comments
Corporate administration	**$ 71**	$ 71	$ 73	2004 vs 2003 — Severance costs of $9 million in 2003, with higher regulatory compliance costs in 2004.
Interest income	**(38)**	(25)	(31)	2005 vs 2004 — Increase in the average cash balance, combined with an increase in market interest rates. 2004 vs 2003 — Lower average cash balances in 2004, combined with higher gains on cash hedges in 2003.
Interest costs				
Incurred	**125**	60	49	Increase mainly due to new financing put in place in 2004 and 2005. Average long-term debt outstanding increased from $0.8 billion in 2003 to $0.9 billion in 2004 to $1.8 billion in 2005.
Capitalized	**(118)**	(41)	(5)	2005 vs 2004 — Increased amounts were capitalized in 2005 to Pascua-Lama, Cowal, Veladero, and Lagunas Norte development projects as construction costs were incurred and capitalized. Capitalization at Lagunas Norte ceased in third quarter 2005, while capitalization at Veladero ceased in fourth quarter 2005. Average book value of these four projects was $1.3 billion in 2005 and $0.6 billion in 2004. 2004 vs 2003 — Higher amounts were capitalized at development projects due to construction costs capitalized in 2004, and capitalization at Pascua-Lama from July 1, 2004.
Expensed	**$ 7**	$ 19	$ 44	We expect interest expense to increase in 2006 over 2005 as Lagunas Norte and Veladero started production and ceased interest capitalization in third quarter and fourth quarter 2005, respectively.

Impairment of Long-lived Assets

($ millions) For the years ended December 31	2005	2004	2003	Comments
Impairment charge — Eskay Creek	**$ —**	$ 58	$ —	In 2004, we completed an impairment test for the Eskay Creek mine, due to a downward revision to reserves, the continued weakening of the US dollar that impacts Canadian dollar operating costs, and upward revisions in asset retirement obligation costs.
Impairment charge — Peruvian exploration properties	**—**	67	—	We completed an impairment test in 2004 on a group of Peruvian exploration-stage properties based on finalization of the exploration program for the year and an updated assessment of future plans for the property.
Impairment charge — other	**—**	14	5	2004 includes writedown on various exploration-stage properties.
Total	**$ —**	$ 139	$ 5	

Other (Income) Expense

($ millions) For the years ended December 31	2005	2004	2003	Comments
Non-hedge derivative gains	**$ (6)**	$ (5)	$ (71)	The gains and losses arise primarily due to changes in commodity prices, currency exchange rates and interest rates.
Gains on asset sales	**(5)**	(36)	(36)	In 2005, we sold certain land positions in Australia. In 2004, we sold various mining properties, including the Holt-McDermott mine in Canada and certain land positions around our inactive mine sites in the United States. In 2003, we sold various mining properties, including several land positions around inactive mine sites in the United States, as well as the East Malartic Mill and Bousquet mine in Canada. The majority of these land positions were fully amortized in prior years and therefore any proceeds generated gains on sale, before selling costs and taxes.
Gain on Kabanga transaction	**(15)**	—	—	Gain recorded in 2005 relates to the closing of a transaction with Falconbridge.
Gains on investment sales	**(17)**	(6)	(4)	2005 vs 2004 — $10 million of the gains in 2005 related to the sale of investments held in a rabbi trust for a deferred compensation plan. Other gains in all years mainly relate to the sale of various other investments.
Impairment charges on investments	**16**	5	11	2005 impairment charge relates to the writedown of two investments which were determined to be impaired. 2003 impairment charge relates mainly to investments under a deferred compensation plan.
Changes in asset retirement obligations at closed mines	**15**	22	10	Charges relate to revisions to cost estimates at various closed mines.
Environmental remediation costs	**13**	14	38	In 2003, three North American mines shut down and two South American mines had recently shut down, and as a result the expenditures were very high in this year.
Accretion expense	**10**	7	7	
Currency translation (gains) losses	**(3)**	1	(2)	In 2005, gains reflect the strengthening of the Canadian dollar on monetary assets.
Other items	**59**	41	41	Includes charges for World Gold Council fee, legal costs for major litigation and certain costs incurred at our regional business units.
Total	**$ 67**	$ 43	$ (6)	

Income Taxes

For the years ended December 31 ($ millions, except percentages) Effective income tax rates on elements of income	2005 Pre-tax income	2005 Effective tax rate	2005 Income tax expense (recovery)	2004 Pre-tax income	2004 Effective tax rate	2004 Income tax expense (recovery)	2003 Pre-tax income	2003 Effective tax rate	2003 Income tax expense (recovery)
Income tax expense before elements below	**$ 455**	**21%**	**$ 97**	$ 45	53%	$ 24	$ 222	30%	$ 67
Change in Australian tax status			**(5)**			(81)			—
Outcome of tax uncertainties			**—**			(141)			—
Release of deferred tax valuation allowances recorded in prior years			**(32)**			(5)			(62)
			$ 60			$ (203)			$ 5

Income tax expense increased in 2005 in comparison to the tax recoveries in 2004, as the 2004 tax recoveries arose primarily with respect to the change in Australian tax status and the outcome of tax uncertainties. Our underlying tax rate decreased to 21% in 2005 in part due to the impact of a lower amount of deliveries into gold sales contracts in a low tax-rate jurisdiction at prices below the prevailing spot market gold price than in 2004. A shift in the geographic mix of gold production, and therefore income before taxes, towards jurisdictions with lower tax rates also contributed to a reduction in the underlying tax rate.

As gold prices increase, our underlying tax rate also increases, reaching about 29% with market prices at or above $475 per ounce. This expected underlying rate excludes the effect of gains and losses on non-hedge derivatives, the effect of delivering into gold sales contracts in a low tax-rate jurisdiction at prices below prevailing market prices, and any release of deferred tax valuation allowances.

We record deferred tax charges or credits if changes in facts or circumstances affect the estimated tax basis of assets and therefore the amount of deferred tax assets or liabilities or because of changes in valuation allowances reflecting changing expectations in our ability to realize deferred tax assets. In 2005, we released valuation allowances totaling $32 million, of which $31 million related to Argentina, in anticipation of higher levels of future taxable income after production began at Veladero, and also due to the impact of higher market gold prices. In 2004, we recorded a tax credit of $141 million on final resolution of a Peruvian tax assessment in our favor, as well as the reversal of other accrued costs totaling $21 million ($15 million post-tax). We also recorded credits of $81 million due to a change in tax status in Australia following an election that resulted in a revaluation of assets for tax purposes; and also an election to file tax returns in US dollars, rather than Australian dollars. In 2005, we revised our estimate of the revaluation of assets for tax purposes due to the change in status, and recorded a further deferred tax credit of $5 million.

The interpretation of tax regulations and legislation and their application to our business is complex and subject to change. We have significant amounts of deferred tax assets, including tax loss carry forwards, and also deferred tax liabilities. Potential changes to any of these amounts, as well as our ability to realize deferred tax assets, could significantly affect net income or cash flow in future periods. For more information on tax valuation allowances, see page 71.

Quarterly Information

($ millions, except where indicated)	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	2004 Q2	2004 Q1
Gold sales	**$ 776**	**$ 627**	**$ 463**	**$ 484**	$ 501	$ 500	$ 454	$ 477
Net income	**175**	**113**	**53**	**60**	156	32	34	26
Net income per share — basic (dollars)	**0.33**	**0.21**	**0.10**	**0.11**	0.30	0.06	0.06	0.05
Net income per share — diluted (dollars)	**0.32**	**0.21**	**0.10**	**0.11**	0.29	0.06	0.06	0.05

Our financial results for the last eight quarters reflect the following general trends: rising spot gold prices with a corresponding rise in prices realized from gold sales; and rising gold production and sales volumes as our new mines began production in 2005. These historic trends are discussed elsewhere in this MD&A. The quarterly trends are consistent with explanations for annual trends over the last two years. Net income in each quarter also reflects the timing of various special items that are presented in the table on page 54.

Fourth Quarter Results

In fourth quarter 2005, we produced 1.65 million ounces at total cash costs of $221 per ounce [1] compared to 1.17 million ounces at total cash costs of $223 per ounce in the prior-year quarter. Revenue for fourth quarter 2005 was $776 million on gold sales of 1.65 million ounces, compared to $501 million in revenue on gold sales of 1.2 million ounces for the prior-year quarter. Sales volumes increased due to the contribution from new mines that began production in 2005. During the quarter, spot gold prices averaged $486 per ounce. We realized an average price of $467 per ounce during the quarter compared to $417 per ounce in the prior-year quarter mainly due to higher spot gold prices. Earnings for fourth quarter 2005 were $175 million ($0.32 per share on a diluted basis), $19 million ($0.03 per share on a diluted basis) higher than the prior-year quarter. The increase in earnings over the prior-year quarter reflects higher gold sales volumes and realized gold prices, partly offset by the impact of special items.

Effect on Earnings Increase (Decrease)

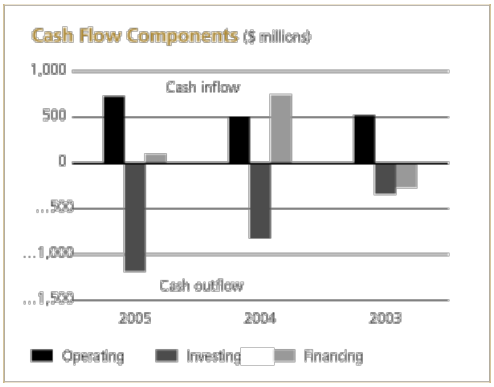
	Three months ended December 31			
	2005		2004	
($ millions)	**Pre-tax**	**Post-tax**	Pre-tax	Post-tax
Non-hedge derivative gains (losses)	**$ (1)**	**$ (1)**	$ 6	$ 6
Gains on sales of investments and mining properties	**8**	**8**	35	25
Impairment charges on long-lived assets and investments	**(13)**	**(13)**	(135)	(93)
Change in asset retirement obligation estimates	**(2)**	**(3)**	(19)	(15)
Deferred stripping accounting changes				
Impact on the period compared to previous policy	**35**	**24**	—	—
Resolution of Peruvian tax assessment	**—**	**—**	21	156
Deferred tax credits				
Change in Australian tax status	**—**	**5**	—	48
Other	**—**	**32**	—	—
Total	**$ 27**	**$ 52**	$ (92)	$ 127

In fourth quarter 2005, we generated operating cash flow of $269 million compared to operating cash flow of $123 million in the prior-year quarter. Higher operating cash flow primarily relates to the combined effect of higher gold sales volumes and higher realized gold prices.

