SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 40-F

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

or

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

For Fiscal year ended: December 31, 2011 **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)**

Brookfield Place
TD 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:

x Annual Information Form x 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 1,000,422,260

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 x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ¨ No ¨

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

The disclosure provided under “Internal Control Over Financial Reporting and Disclosure Controls and Procedures” on pages 146 to 147 of Exhibit 99.1, Barrick’s Annual Information Form, is incorporated by reference herein.

MANAGEMENT’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Barrick’s “Management’s Report on Internal Control Over Financial Reporting” contained in Exhibit 99.2 is incorporated by reference herein.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

The disclosure provided under “Independent Auditors’ Report” on pages 83 through 85 of Exhibit 99.3, Barrick’s Comparative Audited Consolidated Financial Statements, is incorporated by reference herein.

AUDIT COMMITTEE

The disclosure provided under “Composition of the Audit Committee” on page 145 of Exhibit 99.1, 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 “External Auditor Service Fees” on page 146 of Exhibit 99.1, 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 145 of Exhibit 99.1, 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

Barrick has no off-balance sheet arrangements that have, or are reasonably likely to have, a material effect on Barrick’s financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

CONTRACTUAL OBLIGATIONS

The disclosure provided under “Contractual Obligations and Commitments” on page 56 of Exhibit 99.4, Management’s Discussion and Analysis of Financial and Operating Results, is incorporated by reference herein.

MINE SAFETY DISCLOSURE

Barrick is required to report certain mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and that required information is included in Exhibit 99.10.

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

Barrick's annual report on Form 40-F (other than the section entitled "Ratings" in Exhibit 99.1) is incorporated by reference into Barrick's Registration Statements on Form S-8 (File Nos. 333-121500, 333-131715, 333-135769).

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: Senior Vice President and General Counsel
Dated: March 28, 2012

EXHIBIT INDEX

Exhibits	Description
99.1	Annual Information Form dated as of March 28, 2012
99.2	Management's Report on Internal Control Over Financial Reporting
99.3	Barrick Gold Corporation's Comparative Audited Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards ("IFRS"), including the Notes thereto, as at December 31, 2011 and 2010 and for the years ended December 31, 2011, 2010 and 2009, together with the Independent Auditors' report thereon
99.4	Barrick Gold Corporation's Management's Discussion and Analysis (IFRS) for the year ended December 31, 2011
99.5	Consent of PricewaterhouseCoopers LLP
99.6	Certification of Aaron W. Regent required by Rule 13a-14(a) or Rule 15d-14(a), pursuant to Section 302 of Sarbanes-Oxley Act of 2002
99.7	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
99.8	Certification of Aaron W. Regent pursuant to 18 U.S.C. Section 1350, as enacted pursuant to Section 906 of Sarbanes-Oxley Act of 2002
99.9	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
99.10	Dodd-Frank Act Disclosure of Mine Safety and Health Administration Safety Data

Exhibit 99.1



BARRICK GOLD CORPORATION

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

ANNUAL INFORMATION FORM

For the year ended December 31, 2011

Dated as of March 28, 2012

BARRICK GOLD CORPORATION
ANNUAL INFORMATION FORM

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GLOSSARY OF TERMS

Assay

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

Adjusted net earnings

See “Non-GAAP Financial Measures – Adjusted Net Earnings (Adjusted Net Earnings per Share) and Return on Equity”.

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.

Barrels of oil equivalent (boe)

Barrels of oil equivalent, determined using a ratio of six (6) thousand cubic feet of natural gas to one (1) barrel of condensate or crude oil, unless otherwise indicated.

Carbonaceous

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

Carbon-in-leach (CIL)

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.

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.

Cut-and-fill

A method of stoping in which ore is removed in slices, or lifts, and then the excavation is filled with rock or other waste material (backfill), before the subsequent slice is extracted.

Cut-off grade

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

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% precious metals that will be further refined to almost pure metal.

Drift

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

Drift-and-fill

A method of underground mining used for flat-lying mineralization or where ground conditions are less competent.

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 the 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.

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.

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
Pounds	×	0.00045	=	Tonnes
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 cash costs

See “Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce”.

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”.

Realized Price

See “Non-GAAP Financial Measures – Realized Price”.

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.

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 “Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound”.

Underhand cut and fill

A cut-and-fill method of underground mining that works downward, with cemented fill placed above the working area; best suited where ground conditions are less competent.

REPORTING CURRENCY, FINANCIAL AND RESERVE 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. References to "CLP" are to Chilean pesos. For Canadian dollars to U.S. dollars, the average exchange rate for 2011 and the exchange rate at December 31, 2011 were one Canadian dollar per 1.0117 and 0.9787 U.S. dollars, respectively. For Australian dollars to U.S. dollars, the average exchange rate for 2011 and the exchange rate at December 31, 2011 were one Australian dollar per 1.0330 and 1.0117 U.S. dollars, respectively. For Chilean pesos to U.S. dollars, the average exchange rate for 2011 and the exchange rate at December 31, 2011 were one U.S. dollar per 483.83 and 519.50 Chilean pesos, respectively.

For the year ended December 31, 2011 and for the comparative prior periods identified in this Annual Information Form, Barrick Gold Corporation ("Barrick" or the "Company") prepared its financial statements in accordance with International Financial Reporting Standards ("IFRS"). The audited consolidated financial statements of the Company for the year ended December 31, 2011 (the "Consolidated Financial Statements") are available electronically from the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and from the U.S. Securities and Exchange Commission's (the "SEC") Electronic Document Gathering and Retrieval System ("EDGAR") at www.sec.gov.

The Company adopted IFRS as its basis for accounting as of January 1, 2011. In prior years, Barrick prepared its financial statements in accordance with United States generally accepted accounting principles ("U.S. GAAP"). For a description of key IFRS accounting policies that differ significantly from the comparable US GAAP policies and that Barrick has applied in preparing its first financial statements in accordance with IFRS for the opening IFRS balance sheet as at January 1, 2010, and for the year ended December 31, 2010, please refer to pages 88 to 93 of Barrick's Management's Discussion and Analysis of Financial and Operating Results for the year ended December 31, 2011 contained in Barrick's 2011 Annual Report (the "MD&A").

Mineral reserves ("reserves") and mineral resources ("resources") have been calculated as at December 31, 2011 in accordance with *National Instrument 43-101 – Standards of Disclosure for Mineral Projects* ("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 the Staff of the SEC, applies different standards in order to classify mineralization as a reserve (See Note 7 of " – Notes to the Mineral Reserves, Resources and Reconciliation Tables" in "Narrative Description of the Business – Mineral Reserves and Mineral Resources"). Accordingly, for U.S. reporting purposes, approximately 2.15 million ounces of reserves at Pueblo Viejo (Barrick's 60% interest) is classified as mineralized material. In addition, while the terms "measured", "indicated" and "inferred" mineral resources are required pursuant to National Instrument 43-101, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC, and mineral resource information contained herein is not comparable to similar information regarding mineral reserves disclosed in accordance with the requirements of the SEC. Investors should understand that "inferred" mineral resources have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. In addition, investors are cautioned not to assume that all or any part of Barrick's mineral resources constitute or will be converted into reserves.

Changes in Definitions of Non-GAAP Measures

Barrick uses certain non-GAAP financial measures in its financial reports. For year-end 2011, the Company introduced “adjusted operating cash flow before working capital changes” as a non-GAAP financial measure. The Company also changed how it defines “adjusted operating cash flow” and “adjusted net earnings” in 2011. For a description of “adjusted operating cash flow before working capital changes” and the changes to the definition of “adjusted operating cash flow,” please see pages 95 to 96 of Barrick’s MD&A. For a description of the changes in the definition of “adjusted net earnings,” please see page 94 of the MD&A. See also “Non-GAAP Financial Measures” for a detailed discussion of each of the non-GAAP measures used in this Annual Information Form.

FORWARD-LOOKING INFORMATION

Certain information contained in this Annual Information Form, including any information as to Barrick’s strategy, plans or 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 spot and forward price of gold, copper or certain other commodities (such as silver, diesel fuel and electricity);
- diminishing quantities or grades of reserves;
- the impact of inflation;
- changes in national and local government legislation, taxation, controls, regulations, expropriation or nationalization of property and political or economic developments in Canada, the United States, Dominican Republic, Australia, Papua New Guinea, Chile, Peru, Argentina, Tanzania, Zambia, Saudi Arabia, United Kingdom, Pakistan or Barbados or other countries in which we do or may carry on business in the future;
- the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows;
- fluctuations in the currency markets (such as Canadian and Australian dollars, Chilean and Argentinean pesos, British pound, Peruvian sol, Zambian kwacha, South African rand, Tanzanian schilling and Papua New Guinean kina versus the U.S. dollar);
- changes in U.S. dollar interest 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);

- risk of loss due to acts of war, terrorism, sabotage and civil disturbances;
- business opportunities that may be presented to, or pursued by, us;
- our ability to successfully integrate acquisitions;
- operating or technical difficulties in connection with mining or development activities;
- employee relations;
- availability and costs associated with mining inputs and labor;
- litigation;
- the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits;
- adverse changes in our credit rating;
- contests over title to properties, particularly title to undeveloped properties; and
- the organization of Barrick's previously held African gold operations and properties under a separate listed company.

In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion or copper cathode 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 – 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, 2011" (which is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov as an exhibit to Barrick's Form 40-F) 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 SEC 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

Unless otherwise indicated, scientific or technical information in this Annual Information Form relating to mineral reserves or mineral resources is based on information prepared by employees of Barrick, its joint venture partners or its joint venture operating companies, as applicable, in each case under the supervision of, or has been reviewed by, Rick Sims, Senior Director, Resources and Reserves of Barrick, Chris Woodall, Senior Director, Mining of Barrick or John Lindsay, Senior Director, Metallurgy of Barrick.

Scientific or technical information in this Annual Information Form relating to the geology of particular properties and exploration programs is based on information prepared by employees of Barrick, its joint venture partners or its joint venture operating companies, as applicable, in each case under the supervision of Robert Krcmarov, Senior Vice President, Global Exploration of Barrick.

Each of Messrs. Sims, Woodall, Lindsay and Krcmarov 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.

Each of Messrs. Sims, Woodall, Lindsay and Krcmarov is an officer or employee of Barrick and/or an officer, director or employee of one or more of its associates or affiliates. No such person received or will receive a direct or indirect interest in any property of Barrick or any of its associates or affiliates. As of the date hereof, each such person owns beneficially, directly or indirectly, less than 1% of any outstanding class of securities of Barrick and less than 1% of the outstanding securities of any class of Barrick's associates or affiliates.

GENERAL INFORMATION

Incorporation

Barrick is a corporation governed by the *Business Corporations Act* (Ontario) resulting from the amalgamation, effective July 14, 1984, 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. In March 2009, in connection with Barrick's redemption of all of the outstanding BGI exchangeable shares, the single outstanding special voting share was redeemed and cancelled. In connection with its acquisition of Placer Dome Inc. ("Placer Dome"), Barrick amalgamated with Placer Dome pursuant to articles of amalgamation dated May 9, 2006 (see " – General Development of the Business"). In connection with the acquisition of Arizona Star Resource Corp. ("Arizona Star"), Barrick amalgamated with Arizona Star pursuant to articles of amalgamation dated January 1, 2009. Barrick's head and registered office is located at Brookfield Place, TD Canada Trust Tower, 161 Bay Street, Suite 3700, Toronto, Ontario, M5J 2S1.

Subsidiaries

A significant portion of Barrick's business is carried on through its subsidiaries. A chart showing Barrick's mines, projects, related operating subsidiaries, other significant subsidiaries and certain associated subsidiaries as at March 23, 2012 and their respective locations or jurisdictions of incorporation, as applicable, is set out at the end of this "General Information" section. All subsidiaries, mines and projects 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 23, 2012, including those mines held through Barrick's equity interest in African Barrick Gold plc, 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 the leading gold mining company in the world in terms of production, reserves and market capitalization. The Company has operating mines or projects in Canada, the United States, Dominican Republic, Peru, Chile, Argentina, Tanzania, Zambia, Australia, Papua New Guinea, Saudi Arabia and Pakistan. The Company's principal products and sources of earnings are gold and copper.

During its first ten years, Barrick focused on acquiring and developing properties in North America, notably the Company's Goldstrike property on the Carlin Trend in Nevada. Since 1994, Barrick has strategically expanded beyond its North American base and now operates on five continents.

In September 2009, Barrick entered into an agreement (the "Silver Purchase Agreement") with Silver Wheaton Corp. ("Silver Wheaton") for the sale of an amount of silver equivalent to the amount of silver produced from three of its current operating mines until Pascua-Lama reaches operation, and thereafter for the equivalent of 25% of the amount of silver produced from Pascua-Lama. Also in September 2009, Barrick announced its intention to eliminate its outstanding gold hedges and forward sales positions. During 2009, Barrick eliminated its fixed price (non-participating) gold forward sales contracts (the "Gold Hedges") and a significant portion of its floating spot-price (fully-participating) gold forward sales contracts (the "Floating Contracts"). During 2010, the remaining obligation relating to the Floating Contracts was repaid in full (see "Enterprise Risk Management – Financial Risk-Management – Gold Sales").

In early 2010, Barrick's Board of Directors approved a plan to create African Barrick Gold plc ("ABG"), a new company, to hold Barrick's African gold mines, gold projects and gold exploration properties. On March 24, 2010, ABG issued approximately 25% of its equity to investors on the London Stock Exchange ("LSE") through an initial public offering. In April 2010, the over-allotment option was partially exercised, resulting in a 1.1% dilution of Barrick's interest in ABG to 73.9%. Also in April 2010, Barrick and Goldcorp finalized terms for $1.035 billion (100% basis) in non-recourse project financing for the Pueblo Viejo project. In March 2010, Barrick completed the acquisition of an additional 25% interest in the Cerro Casale project from Kinross Gold Corporation ("Kinross"). In 2010, Barrick Energy Inc. ("Barrick Energy") completed three acquisitions with a total aggregate consideration of approximately $264 million.

In April 2011, Barrick announced that it had signed an agreement with Equinox Minerals Limited ("Equinox") pursuant to which Barrick agreed to make an offer to acquire all of the issued and outstanding common shares of Equinox for an all-cash offer of C$8.15 per share. On June 1, 2011, Barrick had acquired 83% of the shares, thus obtaining control. The Company began consolidating operating results, including cash flows, from this date onwards as part of the Company's newly formed copper business unit. On July 19, 2011, Barrick acquired 100% of the issued and outstanding common shares for total cash consideration of $7.482 billion. Equinox's primary asset is the Lumwana copper mine, a large long-life property in the highly prospective Zambian Copperbelt. Equinox's other significant asset is the Jabal Sayid copper project in Saudi Arabia, which is currently in construction and is expected to enter production in the second half of 2012. This acquisition was funded through the Company's existing cash balances and $6.5 billion in new debt issued during 2011. Also in 2011, Barrick Energy completed three acquisitions, acquiring additional producing assets, proven and probable reserves, as well as facilities, with a total aggregate consideration of approximately $278 million.

For additional information regarding certain of Barrick's recent acquisitions, dispositions and other transactions, see "General Information – Transactions" and see "Narrative Description of the Business".

Barrick's exploration activity is focused on prospective land positions and Barrick prioritizes exploration targets to optimize the investment in exploration programs. Barrick's exploration program continues to focus both on areas around our existing mines and early stage exploration activities. For additional information regarding Barrick's exploration programs, see "Exploration and Evaluations".

Through a combination of acquisitions and its exploration program, Barrick has several projects at varying stages of development. The successful development of Barrick's projects is expected to have a significant impact on Barrick's future operations. Barrick expects to have three new mines entering production in the next two years – Pueblo Viejo and Jabal Sayid in 2012 and Pascua-Lama in 2013. For 2012, subject to permitting and other matters, the timing of which are not in Barrick's control, Barrick expects to spend approximately $2.60 to $2.75 billion (2011: $2.25 billion) of its total capital expenditures on capital projects, primarily related to construction activities at Pueblo Viejo and Pascua Lama. The Company has identified a number of brownfield development projects at Barrick's existing operations, including significant opportunities at Turquoise Ridge, Lagunas Norte, Zaldívar and Lumwana. In addition, in 2011 the Company announced two significant gold discoveries known as Red Hill and Goldrush at its 100%-owned Cortez property in Nevada. For additional information regarding Barrick's projects, brownfield development opportunities and new discoveries, see "Exploration and Evaluations".

Total revenues in 2011, including revenues from discontinued operations, were $14.3 billion, an increase of $3.3 billion, or 30%, compared to 2010, primarily due to higher realized gold prices and higher copper sales volumes. Realized gold prices of $1,578 per ounce in 2011 were 29% higher than in 2010, principally due to higher market gold prices (see "Non-GAAP Financial Measures – Realized Price"). In 2011, Barrick reported net earnings of $4.5 billion compared to net earnings of $3.6 billion in 2010. Adjusted net earnings were $4.7 billion in 2011, compared

to $3.5 billion recorded in the prior year (for an explanation of adjusted net earnings, see “Non-GAAP Financial Measures – Adjusted Net Earnings”). The significant adjusting items in 2011 include: a $97 million charge for acquisition-related costs, including inventory purchase accounting adjustments attributable to the Equinox acquisition; $165 million in impairment charges, which include write-downs on our available-for-sale investments ($85 million), asset impairment charges in Barrick’s oil and gas business ($37 million) and on certain power-related assets at the Pueblo Viejo project ($47 million); $122 million in non-recurring tax expense; and a $23 million charge for the recognition of a liability for contingent consideration related to the acquisition of an additional 40% interest in the Cortez property in 2008 that was previously held by Kennecott Explorations (Australia) Ltd, a subsidiary of Rio Tinto plc. These charges were partially offset by $188 million in gains from the sale of assets and $66 million in unrealized gains on non-hedge derivative instruments.

In 2011, Barrick’s gold production was 7.68 million ounces, 1% lower than 2010 gold production, with total cash costs of $460 per ounce, net cash costs of $339 per ounce and cost of sales of $5.177 billion. Barrick’s copper production in 2011 was 451 million pounds of copper, 23% higher than 2010 copper production, with total cash costs of $1.75 per pound and cost of sales of $983 million. In 2010, Barrick produced 7.77 million ounces of gold and 368 million pounds of copper. For an explanation of total cash costs and net cash costs per ounce/pound, refer to “Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce”. See also “Narrative Description of the Business – Production”.

The following table summarizes Barrick’s interest in its producing mines and its share of gold production from these mines:

Gold Mines	**Ownership**[1]	**2011** (thousands of ounces)	**2010** (thousands of ounces)
North America			
Goldstrike Property, Nevada [2]	100%	1,088	1,239
Round Mountain Mine, Nevada [3]	50%	178	178
Hemlo Property, Ontario	100%	227	242
Marigold Mine, Nevada [3]	33%	51	46
Bald Mountain Mine, Nevada	100%	93	59
Cortez Mine, Nevada	100%	1,421	1,141
Turquoise Ridge Mine, Nevada [3]	75%	135	124
Golden Sunlight Mine, Montana	100%	62	—
Ruby Hill Mine, Nevada	100%	127	81
		3,382	3,110

South America			
Veladero Mine, Argentina	100%	957	1,121
Pierina Mine, Peru	100%	152	191
Lagunas Norte Mine, Peru	100%	763	808
		1,872	2,120
Australia Pacific			
Plutonic Mine, Western Australia	100%	115	136
Yilgarn South, Western Australia [4]	100%	372	314
Kalgoorlie Mine, Western Australia [3]	50%	397	394
Kanowna Mine, Western Australia	100%	226	251
Osborne Mine, Queensland, Australia [5]	100%	—	27
Cowal Mine, Central New South Wales, Australia	100%	269	298
Porgera Mine, Papua New Guinea [3]	95%	500	519
		1,879	1,939
Africa [6]			
Bulyanhulu Mine, Tanzania	73.90%	194	207
Tulawaka Mine, Tanzania [3]	51.73%	44	34
North Mara Mine, Tanzania	73.90%	126	172
Buzwagi Mine, Tanzania	73.90%	145	151
		509	564
Other		34	31
Company Total		7,676	7,765

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

(2) *Effective in the first quarter of 2010, the Storm mine has been consolidated under the Goldstrike property for reporting purposes.*

(3) *Barrick's proportional share.*

(4) *Effective in the first quarter of 2008, the Darlot, Lawlers and Granny Smith mines have been consolidated under Yilgarn South for reporting purposes.*

(5) *In September 2010, Barrick completed the divestiture of its Osborne mine.*

(6) *Figures relating to ABG are stated at 100% up to March 31, 2010 and at 73.9% thereafter.*

The following table summarizes Barrick's interest in its principal producing copper mines and its share of copper production from these mines:

Copper Mines	Ownership	2011 (millions of pounds)	2010 (millions of pounds)
Zaldívar Mine, Chile	100%	292	318
Lumwana Mine, Zambia[1]	100%	159	—
Osborne Mine, Queensland, Australia[2]	100%	—	50
Company Total		451	368

(1) *Barrick acquired the Lumwana Mine through its acquisition of Equinox Minerals Limited in June 2011. The contribution of the Lumwana Mine has been consolidated into Barrick's results from June 1, 2011 onwards.*

(2) *In September 2010, Barrick completed the divestiture of its Osborne mine.*

See "Narrative Description of the Business" in this Annual Information Form, Note 5 "Segment Information" to the Consolidated Financial Statements and the MD&A for further information on the Company's operating and geographic segments. See "Narrative Description of the Business – Mineral Reserves and Mineral Resources" for information on the Company's mineral reserves and resources.

Transactions

Acquisition of Equinox Minerals Limited

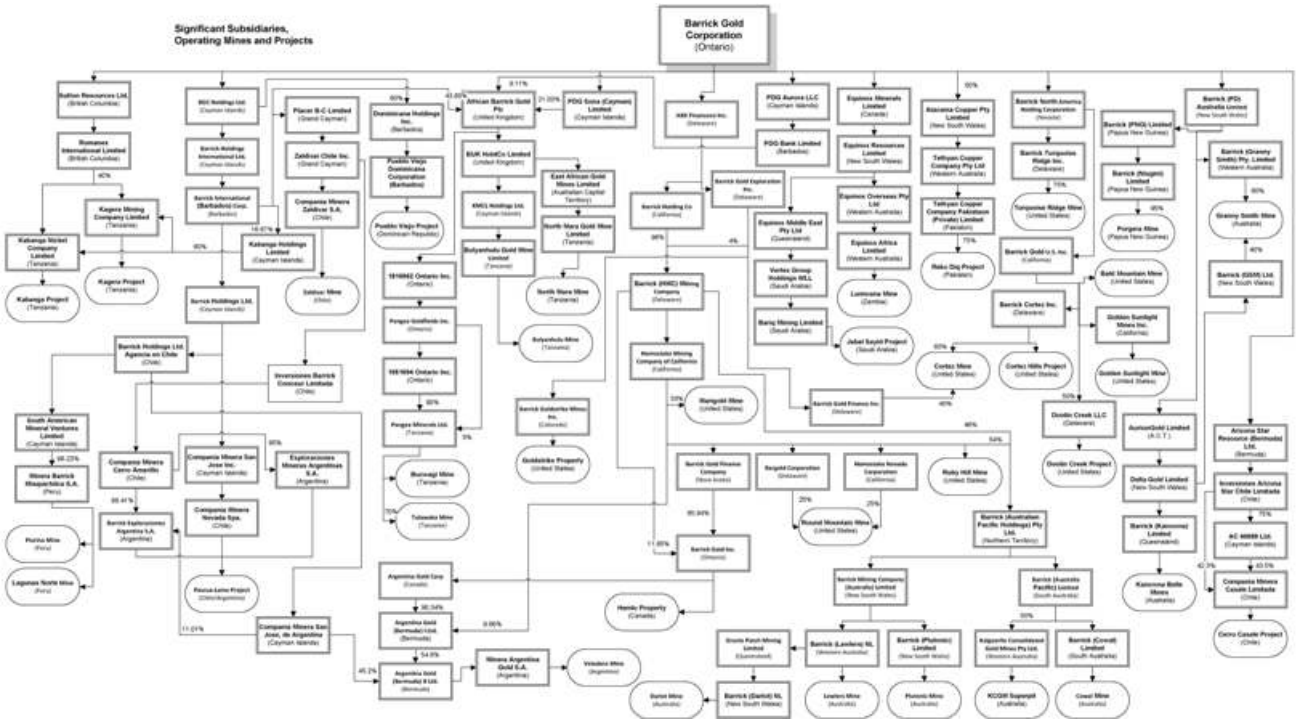
In April 2011, Barrick announced that it had signed an agreement with Equinox pursuant to which Barrick agreed to make an offer to acquire all of the issued and outstanding common shares of Equinox for an all-cash offer of C$8.15 per share. On June 1, 2011, Barrick had acquired 83% of the shares, thus obtaining control. The Company began consolidating operating results, including cash flows, from this date onwards as part of the Company's newly formed copper business unit. On July 19, 2011, Barrick acquired 100% of the issued and outstanding common shares for total cash consideration of $7.482 billion. Equinox's primary asset is the Lumwana copper mine, a large long-life property in the highly prospective Zambian Copperbelt. Equinox's other significant asset is the Jabal Sayid copper project in Saudi Arabia, which is currently in construction and is expected to enter production in the second half of 2012. This acquisition was funded through the Company's existing cash balances and $6.5 billion in new debt issued during 2011, as described in further detail below. Barrick filed a Form 51-102F4 Business Acquisition Report with respect to the Equinox transaction on August 2, 2011.

During 2011, Barrick increased its outstanding debt by $6.5 billion to fund the cost of the Equinox acquisition. In May 2011, the Company entered into a new $2 billion revolving credit facility with an interest rate of LIBOR plus 1.25%. In June 2011, Barrick drew $1 billion on this credit facility. In May 2011, Barrick drew $1.5 billion on our previously existing revolving credit facility and in June 2011, the Company issued an aggregate of $4.0 billion in debt securities.

In January 2012, Barrick entered into a new $4 billion credit facility with an interest rate of LIBOR plus 1%, which matures in 2017, to replace Barrick's $2 billion facility that was scheduled to mature in 2016 and also to augment the Company's overall credit capacity. Coincident with this agreement becoming effective, Barrick terminated its $2 billion facility that was obtained in April 2011 and transferred the $1 billion drawn on the $2 billion facility to the new $4 billion facility. As a result, $3 billion remains available under the new $4 billion credit facility. See "Material Contracts".

Barrick Energy Acquisitions

In 2011, Barrick Energy completed three acquisitions. On January 14, 2011, Barrick Energy acquired a 50% interest in the Valhalla North property from Pennwest Petroleum Ltd. for approximately $25 million. In June 2011, Barrick Energy acquired all of the outstanding shares of Venturion Natural Resources Limited, for approximately $185 million. In July 2011, Barrick Energy acquired all of the outstanding shares of Culane Energy Corp, for approximately $68 million. These acquisitions were made to acquire additional producing assets, proved and probable reserves, as well as facilities to allow Barrick to grow and expand its energy business. Barrick Energy provides a natural economic hedge against Barrick's fuel price exposure.


Significant Subsidiaries,
Operating Mines and Projects
Barrick Gold Corporation
(Ontario)

NARRATIVE DESCRIPTION OF THE BUSINESS

Barrick is engaged in the production and sale of gold, as well as related activities such as exploration and mine development. Barrick also produces significant amounts of copper, principally from the Zaldívar and Lumwana mines and holds other interests, including a nickel development project located in Africa and a copper-gold project in Pakistan. The Company also produces oil and gas through its Barrick Energy business unit in Canada, which was formed as part of Barrick's long-term strategy to economically hedge its exposure to fuel prices by providing natural offsets to changes in energy prices (see "Enterprise Risk-Management – Financial Risk-Management – Currency, Interest Rate and Other Commodity Hedge Programs"). The Company manages its business through seven primary business units: three regional gold business units, Barrick's 73.9% equity interest in ABG, which includes Barrick's previously held African gold mines and exploration properties, a copper business unit, its Barrick Energy oil and gas business unit and a Capital Projects unit. Barrick's Chief Operating Decision Maker reviews the operating results, assesses performance and makes capital allocation decisions for each of these business operations at a business unit level. Therefore, these business units are operating segments for financial reporting purposes. Unless otherwise specified, the description of Barrick's business, including products, principal markets, distribution methods, employees and labor relations contained in this Annual Information Form, applies to each of its regional gold business units, ABG, its global copper business, its oil and gas business, its Capital Projects business, and Barrick as a whole.

Production

For the year-ended December 31, 2011, Barrick produced 7.68 million ounces of gold at average total cash costs of $460 per ounce, net cash costs of $339 per ounce and cost of sales attributed to gold of $5.177 billion. Barrick's 2012 gold production is targeted at approximately 7.3 to 7.8 million ounces. Barrick expects average total cash costs in 2012 of $520 to $560 per ounce, net cash costs of $400 to $450 per ounce and cost of sales in the range of $5.8 to $6.2 billion, assuming a market gold price of $1,700 per ounce, a market oil price of $100 per barrel and an Australian dollar exchange rate of 1:1. Barrick's gold production mix is expected to change in 2012 as a result of higher production in North America that is offset by lower production in South America. The production mix within North America is also expected to change due to the commencement of operations at Pueblo Viejo in the Dominican Republic in the second half of 2012 and an increase in ore tons mined and processed at Goldstrike as the mine completed a stripping phase towards the end of 2011. This is expected to be partially offset by lower production at Cortez due to a decline in open pit ore grade. South America production in 2012 is expected to be lower than 2011 levels, primarily due to lower ore grades at Veladero and decreased production at Pierina. Production in the Australia Pacific region in 2012 is expected to be consistent with 2011 levels and 2012 production at ABG is expected to be slightly higher than 2011, primarily due to higher ore grades at North Mara. For an explanation of total cash costs and net cash costs per ounce/pound, refer to "Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound".

Barrick produced 451 million pounds of copper at average total cash costs of $1.75 per pound and cost of sales attributed to copper of $983 million. Barrick's 2012 copper production is targeted at approximately 550 to 600 million pounds at expected total cash costs of approximately $1.90 to $2.20 per pound. Copper production in 2012 is expected to be higher than 2011 as a result of as a result of a full year of production from Lumwana and the start-up of Jabal Sayid in the second half of 2012. Production at Zaldívar is expected to remain at levels similar to 2011.

Cost of sales applicable to copper in 2012 is expected to be in the range of $1.4 to $1.6 billion, assuming a market oil price of $100 per barrel and a Chilean peso exchange rate of 500:1. See “Forward-Looking Information”.

Regional Business Units, ABG and the Copper Business Unit

For gold, Barrick manages its business using a geographical business unit approach, with producing mines concentrated in three regional business units (“RBUs”) as of December 31, 2011: North America, Australia Pacific and South America, each of which is led by an RBU president. Barrick also holds a 73.9% equity interest in ABG, which includes Barrick’s previously held gold mines and exploration properties in Africa. Barrick established its global copper business unit in the fourth quarter of 2011 to manage its copper business in a manner that maximizes the value of the Company’s copper assets. The copper business unit is led by a vice-president, copper. Barrick’s internal reporting structure has been revised to reflect this organizational change. Segment financial information for the years ended December 31, 2011 and 2010 has also been revised to reflect this organizational change. Barrick’s business unit structure reflects how Barrick manages its business and how it classifies its operations for planning and measuring performance. Set out below is a brief description of the mines in each RBU, a description of Barrick’s interests in Africa, which includes its equity interest in ABG, as well as a description of the copper business unit. Each RBU and the copper business unit receives direction from Barrick’s corporate office, but has responsibility for certain aspects of its business, such as strategy and sustainability of mining operations, including exploration, production and closure. ABG has a greater amount of independence in comparison to Barrick’s RBUs and copper business unit, as further described below.

For details regarding 2011 production for the mines in each regional gold business unit and the copper business unit, see “General Information – General Development of the Business”. For additional details regarding the reserves and resources held in each of the regional gold business units and the copper business unit, see “– Mineral Reserves and Resources”. See also Note 5 “Segment Information” to the Consolidated Financial Statements and the MD&A for further financial and other information on the Company’s operating segments.

North America

Barrick’s North American RBU consists of its Goldstrike property (a material property for the purposes of this Annual Information Form, see “Material Properties – Goldstrike Property”), its Cortez property (consisting of the Cortez mine and Cortez Hills mine, and also a material property for purposes of this Annual Information Form, see “Material Properties – Cortez Property”), its 50% interest in the Round Mountain mine, its Ruby Hill mine, its 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. Upon completion of construction, Barrick’s 60% interest in the Pueblo Viejo mine and its 50% interest in Donlin Gold project, both of which are currently within Barrick’s Capital Projects business at various stages of development, will form part of the North American RBU. In 2011, the North American RBU produced approximately 3.4 million ounces of gold at total cash costs of $426 per ounce and cost of sales at $1.9 billion, compared to approximately 3.1 million ounces of gold at total cash costs of $429 per ounce and cost of sales of approximately $1.8 billion in 2010. In 2012, Barrick expects gold production from its North American operations in the range of 3.425 to 3.60 million ounces. The production mix within North America is expected to change due to the commencement of operations at Pueblo Viejo in the Dominican Republic in the second half of the year and an increase in ore tons

mined and processed at Goldstrike as the mine completed a substantial stripping phase towards the end of 2011. Production is also expected to be higher due to higher tons mined and processed at Bald Mountain due to the completion of a recent expansion in 2011, and higher ore grades at Golden Sunlight following the completion of an extended development period early in 2011. This is expected to be partially offset by lower production at Cortez in 2012 due to a decline in open pit ore grade. Total cash costs are expected to be $475 to $525 per ounce compared to $426 per ounce in 2011 primarily due to a change in production mix.

South America

The South American RBU's Lagunas Norte mine in Peru and Veladero mine in Argentina are each material properties for the purposes of this Annual Information Form (see "Material Properties – Lagunas Norte and – Veladero"). Its other operation consists of its Pierina mine in Peru. Upon completion of construction, Barrick's Pascua-Lama mine in Chile and Argentina and its 75% interest in the Cerro Casale project in Chile, both of which are currently within Barrick's Capital Projects business at various stages of development, will form part of the South American RBU. South American RBU personnel, processes and systems are also leveraged to manage day-to-day operations at Barrick's Zaldívar copper mine in Chile on behalf of the copper business unit (see "– Copper Business Unit" below). The Zaldívar mine was formerly included in the South American RBU. In 2011, the South American RBU produced approximately 1.9 million ounces of gold, at total cash costs of $358 per ounce and cost of sales at $905 million, compared to approximately 2.1 million ounces of gold, at total cash costs of $208 per ounce and cost of sales at $702 million in 2010. In 2012, the South American RBU is expected to produce 1.55 to 1.70 million ounces of gold. Production is expected to be lower than 2011 primarily due to lower Veladero and Pierina production and, to a lesser extent, Lagunas Norte. Mining activity at Veladero is expected to shift away from the higher grade areas of the Filo Federico pit to lower grade areas as anticipated in the life of mine plan. Total cash costs are expected to be $430 to $480 per ounce compared to $358 per ounce in 2011. The increase in total cash costs per ounce of gold from 2011 levels is primarily due to the production mix impact of lower grades at Veladero and higher labor and contractor costs due to inflation in Argentina.

Australia Pacific

Barrick's Australia Pacific RBU consists of its 95% interest in the Porgera mine in Papua New Guinea (a material property for purposes of this Annual Information Form, see "Material Properties – Porgera Mine"), its Cowal mine, its 50% interest in the Kalgoorlie mine, its Plutonic mine, its operating mines referred to as Yilgarn South and located in the Yilgarn District in Western Australia (Darlot, Lawlers and Granny Smith) and its Kanowna mine. In 2011, the region produced approximately 1.9 million ounces of gold at total cash costs of $621 per ounce and cost of sales of $1.6 billion compared to approximately 1.9 million ounces of gold at total cash costs of $576 per ounce and cost of sales of $1.5 billion in 2010. Australia Pacific RBU personnel, processes and systems are also leveraged to manage day-to-day operations at Barrick's Lumwana copper mine in Zambia on behalf of the copper business unit (see "– Copper Business Unit" below). In 2012, the Australia Pacific RBU is expected to produce 1.80 to 1.95 million ounces of gold, which is consistent with 2011 production. Higher production is expected at Porgera due to improved underground production primarily due to equipment availability issues and unplanned maintenance in 2011. This is expected to be offset by lower production at Kalgoorlie due to fewer tons mined in lower grade areas. Total cash costs are expected to be $700 to $750 per ounce compared to $621 per ounce in 2011. Total cash costs per ounce are expected to be higher in 2012 primarily due to the changes in Barrick's effective Australian dollar hedge rates from 2011 to 2012, higher gas and electricity costs and higher labor due to inflation

and hiring at some sites. Gas and electricity costs are higher principally due to significantly higher natural gas prices at Porgera, where it is used to generate power, as a result of the expiration of a long-term contract at the end of 2011.

African Barrick Gold

In connection with the listing of ABG on the LSE and the issuance of shares to the public in 2010, Barrick no longer has an African RBU; however, for reporting purposes ABG will continue to be treated as an operating segment within Barrick. Barrick currently holds a 73.9% equity interest in ABG. The assets, liabilities, operating results and cash flows of ABG are consolidated by Barrick. ABG's operations consist of its Bulyanhulu mine, its 70% interest in the Tulawaka mine, its North Mara mine and its Buzwagi mine, all located in Tanzania. ABG has identified various opportunities to add production beyond 2012, including the Gokona/Nyabigena underground zones; a process plant expansion at North Mara; a process plant expansion and the Upper East Zone at Bulyanhulu; and at the Golden Ridge exploration property. ABG continues to make progress in its evaluation of these opportunities to create value at its existing operations and to develop acquired exploration properties.

In 2011, Barrick's equity interest in ABG's gold production was approximately 509,000 ounces of gold at total cash costs of $692 per ounce and cost of sales of $523 million, compared to 564,000 ounces of gold at total cash costs of $570 per ounce and cost of sales of $480 million.

In 2012, Barrick expects equity gold production from ABG, reflecting Barrick's 73.9% equity interest, in the range of 500,000 to 535,000 ounces, consistent with 2011. North Mara production is expected to be higher due to higher ore grades mined and milled from slightly fewer tons processed. Buzwagi production is expected to be lower due to a shift to mining lower grade areas. Total cash costs are expected to be $790 to $860 per ounce compared to $692 per ounce in 2011. Total cash costs per ounce are expected to be higher due to the production mix impact of lower Buzwagi grades and an increase in labor, gas and electricity costs at several sites.

Barrick and its affiliates provide certain services to ABG and its subsidiaries for the ongoing operation of ABG's business pursuant to a services agreement entered into by the parties. In addition, Barrick and ABG are also parties to a relationship agreement that regulates various aspects of the ongoing relationship between the two companies. The principal purpose of the relationship agreement is to ensure that ABG is capable of carrying on its business independently of Barrick and that any transactions and relationships with Barrick occur at arm's length and under normal commercial terms. Under that agreement, so long as Barrick maintains at 40% equity interest in ABG, Barrick is entitled to appoint the greater of (i) three non-executive directors to ABG's board of directors; and (ii) the maximum number of non-executive directors that may be appointed to ABG's board of directors, while ensuring ABG is compliant with the UK Combined Code of Corporate Governance. If Barrick's shareholding in ABG falls below 40%, there is a sliding scale as to the number of directors it may appoint. As of March 23, 2012, ABG had nine directors, two of which were appointed by Barrick. The relationship agreement will remain in force as long as ABG's shares are listed on the LSE and Barrick maintains at least a 15% equity interest. The relationship agreement contains a number of other commitments and restrictions, including a non-competition clause pursuant to which (i) Barrick agrees it will not pursue any gold or silver mining project in Africa, as such terms are defined in the relationship agreement, and (ii) ABG agrees it will not pursue any gold or silver mining project outside of Africa, as such terms are defined in the relationship agreement. The non-competition clause is subject to various exceptions and only applies for so long as Barrick holds at least a 30% equity

interest in ABG. If either Barrick or ABG wants to pursue a project which is subject to the non-competition restriction (the "Notifying Party"), they are required to notify the other party and, if the other party waives the opportunity or fails to respond in a timely fashion, the Notifying Party will be entitled to pursue the project described in the notice. For additional information regarding ABG's IPO, see "General Information – General Development of the Business".

Barrick's Kabanga nickel project and Lumwana copper mine are not included in the assets held by ABG and form part of the copper business unit. Barrick continues to directly hold its 50% interest in the Kabanga project, which is located in Tanzania (see "Exploration and Evaluations"). Barrick also directly holds its 100% interest in the Lumwana mine, which is located in Zambia (see "Material Properties – Lumwana Mine").

Copper Business Unit

Barrick's copper business unit was established in the fourth quarter of 2011 and is responsible for managing Barrick's copper business in a manner that maximizes the value of the Company's copper assets. The copper business unit is distinct from the regional business units and ABG. It is headed by a vice-president, copper and has an experienced staff to manage and operate the copper business. The copper business unit consists of Barrick's Zaldívar copper mine in Chile and its Lumwana mine in Zambia, both of which are material properties for the purposes of this Annual Information Form (see "Material Properties – Zaldívar Mine, and Material Properties – Lumwana Mine"). The copper business unit leverages the existing personnel, processes and systems at the South American RBU and Australia Pacific RBU to manage the day-to-day operations at the Zaldívar and Lumwana properties, respectively. The projects included in Barrick's copper business unit consist of the Jabal Sayid project in Saudi Arabia, the Reko Diq copper-gold project in Pakistan and the Kabanga nickel project in Tanzania (see "Exploration and Evaluations"). The copper business unit's long-term strategy is to maximize the value of these important assets by providing strategic oversight of copper production and marketing, the adoption of best practices in mining throughout the portfolio of mines and projects, as well as advancing value creation opportunities with the copper business, such as the Lumwana and Zaldívar expansion opportunities (see "Exploration and Evaluations – Expansion of Existing Operations"). In 2011, the copper business unit produced 451 million pounds of copper, at total cash costs of $1.75 per pound and cost of sales at $983 million, compared to 368 million pounds of copper, at total cash costs of $1.10 per pound and cost of sales at $430 million in 2010. Copper production for 2011 increased by 23% compared to the prior year, mainly due to production from Lumwana, which was acquired as part of the Equinox transaction, partially offset by lower production in Zaldívar due to lower average head grades and the impact of the divestiture of the Osborne mine in the third quarter of 2010. In 2011, cost of sales increased by 129% over the prior year, primarily due to the inclusion of Lumwana production and the impact of higher input prices for fuel, power and sulfuric acid costs at Zaldívar. Total cash costs per pound increased by 59% over the prior year, reflecting higher direct production costs and lower production levels at Zaldívar and the impact of higher cost production from Lumwana.

Barrick expects 2012 copper production in the range of approximately 550 to 600 million pounds, resulting from a full year of production from Lumwana and the start-up of Jabal Sayid in the second half of 2012. Production at Zaldívar is expected to remain at levels similar to 2011. Total cash costs for copper in 2012 are expected to be in the range of $1.90 to $2.20 per pound, approximately $0.30 higher than 2011 and mainly the result of the impact of a full year's contribution from Lumwana, an increase to the Zambian government royalty rate, start-up of Jabal Sayid at higher average cash costs per pound and an increase in market prices for sulfuric acid at Zaldívar.

Capital Projects Business

Barrick's Capital Projects business consists of its 60% interest in the Pueblo Viejo mine in the Dominican Republic (a material property for the purposes of this Annual Information Form, see "Material Properties – Pueblo Viejo Project"), its 50% interest in the Donlin Gold project (see "Exploration and Evaluations"), its Pascua-Lama mine in Chile and Argentina (a material property for the purposes of this Annual Information Form, see "Material Properties – Pascua-Lama Project") and its 75% interest in the Cerro Casale project in Chile (see "Exploration and Evaluations").

In 2007, reflecting the importance of its projects, Barrick expanded the capacity of the group responsible for the development and construction of projects through the addition of experienced staff with the necessary specialized skill set associated with project management. In 2008, Barrick formed a dedicated Capital Projects group that is distinct from the RBUs to focus on managing large projects and building new mines. This specialized group is intended to manage, in coordination with the regional businesses, the development of Barrick's projects from project design, permitting, construction and commissioning through to the commencement of commercial operations, at which point primary responsibility for the project's operations transfer to the RBUs. Since February 2011, Barrick has reorganized its Capital Projects group, increasing the involvement and coordination of its RBUs in the construction of major projects to assist in operational readiness and to capture regional synergies. For additional information regarding Barrick's projects, see "Material Properties – Pueblo Viejo Project", "Material Properties – Pascua-Lama Project" and "Exploration and Evaluations".

Mineral Reserves and Mineral Resources

At December 31, 2011, Barrick's total proven and probable gold mineral reserves were 139.9 million ounces. In aggregate, Barrick increased its total reserves by approximately 9.1 million ounces in 2011, which offset the depletion of 9.0 million ounces from 2011 production. The increase primarily reflects incremental reserves due to reserve additions at Goldstrike, Cortez, Pueblo Viejo, Turquoise Ridge, Veladero and North Mara (see "– Reconciliation of Mineral Reserves"). At December 31, 2011, Barrick's total proven and probable copper reserves were 12.7 billion pounds. During 2011, Barrick produced 451 million pounds of copper (685 million contained pounds) as compared to approximately 368 million pounds of copper at December 31, 2010 (577 million contained pounds).

Except as noted below, 2011 reserves have been calculated using an assumed gold price of $1,200 per ounce, an assumed silver price of $22.00 per ounce, an assumed copper price of $2.75 per pound and exchange rates of $1.00 C$/US$ and $0.90 US$/A$. Reserve calculations incorporate current and/or expected mine plans and cost levels at each property.

Unless otherwise noted, Barrick's reserves and resources have been calculated as at December 31, 2011 in accordance with definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum and incorporated into National Instrument 43-101 (see "Definitions" below). 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 Mineral 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 employees of Barrick, its joint partners or its joint venture operating companies, as applicable, under the supervision of Qualified Persons, and/or independent Qualified Persons (see "Scientific and Technical Information"). Verification procedures include industry-standard quality control practices. For details of data verification and quality control practices at each material property, see "Material Properties".

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 U.S. *Securities Exchange Act of 1934*. Industry Guide 7 (as interpreted by the Staff of the SEC) applies different standards in order to classify mineralization as a reserve (see Note **7** of the "– Notes to the Mineral Reserves, Resources and Reconciliation Tables"). For U.S. reporting purposes, as at December 31, 2011, approximately 2.15 million ounces of reserves at Pueblo Viejo (Barrick's 60% interest) is classified as mineralized material. In addition, while the terms "measured", "indicated" and "inferred" mineral resources are required pursuant to National Instrument 43-101, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC, and mineral resource information contained herein is not comparable to similar information regarding mineral reserves disclosed in accordance with the requirements of the SEC. Investors should understand that "inferred" mineral resources have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. In addition, investors are cautioned not to assume that all or any part of Barrick's mineral resources constitute or will be converted into reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

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 certain assumptions, and no assurance can be given that the indicated level of mineral 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 and other factors, may render the present proven and probable reserves unprofitable to develop at a particular site or sites. See "Risk Factors" and "Forward-Looking Information" for additional details concerning factors and risks that could cause actual results to differ from those set out below.

Definitions

A ***mineral resource*** is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals 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 and 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 and 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 is justified.