1. Total cash costs per ounce excludes amortization — see pages 44-45.

Liquidity, Capital Resources and Financial Position

Cash Flow



Operating Activities

Operating cash flow increased by $217 million in 2005 to $726 million. The key factors that contributed to the year over year decrease are summarized in the table below.

Key Factors Affecting Operating Cash Flow

($ millions) For the years ended December 31	2005	2004	2003	Impact on comparative operating cash flows: 2005 vs 2004	Impact on comparative operating cash flows: 2004 vs 2003	Comments on significant trends and variances
Gold sales volumes (000s oz)	**5,320**	4,936	5,554	$ 68	$ (109)	See page 43.
Realized gold prices ($/oz)	**$ 439**	$ 391	$ 366	255	123	See page 43.
Total cash costs ($/oz)	**227**	214	189	(69)	(123)	See page 44.
Sub-total				254	(109)	
Other inflows (outflows)						
Income tax payments	**(80)**	(45)	(111)	(35)	66	2005 vs 2004 — Increased payments in 2005 relate to higher gold prices and the start of Lagunas Norte production. 2004 vs 2003 — Large payment in 2003 paid to Canadian tax authorities in relation to 2002 final payment.
Increase in inventories	**(151)**	(51)	(1)	(100)	(50)	Due to build-up of both ore and supplies inventory at operating mines, particularly for mines that went into production in 2005.
Other non-cash working capital	**68**	(65)	(45)	133	(20)	2005 vs 2004 — Increase in accounts payable in 2005 mainly due to timing of payments and for mines that began production in 2005. 2004 vs 2003 — Increase in taxes recoverable in 2004 relating to input taxes on mine construction costs.
Interest expense	**7**	19	44	12	25	See page 51.
Cost of Inmet settlement in 2003	**—**	—	86	—	86	
Effect of other factors				(47)	(8)	
Total				$ 217	$ (10)	

Investing Activities

($ millions) For the years ended December 31	2005	2004	2003	Comments
Growth capital expenditures[1]				
Veladero	**$ 213**	$ 284	$ 68	Costs mainly relate to construction activity. Production start-up in fourth quarter 2005.
Lagunas Norte	**100**	182	4	Construction activity started in second quarter 2004. Production start-up in second quarter 2005.
Cowal	**258**	73	24	Construction activity started in second quarter 2004. Higher levels of activity in 2005, leading up to production start-up expected in first quarter 2006.
Tulawaka	**5**	48	1	Costs mainly relate to construction activity. Production start-up in first quarter 2005.
Pascua-Lama	**98**	35	9	Higher levels of activity since decision in mid-2004 to proceed with the project, as well as capitalized interest since mid-2004.
Western 102 Power Plant	**80**	18	—	Construction activity started in first quarter 2004. Higher levels of activity in 2005 in lead-up to production start-up in the fourth quarter.
East Archimedes	**35**	—	—	Construction activity started in first quarter 2005.
Sub-total	**$ 789**	$ 640	$ 106	
Sustaining capital expenditures				
North America	**$ 103**	$ 86	$ 80	Higher sustaining capital expenditures at Goldstrike in 2005, in particular, a 100-ton shovel purchase and higher budgeted expenditures in general.
Australia/Africa	**90**	83	115	2003 was higher due to a transition to owner-mining at Plutonic that resulted in equipment purchases.
South America	**114**	8	17	Purchases of equipment at newly operational mines.
Other	**8**	7	4	
Sub-total	**$ 315**	$ 184	$ 216	
Total	**$ 1,104**	$ 824	$ 322	

1. Includes both construction costs and capitalized interest.

We plan to fund the expected capital expenditures for 2006 from a combination of our $1 billion cash position at the end of 2005, and operating cash flow that we expect to generate in 2006. We are considering putting in place project financing for a portion of the mine construction costs at Pascua-Lama.

On February 14, 2006, we entered into an agreement with Antofagasta plc (“Antofagasta”) to acquire 50% of Tethyan Copper Company’s (“Tethyan”) Reko Diq project and associated mineral interests in Pakistan in the event that Antofagasta is successful in its bid to acquire Tethyan. If Antofagasta’s bid is successfully completed, we will reimburse Antofagasta approximately $100 million in cash for 50% of the acquisition, including the claw-back right to be acquired or extinguished from BHP Billiton who has a right to claw-back a material interest in certain Tethyan’s mineral interests.

Financing Activities

The most significant financing cash flows in 2005 were $179 million on issue of new long-term debt obligations, $92 million received on the exercise of employee stock options partly offset by dividend payments made totaling $118 million. We also made scheduled payments under our long-term debt obligations totaling $59 million in 2005.

Liquidity

Liquidity Management

Liquidity is managed dynamically, and factors that could impact liquidity are regularly monitored. The primary factors that affect liquidity include gold production levels, realized gold sales prices, cash production costs, future capital expenditure requirements, scheduled repayments of long-term debt obligations, our credit capacity and expected future debt market conditions. Working capital requirements have not historically had a material effect on liquidity. Counterparties to the financial instruments and gold sales contracts that we hold do not have unilateral and discretionary rights to accelerate settlement of financial instruments or gold sales contracts, and we are not subject to any margin calls.

Through the combination of a strong balance sheet and positive operating cash flows, we have been able to secure financing, as required, to fund our capital projects. We had three new mines start in 2005, with a fourth scheduled to start production in first quarter 2006. The costs of construction for these projects were financed through a combination of operating cash flows and the issuance of long-term debt financing. While we consider our liquidity profile to be sound with no reasonably foreseeable trends, demands, commitments, events or circumstances expected to prevent us from funding the capital needed to complete our projects and implement our strategy, no assurance can be given that additional capital investments will not be required to be made at these or other projects. If we are unable to generate enough cash to finance such additional capital expenditures through operating cash flow and we are unable or choose not to issue common stock, we may be required to issue additional indebtedness. Any additional indebtedness would increase our debt payment obligations, and may negatively impact our results of operations.

Capital Resources

Adequate funding is in place or available for all our development projects. We plan to put in place project financing for a portion of the expected construction cost of Pascua-Lama; however, if we are unable to do so because of unforeseen political or other challenges, we expect to be able to fund the capital required through a combination of existing capital resources and future operating cash flows. We may also invest capital in Russia and Central Asia in 2006 to acquire interests in mineral properties as we develop our business unit there. We expect that any capital required will be funded from a combination of our existing cash position and operating cash flow in 2006.

The total estimated acquisition cost of Placer Dome is $10.1 billion of which approximately $1.3 billion is the cash portion that is funded by drawing upon our $1 billion credit facility, with the balance from our cash position. We expect to close the sale of certain Placer Dome operations to Goldcorp in the first half of 2006 and receive cash consideration of about $1.5 billion from Goldcorp that will be used to repay amounts borrowed, with respect to the Placer Dome acquisition, on our $1 billion credit facility.

Capital Resources[1]

($ millions) For the years ended December 31	**2005**	2004	2003
Opening capital resources	**$ 2,476**	$ 1,970	$ 2,044
New sources			
Operating cash flow	**726**	509	519
New and increases to financing facilities[2]	**134**	1,056	—
	3,336	3,535	2,563
Allocations			
Growth capital[3]	**(789)**	(640)	(106)
Sustaining capital[3]	**(315)**	(184)	(216)
Dividends	**(118)**	(118)	(118)
Share buyback	**—**	(95)	(154)
Other	**(30)**	(22)	1
Closing capital resources	**$ 2,084**	$ 2,476	$ 1,970
Components of closing capital resources			
Cash and equivalents[5]	**$ 1,037**	$ 1,398	$ 970
Unutilized credit facilities[4, 5]	**1,047**	1,078	1,000
Total	**$ 2,084**	$ 2,476	$ 1,970

1. Capital resources include cash balances and sources of financing that have been arranged but not utilized.
2. In 2005, includes the $50 million Peruvian bond offering and $84 million lease facility for Lagunas Norte. In 2004, includes the $250 million Veladero project financing, $750 million bond offering, and $56 million lease facility for Lagunas Norte.
3. Growth capital represents capital invested in new projects to bring new mines into production. Sustaining capital represents ongoing capital required at existing mining operations. Sum of growth and sustaining capital equals capital expenditures for the year.
4. Subsequent to December 31, 2005, we drew upon our $1 billion credit facility to fund the Placer Dome acquisition. Amounts drawn will be repaid upon closure of sales of specific Placer Dome operations to Goldcorp.
5. Excludes Placer Dome capital resources. At December 31, 2005, Placer Dome had $880 million of cash and equivalents and $873 million of undrawn bank lines of credit available of which $300 million was drawn subsequent to year end.

Credit Rating

At February 10, 2006 from major rating agencies:

Standard & Poor's ("S&P")	**A–**
Moody's	**Baa1**
DBRS	**A**

In 2006, following the acquisition of Placer Dome, our ratings were reviewed and confirmed by Moody's and DBRS. S&P lowered our rating from 'A' to 'A–', reflecting Placer Dome's lower rating. Our ability to access unsecured debt markets and the related cost of debt financing is, in part, dependent upon maintaining an acceptable credit rating. A deterioration in our credit rating would not adversely affect existing debt securities or the terms of gold sales contracts, but could impact funding costs for any new debt financing. The key factors that are important to our credit rating include the following: our market capitalization; the strength of our balance sheet, including the amount of net debt and our debt-to-equity ratio; our net cash flow, including cash generated by operating activities and expected capital expenditure requirements; the quantity of our gold reserves; and our geo-political risk profile.

Financial Position

Key Balance Sheet Ratios

As at December 31	**2005**	2004
Non-cash working capital ($ millions) 1	**$ 151**	$ 141
Net debt ($ millions)2	**$ 764**	$ 288
Net debt: equity ratio3	**0.20:1**	0.08:1
Current ratio4	**3.12:1**	4.66:1

1. Represents current assets, excluding cash and equivalents, less current liabilities.
2. Represents long-term debt less cash and equivalents.
3. Represents net debt divided by shareholders' equity.
4. Represents current assets divided by current liabilities.

Non-cash working capital increased in 2005 mainly due to increases in inventory levels to support new mines that began production. Capital expenditures exceeded operating cash flow in 2005, resulting in a higher net debt position at the end of 2005. Lower cash balances, partly offset by higher inventory balances, caused our current ratio to decrease at the end of 2005.

Shareholders' Equity

Outstanding Share Data

As at February 10, 2006, 827.7 million of our common shares, one special voting share and 1.4 million exchangeable shares (exchangeable into 0.7 million of our common shares) were issued and outstanding. As at February 10, 2006, options to purchase 20.2 million common shares were outstanding under our option plans, as well as options to purchase 0.3 million common shares under certain option plans inherited by us in connection with prior acquisitions. We intend to acquire the remaining 6% interest in Placer Dome through a compulsory acquisition procedure that would involve the issuance of additional common shares. For further information regarding the outstanding shares and stock options, please refer to the Financial Statements and our 2005 Management Information Circular and Proxy Statement.

Dividend Policy

In each of the last four years, we paid a total cash dividend of $0.22 per share — $0.11 in mid-June and $0.11 in mid-December. The amount and timing of any dividends is within the discretion of our Board of Directors. The Board of Directors reviews the dividend policy semi-annually based on the cash requirements of our operating assets, exploration and development activities, as well as potential acquisitions, combined with our current and projected financial position.

Comprehensive Income

Comprehensive income consists of net income or loss, together with certain other economic gains and losses that collectively are described as "other comprehensive income" or "OCI", and excluded from the income statement.

In 2005, the other comprehensive loss of $100 million mainly included gains of $23 million on hedge contracts designated for future periods caused primarily by changes in currency exchange rates and fuel prices; offset by reclassification adjustments totaling $134 million for gains on hedge contracts designated for 2005 that were transferred to earnings in 2005; and a $8 million unrealized decrease in the fair value of investments.

Included in other comprehensive income at December 31, 2005 were unrealized pre-tax gains on currency hedge contracts totaling $171 million, based on December 31, 2005 market foreign exchange rates. The related hedge contracts are designated against operating costs and capital expenditures primarily over the next three years, and are expected to help protect against the impact of strengthening of the Australian and Canadian dollar against the US dollar. The hedge gains are expected to be recorded in earnings at the same time as the corresponding hedged operating costs and amortization of capital expenditures are also recorded in earnings.

Contractual Obligations and Commitments[1]

($ millions)	Payments due						
At December 31, 2005	2006	2007	2008	2009	2010	2011 and thereafter	Total
Contractual obligations							
Long-term debt (1)							
Repayment of principal	$ 62	$ 589	$ 79	$ 67	$ 28	$ 894	$1,719
Interest (1)	102	79	56	51	49	696	1,033
Asset retirement obligations (2)	37	30	24	48	33	498	670
Capital leases	19	23	19	19	16	1	97
Operating leases	13	13	13	14	14	9	76
Royalty arrangements and other long-term liabilities (3)	79	70	67	71	65	579	931
Purchase obligations for supplies and consumables	109	89	53	24	17	20	312
Capital commitments (4)	85	—	—	—	—	—	85
Total	$ 506	$ 893	$ 311	$ 294	$ 222	$ 2,697	$4,923

1. Excludes any Placer Dome obligations and commitments.

Contractual Obligations and Commitments

(1) Long-term Debt and Interest

Our debt obligations do not include any subjective acceleration clauses or other clauses that enable the holder of the debt to call for early repayment, except in the event that we breach any of the terms and conditions of the debt or for other customary events of default. The Bulyanhulu and Veladero financings are collateralized by assets at the Bulyanhulu and Veladero mines, respectively. Other than this security, we are not required to post any collateral under any debt obligations. The terms of our debt obligations would not be affected by a deterioration in our credit rating. Projected interest payments on variable rate debt was based on interest rates in effect at December 31, 2005. Interest is calculated on our long-term debt obligations using both fixed and variable rates.

(2) Asset Retirement Obligations

Amounts presented in the table represent the undiscounted future payments for the expected cost of asset retirement obligations.

(3) Royalties and Other Long-term Liabilities

Virtually all of the royalty arrangements give rise to obligations as we produce gold. In the event that we do not produce gold at our mining properties, we have no payment obligation to the royalty holders. The amounts disclosed are based on expected future gold production, using a gold price range assumption of $450—$475 per ounce. The most significant royalty agreements are disclosed in note 6 to our Financial Statements. Based on 2005 production levels, an increase in market gold prices by $25 per ounce would result in an annual increase in royalty payments by approximately $8 million.

Other long-term liabilities includes pension and post-retirement benefits funding in 2006. Funding beyond 2006 is not included in this table as it cannot be reasonably estimated given variable market conditions and actuarial assumptions. In 2006, we expect to make contributions to pension and post-retirement benefits plans totaling $6 million. Other long-term liabilities include derivative liabilities. Payments related to derivative contracts cannot be reasonably estimated given variable market conditions. Refer to note 16c to the Financial Statements.

(4) Capital Commitments

Purchase obligations for capital expenditures include only those items where binding commitments have been entered into. Commitments at the end of 2005 mainly related to construction at our development projects.

Capital Expenditures Not Yet Committed

We expect to incur capital expenditures during the next five years for Barrick projects, Placer Dome acquired projects and producing mines. The primary Barrick project is Pascua-Lama (refer to page 47 for further details) and the significant Placer Dome projects include Pueblo Viejo, Cortez Hills and Donlin Creek. We are currently in the process of reviewing the capital requirements for the acquired Placer Dome projects and producing mines.

Payments to Maintain Land Tenure and Mineral Property Rights

In the normal course of business, we are required to make annual payments to maintain title to certain of our properties and to maintain our rights to mine gold at certain of our properties. If we choose to abandon a property or discontinue mining operations, the payments relating to that property can be suspended, resulting in our rights to the property lapsing. The validity of mining claims can be uncertain and may be contested. Although we have attempted to acquire satisfactory title to our properties, some risk exists that some titles, particularly title to undeveloped properties, may be defective.

Contingencies — Litigation

We are currently subject to various litigation as disclosed in note 24 to the Financial Statements, and we may be involved in disputes with other parties in the future that may result in litigation. If we are unable to resolve these disputes favorably, it may have a material adverse impact on our financial condition, cash flow and results of operations.

Financial Instruments

We use a mixture of cash and long-term debt to maintain an efficient capital structure and ensure adequate liquidity exists to meet the cash needs of our business. A discussion of our liquidity and capital structure can be found on page 55. We use interest rate contracts to mitigate interest rate risk that is implicit in our cash balances and outstanding long-term debt. In the normal course of business, we are inherently exposed to currency and commodity price risk. We use currency and commodity hedging instruments to mitigate these inherent business risks. We also hold certain derivative instruments that do not qualify for hedge accounting treatment. These non-hedge derivatives are described in note 16 to our Financial Statements. For a discussion of certain risks and assumptions that relate to the use of derivatives, including market risk, market liquidity risk and credit risk, refer to notes 16e and 16f to our Financial Statements. For a discussion of the methods used to value financial instruments, as well as any significant assumptions, refer to note 16d to our Financial Statements.

Summary of Financial Instruments[1]

As at and for the year ended December 31, 2005

Financial Instrument	Principal/ Notional Amount	Associated Risks	Amounts Recorded in Earnings	Amounts Not Recorded in Earnings
Cash and equivalents	$1,037 million	n Interest rate n Credit	Interest income less hedge gains on cash hedging instruments — 2005 — $32 million; 2004 — $6 million; 2003 — $13 million	Nil
Investments in available-for-sale securities	$62 million	n Market	Other income/expense — 2005 — $1 million gain; 2004 — $1 million gain; 2003 — $7 million loss	$12 million gain in OCI
Long-term debt	$1,721 million	n Interest rate	Interest costs — 2005 — $7 million expensed ($118 million capitalized); 2004 — $19 million expensed ($41 million capitalized); 2003 — $44 million expensed ($5 million capitalized)	Fair value greater than carrying value by $26 million
Hedging instruments — currency contracts	C$788 million A$2,213 million ARS 36 million	n Market/Liquidity n Credit	Hedge gains in cost of sales, corporate administration and amortization — 2005 — $120 million; 2004 — $112 million; 2003 — $65 million	$171 million gain in OCI
Cash hedging instruments — interest rate contracts	$425 million	n Market/Liquidity n Credit	Hedge gains/losses in interest income — 2005 — $6 million gain; 2004 — $19 million gain; 2003 — $18 million gain	$2 million loss in OCI
Debt hedging instruments — interest rate contracts	$500 million	n Market/Liquidity n Credit	Change in fair value recorded in earnings — 2005 — $13 million loss; 2004 — $2 million gain; 2003 — $9 million gain	Nil
Hedging instruments — fuel and propane contracts	Fuel — 2 million barrels Propane — 17 million gallons	n Market/Liquidity n Credit	Hedge gains in cost of sales — 2005 — $10 million; 2004 — $4 million; 2003 — $nil	$38 million gain in OCI
Non-hedge derivatives	Various	n Market/Liquidity n Credit	Gains in other income/expense — 2005 — $6 million; 2004 — $5 million; 2003 — $71 million	Nil

1. Refer to pages 61-64 for information on gold and silver sales contracts.

Off-Balance Sheet Arrangements

Gold and Silver Sales Contracts

We have historically used gold and silver sales contracts as a means of selling a portion of our annual gold and silver production. The contracting parties are bullion banks whose business includes entering into contracts to purchase gold or silver from mining companies. Since 2001, we have been focusing on reducing the level of outstanding gold and silver sales contracts. The terms of our fixed-price gold and silver sales contracts enable us to deliver gold and silver whenever we choose over the primarily ten-year term of the contracts. In 2005, we reduced our fixed-price gold sales contracts position by 1.0 million ounces through delivery of 0.8 million ounces of our gold production and the conversion of 0.2 million ounces to floating spot price contracts.