GOLD MINERAL RESERVES [1],[3],[4],[7],[10],[11]

As at December 31, 2011	PROVEN			PROBABLE			TOTAL		
Based on attributable ounces	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)
NORTH AMERICA									
Goldstrike Open Pit	58,885	0.092	5,427	38,440	0.102	3,915	97,325	0.096	9,342
Goldstrike Underground	4,071	0.330	1,344	7,824	0.216	1,691	11,895	0.255	3,035
Goldstrike Property Total	62,956	0.108	6,771	46,264	0.121	5,606	109,220	0.113	12,377
Pueblo Viejo (60.00%)	23,925	0.098	2,342	164,804	0.078	12,831	188,729	0.080	15,173
Cortez	30,714	0.070	2,153	276,165	0.045	12,335	306,879	0.047	14,488
Bald Mountain	86,914	0.019	1,614	220,248	0.016	3,488	307,162	0.017	5,102
Turquoise Ridge (75.00%)	5,000	0.444	2,222	6,986	0.440	3,072	11,986	0.442	5,294
Round Mountain (50.00%)	27,521	0.020	562	55,167	0.015	849	82,688	0.017	1,411
South Arturo (60.00%)	—	—	—	28,237	0.050	1,398	28,237	0.050	1,398
Ruby Hill	965	0.060	58	15,813	0.058	920	16,778	0.058	978
Hemlo	3,661	0.102	375	12,959	0.059	764	16,620	0.069	1,139
Marigold Mine (33.33%)	13,232	0.017	221	64,053	0.015	973	77,285	0.015	1,194
Golden Sunlight	2,689	0.057	153	6,243	0.053	334	8,932	0.055	487
SOUTH AMERICA									
Cerro Casale (75.00%)	189,900	0.019	3,586	800,188	0.017	13,848	990,088	0.018	17,434
Pascua-Lama	43,514	0.050	2,167	380,603	0.041	15,694	424,117	0.042	17,861
Veladero	36,931	0.022	828	444,222	0.022	9,730	481,153	0.022	10,558
Lagunas Norte	17,132	0.036	625	197,286	0.028	5,526	214,418	0.029	6,151
Pierina	6,813	0.015	103	61,052	0.011	668	67,865	0.011	771
AUSTRALIA PACIFIC									
Porgera (95.00%)	18,267	0.117	2,138	57,105	0.074	4,228	75,372	0.084	6,366
Kalgoorlie (50.00%)	67,193	0.030	2,047	41,650	0.056	2,347	108,843	0.040	4,394
Cowal	14,774	0.024	353	50,506	0.037	1,856	65,280	0.034	2,209
Plutonic	1,015	0.025	25	1,972	0.191	377	2,987	0.135	402
Kanowna Belle	3,403	0.146	497	2,458	0.136	335	5,861	0.142	832
Darlot	1,627	0.126	205	1,178	0.129	152	2,805	0.127	357
Granny Smith	1,060	0.158	168	2,974	0.157	467	4,034	0.157	635
Lawlers	859	0.157	135	810	0.122	99	1,669	0.140	234
Henty	—	—	—	—	—	—	—	—	—
AFRICA [12]									
Bulyanhulu (73.90%)	1,002	0.314	315	21,961	0.343	7,542	22,963	0.342	7,857
North Mara (73.90%)	9,367	0.081	761	19,630	0.092	1,814	28,997	0.089	2,575
Buzwagi (73.90%)	4,039	0.032	129	45,997	0.044	2,025	50,036	0.043	2,154
Tulawaka (51.73%)	36	0.111	4	99	0.434	43	135	0.348	47
OTHER	131	0.344	45	42	0.190	8	173	0.306	53
TOTAL	**674,640**	**0.045**	**30,602**	**3,026,672**	**0.036**	**109,329**	**3,701,312**	**0.038**	**139,931**

COPPER MINERAL RESERVES [1] ,[3],[4],[7],[10],[11]

As at December 31, 2011	PROVEN			PROBABLE			TOTAL		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons 165	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
Zaldivar	425,791	0.528	4,496	211,304	0.498	2,106	637,095	0.518	6,602
Lumwana	147,415	0.587	1,731	322,535	0.493	3,178	469,950	0.522	4,909
Jabal Sayid	16,500	2.206	728	10,315	2.201	454	26,815	2.204	1,182
TOTAL	**589,706**	**0.590**	**6,955**	**544,154**	**0.527**	**5,738**	**1,133,860**	**0.560**	**12,693**

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

GOLD MINERAL RESOURCES [1],[2],[3],[5]

As at December 31, 2011	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable ounces	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)
NORTH AMERICA										
Goldstrike Open Pit	886	0.032	28	3,726	0.032	119	147	564	0.055	31
Goldstrike Underground	985	0.341	336	5,092	0.293	1,492	1,828	2,698	0.298	805
Goldstrike Property Total	1,871	0.195	364	8,818	0.183	1,611	1,975	3,262	0.256	836
Pueblo Viejo (60.00%)	2,296	0.062	143	117,898	0.055	6,454	6,597	14,970	0.047	701
Cortez	3,159	0.038	121	51,232	0.071	3,636	3,757	21,881	0.074	1,615
Red Hill – Gold Rush	—	—	—	11,221	0.113	1,273	1,273	41,290	0.139	5,748
Bald Mountain	34,428	0.014	480	88,763	0.013	1,143	1,623	72,491	0.011	787
Turquoise Ridge (75.00%)	7,995	0.128	1,024	54,399	0.122	6,617	7,641	25,494	0.130	3,303
Round Mountain (50.00%)	17,795	0.022	400	65,625	0.014	938	1,338	38,847	0.012	464
South Arturo (60.00%)	—	—	—	21,482	0.039	828	828	10,458	0.023	236
Ruby Hill	1,331	0.024	32	106,295	0.021	2,213	2,245	5,779	0.034	196
Hemlo	2,000	0.110	220	2,735	0.069	190	410	2,937	0.127	374
Marigold Mine (33.33%)	683	0.012	8	10,294	0.012	127	135	3,674	0.013	48
Golden Sunlight	121	0.041	5	595	0.040	24	29	1,605	0.036	57
Donlin Gold (50.00%)	4,261	0.073	313	294,097	0.065	19,190	19,503	50,825	0.059	2,997
SOUTH AMERICA										
Cerro Casale (75.00%)	19,356	0.008	164	226,634	0.010	2,330	2,494	413,013	0.011	4,513
Pascua-Lama	23,420	0.031	722	246,510	0.024	6,012	6,734	35,590	0.034	1,215
Veladero	3,800	0.009	36	40,229	0.011	428	464	74,600	0.008	573
Lagunas Norte	884	0.014	12	34,280	0.014	493	505	7,920	0.014	109
Pierina	581	0.012	7	9,662	0.013	125	132	9,474	0.006	61
AUSTRALIA PACIFIC										
Porgera (95.00%)	9,065	0.080	724	18,304	0.066	1,209	1,933	22,671	0.130	2,936
Kalgoorlie (50.00%)	6,054	0.035	212	17,157	0.032	554	766	348	0.078	27
Cowal	—	—	—	37,191	0.032	1,187	1,187	12,418	0.030	374
Plutonic	240	0.117	28	2,211	0.293	647	675	3,975	0.298	1,183
Kanowna Belle	2,776	0.128	354	3,550	0.122	432	786	5,631	0.104	588
Darlot	766	0.187	143	579	0.199	115	258	1,043	0.215	224
Granny Smith	403	0.159	64	2,104	0.168	353	417	5,316	0.237	1,261
Lawlers	—	—	—	977	0.289	282	282	472	0.316	149
Reko Diq (37.50%)	718,521	0.009	6,466	514,465	0.006	3,040	9,506	1,192,569	0.005	6,399
AFRICA [12]										
Bulyanhulu (73.90%)	—	—	—	14,472	0.154	2,230	2,230	6,776	0.350	2,372
North Mara (73.90%)	2,222	0.061	136	10,803	0.086	928	1,064	1,269	0.075	95
Buzwagi (73.90%)	110	0.036	4	28,800	0.033	943	947	8,390	0.034	283
Nyanzaga (73.90%)	—	—	—	60,186	0.043	2,572	2,572	7,381	0.060	442
Tulawaka (51.73%)	—	—	—	500	0.160	80	80	95	0.168	16
OTHER	34	0.353	12	3	0.333	1	13	4	0.250	1
TOTAL	**864,172**	**0.014**	**12,194**	**2,102,071**	**0.032**	**68,205**	**80,399**	**2,102,468**	**0.019**	**40,183**

COPPER MINERAL RESOURCES [1],[2],[3],[5]

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As at December 31, 2011	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
Zaldivar	78,576	0.433	680	59,006	0.462	545	1,225	40,439	0.543	439
Lumwana	4,698	0.713	67	162,737	0.619	2,015	2,082	882,479	0.604	10,660
Jabal Sayid	1,984	1.890	75	4,212	2.077	175	250	19,436	0.962	374
Reko Diq (37.50%)	718,521	0.536	7,697	514,465	0.392	4,034	11,731	1,192,569	0.352	8,393
TOTAL	**803,779**	**0.530**	**8,519**	**740,420**	**0.457**	**6,769**	**15,288**	**2,134,923**	**0.465**	**19,866**

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

CONTAINED SILVER WITHIN REPORTED GOLD RESERVES [1],[A]

For the year ended Dec. 31, 2011	IN PROVEN GOLD RESERVES			IN PROBABLE GOLD RESERVES			TOTAL			
Based on attributable ounces	Tons (000s)	Grade (oz/ton)	Contained ozs (000s)	Tons (000s)	Grade (oz/ton)	Contained ozs (000s)	Tons (000s)	Grade (oz/ton)	Contained ozs (000s)	Process recovery %
NORTH AMERICA										
Pueblo Viejo (60.00%)	23,925	0.76	18,144	164,804	0.47	77,956	188,729	0.51	96,100	87.1%
SOUTH AMERICA										
Cerro Casale (75.00%)	189,900	0.06	10,565	800,188	0.04	33,451	990,088	0.04	44,016	69.0%
Pascua-Lama	43,514	1.73	75,454	380,603	1.58	600,795	424,117	1.59	676,249	81.6%
Lagunas Norte	17,132	0.12	2,021	197,286	0.11	21,884	214,418	0.11	23,905	21.6%
Veladero	26,689	0.38	10,259	444,222	0.42	187,436	470,911	0.42	197,695	6.2%
Pierina	6,813	0.58	3,945	61,052	0.32	19,319	67,865	0.34	23,264	37.0%
AFRICA [12]										
Bulyanhulu (73.90%)	1,002	0.21	207	21,961	0.28	6,079	22,963	0.27	6,286	75.0%
TOTAL	**308,975**	**0.39**	**120,595**	**2,070,116**	**0.46**	**946,920**	**2,379,091**	**0.45**	**1,067,515**	**65.3%**

[A] Silver is accounted for as a by-product credit against reported or projected gold production costs.

CONTAINED COPPER WITHIN REPORTED GOLD RESERVES [1],[A]

For the year ended Dec. 31, 2011	IN PROVEN GOLD RESERVES			IN PROBABLE GOLD RESERVES			TOTAL			
Based on attributable pounds	Tons (000s)	Grade (%)	Contained lbs (millions)	Tons (000s)	Grade (%)	Contained lbs (millions)	Tons (000s)	Grade (%)	Contained lbs (millions)	Process recovery %
NORTH AMERICA										
Pueblo Viejo (60.00%)	23,925	0.080	38.3	164,804	0.096	316.0	188,729	0.094	354.3	79.5%
SOUTH AMERICA										
Cerro Casale (75.00%)	189,900	0.190	721.3	800,188	0.226	3,613.3	990,088	0.219	4,334.6	87.4%
Pascua-Lama	43,514	0.096	83.7	380,603	0.075	574.4	424,117	0.078	658.1	63.0%
AFRICA [12]										
Bulyanhulu (73.90%)	1,002	0.369	7.4	21,961	0.683	299.9	22,963	0.669	307.3	95.0%
Buzwagi (73.90%)	4,039	0.068	5.5	45,997	0.118	108.3	50,036	0.114	113.8	70.0%
TOTAL	**262,380**	**0.163**	**856.2**	**1,413,553**	**0.174**	**4,911.9**	**1,675,933**	**0.172**	**5,768.1**	**84.2%**

[A] Copper is accounted for as a by-product credit against reported or projected gold production costs.

See “– Notes to the Mineral Reserves, Resources, and Reconciliation Tables.”

CONTAINED SILVER WITHIN REPORTED GOLD RESOURCES [1]

For the year ended Dec. 31, 2011	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable ounces	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Ounces (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)
NORTH AMERICA										
Pueblo Viejo (60.00%)	2,296	0.37	839	117,898	0.30	35,723	36,562	14,970	0.37	5,572
SOUTH AMERICA										
Cerro Casale (75.00%)	19,356	0.04	720	226,634	0.03	7,257	7,977	413,013	0.03	12,594
Pascua-Lama	23,420	0.71	16,708	246,510	0.68	168,459	185,167	35,590	0.45	16,055
Lagunas Norte	884	0.06	50	34,280	0.05	1,778	1,828	7,920	0.05	397
Veladero	3,800	0.16	614	40,229	0.35	14,049	14,663	74,600	0.33	24,523
Pierina	581	0.22	128	9,662	0.19	1,820	1,948	9,474	0.31	2,928
AFRICA										
Bulyanhulu (73.90%)	—	—	—	14,472	0.13	1,829	1,829	6,529	0.30	1,949
TOTAL	**50,337**	**0.38**	**19,059**	**689,685**	**0.33**	**230,915**	**249,974**	**562,096**	**0.11**	**64,018**

CONTAINED COPPER WITHIN REPORTED GOLD RESOURCES [1]

For the year ended Dec. 31, 2011	IN MEASURED (M) GOLD RESOURCES			IN INDICATED (I) GOLD RESOURCES			(M) + (I)	INFERRED		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
NORTH AMERICA										
Pueblo Viejo (60.00%)	2,296	0.12	5.5	117,898	0.084	198.3	203.8	14,970	0.077	23.0
SOUTH AMERICA										
Cerro Casale (75.00%)	19,356	0.126	48.7	226,634	0.161	730.5	779.2	413,013	0.191	1,580.1
Pascua-Lama	23,420	0.061	28.7	246,510	0.053	261.0	289.7	35,590	0.047	33.7
AFRICA										
Buzwagi (73.90%)	110	0.09	0.2	28,800	0.098	56.7	56.9	8,390	0.089	14.9
TOTAL	**45,182**	**0.092**	**83.1**	**619,842**	**0.101**	**1,246.5**	**1,329.6**	**471,963**	**0.175**	**1,651.7**

NICKEL MINERAL RESOURCES [1]

For the year ended Dec. 31, 2011	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
AFRICA										
Kabanga (50.00%)	7,606	2.490	378.8	12,897	2.720	701.6	1,080.4	11,464	2.600	596.1

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

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

Based on attributable ounces Gold Property (000's of ounces) (9)	Mineral Reserves 12/31/2010	Processed in 2011	Increase (decrease)	Mineral Reserves 12/31/2011
NORTH AMERICA				
Goldstrike Open Pit	9,656	875	561	9,342
Goldstrike Underground	2,958	327	404	3,035
Goldstrike Property Total	12,614	1,202	965	12,377
Pueblo Viejo (60.00%)	14,195	0	978	15,173
Cortez	14,494	1,566	1,560	14,488
Bald Mountain	4,748	159	513	5,102
Turquoise Ridge (75.00%)	4,224	146	1,216	5,294
Round Mountain (50.00%)	1,319	206	298	1,411
South Arturo (60.00%)	1,391	0	7	1,398
Ruby Hill	1,122	140	-4	978
Hemlo	1,362	226	3	1,139
Marigold Mine (33.33%)	775	80	499	1,194
Golden Sunlight	539	71	19	487
Donlin Gold (50.00%)	0	0	0	0
SOUTH AMERICA				
Cerro Casale (75.00%)	17,377	0	57	17,434
Pascua-Lama	17,845	0	16	17,861
Veladero	11,291	1,309	576	10,558
Lagunas Norte	6,618	914	447	6,151
Pierina	791	201	181	771
AUSTRALIA PACIFIC				
Porgera (95.00%)	7,432	565	-501	6,366
Kalgoorlie (50.00%)	3,780	487	1,101	4,394
Cowal	2,478	330	61	2,209
Plutonic	420	116	98	402
Kanowna Belle	1,086	252	-2	832
Darlot	403	93	47	357
Granny Smith	617	216	234	635
Lawlers	352	95	-23	234
Reko Diq (37.50%)	0	0	0	0
AFRICA				
Bulyanhulu (73.90%)	8,147	158	-132	7,857
North Mara (73.90%)	2,096	156	635	2,575
Buzwagi (73.90%)	2,137	120	137	2,154
Tulawaka (51.73%)	49	44	42	47
OTHER (3)	84	103	72	53
TOTAL	139,786	8,955	9,100	139,931

Copper Property (million pounds) (9)	Mineral Reserves 12/31/2010	Processed in 2011	Increase (decrease)	Mineral Reserves 12/31/2011
Zaldivar	6,514	408	496	6,602
Lumwana	0	277	5,186	4,909
Jabal Sayid	0	0	1,182	1,182
TOTAL	6,514	685	6,864	12,693

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, 2011, unless otherwise indicated.
(4) Mineral reserves as at December 31, 2011 have been calculated using an assumed gold price of $1,200 (A$1,330) per ounce, an assumed silver price of $22.00 per ounce, an assumed copper price of $2.75 per pound and exchange rate of $0.90 US$/A$. Reserve calculations incorporate current and/or expected mine plans and cost levels at each property. Reserves at Plutonic have been calculated using an assumed long-term average gold price of $1,250 per ounce.
(5) Mineral resources as at December 31, 2011 have been estimated using varying cut-off grades, depending on both the type of mine, its maturity and ore type at each property. An assumed gold price of $1,400 (A$1,560) per ounce, an assumed silver price of $28.00 per ounce and an assumed copper price of $3.25 per pound have been used in estimating resources.
(6) Mineral reserves as at December 31, 2010 have been calculated using an assumed gold price of $1,000 (A$1,180) per ounce, a silver price of $16.00 per ounce, a copper price of $2.00 per pound and an exchange rate of $0.85 US$/A$. Reserve calculations incorporate current and/or expected mine plans and cost levels at each property.
(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 SEC, applies different standards in order to classify mineralization as a reserve. For U.S. reporting purposes, as at December 31, 2011, approximately 2.15 million ounces of reserves at Pueblo Viejo (Barrick's 60% interest) is classified as mineralized material. In addition, while the terms "measured", "indicated" and "inferred" mineral resources are required pursuant to National Instrument 43-101, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC, and mineral resource information contained herein is not comparable to similar information regarding mineral reserves disclosed in accordance with the requirements of the SEC. Investors should understand that "inferred" mineral resources have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. In addition, investors are cautioned not to assume that all or any part of Barrick's mineral resources constitute or will be converted into reserves.
(8) Grade represents an average, weighted by reference to tons of ore type where several recovery processes apply.
(9) Ounces or pounds, as applicable, 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 or pounds.

(10) Gold mineral reserves as at December 31, 2011 include stockpile material totalling approximately 216 million tons, containing approximately 9.5 million ounces. Properties at which stockpile material exceeds 30 thousand ounces and represents more than 5% of the reported gold reserves are as follows:

Property	Tons (000's)	Grade (oz/ton)	Contained Ounces (000's)
Cortez	33,453	0.022	726
Pueblo Viejo	7,876	0.105	826
Buzwagi	9,784	0.012	121
Cowal	14,642	0.023	335
Porgera	23,834	0.058	1,382
Kalgoorlie	53,851	0.023	1,255
Goldstrike Open Pit	49,770	0.084	4,176

(11) The metallurgical recovery applicable at each property and the cut-off grades used to determine mineral reserves as at December 31, 2011 are as follows:

Gold Mine	Metallurgical Recovery (%)	Cut-off Grade (oz/ton)
Bulyanhulu	91.2%	0.161 - 0.187
Buzwagi	89.0%	0.019 - 0.030
Tulawaka	93.0%	0.102 - 0.122
North Mara	86.2%	0.034 - 0.055
Cowal	76.2%	0.009 - 0.016
Darlot	95.0%	0.091 - 0.104
Kalgoorlie	83.3%	0.015 - 0.042
Lawlers	94.8%	0.088 - 0.111
Plutonic	85.9%	0.095 - 0.128
Granny Smith	88.0%	0.072 - 0.107
Kanowna Belle	89.4%	0.020 - 0.160
Porgera	87.5%	0.028 - 0.091

David Bell Mine	92.4%	0.086 - 0.166
Williams Mine	92.1%	0.015 - 0.085
Goldstrike Open Pit	78.5%	0.035 - 0.045
Goldstrike Underground	88.6%	0.134 - 0.155
Marigold Mine	73.0%	0.005 - 0.007
South Arturo	70.0%	0.003 - 0.032
Rossi	84.2%	0.135 - 0.200
Round Mountain	72.6%	0.005 - 0.014
Ruby Hill	73.0%	0.004 - 0.012
Bald Mountain	70.1%	0.003 - 0.006
Cortez	81.7%	0.004 - 0.203
Golden Sunlight	77.2%	0.017 - 0.018
Turquoise Ridge	92.0%	0.204 - 0.238
Pueblo Viejo	92.2%	0.029 - 0.054
Lagunas Norte	63.6%	0.004 - 0.023
Pascua-Lama	86.2%	0.025 - 0.032
Cerro Casale	74.4%	0.006 - 0.009
Pierina	82.2%	0.0036 - 0.0039
Veladero	75.5%	0.004 - 0.013

Copper Mine	Metallurgical Recovery (%)	Cut-off Grade (%)
Zaldívar	66.8%	0.184 - 0.262
Lumwana	91.0%	0.200 - 0.350
Jabal Sayid	95.9%	1.100

(12) In March 2010, Barrick created ABG to hold its African gold mines, gold projects and gold exploration properties. Barrick's current equity interest in ABG is 73.9%.

Marketing and Distribution

Gold

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. Benchmark prices are generally based on the London gold market quotations. Gold bullion is held as an asset class for a variety of reasons, including as a store of value and a safeguard against the collapse of paper assets such as stocks, bonds and other financial instruments that are traded in fiat currencies not exchangeable into gold (at a fixed rate) under a "gold standard", hedges against future inflation and portfolio diversification. Governments, central banks and other official institutions hold significant quantities of gold as a component of exchange reserves. Since there are a large number of available gold purchasers, Barrick is not dependent upon the sale of gold to any one customer.

Gold price volatility remained historically high in 2011, with the price ranging from $1,319 per ounce to an all-time nominal high of $1,921 per ounce. The average market price for the year of $1,572 per ounce was also a record and represented a 28% increase over 2010. Gold has continued to attract investor interest due to sovereign debt concerns and very accommodative monetary policies by some of the world's most prominent central banks, resulting in gold performing its traditional role as a store of value and an alternative to fiat currency. The continuing uncertain macroeconomic environment and loose monetary policies, together with the limited choice of alternative safe haven investments, is supportive of continued strong investment demand. Throughout 2011, Barrick has continued to see increased interest in holding gold as an investment. This was evidenced by the growth in Exchange Traded Funds ("ETFs"), as well as the worldwide demand for physical gold in forms such as bars and coins. Physical demand for gold for jewelry and other uses also remains a significant driver of the overall gold market. A continuation of these trends is supportive of higher gold prices.

Barrick's gold is currently being refined to market delivery standards by several refiners throughout the world. The gold is sold to various gold bullion dealers at market prices. Certain of Barrick's operations also produce gold concentrate, which is sold to various smelters. The Company believes that, because of the availability of alternative smelters or refiners, no material adverse effect would result if the Company lost the services of any of its current smelters or refiners.

Product fabrication and bullion investment are two principal sources of gold demand. The introduction of more readily accessible and liquid gold investment vehicles has further facilitated investment in gold. As of December 31, 2011, gold exchange traded funds held approximately 77 million ounces compared to holdings of 72 million ounces at 2010 year end – an increase of 7%. 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.

Copper

Copper is a metal with inherent characteristics of excellent electrical conductivity, heat transfer and resistance to corrosion. Copper is used principally in telecommunications, power infrastructure, automobiles, construction, and consumer durables. Copper is traded on the London Metal Exchange ("LME"), the New York Commodity Exchange and the Shanghai Futures Exchange. The price of copper as reported on these exchanges is influenced by numerous factors, including (i) the worldwide balance of copper demand and supply, (ii) rates of global economic growth, including China, which has become the largest consumer of refined copper in the world, (iii) speculative investment positions in copper and copper futures, (iv) the availability and cost of substitute materials, and (v) currency exchange fluctuations, including the relative strength of the U.S. dollar.

The copper market is volatile and cyclical. Over the last 15 years to the end of 2011, LME prices per pound have ranged from a low of 61 cents to a high, reached in February 2011, of $4.62. Copper prices experienced a volatile year in 2011, as LME copper prices traded in a wide range of $3.01 per pound to an all-time high of $4.62 per pound, averaged $4.00 per pound, and closed the year at $3.43 per pound. Copper's rise to all-time highs occurred mainly as a result of strong demand from emerging markets, especially China, decreasing exchange stockpiles and increasing investor interest in base metals with strong forward-looking supply and demand fundamentals. Copper prices should continue to be positively influenced by demand from Asia, global economic growth, the limited availability of scrap metal and production levels of mines and smelters in the future.

At the Zaldívar mine, copper cathode is sold to copper product manufacturers and copper traders in Europe, North America, South America and Asia, while concentrate is sold to a local smelter in Chile. At the Lumwana mine, copper concentrate is sold to Zambian smelters. Since there are a large number of available copper cathode and copper concentrate purchasers, Barrick is not dependent upon the sale of copper to any one customer.

Employees and Labor Relations

As at December 31, 2011, excluding contractors, Barrick employed approximately 18,400 employees worldwide, as well as approximately 2,460 employees at operations jointly owned by Barrick, substantially all of whom are employed in the United States, Canada, Australia, Chile, Peru, Argentina, the Dominican Republic, Papua New Guinea, Tanzania, Zambia and Saudi Arabia. Unions represent approximately 5,900 persons at the Company's operations. Generally, management believes that labor relations at all locations are good.

Specialized knowledge and experience are required of employees in the mining industry. Barrick has the necessary skilled employees to conduct its operations. Despite generally good labor relations, recent increased demand for skilled workers in the resource industry and increased demand for higher wages have led to high employee turnover and increasing costs at certain of Barrick's operations. Certain Barrick mines may be adversely impacted if either the increased demand for higher wages leads to work stoppages or the Company is unable to retain a sufficient number of qualified employees for such operations.

Competition

The Company competes with other mining and exploration companies in connection with the acquisition of mining claims and leases and in connection with the recruitment and retention of qualified employees (see "– Employees and Labor Relations").

There is significant competition for mining claims and leases and, as a result, the Company may be unable to continue to acquire attractive assets on terms it considers acceptable.

Corporate Social Responsibility

In 2011, Barrick continued to focus on Corporate Social Responsibility ("CSR") initiatives across all geographies and functional areas of the business. Barrick established an external CSR Advisory Board and named five individuals with broad-ranging expertise to provide advice and guidance on challenging social and environmental issues and to encourage further innovation and leadership in CSR. Professor

John Ruggie, author of the UN Guiding Principles on Business and Human Rights, has been named as a Special Consultant to the Advisory Board. Also in 2011, Barrick appointed Dr. Dambisa Moyo to serve as an independent director, lending additional CSR expertise to the Company's Board of Directors (see "Directors and Officers of the Company" for additional information about Dr. Moyo).

Barrick reaffirmed its corporate-wide commitment to human rights in 2011, developing a comprehensive human rights compliance program that includes: adoption of a new corporate human rights policy that sets out clear human rights expectations for all employees, contractors and third-party suppliers; implementation of mandatory human rights training and new reporting procedures; and engagement of third-party experts to co-develop and conduct human rights assessments at all mine sites and projects over a three-year period, with a priority on higher risk operations. These measures reinforce Barrick's zero tolerance policy toward human rights violations wherever Barrick operates. In 2010, Barrick became the first Canadian mining company to join the Voluntary Principles on Security and Human Rights ("Voluntary Principles"), a set of guidelines by which companies in the extractive sector can maintain the safety and security of their operations, while ensuring respect for human rights and fundamental freedoms. The Company continues to advance the implementation of the Voluntary Principles, engaging in the tripartite process with non-governmental organizations, extractive companies and government members. In late 2011, Barrick was elected to the steering committee of the Voluntary Principles by peer companies. Barrick will sit on this steering committee for the 2012-13 term.

In 2011, Barrick renewed its commitment to positive and mutually beneficial relationships in communities where it operates, establishing a new corporate policy on Community Relations and completing the development of a community relations management system ("CRMS"). The CRMS is designed to ensure community relations are carried out in a systematic manner across the company, consistent with international best practice. Audits are planned at five key sites in 2012 to evaluate progress in implementing the CRMS and in managing priority social risks. The target for CRMS implementation across all operations is the end of 2013.

Barrick's CSR continues to receive international recognition. In 2011, the Company was listed for the fourth consecutive year in the Dow Jones Sustainability World Index and was the only Canadian mining company ranked among the top 100 companies worldwide by the NASDAQ Global Sustainability Index. In addition, the Carbon Disclosure Project named Barrick a climate disclosure leader for the Company's climate change strategy and reporting practices. (see "Environment and Closure" for additional information on Barrick's environmental standards and practices).

MATERIAL PROPERTIES

For the purposes of this Annual Information Form, Barrick has identified its Goldstrike, Cortez, Lagunas Norte, Veladero, Zaldívar, Porgera and Lumwana mines and its Pueblo Viejo and Pascua-Lama projects as material properties. The following is a description of Barrick's material properties.

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 ("Newmont") 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. Vegetation is dominated by grass and shrubs.

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 CIL 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. Goldstrike’s underground mine (Meikle deposit), 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 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 property.

As of December 31, 2011, the Goldstrike property comprised 4,198 hectares of surface rights ownership/control (3,420 hectares private and 778 hectares public), and 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. Unpatented mining claims are renewed on an annual basis and all fees necessary are paid prior to August 31 of each year. All mining leases and subleases are reviewed on a monthly basis and all payments and commitments are paid as required by the specific agreements. The Goldstrike open pit and underground mines and the majority of the beneficiation and processing facilities at the Goldstrike property are situated on land owned by Barrick. The necessary permits to provide sufficient surface rights have been obtained for current operations at the property.

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 volcanic and sedimentary rocks during the Tertiary time. The gold mineralization occurred at the onset of Tertiary volcanism, approximately 39 million years ago.

The major gold deposits – Post Oxide, Betze, Rodeo and Meikle – are all hosted in sedimentary rocks of the 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 Rodeo are found in the silty limestones and debris flows of the Popovich Formation. The Meikle deposit occurs in hydrothermal and solution collapse breccias in the Bootstrap Limestone of the Roberts Mountains Formation. The gold at Goldstrike was carried into the various orebodies 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, Rodeo 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.

The gold mineralization at the 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.

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.

Mining and Processing

Goldstrike's open pit mine is an open pit truck-and-shovel operation, using standard, proven equipment. Two different underground mining methods are used at the underground mine, long-hole open stoping and drift-and-fill (used for flat-lying mineralization or where ground conditions are less competent). The underground mine is a trackless operation. Goldstrike's production in total was 1,088 thousand ounces of gold in 2011 at cash costs of $511 per ounce compared to 1,239 thousand ounces of gold in 2010 at cash costs of $475 per ounce. Based on existing reserves and production capacity, the expected remaining mine life is 13 years for underground mining, 14 years for open pit mining and 16 years for processing operations. The increase in the expected remaining life of processing operations to 16 years (2010: 15 years) is mainly a result of additional underground ores as well as additional toll ores purchased from third-party vendors. In August 2011, the autoclaves were converted from an acid circuit to an alkaline circuit, and Barrick is also moving forward with the introduction of thiosulfate processing technology, as further described below. As a result of these changes, Barrick has extended the operating life of the autoclaves, allowing Goldstrike to process certain ore at an earlier stage using the autoclaves instead of processing that same ore at a later stage using the roaster.

The underground mine includes two major orebodies: Meikle and Rodeo. The Meikle orebody, located 1.6 kilometers north of the open pit mine, is a high grade orebody which was discovered in 1989 and started production in 1996. The Meikle orebody incorporates 5 mineralized zones: the Main Meikle,

Meikle Extension, South Meikle, Griffin, and West Griffin. The Rodeo orebody, located 0.5 kilometers northwest of the open pit mine, is a moderate grade orebody discovered in 1988 and brought into production in 2002. The Rodeo orebody includes four mineralized zones: Upper Rodeo, Lower Rodeo, West Rodeo, and Barrel. The Meikle and Rodeo orebodies are interconnected by two haulage drifts and can be accessed from two shafts and by a decline at the bottom of the open pit mine.

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 capacity of these two facilities is approximately 33,000 to 35,000 tons per day. These process facilities treat the ore from Goldstrike's open pit and underground mines. Gold contained in recovered ore is processed into doré on-site and shipped to outside refineries for processing into gold bullion. All material permits and rights to conduct operations at the mine have been obtained and are in good standing. In December 2005, Barrick began operating a 115 megawatt natural gas-fired power plant that provides a portion of Goldstrike's power requirements. The remaining power requirements are satisfied by open market purchases of electricity.

Due to increasing levels of carbonate in the ore being mined at the Goldstrike property, certain necessary changes to the autoclaves have been made to convert the pressure oxidation process from an acid circuit to an alkaline circuit. This technology, which was tested at Goldstrike in 2009, has a lower recovery than the acid autoclave configuration, but has better economics with increased levels of carbonate. The autoclaves commenced operation in the alkaline mode in August 2011. Currently all six autoclaves may still be run in an acid mode, but up to three of the six autoclaves may be operated in an alkaline mode. Barrick has also successfully operated a demonstration plant using a technology that will allow treatment of carbonaceous material (which was previously processed exclusively at the roaster) through the autoclaves. This technology uses thiosulphate to leach the gold after pressure oxidation rather than cyanide and resin to collect the dissolved gold rather than carbon. Conversion to this new process is underway and will allow the autoclaves to continue to operate through the remaining life of the mine. As a result, Goldstrike expects to be able to process stockpiled carbonaceous material earlier than anticipated and increase its capacity to process ore transported to Goldstrike from other properties.

Dewatering of the Betze Pit is accomplished through the use of perimeter wells located peripheral to the pit area, in-pit wells, horizontal drains installed for passive dewatering of pit walls, and water collection sumps installed in the bottom of the pit. Dewatering activities are conducted in compliance with its approved water appropriations issued by the Nevada State Engineer's Office.

Groundwater pumping for dewatering at the Goldstrike property is primarily from the carbonate rock aquifer, with very small amounts of pumping from shallower siltstones and unconsolidated basin fill deposits.

Water is conveyed by pipelines to various use areas such as mining and milling at the Goldstrike property, delivered to Barrick's Meikle mine, or delivered to Newmont for mining and milling use. Water that is not used for mining or milling purposes is delivered to the 72-inch-diameter gravity flow pipeline to the TS Ranch Reservoir. Barrick is authorized by a discharge permit issued by the Nevada Division of Environmental Protection to discharge water produced by its groundwater pumping operations to groundwaters of the state via percolation, infiltration, and irrigation.

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 has installed air pollution control devices on its facilities consistent with and, in some cases, exceeding legal requirements. 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, including a stockpile cover at the roaster, reducing both the consumption of water and the carbon footprint. In 2011, 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 mine's operations are compliant with the requirements of the International Cyanide Management Code.

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $116 million (as described in Note 24 to the Consolidated Financial Statements). 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

In 2011, 5,644 meters were drilled in eight exploration holes. Two underground core holes tested for deep mineralization below Deep North Post, a new orebody in the Meikle zone. Four exploration holes were completed at each of Ren (a deep underground target north of the Banshee zone in the Meikle mine) and Dee (a target area north of Goldstrike near the Storm and Arturo deposits). There were no significant new discoveries in 2011 as a result of these exploration efforts on the Goldstrike property.

For 2012, Goldstrike has proposed a $5.75 million budget to test three target areas with five deep drill holes. The three target areas are Deep Betze (one hole to test for mineralization proximal to feeder structures in untested potentially favorable Pogonip limestone hose rock deep below the current Goldstrike pit); North Leeville (one hole to test projected northern extension of the Leeville-Turf Trend for high-grade underground mineralization near the planned TD#3 area on the east side of the property); and Ren (three holes to test target areas at Ren similar to the JB zone which contains a 1.6 million ounce underground resource approximately 1.5 kilometers north of current underground workings). The plan is to complete these programs in the first half of 2012 with follow-up on any successful programs in the second half of the year.

At Goldstrike, several historic exploration target areas have been transferred to a specialized technical services group known as "Minex Projects". Projects in this group are budgeted and implemented through the surface and underground mine geologists. Exploration geologists share all geological understanding, data and target concepts with Minex geologists. Exploration drill supervisors and geo-technicians provide supervision and assistance for drilling logistics, sample submittals and core shed activities in support of Minex Projects. The Goldstrike exploration team continues to compile, update and evaluate all geological, geophysicial and geochemical data on the Goldstrike, Ren, Dee and Rossi properties in search of new ore bodies.

Drill samples collected for use in 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 staff geologists prior to entry into the mine-wide database. Substantially all assaying of drill samples is done on 1.5 meter intervals using the fire assay method.

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

Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Royalties and Taxes

Most of the property comprising the 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 5% net smelter return and a 6% net profits interest. The maximum royalties payable on the Meikle deposit are a 4% net smelter return and a 5% net profits interest.

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.

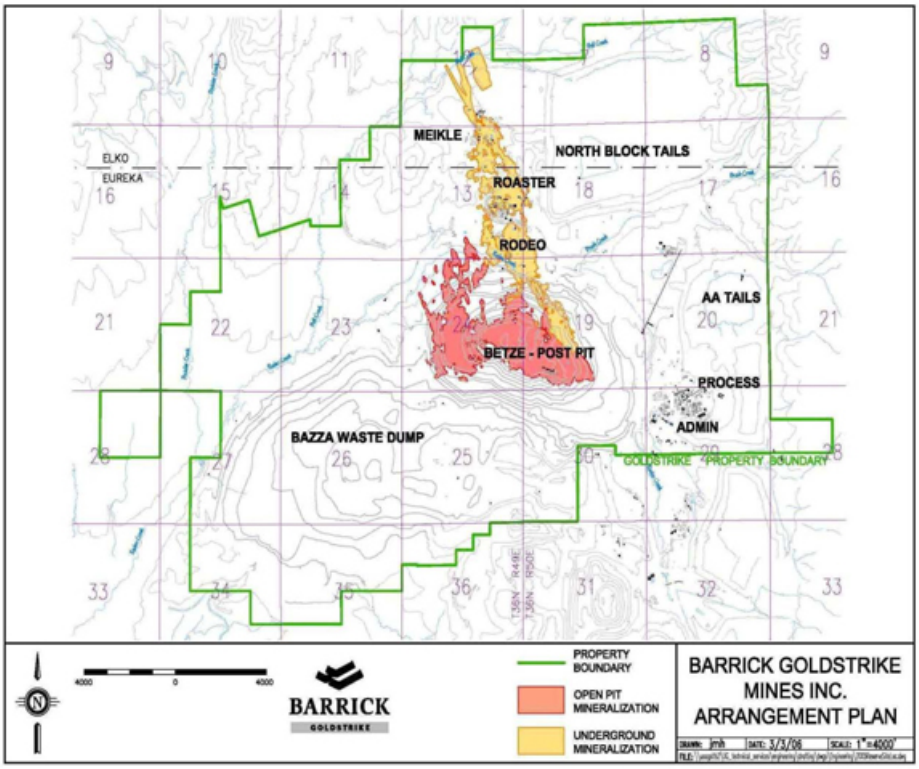
Production Information

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

	Year ended December 31, 2011	Year ended December 31, 2010[1]
Tons mined (000's)	119,523	123,681
Tons of ore processed (000's)	7,798	7,993
Average grade processed (ounces per ton)	0.166	0.187
Recovery rate (%)	84.1%	83.0%
Ounces of gold produced (000's)	1,088	1,239
Average total cash costs per ounce [2]	$ 511	$ 475

(1) Effective Q1 2010, the Storm mine has been consolidated with Goldstrike for reporting purposes.
(2) For an explanation of total cash costs per ounce, refer to "Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound".

The map below shows the design and layout of the Goldstrike property.



Cortez Property

General Information

The Cortez mine is located 100 kilometers southwest of Elko, Nevada in Lander County and currently employs approximately 1,100 people. The Pipeline property is 11 kilometers northwest and the Cortez Hills property 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 Pipeline site is 1,600 meters and about 1,850 meters at the Cortez Hills site. Vegetation is dominated by grass and shrubs.

In 1964, a 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 1991, the Pipeline and South Pipeline deposits were discovered, with development approval received in 1996. In 1998, the Cortez Pediment was discovered with the Cortez Hills discovery announced in April 2003. The Cortez Hills development was approved by Placer Dome and Kennecott in September 2005 and confirmed by Barrick in 2006. The Cortez property encompasses an area of interest of about 100,561 hectares. The property rights controlled by Cortez, either from outright ownership or by lease, consist of 78,890 hectares of unpatented mining claims held subject to the paramount title of the United States of America and 21,671 hectares of patented mining claims and fee mineral and surface land, owned or controlled through various patents issued by the United States of America. All mining claims are renewed on an annual basis and all necessary fees are paid prior to August 31 of each year. All mining leases and subleases are reviewed on a monthly basis and all payments and commitments are paid as required by the specific agreements.

Geology

The Cortez 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 Pipeline Complex, Gold Acres, Cortez Hills Complex and Horse Canyon areas are the key projects that are part of the Cortez property. Principal lithologic units identified within the Pipeline Complex and the Cortez Hills Complex deposit areas include early-Silurian to late-Devonian-aged carbonate rocks. The Silurian Roberts Mountains Formation is characterized by thin-bedded, planar-laminated, dark gray to black carbonate-dominated sediments and turbidites. The Devonian package is comprised of Wenban Limestone, characterized by thin- to thick-bedded planar to wispy laminated gray to black carbonate sediments, turbidites and debris flow, and Horse Canyon Formation is characterized by thin, rhythmically bedded, planar-laminated gray calcareous siltstone, mudstone, and chert.

Stage 9 of the Pipeline deposit is hosted by the middle to lower portions of the Devonian Wenban Limestone and the upper portion of the Silurian Roberts Mountains Formation. The Cortez Hills deposit 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. Exploration to fully delineate the extent of the deposit is ongoing.

Mining and Processing

Deposits within the Pipeline Complex are being mined by conventional open pit methods. The first eight stages of mining occurred in the Pipeline deposit over a period of 12 years (1996 – 2007). Mining at the Cortez Hills Complex is scheduled through 2018 at the open pit and 2025 at the underground. Conventional open pit methods will be employed for all six phases of the Cortez Hills deposit with underhand cut and fill being the method for the underground operation. Mining production rates (open pit and underground combined) for all mining activity at Cortez will average about 130 million tonnes.

Three different metallurgical processes are employed for the recovery of gold; run-of-mine heap leach, conventional mill (CIL) and refractory roaster and/or autoclave. The process used for a particular ore is determined based on the grade and metallurgical character of that ore. Lower grade run-of-mine oxide ore is heap leached on existing facilities, while higher-grade non-refractory ore is treated in a conventional mill (nominal 9,100 tonnes per day) using cyanidation and a CIL process. Refractory ore is stockpiled on site in designated areas and trucked to Goldstrike for processing.

Water for process use at the Pipeline Complex is supplied from the open pit dewatering system. Electric power at the Pipeline and Cortez Hills Complexes is purchased in the open market and supplied through a 73 kilometer transmission line.

All material permits and rights to conduct operations at the Pipeline Complex and Cortez Hills Complex have been obtained and are in good standing.

In 2011, Cortez produced 1,421 thousand ounces of gold at average total cash costs of $245 per ounce sold compared to 1,141 thousand ounces of gold in 2010 at cash costs of $244 per ounce. Based on existing reserves and production capacity, the expected remaining mine life is approximately 14 years for underground mining, 13 years for open pit mining and 14 years for processing operations. The reduction in the expected remaining life of processing operations to 14 years (2010: 17 years) is largely a result of the extension of the operating life of the Goldstrike autoclaves, resulting in increased trucking of ore to Barrick's Goldstrike property for processing and earlier processing of those ounces. Higher trucking assumptions and higher mill throughput assumptions for future periods also contributed to the decrease in the remaining life of processing operations at Cortez.

Environment

The mine's dewatering operations have been enhanced with the addition of several new rapid infiltration sites. Current dewatering operations focus on bedrock water production. A portion of the dewatering water is utilized for mining and milling and a portion is utilized at a local ranch on a seasonal basis for irrigation purposes. 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. Cortez's heap leaching process, for example, operates entirely as a closed circuit with no discharge 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 2011, all activities at Cortez were, and have continued to be, in compliance in all material respects with applicable corporate standards and environmental regulations.

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was

approximately $62 million (as described in Note 24 to the Consolidated Financial Statements). 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

In 2011, approximately 90,227 meters in 228 exploration holes was drilled. Spacing ranged from nominal 100 meters for earlier stage projects to 30 meter spacing for reserve delineation programs. Drilling in the Cortez Hills area is conducted as underground platforms are developed. Mineralization remains open at depth to the south and west. Other areas that were drilled in 2011 include the Hill Top, Buckhorn and South Cortez Basin areas.

A total of 14,600 meters of drilling is planned for the Cortez Hill area to define the ultimate limits of the mineral system as well as to move areas of the known resource to measured and indicated resources.

Approximately 16,334 drill holes have been drilled at the Cortez property; however, the existing database does not include all historic drilling or competitor drill holes. Mud-rotary drills have been used to drill relatively thick sections of alluvium over the Crossroads deposit or in areas being condemned for waste dump and processing facilities. Core tools were used to complete the bedrock sections of these holes. Reverse circulation drilling is currently used during the initial phases of exploration and reverse circulation holes encountering mineralization are redrilled with core holes to produce sampling in mineralization that is the highest quality. Core drilling is typically undertaken as development drilling.

Collar surveys have been determined by optical surveys (1960s through late 1980s), field estimates, Brunton compass and pacing, compass-and-string distance, and most recently the use of laser survey or global positioning system (GPS) measurements. Down-hole surveying began with the first reverse circulation hole drilled on the Pipeline deposit in 1991. Significant deviations were shown; therefore, down-hole surveying was routinely undertaken from that time on. Significant work was carried out to determine the accuracy of the instruments of each drill or survey contractor.

Drill holes typically have a vertical orientation. Angle core holes were drilled at Cortez Hills to confirm the orientation of relatively high-grade gold-mineralized zones and to obtain geotechnical information for the planned Cortez Hills pit. Several angle core holes were drilled at NW Deep, Pipeline and South Pipeline to provide geotechnical data and further delineate areas of mineralization. Assay data used for modeling and mineral resource estimation are predominantly from core drill samples and the remainder from reverse circulation drill samples. The Pipeline Complex is drilled on 43 meter centres and the Cortez Hills Complex on 30 meter centres.

Underground ore is delineated by nominal 15 meter spaced core holes with additional in-fill reverse circulation drilling as required to define ore boundaries. Industry standard best practice is applicable for logging and sampling. Both reverse circulation and core drilling is used to delineate mineralization. The main mineralized bodies of the deposit are drilled almost exclusively with core holes. Geologic models are developed based on the drill hole database.