Project Gold Sales Contracts

In July 2004, we announced a decision to proceed with the Pascua-Lama project ("Pascua-Lama") subject to receiving required permits and clarification of the applicable fiscal regimes from the governments of Argentina and Chile.

In anticipation of building Pascua-Lama and in support of any related financing, we have 6.5 million ounces of existing fixed-price gold sales contracts specifically allocated to Pascua-Lama (the "Project

Gold Sales Contracts"). The allocation of these contracts will help reduce gold price risk at Pascua-Lama and is expected to help secure the financing for its construction. We expect the allocation of these contracts to eliminate any requirement by lenders to add any incremental gold sales contracts in the future to support the financing of Pascua-Lama. The forward sales prices on our Project Gold Sales Contracts have not been fully fixed, and thus remain sensitive to long-term interest rates. For these contracts, increasing long-term interest rates in the fourth quarter resulted in a higher expected realizable sales price for these contracts. If long-term interest rates continue to rise, we anticipate the expected realizable sales price to increase.

As part of our Master Trading Agreements ("MTAs"), Project Gold Sales Contracts are not subject to any provisions regarding any financial go-ahead decisions with construction, or any possible delay or change in the project.

Key Aspects of Pascua-Lama Gold Sales Contracts

(as of December 31, 2005)	
Expected delivery dates.[1]	2009–2018, the term of the expected financing.
Future estimated average realizable selling price.	$378/oz.[2]
Mark-to-market value at December 31, 2005.	($1,453) million.[3]

1. The contract termination dates are in 2016–2019 in most cases, but we currently expect to deliver Pascua-Lama production against these contracts starting in 2009, subject to the timing of receipt of approvals of the environmental impact assessments, as well as the resolution of other external issues, both of which are largely beyond our control. Refer to page 47 for further details.
2. Upon delivery of production from 2009–2018, the term of expected financing. Approximate estimated value based on current market US dollar interest rates and on an average lease rate assumption of 0.75%.
3. At a spot gold price of $513 per ounce and market interest rates.

The allocation of 6.5 million ounces of gold sales contracts to Pascua-Lama involves: i) the identification of contracts in quantities and for terms that mitigate gold price risk for the project during the term of the expected financing (contracts were chosen where the existing termination dates are spread between the targeted first year of production and the expected retirement of financing for the project); ii) the segregation of these contracts from the remaining non-project gold sales contracts (the "Corporate Gold Sales Contracts"); and iii) the eventual settlement of proceeds from these contracts for the benefit of production.

Through allocation of these gold sales contracts to Pascua-Lama, we significantly reduce capital risk. It protects the gold price during the term of the forecasted financing, while leaving the remaining reserves fully levered to spot gold prices. The contracts represent just over 35% of the 18.3 million ounces of gold reserves at Pascua-Lama. These contracts do not impact any of the 684.7 million ounces of silver contained in gold reserves at Pascua-Lama.

Corporate Gold Sales Contracts and Floating Spot-Price Gold Sales Contracts

Fixed-price Corporate Gold Sales Contracts, which at December 31, 2005 totaled 6.0 million ounces, represent approximately one year of Barrick's expected future gold production (excluding Placer Dome) and approximately 8.5% of our proven and probable reserves, in each case excluding Pascua-Lama and Placer Dome. At December 31, 2005, we had floating spot-price gold sales contracts under which we are committed to deliver 0.7 million ounces of gold over the next ten years at spot prices, less an average fixed-price adjustment of $127 per ounce. These floating spot-price contracts were previously fixed-price contracts, for which, under the price-setting mechanisms of the MTAs, we elected to receive a price based on the market gold spot price at the time of delivery adjusted based on the difference between the spot price and the contract price at the time of such election.

Key Aspects of Corporate Gold Sales Contracts

(as of December 31, 2005)	
Current termination date of contracts.	2015 in most cases.
Average estimated realizable selling price in 2015.	$458/oz.[1]
Mark-to-market value at December 31, 2005.	
Corporate Gold Sales Contracts.	($1,277) million.[2]
Floating Spot-Price Gold Sales Contracts.	($89) million.[2]

1. Approximate estimated value based on current market US dollar interest rates and an average lease rate assumption of 0.75%. Accelerating gold deliveries would likely lead to reduced contango that would otherwise have built up over time. Barrick may choose to settle any gold sales contract in advance of this termination date at any time, at its discretion. Historically, delivery has occurred in advance of the contractual termination date.
2. At a spot gold price of $513 per ounce, and market interest rates.

In January 2006, we acquired the Pueblo Viejo development project ("Pueblo Viejo") as part of the Placer Dome acquisition. Once the sale of certain Placer Dome operations to Goldcorp closes, we will have a 60% interest in the project. In anticipation of financing our share of this project, subsequent to year end we allocated 3.0 million ounces of our Corporate Gold Sales Contracts to this project. This allocation does not impact any of the 40% interest in Pueblo Viejo to be owned by Goldcorp.

We have an obligation to deliver gold by the termination date (currently 2015 in most cases). However, because we typically fix the price of gold under our gold sales contracts to a date that is earlier than the termination date of the contract (referred to as the "interim price-setting date"), the actual realized price on the contract termination date depends upon the actual gold market forward premium ("contango") between the interim price-setting date and the termination date. Therefore, the $458/oz price estimate could change over time due to a number of factors, including but not limited to: US dollar interest rates, gold lease rates, spot gold prices, and extensions of the termination date. This price, which is an average for the total Corporate Gold Sales Contract position, is not necessarily representative of the prices that may be realized each quarter for actual deliveries into gold sales contracts, in particular, if we choose to settle any gold sales contract in advance of the termination date (which we have the right to do at our discretion). If we choose to accelerate gold deliveries, this would likely lead to reduced contango that would otherwise have built up over time (and therefore a lower realized price).

The gold market forward premium, or contango, is typically closely correlated with the difference between US dollar interest rates and gold lease rates. An increase or decrease in US dollar interest rates would generally lead to a corresponding increase or decrease in contango, and therefore an increase or decrease in the estimated future price of the contract at the termination date. Furthermore, the greater the time period between the interim price-setting date and the termination date, the greater the sensitivity of the final realized price to US dollar interest rates.

A short-term spike in gold lease rates would not have a material negative impact on us because we are not significantly exposed under our fixed-price gold sales contracts to short-term gold lease rate variations. A prolonged rise in gold lease rates could result in lower contango (or negative contango, i.e. "backwardation"). Gold lease rates have historically tended to be low, and any spikes short-lived, because of the large amount of gold available for lending relative to demand.

As a result of the Placer Dome acquisition, Barrick's gold sales contracts increased to 20 million ounces on a pro forma basis as at December 31, 2005. Since year end, Placer Dome's gold hedge program has been reduced and simplified with all outstanding sold call options eliminated. As of February 22, 2006, the combined gold sales contracts totaled 18.5 million ounces, a reduction of 1.5 million ounces since year-end 2005. Of this total, 9.5 million ounces are allocated as Project Gold Sales Contracts in support of the Pascua-Lama and Pueblo Viejo development projects. The remaining 9.0 million ounces of Corporate Gold Sales Contracts represent 8% of total reserves excluding Pascua-Lama and Pueblo Viejo. Further reductions may be expected as we remain committed to reducing our gold sales contracts in this favorable gold price environment.

Fixed-Price Silver Sales Contracts

(as of December 31, 2005)	
Millions of silver ounces.	15
Current termination date of silver sales contracts.	2015 in most cases.
Average estimated realizable selling price at 2015 termination date.	$7.40/oz.[1]
Mark-to-market value at December 31, 2005.	($43) million.[2]

1. Approximate estimated value based on current market contango of 2.5%. Accelerating silver deliveries could potentially lead to reduced contango that would otherwise have built up over time. Barrick may choose to settle any silver sales contract in advance of this termination date at any time, at its discretion. Historically, delivery has occurred in advance of the contractual termination date.
2. At a spot silver price of $8.83 per ounce.

We also have floating spot-price silver sales contracts under which we are committed to deliver 7.5 million ounces of silver over the next ten years at spot prices, less an average fixed-price adjustment of $1.25 per ounce. These floating spot-price contracts were previously fixed-price contracts, for which, under the price-setting mechanisms of the MTAs, we elected to receive a price based on the market silver spot price at the time of delivery adjusted by the difference between the spot price and the contract price at the time of such election.