Internal audits and outside audits from independent contractors have reviewed the sampling and analytical protocol of the drill samples from the deposit areas, including collection through final analysis and the quality control programs meet industry standards. All analytical data is verified by the Cortez technical staff prior to use in resource estimation.

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

Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Royalties and Taxes

All production by Pipeline is subject to a 1.4% gross smelter return royalty payable to the former shareholders of Idaho Mining Corporation. In addition, Royal Gold Inc. holds a gross smelter return royalty over a portion of the Pipeline Complex (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 Complex.

All other production by Cortez, including Cortez Hills, is subject to a 1.5% gross smelter return royalty payable to the former shareholders of Idaho Mining Corporation.

In addition, there is a royalty payable to Kennecott Explorations (Australia) Ltd., a subsidiary of Rio Tinto plc (graduating from 0% to 3%, depending on the gold price, of the gross value of gold delivered, minus certain deductions for pre-existing royalties) that would cover 40% of production from Cortez, but only after the total amount of gold delivered to Barrick from Cortez after January 1, 2008 exceeds 15 million ounces.

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.

Production Information

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

	Year ended December 31, 2011	Year ended December 31, 2010
Tons mined (000's)	119,021	121,913
Tons of ore processed (000's)	11,502	4,860
Average grade processed (ounces per ton)	0.136	0.252
Ounces of gold produced (000's)	1,421	1,141
Average total cash costs per ounce (1)	$ 245	$ 244

(1) For an explanation of total cash costs per ounce, refer to "Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound".

The diagram on the following page shows the design and layout of the Cortez mine.

Lagunas Norte Mine

General Information

The Lagunas Norte mine is an open pit, heap leaching operation. The mine is located 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., the State mining company, constructed a camp to re-evaluate the previous coal 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.

In 2002, Barrick acquired the three primary mining concessions, named "Derechos Especiales del Estado No. 1, 2 and 3", respectively, from Centromin pursuant to an international bid process. In 2004, these three concessions were consolidated into a single mining concession called "Acumulación Alto Chicama" with an extension of 18,002 hectares, within which the existing open pit and process plant are located. Three additional mining concessions named "Los Angeles", "Lagunas 15" and "Lagunas 16" were subsequently acquired directly by Barrick. The Alto Chicama mining property encompasses the above mentioned four mining concessions totaling 19,774 hectares. The mining rights have an expiry date if production is not commenced within certain timeframes. Additionally, to keep the mining rights in good standing, rights holders are required to pay annual land fees (currently $3.00 per hectare) and additional penalty payments during any period the properties are not in production. Currently, production activities are being carried out on the Acumulación Alto Chicama. The necessary permits to provide sufficient surface rights have been obtained for current operations at the property.

Peruvian authority approval of both the mine's Environmental Impact Assessment ("EIA") 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 with respect to mine production start-up. Total capital construction cost for the mine was $323 million. All material permits and rights to conduct the operation of the Lagunas Norte mine have been obtained and are in good standing. The mine has approximately 740 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 commenced January 1, 2006.

In February 2010, Barrick filed an amendment to the EIA which proposed certain modifications to some of the mine facilities at the Lagunas Norte mine. This EIA amendment was duly approved by the environmental mining authority on August 6, 2010. Barrick is currently carrying out construction of new leach pad areas (Phases 4C and 5) and new operational ponds. Barrick currently expects to complete all of this construction activity by 2013.

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 width and up to 300 meters depth.

Mining and Processing

The orebody is being mined as an open pit, truck-and-shovel operation, at an average mining rate of 99,000 tons per day. Ore is crushed and then transported via truck to the leach pad and run-of-mine ore is transported directly to the leach pad at an average rate of 63,000 tonnes per day. 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 kilovolt line connected to the Trujillo Norte substation, located in the coastal city of Trujillo, approximately 95 kilometers from the mine. The East waste dump and leach pad facilities are contained within one valley, limiting potential environmental impacts. Water for process use is taken from two small lagoons fed by rain-captured water pursuant to authorizations granted by the water authority. 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 extends until 2022.

In 2011, mining activity at the Lagunas Norte mine focused on Phase 3 (located at the southern part of the orebody), Phase 4 (located at the eastern part of the orebody) which is a high grade area of the mine site and Phase 5 (located at the west side of the orebody). Phase 4 mining was accelerated during 2011. The 2012 mine plan includes mining activity in Phases 4, 5 and 6 (Phases in which there are new high grade areas) and Phase 9 (located close to the Vizcachas Area).

Environment

Lagunas Norte's operating facilities were designed to mitigate environmental impacts. The operations have processes, procedures or facilities in place to manage hazardous substances potentially harmful to the environment. Lagunas Norte's heap leaching process, for example, operates entirely as a closed circuit with no discharge to the environment. In order to prevent and control spills and protect water quality, the site uses multiple levels of spill containment, infrastructure and procedures as well as field controls like daily inspections and water and air monitoring. The site also has many programs to reuse and conserve water in all its processes. In order to mitigate the impact generated by dust, the site uses several different dust suppression techniques. In 2011, all activities at Lagunas Norte were in material compliance and continue to be with respect to applicable corporate standards and environmental regulations.

In 2011, Lagunas Norte maintained the International Cyanide Code Management recertification and its ISO 14001 certification. An updated closure plan was presented to the Peruvian Ministry of Energy and Mines and approved on November 15, 2011. At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $112 million (as described in Note 24 to the Consolidated Financial Statements). See "Environment and Closure".

Exploration, Drilling and Analysis

In 2011, approximately 7,780 meters in 68 holes were drilled. Spacing ranged from 50 to 100 meters. The objectives of the 2011 drilling program were to complete in-fill reverse circulation to confirm mineralization continuity and increase geological information as part of ongoing definition. Additional in-fill reverse circulation drilling will be completed during 2012 to complete the infill drilling program.

In addition, approximately 2,060 meters in 13 holes were drilled in 2011 for the Lagunas Norte Sulphides Project (7 geotechnical holes and 6 geometallurgical holes). The objective of the geotechnical drilling was to obtain geo-structural information to further develop the design of the pit slope for the project, and the geometallurgical drilling was intended to strengthen the geometallurgical model for refractory materials. A prefeasibility study is anticipated to be completed by year-end 2012. This expansion opportunity has the potential to benefit life of mine production starting as early as 2017. See “Exploration and Evaluations – Expansion of Existing Operations.”

As of December 31, 2011, a total of 1,480 holes and 226,478 meters have been drilled at Lagunas Norte with approximately 51,600 meters of reverse circulation and over 174,876 meters of diamond drill. The drilling program at Lagunas Norte has been completed at an average of approximately 50 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 and down hole Maxibor II surveys and Gyrosmart surveys conducted on the holes of the 2008 and 2009 drilling campaigns respectively, with data collected approximately every 3 meters. Down hole Deviflex surveys and ReflexGyro surveys conducted on the holes of the 2010 and 2011 drilling campaigns respectively, with data collected approximately every 3 meters. Core is placed in metal trays at the drill site and transported to the core facility. Geological logs of all core and rock chips 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 172,537 samples have been taken during these drill programs. The average sample length is 1.5 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. During 2011, the preparation and analysis of samples were performed in an external laboratory. Quality assurance, data verification and quality control procedures are reviewed by Barrick’s Technical Services Department who have been responsible for the insertion of standards, duplicates and check assay controls which have been employed since early exploration at the Lagunas Norte mine site.

Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Royalties and Taxes

Under the terms of the agreement with Centromin, Barrick paid Centromin an advance contractual royalty of $2 million, which was credited against Centromin’s retained net smelter royalty of 2.51% in 2005. In December 2006, Centromin transferred all of its rights and obligations (including the foregoing royalty) with respect to the mine to Activos Mineros S.A.C, a State mining company (“Activos”). In 2011, $31.4 million was paid to Activos under the terms of this royalty.

Under the terms of the Legal Stability Agreement which includes tax stability, Barrick is required to pay national and municipal taxes in effect at December 29, 2004 as well as 32% income tax rate instead of the 30% general rate.

On October 20, 2011, Barrick signed an agreement with the Peruvian Government under which it voluntarily committed to pay on a quarterly basis the Special Mining Contribution ("SMC") approved by Law No 29790 until the expiration of the Legal Stability Agreement. The SMC is assessed on a sliding scale ranging from 4% to 13.12% based on operating income margin, and must be paid until December 31, 2020. The SMC paid for the last quarter of 2011 was $21.6 million.

Financing

Minera Barrick Misquichilca S.A. ("MBM"), a wholly-owned subsidiary of Barrick, has established a number of capital lease programs with certain financial institutions to partially finance the construction of certain assets at Lagunas Norte. At December 31, 2011, the aggregate amount outstanding under these capital lease programs was $94.9 million. The effective interest rate in 2011 for the aggregate capital leases was LIBOR plus 2.2%.

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. As at December 31, 2011, MBM has issued $100 million aggregate principal amount of bonds. MBM used all the proceeds from the bond issuance for mine development and general corporate purposes. The effective interest rate in 2011 for the first bond issuance of $50 million was LIBOR plus 1.7% and the effective interest rate in 2011 for the second bond issuance of $50 million was LIBOR plus 1.5%.

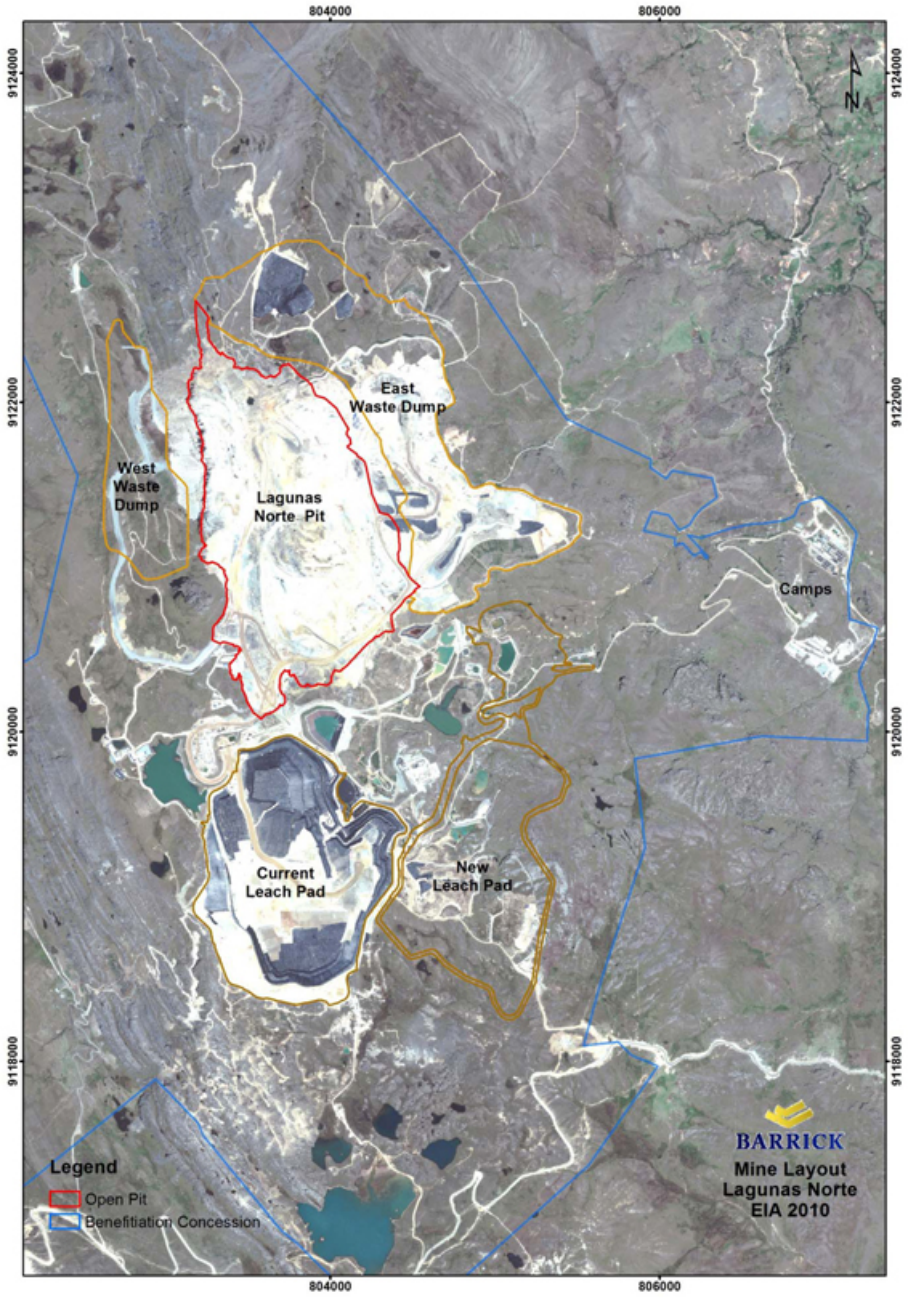
Production Information

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

	Year ended December 31, 2011	Year ended December 31, 2010
Tons mined (000's)	30,898	29,376
Tons of ore processed (000's)	21,334	22,052
Average grade processed (ounces per ton)	0.043	0.039
Ounces of gold produced (000's)	763	808
Average total cash costs per ounce [(1)]	$ 269	$ 182

(1) For an explanation of total cash costs per ounce, refer to "Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound".

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


804000
806000
9124000
9122000
9120000
9118000
N
East
Waste Dump
West
Waste
Dump
Lagunas
Norte Pit
Camps
Current
Leach Pad
New
Leach Pad
BARRICK
Mine Layout
Lagunas Norte
EIA 2010
Legend
Open Pit
Benefitiation Concession

Veladero Mine

General Information

The Veladero mine is an open pit mine using heap leaching. The Veladero mine includes the mining of gold and silver from two original open pits: the Filo Federico pit and the Amable pit. Waste stripping at a third open pit, called Argenta, commenced in 2010. The Argenta pit is located in the south east sector of the leach field in the mining operation. For processing, the new pit currently uses a mobile crushing system and a new waste dump nearby. The rest of the processing is carried out at the mine's current facilities. No additional water is required for the Argenta pit.

Following a competitive bidding process completed by the Provincial Mining Exploration and Exploitation Institute ("IPEEM") in 1994, AGC, a Canadian exploration company, was awarded exploration rights to Veladero. AGC then entered into a joint venture agreement with Lac Minerals Ltd. ("Lac Minerals"), which was acquired by Barrick a short time later. In 1995 AGC assigned its interest to its subsidiary in Argentina, Minera Argentina Gold S.A. ("MAGSA"), and from 1996 through 1998 the MAGSA/Barrick joint venture successfully explored Veladero. In early 1999, Homestake acquired AGC. The December 2001 merger of Homestake and Barrick resulted in Barrick gaining 100% indirect control of Veladero through MAGSA and Barrick Exploraciones Argentina S.A. ("BEASA").

Full construction of the Veladero 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 Barrick's Pascua-Lama project, approximately 360 kilometers by road northwest of the city of San Juan. The mine site is located at elevations of between 3,900 and 4,800 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 mine's operating plan. Access to the property is via a combination of public highways and an upgraded private gravel road.

From 2009, after the signature in July 2003 of Addendum N° 3 to the Exploitation Contract between IPEEM and MAGSA, now a subsidiary of Barrick in Argentina, the Veladero mine comprises the following mining properties: (i) the Veladero mining group, consisting of eight mining concessions owned by IPEEM and operated MAGSA pursuant to applicable provincial law and the Exploitation Contract, and (ii) the Filo Norte mining group, consisting of five mining concessions owned by MAGSA, which are: a) Ursulina Sur; b) Florencia 1; c) Gaby M; d) Río 2 and e) Río 3. With the execution of Addendum N° 3, the Veladero mining properties cover an area of approximately 14,900 hectares.

Pursuant to the Argentina Mining Code, mining concessions do not have an expiry date, however, to keep them in good standing concession holders are required to pay certain annual fees and meet minimum capital investment requirements. As of December 31, 2011, the Veladero mine has complied with these requirements with respect to its current mining properties.

Sufficient surface rights have been obtained for current operation at the property. Barrick has an undivided 90% interest in "Campo 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, which is also owned by Barrick. The Argenta pit is also located at the Campo Las Taguas.

The Veladero mine received environmental impact study ("EIS") approval in November 2003 from the Mining Authority of the San Juan Province. This study has since been updated in each of 2005, 2007, 2009 and 2011. Additional permits required for the mine's current operation, such as water concessions and hazardous substances handling, have been obtained, and some are in the process of being renewed. Barrick expects to obtain such renewals in due course. The fourth update of the EIS, which incorporates an expansion of the mineral leaching system of the mine was submitted in September 2011 and is under evaluation by the Provincial authority. Other sectorial permits associated with the mine's expansion, such as expansion of leach pad areas, among others, have been filed before the competent authorities and Barrick expects to obtain them in due course.

Barrick implemented a comprehensive recruitment and training program for personnel required for the operation prioritizing the local labor market. As at December 31, 2011, the mine had 1,222 employees.

Geology

The Veladero deposit is situated at the north end of El Indio Gold Belt, a 120 kilometer by 25 kilometer north-trending corridor of Permian to late Miocene volcanic and intrusive rocks.

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 by 400 meter to 700 meter wide tabular blanket localized between the 4,000 and 4,350 meter elevations. The mineralized envelope encompassing greater than 0.4 grams per tonne 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 sulphide mineralization is negligible. Principal controls on gold mineralization are structures, brecciation, alteration, host rocks, and elevation.

The Veladero deposit comprises four orebodies: Amable in the south; Cuatro Esquinas in the center; Filo Federico in the north and Argenta. Much of the Veladero deposit is covered by up to 170 meters of overburden.

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

The Argenta orebody is located approximately 7 kilometers south east of the leach pad. The genesis of the geology for Argenta is similar to the other Veladero orebodies. The lithology comprises a series of breccias and tuffs with an intensive silicification process, which overprints the primary texture. Gold is associated to silver and vuggy silica hosts most of the mineralization.

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. Current crushing capacity at the Veladero mine is 93,696 tons per day. Veladero self

generates electric power using a diesel power plant (permanently-installed diesel-generator sets) with a 9.5 megawatt capacity in Veladero I and 3.8 megawatt capacity in Veladero II; adding a further 6.8 megawatt capacity (PLS and Booster pumps project) in Veladero III, and a 2-megawatt wind-generation turbine. Based on existing reserves and production capacity, the expected mine life is approximately 14 years (2012-2025).

In April 2011, the Argentinean government implemented import controls on a greater number of goods. Delays associated with these import controls have the potential to affect certain aspects of Veladero's operations, such as maintenance and new construction, that are dependent on imported goods. Barrick will continue to evaluate the impact of these measures in 2012.

In October 2011, the Argentinean government issued Decree 1722, which requires crude oil, natural gas, and mining companies to repatriate and convert all foreign currency revenues resulting from export transactions into Argentine pesos. A bank transaction tax of 0.6% will apply to the subsequent conversion of pesos to foreign currencies in transactions that would otherwise have been executed using offshore funds. Barrick will continue to evaluate the impact of Decree 1722 on Veladero in 2012.

Environment

In November 2005, Barrick submitted the first biannual update of the Veladero EIS to the San Juan mining authority. Biannual updates were approved in April 2007, March 2009 and October 2010. In September 2011, the fourth biannual update of the Veladero EIS was submitted to the San Juan mining authority. This update outlines the environmental management results for the 2009 to 2010 period, updates glacier-related information and assesses an expansion of the leach pad facility. This document is currently under review and Barrick expects to obtain its approval in due course.

Veladero's operating facilities have been designed to minimize and 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. Veladero's heap leaching process, for example, operates entirely as a closed circuit with no discharge 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 2011, all activities at Veladero continued to be in compliance in all material respects with applicable corporate standards and environmental regulations.

In August 2007, Barrick obtained ISO 14001 certification for the entire Veladero operation, and in November 2007, the Veladero operation obtained International Cyanide Management Code certification. In 2011, Veladero was recertified under both ISO 14001 and the International Cyanide Management Code.

Argentina recently passed a federal glacier protection law that restricts mining in areas on or near the nation's glaciers. Barrick's activities at Veladero do not take place on glaciers, and are undertaken pursuant to existing environmental approvals issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around the project. Barrick has implemented a comprehensive range of measures to protect such areas and resources. Further, the Company believes that the new federal law is unconstitutional, as it seeks to legislate matters that are within the constitutional domain of the provinces. The Province of San Juan, where Barrick's operations are located, previously enacted glacier protection legislation with which Barrick complies. The Company believes it is legally entitled to continue its current activities on the basis of existing approvals. In this regard, the Federal Court in San Juan has

granted injunctions, based on the unconstitutionality of the federal law, suspending its application in the Province and in particular to Veladero, pending consideration of the constitutionality of the law by the Supreme Court of Argentina. See also “Legal Matters – Legal Proceedings – Argentina Glacier Legislation”.

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $43 million (as described in Note 24 to the Consolidated Financial Statements). See “Environment and Closure”.

Exploration, Drilling and Analysis

During 2011, 22 reverse circulation drill holes were performed reaching a total of 7,107 meters in the Federico area in order to increase reserves and resources, and provide upgraded information for the block model. For the Argenta pit, a total of 1,086 meters of reverse circulation drilling comprising 3 drill holes was conducted in 2011. The objective of the program was to increase reserves and resources. No drilling has been performed in the Amable Pit during 2011.

The 2011 exploration plan included a testing drilling program outside the final pit limit boundary but within the authorized mine property. This program comprised three reverse circulation drill holes in the Lebory area totalling 1,143 meters and two diamond drill holes in the Fabiana area totalling 867 meters.

At December 31, 2011, the Veladero drilling database (including Argenta) comprises 288,563 meters of reverse circulation drill holes and 49,469 meters of diamond core drill holes and a total of 3,975 meters of channel samples from declines. Drill spacing within mineralized zones varies from 30 meters to 100 meters, and averages approximately 35 meters in the main pit.

Sampling has been done with reverse circulation and core drill holes. Reverse circulation samples were collected on 1 meter intervals.

Rock chip samples are delivered by mine personnel to the ACME Analytical Laboratories sample preparation facility at the mine, where the lab assumes sample custody. Veladero’s standard assay protocol for 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, data verification and quality control procedures meet or exceed industry standards.

Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Royalties and Taxes

Pursuant to federal legislation which implemented law 24.196 in May 1993, and Provincial legislation adhering to the same, operating mines are required to pay to the Provincial government a royalty of up to 3% (“Boca Mina”) for minerals extracted from Argentinean soil. This “Boca Mina” is defined as the sales value of the extracted minerals less certain permitted expenses. In addition to the above-mentioned royalty, under the terms of the Exploitation Contract between Barrick and IPEEM, a 0.75% “Boca Mina” royalty is payable to IPEEM for the metals produced from the Veladero property, including future production from the Argenta deposit.

Finally, and only for the Argenta deposit, an additional royalty equivalent to1.5% on sales calculated on estimated life-of-pit production and a gold price of $1,500 per ounce was levied in the first quarter of 2012, payable to a Provincial development trust fund under the terms of the approved EIS.

In June 2011, the Provincial government and mining companies operating in San Jan Province, including Barrick, signed a responsible mining agreement under which the mining companies agreed not to deduct certain expenses when calculating their 3% Provincial royalty if the price of gold exceeds $1,000 per ounce. In October 2011, Barrick and IPEEM agreed to modify the calculation of the 0.75% royalty payable to the IPEEM under the Exploitation Contract using the same criteria, thus effectively changing the royalty calculation to 0.75% of gross sales of doré.

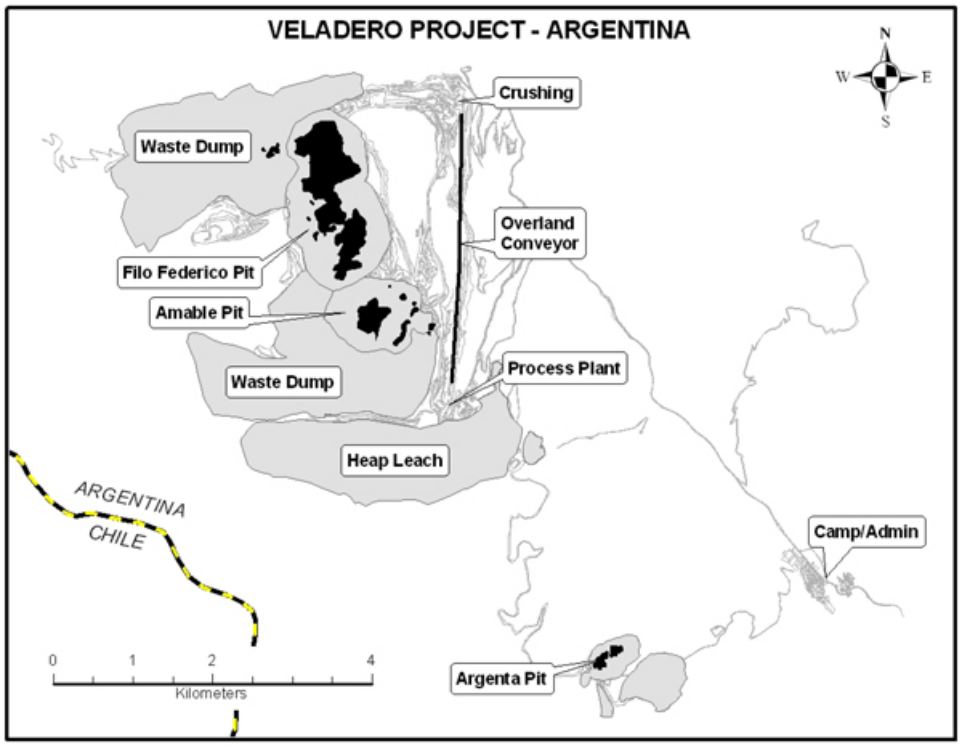
Production Information

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

	Year ended December 31, 2011	Year ended December 31, 2010
Tons mined (000’s)	97,138	79,995
Tons of ore processed (000’s)	34,937	33,837
Average grade processed (ounces per ton)	0.037	0.044
Ounces of gold produced (000’s)	957	1,121
Average total cash costs per ounce [1]	$ 353	$ 197

(1) For an explanation of total cash costs per ounce, refer to “Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound”.

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



Zaldívar Mine

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 196 kilometers southeast of the port city of Antofagasta. The site is accessible by highway from the port of Antofagasta. The Antofagasta-Salta railway also services the site. Zaldívar employs approximately 800 employees and 1,250 contractors.

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 3,200 meters above mean sea level. There is little or no vegetation. The property is within a 1,295-hectare claim area covered by 248 exploitation concessions. Exploitation concessions are registered in the Conservador de Minas (Mining Property Registrar) and Sernageomin (National Service of Geology and Mines). The necessary permits to provide sufficient surface rights have been obtained for current operations at the property. The mining and surface rights have no expiry date as long as the applicable annual land payments are made. Environmental permits are issued and registered with the Conama (National Environmental Commission). Barrick has all material permits and rights necessary to conduct the operation of the Zaldívar mine.

In 1979, the initial declaration or statement of discovery (*manifestación 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. Barrick acquired Zaldívar in connection with its acquisition of Placer Dome in March 2006. Based on existing reserves and production capacity, the expected mine life is approximately 17 years.

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 orebody 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 orebody contains both sulphide and oxide copper mineralization. The majority of the copper occurs in a blanket of oxide (covering an area of approximately 2 kilometers by 1.5 kilometers with an average thickness of approximately 90 meters) and secondary sulphide ore (covering an area of approximately 2.5 kilometers by 1.5 kilometers with variable thickness from a few meters in the southwest extremity to over 300 meters in the northeast extremity) 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 orebody, 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.

Mining and Processing

The open pit contemplates mining the remaining mineral reserves in six stages, referred to as Stage 6 through to Stage 11. During 2011, ore production came from Stage 8 and 10 of the Main zone. Conventional methods of open pit mining are used. During 2011, Zaldívar focused on improving operational efficiencies and reliability of key process crushing productivity. For 2012, ore production is expected to come from Stage 10.

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 treated ores by more than 20% in the last eight years and leach cycle times are currently approximately 365 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 the 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.

Environment

Zaldívar operates in an environmentally responsible manner to mitigate environmental impacts. Zaldívar's heap leaching process, for example, 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.

On February 8, 2010, Zaldívar obtained approval from the Regional Environmental Commission of a modification to its environmental permit to reflect current production and processing rates and several operational changes. On December 9, 2010, Zaldívar obtained its operational permits from the National Service of Geology and Mines and expects to obtain other associated sectorial permits in due course.

Zaldívar's ISO 14001 certification was renewed in December 2009 for a three-year term. At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $54 million (as described in Note 24 to the Consolidated Financial Statements). See "Environment and Closure".

Exploration, Drilling and Analysis

The Zaldívar orebody has been extensively drilled. Reverse circulation drilling has been done in order to develop a geological model. Exploration drill holes are sampled at 2 meter intervals comprising whole core sampling. All holes are logged for lithology, alteration, mineralization and structure. In 2011, 66 reverse circulation holes were drilled for 19,392 meters. The plan for 2012 is to drill 59 reverse circulation holes totaling 17,890 meters.

Sampling and analysis of diamond and reverse circulation drill holes and blast holes comply with industry standards. Blank sample protocols are used in the normal row of samples sent to the Zaldívar

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. All of these reviews concluded that Zaldívar's quality assurance, data verification and quality control procedures meet or exceed industry standards.

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.

A scoping study has been completed on the Zaldívar deep sulfides and is under review. A prefeasibility study is expected by year end 2012 pending satisfactory review of the scoping study. Although this project is in the early stages, this expansion opportunity has the potential to benefit life of mine production starting as early as 2017 and significantly extend the mine life. See "Exploration and Evaluations – Expansion of Existing Operations."

Royalties and Taxes

The Zaldívar mine is not subject to any royalties.

In 2005, the Chilean Congress passed a mining sector specific tax of 5% on operating profits derived from the sale of mineral products. Companies protected from income tax increases under Chile's DL 600 foreign investment law, which was the case for CMZ, 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 tax, or renounce their status under the existing DL 600 regime, before November 30, 2005, and face a reduced 4% tax in return for a 12 year mining tax invariability clause. The tax honours 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, CMZ opted out of its then current 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. Following the earthquake in Chile in the first quarter of 2010, the Chilean government presented a package of certain tax increases to the Chilean Congress for approval. With respect to corporate income taxes, a temporary first tier income tax increase from 17% to 20% in 2011, and 18.5% in 2012 was presented to and approved by the Chilean Congress. The income tax changes were enacted in the third quarter 2010. In 2013, the corporate income tax rate returns to 17%.

In addition, in October 2010, the Chilean government enacted legislation for a new specific mining tax. Under the new specific mining tax, for new projects, the applicable rates would change from 5% of operating margin after depreciation to a range of 5% - 14% based on the level of operating margin. For those companies currently operating under a stabilized regime such as CMZ (stabilized at 4% until approximately 2017), the law contemplates an option to voluntarily apply a rate of 4% - 9% for 2010-2012, and then return to the stabilized rate of 4% until the current stability period ends, and obtain an extension of the stability period at rates in the range of 5% - 14% for an additional 6 years. In January 2011, CMZ voluntarily adopted the new specific mining tax which, as noted above, impacted CMZ's tax rates for the 2010 and 2011 calendar years. The effective mining tax rate for CMZ was 6.6% and 5.6% for 2010 and 2011, respectively.

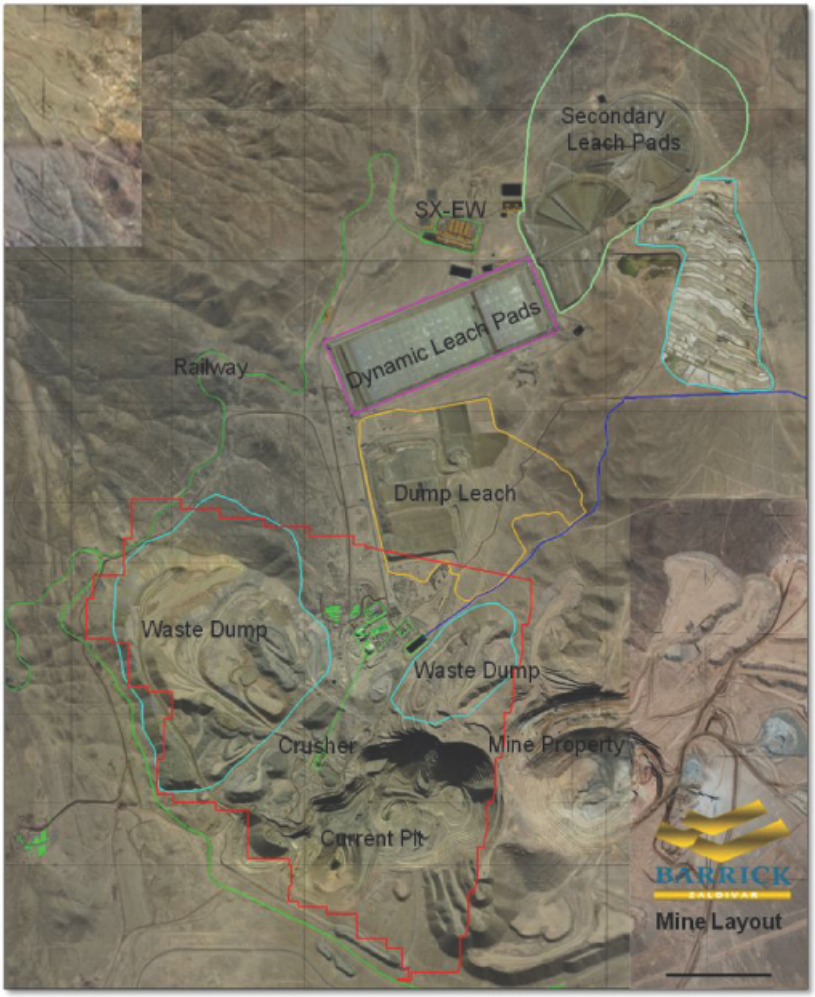
Production Information

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

	Year ended December 31, 2011	Year ended December 31, 2010
Tons mined (000's)	72,336	71,690
Tons of ore processed (000's)	48,973	44,751
Average grade processed (% of TCu)	0.52%	0.58%
Pounds of copper produced (000,000's)	292	318
Average total cash costs per pound [(1)]	$ 1.50	$ 1.07

(1) For an explanation of total cash costs per pound, refer to "Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound".

The diagram on the following page sets out the design and layout of the Zaldívar mine



Porgera Mine

General Information

Barrick (Niugini) Limited is the Manager of and holds a 95% participating interest in the Porgera Joint Venture ("PJV"), which owns and operates the Porgera Gold Mine at Porgera in the Enga Province of Papua New Guinea.

The Porgera mine is located in Enga Province in the highlands of Papua New Guinea (“PNG”), about 130 kilometers west of the established town of Mount Hagen, 600 kilometers northwest of Port Moresby, and about 680 kilometers by road from the coastal port of Lae from which all materials are shipped. The road is partly paved and passes through unstable mountainous terrain with many major river crossings. Personnel are transported by bus, fixed wing aircraft and helicopter. The workforce at Porgera comprises approximately 2,600 employees. In addition, there are approximately 500 contractors. Of the total employee workforce, 94% are PNG citizens (64% local employees and 30% from other parts of PNG).

The mine is located at an altitude of 2,200 to 2,700 meters. Temperatures range from 10 to 25 degrees Celsius and rainfall averages 3,650 millimeters per year. The vegetation is largely rainforest with interspersed food produce gardens below 2,400 meters elevation. Weather in the region can at times produce heavy rainfall and dense fog that can impact operations. The mine has mitigation plans in place, which include water handling facilities, to reduce the impact of these weather related events.

Alluvial gold was first reported at Porgera in 1938. In 1975, Placer Dome became the operator and owner of a 2/3 interest in an exploration venture with Mount Isa Mines Limited (now MIM Holdings Ltd.). In 1979, a joint venture agreement was signed whereby Placer Dome, MIM Holdings Ltd. and New Guinea Goldfields Ltd. (“Goldfields”, an eventual subsidiary of AurionGold) each held a one third interest in the PJV and the Independent State of Papua New Guinea (the “State”) had the right to acquire, at cost, up to a 10% interest in the PJV if Porgera was developed.

In 1989, a Special Mining Lease was approved, a mining development contract between the State and the PJV was executed, construction commenced and the State acquired a 10% interest, diluting each of the other joint venture participants down to 30%. Commercial production commenced in 1990. Also in 1989, MIM Holdings Ltd. sold its 30% interest to Highlands Gold Properties Ltd. (“Highlands Gold Properties”). In 1996, with effect from 1993, Placer (PNG) Limited, Goldfields and Highlands Gold Properties each sold a further 5% to the State. In 1997, Placer’s participating interest in the PJV was increased from 25% to 50% following its completion of the acquisition of Highlands Gold Properties. In 2002, Placer increased its interest in the PJV to 75% through the acquisition of AurionGold (the beneficial owner of the Goldfields interest). In 2002, DRDGOLD Limited acquired a 20% interest from Oil Search Limited (originally the interest held by the State). In 2005, Emperor Mines Ltd. (“Emperor”) acquired DRDGOLD Limited’s 20% interest. Barrick acquired Placer Dome in 2006. In 2007, Barrick acquired Emperor’s 20% share, increasing its ownership to 95%. The remaining 5% joint venture interest is held by Mineral Resources Enga Limited (“MRE”) and divided between the Enga Provincial government (2.5%) and local landowners (2.5%).

The PJV has approval to mine the Porgera deposit within the agreed development plan under the terms of the Porgera Mining Development Contract (the “MDC”) between the State and the Participating Interest Holders in the PJV. The Special Mining Lease (the “SML”), which expires in 2019 and is renewable, encompasses approximately 2,350 hectares including the mine area and the areas in which some of the project infrastructure is located. There is no expiration date for the MDC, but it is tied to the continuation of the SML. Leases for Mining Purposes (“LMP”) have also been awarded by the State for land use associated with the mining operation such as waste dumps, campsites and water supplies, the

LMPs expire in 2019. The PJV Participants also hold a Mining Lease for the operation of a limestone quarry for the supply of lime to the process plant. Permits are held for water use, including run-off from unconsolidated surfaces, such as the open pit, the underground mine and the waste dumps. The PJV Participants hold mining easements for utilities such as power transmission lines and water supply pipelines, all of which expire concurrent with the expiry of the SML. The necessary permits to provide sufficient surface rights have been obtained for current operations at the property.

Open pit mining is currently in Stages 5, 5B and 5C of a 5-stage open pit mining plan. Stage 4 was completed in 2006, after which Stage 5 and stockpile ore became the principal ore sources. During 2004, failure and erosion of soft mudstone material onto the Stage 5 working bench hampered both development and ore production. Remediation work continues on the West Wall to deal with slope instability. The South West Dyke failure mobilized in 2009 and remediation and mitigation processes are currently being put in place. Open pit operations are expected to cease in 2020. Underground mining was recommenced in 2002, and is expected to cease in 2020. The mill will continue to process accumulated lower grade ore stockpiles through to 2025.

Due to a number of economic and social issues, the Porgera mine has a greater level of political and economic risk compared to many of Barrick's other operations. From time to time, civil disturbances and criminal activities such as trespass, illegal mining, sabotage, particularly with respect to power, theft and vandalism have occasionally caused disruptions to operations and temporarily halted production at Porgera. The law and order situation in Papua New Guinea and, in particular, around the Porgera mine, presents a complex and challenging operating environment. The Company has undertaken additional steps since 2010 to ensure that its personnel, including mine security staff, respond appropriately to civil disturbances and criminal activities in accordance with the standards the Company has committed to uphold, including, without limitation, the Voluntary Principles (see also "Narrative Description of the Business – Corporate Social Responsibility".) Illegal mining, which involves trespass into the operating area of the mine, is both a security and safety issue at the Porgera mine. The illegal miners from time to time have clashed with mine security staff and law enforcement personnel who have attempted to move them away from the facilities. The presence of the illegal miners, given the nature of the mine's operations, creates a safety issue for both the illegal miners and Porgera employees and can cause disruptions to mine operations. Following a comprehensive review of the security function at PJV conducted in 2010 and continued in 2011, numerous improvements have been made in order to strengthen alignment with international human rights standards. For more information about Barrick's global human rights compliance program, see "Narrative Description of the Business – Corporate Social Responsibility."

In 2011, Barrick and the PJV undertook a series of actions and initiatives in response to complaints of violence against women at the Porgera mine. Amongst other actions, Barrick and the PJV are working with a range of partners to raise awareness of women's rights, build the capacity of community-based organizations and improve resources and services available to women affected by violence in the Porgera community. Barrick and the PJV are also in the process of developing an independent remediation program. Final details of the program will be confirmed in 2012 following the consultation phase of the project which is designed to ensure that the initiative meets international standards and is practical in the local context. Barrick has also supported the PJV in its efforts to improve the grievance mechanism so that community members have a safe and effective mechanism through which to lodge their concerns or complaints

The Porgera mine has, on occasion, experienced delays in the granting of operating permits and licenses necessary to conduct lawful operations. Although the Porgera mine has never experienced 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 are not granted, there is a risk that the Porgera mine may not be able to operate for a period of time. All material permits to conduct the operation of the Porgera mine have been obtained and are in good standing.

Geology

The Porgera gold deposit is spatially associated with a Pliocene (5.9 to 6.1 Ma) mafic alkalic intrusive complex (Porgera Intrusive Complex; PIC) intruded within a Late Carboniferous deep water mudstone sequence. The intrusions consist of small hornblende porphyritic gabbro plugs and, more mafic augite porphyritic gabbro, dominantly oriented north-east, steeply south-east dipping and north-west, steeply north-east dipping. The hornblende porphyritic gabbro intrusions present extensive phyllic alteration haloes within the host sediments. In contrast, the augite-porphyritic gabbro tends to present much less extensive phyllic alteration haloes.

The PIC cuts through several south dipping thrust faults and associated folds that are part of the New Guinea fold and thrust belt deformation event. A crustal scale, arc oblique, north-east trending transfer fault is the key regional scale control on the emplacement of the PIC. At the mine scale the transfer structure is expressed as north-east trending strike slip faults, which have a clear control on the distribution of individual intrusions.

Stage 1 of the mineralisation paragenesis is characterised by pyrite-sphalerite-carbonate veins, dominantly north east trending and concentrated directly above and in the top part of the intrusions. Stage 1 veins are generally low grade and account for a minor part of the Porgera gold endowment. These veins have mineralogical and geochemical affinity with the D-veins typically documented in porphyry systems. They also have similar spatial distribution and have associated phyllic alteration selvedges. The presence of carbonate in the vein selvedge and the veins themselves is the distinctive feature of alkalic systems. Late normal faults host stage 2, high grade low sulphidation alkalic epithermal mineralisation, characterised by millimeter to centimeter scale quartz veins, typically vuggy, with dark green roscoelite selvedges and associated pyrite-carbonate and gold. The alkalic epithermal vein system is telescoped on the intrusion-related sulphide-rich veins and continuous for at least one kilometer depth.

The alkalic epithermal veins are hosted in a network of mineralized structures, which approximate the geometry of an extensional fault-fracture mesh, combining conjugate sets of moderately-dipping (S and N) normal faults, along which individual fault-segments are separated by steeply-dipping extensional segments. The main fault, hosting gold mineralisation, is a south dipping west south-west trending listric normal fault (Roamane fault). The bulk of the gold mineralisation is concentrated in the upper steep part of the fault, and in associated fault splays. Another mineralised listric normal fault situated in the footwall of the Roamane fault and slightly discordant in strike, also hosts significant gold mineralisation over a 1.5 kilometer strike. In addition, several other subsidiary faults oriented east-west and north-east moderately to steeply dipping also host significant mineralisation. Economic grade gold mineralisation is concentrated where these normal faults cut through competent host rocks consisting of intrusions and intensely phyllic altered sediments. High grade ore shoots are concentrated at the intersections of major faults with splays and in fault flexures.

The PIC is bordered to the south by an east-west to north-west trending north dipping fault with 1-2 kilometer of normal dip slip motion, the Western Boundary Fault. This fault is interpreted, based on stratigraphic relationships, as an early basinal fault. This fault may have deviated the north-east transfer structure and caused the extension that locates the PIC. The PIC and the Porgera deposit are located in the hanging wall of this fault, and spatially associated with a north-west jog of this dominantly east-west fault. The intersection of the crustal scale north-east trending transfer structure with a pre-existing west-northwest basinal structure forms the camp-scale control on the location of the PIC. At the mine scale, late normal motion on the Western boundary fault may explain the dominance of conjugate south dipping normal faults in the hanging wall of this structure. This also supports a magmatic source and fluid conduit at depth slightly north and in the footwall of the main mineralised structures rather than directly below.

Based on existing reserves, stockpiles and production capacity, the expected mine life of the Porgera mine is nine years for mining operations and 14 years for processing operations.

Mining and Processing

The Porgera deposit is currently being extracted using open pit and underground mining methods. In 2011, mill feed, on a tonnage basis, was sourced 51% from open pit and 18% run of mine stockpiled ore, and 31% from underground.

Open pit mining is currently directed at pit stages 5, 5B and 5C by way of a typical hard rock operation utilizing 10 meter benches. Utilizing conventional mining equipment, the open pit operations has a nominal mining production capacity of approximately 40 million tonnes per annum.

Mill feed material from the open pit will be direct feed to crusher (at an elevated cut off grade) when possible. Long term stockpile material will be used to supplement crusher feed as required. Low grade material mined from the open pit will be stockpiled until end of mine life, when it will be processed.

The underground mine is comprised of three zones that are accessed using a general-purpose decline from surface. The mine is a highly mechanized bulk mining operation. The North Zone dips at 55 to 70 degrees and is mined using predominantly a down hole bench retreat method, with sublevels reduced to 25 meter intervals due to the dip of the orebody. Some isolated areas of the orebody that are wide will be mined using a transverse mining method. Up hole retreat mining will be used to recover crown pillars. Eastern Deeps will be mined using a down hole bench retreat mining method at 30 meter level intervals. Production rates in the Eastern Deeps have been limited to date owing to ventilation constraints, geotechnical challenges and difficult mining due to complex geology and structure. East Zone mining will be dependent on paste fill due to the dip of the orebody, at 45 to 50 degrees, and ground support concerns.

Currently open stopes are filled with unconsolidated development waste, and cemented aggregate in strategic locations to create crown pillars.

Development of a Twin Decline continues to provide both long term access to the underground operation and provide replacement ventilation airways. These declines are designed at increased dimensions to the existing drives to accommodate larger trucks.

The mill has undergone several stages of improvement and expansion. A concentrator and leach/carbon-in-pulp (“CIP”) circuit commenced operation in 1990, producing gravity concentrate and sulphur flotation concentrate for leaching to recover gold and silver. A pressure oxidation circuit was added to allow the processing of the sulphide flotation concentrate and previously stockpiled concentrate. In 2009, the leach circuit was converted to CIL. Gold liberated by pressure oxidation is recovered through a CIL and a CIP cyanide leach circuit, followed by site refining into doré. In 1996, a second semi-autogenous mill and large ball mill was added, increasing nominal mill throughput from 10,000 tonnes per day to 17,700 tonnes per day.

The main water supply for the mine is the Waile Creek Dam, located approximately 7 kilometers from the mine. Water for the grinding circuit is also extracted from Kogai Creek, which is located adjacent to the grinding circuit. The mine operates four water treatment plants for potable water and five sewage treatment plants.