Key Terms of Gold and Silver Sales Contracts

In all of our MTAs, which govern the terms of gold and silver sales contracts with our 19 counterparties, the following applies:

- The counterparties do not have unilateral and discretionary "right to break" provisions.
- There are no credit downgrade provisions.
- We are not subject to any margin calls — regardless of the price of gold or silver.
- We have the right to settle our gold and silver sales contracts on two days notice at any time during the life of the contracts, or keep these forward gold and silver sales contracts outstanding for up to 15 years.
- At our option, we can sell gold or silver at the market price or the contract price, whichever is higher, up to the termination date of the contracts (currently 2015 in most cases).

The MTAs with our counterparties do provide for early close out of certain transactions in the event of a material adverse change in our ability or our principal hedging subsidiary's ability to perform our or its gold and silver delivery and other obligations under the trading agreements and related parent guarantees or a lack of gold or silver market, and for customary events of default such as covenant breaches, insolvency or bankruptcy. The principal financial covenants are:

- We must maintain a minimum consolidated net worth of at least $2 billion; it was $3.9 billion at year end. The MTAs exclude unrealized mark-to-market valuations in the calculation of consolidated net worth.
- We must maintain a maximum long-term debt to consolidated net worth ratio of 2:1; it was 0.5:1 at year end.

In most cases, under the terms of the MTAs, the period over which we are required to deliver gold is extended annually by one year, or kept "evergreen", regardless of the intended delivery dates, unless otherwise notified by the counterparty. This means that, with each year that passes, the termination date of most MTAs is extended into the future by one year.

As spot gold prices increase or decrease, the value of our gold mineral reserves and amount of potential operating cash inflows generally increases or decreases. The unrealized mark-to-market loss on our fixed-price forward gold sales contracts also increases or decreases. The mark-to-market value represents the cancellation value of these contracts based on current market levels, and does not represent an immediate economic obligation for payment by us. Our obligations under the gold forward sales contracts are to deliver an agreed upon quantity of gold at a contracted price by the termination date of the contracts (currently 2015 in most cases). Gold sales contracts are not recorded on our balance sheet. The economic impact of these contracts is reflected in our Financial Statements within gold sales based on selling prices under the contracts at the time we record revenue from the physical delivery of gold and silver under the contracts.

Fair Value of Derivative Positions

($ millions) As at December 31, 2005	Unrealized Gain/(Loss)
Corporate Gold Sales Contracts	$ (1,277)
Pascua-Lama Gold Sales Contracts	(1,453)
Floating Spot-Price Gold Sales Contracts	(89)
Silver Sales Contracts	(43)
Floating Spot-Price Silver Sales Contracts	(9)
Foreign currency contracts	128
Interest rate contracts	30
Fuel contracts	42
	$ (2,671)

Critical Accounting Policies and Estimates

Management has discussed the development and selection of our critical accounting estimates with the Audit Committee of the Board of Directors, and the Audit Committee has reviewed the disclosure relating to such estimates in conjunction with its review of this MD&A. The accounting policies and methods we utilize determine how we report our financial condition and results of operations, and they may require management to make estimates or rely on assumptions about matters that are inherently uncertain.

Our financial condition and results of operations are reported using accounting policies and methods prescribed by US GAAP. In certain cases, US GAAP allows accounting policies and methods to be selected from two or more alternatives, any of which might be reasonable yet result in our reporting materially different amounts. We exercise judgment in selecting and applying our accounting policies and methods to ensure that, while US GAAP compliant, they reflect our judgment of an appropriate manner in which to record and report our financial condition and results of operations.

Accounting Policy Changes in 2005

This section includes a discussion of accounting changes that were adopted in our 2005 Financial Statements.

Emerging Issues Task Force Issue No. 04-6, Accounting for Stripping Costs Incurred During Production in the Mining Industry ("EITF 04-6")

In 2005, we adopted EITF 04-6, which relates to the accounting for stripping costs in the production stage at a mine. The new accounting rules require the actual stripping costs incurred each period be reflected in the cost of ore mined for the same period, and will likely lead to greater period-to-period volatility in total cash costs. Previously, stripping costs were deferred and amortized based on a life-of-mine stripping ratio that smoothed the costs over time. Results for periods prior to 2005 were not restated in accordance with the transition rules of EITF 04-6. Cost of sales and related total cash costs per ounce statistics for 2004 and prior periods have not been restated, and are therefore not comparable to current-year amounts. The impact of this change in comparison to 2004 was to increase net income for 2005 by $44 million ($0.08 per share) and decrease cost of sales for 2005 by $64 million ($12 per ounce lower total cash costs). Results for 2005 also include a $6 million post-tax credit ($0.01 per share) to reflect the cumulative effect of the policy for periods prior to January 1, 2005.

Impact of EITF 04-6 on Total Cash Costs Per Ounce Statistics

(dollars per ounce)	Three months ended December 31, 2005 Increase (decrease)	Year ended December 31, 2005 Increase (decrease)
Goldstrike Open Pit	**$ (12)**	**$ (12)**
Round Mountain	**1**	**16**
Hemlo	**19**	**11**
Pierina	**(45)**	**(37)**
Lagunas Norte	**(96)**	**(66)**
Kalgoorlie	**67**	**9**
Plutonic	**—**	**(17)**
Lawlers	**9**	**8**
Tulawaka	**11**	**48**
Total cash costs per ounce	**$ (22)**	**$ (12)**

Future Accounting Policy Changes

This section includes a discussion of future accounting changes that may have a significant impact on our Financial Statements. On January 1, 2006, we adopted FASB Interpretation No. 47, Accounting for Conditional Asset Retirement Obligations ("FIN 47") and FASB No. 151, Inventory Costs ("FAS 151"). We do not expect that the adoption of FIN 47 or FAS 151 will have a material effect on our Financial Statements, and therefore a detailed discussion of these accounting changes has not been included.

FAS 123R, Share-Based Payment, a Revision to FAS 123 and a Replacement of APB 25 and FAS 148

FAS 123R includes in its scope our stock options, Restricted Share Units (RSUs) and Deferred Share Units (DSUs). The adoption of FAS 123R will not significantly change how we account for RSUs and DSUs. Historically we accounted for stock options granted to employees using an intrinsic value method. We recorded compensation cost for stock options based on the excess of the market price of the stock option at the grant date of an award

over the exercise price. Historically, the exercise price for stock options has equaled the market price of stock at the grant date, resulting in no compensation cost. FAS 123R requires the cost of all share-based payment transactions with employees be recognized as an expense starting in our 2006 fiscal year.

FAS 123R permits two possible transition methods: modified prospective or modified retrospective. Under both methods the cost of share-based payments will be recorded in 2006, but the modified retrospective method requires restatement of prior year comparative amounts, whereas the modified prospective method does not. Under either method, we expect to record an expense of about $25 million in 2006 for unvested stock options granted through December 31, 2005. Under the modified retrospective method we would restate our income statement for prior periods to reflect a compensation expense of $29 million in 2004 and $26 million in 2005 and an adjustment to opening 2004 retained earnings of $183 million for years prior to 2004.

Exposure Draft, Accounting for Uncertain Tax Positions

On July 14, 2005, the Financial Accounting Standards Board ("FASB") issued an exposure draft and later issued some amendments of a proposed Interpretation, Accounting for Uncertain Tax Positions – an Interpretation of FASB Statement No. 109. The proposed Interpretation would require companies to recognize the best estimate of an uncertain tax position only if it is more likely than not of being sustained on audit by the taxation authorities. Subsequently, the tax benefit would be derecognized (by either recording a tax liability or decreasing a tax asset) when the more likely than not threshold is no longer met and it is more likely than not that the tax position will not be sustained.

The proposed interpretation would be effective starting in 2007 and treated as a change in accounting policy. It would require companies to assess all uncertain tax positions and only those meeting the more likely than not threshold at the transition date would continue to be recognized. The difference between the amount previously recognized and the amount recognized after applying the proposed Interpretation would be recorded as a cumulative-effect adjustment in the 2007 income statement (restatement is not permitted). The comment period ended on September 12, 2005. Subsequent to this date FASB has issued and continues to issue redeliberations of certain aspects of the exposure draft. We are presently evaluating the impact of this exposure draft on our Financial Statements.

Critical Accounting Estimates and Judgments

Certain accounting estimates have been identified as being "critical" to the presentation of our financial condition and results of operations because they require us to make subjective and/or complex judgments about matters that are inherently uncertain; where there is a reasonable likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates.

Reserve Estimates Used to Measure Amortization of Property, Plant and Equipment

We record amortization expense based on the estimated useful economic lives of long-lived assets. Changes in reserve estimates are generally calculated at the end of each year and cause amortization expense to increase or decrease prospectively. The estimate that most significantly affects the measurement of amortization is quantities of proven and probable gold reserves, because we amortize a large portion of property, plant and equipment using the units-of-production method. The estimation of quantities of gold reserves, in accordance with the principles in Industry Guide No. 7, issued by the US Securities and Exchange Commission ("SEC") is complex, requiring significant subjective assumptions that arise from the evaluation of geological, geophysical, engineering and economic data for a given ore body. This data could change over time as a result of numerous factors, including new information gained from development activities, evolving production history and a reassessment of the viability of production under different economic conditions. Changes in data and/or assumptions could cause reserve estimates to substantially change from period to period. Actual gold production could differ from expected gold production based on reserves, and an adverse change in gold or silver prices could make a reserve uneconomic to mine. Variations could also occur in actual ore grade and gold and silver recovery rates from estimates.

A key trend that could reasonably impact reserve estimates is rising market gold prices, because the gold price assumption is closely related to the trailing three-year average market price. As this assumption rises, this could result in an upward revision to reserve estimates as material not previously classified as a reserve becomes economic at higher gold prices. Following the recent trend in market gold prices over the last three years, the gold price assumption used to measure reserves has also been rising. The gold price assumption was $400 per ounce in 2005 (2004: $375 per ounce; 2003: $325 per ounce).