Porgera's principal source of power is supplied by a 73-kilometer transmission line from the gas fired and PJV-owned Hides Power Station. The station has a total output of 62 megawatts. A back up diesel power station is located at the mine and has an output of 13 megawatts. The average power requirement of the mine is about 60 megawatts. Porgera's long-term natural gas supply contract was scheduled to expire at the end of 2011 and has been extended until March 31, 2012 while the parties negotiate updated pricing. The Company expects that the final pricing of future gas supply relative to what the PJV paid under the former contract will result in significantly increased annual electricity costs.

Environment

The PJV runs an extensive environmental monitoring program to ensure compliance with the requirements of its permit. All requisite licenses and permits are kept in good standing. The PJV has an Environmental Discharge and Abstraction Permit valid until December 31, 2053. The PJV was certified as being fully compliant with the International Cyanide Management Code in November 2009.

The Porgera mine is located in extremely rugged mountainous terrain, subject to seismic activity, high rainfall and landslides. Competent waste rock is stored in two stable waste dumps, to the south (Kogai stable dump) and east (Anawe North stable dump) of the open pit. In addition, there are two erodible dumps containing soft, incompetent waste rock, Anjolek and Anawe.

A tailings impoundment was considered to be very difficult in the Porgera environment and the risk of an engineering failure was assessed to be very high. Therefore, the PNG Government approved riverine disposal as an appropriate method for treated tailing and incompetent waste rock under the circumstances that exist at the particular site. Since acquiring the Porgera mine with the acquisition of Placer Dome, Barrick has completed a study to examine the feasibility of building a large tailings storage facility and other alternatives to mitigate environmental impacts. The study identified significant risk factors in ensuring a stable foundation for a large tailings storage facility. As a result, the Porgera mine continues to use riverine tailings disposal while implementing a number of continuous improvements, including (i) construction and commissioning of a new paste backfill plant during 2011 that will enable up to 8% per annum of the tailings that would have been released to be blended with cement and stored permanently underground; (ii) an anticipated increase in ore production from the underground mine, which would permit storage of a greater amount of tailings underground in the mine as backfill; (iii) implementing Barrick's Environmental Management System, a framework of policies and obligations that govern environmental performance and is aligned with international standards; and (iv) pursuing ISO 14001 certification, which would independently confirm PJV's ability to control environmental impacts, improve environmental performance, and systematically set, manage and achieve environmental objectives.

PJV implemented a riverine monitoring program in 1984, which was considerably expanded in 1990, and this program has continued to the present.

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $170 million (as described in Note 24 to the Consolidated Financial Statements). See "Environment and Closure".

Exploration, Drilling and Analysis

Exploration work in 2011 concentrated on increasing underground inferred resources at AHD and Central Zone Sth prospects, in addition to testing a number of exploration targets in the mine environment. This led to further exploration drilling at Tawasikale, Far North Zone, Far Far North Zone, P-O Zone, Peruk, Tupegai and AHD extensions.

The 2010 to 2011 exploration programs were designed based on a review of ‘near mine’ exploration targets by ranking them based on their accessibility from existing infrastructure and their respective economic benefits. An assessment of the exploration targets was completed and preliminary financial evaluations undertaken. A primary objective was to schedule future exploration and development activities on known and emerging targets so that gold production is optimised with respect to the life of mine production schedule.

Exploration drilling in 2010 and 2011 achieved an improvement in the geological knowledge of the controls of gold mineralization at Porgera and through careful monitoring of core loss, has given an indication of potential additional ounces previously underestimated as a result of diamond drill core loss through theft of, or drilling issues within, the narrow ore zones. The 2011 drilling showed potential to substantially increase the underground resources at Porgera.

The drill hole database for Porgera consists of some 8,354 drill holes and 1,416,160 meters of drilling that includes underground and surface diamond drill core. Face sampling and reverse circulation percussion drill samples are also included in the database.

Planned drilling for 2012 will focus on eight targets in the drill testing pipeline stage (Wangime (Lens 6) , Peruk, Tupegai Down-Dip, Mine Footwall North (2167), Mine Footwall North (4734), Stage 5B Infill, Tawasikale and Kogai. Drill hole spacing will be on approx 80 by 80 meters.

The two other 2012 targets are Far North Zone and AHD (Lens -6). This drilling is classified as advanced drilling in the BMX pipeline stage and will close the gap in the existing drill spacing to a grid of at least than 40 by 40 meters.

In total, 45,290 meters is planned for diamond drilling from underground and in the open pit for this drilling campaign. Diamond drilling is also planned as in-fill drilling for AHD, North and East zone. This drilling will total approximately 19,700 meters. The rest of the planned drilling for 2012 will consist of 5,000 meters of geotechnical drilling.

Open pit delineation and exploration drilling is undertaken on 40 by 40 meter (inferred) and 20 by 20 meter (indicated) drill patterns. All drill core is nominally sampled on 1 meter intervals for the entire drill hole, while all grade control drilling is whole core sampled. The remaining half core is retained for reference and all pulps are kept. All holes are logged for lithology, alteration, fractures, mineralization and structure.

Drill core sample security was maintained throughout the year with geological supervision of transport of the core from the drill site, through to the logging facility and to the on-site NATA (National Association of Testing Authorities) accredited assay laboratory.

Drilling, sampling, analysis, data stewardship and verification, orebody modeling, and mine planning are carried out in accordance with industry standards. Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted. The sampling and analytical methods are believed to be appropriate for the style and type of mineralization. Databases used to generate the geological models and mineral resource estimates have been verified by mine geological staff.

Royalties and Taxes

Production by the Porgera mine is subject to a 2% net smelter royalty payable to the National Government Department of Mining, which is then distributed to the Enga Provincial government, the Porgera District Authority and local landowners.

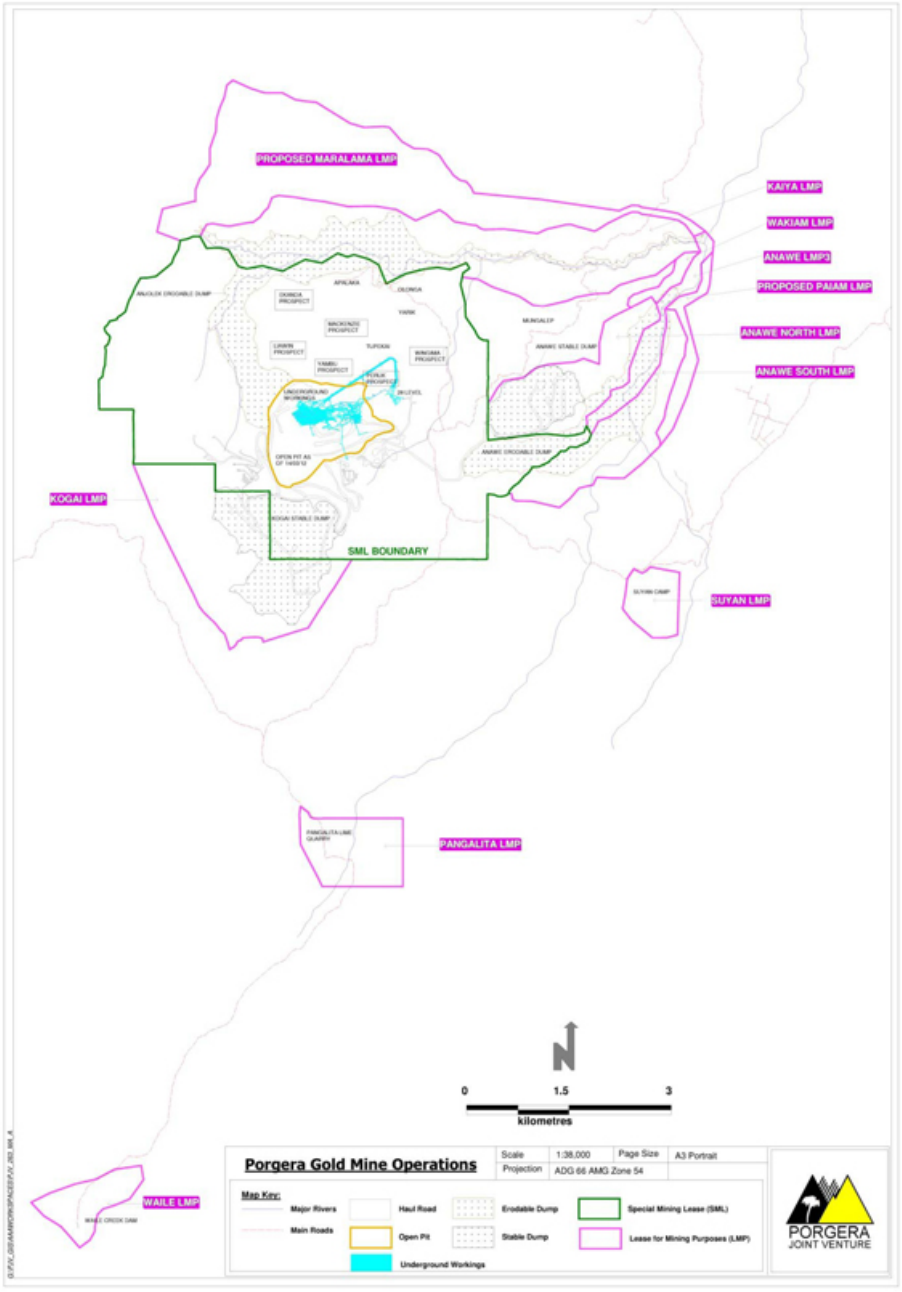
Production Information

The following table summarizes certain production and financial information for the Porgera mine (Barrick's proportional share) for the periods indicated:

	Year ended December 31, 2011	Year ended December 31, 2010
Tons mined (000's)	28,438	35,212
Tons of ore processed (000's)	5,596	5,446
Average grade processed (ounces per ton)	0.103	0.110
Ounces of gold produced (000's)	500	519
Average total cash costs per ounce [(1)]	$ 562	$ 523

(1) For an explanation of total cash costs per ounce, refer to "Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound".

The diagram on the following page sets out the design and layout of the Porgera mine.


PROPOSED MARALAMA LMP
KAIYA LMP
WAKIAM LMP
ANAWE LMP3
PROPOSED PAIAM LMP
ANAWE NORTH LMP
ANAWE SOUTH LMP
KOGAI LMP
SML BOUNDARY
SUYAN LMP
PANGALITA LMP
WAILE LMP
0
1.5
3
kilometres
Porgera Gold Mine Operations
Scale
1:38,000
Page Size
A3 Portrait
Projection
ADG 66 AMG Zone 54
Map Key:
Major Rivers
Main Roads
Haul Road
Open Pit
Underground Workings
Erodable Dump
Stable Dump
Special Mining Lease (SML)
Lease for Mining Purposes (LMP)
PORGERA
JOINT VENTURE

Lumwana Property

General Information

The Lumwana property is an open pit copper mine and conventional sulfide flotation processing facility located on the Central African Copperbelt in the North-Western Province of Zambia, approximately 65 kilometers west of the provincial capital of Solwezi and 400 kilometers northwest of the national capital of Lusaka. Access to the property is via a 10 kilometer road branching off the paved two-lane northwest highway linking Lumwana and Solwezi to the Copperbelt and other parts of the North–Western Province. The property is characterized by gently rolling hills with elevations ranging from approximately 1,270 meters to approximately 1,410 meters above sea level within the general vicinity of operations. Vegetation consists of woodlands and wetlands are common along watercourses. The region has distinct dry (May to October) and wet (November to April) seasons. During the wet season, heavy rainfall reduces mine production, which is addressed through a stockpiling strategy that provides feedstock to the processing plant when open-pit ore is not accessible.

Barrick acquired its 100% interest in the Lumwana property from Equinox Minerals Limited ("Equinox") as part of the Equinox transaction completed in July, 2011. See "General Information – Transactions". Equinox earned an interest in the Lumwana property in 1999 by forming a joint venture with the Phelps Dodge Corporation ("Phelps Dodge"). In 2003, Equinox obtained a 51% interest in Lumwana Mining Company Limited ("Lumwana") by completing a feasibility study and investing in the exploration of the property and in 2004 Equinox acquired the remaining 49% interest in Lumwana from Phelps Dodge for cash consideration. Equinox commenced production from the Lumwana mine in 2008. The contribution of Equinox's operations, including the Lumwana property, has been consolidated into Barrick's results effective June 1, 2011.

The development and operation of Lumwana is governed by the Mines and Minerals Acts of 1995 and 2008, the Lumwana Large Scale Mining License ("LML-49") and the development agreement entered into between Lumwana and the Government of Zambia on December 16, 2005 (the "Lumwana Development Agreement"). The Lumwana Development Agreement provides a 10-year stability period for the key fiscal and taxation provisions related to Lumwana, including a corporate tax rate of 25% and a mineral royalty of 0.6% of gross product. In 2008, the Government of Zambia enacted tax changes in breach of the tax stability period contained in the Lumwana Development Agreement. See "– Royalties and Taxes" below for additional information about the current fiscal and tax regime applicable to the Lumwana property and Lumwana's position on the Government of Zambia's breach of the tax stability provisions. The Lumwana Development Agreement will not cover any future uranium production from Lumwana, to which the enacted Zambian taxes will apply.

LML-49 covers an area of 1,265 km^2 and includes two major copper deposits, Malundwe and Chimiwungo, together with numerous exploration prospects. LML-49 covers copper, cobalt, gold, silver, uranium and any additional minerals that may be commercially extracted or that are required for Lumwana's development. LML-49 was granted on January 6, 2004 and was issued for 25 years, renewable for a further 25 years. Mining legislation enacted in 2008 imposed a 250 km^2 limit on the size of the area upon which a holder of a large scale mining license may conduct mining activities. Transitional provisions require Lumwana to comply with the size limit by 30 September 2012. Lumwana is in negotiations with the Ministry of Mines and Minerals Development to allow it to retain the original LML-49 license area, including discussions on splitting the license area into multiple licenses. Other conditions of LML-49 include customary provisions such as the requirement to obtain government approval of Lumwana's proposed work program, development plan and environmental plan, and commitments regarding the employment and training of Zambians. No material problems in complying with the conditions of LML-49 are anticipated. A total of approximately 1,400 employees work at the Lumwana property.

Lumwana also holds the long-term land title to 35,000 hectares of township and mine operating areas in LML-49. This land title, which is granted by the President and is the highest form of land tenure in Zambia, enables Lumwana to manage and administer the Lumwana surface rights. All material permits and rights to conduct the operation of the Lumwana mine have been obtained and are in good standing.

Geology

The Lumwana copper, cobalt, gold and uranium deposits of Malundwe and Chimiwungo are hosted within the Mwombezhi Dome, which is a northeast trending basement dome in the western arm of the Neoproterozoic Lufilian Arc thrust fold belt. In Zambia, the Lufilian Arc contains variably deformed and metamorphosed metasediments and volcanics of the Katangan Lower and Upper Roan and the Lower and Upper Kundelungu Supergroups, unconformably overlying the basement. Subsequent to the deposition of the Katangan sequences the basin was inverted, deformed, metamorphosed and uplifted by generally north directed thrusting and folding, producing the Neoproterozoic Lufilian Arc.

LML-49 covers the north-eastern lobe of the Mwombezhi Dome. A number of Lufilian ages, layer parallel shear zones have been recognized in the Dome, which structurally emplace Kundelungu units within the basement, producing a series of tectonostratigraphic sheets which have been thrust over the top of the two central cores of the Mwombezhi Dome. Within LML-49 these include the Malundwe and Chimiwungo Sheets, which host the two orebodies.

Lumwana's two major copper deposits, Malundwe and Chimiwungo, are structurally controlled deposits of Central African Copperbelt type. Of the two major deposits, Malundwe is smaller, but with a higher copper grade and contains discrete zones of uranium and gold mineralization with occasional sporadic high cobalt (greater than 0.1%). Chimiwungo is a much larger deposit that is lower in copper grade, but it contains a number of significant high grade (greater than 0.1%) cobalt zones as well as some uranium mineralization.

The copper mineralization at Malundwe and Chimiwungo is hosted almost entirely within high grade metamorphosed, intensely mylonitised, recrystallized muscovite–phlogopite–quartz–kyanite schists with disseminated sulphides (typically less than 5%) dominated by chalcopyrite and bornite.

The overall strike length of mineralization at Malundwe is approximately 6 kilometers north-south, and up to 1.5 kilometers wide (east-west) as a single ore schist horizon. The mineralization extends to maximum depth of approximately 200 meters below surface in the west and it appears closed off to the west and north but is open to the south, down plunge. Currently, the Chimiwungo mineralization extends as a stack of sheets for at least 6 kilometers east west and dips south for at least 4 kilometers, and has a variable thickness of between 60 meters and 100 meters. The size of the Chimiwungo deposit has not yet been fully defined and additional work will take place in 2012-2013. Economic parameters will be applied to the newly drill-tested areas to define Chimiwungo's final footprint. See "– Exploration, Drilling and Analysis."

The Malundwe orebody contains discrete pods of high grade uranium (Valeria North and Valeria South) and some areas with elevated background levels of uranium. While mining at Malundwe could continue for another three to four years, these high grade pods have been depleted. A uranium model for the Chimiwungo orebody has not yet been developed and so the amount of uranium expected to be mined from this area has not yet been determined. The Lumwana mine could incur increased costs, penalties and delays in processing and realization of revenue if uranium levels in the copper concentrate delivered

to smelters exceed certain agreed limits. Lumwana utilizes grade control and blend strategies in an effort to ensure that its copper concentrate complies with these limits, and it is also preparing a pre-feasibility study to examine treatment options for uranium that is scheduled to be completed by the end of 2012. See "– Mining and Processing" and "– Exploration, Drilling and Analysis."

Mining and Processing

Mining has commenced in the Malundwe pit and is currently scheduled to be completed in 2016 with production phasing in Chimiwungo from the second half of 2012. The sulphide copper ore from Malundwe and Chimiwungo is being sent to the flotation plant, which is producing a concentrate suitable for sale to a smelter. A dedicated power line supplies power to Lumwana from the main grid operated by the government-owned and operated electric utility company in Zambia. In 2011, mining activity at the Lumwana mine focused on the Malundwe pit. The 2012 mine plan includes mining activity in the Malundwe and Chimwungo pits.

A primary gyratory crusher is used to crush the run of mine ore and the crusher product is then conveyed via an overland conveyor to a conical crushed ore stockpile. The grinding mill discharges into a hopper and is pumped to conventional hydrocyclones, operating in closed circuit with a ball mill. Following regrinding, the concentrate is cleaned in a conventional cleaner/recleaner circuit to reach final concentrate grade. Final concentrate grades of approximately 25% copper are expected.

The concentrate is dewatered in a circuit consisting of high-rate thickening followed by pressure filtration to produce a filter cake suitable for transportation. Flotation tailings are thickened and pumped to the tailings dam. The majority of the copper plant water is recovered and recycled from the thickener overflows and tailings dam return water. Fresh make-up water is supplied from a river water dam as required. Based on existing reserves and production capacity, the expected mine life is 32 years.

The amount of uranium in the copper concentrate is controlled by grade control and blend strategies. High grade uranium ore identified by grade control techniques is not processed in the concentrator. Lumwana's blending strategy is intended to ensure that copper concentrate sold to smelters complies within certain agreed limits.

Environment

Lumwana operates in an environmentally responsible manner to mitigate environmental impacts. All requisite licenses and permits are kept in good standing. The Environmental Council of the Republic of Zambia approved the environmental impact assessment ("EIA") for the Lumwana mine in October 2005. Most of the property, except for the Chimiwungo deposit and associated overburden dumps, falls inside the 105 Acres National Forest, an area of rejuvenating Miombo woodland. The forest's protected status, which is based on its timber resource and not nature conservation considerations, has no material impact on mining operations at Lumwana.

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $69 million (as described in Note 24 to the Consolidated Financial Statements). See "Environment and Closure".

Exploration, Drilling and Analysis

The Chimiwungo and Malundwe orebodies have been extensively drilled. At year-end 2011, resource holes comprise 200,000 meters of diamond core drilling in 875 drill holes and 123,000 meters of reverse circulation (RC) drilling in 1,160 drill holes. The majority of the resource is supported by diamond drilling information. RC drill-sourced information, where present, is generally well inter-mixed with diamond drilling data. Diamond drill hole assays were derived predominantly in the vicinity of the copper ore zones and based on diamond saw cut one third or half core sampling at one or two meter intervals.

During 2011 a total of 190 holes were drilled (24 reverse circulation holes for 2,150 meters; 166 diamond drilling holes for 67,000 meters), focused on the main Chimiwungo resource area as well as the crusher-conveyor and waste dump areas, where sterilization drilling was conducted. Five holes were drilled in the Chimiwungo East Expansion area in 2011.

An infill resource drill program was completed at the Malundwe pit in 2011 in support of planned mining in the area in 2012. This program consisted of 83 RC drill holes with diamond twinning of six selected RC holes. An updated resource model is being prepared based on the results of this drill program.

For 2012, reserve definition drill holes have been proposed to infill exploration drilling to a density appropriate for scheduling Malundwe and Chimiwungo pit production through 2013. In addition, drilling will be conducted to better define mineralization in the greater Chimiwungo area as part of a prefeasibility study on an expansion that could potentially double processing rates at Lumwana. The pre-feasibility study is expected to be completed by year-end 2012 and will include a total of 250,000 meters in 750 holes (33,000 meters RC) drilled in the Chimiwungo Resources Development Area and 68,000 meters in 295 holes (mixed RC and diamond) drilled in the Chimiwungo East Extension area, with additional drilling in the waste sterilization area subject to rig availability.

At the Malundwe pit, drilling in 2012 is intended to cover planned cutbacks as well as additional drilling adjacent to those cutbacks to ensure that future pit optimizations are not drill-constrained. Reverse Circulation drilling will be used for the majority of the holes, and is assumed to be suitable to a depth of 120 meters. Holes longer than this will have diamond tails to the final hole depths.

The drill program currently underway at Chimiwungo will facilitate modelling and quantification of the amount of uranium in this resource area. As a risk mitigation strategy, Lumwana is considering grade control options to control the amount of uranium in the copper concentrate produced from the Chimiwungo area in the event that Chimiwungo contains amounts and grades of uranium similar to that of Malundwe. Lumwana is preparing a pre-feasibility study to examine treatment options for uranium that is scheduled to be completed by the end of 2012.

Sampling and analysis of diamond drill holes and blast holes complies with rigorous industry accepted quality control standards. As well, an external laboratory is used to verify results. Databases generated with these results are reviewed and cross-checked before being used in the resource estimation processes. All of these reviews concluded that Lumwana's quality assurance, data verification and quality control procedures meet or exceed industry standards. Regular internal auditing of the resource estimation processes and procedures are conducted. Geological personnel ensure that the samples collected for modeling and mineral resource estimation have been delivered under secure conditions to the laboratory.

Royalties and Taxes

In April 2008, the Government of Zambia enacted a number of changes to the tax regime, including an increase in the corporate tax from 25% to 30%, an increase in the mining royalty from 0.6%

to 3%, and a number of other proposed additional imposts including a “variable profit tax”, a “windfall tax” and treatment of hedging income as separate source income (the “2008 tax changes”). The 2008 tax changes coincided with the Government of Zambia unilaterally rescinding the tax stability guarantees contained in Development Agreements through a legislative provision stating that development agreements were no longer binding on the Republic of Zambia. In January 2009, the Government of Zambia announced the abolition of a number of the 2008 tax changes, including removing the hedging activity quarantine provision, abolishing the windfall tax, and increasing capital allowances back up to 100%. These changes took effect on April 1, 2009. In December 2011, the Government of Zambia increased the mineral royalty from 3% to 6% and re-introduced the taxation of hedging income as separate source income. These changes take effect from April 1, 2012.

Based on local and international legal advice, Lumwana believes that the compensation rights for breach of the 10-year stability period granted under the Lumwana Development Agreement prevail over the 2008 tax changes and all subsequent tax changes to the Zambian tax regime. However, until it resolves with the Government of Zambia the uncertainty surrounding the application of the Lumwana Development Agreement, Lumwana will measure (and during 2011 did measure) its taxation balances for the property on the basis of the enacted legislation. Following discussions and correspondence with the Government of Zambia, Lumwana agreed with the Zambian Revenue Authority in January 2011 to pay mineral royalties assessed at 3.0%. Lumwana will continue to reserve its right to compensation for breach of the tax stability provisions under the Lumwana Development Agreement and, by agreeing to pay mineral royalties, protect itself from the Zambian Revenue Authority assessing interest and penalties on the tax amount

Production Information

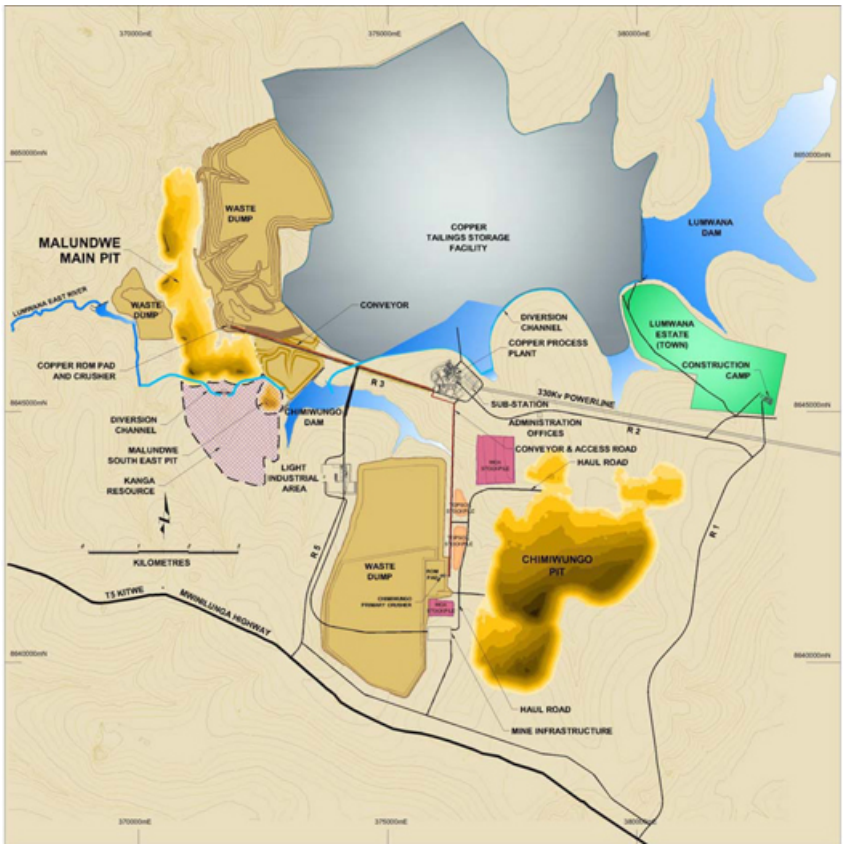
The following table summarizes certain production and financial information for the Lumwana mine for the periods indicated:

		Year ended December 31, 2011[1]
Tons mined (000’s)		68,380
Tons of ore processed (000’s)		13,823
Average grade processed (% of TCu)		0.62%
Pounds of copper produced (000,000’s)		159
Average total cash costs per pound [2]	$	2.24

(1) Barrick acquired the Lumwana Mine through its acquisition of Equinox Minerals Limited in June 2011. The contribution of the Lumwana Mine has been consolidated into Barrick’s results from June 1, 2011 onwards.

(2) For an explanation of total cash costs per pound, refer to “Non-GAAP Financial Measures – Total Cash Costs and Net Cash Costs Per Ounce/Pound”.

The diagram on the following page sets out the design and layout of the Lumwana mine.



Pueblo Viejo Project

General

The Pueblo Viejo project is located in the central part of the Dominican Republic on the Caribbean island of Hispaniola in the province of Sanchez Ramirez. The project is 15 kilometres west of the provincial capital of Cotui and approximately 100 kilometres northwest of the national capital of Santo Domingo.

The Pueblo Viejo project site has been a non-operating gold mine since June 1999. Early mining activity at the project site dates back to the 1500s. Subsequent to that early mining activity, Rosario Dominicana S.A. commenced mining operations on the property in 1975. In 1979, the Central Bank of the Dominican Republic purchased all foreign-held shares in the mine. Gold and silver production from oxide, transitional, and sulphide ores occurred from 1975 to 1999. The mine ceased operations in 1999. In 2000, the Dominican Republic invited international bids for the leasing and mineral exploitation of the Pueblo Viejo project site. On July 2, 2001, Pueblo Viejo Dominicana Corporation (“PVDC”) (then known as Placer Dome Dominicana Corporation), an affiliate of Placer Dome, was awarded the bid. PVDC and the Dominican Republic subsequently negotiated a special lease agreement (the “SLA”) for the

Montenegro Fiscal Reserve in which the project is situated. The SLA was subsequently ratified by the Dominican National Congress and became effective on July 29, 2003. In February 2006, Barrick acquired Placer Dome and in May 2006 amalgamated the companies. At the same time, Barrick sold a 40% stake in the Pueblo Viejo project to Goldcorp. On February 26, 2008, PVDC delivered the Project Notice to the Government of the Dominican Republic pursuant to the SLA and delivered the Pueblo Viejo Feasibility Study to the Government. In 2009, the Dominican Republic and PVDC agreed to amend the terms of the SLA. The amendment became effective on November 13, 2009 following its ratification by the Dominican National Congress.

The Pueblo Viejo project is situated on the Montenegro Fiscal Reserve which covers an area of 4,880 hectares and is located at the head of the Arroyo Margajita Valley in the eastern portion of the Cordillera Central where local topography ranges from 565 meters at Loma Cuaba to approximately 65 meters at the Hatillo Reservoir. The site is characterized by rugged and hilly terrain covered with subtropical wet forest and scrub cover. Forest capacity is limited by slope, topography, and soil movement. The region has a tropical climate with little fluctuation in seasonal temperatures. The heaviest rainfall occurs between May and October. Access to the Pueblo Viejo project from Santo Domingo is by a four lane, paved highway (Autopista Duarte) that is the main route between Santo Domingo and the second largest city, Santiago. This highway connects to a single lane, secondary Highway #17 at the town of Piedra Blanca, approximately 80 kilometres from Santo Domingo. This secondary highway is a two lane, paved highway that passes through the towns of Piedra Blanca and Maimón on the way to Cotui.

The SLA between the Dominican State and PVDC governs the development and operation of the Pueblo Viejo project. The SLA provides PVDC with the right to operate the Pueblo Viejo project for a 25 year period commencing from the date on which PVDC delivered the Project Notice under the SLA. PVDC has the right to automatically renew the term of the lease for an additional 25 years at its sole option (50 years in total). The agreement provides for another 25 year extension with mutual agreement between both parties (75 years in total).

Development

The Pueblo Viejo project is being developed as an open pit mining operation, with two main open pits, and with processing facilities having a designed throughput capacity of 24,000 tonnes per day. Due to the composition of the ore, the mine will use whole ore autoclaving (pressure oxidation) followed by CIL cyanidation for recovery of gold and silver.

Construction of the transmission line connecting the site to the national power grid was completed during the fourth quarter of 2011, allowing the oxygen plant to undergo pre-commissioning testing in the first half of 2012. Pre-commissioning of the first two autoclaves is also expected to occur in the second quarter of 2012. First production is expected in mid 2012. At year-end 2011, overall construction was about 90% complete, approximately 85% of the capital has been committed and 13 million tonnes of ore were stockpiled, representing 1.4 million contained gold ounces. As part of a longer-term, optimized power solution for Pueblo Viejo, the Company has started early works to construct a dual fuel power plant at an estimated cost of $300 million (100% basis). The power plant would commence operations utilizing heavy fuel oil, but have the ability to subsequently transition to lower cost liquefied natural gas. The new plant is expected to provide lower cost, long-term power to the project. See “– Mining and Processing.”

Total mine construction capital is expected to range between $3.6 to $3.8 billion (100% basis). Barrick’s 60% share of annual gold production in the first full five years of operation is expected to average 625,000 to 675,000 ounces at total cash costs of $300 to $350 per ounce. The foregoing estimates are based on gold and oil price assumptions of $1,300 per ounce and $100 per barrel, respectively. Barrick has all material permits and rights necessary to develop the project.

Geology

The Pueblo Viejo precious and base metal deposit consists of high sulphidation or acid sulphate epithermal gold, silver, copper, and zinc mineralization that were formed during the Cretaceous Age island arc volcanism. The two main areas of alteration and mineralization are the Monte Negro and Moore deposits.

Pueblo Viejo is situated in the Los Ranchos Formation, a series of volcanic and volcaniclastic rocks that extend across the eastern half of the Dominican Republic, generally striking northwest and dipping southwest. The Pueblo Viejo Member of the Los Ranchos is a restricted sedimentary basin approximately 3 kilometers north-south by 2 kilometers east-west. The basin is filled with lacustrine deposits that range from coarse conglomerate deposited at the edge of the basin, to thinly bedded, carbonaceous sandstone, siltstone, and mudstone deposited further from the paleo-shoreline. To the south, the Pueblo Viejo Member is unconformably overlain by the Hatillo Limestone Formation by means of a low angle, southwest dipping thrust fault.

The Moore deposit is located at the eastern margin of the Pueblo Viejo member sedimentary basin. Stratigraphy consists of finely bedded carbonaceous siltstone and mudstone (PV sediments) overlying horizons of spilite (basaltic-andesite flows), volcanic sandstone, and fragmental volcaniclastics. The Monte Negro deposit is located at the northwestern margin of the sedimentary basin. Stratigraphy consists of interbedded carbonaceous sediments ranging from siltstone to conglomerate that are interlayered with volcaniclastic flows. Metallic mineralization in the deposit areas is primarily pyrite with lesser amounts of sphalerite and enargite. Pyrite mineralization occurs as disseminations, layers, replacements, and veins. Sphalerite and enargite mineralization is primarily in veins, but disseminated sphalerite has been noted in core.

Studies have determined that there were two stages of advanced argillic alteration, both associated with precious metal mineralization. A third stage of mineralization occurred when hydro-fracturing of the silica cap produced pyrite-sphalerite-enargite (Stage III) veins with silicified haloes. Individual Stage III veins have a mean width of 4 centimetres and are typically less than 10 centimetres wide. Stage III veins contain the highest precious and base metal values and are more widely distributed in the upper portions of the deposits. The most common vein minerals are pyrite, sphalerite, and quartz with lesser amounts of enargite, barite, and pyrophyllite.

Gold is intimately associated with pyrite veins, disseminations, replacements, and layers within the zones of advanced argillic alteration. Gold values generally are the highest in zones of silicification or strong quartzpyrophyllite alteration. These gold-bearing alteration zones are widely distributed in the upper parts of the deposits and tend to funnel into narrow feeder zones. Stage III sulphide veins also have higher gold values than replacement style mineralization. The most common form of gold is sub-microscopic gold within pyrite, where it is present as both solid solution within the crystal structure of the pyrite and as colloidal-size microinclusions (<0.5 microns). The proportions of the different forms and carriers of gold vary significantly throughout the Moore and Monte Negro deposits. Generally, the majority of gold is found as sub-microscopic gold in microcrystalline, disseminated, or porous pyrite. Of all the elements, assays for silver consistently have the strongest correlation with gold. Silver has a strong association with Stage III sulphide veins where it occurs as the minerals silver, Sb-sulphides (pyrargyrite), silver-tellurides (hessite), gold, silver-tellurides (sylvanite, petzite), and silver-bearing tetrahedrite. The majority of the zinc occurs as sphalerite; primarily in Stage III sulphide veins and secondary as disseminations. The majority of copper occurs as enargite hosted in Stage III sulphide veins. Only trace amounts of chalcocite and chalcopyrite have been recorded.

Many rock types based on both lithological and structural domain boundaries were used in the geological block model. However, rock types were divided into five different categories based on metallurgical properties.

Mining and Processing

The Pueblo Viejo deposits are located in two major areas, the Monte Negro pit and the Moore pit. Gold and silver will be recovered through pressure oxidation of the whole ore followed by cyanidation of gold and silver in a CIL circuit. One innovation, a hot cure on the slurry from the autoclave, is designed to reduce lime consumption by solid basic ferric sulphate in the cyanide leaching circuit, in favour of the neutralization of dissolved ferric sulphate in the liquid phase by limestone in the high density sludge (HDS) circuit. Autoclaving of the whole ore entails greater capital and operating costs than treating a concentrate but the increment in operating cost is limited because of its dependence more on sulphur throughput rather than total solid throughput.

The autoclave circuit has been designed to oxidize initially an average of 1,600 tonnes per day of sulphur. As a result of the varying sulphur content of the mill feed, the processing rate will range from 18,000 tonnes per day (high sulphur) to 24,000 tonnes per day (low sulphur). The rest of the process plant will be designed to handle the maximum process throughput.

The first stage pit is located in the existing Monte Negro pit, which is fully operational with all access ramps in place. Construction of the access ramps to the primary crushers is scheduled to begin in the second half of 2012.

The tailings storage area will be located in the El Llagal valley located approximately 4 kilometres south of the plant site. The ultimate storage requirements of the tailings impoundment facility will continue to grow as additional resources are identified. The tailing storage area will contain all of the tailings, waste rock and HDS precipitate to be generated over the life of the Pueblo Viejo project, and runoff water from the design flood event. With the increased resource base, additional tailings impoundment capacity will be identified and studied in 2012. The tailings impoundment facility was damaged by a buildup of rainwater in May 2011 in the aftermath of a major rainfall event in the area. Remediation of the starter tailings dam is ongoing and the Company is in receipt of all necessary approvals to allow construction of the starter dam to its full height. In addition to solids storage, each cell in the tailings facility is sized to provide storage for an operating pond and for extreme precipitation events, such as the event that occurred in May 2011 as discussed above. The project is situated in a seismically active area. The design of the dams at site was based on the maximum credible earthquake.

The Hatillo and Hondo Reservoirs will supply fresh water for the process plant. Reclaimed water from the El Llagal tailings containment pond will be used as supplementary water supply.

Operational power requirements will vary from 150 MW at a process rate of 18,000 tonnes per day to 200 MW at 24,000 tonnes per day. Power during commissioning and initial periods of operation will be sourced, in part, from the national grid under a power purchase agreement with Empresa Genedora de Electricidad Haina S.A., a major Dominican generating company (“Haina”) and in part from temporary generators already set up on site, capable of approximately 40 MW of output. To support the deliveries of power by Haina, PVDC will sell the output of the PVDC owned Monte Rio power plant, with a name plate capacity of approximately 100 MW, to Haina. During mine operation, emergency power is expected to be provided by diesel generators that support critical loads.

The long-term power supply is under development. The Company has started early works to construct a 215 MW Wartsila combined cycle reciprocating engine power plant near the port city of San Pedro de Macoris on the south coast. The plant will be dual fuel and initially will be operated on heavy fuel oil ("HFO") with the capability to convert to liquefied natural gas ("LNG") in the future if a supply becomes feasible. The HFO will be delivered at an existing HFO off-loading facility in the harbor at San Pedro and delivered to the plant by a 7 km fuel pipeline. The plant will be connected to the site by an approximately 100 km transmission line. Initial construction permits have been granted and work is underway at the site pending final environmental approvals. The primary components of the plant have been manufactured and will be shipped as construction progresses. The plant will be phased into service in 2013 with full operation in combined cycle expected by mid 2013.

Environment

In September 2005, PVDC completed a Feasibility Study on the Pueblo Viejo project. An Environmental Impact Assessment ("EIA") for the mine was completed in late 2005 and presented to the Dominican State in November 2005. Approval of the EIA was received in December 2006 from the Ministry of Environment. An Expansion Environmental Report was filed in 2008 and approved in December 2010. An Environmental and Social Impact Analysis for the power plant and associated fuel supply and transmission line was submitted to Dominican Republic Government on January 3, 2012 and was approved on March 27, 2012. The government approved preliminary earth works and site preparation on December 26, 2011.

The Pueblo Viejo project is being designed and constructed to mitigate potential environmental impacts. In order to prevent and control spills and protect water quality, the project will utilize multiple levels of spill containment procedures and routine inspection and monitoring of its facilities.

The Pueblo Viejo project site is affected by a number of significant legacy environmental issues resulting from the conduct of operations at site prior to Barrick's involvement in the project. Under the terms of the SLA, the Dominican State is obligated, at its sole cost and expense, to remediate and rehabilitate, or otherwise mitigate all historic environmental matters. PVDC has agreed to cover the capital costs related to such remediation up to $75 million. Subject to the verification of certain conditions, PVDC has agreed to act as an agent of the Dominican State to remediate the historical environmental liabilities that correspond to such State. However, upon PVDC giving the Dominican State a Project Notice, which was issued by PVDC in 2008, PVDC assumed the responsibilities for all historic environmental matters within the boundaries of the "Development Areas", except for hazardous substances at the Rosario's plant site which shall remain responsibility of the Dominican State. In addition, the Dominican State is required under the SLA, in compliance with the applicable Environmental and Social Guidelines and Policies, and at its sole cost and expense, to relocate and pay all indemnification and other compensation due to certain persons with valid claims to land within the Montenegro Fiscal Reserve. Under the SLA, PVDC and the Dominican State, respectively, have up until November 2014 to remediate the historical environmental matters for which they are responsible under that agreement.

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting period was $44 million (as described in Note 24 to the Consolidated Financial Statements). See "Environment and Closure".

Exploration, Drilling and Analysis

As of December 31, 2011, the drill hole database used to support the development of mineral resources for the Pueblo Viejo property contains 2,039 drill holes, 774 diamond drill core holes, 64

reverse circulation, 331 percussion holes and 870 rotary samples. Samples totaling 161,793 meters from diamond drill holes, 53,812 meters from rotary drill holes, 8,518 meters from percussion holes, and 10,002 meters from reverse circulation. In addition 1,487 closed spaced reverse circulation grade control drill holes, totaling 55,160 meters were used to estimate the gold, copper and silver resources. The drill hole spacing is variable ranging from 50 to 70 meters.

Pueblo Viejo samples were analyzed for gold, silver and copper by independent laboratories in Santiago, Chile and Peru. The quality assurance procedures and assay protocols followed by Barrick in connection with drilling and sampling on the Pueblo Viejo 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. All of these reviews concluded that Pueblo Viejo's quality assurance, data verification and quality control procedures meet or exceed industry standards. Additionally, the data base was checked against the original data before use in the reserve model.

Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

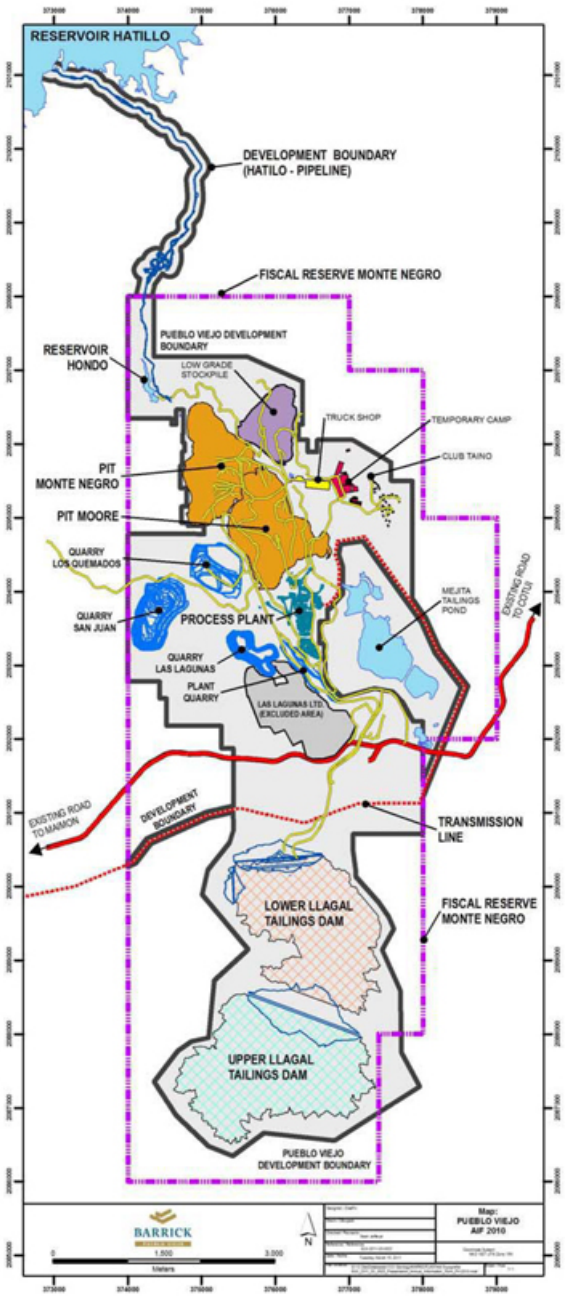
Royalties and Taxes

Under the SLA, PVDC is obligated to make the following payments to the Dominican Republic: certain fixed payments due upon achieving certain milestones; a Net Smelter Return Royalty of 3.2%; a Net Profits Interest of 28.75%; a tax on income, and a withholding tax on interest paid on loans and on payments abroad. In addition, an Environmental Reserve Fund to be held in an offshore escrow account is to be funded during operations until the escrowed funds are adequate to discharge PVDC's closure reclamation obligations.

Financing

During 2010, PVDC secured a variable rate $1.035 billion loan facility for the Pueblo Viejo project. Barrick and Goldcorp have each provided a guarantee for the loan, in proportion to their ownership interests in the project, until the mine has achieved specified operational and technical requirements, after which the loan will become non-recourse. This facility is insured for political risks by Export Development Corporation of Canada. Substantially all the assets of PVDC, including the Pueblo Viejo project property and related assets, have been pledged as security under the loan. The effective interest cost for 2011 was 3.97%. As of December 31, 2011, PVDC had drawn $941 million (100% basis) of the facility.

The diagram on the following page sets out the design and layout of the Pueblo Viejo project.


RESERVOIR HATILLO
DEVELOPMENT BOUNDARY
(HATILO - PIPELINE)
FISCAL RESERVE MONTE NEGRO
PUEBLO VIEJO DEVELOPMENT
BOUNDARY
RESERVOIR
HONDO
LOW GRADE
STOCKPILE
TRUCK SHOP
TEMPORARY CAMP
CLUB TAINO
PIT
MONTE NEGRO
PIT MOORE
QUARRY
LOS QUEMADOS
QUARRY
SAN JUAN
PROCESS PLANT
MEJITA
TAILINGS
POND
EXISTING ROAD
TO COTUI
QUARRY
LAS LAGUNAS
PLANT
QUARRY
LAS LAGUNAS LTD.
(EXCLUDED AREA)
EXISTING ROAD
TO MANON
DEVELOPMENT
BOUNDARY
TRANSMISSION
LINE
LOWER LLAGAL
TAILINGS DAM
FISCAL RESERVE
MONTE NEGRO
UPPER LLAGAL
TAILINGS DAM
PUEBLO VIEJO
DEVELOPMENT BOUNDARY
BARRICK
Meters
Map:
PUEBLO VIEJO
AIF 2010

Pascua-Lama Project

General Information

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 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, through its wholly-owned Argentinean subsidiary, Barrick Exploraciones Argentina S.A., and its wholly-owned Chilean subsidiary, Compañia Minera Nevada SpA, owns the mining property in the project area. The mining rights have no expiry date, provided the applicable annual land payments are made.

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 (the "Protocol Area") and the project is entitled to enjoy the benefits to cross-border mining operations that are granted by the Mining Treaty. In April 2009, the authorities of Chile and Argentina reached an agreement specific to the Pascua-Lama project, which avoids double taxation for the project. An increase in the size of the Protocol Area has been requested to include certain additional project-related infrastructure, which request is expected to be approved in due course.

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, alluvial 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.

Primary road access in Chile initially was via a 126 kilometer public road (route C 485) from the city of Vallenar, through the town of Alto del Carmen and several small communities to the Barrick property and 44 kilometers on Barrick private road to the Protocol Area access control point at Tres Quebradas. The project recently completed the upgrade of 70 kilometers of an existing public road from Punta Colorada and the construction of 48 kilometers of new road to join the road from Alto del Carmen which runs to the Barrick property. Once inside the Protocol Area the road continues an additional 23 kilometers up to the entry to the mine site at La Mesa.

Primary access in Argentina will be by public highways to Tudcum, some 200 kilometers north of the San Juan Province capital city of San Juan and from there 157 kilometers on an existing private road to the access gate to Barrick's Veladero Mine, and another 30 kilometers through the Veladero property to the Protocol Area. Once inside the Protocol Area, the road continues another five kilometers to the process plant site.

Development

The Pascua-Lama project is being designed as a large-scale open pit operation with processing facilities having a designed throughput capacity of 45,000 tonnes per day. Non-refractory ore produced by the mine will be subject to cyanide leaching, while refractory ore will be subjected to flotation prior to cyanide leaching. The development of the processing facilities has been staged to reflect the expected composition of the ore over the mine life.

Approximately 55% of the previously announced pre-production capital of $4.7-$5.0 billion has been committed and first production is expected in mid-2013. The foregoing estimates are based on gold, silver and oil price assumptions of $1,300 per ounce, $25 per ounce and $100 per barrel, respectively and assuming a Chilean peso exchange rate of 475:1. Barrick will continue to finance the project through a combination of one or more of existing capital resources, operating cash flows and additional financings. The project is being impacted by labor and commodities cost pressures as a result of inflation, competition for skilled labor, the impact of increased Argentinean customs restrictions on equipment procurement and lower than expected labor productivity.

In Chile, earthworks were about 95% complete at year-end 2011, and in Argentina, earthworks construction was approximately 65% complete at year end. Approximately 40% of the concrete has been poured at the processing facilities in Argentina and about 15% of the structural steel has been erected to date. Occupancy of the construction camps in Chile and Argentina continues to ramp up with 6,500 beds available by the end of 2011. The camps are expected to reach their full capacity of 10,000 beds in mid-2012. Average annual gold production from Pascua-Lama is expected to be 800,000-850,000 ounces in the first full five years of operation at negative total cash costs of $225-$275 per ounce based on a silver price of $25 per ounce. For every $1 per ounce increase in the silver price, total cash costs are expected decrease by about $35 per ounce over this period.

In 2009, Barrick entered into the Silver Purchase Agreement with Silver Wheaton whereby it sold the equivalent of 25% of the life-of-mine Pascua-Lama silver production from the later of January 1, 2014 or completion of project construction, and 100% of silver production from the Lagunas Norte, Pierina and Veladero mines until that time. Silver Wheaton will make up front payments totalling $625 million ($488 million received as at December 31, 2011). Silver Wheaton will also make ongoing payments of $3.90 per ounce in cash (subject to a 1% annual inflation adjustment starting three years after completing construction at Pascua-Lama) for each ounce of silver delivered under the Silver Purchase Agreement.

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 intrusive 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 breccias 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 breccias pipe, occurs in the Quebrada de Pascua area. On the surface, this breccia body 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 breccias 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.

Mining and Processing

The Pascua-Lama mine is being designed as an open pit, centered at an elevation of 4,800 meters. The project will produce both non-refractory oxide and refractory sulfide ores. Construction on the Pascua-Lama project began in 2009. The Project is being developed in two phases due to the nature and distribution of ore types (non-refractory and refractory). Both ore types will be ground and washed, with non-refractory ore being subjected to direct cyanide leaching only. Washed refractory sulfides will be subjected to flotation prior to cyanide leaching of the flotation tailings. Final products from the process include doré bullion and Cu-Au-Ag flotation concentrates.

The plant consists of primary crushing, wet grinding in autogenous (AG) mills, ball milling, CCD washing, pre-aeration, oxygen assisted cyanide leaching, CCD thickening for pregnant solution recovery, cyanide destruction, cementation using Merrill-Crowe , mercury retorting, and smelting. For the treatment of the refractory ore, a flotation circuit will be added. The processing plant is designed to operate 24 hours a day, 365 days per year. The average design throughput is approximately 2,000 tonnes per hour.

During years 1 and 2, the process facility is designed to process 45,000 tonnes per day of non-refractory ore through three mill lines (Phase 1). In the late first quarter of year 3, a flotation facility will be added and refractory ore will be introduced to one of the mill lines at the rate of 15,000 tonnes per day (Phase 2). During this phase, which continues throughout the remainder of the mine life, the remaining two mill lines continue to process non-refractory ore at 30,000 tonnes per day. 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.

Until permanent power is available at site, temporary construction power will be provided by diesel generator. The temporary construction generators will be suitable for use as emergency back-up generators during operations in the event of a primary power failure. Permanent electrical power for the project will be provided by a single circuit 220 kV 106 km line from a main substation connected to the Chile main Central Interconnected grid System (SIC) near Punta Colorada (Coquimbo Region) to a substation near the Protocol Area Access Control point in Chile. From there, separate 220 kV lines will be provided for power supply to the substations located at the process plant in Argentina (47 km) and the mine facilities in Chile (23 km). The construction of the primary power supply system is planned to be completed by mid-2013.

The Company is aware of a number of actions that have been initiated variously against the Province of San Juan in Argentina relating to approvals granted in respect of or actions affecting the Pascua-Lama project. Barrick is not a party to such actions and has limited information with respect to the nature or status of the claims or complaints. In addition, certain other complaints and actions relating to the project have been brought against subsidiaries of Barrick. In 2011, Mountain-West Resources Inc. ("MWR") issued a series of false and misleading press releases in which MWR falsely claimed that the Chilean portion of the Pascua-Lama project is not owned by Barrick but is instead owned by a third party who had granted MWR an option to acquire 50% of that property. Barrick has advised MWR that these statements are false and misleading, and has filed formal complaints referring these matters to the appropriate authorities. Based on the information currently available to the Company, none of these actions or complaints is believed to present a significant risk to the construction of the Pascua-Lama project.

In 2007, the Huascoaltinos Agricultural Community filed a petition against the State of Chile before the Inter-American Commission on Human Rights ("IACHR") claiming that certain of the Community's rights under the American Convention of Human Rights had been violated as a result of, amongst other things, the State's issuance of certain environmental approvals relating to the project. The case has been briefed by the petitioner Community and the respondent State before the IACHR. Barrick is not a party to the proceedings and Barrick believes that the petitioner's claims are without merit. Depending on the decision reached by the IACHR, the IACHR could, amongst other things, potentially impose precautionary measures on the State or recommend alterations to the conditions under which the project was approved or reopen its environmental review. Any such decision could limit or suspend Barrick's ability to develop the project, and could potentially affect Barrick's ability to complete the project as it is currently designed.

In April 2011, the Argentinean government implemented import controls on a greater number of goods. Delays associated with these import controls have the potential to affect certain aspects of Pascua-Lama's operations, such as maintenance and new construction, that are dependent on imported goods. Barrick will continue to evaluate the impact of these measures in 2012.

In October 2011, the Argentinean government issued Decree 1722, which requires crude oil, natural gas, and mining companies to repatriate and convert all foreign currency revenues resulting from export transactions into Argentine pesos. A bank transaction tax of 0.6% will apply to the subsequent conversion of pesos to foreign currencies in transactions that would otherwise have been executed using offshore funds. Barrick is evaluating the potential future impact of this Decree on the project.

Environment

The Pascua-Lama project environmental permit was submitted to both Chilean and Argentine 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 addenda were submitted in response to questions and concerns raised by the communities and authorities. Barrick received approval of the EIA from Chilean environmental regulatory authorities in February 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. In December 2006, Barrick received approval of the EIS from the San Juan, Argentina, provincial environmental regulatory authority. Having obtained approval of the EIS, Barrick will also need to obtain various sectoral permits for the construction and operation of the project. In April 2009, Barrick submitted a first biannual update of the EIS to the

Province of San Juan's environmental regulatory authority, which was approved in December 2009. In May 2010, Barrick submitted a second biannual update of the EIS to the Province of San Juan's environmental regulatory authority and in 2011 filed a third update. Additional project related infrastructure and facilities were included and considered in these updates. Barrick is currently awaiting approval of the EIS updates the related sectorial permits are expected to be obtained in due course.

In Chile, Barrick owns the surface land required for the facilities of the project 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. In 2008, the majority of remaining key sectorial permits, including water rights and an easement with respect to the 10% interest of "Campos Las Taguas" owned by third parties, were granted by the government of the San Juan Province in Argentina.

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 of acid rock drainage. Such considerations include diversion and containment systems for the collection, storage and treatment of drainage and closure and reclamation plans 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 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 Management Code will be implemented for the project.

Argentina recently passed a federal glacier protection law that restricts mining in areas on or near the nation's glaciers. Barrick's activities at the Pascua-Lama Project do not take place on glaciers, and are undertaken pursuant to existing environmental approvals issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around the project. Barrick has implemented a comprehensive range of measures to protect such areas and resources. Further, the Company believes that the new federal law is unconstitutional, as it seeks to legislate matters that are within the constitutional domain of the provinces. The Province of San Juan, where a portion of the Pascua-Lama project is located, previously enacted glacier protection legislation with which Barrick complies. The Company believes it is legally entitled to continue its current activities on the basis of existing approvals. In this regard, the Federal Court in San Juan has granted injunctions, based on the unconstitutionality of the federal law, suspending its application in the Province and in particular to Pascua-Lama, pending consideration of the constitutionality of the law by the Supreme Court of Argentina. See also "Legal Matters – Legal Proceedings – Argentina Glacier Legislation".

At December 31, 2011, the recorded amount of estimated future reclamation and closure costs that were recorded under IFRS as defined by IAS 37, and that have been updated each reporting was $51 million (as described in Note 24 to the Consolidated Financial Statements). See "Environment and Closure".

Exploration, Drilling and Analysis

As of December 31, 2011, the drill hole database used to support the development of mineral resources for the Pascua-Lama property contains 1,240 reverse circulation holes, 605 diamond drill core holes, 2,060 underground channel samples, 383 surface channel samples, 157 metallurgical samples and 20 muck samples. The gold and silver resources have been estimated from representative samples taken from 333,415 meters of reverse circulation holes, 159,212 meters of diamond drill holes, 24,503 meters of

underground channel samples and 12,704 meters of road channel samples. 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, data verification 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, data verification 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.

Regular internal auditing of the mineral reserve and mineral resource estimation processes and procedures are conducted.

Royalties and Taxes

Pursuant to federal legislation which implemented law 24.196 in May 1993, and Provincial legislation adhering to the same, operating mines are required to pay to the Provincial government a royalty of up to 3% (“Boca Mina”) for minerals extracted from Argentinean soil. 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 1.433% to 9.555% and a 1.91% 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.

EXPLORATION AND EVALUATIONS

Barrick has historically grown its reserve base through a combination of acquisitions and an exploration strategy that includes a district development program, which focuses on exploration in and around its operating properties, as well as an early-stage exploration program. The Company's strategy is to maintain a geographic mix of projects at different stages in the exploration and development sequence. In 2011, Barrick spent $346 million on its exploration and evaluation activities (2010 – $229 million). Of the $217 million spent on exploration in 2011, approximately $78 million was spent in North America, approximately $31 million was spent in South America, approximately $81 million was spent in the Australia Pacific region, and approximately $27 million was spent by ABG. Evaluation expenditures in 2011, consisting of costs incurred to determine the economic potential of mineral deposits and mine development costs, totaled approximately $129 million (2010: $75 million).

Barrick's exploration strategy is aligned with its business objectives with a balanced approach to increasing production that includes acquisitions, project development and finding deposits through exploration. This growth strategy focuses on: finding new discoveries; replacing and adding reserves and resources at Barrick's existing operations and development projects; and identifying and delivering exploration upside following acquisitions. Exploration is directed from Barrick's head office in Toronto and is conducted through its RBUs and exploration offices around the world. Barrick's success can be largely attributed to the fact that Barrick has extensive land positions on many of the world's most prospective trends and a disciplined approach to exploration which provides a framework for how regions and projects are selected, how they are resourced and managed, and how exploration activities are accomplished. The Company has maintained a strong commitment to exploration, by providing consistent funding through the years and recognising the value to the company through exploration success. In addition, Barrick's exploration team is integrated and aligned with the corporate development team to identify best assets with early opportunity and upside potential.

In 2012, Barrick expects to spend approximately $450 to $490 million on exploration, of which approximately 40% will be capitalized. The budget supports a deep pipeline of projects and is weighted towards near-term resource additions and conversion at Barrick's existing mines, while still providing support for earlier-stage exploration in Barrick's operating districts. North America remains a key priority in 2012 with approximately 45% of the total exploration budget allocated to the region. In 2012, Barrick expects to expense approximately $380 to $410 million for its share of exploration and evaluation expenditures. In 2012, Barrick's expected exploration and evaluation expenses are primarily attributable to on-going minesite reserve and resource development programs, principally at Red Hill/Goldrush (described in further detail below under " – New Discoveries"), Goldstrike, Lumwana, Kanowna and Veladero. Exploration and evaluation expenses also include non-capitalizable project costs at Pueblo Viejo, Pasua-Lama and Cerro Casale and costs from projects for which Barrick uses the equity accounting method, including Kabanga and Donlin Gold.

Expansion of Existing Operations

In 2011, Barrick identified a number of brownfield development opportunities which have the potential to contribute organic long-term production growth and extend the mine life of certain existing operations. At Turquoise Ridge (75% owned by Barrick) in Nevada, the Company is advancing on the potential to develop a large-scale open pit to mine the lower grade halo around the existing high grade core, which could significantly increase annual production. Work in 2012 will focus on a prefeasibility study to be completed by year end. At Lumwana, activity to expand existing operations has been ramped up to focus on resource definition drilling at Chimiwungo and step-out drilling to the south and east to extend the mineralization, in addition to a prefeasibility study on an expansion that could potentially double processing rates at Lumwana, which is expected to be completed by year-end 2012. The Lumwana property is described in further detail above in the Material Properties section (see "Material Properties – Lumwana Property"). Additional organic growth opportunities have been identified at Lagunas Norte and Zaldívar, each of which involves larger sulfide deposits under the existing ore bodies, which have the potential to contribute to increased production in the long term and extend the mine life of both operations. Barrick has also identified an opportunity at its Hemlo mine to expand the open pit and extend the mine life by up to 10 years. A feasibility study is expected to be completed in mid-2012. In 2012, Barrick intends to further advance studies regarding these opportunities, as well as other brownfield development opportunities, to surface additional value at its existing operations.

New Discoveries

In 2011, the Company announced two significant gold discoveries known as Red Hill and Goldrush on its 100%-owned Cortez property in Nevada. The two discoveries are located on highly prospective ground, six kilometers southeast of the Cortez Hills mine and 24 kilometers southeast of the Pipeline mine. The new discoveries are geologically similar in style to Barrick's Cortez Hills and Goldstrike mines. Infill drilling between the deposits has shown that Red Hill and Goldrush merge into a single deposit. Recent drilling continues to grow the potential at Red Hill/Goldrush. As of year-end 2011, the Red Hill/Goldrush deposit had a measured and indicated resource of 1.27 million ounces and an inferred resource of 5.75 million ounces. The Red Hill/Goldrush deposit remains open in multiple directions. Step out holes have intersected mineralization a further 2,800 feet north beyond the initial 2010 resource as well as extended mineralization at least 1,000 feet to the southwest. The step out drilling continues to suggest a high likelihood of major resource expansion. A total of 468,000 feet of drilling ($64 million) is planned at Red Hill/Goldrush in 2012 to test the full extent of the mineralized system and further expand and upgrade the resource base.

Advanced Projects

In 2012, Barrick expects to increase the capital projects portion of its total capital expenditures to approximately $2.60 to $2.75 billion (2011: $2.25 billion), primarily as a result of construction activity at Pascua-Lama, partly offset by lower capital project capital expenditures at Pueblo Viejo as the project commences operation in mid-2012. Based on the current portfolio of development projects and mine plans, total capital project capital expenditures are expected to decrease in 2013 following the completion of Pueblo Viejo and Jabal Sayid in 2012 and Pascua-Lama in mid-2013. The Pueblo Viejo project and the Pascua-Lama project are described in further detail above in the Material Properties section (see “Material Properties – Pueblo Viejo Project” and “Material Properties – Pascua-Lama Project”). The Jabal Sayid project is described below.

Jabal Sayid is a copper project in Saudi Arabia located about 350 km northeast of the Red Sea port of Jeddah and 120 km southeast of Medina. The property was acquired by Barrick as part of the Equinox transaction in 2011. Overall construction of the Jabal Sayid project was about 75% complete at year-end 2011. The Jabal Sayid copper project consists of three major copper-rich deposits, “Lode 1”, “Lode 2” and “Lode 4”. Subject to receipt of final Environmental Impact Assessment approvals, the operation is expected to enter production in the second half of 2012 at total construction capital of approximately $400 million, of which 85% had been committed at year-end 2011. Underground mine development for first ore production and concrete works was completed in the fourth quarter of 2011 and bulk earthworks were about 90% complete. Jabal Sayid is expected to produce 35-45 million pounds of copper from Lode 2 in 2012 at total cash costs of $2.15-$2.50 per pound. The foregoing estimates are based on 2012 copper and gold price assumptions of $3.50 per pound and $1,700 per ounce, respectively. The 2012 total cash cost estimate is dependent on the rate at which production ramps up after commercial levels of production are achieved. Average annual production from Lode 2 and Lode 4 is expected to be 100-130 million pounds over the first full five years of operation at total cash costs of $1.50-$1.70 per pound. Results from recent drilling beneath Lode 4 demonstrate that the width of mineralization towards the base of the current resource model had been underestimated by lack of drilling. This area will be the focus of ongoing drilling and resource/reserve upgrades and additions in 2012.

Projects in Feasibility

Certain of Barrick’s other current development projects, which are at various stages of development, are described below.

Acquired in connection with Barrick’s acquisition of Arizona Star in 2007, Cerro Casale is a large, undeveloped gold and copper deposit located in the Maricunga district of Region III in Chile, 145 km southeast of Copiapo. Barrick has a 75% interest in the project and has obtained control over the project, following its March 2010 acquisition of a 25% interest from Kinross. Barrick’s 75% share of average annual production is anticipated to be about 750,000 to 825,000 ounces of gold and 190 to 210 million pounds of copper in its first five years of operation at total cash costs of about $200 to $250 per ounce. Estimated total mine construction capital based on prices in effect during the second quarter of 2011 without escalation for inflation is approximately $6.0 billion (100% basis). The foregoing estimates are based on gold price, copper price and oil price assumptions of $1,300 per ounce, $3.25 per pound and $100 per barrel, respectively, and assuming a Chilean peso foreign exchange rate of 475:1.

The environmental impact assessment permitting process at Cerro Casale is anticipated to be completed by the end of 2012, after which Barrick will consider a construction decision and commencement of detailed engineering. The permitting process is being conducted alongside discussions with representatives of government and meetings with local communities and indigenous peoples impacted by the project. Basic engineering was completed on schedule in the fourth quarter of 2011.

The Donlin Gold project (formerly, the Donlin Creek project) is a large refractory gold deposit located in Southwestern Alaska. In December 2007, Barrick entered into an agreement with NovaGold Resources Inc. ("NovaGold") to form a jointly owned limited liability company, Donlin Creek LLC (now, Donlin Gold LLC), on a 50/50 basis to advance the project. The project's original feasibility study update was approved by the board of Donlin Creek LLC in the second quarter of 2009. A revised feasibility study, which includes updated costs and the utilization of natural gas, has been completed and acceptance of the study by the board of Donlin Gold LLC is expected in the first half of 2012, pending the finalization of surface land use agreements. Mine construction capital, based on prices in effect during the second quarter of 2011 without escalation for inflation, is expected to be approximately $6.7 billion (100% basis). This estimate includes a natural gas pipeline, which is anticipated to lower long term power costs and offer a better environmental and operational solution for power connection to the site. Permitting is expected to commence following approval by the Donlin Gold board of the revised feasibility study. Donlin Gold is anticipated to produce about 1.5 million ounces of gold annually (100% basis) in its first full five years of operation.

In 2006, Barrick acquired a 50% interest in Atacama Copper Pty Ltd., which in turn has a 75% interest in the Reko Diq project in Pakistan and associated mineral interests. Reko Diq is a large copper-gold porphyry mineral resource located in southwest Pakistan in the province of Balochistan. The feasibility study indicates pre-production capital of approximately $3.3 billion (100% basis) on a 120,000 ton per day processing plant, which is capable of future expansions. The foregoing estimate is based on prices in effect during the fourth quarter of 2009, without escalation for inflation. It is estimated that Barrick's share of average annual production for the first five full years will be between 90,000 and 100,000 ounces of gold and 150 to 160 million pounds of copper. A copy of the feasibility study was delivered to the Government of the Province of Balochistan ("GOB"), partners in the project, in June 2010 in accordance with the terms of a joint venture agreement.

On February 15, 2011, the project company, Tethyan Copper Company Pakistan (Private) Limited ("TCCP"), a subsidiary of Atacama Copper Pty Ltd., submitted to the GOB an application for a mining lease in respect of the Reko Diq project. On November 15, 2011 the GOB rejected the mining lease application for the Reko Diq project. Barrick believes that it has a sound legal basis to support its entitlement to secure a mining lease and the Company is actively pursuing the enforcement of its legal rights through both the International Center for Settlement of Investment Disputes and the International Chamber of Commerce. The carrying value of Barrick's investment in Reko Diq is $121 million. For additional details on these proceedings as well as the related proceedings before the Supreme Court of Pakistan see "Legal Matters – Legal Proceedings – Reko Diq Arbitration" and "Legal Matters – Legal Proceedings – Pakistani Constitutional Litigation".

Barrick is party to a joint-venture agreement with Xstrata plc ("Xstrata") with respect to the Kabanga nickel deposit and related concession in Tanzania. During 2008, Xstrata earned its 50% interest in the project under the earn-in agreement and is currently the operator of the project. Expenditures are funded equally by Xstrata and Barrick. Xstrata Nickel, a business division of Xstrata plc, is currently the operator of the project. Preliminary engineering continues along with efforts to obtain an approved Environmental Impact Assessment and a Special Mining License and negotiate a Mineral Development Agreement with the Tanzanian government by the end of 2012, at which point the partners expect to make a construction decision.

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's investment in environmental management systems is aimed at eliminating or mitigating environmental risks as they are identified. The governance aspects of Barrick's systems are designed to inform management early enough to respond to risks as they arise.

Barrick has a policy of conducting environmental audits of its business activities, on a regular and scheduled basis, in order to evaluate compliance with: applicable laws and regulations; permit and license requirements; company policies and management standards including guidelines and procedures; and adopted codes of practice. All operating mines and selected project sites are subject to triennial audits, with certain sites being audited more frequently. Starting in 2010, Barrick began submitting closure sites and certain project sites to environmental audits. Barrick has identified certain of its closure and project sites that will be audited on a risk-priority basis in 2012. 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. Barrick has also developed and is continuing to develop specific performance standards relating to environmental matters. Barrick's Global Water Conservation Standard, completed in 2008, is being implemented as a company-wide priority. As of December 31, 2011, 19 of Barrick's 26 operating mines are zero water discharge operations, with all water recycled and reused for mining processes at site. Barrick has developed expertise in using saline water, maximizing availability of fresh water for other community users. In 2011, approximately 30% of the Company's water intake was brackish or saline. In 2012, Barrick intends to further participate in the Water Disclosure Project to contribute to greater understanding of global industrial water use.

In 2009, Barrick finalized three additional standards: a Biodiversity Standard, a Mine Closure Standard and an Incident Reporting Standard. At year-end 2011, the Biodiversity Standard was being implemented at 11 operating sites. Twenty of Barrick's operating mines have implemented the Mine Closure Standard, with the remaining six sites planning to implement additional measures in 2012 to ensure compliance. The Incident Reporting Standard has been implemented at the Company's operating sites.

Also in 2009, Barrick completed a risk assessment to identify and address the business risks associated with climate change, while continuing to improve overall energy efficiency of its operations. In 2010, Barrick adopted a Global Climate Change Standard. The Climate Change Standard has been implemented at 18 of Barrick's operating sites, and the Company expects to continue the implementation of this standard in 2012.

In certain respects, the standards developed by the Company exceed regulatory requirements and represent industry best practices. To provide further guidance toward achieving its environmental objectives, Barrick developed an Environmental Management System ("EMS") in 2005 that was updated in 2008 to align with international standards, including ISO 14001. To date, the EMS has been implemented at 20 mines and full implementation at all sites is expected in 2012. Most Barrick mines are already substantially compliant with the EMS by virtue of their existing systems. For example, the North American RBU achieved ISO 14001 certification in 2011, becoming the second of Barrick's regional business units to be certified after the South American RBU. The Australia Pacific RBU is currently pursuing ISO 14001 certification, with the Porgera mine expected to be certified in 2012. All Barrick facilities have staff and systems in place to manage Barrick's regulatory and permit obligations.

Each year, Barrick issues a Responsibility Report that outlines its environmental, health and safety and social responsibility performance for the year.

During 2011, there were no material notices of violations, fines or convictions relating to environmental matters at any of the Company's material operations.

As part of Barrick's goal to minimize the impact on the environmental and social aspects of its projects and operations, it develops comprehensive 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 acquired in respect 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 Note 2(U) and 24 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 also installs air pollution controls on air pollution point sources, such as roaster and autoclave stacks, that meet or exceed applicable legal standards. 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 alternate water sources and habitats for wildlife.

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 water 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. Where necessary, the Company installs and operates water treatment facilities to manage drainage.

Many 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 ("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 auspices of the United Nations Environmental Programme. The Code establishes 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 certification inspection. The Company listed all of its mines that use cyanide for Code certification. Barrick has achieved certification or re-certification of 22 of its operations under the Code.

Certain of the Company's operations produce mercury as a result of the ore that is processed at those sites. Those operations currently sell this mercury, which is captured at each of these sites by air pollution control devices. The Company is committed to the operation of state-of-the-art controls on all sources of mercury emissions. 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. Consistent with U.S. law, Barrick will cease the export of elemental mercury from US facilities in 2013. The Company is currently exploring options for storing mercury produced at these sites commencing in 2013. The Company is tracking the development of an international treaty on mercury which is anticipated to come into force by 2017. The Company anticipates ceasing export and sales of elemental mercury at the time the treaty comes into force.

ENTERPRISE RISK-MANAGEMENT

In 2010, the Company developed and implemented a standardized Enterprise Risk Management (ERM) ranking and reporting process to ensure that risks across the Company were identified, assessed and prioritized and that mitigation strategies were monitored at the appropriate levels of the organization.

The Barrick ERM process is intended to ensure that all business and operational risks identified at the corporate functional level, by the RBUs (whether at the site or regional level), the copper business unit, or within Barrick Energy or ABG are escalated according to a standardized risk ranking criteria. In addition, each risk and mitigation strategy is monitored and escalated to the appropriate level of management based upon organizational impact. The highest ranking priority risks from each region and corporate function are presented to Barrick management for final consolidation and prioritization as part of the Company's annual planning process.

In 2012, the Company intends to adopt an ERM policy and begin the process of developing procedures and auditing protocols, as required, to support the deployment of the ERM policy within the organization. The ERM policy is intended to reflect the ranking and reporting practices and procedures which have developed in connection with initial deployment of the ERM process. To continually improve the Company's ERM process, Barrick has initiated the development and implementation of a training program focused on enhanced assessment and reporting for key personnel at all levels of the organization.

Financial Risk-Management

The Company has mining operations in nine principal countries which produce gold and/or copper, as well as other minerals such as silver. The Company's activities expose it to a variety of market risks, including risks related to the effects of changes in gold and copper prices, the price of certain other metals, currencies, interest rates and other commodity prices. This financial exposure is monitored and managed by the Company as an integral part of its overall financial risk-management program. The Company's financial risk-management program focuses on the unpredictability of commodity prices, currencies and interest rates and uses financial instruments to mitigate significant, unanticipated earnings and cash flow fluctuations that may arise from volatility in the financial markets. The Company's financial risk-management program has recently been integrated into Barrick's overall ERM reporting process.

Gold Sales

For most of Barrick's history, gold forward sales were a significant element in providing the Company with 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. In late 2003, Barrick adopted a "no-new-hedge" gold policy such that it would not add new ounces to its gold forward sales program.

In 2009, Barrick announced its plan to eliminate its Gold Hedges and a significant portion of its Floating Contracts. During 2009, Barrick eliminated its Gold Hedges and reduced the obligation relating to the Floating Contracts to approximately $0.6 billion. During 2010, the remaining obligation relating to the Floating Contracts was repaid in full.

In 2011, Barrick's entire gold production was delivered into the spot market. The Company realized an average price of $1,578 per ounce compared with the average London P.M. Fix for the year of $1,572 per ounce. In 2010, the Company realized an average gold price of $1,228 per ounce compared with the average London P.M. Fix for the year of $1,225 per ounce. The Company enters into derivative contracts, primarily purchased and written contracts, with the primary objective of increasing reported gold and copper revenue (see Note 22C "Derivative Instruments" to the Company's 2011 Consolidated Financial Statements and MD&A for further information).

Copper Sales

Barrick has put in place floor protection on approximately half of its expected copper production for 2012 at an average floor price of $3.75 per pound and has full participation to any upside in copper prices. Barrick's realized price on its entire copper production is expected to be reduced by approximately $0.13 per pound in 2012 as a result of the net premium paid on option hedging strategies.

The Company realized an average price of $3.82 per pound compared with the average London Metals Exchange price for the year of $4.00 per pound, as a result of the impact of hedging strategies, quotational period pricing and timing of sales. In 2010, the Company realized an average copper price of $3.41 per pound compared with the average London Metals Exchange price for the year of $3.42 per pound.

Silver Sales

Barrick currently produces silver as a by-product at certain of its operating mines. In September 2009, Barrick entered into a transaction with Silver Wheaton for the sale of an amount of silver equivalent to the amount of silver produced from the Lagunas Norte, Pierina and Veladero mines in South America until Pascua-Lama reaches operation, and thereafter for the equivalent of 25% of the amount of silver produced from Pascua-Lama (see "Pascua Lama Project – Development").

Utilizing option collar strategies, Barrick has hedge protection on a total of 45 million ounces of expected silver production from 2013 to 2018. The contracts contain purchased put and sold call options with weighted average strike prices of $23 per ounce and $57 per ounce, respectively. For collars designated against silver bullion sales, the hedged items are identified as the first stated quantity of ounces of forecasted sales in a future month. For additional information on Barrick's hedges against silver bullion sales, see Note 22C to the Notes to the Consolidated Financial Statements for the year ended December 31, 2011.

Currency, Interest Rate and Other Commodity Hedge Programs

The Company also monitors and manages exposures related to fluctuations in currencies, interest rates and other commodity prices. Currency risk mainly arises on non-U.S. dollar cash expenditures at the Company's Australian, Canadian, South American, Papua New Guinean and Zambian 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 with respect to commodities such as nickel at its Kabanga project, and the costs of electricity, acid, diesel fuel, natural gas and other inputs consumed at each of the Company's operations. The Company mainly uses forward foreign exchange contracts, interest rate swaps and forward commodity contracts to mitigate the impact of these exposures.

Barrick's currency hedge position has provided benefits to it in the form of hedge gains recorded within its operating costs when contract exchange rates are compared to prevailing market exchange rates as follows: 2011 – $344 million; 2010 – $145 million; and 2009 – $27 million (US GAAP). Barrick also recorded hedge gains/losses as an offset to corporate administration costs as follows: 2011 – $24 million gain; $2010 – $33 million gain; and 2009 – $7 million loss. For 2012, Barrick's average Australian dollar hedge rates are favorable in comparison to the current market rates for these currencies. The average hedge rates vary depending on when the contracts were put in place. Barrick has hedged approximately A$1.7 billion, C$500 million and CLP 300 billion in 2012 for expected Australian, Canadian and Chilean operating costs and sustainable and eligible project capital expenditures at average rates of $0.81, $1.01 and 516, respectively. As a result, Barrick is nearly fully hedged against its expected Australian dollar, Canadian dollar and Chilean peso expenditures. Assuming market exchange rates at the December 31, 2011 levels of A$1.02 against the US dollar and $1.02 and CLP 520 for the US dollar against the Canadian dollar and Chilean peso, respectively, Barrick expects to record gains on its operating expenditures of approximately $300 million in 2012, or about $40 per ounce based on total forecasted 2012 production. Beyond 2012, Barrick has hedge protection in place for about 40% of its Australian dollar operating exposures through 2016.

As of December 31, 2011, Barrick had forward contracts in place totaling 5.0 million barrels of oil over the next three years. In 2011, Barrick recorded hedge gains in earnings of approximately $48 million on its fuel hedge positions (2010: $26 million loss; 2009: $97 million loss (US GAAP)). Assuming market rates at the December 31, 2011 level of $99 per barrel, Barrick expects to realize hedge gains of approximately $20 million in 2012 from its financial fuel contracts.

In 2012, Barrick expects Barrick Energy to produce about 3.7 million boe. The net contribution (primarily as a result of the impact of royalty obligations) from Barrick Energy production is expected to provide a natural offset to consumption of about 1.8 million barrels of fuel. The Barrick Energy contribution, along with Barrick's financial fuel hedges, provides hedge protection for approximately 80% of the Company's estimated fuel consumption for 2012.

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.

For a summary of the Company's derivative instruments used in the Company's currency, interest rate and commodity hedge programs, see Notes 6 and 22 of the Notes to the Consolidated Financial Statements for the year ended December 31, 2011, pages 77 to 79 of the Company's Annual Report – Financial Report 2011 to Shareholders for the year ended December 31, 2011 and "Risk Factors".

Oversight and Control Over Financial 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, reports to the Board of Directors on the scope of the Company's risk-management strategy 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 hedging and financial risk-management strategies is delegated to the Company's treasury function. A report on Barrick's hedge positions, detailing the size of the positions by contract type, diversification of the position among counterparties, each counterparty's recent credit rating and the latest fair value of each group of contracts, is prepared bi-monthly 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 segregation of duties of personnel responsible for entering into hedging transactions from personnel responsible for recording and reporting transactions. In addition, the Company's treasury reporting group regularly monitors gold sales and hedging transactions entered into by the Company. 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.

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. Changes to the mining laws are frequently proposed in the US Congress. The most recent proposed changes to the mining law were contained in President Obama's proposed budget, which included a proposal to replace the land tenure provisions of the mining law with a leasing program and to impose a 5% gross royalty on minerals produced under the new leasing system. The proposal appears to grandfather existing rights. The budget proposal included no legislative language so the exact parameters of the proposal are uncertain. It is uncertain whether the proposal will be part of any budget that is ultimately approved.

In November 2009, a lawsuit was filed by a coalition of environmental groups challenging regulations promulgated under the federal mining law: *Earthworks, et al. vs. U.S. Department of the Interior* (District of Columbia, Case No. 1:09-cv-01972). The lawsuit seeks to impose different rules on millsite claims and unpatented lode claims and seeks an injunction of all permitting of mines on federal lands until new rules are promulgated. An unfavorable outcome in that litigation could also result in changes in the mining law.

In December 2010, the US Environmental Protection Agency promulgated a new rule relating to mercury emissions from gold mining facilities. The new rule, known as the gold mining mercury MACT (Maximum Achievable Control Technology) imposes new permitting monitoring and control requirements on gold recovery air pollution sources. Due to the Company's own voluntary control efforts and the State of Nevada's groundbreaking mercury control regulations promulgated with the Company's support in 2006, the Company believes that its operations are well-placed to be able to comply with the new rule. Environmental groups have challenged certain aspects of the proposed rule in the U.S. Circuit Court of Appeals for the District of Columbia, seeking more stringent requirements. The litigation could result in additional controls and expense.

In 2002, as an emergency measure, Argentina adopted a 5% export duty on certain mineral products, including gold. At the time, the duty was described as "temporary". Veladero's export of gold doré is currently subject to this duty. It is possible that the Argentinean government could attempt to further increase the export duty rates or otherwise impose additional taxes or burdens on the Company's mineral production as additional revenue enhancement measures. Should export duties continue to be in place at the time that the Company commences production from Pascua-Lama, only production from ore extracted in Argentina will be subjected to such duties.

In April 2011, the Argentinean government implemented import controls on a greater number of goods. Delays associated with these import controls have the potential to affect certain aspects of Veladero's and Pascua-Lama's operations, such as maintenance and new construction, that are dependent on imported goods. Barrick will continue to evaluate the impact of these measures in 2012.

In October 2011, the Argentinean government issued Decree 1722, which requires crude oil, natural gas, and mining companies to repatriate and convert all foreign currency revenues resulting from export transactions into Argentine pesos. A bank transaction tax of 0.6% will apply to the subsequent conversion of pesos to foreign currencies in transactions that would otherwise have been executed using offshore funds.

On September 30, 2010, the National Law on Minimum Requirements for the Protection of Glaciers was enacted at the federal level in Argentina, coming in force in early November 2010. The federal law bans all new mining exploration and exploitation activities on glaciers and in the "peri-glacial" environment, and subjects ongoing mining activities to an environmental audit. If significant impacts on glaciers and peri-glacial environment are verified by said audit, the authority is empowered to take action, including the suspension or relocation of the activity. The Province of San Juan, where Barrick's operations are located in Argentina, had previously adopted glacier protection legislation, with which Barrick's activities comply. Barrick believes it is legally entitled to continue its current activities on the basis of existing approvals. In this regard, the Federal Court in San Juan has granted injunctions, based on the unconstitutionality of the federal law, suspending its application in the Province and in particular to Veladero and Pascua-Lama pending consideration of the constitutionality of the law, to be decided by the Supreme Court of Justice of Argentina.

Following the earthquake in Chile in the first quarter of 2010, the Chilean government presented a package of certain tax increases to the Chilean Congress for approval. With respect to corporate income taxes, a temporary first tier income tax increase from 17% to 20% in 2011, and 18.5% in 2012 was presented to and approved by the Chilean Congress. The income tax changes were enacted in the third quarter 2010.

In addition, in October 2010, the Chilean government enacted legislation for a new specific mining tax. Under the new specific mining tax, for new projects, the applicable rates would change from 5% of operating margin after depreciation to a range of 5% – 14% based on the level of operating margin. For

those companies currently operating under a stabilized regime, the law contemplates an option to voluntarily apply a rate of 4% – 9% for 2010-2012, and then return to the stabilized rate of 4% until the current stability period ends, and obtain an extension of the stability period at rates in the range of 5% – 14% for an additional 6 years. In January 2011, Barrick voluntarily adopted the new specific mining tax with respect to its Zaldívar mine in Chile.

In October 2011, the Peruvian government enacted a new voluntary Special Mining Contribution (SMC) payable by mining companies that have entered into legal stability agreements in Peru. On October 20, 2011, Barrick signed an agreement with the Peruvian government by which it voluntarily committed to pay the SMC on a quarterly basis for the term of its legal stability agreements for the Pierina and Lagunas Norte properties. The SMC is assessed on a sliding scale ranging from 4% to 13.12% based on operating income margin.

In 2010, the Australian government proposed a new tax on the minerals industry. The original proposed tax extended to all minerals including gold and copper. After negative community feedback, the government abandoned the original proposed new tax and announced a new minerals resource rent tax (“MRRT”) applying to iron ore and coal. The Australian government has now enacted the MRRT and it has a commencement date of July 1, 2012. The MRRT as enacted only applies to iron ore and coal and other commodities such as gold and copper are not subject to the MRRT.

In November 2011, the Australian government enacted a price on carbon emissions with a commencement date of July 1, 2012. The carbon price will be fixed in the first three years, starting at A$23 per tonne of carbon dioxide equivalent and increasing by 5% per annum until June 30, 2015. The carbon tax is designed to apply to the top 500 high-emitting companies in Australia. The government has proposed a transition from the carbon price regime to an emissions trading scheme (ETS) from July 1, 2015. The Coalition opposition has pledged to repeal the carbon price if they win government in the future. Barrick has completed a preliminary assessment and expects the impact of complying with the legislation to be an increase in our total cash costs of approximately $3 per ounce on a consolidated basis and approximately $12 per ounce for the regional business unit on an annualized basis.

In December 2011, the Government of Zambia increased the mineral royalty from 3.0% to 6.0% effective April 1, 2012, following a previous royalty increase from 0.6% to 3.0% in April 2008. The 3.0% and 6.0% royalties contradict the development agreement entered into between Lumwana Mining Company Limited and the Government of Zambia on December 16, 2005, which provided a 10-year stability period for the key fiscal and taxation provisions related to the Lumwana property, including a 0.6% mineral royalty. Based on local and international legal advice, the Company believes that the compensation rights for breach of the 10-year stability period granted under the Lumwana Development Agreement prevail over the mineral royalty and other changes to the Zambian tax regime. In January 2012, the Government of Zambia announced its intention to further review the country’s mining legislation. No amendments have been proposed to date.

The Supreme Court in the Republic of the Philippines adopted new Rules of Procedure for Environmental Cases effective April 29, 2010 (the “Environmental Rules”). Rule 7 of the Environmental Rules purports to create a new special civil action or remedy called a “Writ of Kalikasan”. The Environmental Rules provide that such a writ is available to a natural or juridical person, on behalf of persons “whose constitutional right to a balanced and healthful ecology is violated, or threatened with violation by an unlawful act or omission of a public official or employee, or private individual or entity, involving environmental damage of such magnitude as to prejudice the life, health or property of inhabitants in two or more cities or provinces.” The remedies available under this procedure are in the nature of injunctive orders preventing continued harm to the environment and orders for rehabilitation or remediation of the environment. The Rules provide for a significantly compressed procedural timeframe

for such proceedings and, amongst other things, require: (i) the petitioners to file all of their evidence at the time they commence the proceeding and file their Petition for a Writ; and (ii) the respondents to file a responding pleading and their evidence within ten (10) days of being served with the Writ. The Rules also contemplate a speedy hearing and determination on the merits. Barrick does not operate in the Philippines but is a party to various legal proceedings in that country that relate to Placer Dome's former interest in the Marcopper mine (see "Legal Proceedings – Writ of Kalikasan").

On November 15, 2011 the Government of Balochistan rejected the mining lease application for Barrick's Reko Diq copper-gold project in Pakistan. Barrick believes that it has a sound legal basis to support its entitlement to secure a mining lease and the Company is actively pursuing the enforcement of its legal rights through both the International Center for Settlement of Investment Disputes and the International Chamber of Commerce. Litigation regarding the Reko Diq project is also on-going at the Pakistani Supreme Court. See "Legal Proceedings – Reko Diq Arbitration" and "Legal Proceedings – Pakistani Constitutional Litigation".

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 (see "Environment and Closure"). 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 current government controls and regulations at each of its material properties.

Legal Proceedings

Set out below is a summary of potentially material legal proceedings to which Barrick is a party.

Cortez Hills Complaint

On November 12, 2008, the United States Bureau of Land Management issued a Record of Decision approving the Cortez Hills Expansion Project (the "Project"). On November 20, 2008, the TeMoak Shoshone Tribe, the East Fork Band Council of the TeMoak Shoshone Tribe and the Timbisha Shoshone Tribe, the Western Shoshone Defense Project, and Great Basin Resource Watch filed a lawsuit against the United States seeking to enjoin the majority of the activities comprising the Project on grounds that it violated the Western Shoshone rights under the Religious Freedom Restoration Act ("RFRA"), that it violated the Federal Land Policy and Management Act's ("FLPMA") prohibition on "unnecessary and undue degradation," and that the Project's Environment Impact Statement ("EIS") did not meet the requirements of the National Environmental Policy Act ("NEPA"). The Plaintiffs subsequently dismissed their RFRA claim, with prejudice, conceding that it was without merit, in light of a decision in another case.

On November 24, 2008, the Plaintiffs filed a Motion for a Temporary Restraining Order and a Preliminary Injunction barring work on the Project until after a trial on the merits. In January 2009, the Court denied the Plaintiffs' Motion for a Preliminary Injunction, concluding that the Plaintiffs had failed to demonstrate a likelihood of success on the merits and that the Plaintiffs had otherwise failed to satisfy the necessary elements for a preliminary injunction. The Plaintiffs appealed that decision to the United States Court of Appeals for the Ninth Circuit. In December 2009, the Ninth Circuit issued an opinion in which it held that the Plaintiffs had failed to show that they were likely to succeed on the merits of their FLPMA claims, and thus were not entitled to an injunction based on those claims. The Ninth Circuit, however, held that Plaintiffs were likely to succeed on two of their NEPA claims and ordered that a supplemental EIS be prepared by Barrick that specifically provided more information on (i) the effectiveness of proposed mitigation measures for seeps and springs that might be affected by groundwater pumping, and (ii) the air quality impact of the shipment of refractory ore to Goldstrike for processing and that additional air quality modeling for fine particulate matter using updated EPA procedures should be performed and included in the supplemental EIS. The Ninth Circuit decision directed the District Court to enter an injunction consistent with the decision. In April 2010, the District Court granted Barrick's motion seeking a tailored preliminary injunction, which allows mining operations to continue while the supplemental EIS is being completed.

In August 2010, the District Court issued an order granting summary judgment for Cortez except generally for those issues covered by the supplemental EIS on which it reserved ruling until the completion of that document. The final supplemental EIS was published on January 14, 2011. On March 15, 2011 BLM issued its record of decision which approved the supplemental EIS which had the effect of terminating the tailored injunction, thereby enabling the Cortez mine to revert to its original operating scope. All parties filed their motions for summary judgment on all remaining issues. On January 3, 2012, the Court issued a decision granting summary judgment in favour of Barrick and the BLM on all remaining issues. The Plaintiffs have appealed this decision to the United States Court of Appeals for the Ninth Circuit.

Marinduque Complaint

Placer Dome was named the sole defendant in a Complaint filed in October 2005, by the Provincial Government of Marinduque, an island province of the Philippines (the "Province"), with the District Court in Clark County, Nevada. The Complaint asserted that Placer Dome was responsible for alleged environmental degradation with consequent economic damages and impacts to the environment in the vicinity of the Marcopper mine that was owned and operated by Marcopper Mining Corporation ("Marcopper"). Placer Dome indirectly owned a minority shareholding of 39.9% in Marcopper until the divestiture of its shareholding in 1997. The Province sought "to recover damages for injuries to the natural, ecological and wildlife resources within its territory". In addition, the Province sought compensation for the costs of restoring the environment, an order directing Placer Dome to undertake and complete "the remediation, environmental cleanup, and balancing of the ecology of the affected areas," and payment of the costs of environmental monitoring. The Complaint addressed the discharge of mine tailings into Calancan Bay, the 1993 Maguila-guila dam breach, the 1996 Boac river tailings spill, and alleged past and continuing damage from acid rock drainage.

The action was removed to the U.S. District Court for the District of Nevada on motion of Placer Dome. After the amalgamation of Placer Dome and the Company, the Court granted the Province's motion to join the Company as an additional named Defendant. In June 2007, the Court issued an order granting the Company's motion to dismiss on grounds of forum non conveniens (improper choice of forum). In September 2009, the U.S. Court of Appeals for the Ninth Circuit reversed the decision of the District Court on the ground that the U.S. District Court lacked subject matter jurisdiction over the case and removal from the Nevada state court was improper.