The impact of a change in reserve estimates is generally more significant for mines near the end of the mine life because the overall impact on amortization is spread over a shorter time period. Also, amortization expense is more significantly impacted by changes in reserve estimates at underground mines than open-pit mines due to the following factors:

- **n** Underground development costs incurred to access ore at underground mines are significant and amortized using the units-of-production method; and
- **n** Reserves at underground mines are often more sensitive to gold price assumptions and changes in production costs. Production costs at underground mines are impacted by factors such as dilution, which can significantly impact mining and processing costs per ounce.

Impact of Historic Changes in Reserve Estimates on Amortization

For the years ended December 31 ($ millions, except reserves in millions of contained oz)	2005 Reserves increase (decrease)[1]	2005 Amortization increase (decrease)	2004 Reserves increase (decrease)[1]	2004 Amortization increase (decrease)
Goldstrike Open Pit	**2.1**	**$ (5)**	1.5	$ (3)
Goldstrike Underground	**0.1**	**(4)**	0.2	(4)
Round Mountain	**0.4**	**(1)**	0.2	(1)
Lawlers	**0.1**	**(2)**	—	—
Eskay Creek	**(0.1)**	**6**	(0.1)	5
Pierina	**0.3**	**(22)**	0.3	(10)
Hemlo	**(0.2)**	**2**	(0.1)	1
Plutonic	**0.2**	**(1)**	0.5	(2)
Kalgoorlie	**(0.2)**	**—**	0.9	(1)
Darlot	**0.1**	**—**	—	—
Marigold	**0.1**	**(1)**	0.1	(1)
Bulyanhulu	**0.1**	**—**	(0.4)	1
Total	**3.0**	**$ (28)**	3.1	$ (15)

1. Each year we update our reserve estimates as at the end of the year as part of our normal business cycle. Reserve changes presented were calculated at the beginning of the applicable fiscal year and are in millions of contained ounces.

Impairment Assessments of Investments

Each reporting period we review all available-for-sale securities whose fair value at the end of period is below cost to determine whether an other-than-temporary impairment has occurred. We consider all relevant facts or circumstances in this assessment, particularly: the length of time and extent to which fair value has been less than the carrying amount; the financial condition and near term prospects of the investee, including any specific events that have impacted its fair value; both positive and negative evidence that the carrying amount is recoverable within a reasonable period of time; and our ability and intent to hold the investment for a reasonable period of time sufficient for an expected recovery of the fair value up to or beyond the carrying amount. Changes in the values of these investments are caused by market factors beyond our control and could be significant, and the amount of any impairment charges could materially impact earnings. In 2005, we reviewed two investments that were impaired, and after concluding that the impairments were other-than-temporary, we recorded an impairment charge of $16 million (2004: $5 million, 2003: $11 million).

Impairment Assessments of Operating Mines, Development Projects and Exploration Stage Properties

We review and test the carrying amounts of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. We group assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. We review each mine and development project for recoverability by comparing the total carrying value of the assets of that mine or project to the expected future cash flows associated with that mine or project. If there are indications that an impairment may have occurred, we prepare estimates of expected future cash flows for each group of assets. Expected future cash flows are based on a probability-weighted approach applied to potential outcomes. Estimates of expected future cash flow reflect:

- Estimated sales proceeds from the production and sale of recoverable ounces of gold contained in proven and probable reserves;
- Expected future commodity prices and currency exchange rates (considering historical and current prices, price trends and related factors);
- Expected future operating costs and capital expenditures to produce proven and probable gold reserves based on mine plans that assume current plant capacity, but exclude the impact of inflation;
- Expected cash flows associated with value beyond proven and probable reserves, which includes the expected cash outflows required to develop and extract the value beyond proven and probable reserves; and
- Environmental remediation costs excluded from the measurement of asset retirement obligations.

We record a reduction of a group of assets to fair value as a charge to earnings if the discounted expected future cash flows are less than the carrying amount. We generally estimate fair value by discounting the expected future cash flows using a discount factor that reflects the risk-free rate of interest for a term consistent with the period of expected cash flows.

Expected future cash flows are inherently uncertain and could materially change over time. They are significantly affected by reserve estimates, together with economic factors such as gold and silver prices, other commodity and consumables costs and currency exchange rates, estimates of costs to produce reserves and future sustaining capital. If a significant adverse change in the market gold price occurred that caused us to revise the price assumptions downwards, the conclusions on the impairment tests could change, subject to the effect of changes in other factors and assumptions. The assessment and measurement of impairment excludes the impact of derivatives designated in a cash flow hedge relationship for future cash flows arising from operating mines and development projects.

Because of the significant capital investment that is required at many mines, if an impairment occurs, it could materially impact earnings. Due to the long-life nature of many mines, the difference between total estimated undiscounted net cash flows and fair value can be substantial. Therefore, although the value of a mine may decline gradually over multiple reporting periods, the application of impairment accounting rules could lead to recognition of the full amount of the decline in value in one period. Due to the highly uncertain nature of future cash flows, the determination of when to record an impairment charge can be very subjective. We make this determination using available evidence taking into account current expectations for each mining property.

For acquired exploration-stage properties, the purchase price is capitalized, but post-acquisition exploration expenditures are expensed. The future economic viability of exploration-stage properties largely depends upon the outcome of exploration activity, which can take a number of years to complete for large properties. We monitor the results of exploration activity over time to assess whether an impairment may have occurred. The measurement of any impairment is made more difficult because there is not an active market for exploration properties, and because it is not possible to use discounted cash flow techniques due to the very limited information that is available to accurately model future

cash flows. In general, if an impairment occurs at an exploration-stage property, it would probably have minimal value and most of the acquisition cost may have to be written down. Impairment charges are recorded in other income/expense and impact earnings in the year they are recorded. Prospectively, the impairment could also impact the calculation of amortization of an asset.

In 2004, we completed impairment tests for the Cowal project, the Eskay Creek mine and various Peruvian exploration-stage properties. For Cowal, an impairment test was completed, incorporating upward revisions to estimated capital and operating costs for the project and the impact of the US dollar exchange rate on Australian dollar expenditures, measured at market prices. On completion of this test in 2004, we concluded that the project was not impaired. On completion of the impairment test for Eskay Creek, we concluded that the mine was impaired, and we recorded a pre-tax impairment charge of $58 million. On completion of the exploration program for 2005 and updating assessments of future plans, we concluded that a group of Peru-vian exploration-stage properties were impaired at the end of 2004 and we recorded a pre-tax impairment charge of $67 million. Throughout 2005, we updated our impairment assessments for the Eskay Creek mine and Cowal project and we concluded that they were not impaired at the end of 2005.

Production Start Date

We assess each mine construction project to determine when a mine moves into production stage. The criteria used to assess the start date are determined based on the unique nature of each mine construction project such as the complexity of a plant or its location. We consider various relevant criteria to assess when the mine is substantially complete and ready for its intended use and moved into production stage. Some of the criteria considered would include, but, are not limited to, the following:

- The level of capital expenditures compared to construction cost estimates
- Completion of a reasonable period of testing of mine plant and equipment
- Ability to produce gold in saleable form (within specifications)
- Ability to sustain ongoing production of gold

In 2005, we determined the production start dates for three new mines: Tulawaka, Lagunas Norte and Veladero. When a mine construction project moves into the production stage, the capitalization of certain mine construction costs ceases and costs are either capitalized to inventory or expensed, except for capitalizable costs related to property, plant and equipment additions or improvements, underground mine development or reserve development.

Fair Value of Asset Retirement Obligations (AROs)

AROs arise from the acquisition, development, construction and normal operation of mining property, plant and equipment, due to government controls and regulations that protect the environment and public safety on the closure and reclamation of mining properties. We record the fair value of an ARO in our Financial Statements when it is incurred and capitalize this amount as an increase in the carrying amount of the related asset. At operating mines, the increase in an ARO is recorded as an adjustment to the corresponding asset carrying amount and results in a prospective increase in amortization expense. At closed mines, any adjustment to an ARO is charged directly to earnings.

The fair values of AROs are measured by discounting the expected cash flows using a discount factor that reflects the credit-adjusted risk-free rate of interest. We prepare estimates of the timing and amounts of expected cash flows when an ARO is incurred, which are updated to reflect changes in facts and circumstances, or if we are required to submit updated mine closure plans to regulatory authorities. In the future, changes in regulations or laws or enforcement could adversely affect our operations; and any instances of noncompliance with laws or regulations that result in fines or injunctions or delays in projects, or any unforeseen environmental contamination at, or related to, our mining properties could result in us suffering significant costs. We mitigate these risks through environmental

and health and safety programs under which we monitor compliance with laws and regulations and take steps to reduce the risk of environmental contamination occurring. We maintain insurance for some environmental risks, however, for some risks coverage cannot be purchased at a reasonable cost. Our coverage may not provide full recovery for all possible causes of loss. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; changes in the quantities of material in reserves and a corresponding change in the life of mine plan; changing ore characteristics that ultimately impact the environment; changes in water quality that impact the extent of water treatment required; and changes in laws and regulations governing the protection of the environment. In general, as the end of the mine life becomes nearer, the reliability of expected cash flows increases, but earlier in the mine life, the estimation of an ARO is inherently more subjective. Significant judgments and estimates are made when estimating the fair value of AROs. Expected cash flows relating to AROs could occur over periods up to 40 years and the assessment of the extent of environmental remediation work is highly subjective. Considering all of these factors that go into the determination of an ARO, the fair value of AROs can materially change over time.