In April 2010, the Company filed a motion to dismiss the claims in the Nevada state court on the grounds of forum non conveniens and on October 12, 2010, the court issued an order granting the Company's motion to dismiss the action. On February 11, 2011, the Court issued its written reasons for the dismissal order. On March 11, 2011, the Province filed a motion to reconsider the Court's order, which the Company opposed on March 28, 2011. The Court denied the motion to reconsider on May 25, 2011. The Province has appealed the Court's dismissal order to the Nevada Supreme Court. The Company intends to continue to defend the action vigorously. No amounts have been accrued for any potential loss under this Complaint.

Calancan Bay (Philippines) Complaint

In July 2004, a complaint was filed against Marcopper and Placer Dome in the Regional Trial Court of Boac, on the Philippine island of Marinduque, on behalf of a putative class of fishermen who reside in the communities around Calancan Bay, in northern Marinduque. The complaint alleges injuries to health and economic damages to the local fisheries resulting from the disposal of mine tailings from the Marcopper mine. The total amount of damages claimed is approximately $1 billion.

In October 2006, the court granted the plaintiffs' application for indigent status, allowing the case to proceed without payment of filing fees. In March 2008, an attempt was made to serve Placer Dome by serving the summons and complaint on Placer Dome Technical Services (Philippines) Inc. ("PDTS"). PDTS has returned the summons and complaint stating that PDTS is not an agent of Placer Dome for any purpose and is not authorized to accept service or to take any other action on behalf of Placer Dome. In April 2008, Placer Dome made a special appearance by counsel to move to dismiss the complaint for lack of personal jurisdiction and on other grounds. The plaintiffs have opposed the motion to dismiss. The motion has been briefed and is currently pending.

In October 2008, the plaintiffs filed a motion challenging Placer Dome's legal capacity to participate in the proceedings in light of its alleged "acquisition" by the Company. Placer Dome opposed this motion. The motion has been briefed and is currently pending. The Company intends to defend the action vigorously. No amounts have been accrued for any potential loss under this complaint.

Perilla Complaint

In August 2009, BGI was purportedly served in Ontario with a complaint filed in November 2008 in the Regional Trial Court of Boac, on the Philippine island of Marinduque, on behalf of two named individuals and purportedly on behalf of the approximately 200,000 residents of Marinduque. In December 2009, the complaint was also purportedly served in Ontario in the name of Placer Dome. The complaint alleges injury to the economy and the ecology of Marinduque as a result of the discharge of mine tailings from the Marcopper mine into the Calancan Bay, the Boac River, and the Mogpog River. The plaintiffs are claiming for abatement of a public nuisance allegedly caused by the tailings discharge and for nominal damages for an alleged violation of their constitutional right to a balanced and healthful ecology. BGI has moved to dismiss the complaint on a variety of grounds, which motion is now pending a decision of the Court following the failure of plaintiffs' counsel to appear at the hearing in February 2010 or to timely file any comment or opposition to the motion. Motions to dismiss the complaint on a variety of grounds have also been filed in the name of Placer Dome. In May 2010, the plaintiffs filed a motion for an order to admit an amended complaint in which they are seeking additional remedies including temporary and permanent environmental protection orders. In June 2010, BGI and Placer Dome filed a motion to have the Court resolve their unresolved motions to dismiss before considering the plaintiffs' motion to admit the amended complaint. An opposition to the plaintiffs' motion to admit was also filed by BGI and Placer Dome on the same basis. This motion is now fully briefed and awaiting determination by the Court. It is not known when these motions or the outstanding motions to dismiss will be decided by the Court. The Company intends to defend the action vigorously. No amounts have been accrued for any potential loss under this complaint.

Writ of Kalikasan

On February 25, 2011 a Petition for the Issuance of a Writ of Kalikasan with Prayer for Temporary Environmental Protection Order (TEPO) was filed in the Supreme Court of the Republic of the Philippines in Eliza M. Hernandez, Mamerto M. Lanete and Godofredo L. Manoy versus Placer Dome Inc. and Barrick Gold Corporation, SC G.R. No. 195482 (the "Petition"). On March 8, 2011, the Supreme Court issued an En Banc Resolution and Writ of Kalikasan and directed service of summons on Placer Dome and the Company, ordered Placer Dome and the Company to make a verified return of the Writ with ten (10) days of service and referred the case to the Court of Appeal for hearing. The Petition alleges that Placer Dome violated the Petitioners' constitutional right to a balanced and healthful ecology as a result of, amongst other things, the discharge of tailings into Calancan Bay, the 1993 Maguila-Guila dam break, the 1996 Boac river tailings spill and Marcopper's failure to properly decommission the Marcopper mine. The Petitioners have pleaded that the Company is liable for the alleged actions and omissions of Placer Dome which was a minority indirect shareholder of Marcopper at all relevant times and is seeking orders requiring the Company to environmentally remediate the areas in and around the mine site that are alleged to have sustained environmental impacts. The Petitioners purported to serve the Company on March 25, 2011.

On March 31, 2011, the Company filed an Urgent Motion For Ruling on Jurisdiction with the Supreme Court challenging the constitutionality of the Rules of Procedure in Environmental Cases (the "Environmental Rules") pursuant to which the Petition was filed, as well as the jurisdiction of the Court over the Company. As required by the Environmental Rules, by special appearance and without submitting to the jurisdiction of the Court, on April 4, 2011, the Company filed its Return Ad Cautelam to the Writ seeking the dismissal of the Petition with prejudice. On April 12, 2011, the Supreme Court issued a Resolution requiring the petitioners to submit a Comment on the Company's Urgent Motion for Ruling on Jurisdiction within ten days of receiving notice of the Resolution. On or around April 27, 2011, the petitioners purported to make discovery requests of the Company and Placer Dome (collectively, the "Discovery Requests"). On May 4, 2011, the Court of Appeals issued a Resolution: (i) directing the petitioners to submit a Comment on the Company's Urgent Motion for Ruling on Jurisdiction; and (ii) putting the petitioners' Discovery Requests in abeyance pending resolution of the Company's Urgent Motion for Ruling on Jurisdiction. On May 16, 2011, the Company, appearing specially and without submitting to the Supreme Court's jurisdiction, filed with the Supreme Court a Clarificatory Manifestation seeking clarification as to whether the Court of Appeals or the Supreme Court has jurisdiction over the matter. On June 2, 2011, the petitioners served an Opposition to the Company's Urgent Motion for Ruling on Jurisdiction.

On June 6, 2011, a mail package addressed to Placer Dome from the Philippines Office of the Solicitor General purported to serve summons and other materials on Placer Dome. On or about June 6, 2011, the Company, appearing specially and without submitting to the Supreme Court's jurisdiction, filed a Manifestation drawing to the Court's attention the fact that each of the Court of Appeals and the Supreme Court had issued (inconsistent) Resolutions indicating that they would each resolve the Company's Urgent Motion for Ruling on Jurisdiction. The Company requested that all further proceedings in the case, both before the Supreme Court and the Court of Appeals, be suspended pending issuance of the clarification sought in the Company's Clarifactory Manifestation. By Manifestation dated June 10, 2011, Placer Dome, by special appearance and without submitting itself to the Supreme Court's jurisdiction: (i) adopted the Company's Urgent Motion for Ruling on Jurisdiction and reserved the right to file a supplement thereto; and (ii) joined the Company in seeking clarification as to which court has jurisdiction over this matter. By Manifestation dated June 16, 2011, Placer Dome, by special appearance

and without submitting itself to the Supreme Court's jurisdiction: (i) adopted as its own the Company's Return Ad Cautelam; and (ii) reserved the right to supplement this Return after the Supreme Court has clarified which court has jurisdiction.

The Supreme Court issued a Resolution dated June 21, 2011 in which it referred the records of the case to the Court of Appeals for appropriate action on the various pending motions. In June 2011, the Petitioners filed their Opposition to the Urgent Motion for Ruling on Jurisdiction. On July 1, 2011, Placer Dome, by special appearance and without submitting themselves to the court's jurisdiction, filed a Supplement to the pending Urgent Motion for Ruling on Jurisdiction. On July 8, 2011, the Company and Placer Dome, by special appearance and without submitting themselves to the jurisdiction of the Court of Appeals, filed a Manifestation: (i) indicating their understanding that the Supreme Court Resolution dated June 21, 2011 resolves the issues raised in the Clarificatory Manifestation and effectively rules that the Supreme Court has lost or relinquished subject matter jurisdiction over the case effective June 21, 2011 and has transferred jurisdiction to the Court of Appeals; (ii) manifesting their intention to file a Second Supplement to the Urgent Motion for Ruling on Jurisdiction. On July 12, 2011, the Company and Placer Dome filed, under special and limited appearance and without submitting themselves to the Court of Appeal's jurisdiction, a Second Supplement to their Urgent Motion for Ruling on Jurisdiction. On July 14, 2011, the Company and Placer Dome, by special appearance and without submitting themselves to the jurisdiction of the Court, filed a Manifestation submitting that they are entitled to be heard on the Petitioners' Urgent Motion dated April 12, 2011 (regarding service related issues) and Manifestation with Reiterated Motion dated May 11, 2011 (also regarding service related issues), neither of which had been served on the Company and Placer Dome. On September 8, 2011, in response to learning that the Supreme Court had granted the Petitioners' Urgent Motion dated April 12, 2011 and Manifestation with Reiterated Motion dated May 11, 2011 in its Resolution dated May 31, 2011, without the Company or Placer Dome being aware of such motions or having an opportunity to respond to them, the Company and Placer Dome, by special appearance and without submitting themselves to the jurisdiction of the Court, filed a Manifestation submitting that the Supreme Court's May 31, 2011 Resolution is functus officio and moot and, in any event, is void and legally ineffective. On or about August 8, 2011, the Petitioners filed a Comment (to the Supplement and Second Supplement to the Urgent Motion for Ruling on Jurisdiction). On September 1, 2011, the Company and Placer Dome, by special appearance and without submitting themselves to the jurisdiction of the Court, filed a Consolidated Reply to the Petitioners' June, 2011 Opposition and August 8, 2011 Comment. The Urgent Motion for Ruling on Jurisdiction is now fully briefed. No decision has as yet been issued with respect to either the Urgent Motion for Ruling on Jurisdiction or the Manifestations dated July 14, 2011 and September 8, 2011.

On November 23, 2011, the Company's counsel received a Motion for Intervention, dated November 18, 2011, filed with the Supreme Court. In this Motion for Intervention, two local governments, or "baranguays" (Baranguay San Antonio and Baranguay Lobo), seek intervenor status in the proceedings with the intention of seeking a dismissal of the proceedings. No decision has been issued with respect to this motion. The Company intends to continue to defend the action vigorously. No amounts have been accrued for any potential loss under this matter.

Reko Diq Arbitration

On February 15, 2011, TCCP (the local operating subsidiary of Tethyan Copper Company ("TCC")) submitted to the GOB an application for a mining lease in respect of the Reko Diq project in Pakistan. Barrick currently indirectly holds 50% of the shares of TCC, with Antofagasta Plc ("Antofagasta") indirectly holding the other 50%.

TCC believes that, under the Chagai Hills Joint Venture Agreement (the "CHEJVA") between TCC and the GOB, as well as under the 2002 Balochistan Mineral Rules, TCCP was legally entitled to the

mining lease subject only to “routine” government requirements. On September 21, 2011, the GOB delivered a notice to TCC advising that it considered TCCP’s application to be incomplete and unsatisfactory and giving TCC 30 days in which to respond. On October 19, 2011, TCCP delivered a response to the GOB’s notice. In addition, TCCP delivered a notice of dispute in accordance with the arbitration agreement between TCC and the GOB. On November 15, 2011, the GOB notified TCCP of the rejection of TCCP’s application for the mining lease. On November 28, 2011, TCCP filed an administrative appeal under the 2002 Balochistan Mineral Rules, calling on the GOB to perform its obligations. On the same day, TCC filed two requests for international arbitration: one against the Government of Pakistan with the International Centre for Settlement of Investment Disputes (“ICSID”) asserting breaches of the Bilateral Investment Treaty between Australia (where TCC is incorporated) and Pakistan, and another against the GOB with the International Chamber of Commerce (“ICC”), asserting breaches of the CHEJVA. TCCP’s administrative appeal under the 2002 Balochistan Mineral Rules was denied on March 3, 2012. Constitution of the ICC arbitration panel is in process. The GOB has filed jurisdictional objections in that proceeding. The ICSID has registered the arbitration request against Pakistan, but Pakistan has not yet taken any action in that proceeding.

Pakistani Constitutional Litigation

In November 2006, a Constitutional Petition was filed in the High Court of Balochistan by three Pakistani citizens against: Barrick, the governments of Balochistan and Pakistan, the Balochistan Development Authority (“BDA”), TCC, Antofagasta, Muslim Lakhani and BHP (Pakistan) Pvt Limited (“BHP”).

The Petition alleged, among other things, that the entry by the BDA into the 1993 Joint Venture Agreement (“JVA”) with BHP to facilitate the exploration of the Reko Diq area and the grant of related exploration licenses were illegal and that the subsequent transfer of the interests of BHP in the JVA and the licenses to TCC was also illegal and should therefore be set aside. In June 2007, the High Court of Balochistan dismissed the Petition against Barrick and the other respondents in its entirety. In August 2007, the petitioners filed a Civil Petition for Leave to Appeal in the Supreme Court of Pakistan. In late 2010, the Supreme Court of Pakistan began hearing this matter, together with several other related petitions filed against TCC or its related parties. The related petitions related to whether it is in the public interest for TCC to receive a mining lease. On May 25, 2011, the Supreme Court ruled, among other things, that the GOB should proceed to expeditiously decide TCCP’s application for the grant of a mining lease, transparently and fairly in accordance with laws and applicable rules. The Supreme Court also ruled that the petitions before the Court would remain pending.

On November 15, 2011, the GOB notified TCCP of the rejection of TCCP’s application for the mining lease. As noted above, on November 28, 2011, TCC filed the requests for international arbitration with ICSID and the ICC. Subsequently, the Supreme Court has resumed hearing various petitions relating to TCC and the Reko Diq project, including applications seeking to have the CHEJVA declared invalid and applications seeking an order staying the ICSID and ICC arbitrations. On February 7, 2012, the Supreme Court issued an order directing the GOB and Pakistan to request to the ICC and ICSID to refrain from taking further steps in respect of the arbitration proceedings and to extend the deadline for nomination of an arbitrator, pending disposition of the constitutional petitions by the Supreme Court. TCC continues to pursue its rights under international arbitration, and Barrick and TCCP continue to vigorously defend the above actions. No amounts have been accrued for any potential loss under these complaints.

El Morro Claim

On October 11, 2009, Barrick entered into an agreement to acquire a 70% interest in the El Morro project from Xstrata for $465 million in cash. El Morro is an advanced stage gold-copper project located near Barrick's Pascua-Lama and Cerro Casale projects in Chile. On January 7, 2010, New Gold Inc. ("New Gold") announced that it had given Xstrata notice of its intention to exercise a right of first refusal and on February 1, 2010, Xstrata notified Barrick that it was terminating its agreement with Barrick. On February 16, 2010, New Gold purported to close its purchase of the 70% interest in El Morro with funds loaned to it by Goldcorp and immediately thereafter New Gold sold this same 70% interest to Goldcorp. In early 2010, the Company filed an action in the Ontario Superior Court of Justice against New Gold, Goldcorp and Xstrata, challenging the purported exercise of New Gold's right of first refusal on the basis that, among other things, it was not lawfully exercised.

Barrick is seeking a variety of remedies against New Gold, Goldcorp and/or Xstrata, including constructive trust, specific performance, disgorgement, damages, and other relief.

Notwithstanding that certain of the claims are based on Chilean law, the parties agreed to have the matter proceed to trial in Ontario on an expedited basis. Court proceedings concerning the El Morro Project began Monday, June 6, 2011, before the Ontario Superior Court of Justice (Commercial List). The first phase of the proceedings (concerning matters related to liability) concluded on June 30, 2011. The second phase of the proceedings (concerning matters relating to remedy) commenced on October 11, 2011 and concluded on October 31, 2011. Closing arguments were presented from January 30 to February 3, 2012 and the trial is now complete. A decision is not expected before the second quarter of 2012.

Pueblo Viejo

In April, 2010, PVDC received a copy of an action filed in the Dominican Republic by Fundacion Amigo de Maimon Inc., Fundacion Miguel L. de Pena Garcia Inc., and a number of individuals. The action alleges a variety of matters couched as violations of fundamental rights, including taking of private property, violations of mining and environmental and other laws, slavery, human trafficking, and bribery of government officials. The complaint does not describe the relief sought, but the action is styled as an "Amparo" remedy, which typically includes some form of injunctive relief. PVDC intends to vigorously defend the action. No amounts have been accrued for any potential loss under this matter.

Argentine Glacier Legislation

On September 30, 2010, the National Law on Minimum Requirements for the Protection of Glaciers was enacted in Argentina, and came into force in early November 2010. The federal law bans new mining exploration and exploitation activities on glaciers and in the "peri-glacial" environment, and subjects ongoing mining activities to an environmental audit. If such audit identifies significant impacts on glaciers and peri-glacial environment, the relevant authority is empowered to take action that, according to the legislation, could include the suspension or relocation of the activity. In the case of the Veladero mine and the Pascua-Lama project, the competent authority is the Province of San Juan. The Province of San Juan had previously adopted glacier protection legislation, with which Veladero and Pascua-Lama comply. In November 2010, in response to legal actions brought against the National State by local unions and San Juan based mining and construction chambers, as well as by Barrick's subsidiaries, Barrick Exploraciones Argentina S.A. and Minera Argentina Gold S.A., which own the Veladero mine and the Argentine portion of the Pascua-Lama project, respectively, the Federal Court in the Province of San Juan, granted injunctions, based on the unconstitutionality of the federal law, suspending its application in the Province and, in particular to Veladero and Pascua-Lama. In December 2010, the Province of San Juan became a party to the actions, joining the challenge to the constitutionality of the new federal legislation. As a result of the intervention of the Province, the actions have been removed to the National Supreme Court of Justice of Argentina to determine the constitutionality of the legislation.

The National Supreme Court of Justice of Argentina issued a decision determining that this case falls within its jurisdiction. The National State has filed a remedy for revocation of the decision of the Federal Court in the Province of San Juan to grant injunctions suspending the application of the federal law in the Province of San Juan. BEASA and MAGSA answered this remedy on June 29, 2011. No amounts have been accrued for any potential loss under this matter.

General

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. The results of pending or threatened proceedings related to any potential tax assessments or other matters cannot be predicted with certainty.

RISK FACTORS

The risks described below 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. If the world market price of gold or copper were to drop and the prices realized by Barrick on gold 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.

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. Based on current estimates of Barrick's 2012 gold production and sales, a $50 per ounce increase or decrease in the market gold price will result in an approximately $375-$400 million increase or decrease in the Company's EBITDA. Industry factors that may affect the price of gold include:

- 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 U.S. 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.

Based on current estimates of Barrick's 2012 copper production and sales, a $.25 per pound increase or decrease in the market copper price will result in an approximately $140 million increase or decrease in the Company's EBITDA, excluding the impact of the downside protection provided by Barrick's hedging strategies. Factors tending to affect the price of copper include:

- the worldwide balance of copper demand and supply;
- rates of global economic growth, trends in industrial production and conditions in the housing and automotive industries, all of which correlate with demand for copper;
- economic growth and political conditions in China, which has become the largest consumer of refined copper in the world, and other major developing economies;
- speculative investment positions in copper and copper futures;
- expectations of the future rate of inflation;
- the availability and cost of substitute materials; and
- currency exchange fluctuations, including the relative strength of the U.S. dollar.

Barrick's gold production is sold into the spot market. The sales price for Barrick's copper production is determined provisionally at the date of sale with the final price determined based on market copper prices at a future date set by the customer, generally one to six months after the initial date of sale. Market prices for copper may fluctuate during this extended settlement period. The prices of Barrick's copper sales are marked-to-market at the balance sheet date based on the forward copper price for the relevant quotational period. All such mark-to-market adjustments are recorded in copper sale revenues. If the market price for copper declines, the final sale price realized by the Company at settlement may be lower than the provisional sale price initially recognized by the Company, requiring negative adjustments to Barrick's average realized copper price for the relevant period.

In addition, certain of Barrick's mineral projects include other minerals (principally nickel and silver), each of which is subject to price volatility based on factors beyond Barrick's control.

Depending on the market price of the relevant metal, 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, as applicable, which could have an adverse impact on Barrick's financial performance and results of operations. In such a circumstance, Barrick may also 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 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.

Replacement of depleted reserves

Barrick must continually replace reserves depleted by production to maintain production levels over the long term. Reserves can be replaced by expanding known orebodies, locating new deposits or making

acquisitions. Exploration is highly speculative in nature. Barrick's exploration projects involve many risks and are frequently unsuccessful. Once a site with 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, 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 or acquisitions. 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.

Inflation

In addition to potentially affecting the price of gold, copper and silver, general inflationary pressures may also affect Barrick's labor, commodity and other input costs, which could have a materially adverse effect on Barrick's financial condition, results of operations and capital expenditures for the development of its projects. See "– Metal Price Volatility," "– Projects," "– Price volatility and availability of other commodities," "– Production and cost estimates" and "– Shortages of critical parts, equipment and skilled labor."

Projects

Barrick's ability to sustain or increase its present levels of gold and copper production is dependent in part on the success of its projects. There are many risks and unknowns inherent in all projects. For example, the economic feasibility of projects is based upon many factors, including:

- the accuracy of reserve estimates;
- metallurgical recoveries with respect to gold, copper and by-products;
- capital and operating costs of such projects;
- the future prices of the relevant minerals; and
- the ability to secure appropriate financing to develop such projects.

Projects also require the successful completion of feasibility studies, the resolution of various fiscal, tax and royalty matters, the issuance of necessary governmental permits and the acquisition of satisfactory surface or other land rights. It may also be necessary for Barrick to, among other things, find or generate suitable sources of power and water for a project, ensure that appropriate community infrastructure is developed by third parties to support the project and to secure appropriate financing to fund these expenditures (see "– Global Financial Condition" and "– Liquidity and Level of Indebtedness").

Projects have no operating history upon which to base estimates of future cash flow. The capital expenditures and time required to develop new mines or other projects are considerable and changes in costs or construction schedules can affect project economics. Thus, it is possible that actual costs may increase significantly and economic returns may differ materially from Barrick's estimates or that metal prices may decrease significantly or that Barrick could fail to obtain the satisfactory resolution of fiscal and tax matters or the governmental approvals necessary for the operation of a project or obtain project financing on acceptable terms and conditions or at all, in which case, the project may not proceed either on its original timing or at all. 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.

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, Pakistan, Tanzania, Zambia and Saudi Arabia. Mining investments are subject to the risks normally associated with any conduct of business in foreign countries including:

- renegotiation, cancellation or forced modification of existing contracts;
- expropriation or nationalization of property;
- changes in laws or policies of particular countries, including those relating to taxation, royalties, imports, exports, duties, currency, or other claims by government entities, including retroactive claims (see “Legal Matters – Government Controls and Regulations”);
- uncertain political and economic environments, war, terrorism, sabotage and civil disturbances;
- risk of loss due to disease and other potential endemic health issues;
- delays in obtaining or the inability to obtain or maintain necessary governmental permits;
- currency fluctuations;
- restrictions on the ability of local operating companies to sell gold, copper or other minerals 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, copper or other minerals;
- limitations on the repatriation of earnings; and
- increased financing costs.

These risks may limit or disrupt operating mines or projects, restrict the movement of funds, cause Barrick to have to expend more funds than previously expected or required, 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. Certain of these risks may increase in an environment of rising metal prices. Furthermore, in the event of a dispute arising from Barrick’s activities in Argentina, Chile, Peru, Dominican Republic, Papua New Guinea, Pakistan, Tanzania, Zambia and Saudi Arabia, Barrick may be subject to the jurisdiction of courts outside North America and Australia, which could adversely affect the outcome of the dispute.

In Papua New Guinea, the location of the Porgera gold mine and where Barrick has access to over 5,300 square kilometers of exploration property, there is a greater level of political, social and economic risk compared to some other countries in which Barrick operates. The Porgera mine’s infrastructure, including power, water and fuel, may be at risk of sabotage. Acts of sabotage could result in damage to production facilities and delays in or curtailments of production at Porgera.

The Porgera mine has, on a number of occasions, experienced delays in the granting of operating permits and licenses necessary to conduct 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 are not granted, there is a risk that the Porgera mine may not be able to operate for a period of time. Future government actions cannot be predicted, but may impact the operation and regulation of mines including Porgera.

A number of economic and social issues exist that increase Barrick's political and economic risk. Infectious diseases (including malaria, HIV/AIDS and tuberculosis) are major health care issues in certain of the countries in which Barrick operates. In Zambia, Barrick has continued workforce training and health programs at its Lumwana mine to maximize prevention awareness and minimize the impact of infectious diseases, including HIV/AIDS and malaria. In Tanzania, ABG has implemented infectious disease programs, including malaria control programs and HIV/AIDS awareness and prevention programs for its employees, families and local communities at its Bulyanhulu, Tulawaka, North Mara and Buzwagi mines.

Global financial conditions

Following the onset of the credit crisis in 2008, global financial conditions were characterized by extreme volatility and several major financial institutions either went into bankruptcy or were rescued by governmental authorities. While global financial conditions subsequently stabilized, there remains considerable risk in the system given the extraordinary measures adopted by government authorities to achieve that stability. The deteriorating financial condition of certain government authorities has significantly increased the potential for sovereign defaults in a number of jurisdictions, including within the member states of the European Union. Global financial conditions could suddenly and rapidly destabilize in response to future economic shocks, as government authorities may have limited resources to respond to future crises. Future economic shocks may be precipitated by a number of causes, including a continued rise in the price of oil, geopolitical instability and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact Barrick's ability to obtain equity or debt financing in the future on terms favorable to Barrick. Additionally, any such occurrence could cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. Further, in such an event, Barrick's operations and financial condition could be adversely impacted.

Mineral reserves and resources

Barrick's 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, copper or any other mineral 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.

The SEC does not permit mining companies in their filings with the SEC to disclose estimates other than mineral reserves. However, because Barrick prepares this Annual Information Form in accordance with Canadian disclosure requirements, it contains resource estimates, which are required by National Instrument 43-101, as well. Mineral resource estimates for properties that have not commenced

production are based, in many instances, on limited and widely spaced drill hole information, which is not necessarily indicative of the conditions between and around drill holes. Accordingly, such mineral resource estimates may require revision as more drilling information becomes available or as actual production experience is gained. No assurance can be given that any part or all of Barrick's mineral resources constitute or will be converted into reserves.

Market price fluctuations of gold, copper, silver and certain other metals, as well as increased production and capital costs or reduced recovery rates, may render Barrick's proven and probable reserves unprofitable to develop at a particular site or sites for periods of time or may render mineral reserves containing relatively lower grade mineralization uneconomic. Moreover, short-term operating factors relating to the mineral reserves, such as the need for the 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. 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 or maintain necessary permits or government approvals or changes to applicable legislation could also cause Barrick to reduce its reserves. There is also no assurance that Barrick will achieve indicated levels of gold or copper recovery or obtain the prices assumed in determining such reserves.

Liquidity and level of indebtedness

As of December 31, 2011, Barrick had cash and cash equivalents of approximately $2.7 billion and capital leases and long-term debt of approximately $13.4 billion. Although Barrick has been successful in repaying debt in the past, there can be no assurance that it can continue to do so. In addition, Barrick may assume additional debt in future periods or reduce its holdings of cash and cash equivalents in connection with funding future acquisitions, existing operations, capital expenditures or in pursuing other business opportunities. 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 in 2012 through a combination one or more of: its existing capital resources; its future cash flow from operations; issuing additional equity or unsecured debt and divestitures. Barrick's ability to meet its 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 existing capital resources and 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 these amounts are 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. The ability of Barrick to access the bank, public debt or equity capital markets on an efficient basis may be constrained by the dislocation in the credit markets, capital and/or liquidity constraints in the banking, debt and/or equity markets at the time of issuance. See "– Current global financial conditions". If Barrick is unable to maintain its indebtedness and financial ratios at levels acceptable to its credit rating agencies, or should Barrick's business prospects deteriorate, the ratings currently assigned to Barrick by Moody's Investor Services,

Standard & Poor's Ratings Services or DBRS could be downgraded, which could adversely affect the value of Barrick's outstanding securities and existing debt and its ability to obtain new financing on favorable terms, and increase Barrick's borrowing costs.

Price volatility and availability of other commodities

The profitability of Barrick's business is affected by the market prices of commodities produced as by-products at Barrick's mines, such as silver, as well as the cost and availability of commodities which are consumed or otherwise used in connection with Barrick's operations and projects, including, but not limited to, diesel fuel, natural gas, electricity, acid, steel, concrete and cyanide. Prices of such commodities can be subject to volatility, 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 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 projects were to increase, or their availability to decrease, significantly, and remain at such levels for a substantial period of time, 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, labor force disruptions, civil strife, 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.

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, 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, water availability, floods, and earthquakes; and unexpected labor shortages or strikes. Costs of production may also be affected by a variety of factors, including: changing waste-to-ore ratios, ore grade metallurgy, labor costs, the cost of commodities, general inflationary pressures and currency exchange rates.

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 other special status 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 its 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 or to obtain financing 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 reasonably practicable, 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. While Barrick has implemented extensive health and safety initiatives at its sites to ensure the health and safety of its employees, contractors and members of the community affected by its operations, there is no guarantee that such measures will eliminate the occurrence of accidents or other incidents which may result in personal injuries or damage to property, and in certain instances such occurrences could give rise to regulatory fines and/or civil liability.

In certain of the countries in which Barrick has operations, it 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.

Security and human rights

Civil disturbances and criminal activities such as trespass, illegal mining, sabotage, theft and vandalism have caused disruptions at certain of ABG's operations in Tanzania and Barrick's Porgera operation in Papua New Guinea, occasionally resulting in the suspension of operations. Affected sites have taken measures to protect their employees, property and production facilities from these risks. Certain sites have engaged armed and unarmed security personnel and installed perimeter fencing, walls and cameras in sensitive areas, such as main entrances and processing plants. Some sites have entered into arrangements with law enforcement agencies to provide policing and law and order in the areas surrounding the applicable site. Incidents of criminal activity, trespass, illegal mining, theft and vandalism have occasionally led to conflict with security personnel and/or police, which in some cases resulted in injuries and/or fatalities. The measures that have been implemented by the Company or ABG will not guarantee that such incidents will not continue to occur and such incidents may halt or delay production, increase operating costs, result in harm to employees or trespassers, decrease operational efficiency, increase community tensions or result in criminal and/or civil liability for the Company or its employees and/or financial damages or penalties.

The manner in which the Company's or ABG's personnel respond to civil disturbances and criminal activities can give rise to additional risks where those responses are not conducted in a manner that is consistent with international standards relating to the use of force and respect for human rights. Barrick and ABG have implemented a number of significant measures and safeguards which are intended to ensure that their personnel understand and uphold these standards. The implementation of these measures will not guarantee that the Company's or ABG's personnel will uphold these standards in every instance. The failure to conduct security operations in accordance with these standards can result in harm to employees or community members, increase community tensions, reputational harm to Barrick and its partners or result in criminal and/or civil liability for the Company, ABG or their respective employees and/or financial damages or penalties.

Civil disturbances and criminal activities such as trespass, illegal mining, theft and vandalism have occasionally caused disruptions to operations at Porgera and at certain of ABG's operations in Tanzania. Illegal mining, which involves trespass into the operating area of the mine, is both a security and safety issue at the Porgera mine and at certain of ABG's operations in Tanzania. The illegal miners from time to time have clashed with mine security staff and law enforcement personnel who have attempted to move them away from the facilities. The presence of the illegal miners, given the nature of the mines' operations, creates a safety issue for both the illegal miners as well as Barrick's and ABG's employees and can cause disruptions to mine operations.

It is not possible to determine with certainty the future costs that Barrick may incur in dealing with the issues described above at its operations, however, if the number of incidents increases, costs associated with security, in the case of civil disturbances and illegal mining, may also increase, affecting profitability.

Community relations and license to operate

The Company's relationship with the communities in which it operates are critical to ensure the future success of its existing operations and the construction and development of its projects. There is an

increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Certain non-governmental organizations ("NGOs"), some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or Barrick's operations specifically, could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While Barrick is committed to operating in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk. Barrick has implemented extensive community relations and security and safety initiatives to anticipate and manage social issues that may arise at its operations.

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 and copper are each sold throughout the world based principally on the U.S. dollar price, but a portion of Barrick's operating expenses are incurred in local currencies, such as the Australian dollar, Canadian dollar, Chilean peso, Argentine peso, Peruvian sol, the Papua New Guinea kina and the Zambian kwacha. The appreciation of non-U.S. dollar currencies against the U.S. dollar has increased the costs of production at Barrick's mines, making such mines less profitable. This may continue into the future. Barrick enters into currency hedging contracts to mitigate the impact on operating costs of the appreciation of certain non-U.S. dollar currencies against the U.S. dollar. Barrick may incur an opportunity loss if the U.S. dollar appreciates in value relative to non-U.S. dollar currencies. Assuming market exchange rates remain at the December 31, 2011 levels of A$1.02 against the U.S. dollar and $1.02 and CLP 520 for the U.S. dollar against the Canadian dollar and Chilean peso, respectively, Barrick expects to record gains on its operating expenditures of approximately $300 million in 2012 (about $40 per ounce on total forecast 2012 production), primarily related to Australian dollar hedges. These hedging activities do not cover all of Barrick's future expected operating costs. There can be no assurance that Barrick will continue the hedging activities that it currently undertakes. See "– Use of derivatives" and "Enterprise Risk Management – Financial Risk-Management".

U.S. Foreign Corrupt Practices Act and Similar Worldwide Anti-Bribery Laws

The U.S. Foreign Corrupt Practices Act, the Canadian Corruption of Foreign Public Officials Act and anti-bribery laws in other jurisdictions, including new anti-bribery legislation in the U.K. that took effect in 2011, generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business or other commercial advantage. Barrick's policies mandate compliance with these anti-bribery laws, which often carry substantial penalties. Barrick operates in jurisdictions that have experienced governmental and private sector corruption to some degree, and, in certain circumstances, strict compliance with anti-bribery laws may conflict with certain local customs and practices. There can be no assurance that the Barrick's internal control policies and procedures always will protect it from reckless or other inappropriate acts committed by the Company's affiliates,

employees or agents. Violations of these laws, or allegations of such violations, could have a material adverse effect on Barrick's business, financial position and results of operations and could cause the market value of Barrick's common shares to decline.

Use of derivatives

Barrick uses certain derivative products to manage the risks associated with copper and silver price volatility, changes in other commodity input 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 that the creditworthiness of a counterparty may adversely affect its ability to perform its payment and other obligations under its agreement with Barrick or adversely affect the financial and other terms the counterparty is able to offer Barrick; (b) market liquidity risk – the 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. See "– Current global financial conditions".

Interest rates

A significant, prolonged decrease in interest rates could have a material adverse impact on the interest earned on Barrick's cash balances ($2.7 billion at December 31, 2011). The Company's interest rate exposure mainly relates to the mark-to-market value of derivative instruments, including the fair value and ongoing payments under US dollar interest-rate swaps; and to the interest payments on its variable-rate debt ($3.6 billion at December 31, 2011, which includes 100% of the non-recourse project financing facility for Pueblo Viejo drawn as of such date).

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 mining assets. This competition may increase Barrick's cost of acquiring suitable claims, properties and assets, should they become available to Barrick. Barrick also competes with other mining companies to attract and retain key executives and employees. There can be no assurance that Barrick 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.

Employee relations

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

Shortages of critical parts, equipment and skilled labor

An increase in worldwide demand for critical resources such as input commodities, drilling equipment, tires and skilled labor may cause unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and production schedules.

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, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their properties. In addition, Barrick may be unable to exert control over strategic decisions made in respect of such properties.

Litigation

Barrick is currently subject to litigation and may be involved in disputes with other parties in the future which may result in litigation. The results of litigation cannot be predicted with certainty. 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 – Legal Proceedings".

Disclosure and internal controls

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Disclosure controls and procedures are designed to ensure that information required to be disclosed by a company in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to a company's management, including its chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. Barrick has invested resources to document and analyze its system of disclosure controls and its internal control over financial reporting. 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 (see “Internal Control Over Financial Reporting and Disclosure Controls and Procedures”).

Ability to support the carrying value of goodwill and non-current assets

As of December 31, 2011, the carrying value of Barrick’s goodwill on an IFRS basis was approximately $9.63 billion or 19.7% of Barrick’s total assets. Under IFRS, goodwill is allocated to the group of cash generating units (“CGU”) that comprise an operating segment since each CGU in a segment is expected to derive benefits from a business combination that results in the recognition of goodwill. CGUs generally represent individual mineral or oil and gas properties. Goodwill is tested annually for impairment at the beginning of the fourth quarter for the gold operating segments and the oil and gas segment, and at the end of the fourth quarter for the copper operating segment. In addition, at each reporting period Barrick assesses whether there is an indication that goodwill is impaired and, if there is such an indication, Barrick would test for goodwill impairment at that time. The test for goodwill impairment involves a comparison of the recoverable amount of an operating segment to its carrying value. A goodwill impairment charge is recognized for any excess of the carrying amount of the operating segment over its recoverable amount.

Non-current assets are tested for impairment when events or changes in circumstances suggest that the carrying amount of these assets may not be recoverable. The impairment test is carried out using the same approach that is used for goodwill. However, the assessment is done at the CGU level, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets.

The assessment for goodwill and non-current asset impairment is subjective and requires management to make estimates and assumptions for a number of factors including estimates of production levels, operating costs and capital expenditures reflected in Barrick’s life-of-mine plans, as well as economic factors beyond management’s control, such as gold, copper and oil prices; discount rates; and observable NAV multiples. Should management’s estimate of the future not reflect actual events, goodwill or non-current asset impairment charges may materialize and the timing and amount of such impairment charges is difficult to determine.

IPO of African Barrick Gold

On March 24, 2010, ABG began operating as a separate, publicly traded company that holds all of Barrick’s former African gold mines, gold projects and gold exploration properties. Barrick has retained an equity interest of 73.9% in ABG. The board of directors and/or executive management team of ABG may determine to undertake actions that are different than those that the board of directors and/or executive management team of Barrick would have taken. In addition, the minority shareholders of ABG represent an important new stakeholder group that is required to be considered in ABG’s corporate governance and decision-making. Given the potential divergence in stakeholder interests, there is a risk that actions undertaken by ABG could differ from actions that would have been taken by Barrick and in certain circumstances could adversely affect Barrick’s reputation and/or result in potential civil or criminal liability for the Company.

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 (IFRS) for the year ended December 31, 2011, which is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov as an exhibit to Barrick’s Form 40-F.

CONSOLIDATED FINANCIAL STATEMENTS

Reference is made to the Company's Consolidated Financial Statements as at and for the year ended December 31, 2011 (IFRS), which is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov as an exhibit to Barrick's Form 40-F.

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. As of March 23, 2012, there were 1,000,545,737 Barrick common shares issued and outstanding.

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. The Barrick common shares are not subject to any exchange, conversion, exercise, redemption, retraction, surrender or similar rights or restrictions.

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 23, 2012, 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 23, 2012, 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 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. All outstanding BGI exchangeable shares (other than BGI exchangeable shares owned by Barrick or any subsidiary or affiliate of Barrick) were redeemed by Barrick on February 27, 2009. The Special Voting Share was redeemed and cancelled by Barrick in March 2009.

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 23, 2012, there were no Second Preferred Shares, Series A issued and outstanding.

RATINGS

The following table sets out the ratings of Barrick's corporate debt by the rating agencies indicated as at March 23, 2012:

	Rating Agency		
	Moody's Investors Service	Standard & Poor's Ratings Services	DBRS
Senior Unsecured Debt	Baa1	A-	A (low)

Moody's Investors Service ("Moody's") credit ratings for long-term debt 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. According to the Moody's rating system, long-term obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.

Standard & Poor's Ratings Services ("S&P") credit ratings for long-term debt are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. The A rating is the third 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. According to the S&P rating system, debt securities rated A are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. If S&P anticipates that a credit rating may change in the next six to 24 months, it may issue an updated ratings outlook indicating whether the possible change is likely to be "positive," "negative," "stable," or "developing" (meaning that it is uncertain whether a rating will be upgraded or downgraded). However, a ratings outlook does not mean that a ratings change will necessarily occur. In May 2011, S&P placed a "negative" ratings outlook on the Company's long-term corporate debt rating following Barrick's acquisition of Equinox (see "General Information – Transactions" for more information about this transaction).

DBRS Limited ("DBRS") uses 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, and with the exception of the AAA and D categories is denoted by the subcategories "high" and "low". The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category. According to DBRS, a rating of A (low) by DBRS is in the third highest of 10 major categories and is of good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. While "A (low)" is a respectable rating, entities in this category are considered to be vulnerable to future events, but qualifying negative factors are considered manageable.

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 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. Credit ratings are intended to provide

investors with (i) an independent measure of the credit quality of an issue of securities; (ii) an indication of the likelihood of repayment for an issue of securities; and (iii) an indication of the capacity and willingness of the issuer to meet its financial obligations in accordance with the terms of those securities. Credit ratings accorded to Barrick's debt instruments may not reflect the potential impact of all risks on the value of such instruments, including risks related to market or other factors discussed in this Annual Information Form (see also "Risk Factors").

MARKET FOR SECURITIES

Barrick's common shares are listed and posted for trading 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 2011, based on trading information published by each Exchange.

	Toronto Stock Exchange			New York Stock Exchange		
	Share Price Trading Range		Share Volume	Share Price Trading Range		Share Volume
	High	Low		High	Low	
2011	(C$ per share)		(millions)	($ per share)		(millions)
January	52.12	45.57	71	53.85	45.60	79
February	52.62	46.69	57	53.01	47.10	60
March	52.85	47.42	60	54.26	47.91	58
April	53.11	47.33	73	55.74	49.57	68
May	48.31	43.05	67	51.00	44.25	71
June	46.86	42.06	49	48.21	42.50	61
July	48.29	43.25	42	51.00	44.25	56
August	52.23	43.92	85	52.78	44.59	96
September	55.36	46.75	89	55.94	45.16	74
October	50.71	44.09	58	50.99	42.89	163
November	54.05	48.03	71	53.26	47.19	132
December	53.87	44.80	60	53.14	43.72	144

ABG's common shares are listed and posted for trading on the London Stock Exchange under the symbol ABG. The following table outlines the closing share price trading range and volume of shares traded by month in 2011, based on trading information provided by the LSE.

	London Stock Exchange Share Price Trading Range		Share Volume
	High	Low	
2011	(UK£ per share)		(millions)
January	6.14	5.02	12.75
February	5.91	5.08	22.04
March	5.82	5.06	20.86
April	5.70	5.22	8.57
May	5.27	4.45	17.19
June	4.55	3.94	21.44
July	5.29	4.18	13.05
August	5.50	4.71	19.82
September	6.17	5.00	13.26
October	5.67	5.06	10.71
November	5.69	4.71	8.11
December	5.20	4.40	9.11

MATERIAL CONTRACTS

Set out below is a description of Barrick's material contracts as at December 31, 2011.

On March 6, 2003, Placer Dome entered into an Indenture (the "2003 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 million principal amount of 6.375% debentures on March 6, 2003. This First Supplemental Indenture, together with the original 2003 Indenture, sets out the terms and conditions pertaining to the $200 million 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 million principal amount of 6.45% debentures on October 10, 2003. This Second Supplemental Indenture, together with the original 2003 Indenture, sets out the terms and conditions pertaining to the $300 million principal amount 6.45% debentures.

On November 12, 2004, Barrick entered into an Indenture with Barrick Gold Inc., Barrick Gold Finance Company and JPMorgan Chase Bank (the "2004 Indenture"). Pursuant to the 2004 Indenture, (a) Barrick issued $200 million principal amount of 5.80% notes due 2034 (the "Barrick 2034 Notes"), (b) Barrick Gold Finance Company issued $200 million principal amount of 5.80% notes due 2034 (the "BGFC 2034 Notes"), and (c) Barrick Gold Finance Company issued $350 million principal amount of 4.875% notes due 2014 (the "2014 Notes"), all on November 12, 2004. The 2004 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 12, 2006, Barrick International (Barbados) Corp., formerly Barrick International Bank Corp. ("BIBC") issued an aggregate of $1 billion of notes (the "BIBC Notes") comprised of $400 million of 5.75% notes due 2016 and $600 million of 6.35% notes due 2036 pursuant to an Indenture dated as of the same date among BIBC, as issuer, Barrick (HMC) Mining Company ("Barrick (HMC)"), as initial joint obligor, Barrick, as parent guarantor and The Bank of New York, as trustee (the "2006 Indenture"). The 2006 Indenture sets out the terms and conditions pertaining to the BIBC Notes, which include an unconditional guarantee by Barrick.

On the same date, and as part of the same transaction, ABX Financing Company ("ABXFC"), a company incorporated for the purpose of acquiring the BIBC Notes, issued an aggregate of $1 billion of notes (the "ABXFC Notes") comprised of $400 million of 5.75% notes due 2016 and $600 million of 6.35% notes due 2036 pursuant to an Indenture dated as of the same date among ABXFC, as issuer, BIBC, Barrick (HMC) and Barrick, as guarantors, and The Bank of New York, as trustee (the "ABXFC Indenture"). The ABXFC Indenture sets out the terms and conditions pertaining to the ABXFC Notes, which include an unconditional guarantee by Barrick, BIBC and Barrick (HMC).

On September 11, 2008, Barrick entered into an Indenture with Barrick Gold Financeco LLC, Barrick North America Finance LLC and The Bank of New York Mellon ("2008 Indenture"). Pursuant to the 2008 Indenture, (a) Barrick Gold Financeco LLC issued $500 million principal amount 6.125% notes due

2013 (the “BGFC 2013 Notes”), and (b) Barrick North America Finance LLC issued $500 million principal amount 6.80% notes due 2018 (the “BNAF 2018 Notes”) and $250 million principal amount 7.50% notes due 2038 (the “BNAF 2038 Notes”), all on September 11, 2008. On March 19, 2009, Barrick issued an aggregate of $750 million principal amount 6.95% notes due 2019 (the “BGC 2019 Notes”) pursuant to the 2008 Indenture. The 2008 Indenture sets out the terms and conditions pertaining to the BGFC 2013 Notes, the BNAF 2018 Notes, the BNAF 2038 Notes and the BGC 2019 Notes. Each of the BGFC 2013 Notes, the BNAF 2018 Notes and the BNAF 2038 Notes are unconditionally guaranteed by Barrick.

On October 16, 2009, Barrick entered into an Indenture with Barrick (PD) Australia Finance Pty Ltd. and the Bank of New York Mellon (the “2009 Indenture”). Pursuant to the 2009 Indenture, Barrick (PD) Australia Finance Pty Ltd. issued $400 million principal amount 4.950% notes due 2020 (the “BPDAF 2020 Notes”) and $850 million principal amount 5.950% notes due 2039 (the “BPDAF 2039 Notes”), all on October 16, 2009. The 2009 Indenture sets out the terms and conditions pertaining to the BPDAF 2020 Notes and the BPDAF 2039 Notes. Each of the BPDAF 2020 Notes and the BPDAF 2039 Notes are unconditionally guaranteed by Barrick.

On June 1, 2011, Barrick entered into an Indenture with Barrick North America Finance LLC (“BNAF”), Citibank N.A. and Wilmington Trust Company (the “2011 Indenture”). Pursuant to the 2011 Indenture, Barrick and BNAF issued an aggregate of $4.0 billion in debt securities comprised of: $700 million of 1.75% notes due 2014 and $1.1 billion of 2.90% notes due 2016 issued by Barrick (collectively, the “Barrick Notes”) as well as $1.35 billion of 4.40% notes due 2021 and $850 million of 5.70% notes due 2041 issued by BNAF (collectively, the “BNAF Notes”). The Barrick Notes and the BNAF Notes are unconditionally guaranteed by Barrick.

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 2009, Barrick paid a total cash dividend of $0.40 per common share – $0.20 in mid-June and $0.20 in mid-December. In 2010, as a result of Barrick’s positive outlook on the gold price, its strong financial position and robust operating cash flows, Barrick’s Board of Directors authorized an annual dividend increase from $0.40 per common share to $0.48 per common share. The Board also approved moving from a semi-annual dividend to a quarterly dividend. In 2010, Barrick paid a total cash dividend of $0.44 per common share – $0.20 in mid-June, $0.12 in mid-September and $0.12 in mid-December. In 2011, Barrick’s Board of Directors authorized a further annual dividend increase from $0.48 per common share to $0.60 per common share. This 25% increase in dividend reflects the Company’s ability to generate substantial cash flows from its operations in a high gold price environment. In 2011, Barrick paid a total cash dividend of $0.51 per common share – $0.12 in mid-March, $0.12 in mid-June, $0.12 in mid-September and $0.15 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 quarterly based on, among other things, 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

As of March 23, 2012, directors and executive officers of Barrick as a group beneficially own, directly or indirectly, or exercise control or direction over 2,349,500 common shares representing approximately 0.20% of the outstanding common shares of Barrick.

Directors of the Company

The present term of each director will expire at the next annual meeting of shareholders or upon such director's successor being elected or appointed. The following are the directors of the Company as at March 23, 2012:

Name (age) and municipality of residence	Principal occupations during past 5 years
Howard L. Beck (*78*) Toronto, Ontario Canada	Mr. Beck is a corporate director. Mr. Beck was a senior partner of the law firm, Davies, Ward & Beck from 1962 to 1989. 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. He was appointed Queen's Counsel in 1971. At different times during the period from 2007 to 2011, Mr. Beck also served as a director or trustee of the following publicly-traded entities: Trizec Canada Inc., Trizec Properties Inc. and Cineplex Galaxy Income Fund. **Barrick Board Details:** • Director since 1984
C. William D. Birchall (*69*) Toronto, Ontario Canada	Mr. Birchall is the Vice Chairman of Barrick. Mr. Birchall is the former Vice Chairman of Trizec Hahn Corporation, a real estate company. He is the President of the William Birchall Foundation. He graduated from Merchant Taylor's School and is a Fellow of the United Kingdom Institute of Chartered Accountants. Mr. Birchall is also a director of Rogers Communications Inc. Mr. Birchall did not serve as a director of any other publicly-traded companies during the period from 2007 to 2011. **Barrick Board Details:** • Vice Chairman since 2005 and Director since 1984

Name (age) and municipality of residence	Principal occupations during past 5 years
Donald J. Carty (*65*) Dallas, Texas USA	Mr. Carty is the Chairman of Porter Airlines Inc. and Virgin America Airlines, commercial airline companies. He served as Vice Chairman and Chief Financial Officer of Dell Inc., a computer manufacturer, from January 2007 until June 2008. Mr. Carty is the former Chairman and Chief Executive Officer of AMR Corp. and American Airlines, a commercial airline company. Mr. Carty is also a member of the board of directors of Big Brothers Big Sisters Lonestar and a member of the board of trustees of Southern Methodist University. He holds an undergraduate degree and an honorary doctor of law from Queen's University and a master's degree in business administration from Harvard University. Mr. Carty is an Officer of the Order of Canada. Mr. Carty is also a director of Canadian National Railway Company, Dell Inc., Gluskin Sheff & Associates, Inc. and Talisman Energy Inc. At different times during the period from 2007 to 2011, Mr. Carty also served as a director of the following publicly-traded companies: CHC Helicopter Corporation and Hawaiian Holdings, Inc. **Barrick Board Details:** • Director since 2006
Gustavo Cisneros (*66*) Santo Domingo, Dominican Republic	Mr. Cisneros is the Chairman of the Cisneros Group of Companies, a privately held media, entertainment, technology and consumer products organization. Mr. Cisneros is a member of Barrick's International Advisory Board. He is also a senior advisor to RRE Ventures LLC, a venture capital firm. He is a member of the advisory boards of a number of organizations and universities, including the United Nations Information and Communication Technologies (ICT) Task Force, Haiti Presidential International Advisory Board, The Americas Society, Georgetown University and Harvard University. Mr. Cisneros holds an undergraduate degree from Babson College. Mr. Cisneros served as a director of Univision Communications Inc. until March 2007, but did not serve as a director of any other publicly traded companies from the period from 2007 to 2011. **Barrick Board Details:** • Director since 2003

Name (age) and municipality of residence	Principal occupations during past 5 years
Peter A. Crossgrove (*75*) Toronto, Ontario Canada	Mr. Crossgrove is the Chairman of the Board and Acting Chief Executive Officer of Excellon Resources Inc. and Vice Chairman of Detour Gold Corporation. Mr. Crossgrove is also the former Chairman and a founder of Masonite International Corporation, a door manufacturing company. Mr. Crossgrove is also the former Chief Executive Officer and Vice Chairman of Placer Dome. Mr. Crossgrove is also a director of the Canadian Partnership Against Cancer. He holds an undergraduate degree from 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, a Member of the Order of Canada, and a Member of the Order of Ontario. Mr. Crossgrove is also a director of Dundee REIT, Lake Shore Gold Corp., Pelangio Exploration Inc., and QLT Inc. Mr. Crossgrove did not serve as a director of any other publicly-traded companies during the period from 2007 to 2011. **Barrick Board Details:** • Director since 1993. Mr. Crossgrove will not stand for re-election to the Board at Barrick's May 2, 2012 annual meeting of shareholders.
Robert M. Franklin (*65*) Toronto, Ontario Canada	Mr. Franklin is President of Signalta Capital Corporation, an investment company. Mr. Franklin is the former Chairman of the Board of Photowatt Technologies, a developer of solar power technologies, and of Placer Dome Inc., a gold mining company. He holds an undergraduate degree from Hillsdale College. Mr. Franklin is also a director of Toromont Industries Ltd. At different times during the period from 2007 to 2011, Mr. Franklin served as a director or trustee of the following publicly-traded entities: Canadian Tire Corporation, First Uranium Corp., Great Lakes Carbon Income Fund and Resolve Business Outsourcing Income Fund. **Barrick Board Details:** • Director since 2006

Name (age) and municipality of residence	Principal occupations during past 5 years
J. Brett Harvey (*61*) Canonsburg, Pennsylvania USA	Mr. Harvey is Chairman and Chief Executive Officer of CONSOL Energy Inc., a coal, gas and energy services company, and Chairman and Chief Executive Officer of CNX Gas Corporation, a natural gas company. Mr. Harvey serves on the board of a number of energy industry associations, including the coal industry advisory board of the International Energy Agency, the Leadership Council of the American Coalition for Clean Coal Electricity, the National Coal Council, the Virginia Coalfield Economic Development Authority, and he is the chairman of the Bituminous Coal Operators' Association board of directors. Mr. Harvey is also a member of the Executive Committee of the Allegheny Conference on Community Development, a member of the National Executive Board of the Boy Scouts of America, and a director and past chairman of the Greater Pittsburgh Council of the Boy Scouts. He holds an undergraduate degree from the University of Utah. Mr. Harvey is also a director of Allegheny Technologies Inc. During the period from 2007 to 2011, CNX Gas Corporation, of which Mr. Harvey is currently Chairman and Chief Executive Officer, was a publicly-traded company **Barrick Board Details:** • Director since 2005
Dambisa Moyo (*43*) London, United Kingdom	Dr. Moyo is an international economist and commentator on the global economy. Dr. Moyo worked at the World Bank from 1993 to 1995 and at Goldman Sachs from 2001 to 2008 where she worked in debt capital markets, hedge fund coverage and as an economist in the global macroeconomics team. Dr. Moyo is a Patron for Absolute Return for Kids and a past director of Room to Read and the Lundin for Africa Foundation. Dr. Moyo holds an undergraduate degree and master's degree in business administration from American University, a master's degree from Harvard University's Kennedy School of Government and a doctorate in economics from Oxford University. Dr. Moyo is also a director of Barclays Bank PLC, Lundin Petroleum AB and SABMiller PLC. During the period from 2007 to 2011, Dr. Moyo did not serve as director of any other publicly-traded companies. **Barrick Board Details:** • Director since 2011

Name (age) and municipality of residence	Principal occupations during past 5 years
The Right Honourable Brian Mulroney (*72*) Montreal, Quebec Canada	Mr. Mulroney assumed the role of Senior Advisor, Global Affairs of Barrick on January 1, 2012. Mr. Mulroney is also the Chairman of Barrick's International Advisory Board and a Senior Partner of Norton Rose Canada LLP, a law firm. Mr. Mulroney was the Prime Minister of Canada from 1984 to 1993. Mr. Mulroney is a member of the advisory group of Lion Capital LLP. He holds an undergraduate degree from St. Francis Xavier University and a law degree from Université Laval. Mr. Mulroney is a Companion of the Order of Canada. Mr. Mulroney is also a director of The Blackstone Group L.P. Quebecor Inc., and Wyndham Worldwide Corporation. At different times during the period from 2007 to 2011, Mr. Mulroney served as a director of the following publicly-traded companies: Archer Daniels Midland Company, Cendant Corporation, Independent News & Media PLC, Quebecor World Inc. and Trizec Properties, Inc. **Barrick Board Details:** • Director since 1993
Anthony Munk *(51)* Toronto, Ontario Canada	Mr. Anthony Munk is a Managing Director of Onex Corporation, a leading North American private equity firm. He is a director of Cineplex Inc., JELD-WEN Holding, RSI Home Products Inc. and Tomkin Building Products, Inc. He is the former Chairman of the Board of Husky Injection Molding Systems Ltd. He is also a director of the Aurea Foundation. Mr. Munk holds an undergraduate degree from Queen's University. During the period from 2007 to 2011, Mr. Munk did not serve as a director of any other publicly-traded companies. **Barrick Board Details:** • Director since 1996

Name (age) and municipality of residence	Principal occupations during past 5 years
Peter Munk (*84*) Toronto, Ontario Canada	Mr. Peter Munk is the Founder and Chairman of Barrick. From March 27, 2008 to January 15, 2009, Mr. Munk was also the interim Chief Executive Officer of Barrick. He is also the former Chairman of Trizec Properties, Inc., a real estate investment trust, and the former Chairman and Chief Executive Officer of Trizec Canada Inc., a real estate company. Mr. Munk is the former Chair of the University of Toronto Crown Foundation and served as a Trustee of the University Health Network in Toronto. He holds an undergraduate degree and an honorary doctor of laws from the University of Toronto. Mr. Munk is a member of the Canadian Business Hall of Fame and the Canadian Mining Hall of Fame, a recipient of the Woodrow Wilson Award for Corporate Citizenship, and a Companion of the Order of Canada, and the recipient of several honorary degrees. Mr. Munk did not serve as a director of any other publicly-traded companies during the period from 2007 to 2011. **Barrick Board Details:** • Chairman and Director since 1984
Aaron W. Regent (*46*) Toronto, Ontario Canada	Mr. Regent was appointed President and Chief Executive Officer of Barrick on January 16, 2009. Mr. Regent is Non-Executive Chairman of ABG. Prior to his appointment at Barrick, Mr. Regent was Senior Managing Partner and Co-CEO of Brookfield Infrastructure Group of Brookfield Asset Management, an asset management company. He is the former President of Falconbridge Limited, a diversified metals and mining company. He is a council member of the International Council on Mining and Metals, and a director of the World Gold Council, the Hospital for Sick Kids Foundation and the C. D. Howe Institute. Mr. Regent is a Chartered Accountant in Ontario and holds an undergraduate degree from the University of Western Ontario. Mr. Regent did not serve as a director of any other publicly-traded companies during the period from 2007 to 2011. **Barrick Board Details:** • Director since 2009
The Right Honourable Nathaniel P. Rothschild (*40*) Klosters, Switzerland	Mr. Rothschild is Co-Chairman of Bumi plc, a natural resources and mining company, and a director of Genel Energy plc, an oil company. Mr. Rothschild is also Chairman of JNR Limited, an investment advisory firm. Mr. Rothschild is a member of the Belfer Center's International Council at John F. Kennedy School of Government at Harvard University. He holds a master's degree in history from the University of Oxford. During the period from 2007 to 2011, Mr. Rothschild also served as a director of RIT Capital Partners plc and EN+ Group Limited. **Barrick Board Details:** • Director since 2010

Name (age) and municipality of residence	Principal occupations during past 5 years
Steven J. Shapiro (*59*) Houston, Texas USA	Mr. Shapiro is a corporate director. He is the former Executive Vice President, Finance and Corporate Development and director of Burlington Resources, Inc., an oil and gas exploration and production company. He serves as a trustee of the Houston Museum of Natural Science. Mr. Shapiro holds an undergraduate degree from Union College and a master's degree in business administration from Harvard University. Mr. Shapiro is also a director of Bumi plc and El Paso Corporation. Mr. Shapiro did not serve as a director of any other publicly-traded companies during the period from 2007 to 2011. **Barrick Board Details:** • Director since 2004
John L. Thornton (*58*) Washington, D.C. USA	Mr. Thornton is a Professor and Director of the Global Leadership Program and Chair of the Advisory Board at Tsinghua University School of Economics and Management in Beijing. Mr. Thornton is the former President and Co-Chief Operating Officer of The Goldman Sachs Group, Inc., a financial services company. He serves as the Chairman of Board of Trustees of the Brookings Institution and is a member of the International Advisory Council of China Investment Corporation. Mr. Thornton serves as a director, trustee or advisory board member of several organizations, including the China Institute, China Securities Regulatory Commission, Council on Foreign Relations, Hotchkiss School, Morehouse College and the National Committee on U.S.- China Relations. Mr. Thornton holds an undergraduate degree from Harvard College, an undergraduate and master's degree in jurisprudence from the University of Oxford, and a master's degree from the Yale School of Management. Mr. Thornton is also a director of China Unicom (Hong Kong) Limited, Ford Motor Company, HSBC Holdings plc and News Corporation. At different times during the period from 2007 to 2011, Mr. Thornton served as a director of the following publicly-traded entities: China Netcom Group Corporation (Hong Kong) Ltd., Industrial and Commercial Bank of China Ltd. and Intel Corporation. **Barrick Board Details:** • Director since February 15, 2012

Mr. Mulroney, a director of the Company, is a director of Quebecor World 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. Mulroney was acting as a director for such company. On January 21, 2008, Quebecor World Inc. and substantially all of its U.S. operating subsidiaries filed a voluntary petition for creditor protection under the Canadian *Companies' Creditors Arrangement Act* and Chapter 11 of the U.S. Bankruptcy Code.

Committees of the Board

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is comprised of R.M. Franklin, J.B. Harvey, H.L. Beck and D. Moyo.

Audit Committee

The Audit Committee is comprised of D.J. Carty, P.A. Crossgrove, R.M. Franklin and S.J. Shapiro.

Compensation Committee

The Compensation Committee is comprised of D.J. Carty, G. Cisneros, J.B. Harvey and S.J. Shapiro.

Corporate Responsibility Committee

The Corporate Responsibility Committee is comprised of C.W.D. Birchall, J.B. Harvey, D. Moyo and A. Regent.

Finance Committee

The Finance Committee is comprised of H.L. Beck, C.W.D. Birchall, A. Munk and N.P. Rothschild.

International Advisory Board

The members of the Board that also sit on the International Advisory Board are G. Cisneros, B. Mulroney, and N.P. Rothschild.

Executive Officers of the Company

In addition to Peter Munk, Aaron W. Regent and C. William D. Birchall, as set out above, the following are the executive officers of the Company as at March 23, 2012:

Name (age) and municipality of residence	Office	Principal occupations during past 5 years
Kelvin Dushnisky *(48)* Oakville, Ontario Canada	Executive Vice President, Corporate and Legal Affairs	Executive Vice President, Corporate and Legal Affairs of the Company; prior to June 2010, Executive Vice President, Corporate Affairs of the Company; prior to December 2007, Senior Vice President, Corporate Affairs of the Company.
Peter J. Kinver *(56)* Toronto, Ontario Canada	Executive Vice President and Chief Operating Officer	Executive Vice President and Chief Operating Officer of the Company.
Jamie C. Sokalsky *(54)* Toronto, Ontario Canada	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer of the Company.
Robert Krcmarov *(47)* Toronto, Ontario Canada	Senior Vice President, Global Exploration	Senior Vice President, Global Exploration of the Company; prior to December 2008, Vice President, Global Exploration of the Company; prior to May 2007, Vice President, Exploration of the Company.

Name (age) and municipality of residence	Office	Principal occupations during past 5 years
Don Ritz *(65)* Toronto, Ontario Canada	Senior Vice President, Safety and Leadership Development	Senior Vice President, Safety and Leadership Development of the Company; prior to July 2009, Vice President, Safety and Health of the Company; prior to May 2006, Vice President, Safety and Occupational Health of the Company.
Sybil Veenman *(48)* Toronto, Ontario Canada	Senior Vice President and General Counsel	Senior Vice President and General Counsel; prior to July 2010, Senior Vice President, Assistant General Counsel and Secretary of the Company; prior to July 2008, Vice President, Assistant General Counsel and Secretary of the Company.
Richard McCreary *(49)* Toronto, Ontario Canada	Senior Vice President, Corporate Development	Senior Vice President, Corporate Development; prior to April 2011, Head of World Markets' Global Mining at CIBC.
Gary Halverson *(53)* Sandy, Utah USA	President, North America	President, North America of the Company. Prior to November 2011, President, Australia-Pacific RBU of the Company; Director of Operations Eastern Region Australia Pacific.
Igor Gonzales *(57)* Santiago, Chile	President, South America	President, South America.
Mike Feehan *(56)* Fremantle, WA Australia	President, Australia-Pacific	President, Australia-Pacific of the Company; prior to November 2011, Senior Vice President Operations Support of the Company and Director of Operations for North America.
Greg Hawkins *(43)* London, England	President and Chief Executive Officer, African Barrick Gold	President and Chief Executive Officer, African Barrick Gold; prior to March 2010, Chief Financial Officer, Australia-Pacific RBU of the Company; prior to June 2006, Manager, Reporting & Analysis, Australia/Africa RBU 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 integrity of Barrick's financial reporting process and the quality, transparency and integrity of its 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 Barrick's financial statements; (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) 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;

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

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

(f) 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. 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.

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.

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.

Composition of the Audit Committee

The Audit Committee is comprised entirely of independent directors (D.J. Carty, P.A. Crossgrove, R.M. Franklin and S.J. Shapiro). There were five meetings of the Audit Committee in 2011. All of the members of the Committee attended all of the meetings held in 2011.

All of the members of the Audit Committee are financially literate and at least one member has accounting or related financial management expertise. Barrick's Board of Directors has determined that S.J. Shapiro, a member of the Audit Committee, is an "audit committee financial expert" as defined by 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 Audit Committee and Barrick's Board of Directors who do not carry this designation. Other members of the Audit Committee are also experienced audit committee members and may qualify as "audit committee financial experts"; however, the Board of Directors has only made the specific determination in respect of Mr. Shapiro.

Participation on Other Audit Committees

The Company does not restrict the number of other audit committees on which members of its Audit Committee may serve. No member of the Audit Committee currently serves on the audit committee of more than three publicly-traded companies.

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-related non-audit services, audit services and certain permitted non-audit 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. Following the annual pre-approval, on an interim basis, management of Barrick is permitted to approve statutory, compliance and subsidiary audits and additional audit-related services and specified non-audit services, provided that the estimated fees for such services fall within specified dollar limits. Additional audit-related services and specified non-audit services that exceed the dollar thresholds and all additional non-audit services, including tax-related non-audit services, require the pre-approval of the Audit Committee (or if within a specified dollar threshold, the Committee Chairman).

External Auditor Service Fees

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, 2011 and 2010 for professional services rendered to Barrick:

Fees[1] (amount in millions)	2011	2010
Audit Fees[2]	$10.0	$ 8.5
Audit-related Fees[3]	0.6	4.8
Tax Fees	1.1	1.2
All Other Fees	0.1	0.2
Total	$11.8	$14.7

(1) The classification of fees is based on applicable Canadian securities laws and SEC definitions.

(2) Audit fees increased $1.5 million from 2010 to 2011, of which $0.7 million related to the acquisition of Equinox Minerals Limited, $0.3 million related to the IFRS transition, $0.3 million related to movements in foreign exchange rates against the U.S. dollar in the jurisdictions in which audit services are provided and $0.2 million related to statutory financial statements in certain jurisdictions.

(3) In 2011, audit-related fees primarily related to fees paid for services in connection with Barrick's offering of debt securities ($0.3 million) and other audit-related services. In 2010, audit-related fees primarily related to fees paid for services in connection with the IFRS conversion ($1.7 million) and in connection with the offering of equity securities of African Barrick Gold plc ($3.0 million) paid in early 2010.

INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure controls and procedures. Internal control over financial reporting is a framework designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with International Financial Reporting Standards. The Company's internal control over financial reporting framework includes those policies and procedures that pertain to the preparation of financial information, including information contained in Barrick's 2011 Annual Report and this Annual Information Form.

Disclosure controls and procedures form a broader framework designed to ensure that other financial and non-financial information disclosed publicly fairly presents in all material respects the financial condition, results of operations and cash flows of the company for the periods presented in the MD&A and Barrick's Annual Report. Barrick's disclosure controls and procedures framework includes processes designed to ensure that material information relating to Barrick, and its consolidated subsidiaries, is made known to management, including Barrick's Chief Executive Officer and Chief Financial Officer, by others within those entities to allow timely decisions regarding required disclosure. Disclosure controls and procedures apply to various disclosures, including reports filed with securities regulatory agencies.

The management of Barrick, at the direction of our chief executive and financial officers, have evaluated the effectiveness of the design and operation of the internal controls over financial reporting (as defined in rules adopted by the SEC) and disclosure controls and procedures as at December 31, 2011. Based on that evaluation, Barrick's Chief Executive Officer and Chief Financial Officer concluded that the Company's internal control over financial reporting and disclosure controls and procedures were effective as at December 31, 2011. For additional information as regards the effectiveness of internal control over financial reporting, see "Management's Report on Internal Control over Financial Reporting" in Barrick's 2011 Annual Report.

Together, the internal control over financial reporting and disclosure controls and procedures frameworks provide internal control over financial reporting and disclosure. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial statement preparation and financial reporting. Accordingly, Barrick's management, including Barrick's Chief Executive Officer and Chief Financial Officer, does not expect that Barrick's internal control over financial reporting and disclosure will prevent or detect all misstatements or fraud. Further, projections of any evaluation of the effectiveness of internal control to future periods is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change.

The changes related to Barrick's new copper reporting segment described above in "Narrative Description of the Business – Regional Business Units, ABG and the Copper Business Unit" will not significantly impact the design of internal control over financial reporting and disclosure. Barrick will continue to monitor the effectiveness of its internal control over financial reporting and disclosure and may make modifications from time to time as considered necessary or desirable.

Barrick's annual management report on internal control over financial reporting and the integrated audit report of Barrick's auditors for the year ended December 31, 2011 will be included in Barrick's 2011 Annual Report and its 2011 Form 40-F/Annual Information Form on file with the US Securities and Exchange Commission ("SEC") and Canadian provincial securities regulatory authorities.

NON-GAAP FINANCIAL MEASURES

Total Cash Costs and Net Cash Costs per Ounce/Pound

Total cash costs per ounce/pound and net cash costs per ounce/pound are non-GAAP financial measures. Both measures include all costs absorbed into inventory, as well as royalties, and by-product credits, and exclude inventory purchase accounting adjustments, unrealized gains/losses from non-hedge currency and commodity contracts, and depreciation and accretion. These measures also include the gross margin generated by the Company's Barrick Energy business unit, which was acquired to mitigate Barrick's exposure to oil prices as a credit against gold production costs. The presentation of these statistics in this manner allows Barrick to monitor and manage those factors that impact production costs on a monthly basis. These measures are calculated by dividing the aggregate of the applicable costs by gold ounces or copper pounds sold. These measures are calculated on a consistent basis for the periods presented.

Barrick has also adjusted our gold total cash costs to remove the impact of ore purchase agreements that have economic characteristics similar to a toll milling arrangement. The cost of producing these ounces is not indicative of our normal production costs. Hence, we have removed such costs from total cash costs.

Barrick calculates total cash costs and net cash costs based on the Company's equity interest in production from the Company's mines. The Company believes that using an equity interest presentation is a fairer, more accurate way to measure economic performance than using a consolidated basis. For mines where Barrick holds less than a 100% share in the production, the Company excludes the economic share of gold production attributable to the non-controlling interest. Consequently, Barrick's production and total cash costs and net cash costs statistics only reflect the Company's equity share of production.

Net cash costs measures the gross margin from all non-gold sales, whether or not these non-gold metals are produced in conjunction with gold, as a credit against the cost of producing gold. A number of

other gold producers present their costs net of the contribution from non-gold sales. Barrick believes that including a measure of net cash costs per ounce on this basis provides investors and analysts with information with which to compare the Company's performance to other gold producers, and to better assess the overall performance of Barrick's business. In addition, this measure provides information to enable investors and analysts to understand the importance of non-gold revenues to the Company's cost structure.

Total cash cost and net cash cost statistics are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. The following tables reconcile these non-GAAP measures to the most directly comparable IFRS measure.

Reconciliation of Cost of Sales to Total Cash Costs per Ounce/Pound

	Gold			Copper			Oil and Gas			Total		
	IFRS		US GAAP	IFRS		US GAAP	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009
Cost of sales	**$5,177**	$4,618	$4,281	**$983**	$430	$437	**$156**	$114	$ 69	**$6,316**	$5,162	$4,787
Less: Depreciation	**1,152**	1,077	874	**170**	88	76	**97**	47	30	**1,419**	1,212	980
	$4,025	$3,541	$3,407	**$813**	$342	$361	**$ 59**	$ 67	$ 39	**$4,897**	$3,950	$3,807

	Gold			Copper		
($ millions, except per ounce/pound information in dollars)	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009
Cost of sales	**$4,025**	$3,541	$3,407	**$ 813**	$ 342	$ 361
Cost of sales applicable to discontinued operations	**—**	10	24	**—**	91	83
Cost of sales applicable to non-controlling interests [1]	**(171)**	(97)	(12)	**—**	—	—
Cost of sales applicable to ore purchase arrangement	**(126)**	(104)	(29)	**—**	—	—
Other metal sales	**(137)**	(120)	—	**(3)**	(6)	—
Inventory purchase accounting adjustments	**—**	—	—	**(34)**	—	—
Realized non-hedge gains/losses on fuel hedges	**(5)**	3	7	**—**	—	—
Impact of Barrick Energy	**(118)**	(56)	(20)	**—**	—	—
Total cash costs	**$3,468**	$3,177	$3,377	**$ 776**	$ 427	$ 444
Ounces/pounds sold – consolidated basis (000s ounces/millions pounds)	**7,758**	7,902	7,307	**444**	391	380
Ounces/pounds sold – non-controlling interest (000s ounces) [1]	**(208)**	(160)	(28)	**—**	—	—
Ounces/pounds sold – equity basis (000s ounces/millions pounds)	**7,550**	7,742	7,279	**444**	391	380
Total cash costs per ounce/per pound [2]	**$ 460**	$ 409	$ 464	**$1.75**	$1.10	$1.17

[1] Relates to interest in ABG held by outside shareholders.
[2] Total cash costs per ounce/pound may not calculate based on amounts presented in this table due to rounding.

Net Cash Costs per Ounce/Pound

($ millions, except per ounce/pound data in dollars)	For the years ended December 31			For the three months ended December 31	
	IFRS		US GAAP		
	2011	2010	2009	**2011**	2010
Ounces gold sold – equity basis (000s)	**7,550**	7,742	7,279	**1,865**	1,831
Total cash costs per ounce – equity basis	**$ 460**	$ 409	$ 464	**$ 505**	$ 440
Revenues from copper sales	**$1,714**	$1,056	$ 943	**$ 504**	$ 323
Revenues from copper sales of discontinued operations	**—**	244	212	**—**	74
Unrealized non-hedge gold/copper derivate (gains) losses	**—**	—	49	**—**	—
Unrealized mark-to-market provisional price adjustments	**—**	—	(4)	**—**	—
Inventory purchase accounting adjustments	**34**	—	—	**(29)**	—
Realized non-hedge gold/copper derivative (losses) gains	**(21)**	30	—	**(5)**	11
Net revenues from copper excluding realized non-hedge gains/losses from copper contracts	**$1,727**	$1,330	$ 1,200	**$ 470**	$ 408
Copper cost of sales per consolidated statement of income	**813**	342	361	**239**	88
Copper cost of sales from discontinued operations	**—**	91	83	**—**	23
Copper credits	**914**	897	756	**231**	297
Copper credits per ounce[1]	**121**	116	104	**123**	162
Net cash costs per ounce	**$ 339**	$ 293	$ 360	**$ 382**	$ 278

[1] Copper credits per ounce for three month period and year ended December 31, 2011 and December 31, 2010 may not calculate based on amounts presented in this table due to rounding.

Realized Price

Realized price is a non-GAAP financial measure which excludes from sales:

- Unrealized gains and losses on non-hedge derivative contracts;

- Unrealized mark-to-market gains and losses on provisional pricing from copper and gold sales contracts;
- Sales attributable to ore purchase arrangement; and
- Export duties.

This measure is intended to enable management to better understand the price realized in each reporting period for gold and copper sales because unrealized mark-to-market value of non-hedge gold and copper derivatives are subject to change each period due to changes in market factors such as market and forward gold and copper prices so that prices ultimately realized may differ from those recorded. The exclusion of such unrealized mark-to-market gains and losses from the presentation of this performance measure enables investors to understand performance based on the realized proceeds of selling gold and copper production.

The gains and losses on non-hedge derivatives and receivable balances relate to instruments/balances that mature in future periods, at which time the gains and losses will become realized. The amounts of these gains and losses reflect fair values based on market valuation assumptions at the end of each period and do not necessarily represent the amounts that will become realized on maturity. Barrick also excludes export duties that are paid upon sale and netted against revenues. Barrick believes this provides investors and analysts with a more accurate measure with which to compare to market gold prices and to assess the Company's gold sales performance. For those reasons, management believes that this measure provides a more accurate reflection of Barrick's past performance and is a better indicator of its expected performance in future periods.

The realized price measure is intended to provide additional information, and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of sales as determined under IFRS. Other companies may calculate this measure differently. The following table reconciles realized prices to the most directly comparable IFRS measure.

Reconciliation of Sales to Realized Price per ounce/per pound [1]

($ millions, except per ounce/pound information in dollars)	Gold			Copper		
	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009
Sales	**$12,263**	$9,687	$7,135	**$1,714**	$1,056	$ 943
Sales attributable to discontinued operations	**—**	43	56	**—**	244	212
Sales applicable to non-controlling interests	**(329)**	(206)	(27)	**—**	—	—
Sales attributable to ore purchase agreement	**(137)**	(111)	(26)	**—**	—	—
Unrealized non-hedge gold/copper derivates (gains) losses	**—**	—	—	**—**	—	49
Unrealized mark- to-market provisional price adjustment	**—**	(1)	—	**—**	—	(4)
Realized non-hedge gold/copper derivative (losses) gains	**43**	26	—	**(21)**	30	—
Export duties	**73**	68	30	**—**	—	—
Revenues – as adjusted	**$11,913**	$9,506	$7,168	**$1,693**	$1,330	$1,200
Ounces/pounds sold (000s ounces/millions pounds)	**7,550**	7,742	7,279	**444**	391	380
Realized gold/copper price per ounce/pound [1]	**$ 1,578**	$1,228	$ 985	**$ 3.82**	$ 3.41	$ 3.16

[1] Realized price per ounce/pound may not calculate based on amounts presented in this table due to rounding.

Adjusted Net Earnings (Adjusted Net Earnings per Share) and Return on Equity

Adjusted net earnings is a non-GAAP financial measure which excludes the following from net earnings:

- Elimination of gold sales contracts;
- Significant tax adjustments not related to current period earnings;
- Impairment charges (reversals) related to intangibles, goodwill, property, plant and equipment, and investments;
- Gains/losses and other one-time costs relating to acquisitions/dispositions;
- Foreign currency translation gains/losses;
- Non-recurring restructuring costs;
- Unrealized gains/losses on non-hedge derivative instruments; and
- Change in the measurement of the PER as a result of changes in the discount rates for closed sites.

Management uses this measure internally to evaluate the underlying operating performance of the Company as a whole for the reporting periods presented, and to assist with the planning and forecasting of future operating results. Barrick believes that adjusted net earnings allows investors and analysts to better evaluate the results of the underlying business of the Company. While the adjustments to net earnings in this measure include items that are recurring, management believes that adjusted net earnings is a useful measure of the Company's performance because non-recurring tax adjustments; impairment charges, gains/losses and other one-time costs relating to asset acquisitions/dispositions and business combinations; and non-recurring restructuring charges do not reflect the underlying operating performance of the Company's core mining business and are not necessarily indicative of future operating results.

Furthermore, foreign currency translation gains/losses and unrealized gains/losses from non-hedge derivatives are not necessarily reflective of the underlying operating results for the reporting periods presented.

Starting in the fourth quarter of 2011, Barrick has also begun adjusting for changes in PER relating to the Company's closed sites as they are not related to our day to day operations and not indicative of underlying results.

As noted, the Company uses this measure for its own internal purposes. Management's internal budgets and forecasts and public guidance do not reflect potential impairment charges, potential gains/losses on the acquisition/disposition of assets, foreign currency translation gains/losses, or unrealized gains/losses on non-hedge derivatives. Consequently, the presentation of adjusted net earnings enables investors and analysts to better understand the underlying operating performance of Barrick's core mining business through the eyes of Management. Management periodically evaluates the components of adjusted net earnings based on an internal assessment of performance measures that are useful for evaluating the operating performance of the Company's business segments and a review of the non-GAAP measures used by mining industry analysts and other mining companies.

Barrick also presents return on equity as a measure which is calculated by dividing adjusted net earnings by average shareholders' equity. Management believes this to be a useful indicator of the Company's performance.

Adjusted net earnings and return on equity are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. The following table reconciles these non-GAAP measures to the most directly comparable IFRS measure.

Reconciliation of Net Earnings to Adjusted Net Earnings and Return on Equity [1]

($ millions, except per share amounts in dollars)	For the years ended December 31			For the three months ended December 31	
	IFRS		US GAAP		
	2011	2010	2009	2011	2010
Net earnings/(losses) attributable to equity holders of the Company	**$ 4,484**	$ 3,582	$ (4,274)	**$ 959**	$ 961
Elimination of gold sales contracts	**—**	—	5,901	**—**	—
Significant tax adjustments not related to current period earnings	**122**	(4)	59	**86**	74
Impairment charges (reversals) related to intangibles, property, plant and equipment, and investments	**165**	(65)	259	**153**	(17)
Acquisition/disposition adjustments[2]	**(165)**	(62)	(85)	**(6)**	(20)
Foreign currency translation (gains)/losses	**(5)**	32	(95)	**21**	(5)
Restructuring costs	**2**	43	15	**—**	3
Acquisition related costs[3]	**97**	—	—	**(18)**	—
Changes in PER discount rate for closed sites	**32**	—	—	**32**	—
Unrealized (gains)/losses on non-hedge derivative instruments	**(66)**	(9)	30	**(61)**	22
Adjusted net earnings	**$ 4,666**	$ 3,517	$ 1,810	**$ 1,166**	$ 1,018
Net earnings/(losses) per share[4]	**$ 4.49**	$ 3.63	$ (4.73)	**$ 0.96**	$ 0.97
Adjusted net earnings per share[4]	**$ 4.67**	$ 3.56	$ 2.00	**$ 1.17**	$ 1.02
Average Shareholders' Equity	**$21,418**	$17,352	$15,170	**$22,869**	$18,805
Return on equity[5]	**22%**	20%	12%	**20%**	22%

[1] Amounts presented in this table are post-tax.

[2] For the three month period ended December 31, 2011, includes gains on sale of assets. For the year ended December 31, 2011 includes gain on sale assets of $188 million, partially offset by a $23 million charge for the recognition of a liability for contingent consideration related to the acquisition of the additional 40% interest in Cortez property.

[3] Represents expensed transaction costs, fair value inventory purchase adjustments and realized foreign exchange losses relating to our economic hedge of the purchase price related to the Equinox acquisition.

[4] Calculated using weighted average number of shares outstanding under the basic method of earnings per share.

[5] Calculated as annualized adjusted net earnings divided by average shareholders' equity.

INTERESTS OF EXPERTS

PricewaterhouseCoopers LLP, the auditors of the Company, has advised the Company that it is independent of Barrick Gold Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario and has complied with the SEC's rules on auditor independence.

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 26, 2012. As well, additional financial information is provided in the Company's 2011 Annual Report, in the Company's Consolidated Financial Statements (as prepared under IFRS) and Management's Discussion and Analysis of Financial and Operating Results for the year ended December 31, 2011 (as prepared under IFRS), each of which is available electronically from SEDAR (www.sedar.com) and from the EDGAR (www.sec.gov). Additional Information relating to Barrick is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

Exhibit 99.2

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Barrick's management is responsible for establishing and maintaining adequate internal control over financial reporting.

Barrick's management assessed the effectiveness of the company's internal control over financial reporting as at December 31, 2011. Barrick's Management used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework to evaluate the effectiveness of Barrick's internal control over financial reporting. Based on Barrick management's assessment, Barrick's internal control over financial reporting is effective as at December 31, 2011.

The effectiveness of the Company's internal control over financial reporting as at December 31, 2011 has been audited by PricewaterhouseCoopers LLP, Chartered Accountants, as stated in their report which is located on pages 83 - 85 of Barrick's 2011 Annual Financial Statements.

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 International Financial Reporting Standards and reflect Management's best estimates and judgments based on currently available information. The company has developed and maintains a system of internal 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 15, 2012

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Barrick's management is responsible for establishing and maintaining adequate internal control over financial reporting.

Barrick's management assessed the effectiveness of the company's internal control over financial reporting as at December 31, 2011. Barrick's Management used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework to evaluate the effectiveness of Barrick's internal control over financial reporting. Based on Barrick management's assessment, Barrick's internal control over financial reporting is effective as at December 31, 2011.

The effectiveness of the Company's internal control over financial reporting as at December 31, 2011 has been audited by PricewaterhouseCoopers LLP, Chartered Accountants, as stated in their report which is located on pages 83 - 85 of Barrick's 2011 Annual Financial Statements.

February 15, 2012

Independent Auditor's Report

To the Shareholders of
Barrick Gold Corporation

We have completed an integrated audit of Barrick Gold Corporation's 2011 consolidated financial statements and its internal control over financial reporting as at December 31, 2011 and an audit of its 2010 consolidated financial statements. Our opinions, based on our audits, are presented below.

Report on the consolidated financial statements
We have audited the accompanying consolidated financial statements of Barrick Gold Corporation, which comprise the consolidated balance sheets as at December 31, 2011, December 31, 2010 and January 1, 2010 and the consolidated statements of income, cash flow, changes in equity and comprehensive income for the years ended December 31, 2011 and December 31, 2010, and the related notes, which include a summary of significant accounting policies.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Canadian generally accepted auditing standards require that we comply with ethical requirements.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting principles and policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Barrick Gold Corporation as at December 31, 2011, December 31, 2010 and January 1, 2010 and its financial performance and its cash flows for the years ended December 31, 2011 and December 31, 2010 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on internal control over financial reporting
We have also audited Barrick Gold Corporation's internal control over financial reporting as at December 31, 2011, based on criteria established in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management's responsibility for internal control over financial reporting
Management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in Management's Report on Internal Control Over Financial Reporting.

Auditor's responsibility
Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit. We conducted our audit of internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

An audit of internal control over financial reporting includes obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control, based on the assessed risk, and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our audit opinion on the company's internal control over financial reporting.

Definition of internal control over financial reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention

or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations
Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion
In our opinion, Barrick Gold Corporation maintained, in all material respects, effective internal control over financial reporting as at December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by COSO.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Accountants, Licensed Public Accountants
Toronto, Canada

Consolidated Statements of Income

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

	2011	2010
Revenue (notes 5 and 6)	**$14,312**	$11,001
Costs and expenses		
Cost of sales (notes 5 and 7)	**6,316**	5,162
Corporate administration	**166**	156
Exploration and evaluation (notes 5 and 8)	**346**	229
Other expense (note 9a)	**576**	455
Impairment charges (reversals) (note 9b)	**235**	(73)
	7,639	5,929
Other income (note 9c)	**248**	116
Income (loss) from equity investees (note 14a)	**8**	(24)
Gain on non-hedge derivatives (note 22e)	**81**	69
Income before finance items and income taxes	**7,010**	5,233
Finance items (note 12)		
Finance income	**13**	14
Finance costs	**(199)**	(180)
Income before income taxes	6,824	5,067
Income tax expense (note 10)	**(2,287)**	(1,561)
Income from continuing operations	**4,537**	3,506
Income from discontinued operations (note 4g)	**-**	124
Net income	**$ 4,537**	$ 3,630
Attributable to:		
Equity holders of Barrick Gold Corporation	**$ 4,484**	$ 3,582
Non-controlling interests (note 29)	**$ 53**	$ 48
	4,537	3,630
Earnings per share data attributable to the equity holders of Barrick Gold Corporation (note 11)		
Income from continuing operations		
Basic	**$ 4.49**	$ 3.50
Diluted	**$ 4.48**	$ 3.47
Income from discontinued operations		
Basic	**$ -**	$ 0.13
Diluted	**$ -**	$ 0.12
Net income		
Basic	**$ 4.49**	$ 3.63
Diluted	**$ 4.48**	$ 3.59

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

Consolidated Statements of Comprehensive Income

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

	2011	2010
Net income	**$ 4,537**	$ 3,630
Other comprehensive income, net of taxes		
Unrealized gains (losses) on available-for-sale ("AFS") financial securities, net of tax $9, $5	**(91)**	64
Realized (gains) losses and impairments on AFS financial securities, net of tax $5, $1	**36**	(11)
Unrealized gains on derivative investments designated as cash flow hedges, net of tax $41, $131	**370**	518
Realized (gains) on derivative investments designated as cash flow hedges, net of tax $93, $22	**(413)**	(88)
Actuarial (losses) on post employment benefit obligations, net of tax $13, $nil	**(22)**	(2)
Currency translation adjustments gain (loss), net of tax $nil, $nil	**(36)**	14
Total other comprehensive income (loss)	**(156)**	495
Total comprehensive income	**$ 4,381**	$ 4,125
Attributable to:		
Equity holders of Barrick Gold Corporation	**$ 4,328**	$ 4,077
Non-controlling interests	**$ 53**	$ 48

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)

	2011	2010
OPERATING ACTIVITIES		
Net income	**$ 4,537**	$ 3,630
Adjustments for the following items:		
Depreciation	**1,419**	1,212
Accretion	**52**	21
Impairment charges (reversals) (note 9b)	**235**	(73)
Income tax expense (note 10)	**2,287**	1,561
Increase in inventory	**(708)**	(381)
Gain on sale/acquisition of long-lived assets/investments	**(229)**	(79)
Other operating activities (note 13a)	**(173)**	(421)
Operating cash flows before interest and income taxes	**7,420**	5,470
Gross interest paid	**(137)**	(153)
Income taxes paid	**(1,968)**	(732)
Net cash provided by operating activities	**5,315**	4,585
INVESTING ACTIVITIES		
Property, plant and equipment		
Capital expenditures (note 5)	**(4,973)**	(3,778)
Sales proceeds	**48**	61
Acquisitions (note 4)	**(7,677)**	(813)
Investments		
Purchases	**(72)**	(61)
Sales	**80**	15
Other investing activities (note 13b)	**(233)**	(54)
Net cash used in investing activities	**(12,827)**	(4,630)
FINANCING ACTIVITIES		
Proceeds on exercise of stock options	**57**	127
Proceeds from public issuance of common shares by a subsidiary (note 4e)	**-**	884
Long-term debt		
Proceeds	**6,648**	782
Repayments	**(380)**	(149)
Dividends	**(509)**	(436)
Funding from non-controlling interests	**403**	114
Deposit on silver sale agreement (note 26)	**138**	137
Other financing activities (note 13c)	**(66)**	(25)
Net cash provided by financing activities	**6,291**	1,434
Effect of exchange rate changes on cash and equivalents	**(2)**	15
Net increase (decrease) in cash and equivalents	**(1,223)**	1,404
Cash and equivalents at beginning of year (note 22a)	**3,968**	2,564
Cash and equivalents at the end of year (note 22a)	**$ 2,745**	$ 3,968

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

Consolidated Balance Sheets

Barrick Gold Corporation (in millions of United States dollars)	As at December 31 2011	As at December 31 2010	As at January 1 2010
ASSETS			
Current assets			
Cash and equivalents (note 22a)	**$ 2,745**	$ 3,968	$ 2,564
Accounts receivable (note 16)	**426**	370	259
Inventories (note 15)	**2,498**	1,798	1,488
Other current assets (note 16)	**876**	935	518
Total current assets (excluding assets classified as held for sale)	**6,545**	7,071	4,829
Assets classified as held for sale	**-**	-	100
Total current assets	**6,545**	7,071	4,929
Non-current assets			
Equity in investees (note 14a)	**440**	396	1,124
Other investments (note 14b)	**161**	171	62
Property, plant and equipment (note 17)	**28,979**	17,890	13,378
Goodwill (note 18a)	**9,626**	6,096	5,197
Intangible assets (note 18b)	**569**	475	275
Deferred income tax assets (note 27)	**409**	625	601
Non-current portion of inventory (note 15)	**1,153**	1,040	709
Other assets (note 19)	**1,002**	873	649
Total assets	**$ 48,884**	$ 34,637	$ 26,924
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable (note 20)	**2,083**	1,511	1,221
Debt (note 22b)	**196**	14	54
Current income tax liabilities	**306**	550	104
Other current liabilities (note 21)	**326**	416	366
Total current liabilities (excluding liabilities classified as held for sale)	**2,911**	2,491	1,745
Liabilities classified as held for sale	**-**	-	49
Total current liabilities	**2,911**	2,491	1,794
Non-current liabilities			
Debt (note 22b)	**13,173**	6,624	6,124
Provisions (note 24)	**2,326**	1,768	1,408
Deferred income tax liabilities (note 27)	**4,231**	1,971	960
Other liabilities (note 26)	**689**	566	884
Total liabilities	**23,330**	13,420	11,170
Equity			
Capital stock (note 28)	**17,892**	17,820	17,392
Retained earnings (deficit)	**4,562**	609	(2,535)
Accumulated other comprehensive income	**595**	729	232
Other	**314**	314	143
Total equity attributable to Barrick Gold Corporation shareholders	**23,363**	19,472	15,232
Non-controlling interests (note 29)	**2,191**	1,745	522
Total equity	**25,554**	21,217	15,754
Contingencies and commitments (notes 17 and 33)			
Total liabilities and equity	**$ 48,884**	$ 34,637	$ 26,924

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

Signed on behalf of the Board,



Aaron Regent, Director



Steven J. Shapiro, Director

Consolidated Statements of Changes in Equity

Barrick Gold Corporation	Attributable to equity holders of the company							
(in millions of United States dollars)	Common Shares (in thousands)	Capital stock	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Other[1]	Total equity attributable to shareholders	Non-controlling interests	Total equity
At January 1, 2011	**998,500**	**$17,820**	**$ 609**	**$ 729**	**$ 314**	**$ 19,472**	**$ 1,745**	**$ 21,217**
Net income	-	-	4,484	-	-	4,484	53	4,537
Total other comprehensive income (loss)	-	-	(22)	(134)	-	(156)	-	(156)
Total comprehensive income	998,500	$ -	$ 4,462	$ (134)	$ -	$ 4,328	$ 53	$ 4,381
Transactions with owners								
Dividends	-	-	(509)	-	-	(509)	-	(509)
Issued on exercise of stock options	1,923	57	-	-	-	57	-	57
Recognition of stock option expense	-	15	-	-	-	15	-	15
Funding from non-controlling interests	-	-	-	-	-	-	403	403
Other decrease in non-controlling interests	-	-	-	-	-	-	(10)	(10)
Total transactions with owners	1,923	$ 72	$ (509)	$ -	$ -	$ (437)	$ 393	$ (44)
At December 31, 2011	**1,000,423**	**$17,892**	**$ 4,562**	**$ 595**	**$ 314**	**$ 23,363**	**$ 2,191**	**$ 25,554**
At January 1, 2010	**984,328**	**$17,392**	**$ (2,535)**	**$ 232**	**$ 143**	**$ 15,232**	**$ 522**	**$ 15,754**
Net income	-	-	3,582	-	-	3,582	48	3,630
Total other comprehensive income (loss)	-	-	(2)	497	-	495	-	495
Total comprehensive income	984,328	$ -	$ 3,580	$ 497	$ -	$ 4,077	$ 48	$ 4,125
Transactions with owners						-		
Dividends	-	-	(436)	-	-	(436)	-	(436)
Issued on conversion of debentures	9,381	294	-	-	-	294	-	294
Issued on exercise of stock options	4,791	127	-	-	-	127	-	127
Recognition of stock option expense	-	7	-	-	-	7	-	7
Recognized on initial public offering of African Barrick Gold (note 4e)	-	-	-	-	171	171	-	171
Funding from non-controlling interests	-	-	-	-	-	-	114	114
Other increase in non-controlling interests	-	-	-	-	-	-	1,061	1,061
Total transactions with owners	14,172	$ 428	$ (436)	$ -	$ 171	$ 163	$ 1,175	$ 1,338
At December 31, 2010	**998,500**	**$17,820**	**$ 609**	**$ 729**	**$ 314**	**$ 19,472**	**$ 1,745**	**$ 21,217**

[1] Includes additional paid-in capital as at December 31, 2011: $276 million (December 31, 2010: $276 million; January 1, 2010: $ nil) and convertible borrowings - equity component as at December 31, 2011: $38 million (December 31, 2010: $38 million; January 1, 2010: $143 million).