At our operating mines, we continued to record AROs based on disturbance of the environment over time. It is reasonably possible that circumstances could arise during or by the end of the mine life that will require material revisions to AROs. In particular, the extent of water treatment can have a material effect on the fair value of AROs, and the expected water quality at the end of the mine life, which is the primary driver of the extent of water treatment, can change significantly. We periodically prepare updated studies for our mines, following which it may be necessary to adjust the fair value of AROs. The period of time over which we have assumed that water quality monitoring and treatment will be required has a significant impact on AROs at closed mines. The amount of AROs recorded reflects the expected cost, taking into account the probability of particular scenarios. The difference between the upper end of the range of these assumptions and the lower end of the range can be significant, and consequently changes in these assumptions could have a material effect on the fair value of AROs and future earnings in a period of change.

At one closed mine, the principal uncertainty that could impact the fair value of the ARO is the manner in which a tailings facility will need to be remediated. In measuring the ARO, we have concluded that there are two possible methods that could be used. We have recorded the ARO using the more costly method until such time that the less costly method can be proven as technically feasible and approved.

In 2005, we recorded increases in ARO estimates of $91 million (2004: $68 million; 2003: $10 million) of which $47 million of this increase (2004: $14 million; 2003: nil) related to new AROs at development projects and mines that commenced production during 2005. A further $29 million (2004: $32 million; 2003: nil) relates to updates of the assessment of the extent of water treatment and other assumptions at our operating mines. We recorded increases in AROs of $15 million at our closed mines, which were charged to earnings (2004: $22 million; 2003: $10 million).

AROs at December 31, 2005

($ millions)	
Operating mines	$ 280
Closed mines	154
Development projects	12
Total	$ 446

Deferred Tax Assets and Liabilities

Measurement of Temporary Differences

We are periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in our Financial Statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period of changes. The most significant such estimate is the tax basis of certain Australian assets following elections in 2004 under new tax regimes in Australia. These elections resulted in the revaluation of certain assets in Australia for income tax purposes. Part of the revalued tax basis of these assets was estimated based on a valuation completed for tax purposes. This valuation is under review by the Australian Tax Office ("ATO") and the amount finally accepted by the ATO may differ from the assumption used to measure deferred tax balances at the end of 2004.

Valuation Allowances

Each period, we evaluate the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, market gold prices, production costs, quantities of proven and probable gold reserves, interest rates and foreign currency exchange rates. If we determine that it is more likely than not (a likelihood of more than 50%) that all or some portion of a deferred tax asset will not be realized, then we record a valuation allowance against the amount we do not expect to realize. Changes in valuation allowances are recorded as a component of income tax expense or recovery for each period. The most significant recent trend impacting expected levels of future taxable and valuation allowances has been rising gold prices. A continuation of this trend could lead to the release of some of the valuation allowances recorded, with a corresponding effect on earnings in the period of release.

In 2005, we released valuation allowances totaling $32 million, which mainly included amounts totaling $31 million in Argentina, relating to the effect of the higher gold price environment and start-up of production at Veladero in 2005. We released valuation allowances totaling $5 million in 2004 and $62 million in 2003. In 2004, the release was as a consequence of an election to consolidate our Australian operations into one tax group. Valuation allowances released in 2003 mainly included: $21 million in North America following a corporate reorganization of certain subsidiaries that enabled us to utilize certain previously unrecognized tax assets; $16 million in Australia realized in 2003 due to an increase in taxable income from higher gold prices; and $15 million in Argentina after the approval to begin construction of our new Veladero mine and classification of mineralization as a proven and probable reserve.

The Placer Dome acquisition may cause us to reconsider that some of our deferred tax assets, to which valuation allowances have been applied, are now more likely than not to be realized. If we determine that, as a direct result of the Placer Dome acquisition, some or all of the valuation allowances can be released, any amounts that we release may be reflected as an adjustment to goodwill in the purchase price allocation.

Valuation allowances at December 31

($ millions)	**2005**	2004
United States	**$ 209**	$ 195
Chile	**124**	129
Argentina	**46**	75
Canada	**63**	73
Tanzania	**204**	146
Australia	**2**	3
Other	**8**	8
	$ 656	$ 629

United States: most of the valuation allowances relate to the full amount of Alternative Minimum Tax credits, which have an unlimited carry-forward period. Increasing levels of future taxable income due to higher gold selling prices and other factors and circumstances may result in our becoming a regular taxpayer under the US regime, which may cause us to release some, or all, of the valuation allowance on the Alternative Minimum Tax credits.

Chile and Argentina: the valuation allowances relate to the full amount of tax assets in subsidiaries that do not have any present sources of gold production or taxable income. In the event that these subsidiaries have sources of taxable income in the future, we may release some or all of the allowances.

Canada: substantially all of the valuation allowances relate to capital losses that will only be utilized if any capital gains are realized.

Tanzania: considering the local fiscal regime applicable to mining companies and expected levels of future taxable income from the Bulyanhulu and Tulawaka mines, a valuation allowance exists against a portion of the deferred tax assets. If we conclude that expected levels of future taxable income from Bulyanhulu and Tulawaka will be higher, we may release some or all of the valuation allowance.

Stock-Based Compensation

We calculate and disclose in our Financial Statements pro forma compensation expense for employee stock options. Commencing in first quarter 2006, we will record compensation expense in earnings for employee stock options, based on the estimated fair market value of employee stock options on their grant date. The most significant assumptions involving judgment that affect a stock option's fair value include, but are not limited to: expected volatility, expected term and expected exercise behavior of option holders.

We determine expected future volatility by taking into consideration both historical volatility of our US dollar share price and the implied volatility of our US dollar market traded stock options. Under the Black-Scholes valuation model, the term assumption takes into consideration expected rates of employee turnover and represents the estimated average length of time stock options remain outstanding before they are either exercised or forfeited. Under the Lattice valuation model, the expected term assumption is derived from the option valuation model and is in part based on expected exercise behavior of option holders based on multiple share price paths. When reviewing the historical behavior of option holders, we segregate the population into groups with similar characteristics.

Stock option expense is impacted by estimated forfeiture rates for stock options. We estimate forfeiture rates by considering trends in historical forfeiture rates. If actual forfeiture rates differ from estimated rates, we adjust our stock option expense to reflect revised expectations. For assumptions used in stock option valuation, we apply any updated assumptions to the valuation of future grants. Our option fair value has changed at each grant date as we update our historical data used to calculate specific assumptions, namely; the expected volatility and expected term of the option. With each grant date, we incorporate the current market stock price and interest rates into our valuation model, both of these assumptions change on an ongoing basis.

Cautionary Statement on Forward-Looking Information

Certain information contained or incorporated by reference in this Annual Report 2005, including any information as to our future financial or operating performance, constitutes “forward-looking statements”. All statements, other than statements of historical fact, are forward-looking statements. The words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets (such as the Canadian and Australian dollars versus the US dollar); fluctuations in the spot and forward price of gold or certain other commodities (such as silver, copper, diesel fuel and electricity); changes in US dollar interest rates or gold lease rates that could impact the mark-to-market value of outstanding derivative instruments and ongoing payments/receipts under interest rate swaps and variable rate debt obligations; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, Dominican Republic, Australia, Papua New Guinea, Chile, Peru, Argentina, South Africa, Tanzania, Russia or Barbados or other countries in which we do or may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions, including our recent acquisition of Placer Dome; operating or technical difficulties in connection with mining or development activities; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in our credit rating; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this Annual Report 2005 are qualified by these cautionary statements. Specific reference is made to Barrick’s most recent Form 40-F/Annual Information Form on file with the SEC and Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

Glossary of Technical Terms

AUTOCLAVE: Oxidation process in which high temperatures and pressures are applied to convert refractory sulphide mineralization into amenable oxide ore.

BACKFILL: Primarily waste sand or rock used to support the roof or walls after removal of ore from a stope.

BY-PRODUCT: A secondary metal or mineral product recovered in the milling process such as copper and silver.

CONCENTRATE: A very fine, powder-like product containing the valuable ore mineral from which most of the waste mineral has been eliminated.

CONTAINED OUNCES: Represents ounces in the ground before reduction of ounces not able to be recovered by the applicable metallurgical process.

CONTANGO: The positive difference between the spot market gold price and the forward market gold price. It is often expressed as an interest rate quoted with reference to the difference between inter-bank deposit rates and gold lease rates.

DEVELOPMENT: Work carried out for the purpose of opening up a mineral deposit. In an underground mine this includes shaft sinking, crosscutting, drifting and raising. In an open pit mine, development includes the removal of overburden.

DILUTION: The effect of waste or low-grade ore which is unavoidably included in the mined ore, lowering the recovered grade.

DORÉ: Unrefined gold and silver bullion bars usually consisting of approximately 90 percent precious metals that will be further refined to almost pure metal.

EXPLORATION: Prospecting, sampling, mapping, diamond-drilling and other work involved in searching for ore.

GRADE: The amount of metal in each ton of ore, expressed as troy ounces per ton or grams per tonne for precious metals and as a percentage for most other metals.

Cut-off grade: the minimum metal grade at which an orebody can be economically mined (used in the calculation of ore reserves).

Mill-head grade: metal content of mined ore going into a mill for processing.

Recovered grade: actual metal content of ore determined after processing.

Reserve grade: estimated metal content of an orebody, based on reserve calculations.

HEAP LEACHING: A process whereby gold is extracted by “heaping” broken ore on sloping impermeable pads and continually applying to the heaps a weak cyanide solution which dissolves the contained gold. The gold-laden solution is then collected for gold recovery.

HEAP LEACH PAD: A large impermeable foundation or pad used as a base for ore during heap leaching.

LIBOR: The London Inter-Bank Offered Rate for deposits.

MILL: A processing facility where ore is finely ground and thereafter undergoes physical or chemical treatment to extract the valuable metals.

MINERAL RESERVE: See page 125 — "Gold Mineral Reserves and Mineral Resources."

MINERAL RESOURCE: See page 125 — "Gold Mineral Reserves and Mineral Resources."

MINING CLAIM: That portion of applicable mineral lands that a party has staked or marked out in accordance with applicable mining laws to acquire the right to explore for and exploit the minerals under the surface.

MINING RATE: Tons of ore mined per day or even specified time period.

OPEN PIT: A mine where the minerals are mined entirely from the surface.

ORE: Rock, generally containing metallic or non-metallic minerals, which can be mined and processed at a profit.

ORE BODY: A sufficiently large amount of ore that can be mined economically.

OUNCES: Troy ounces of a fineness of 999.9 parts per 1,000 parts.

RECLAMATION: The process by which lands disturbed as a result of mining activity are modified to support beneficial land use. Reclamation activity may include the removal of buildings, equipment, machinery and other physical remnants of mining, closure of tailings storage facilities, leach pads and other mine features, and contouring, covering and re-vegetation of waste rock and other disturbed areas.

RECOVERY RATE: A term used in process metallurgy to indicate the proportion of valuable material physically recovered in the processing of ore. It is generally stated as a percentage of the material recovered compared to the total material originally present.

REFINING: The final stage of metal production in which impurities are removed from the molten metal.

ROASTING: The treatment of ore by heat and air, or oxygen enriched air, in order to remove sulphur, carbon, antimony or arsenic.

STRIPPING: Removal of overburden or waste rock overlying an ore body in preparation for mining by open pit methods. Expressed as the total number of tons mined or to be mined for each ounce of gold.

TAILINGS: The material that remains after all economically and technically recoverable precious metals have been removed from the ore during processing.

Key Statistics

(in United States dollars) (Unaudited)	Three months ended December 31, 2005	Three months ended December 31, 2004	Year ended December 31, 2005	Year ended December 31, 2004
Operating Results				
Gold production (thousands of ounces) [1]	**1,648**	1,169	**5,460**	4,958
Gold sold (thousands of ounces)	**1,650**	1,200	**5,320**	4,936
Per Ounce Data				
Average spot gold price	**$ 486**	$ 434	**$ 444**	$ 409
Average realized gold price	**467**	417	**439**	391
Total cash costs [2]	**221**	223	**227**	214
Amortization [3]	**74**	76	**76**	86
Total production costs	**295**	299	**303**	300
Financial Results (millions)				
Gold sales	**$ 776**	$ 501	**$ 2,350**	$ 1,932
Net income	**175**	156	**401**	248
Operating cash flow	**269**	123	**726**	509
Per Share Data (dollars)				
Net income (basic)	**0.33**	0.30	**0.75**	0.47
Net income (diluted)	**0.32**	0.29	**0.75**	0.46
Operating cash flow (basic and diluted)	**0.50**	0.23	**1.35**	0.95
Weighted average common shares outstanding (millions) [4]	**541**	534	**538**	534

	As at December 31, 2005	As at December 31, 2004
Financial Position (millions)		
Cash and equivalents	**$ 1,037**	$ 1,398
Non-cash working capital	**151**	141
Long-term debt [5]	**1,721**	1,655
Shareholders' equity [6]	**3,850**	3,574

1 Includes equity ounces in Highland Gold.

2 Represents cost of goods sold plus royalties, production taxes and accretion expense, less by-product revenues, divided by ounces of gold sold. For further information on this performance measure, refer to page 17.

3 Represents amortization expense at the Company's producing mines divided by ounces of gold sold.

4 Fully diluted, includes shares issuable upon exchange of BGI (Barrick Gold Inc.) exchangeable shares.

5 We drew down $1 billion under our credit agreement subsequent to December 31, 2005 to pay for the cash component of the Placer acquisition. We expect to repay the amounts borrowed with proceeds realized on closing of the Goldcorp agreement.

6 Shareholders' equity increased subsequent to December 31, 2005, in connection with the Placer Dome acquisition, refer to note 3 to the Financial Statements.

Production and Cost Summary

(Unaudited)	Production (attributable ounces) (000's) Three months ended December 31, 2005	2004	Year ended December 31, 2005	2004	Total Cash Costs (US$/oz)[1] Three months ended December 31, 2005	2004	Year ended December 31, 2005	2004
North America								
Open Pit	**495**	373	**1,514**	1,381	**$ 217**	$ 230	**$ 235**	$ 249
Underground	**127**	134	**510**	562	**345**	233	**314**	255
Goldstrike Property Total	**622**	507	**2,024**	1,943	**242**	231	**255**	250
Eskay Creek	**25**	73	**172**	290	**15**	7	**49**	32
Round Mountain (50%)	**78**	84	**368**	381	**291**	267	**246**	225
Hemlo (50%)	**51**	66	**230**	247	**317**	232	**288**	241
Holt-McDermott[2]	**—**	—	—	55	**—**	—	**—**	197
Marigold (33%)	**19**	15	**69**	47	**213**	194	**219**	198
	795	745	**2,863**	2,963	**245**	212	**244**	223
South America								
Pierina	**174**	94	**628**	646	**165**	155	**139**	111
Lagunas Norte	**298**	—	**550**	—	**102**	—	**110**	—
Veladero	**51**	—	**56**	—	**n/a**	—	**n/a**	—
	523	94	**1,234**	646	**126**	155	**126**	111
Australia/Africa								
Plutonic	**57**	74	**251**	305	**293**	251	**263**	223
Darlot	**39**	28	**135**	140	**237**	255	**259**	210
Lawlers	**38**	29	**131**	110	**231**	249	**271**	246
Kalgoorlie (50%)	**81**	110	**417**	444	**331**	241	**248**	234
	215	241	**934**	999	**291**	247	**257**	229
Bulyanhulu	**72**	89	**311**	350	**401**	323	**358**	284
Tulawaka (70%)	**33**	—	**87**	—	**217**	—	**253**	—
	320	330	**1,332**	1,349	**303**	265	**280**	243
Highland equity portion	**10**	—	**31**	—	**314**	n/a	**303**	n/a
Total	**1,648**	1,169	**5,460**	4,958	**$ 221**	$ 223	**$ 227**	$ 214

(Unaudited)	Total Production Costs (US$/oz) Three months ended December 31, 2005	2004	Year ended December 31, 2005	2004
Direct mining costs[3]	**$ 237**	$ 265	**$ 255**	$ 248
Hedge gains[4]	**(16)**	(24)	**(21)**	(19)
By-product credits	**(19)**	(35)	**(25)**	(30)
Cash operating costs	**202**	206	**209**	199
Royalties	**12**	13	**12**	11
Production taxes	**5**	2	**4**	2
Accretion and other costs	**2**	2	**2**	2
Total cash costs	**221**	223	**227**	214
Amortization	**74**	76	**76**	86
Total production costs	**$ 295**	$ 299	**$ 303**	$ 300

1 Total cash costs per ounce statistics for 2005 and 2004 are not comparable due to the change in accounting for deferred stripping costs. Refer to page 34 for further details. For further information on this performance measure, refer to page 17.

2 Holt-McDermott ceased production in fourth quarter 2004.

3 At market currency exchange rates and commodity prices.

4 From currency and commodity hedge contracts.

Exhibit 5



PricewaterhouseCoopers LLP
Chartered Accountants
PO Box 82
Royal Trust Tower, Suite 3000
Toronto Dominion Centre
Toronto, Ontario
Canada M5K 1G8
Telephone +1 416 863 1133
Facsimile +1 416 365 821 5

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the inclusion of our report dated February 21, 2006 relating to the consolidated financial statements of Barrick Gold Corporation in this Form 40-F. We also consent to the incorporation in the Registration Statements on Form F-3 (File No. 333-14148) and on Form F-9 (File Nos. 333-120133 and 333-106592) of Barrick Gold Corporation and the Registration Statements on Form F-9 of Barrick Gold Finance Company (File No. 333-120133-01) and Barrick Gold Inc. (File Nos. 333-120133-02 and 333-106592-01) of our report dated February 21, 2006, which appears in this Form 40-F.

/s/ PricewaterhouseCoopers LLP
Toronto, Ontario
March 31, 2006

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

Exhibit 6

CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a), PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gregory C. Wilkins, President and Chief Executive Officer of Barrick Gold Corporation, certify that:

1. I have reviewed this annual report on Form 40-F of Barrick Gold Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 30, 2006

/s/ Gregory C. Wilkins

Name: Gregory C. Wilkins
Title: President and Chief Executive Officer

Exhibit 7

CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a), PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jamie C. Sokalsky, Executive Vice President and Chief Financial Officer of Barrick Gold Corporation, certify that:

1. I have reviewed this annual report on Form 40-F of Barrick Gold Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: March 30, 2006

/s/ Jamie C. Sokalsky

Name: Jamie C. Sokalsky
Title: Executive Vice President and Chief Financial Officer

Exhibit 8

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ENACTED PURSUANT TO
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002

Barrick Gold Corporation (the "Company") is filing with the U.S. Securities and Exchange Commission on the date hereof, its annual report on Form 40-F for the fiscal year ended December 31, 2005 (the "Report").

I, Gregory C. Wilkins, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as enacted pursuant to section 906 of the U.S. Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

a) the Report fully complies with the requirements of section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934; and

b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 30, 2006

/s/ Gregory C. Wilkins

Name: Gregory C. Wilkins
Title: President and Chief Executive Officer

Exhibit 9

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ENACTED PURSUANT TO
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 200 2

Barrick Gold Corporation (the "Company") is filing with the U.S. Securities and Exchange Commission on the date hereof, its annual report on Form 40-F for the fiscal year ended December 31, 2005 (the "Report").

I, Jamie C. Sokalsky, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as enacted pursuant to section 906 of the U.S. Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

a) the Report fully complies with the requirements of section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934; and

b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 30, 2006

/s/ Jamie C. Sokalsky

Name: Jamie C. Sokalsky
Title: Executive Vice President and Chief Financial Officer