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$, A$, ZAR, CLP, PGK, TZS, JPY, ARS, GBP, EUR and ZMK are to Canadian dollars, Australian dollars, South African rand, Chilean pesos, Papua New Guinea kina, Tanzanian schillings, Japanese yen, Argentinean pesos, British Pound Sterling, Euros and Zambian Kwacha, respectively.*

1 > CORPORATE INFORMATION

Barrick Gold Corporation ("Barrick" or the "Company") is a corporation governed by the Business Corporation Act (Ontario). The Company's head and registered office is located at Brookfield Place, TD Canada Trust Tower, 161 Bay Street, Suite 3700, Toronto, Ontario, M5J 2S1. We are principally engaged in the production and sale of gold and copper, as well as related activities such as exploration and mine development. We also hold interests in oil and gas properties located in Canada. Our producing gold mines are concentrated in three regional business units ("RBU"): North America, South America, and Australia Pacific. We also hold a 73.9% equity interest in African Barrick Gold plc ("ABG"), a company listed on the London Stock Exchange that owns gold mines and exploration properties in Africa. Our Copper business unit contains producing copper mines located in Chile and Zambia and a mine under construction located in Saudi Arabia. We sell our gold and copper production into the world market.

2 > SIGNIFICANT ACCOUNTING POLICIES

A) **Statement of Compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") under the historical cost convention, as modified by revaluation of derivative contracts and certain financial assets. The policies applied in these financial statements are based on IFRSs in effect as at February 15, 2012, the date the Board of Directors approved these consolidated financial statements for issue.

Prior to the adoption of IFRS, our primary financial statements were prepared in accordance with United States generally accepted accounting principles ("US GAAP"). Disclosure of our elected transition exemptions and reconciliation and explanation of accounting policy differences compared to US GAAP have been provided in Note 3 to these consolidated financial statements.

B) **Basis of Preparation**

Subsidiaries

These consolidated financial statements include the accounts of Barrick and its subsidiaries. All intercompany balances, transactions, income and expenses, and profits or losses have been eliminated on consolidation. We consolidate subsidiaries where we have the ability to exercise control. Control is achieved when we have the power to govern the financial and operating policies of the entity. Control is normally achieved through ownership, directly or indirectly, of more than 50 percent of the voting power. Control can also be achieved through power over more than half of the voting rights by virtue of an agreement with other investors or through the exercise of de facto control. For non wholly-owned subsidiaries, the net assets attributable to outside equity shareholders are presented as "non-controlling interests" in the equity section of the consolidated balance sheet. Profit for the period that is attributable to non-controlling interests is calculated based on the ownership of the minority shareholders in the subsidiary.

Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control such that significant operating and financial decisions require the unanimous consent of the parties sharing control. Our joint ventures consist of jointly controlled assets ("JCAs") and jointly controlled entities ("JCEs").

A JCA is a joint venture in which the venturers have control over the assets contributed to or acquired for the purposes of the joint venture. JCAs do not involve the establishment of a corporation, partnership or other entity. The participants in a JCA derive benefit from the joint activity through a share of production, rather than by receiving a share of the net operating results. Our proportionate interest in the assets, liabilities, revenues, expenses, and cash flows of JCAs are incorporated into the consolidated financial statements under the appropriate headings.

A JCE is a joint venture that involves the establishment of a corporation, partnership or other entity in which each venturer has a long-term interest. We account for our interests in JCEs using the equity method of accounting.

On acquisition, an equity method investment is initially recognized at cost. The carrying amount of equity method investments includes goodwill identified on acquisition, net of any accumulated impairment losses. The carrying amount is adjusted by our share of post-acquisition net income or loss, depreciation, amortization or impairment of the fair value adjustments made at the date of acquisition, dividends and our share of post-acquisition movements in Other Comprehensive Income ("OCI").

Associates

An associate is an entity over which the investor has significant influence but not control and that is neither a subsidiary nor an interest in a joint venture. Significant influence is presumed to exist where the Company has between 20 percent and 50 percent of the voting rights, but can also arise where the Company has less than 20 percent if we have the power to be actively involved and influential in policy decisions affecting the entity. Our share of the net assets and net income or loss are accounted for in the consolidated financial statements using the equity method of accounting.

Consolidation Method at December 31, 2011

Outlined below are the accounting methods used for entities other than 100% owned Barrick subsidiaries:

	Entity type at December 31, 2011	Economic interest at December 31, 2011[1]	Method
Marigold Mine	JCA	33%	Proportional
Round Mountain Mine	JCA	50%	Proportional
Turquoise Ridge Mine	JCA	75%	Proportional
Kalgoorlie Mine	JCA	50%	Proportional
Porgera Mine	JCA	95%	Proportional
African Barrick Gold plc[2,3]	Subsidiary, publicly traded	73.9%	Consolidation
Pueblo Viejo Project[3]	Subsidiary	60%	Consolidation
Cerro Casale Project[3]	Subsidiary	75%	Consolidation
Donlin Gold Project[5]	JCE	50%	Equity Method
Reko Diq Project[4,5]	JCE	37.5%	Equity Method
Kabanga Project[5]	JCE	50%	Equity Method
Highland Gold Plc	Associate, publicly traded	20.4%	Equity Method

[1] Unless otherwise noted, all of our joint ventures are funded by contributions made by their partners in proportion to their economic interest.
[2] In 2010, we completed an initial public offering ("IPO") for a non-controlling interest in our African gold mining operations. As a result of this transaction, our economic interest in the North Mara, Bulyanhulu and Buzwagi gold mines was reduced from 100% to 73.9% and our economic interest in the Tulawaka gold mine was reduced from 70% to 51.7%.
[3] We consolidate our interests in Pueblo Viejo, Cerro Casale and ABG and record a non-controlling interest for the 40%, 25% and 26.1%, respectively, that we do not own.
[4] We hold a 50% interest in Atacama Copper, which has a 75% interest in the Reko Diq project.
[5] Our jointly controlled entities are all early stage exploration projects and, as such, do not have any significant assets, liabilities, income, contractual commitments or contingencies. Expenses are recognized through our equity pick-up (loss). Refer to note 14 for further details.

C) **Business Combinations**

On the acquisition of a business, the acquisition method of accounting is used, whereby the purchase consideration is allocated to the identifiable assets and liabilities on the basis of fair value at the date of acquisition. Provisional fair values allocated at a reporting date are finalized as soon as the relevant information is available, within a period not to exceed twelve months from the acquisition date with retroactive restatement of the impact of adjustments to those provisional fair values effective as at the acquisition date. Incremental costs related to acquisitions are expensed as incurred.

When purchase consideration is contingent on future events, the initial cost of the acquisition recorded includes an estimate of the fair value of the contingent amounts expected to be payable in the future. When the fair value of contingent consideration as at the date of acquisition is finalized before the end of the twelve month measurement period, the adjustment is allocated to the identifiable assets and liabilities acquired. Subsequent changes to the estimated fair value of contingent consideration are recorded in the consolidated statement of income.

When the cost of the acquisition exceeds the fair values of the identifiable net assets acquired, the difference is recorded as goodwill. If the fair value attributable to Barrick's share of the identifiable net assets exceeds the cost of acquisition, the difference is recognized as a gain in the consolidated statement of income.

Non-controlling interests represent the fair value of net assets in subsidiaries, as at the date of acquisition, that are not held by Barrick and are presented in the equity section of the consolidated balance sheet.

When control of a subsidiary is acquired in stages, its carrying value prior to the change in control is compared with the fair value of the identifiable net assets at the date of the change of control. If fair value is greater than/less than carrying value, a gain/loss is recorded in the consolidated statement of income.

D) **Discontinued Operations**

A discontinued operation is a component of the Company that can be clearly distinguished from the rest of the Company, both operationally and for financial reporting purposes, and is expected to be recovered primarily through sale rather than continuing use. The assets and liabilities are presented as held for sale in the consolidated balance sheet when the sale is highly probable, the asset or disposal group is available for immediate sale in its present condition and management is committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Results of operations and any gain or loss from disposal are excluded from earnings before finance items and tax and are reported separately as Income from discontinued operations.

E) **Foreign Currency Translation**

The functional currency of the Company, for each subsidiary of the Company, and for joint ventures and associates, is the currency of the primary economic environment in which it operates. The functional currency of our gold and copper operations is the US dollar. We translate non-US dollar balances for these operations into US dollars as follows:

- Property, plant and equipment ("PP&E"), intangible assets and equity method investments using historical rates;
- Available-for-sale securities using the closing exchange rate as at the balance sheet date with translation gains and losses recorded in OCI;
- Deferred tax assets and liabilities using the closing exchange rate as at the balance sheet date with translation gains and losses recorded in income tax expense;
- Other assets and liabilities using the closing exchange rate as at the balance sheet date with translation gains and losses recorded in other income/expense; and
- Income and expenses using the average exchange rate for the period, except for expenses that relate to non-monetary assets and liabilities measured at historical rates, which are translated using the same historical rate as the associated non-monetary assets and liabilities.

The functional currency of our Canadian oil and gas operations is the Canadian dollar. We translate non-US dollar balances related to these operations into US dollars as follows:

- Assets and liabilities using the closing exchange rate as at the balance sheet date with translation gains and losses recorded in OCI; and
- Income and expense using the average exchange rate for the period with translation gains and losses recorded in OCI.

F) **Revenue Recognition**

We record revenue when evidence exists that all of the following criteria are met:

- The significant risks and rewards of ownership of the product have been transferred to the buyer;
- Neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold, has been retained;
- The amount of revenue can be reliably measured;
- It is probable that the economic benefits associated with the sale will flow to us; and
- The costs incurred or to be incurred in respect of the sale can be reliably measured.

These conditions are generally satisfied when title passes to the customer.

Gold Bullion Sales

Gold bullion is sold primarily in the London spot market. The sales price is fixed at the delivery date based on the gold spot price. Generally, we record revenue from gold bullion sales at the time of physical delivery, which is also the date that title to the gold passes.

Concentrate Sales

Under the terms of concentrate sales contracts with independent smelting companies, gold and copper sales prices are provisionally 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 the risk and rewards of ownership pass to the smelting companies, using forward market gold and copper 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 and copper prices, and result in an embedded derivative in accounts receivable. The embedded derivative is recorded at fair value each period until final settlement occurs, with changes in fair value classified as provisional price

adjustments and included in revenue in the consolidated statement of income.

Copper Cathode Sales
Under the terms of copper cathode sales contracts, copper sales prices are provisionally set on a specified future date based upon market commodity prices plus certain price adjustments. Revenue is recognized at the time of shipment, which is also when the risks and rewards of ownership pass to the customer. Revenue is provisionally measured using forward market prices on the expected date that final selling prices will be fixed. Variations occur between the price recorded on the date of revenue recognition and the actual final price under the terms of the contracts due to changes in market copper prices, which result in the existence of an embedded derivative in accounts receivable. This embedded derivative is recorded at fair value each period until final settlement occurs, with changes in fair value classified as provisional price adjustments and included in revenue in the consolidated statement of income.

Oil and Gas Sales
Revenue from the sale of crude oil, natural gas and natural gas liquids is recorded at the time it enters the pipeline system, which is also when risks and rewards of ownership are transferred. At the time of delivery of oil and gas, revenues are determined based upon contracts by reference to monthly market commodity prices plus certain price adjustments. Price adjustments include product quality and transportation adjustments and market differentials.

G) **Exploration and Evaluation**
Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Evaluation expenditures include the cost of (i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve; (ii) determining the optimal methods of extraction and metallurgical and treatment processes; (iii) studies related to surveying, transportation and infrastructure requirements; (iv) permitting activities; and (v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

Exploration and evaluation expenditures are capitalized if management determines that probable future economic benefits will be generated as a result of the expenditures. Cash flows attributable to capitalized exploration and evaluation expenditures are classified as investing activities in the consolidated statement of cash flow.

For our oil and gas properties, we follow the successful efforts method of accounting, whereby exploration expenditures that are either general in nature or related to an unsuccessful drilling program are recorded as exploration expense in the consolidated statement of income. Only costs that relate directly to the discovery and development of specific commercial oil and gas reserves are capitalized as development costs.

H) **Earnings per Share**
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 reflect 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. For stock options, the number of additional shares for inclusion in diluted earnings per share calculations is determined using the treasury stock method. Under this method, 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. For convertible debentures, the number of additional shares for inclusion in diluted earnings per share calculations is determined using the as if converted method. The incremental number of common shares issued is included in the number of weighted average shares outstanding and interest on the convertible debentures is excluded from the calculation of income.

I) **Taxation**
Current tax for each taxable entity is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the balance sheet date and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax is recognized using the balance sheet method in respect of all temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes, except as indicated below.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilized, except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in an acquisition that is not a business combination and, at the time of the acquisition, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. To the extent that an asset not previously recognized fulfills the criteria for recognition, a deferred income tax asset is recorded.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realized or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the balance sheet date.

Current and deferred tax relating to items recognized directly in equity are recognized in equity and not in the income statement.

Royalties and Special Mining Taxes

Income tax expense includes the cost of royalty and special mining taxes payable to governments that are calculated based on a percentage of taxable profit whereby taxable profit represents net income adjusted for certain items defined in the applicable legislation.

J) **Other Investments**

Investments in publically quoted equity securities that are neither subsidiaries nor associates are categorized as available-for-sale. Available-for-sale equity investments are recorded at fair value with unrealized gains and losses recorded in OCI. Realized gains and losses are recorded in earnings when investments are sold and are calculated using the average carrying amount of securities sold.

If the fair value of an investment declines below the carrying amount, we undertake qualitative and quantitative assessments of whether the impairment is either significant or prolonged. We consider all relevant facts and circumstances in this assessment, particularly the length of time and extent to which fair value has been less than the carrying amount.

If an unrealized loss on an available-for-sale investment has been recognized in OCI and it is deemed to be either significant or prolonged, any cumulative loss that had been recognized in OCI is reclassified as an impairment loss in the consolidated statement of income. The reclassification adjustment is calculated as the difference between the acquisition cost (net of any principal repayment and amortization) and current fair value, less any impairment loss on that financial asset previously recognized. If the value of a previously impaired available for sale equity investment subsequently recovers, additional unrealized gains are recorded in OCI and the previously recorded impairment losses are not subject to reversal through the consolidated statement of income.

K) **Inventory**

Material extracted from our mines is classified as either ore or waste. Ore represents material that, at the time of extraction, we expect to process into a saleable form and sell at a profit. Raw materials are comprised of both ore in stockpiles and ore on leach pads as processing is required to extract benefit from the ore. Ore is accumulated in

stockpiles that are subsequently processed into gold/copper in a saleable form. The recovery of gold and copper from certain oxide ores is achieved through the heap leaching process. Work in process represents gold/copper in the processing circuit that has not completed the production process, and is not yet in a saleable form. Finished goods inventory represents gold/copper in saleable form that has not yet been sold. Mine operating supplies represent commodity consumables and other raw materials used in the production process, as well as spare parts and other maintenance supplies that are not classified as capital items.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all costs incurred, based on a normal production capacity, in bringing each product to its present location and condition. Cost of inventories comprises direct labor, materials and contractor expenses, including non-capitalized stripping costs; depreciation on PP&E including capitalized stripping costs; and an allocation of mine site overhead costs. As ore is removed for processing, costs are removed based on the average cost per ounce/pound in the stockpile.

We record provisions to reduce inventory to net realizable value to reflect changes in economic factors that impact inventory value and to reflect present intentions for the use of slow moving and obsolete supplies inventory. Net realizable value is determined with reference to relevant market prices less applicable variable selling expenses. Provisions recorded also reflect an estimate of the remaining costs of completion to bring the inventory into its saleable form. Provisions are also recorded to reduce mine operating supplies to net realizable value, which is generally calculated by reference to its salvage or scrap value, when it is determined that the supplies are obsolete. Provisions are reversed to reflect subsequent recoveries in net realizable value where the inventory is still on hand.

L) **Production Stage**

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 the production stage. Some of the criteria considered would include, but are not limited to, the following: (1) the level of capital expenditures compared to construction cost estimates; (2) the completion of a reasonable period of testing of mine plant and equipment; (3) the ability to produce minerals in saleable form (within specifications); and (4) the ability to sustain ongoing production of minerals.

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, open pit stripping activities that provide a future benefit, underground mine development or E&E expenditures that meet the criteria for capitalization.

Pre-production stripping costs are capitalized until an “other than de minimis” level of mineral is produced, after which time such costs are either capitalized to inventory or expensed as incurred. We consider various relevant criteria to assess when an “other than de minimis” level of mineral is produced. Some of the criteria considered would include, but are not limited to, the following: (1) the amount of minerals mined versus total ounces in LOM ore; (2) the amount of ore tons mined versus total LOM expected ore tons mined; (3) the current stripping ratio versus the LOM strip ratio; and (4) the ore grade versus the LOM grade.

M) **Property, Plant and Equipment**

Buildings, Plant and Equipment

At acquisition, we record buildings, plant and equipment at cost, including all expenditures incurred to prepare an asset for its intended use. These expenditures consist of: the purchase price; brokers’ commissions; and installation costs including architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges.

We capitalize costs that meet the asset recognition criteria. Costs incurred that do not extend the productive capacity or useful economic life of an asset are considered repairs and maintenance expense and are accounted for as a cost of the inventory produced in the period.

Depreciation commences when buildings, plant and equipment are considered available for use. Once buildings, plant and equipment are considered available for use they are measured as cost less accumulated depreciation and applicable impairment losses.

Depreciation on equipment utilized in the development of assets, including open pit and underground mine development, is depreciated and recapitalized as development costs attributable to the related asset.

Annual Depreciation Rates of Major Asset Categories

Buildings, plant and equipment	5 - 25 years
Underground mobile equipment	5 - 7 years
Light vehicles and other mobile equipment	2 - 3 years
Furniture, computer and office equipment	2 - 3 years

Leasing Arrangements
We enter into leasing arrangements and arrangements that are in substance leasing arrangements. The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, including whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Leasing arrangements that transfer substantially all the risks and rewards of ownership of the asset to Barrick are classified as finance leases. Finance leases are recorded as an asset with a corresponding liability at an amount equal to the lower of the fair value of the leased property and the present value of the minimum lease payment. Each lease payment is allocated between the liability and finance costs using the effective interest method, whereby a constant rate of interest expense is recognized on the balance of the liability outstanding. The interest element of the lease is charged to the consolidated statement of income as a finance cost.

PP&E assets acquired under finance leases are depreciated, once the asset becomes available for use, over the shorter of the useful life of the asset and the lease term.

All other leases are classified as operating leases. Operating lease payments are recognized as an operating cost in the consolidated statement of income on a straight-line basis over the lease term.

Mineral Properties
Mineral properties consist of: the fair value attributable to mineral reserves and resources acquired in a business combination or asset acquisition; underground mine development costs; open pit mine development costs; capitalized exploration and evaluation costs; and capitalized interest.

i) Acquired Mining Properties
On acquisition of a mining property we prepare an estimate of the fair value attributable to the proven and probable mineral reserves, mineral resources and exploration potential attributable to the property. The estimated fair value attributable to the mineral reserves and the portion of mineral resources considered to be probable of economic extraction at the time of the acquisition is depreciated on a units of production ("UOP") basis whereby the denominator is the proven and probable reserves and the portion of resources expected to be extracted economically. The estimated fair value attributable to mineral resources that are not considered to be probable of economic extraction at the time of the acquisition is not subject to depreciation, until the resources become probable of economic extraction in the future. The estimated fair value attributable to exploration licenses is recorded as an intangible asset and is not subject to depreciation until the property enters production.

ii) Underground Mine Development Costs
At our 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. These underground development costs are capitalized as incurred.

Capitalized underground development costs incurred to enable access to specific ore blocks or areas of the underground mine, and which only provide an economic benefit over the period of mining that ore block or area, are depreciated on a UOP basis, whereby the denominator is estimated ounces/pounds of gold/copper in proven and probable reserves and a portion of resources within that ore block or area where it is considered probable that those resources will be extracted economically.

If capitalized underground development costs provide an economic benefit over the entire mine life, the costs are depreciated on a UOP basis, whereby the denominator is the estimated ounces of gold/pounds of copper in total accessible proven and probable reserves and a portion of resources where it is considered probable that those resources will be extracted economically.

iii) Open Pit Mining Costs
In open pit mining operations, it is necessary to remove overburden and other waste materials to access ore from which minerals can be extracted economically. The process of mining overburden and waste materials is referred to as stripping. Stripping costs incurred in order to provide initial access to the ore body (referred to as pre-production stripping) are capitalized as open pit mine development costs.

Stripping costs incurred during the production stage of a pit are accounted for as costs of the inventory produced during the period that the stripping costs were incurred, unless these costs are expected to provide a future

economic benefit. Production phase stripping costs generate a future economic benefit when the related stripping activity: (i) provides access to ore to be mined in the future; (ii) increases the fair value of the mine (or pit) as access to future mineral reserves becomes less costly; and (iii) increases the productive capacity or extends the productive life of the mine (or pit). For production phase stripping costs that are expected to generate a future economic benefit, the current period stripping costs are capitalized as open pit mine development costs.

Capitalized open pit mine development costs are depreciated on a UOP basis whereby the denominator is the estimated ounces/pounds of gold/copper in the associated open pit in proven and probable reserves and the portion of resources considered probable of being extracted economically. Capitalized open pit mine development costs are depreciated once the open pit has entered production and the future economic benefit is being derived.

iv) Oil and Gas Properties
On acquiring an oil and gas property, we estimate the fair value of reserves and resources and we record this amount as an asset at the date of acquisition, which is subject to depreciation, on a UOP basis over proved reserves, when the asset is available for its intended use.

Construction-in-Progress
Assets under construction at operating mines are capitalized as construction-in-progress. The cost of construction-in-progress comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Construction-in-progress amounts related to development projects are included in the carrying amount of the development project. Construction-in-progress amounts incurred at operating mines are presented as a separate asset within PP&E. Construction-in-progress also includes deposits on long lead items. Construction-in-progress is not depreciated. Once the asset is complete and available for use, depreciation is commenced.

Capitalized Interest
We capitalize interest costs for qualifying assets. Qualifying assets are assets that require a significant amount of time to prepare for their intended use, including projects that are in the exploration and evaluation, development or construction stages. Qualifying assets also include significant expansion projects at our operating mines. Capitalized interest costs are considered an element of the historical cost of the qualifying asset. Capitalization ceases when the asset is substantially complete or if construction is interrupted for an extended period. Where the funds used to finance a qualifying asset form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to the relevant borrowings during the period. Where funds borrowed are directly attributable to a qualifying asset, the amount capitalized represents the borrowing costs specific to those borrowings. Where surplus funds available out of money borrowed specifically to finance a project are temporarily invested, the total capitalized interest is reduced by income generated from short-term investments of such funds.

Insurance
We record losses relating to insurable events as they occur. Proceeds receivable from insurance coverage are recorded at such time as receipt is virtually certain and the amount receivable is fixed or determinable. For business interruption the amount is only recognized when it is virtually certain as supported by receipt of notification of a minimum or proposed settlement amount from the insurance adjuster.

N) **Goodwill**
Under the acquisition method of accounting, the costs of business combinations are allocated to the assets acquired and liabilities assumed based on the estimated fair value at the date of acquisition. The excess of the fair value of consideration paid over the fair value of the identifiable net assets acquired is recorded as goodwill. Goodwill is not amortized; instead it is tested annually for impairment at the beginning of the fourth quarter for gold operating segments and the end of the fourth quarter for the copper operating segment. In addition, at each reporting period we assess whether there is an indication that goodwill is impaired and, if there is such an indication, we would test for goodwill impairment at that time. Goodwill is allocated to the group of cash generating units (“CGU”) that comprise an operating segment since each CGU in a segment is expected to derive benefits from a business combination that results in the recognition of goodwill. This consideration is based on the following: i) We manage our business using a business unit structure, and each business unit is an operating segment for reporting purposes. ii) Each business unit is responsible for the management of the operations in the unit. The Chief Operating Decision Maker (“CODM”) assesses the performance and makes capital allocation decisions for each business unit on this basis. iii) Each CGU in a segment is expected to benefit from the synergies arising as a result of business combinations, including: shared resources and infrastructure; administration and overhead; and access to

low-cost financing. iv) The CODM monitors goodwill at this level.

The recoverable amount of an operating segment is the higher of Value in Use ("VIU") and Fair Value Less Costs to Sell ("FVLCS"). A goodwill impairment is recognized for any excess of the carrying amount of the segment over its recoverable amount. Any goodwill impairment is recognized in the consolidated statement of income in the reporting period in which it occurs. Goodwill impairment charges are not reversible.

O) **Intangible Assets**

Intangible assets acquired by way of an asset acquisition or business combination are recognized if the asset is separable or arises from contractual or legal rights and the fair value can be measured reliably on initial recognition.

On acquisition of a mineral property in the exploration stage, we prepare an estimate of the fair value attributable to the exploration licenses acquired, including the fair value attributable to mineral resources, if any, of that property. The fair value of the exploration license is recorded as an intangible asset (acquired exploration potential) as at the date of acquisition. When an exploration stage property moves into development, the acquired exploration potential attributable to that property is transferred to mining interests within PP&E.

P) **Impairment of Non-Current Assets**

We review and test the carrying amounts of PP&E and intangible assets with definite lives when an indicator of impairment is considered to exist. Impairment assessments on PP&E and intangible assets are conducted at the level of CGUs, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets. For operating mines, projects and oil and gas properties, the individual mine/project/property represents a CGU for impairment testing.

The recoverable amount of a CGU is the higher of VIU and FVLCS. An impairment loss is recognized for any excess of the carrying amount of a CGU over its recoverable amount. Any impairment is recognized as an expense in the consolidated statement of income in the reporting period in which the impairment occurs. Where it is not appropriate to allocate the loss to a separate asset, an impairment loss related to a CGU is allocated to the carrying amount of the assets of the CGU on a pro rata basis based on the carrying amount of its non-monetary assets.

Impairment Reversal

Impairment losses for PP&E and intangible assets are reversed if the conditions that gave rise to the impairment are no longer present and it has been determined that the asset is no longer impaired as a result. This reversal is recognized in the consolidated statement of income and is limited to the carrying value that would have been determined, net of any depreciation where applicable, had no impairment charge been recognized in prior years. When an impairment reversal is undertaken, the recoverable amount is assessed by reference to the higher of VIU and FVLCS.

Q) **Debt**

Debt is recognized initially at fair value, net of financing costs incurred, and subsequently measured at amortized cost. Any difference between the amounts originally received and the redemption value of the debt is recognized in the consolidated statement of income over the period to maturity using the effective interest method.

R) **Derivative Instruments and Hedge Accounting**

Derivative Instruments

Derivative instruments are recorded at fair value on the consolidated balance sheet, classified based on contractual maturity. Derivative instruments are classified as either hedges of the fair value of recognized assets or liabilities or of firm commitments ("fair value hedges"), hedges of highly probable forecast transactions ("cash flow hedges") or non-hedge derivatives. Derivatives designated as either a fair value or cash flow hedge that are expected to be highly effective in achieving offsetting changes in fair value or cash flows are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Derivative assets and derivative liabilities are shown separately in the balance sheet unless there is a legal right to offset and the intent to settle on a net basis.

Fair Value Hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated statement of income, together with any changes in the fair value of the hedged asset or liability or firm commitment that is attributable to the hedged risk. The gain or loss relating to the ineffective portion is recognized in the consolidated statement of income.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. The gain or loss relating to the ineffective portion is recognized in the consolidated

statement of income. Amounts accumulated in equity are transferred to the consolidated statement of income in the period when the forecasted transaction impacts earnings. When the forecasted transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial carrying amount of the asset or liability.

When a derivative designated as a cash flow hedge expires or is sold and the forecasted transaction is still expected to occur, any cumulative gain or loss relating to the derivative that is recorded in equity at that time remains in equity and is recognized in the consolidated statement of income when the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was recorded in equity is immediately transferred to the consolidated statement of income.

Non-Hedge Derivatives
Derivative instruments that do not qualify as either fair value or cash flow hedges are recorded at their fair value at the balance sheet date, with changes in fair value recognized in the consolidated statement of income.

S) **Embedded Derivatives**
Derivatives embedded in other financial instruments or other executory contracts are accounted for as separate derivatives when their risks and characteristics are not closely related to their host financial instrument or contract. In some cases, the embedded derivatives may be designated as hedges and are accounted for as described above.

T) **Fair Value Measurement**
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

U) **Environment Rehabilitation Provision**
Mining, extraction and processing activities normally give rise to obligations for environmental rehabilitation. Rehabilitation work can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation, including compliance with and monitoring of environmental regulations; security and other site-related costs required to perform the rehabilitation work; and operation of equipment designed to reduce or eliminate environmental effects. The extent of work required and the associated costs are dependent on the requirements of relevant authorities and our environmental policies. Routine operating costs that may impact the ultimate closure and rehabilitation activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event occurs that gives rise to an obligation and reliable estimates of the required rehabilitation costs can be made.

Provisions for the cost of each rehabilitation program are normally recognized at the time that an environmental disturbance occurs or a constructive obligation is determined. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. The major parts of the carrying amount of provisions relate to tailings pond closure/rehabilitation; demolition of buildings/mine facilities; ongoing water treatment; and ongoing care and maintenance of closed mines. Costs included in the provision encompass all closure and rehabilitation activity expected to occur progressively over the life of the operation and at the time of closure in connection with disturbances as at the reporting date. Estimated costs included in the determination of the provision reflect the risks and probabilities of alternative estimates of cash flows required to settle the obligation at each particular operation. The expected rehabilitation costs are estimated based on the cost of external contractors performing the work or the cost of performing the work internally depending on management's intention.

The timing of the actual rehabilitation expenditure is dependent upon a number of factors such as the life and nature of the asset, the operating license conditions and the environment in which the mine operates. Expenditures may occur before and after closure and can continue for an extended period of time depending on rehabilitation requirements. Rehabilitation provisions are measured at the expected value of future cash flows, discounted to their present value using a current US dollar real risk-free pre-tax discount rate. The expected future cash flows exclude the effect of inflation. The unwinding of the discount, referred to as accretion expense, is included in finance costs and results in an increase in the amount of the provision. Provisions are updated each reporting period for changes to expected cash flows and for the effect of changes in the discount rate, and the change in estimate is added or deducted from the related asset and depreciated

over the expected economic life of the operation to which it relates.

Significant judgments and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements or, if more stringent, our environmental policies which give rise to a constructive obligation.

When provisions for closure and rehabilitation are initially recognized, the corresponding cost is capitalized as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalized cost of closure and rehabilitation activities is recognized in PP&E and depreciated over the expected economic life of the operation to which it relates.

Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgments and estimates involved. 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 resources with a corresponding change in the life of mine plan; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; foreign exchange rates and changes in laws and regulations governing the protection of the environment.

Rehabilitation provisions are adjusted as a result of changes in estimates and assumptions. Those adjustments are accounted for as a change in the corresponding value of the related assets including the related mineral property, except where a reduction in the provision is greater than the remaining net book value of the related assets, in which case the value is reduced to nil and the remaining adjustment is recognized in the consolidated statement of income. In the case of closed sites, changes in estimates and assumptions are recognized immediately in the consolidated statement of income. For an operating mine, the adjusted carrying amount of the related asset is depreciated prospectively. Adjustments also result in changes to future finance costs.

V) **Litigation and Other Provisions**

Provisions are recognized when a present obligation exists (legal or constructive), as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are discounted to their present value using a current US dollar risk-free pre-tax discount rate and the accretion expense is included in finance costs.

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. Contingent gains are only recognized when the inflow of economic benefits are virtually certain.

W) **Stock-Based Compensation**

Barrick offers equity-settled (Employee Stock Option Plan (“ESOP”), Employee Share Purchase Plan (“ESPP”)) and cash-settled (Restricted Share Units (“RSU”), Deferred Share Units (“DSU”), Performance Restricted Share Units (“PRSU”)) awards to certain employees and officers of the Company.

Equity-settled awards are measured at fair value using the Lattice model with market related inputs as of the date of the grant. The cost is recorded over the vesting period of the award to the same expense category of the award recipient’s payroll costs (i.e. cost of sales, RBU costs, corporate administration) and the corresponding entry is recorded in equity. Equity-settled awards are not remeasured subsequent to the initial grant date.

Cash-settled awards are measured at fair value initially using the market value of the underlying shares at the date of the grant of the award and are required to be remeasured to fair value at each reporting date until settlement. The cost is then recorded over the vesting period of the award. This expense, and any changes in the fair value of the award, is recorded to the same expense category of the award recipient’s payroll costs. The cost of

a cash-settled award is recorded within liabilities until settled.

We use the accelerated method (also referred to as 'graded' vesting) 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.

Employee Stock Option Plan
Under Barrick's ESOP, certain officers and key employees of the Corporation may purchase common shares at an exercise price that is equal to the closing share price on the day before the grant of the option. The grant date is the date when the details of the award, including the number of options granted to the individual and the exercise price, are approved. Stock options vest over four years, beginning in the year after granting. The ESOP arrangement has graded vesting terms, and therefore, multiple vesting periods must be valued and accounted for separately over their respective vesting periods. The compensation expense of the instruments issued for each grant under the ESOP is calculated using the Lattice model. The compensation expense is adjusted by the estimated forfeiture rate which is estimated based on historical forfeiture rates and expectations of future forfeiture rates. We make adjustments if the actual forfeiture rate differs from the expected rate.

Restricted Share Units
Under our RSU plan, selected employees are granted RSUs where each RSU has a value equal to one Barrick common share. RSUs vest at the end of two and a half years and are settled in cash upon vesting. Additional RSUs are credited to reflect dividends paid on Barrick common shares over the vesting period.

A liability for RSUs is measured at fair value on the grant date and is subsequently adjusted for changes in fair value. The liability is recognized on a straight-line basis over the vesting period, with a corresponding charge to compensation expense as a component of corporate administration and other expenses. Compensation expenses for RSUs incorporate an estimate for expected forfeiture rates based on which the fair value is adjusted.

African Barrick Gold RSUs
Historically, Barrick maintained a cash-settled RSU plan for select employees who now work for ABG. This plan operates in the identical manner as the Barrick RSU plan.

The existing legacy RSUs will continue to be administered and accounted for based on the movement of the fair value of Barrick common shares for recording liabilities and compensation expense.

Deferred Share Units
Under our DSU plan, Directors must receive a specified portion 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 is paid out. Additional DSUs are credited to reflect dividends paid on Barrick common shares. The initial fair value of the liability is calculated as of the grant date and is recognized immediately. Subsequently, at each reporting date and on settlement the liability is re-measured, with any change in fair value recorded as Directors compensation expense in the period.

Performance Restricted Share Units
In 2008, Barrick launched a PRSU plan. Under this plan, selected employees are granted PRSUs, where each PRSU has a value equal to one Barrick common share. PRSUs vest at the end of a three-year period and are settled in cash on the third anniversary of the grant date. Additional PRSUs are credited to reflect dividends paid on Barrick common shares over the vesting period. The amount of PRSUs that vest is based on the achievement of performance goals and the target settlement ranges from 0% to 200% of the original grant, in units.

The value of a PRSU reflects the value of a Barrick common share adjusted for its relative performance against certain competitors. Therefore, the fair value of the PRSUs is determined with reference to the closing stock price at each remeasurement date.

The initial fair value of the liability is calculated as of the grant date and is recognized within compensation expense using the straight-line method over the vesting period. Subsequently, at each reporting date and on settlement, the liability is remeasured, with any changes in fair value recorded as compensation expense. The fair value is adjusted for the revised estimated forfeiture rate.

Employee Share Purchase Plan
In 2008, Barrick launched an ESPP. This plan enables Barrick employees to purchase Company shares through payroll deduction. Each year, employees may contribute 1%-6% of their combined base salary and annual bonus, and Barrick will match 50% of the contribution, up to a maximum of $5,000 per year.

Both Barrick and the employee make the contributions on a bi-monthly basis with the funds being transferred to a custodian who purchases Barrick Common Shares in the open market. Shares purchased with employee contributions have no vesting requirement; however, shares purchased with Barrick's contributions vest annually on December 1. All dividend income is used to purchase additional Barrick shares.

Barrick records an expense equal to its bi-monthly cash contribution. No forfeiture rate is applied to the amounts accrued. Where an employee leaves prior to December 1, any accrual for contributions by Barrick during the year related to that employee is reversed.

X) **Post-Retirement Benefits**

Defined Contribution Pension Plans

Certain employees take part in defined contribution employee benefit plans whereby we contribute up to 6% of the employees' annual salary and bonus. We also have a retirement plan for certain officers of Barrick under which we contribute 15% of the officer's annual salary and bonus. The contributions are recognized as compensation expense as incurred. The Company has no further payment obligations once the contributions have been paid.

Defined Benefit Pension Plans

We have qualified defined benefit pension plans that cover certain of our United States and Canadian employees and provide 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. Independent trustees administer assets of the plans, which are invested mainly in fixed income and equity securities.

As well as the qualified plans, we have non-qualified defined benefit pension plans covering certain employees and former directors of Barrick.

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 record actuarial gains and losses in other comprehensive income and retained earnings.

Our valuations are carried out using the projected unit credit method and the expected rate of return on pension plan assets is determined as management's best estimate of the long-term return on major asset classes. We record the difference between the fair value of the plan assets (if any) of post-retirement plans and the present value of the plan obligations as an asset or liability on the consolidated balance sheets.

Pension Plan Assets and Liabilities

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 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 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.

Other Post-Retirement Benefits

We provide post-retirement medical, dental, and life insurance benefits to certain employees. Actuarial gains and losses resulting from variances between actual results and economic estimates or actuarial assumptions are recorded in OCI.

Y) **New Accounting Standards**

IFRS 9 Financial Instruments

In November 2009, the IASB issued IFRS 9 *Financial Instruments* as the first step in its project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 *Financial Instruments: Disclosures,* including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. In December 2011, the IASB issued an amendment that adjusted the mandatory effective date of IFRS 9 from January 1, 2013 to January 1, 2015. We are currently assessing the impact of adopting IFRS 9 on our consolidated financial statements, including the impact of early adoption.

IFRS 10 Consolidated Financial Statements

In May 2011, the IASB issued IFRS 10 *Consolidated Financial Statements* to replace IAS 27 *Consolidated and Separate Financial Statements* and SIC 12 *Consolidation – Special Purpose Entities*. The new consolidation standard changes the definition of control so that the same criteria apply to all entities, both operating and special purpose entities, to determine control. The revised definition focuses on the need to have both power and variable returns before control is present. IFRS 10 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 10 on our consolidated financial statements.

IFRS 11 Joint Arrangements

In May 2011, the IASB issued IFRS 11 *Joint Arrangements* to replace IAS 31, *Interests in Joint Ventures*. The new standard defines two types of arrangements: Joint Operations and Joint Ventures. Focus is on the rights and obligations of the parties involved to reflect the joint arrangement, thereby requiring parties to recognize the individual assets and liabilities to which they have rights or for which they are responsible, even if the joint arrangement operates in a separate legal entity. IFRS 11 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 11 on our consolidated financial statements.

IFRS 12 Disclosure of Interests in Other Entities

In May 2011, the IASB issued IFRS 12 *Disclosure of Interests in Other Entities* to create a comprehensive disclosure standard to address the requirements for subsidiaries, joint arrangements and associates including the reporting entity's involvement with other entities. It also includes the requirements for unconsolidated structured entities (i.e. special purpose entities). IFRS 12 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 12 on our consolidated financial statements.

IFRS 13 Fair Value Measurement

In May 2011, the IASB issued IFRS 13 *Fair Value Measurement* as a single source of guidance for all fair value measurements required by IFRS to reduce the complexity and improve consistency across its application. The standard provides a definition of fair value and guidance on how to measure fair value as well as a requirement for enhanced disclosures. IFRS 13 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 13 on our consolidated financial statements.

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

In October 2011, the IASB issued IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*. IFRIC 20 provides guidance on the accounting for the costs of stripping activity in the production phase of surface mining when two benefits accrue to the entity from the stripping activity: useable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. IFRIC 20 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRIC 20 on our consolidated financial statements.

Z) **Significant Judgments in Applying Accounting Policies and Key Sources of Estimation Uncertainty**

Many of the amounts included in the consolidated balance sheet require management to make judgments and/or estimates. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the consolidated balance sheet. Information about such judgments and estimation is contained in the accounting policies and/or the Notes to the financial statements, and the key areas are summarized below.

Areas of significant judgment that have the most significant effect on the amounts recognized in the consolidated financial statements are:

- Estimates of the quantities of proven and probable reserves and the portion of resources considered to be probable of economic extraction, which are used in: the calculation of depreciation expense; the capitalization of production phase stripping costs; and, forecasting the timing of the payments related to the environmental rehabilitation provision. We estimate our ore reserves and mineral resources based on information compiled by qualified persons as defined in accordance with the Canadian Securities Administrators' National Instrument

43-101 Standards of Disclosure for Mineral Projects requirements;

- Provisional and final fair value allocations recorded as a result of business combinations - note 2(c) and note 4;
- The future economic benefit of exploration and evaluation costs - note 2(g);
- The determination of when a mine enters production stage since capitalization of certain costs ceases upon entering production - note 2(l);
- The determination of operating segments, which has an impact on the level at which goodwill is tested for impairment - note 5; and
- The estimated useful lives of tangible and long-lived assets and the measurement of depreciation expense - note 2(m);

Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- The estimation of the tax basis of assets and liabilities and related deferred income tax assets and liabilities, amounts recorded for uncertain tax positions, the measurement of income tax expense and indirect taxes, and estimates of the repatriation of earnings, which would impact the recognition of withholding taxes and also have an effect on the disclosure of the outside basis on subsidiaries/associates (note 2(i), note 10 and note 27;
- Estimates of ounces/pounds of gold/copper ore in stockpiles and on leach pads that are estimated based on the number of tons added and removed, the gold/copper contained therein and the metallurgical recovery rate (note 2k and note 15);
- The estimated fair values of cash generating units for non-current asset impairment tests and groups of CGUs for goodwill impairment tests, including estimates of future production levels and operating and capital costs as included in our life of mine ("LOM") plans, future commodity prices and discount rates - note 2(n), note 2(p) and note 18(a);
- The determination of the fair value of derivative instruments - note 2(r) and note 22(d);
- Recognition of a provision for environmental rehabilitation including the estimation of the rehabilitation costs, timing of expenditures, the impact of changes in discount rates, and changes in environmental and regulatory requirements - note 2(u); and
- Whether to recognize a liability for loss contingencies and the amount of any such provision (note 2v) and (note 33).

Other Notes to the Financial Statements

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3 > Transition to IFRS

We adopted IFRS effective January 1, 2011. Our transition date is January 1, 2010 (the "transition date") and the Company has prepared its opening IFRS balance sheet as at that date. These consolidated financial statements have been prepared in accordance with the accounting policies described in note 2, except for the modifications described below.

A) Elected exemptions from full retrospective application

In preparing these consolidated financial statements in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"), the Company has applied certain of the optional exemptions from full retrospective application of IFRS. The optional exemptions applied are described below.

(i) Business combinations

We have elected the business combinations exemption in IFRS 1 to not apply IFRS 3 retrospectively to past business combinations. Accordingly, the Company has not restated business combinations that took place prior to the transition date.

(ii) Fair value or revaluation as deemed cost

We have elected to measure certain items of PP&E at fair value as at January 1, 2010 or revaluation amounts previously determined under US GAAP and use those amounts as deemed cost as at January 1, 2010. We have made this election at the following properties: Pascua-Lama, Goldstrike, Plutonic, Marigold, Pierina, Sedibelo and Osborne. We have also elected to adopt this election for certain assets at Barrick Energy, which were adjusted by $166 million to their fair value of $342 million on the transition date to IFRS, due to a decline in oil prices.

(iii) Asset related to provisions for environmental rehabilitation

We have elected to take a simplified approach to calculate and record the asset related to the environmental rehabilitation provision on our opening IFRS consolidated balance sheet. The environmental rehabilitation provision calculated on the transition date in accordance with International Accounting Standard 37 *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37") was discounted back to the date when the provision first arose on the mineral property, at which date the corresponding asset was set up and then depreciated to its carrying amount as at the transition date.

(iv) Employee benefits

We have elected to recognize all cumulative actuarial gains and losses as at January 1, 2010 in opening retained earnings for the company's employee benefit plans.

(v) Cumulative translation differences

We have elected to set the previously accumulated cumulative translation account, which was included in accumulated other comprehensive income ("AOCI"), to zero as at January 1, 2010 and absorbed the balance into retained earnings.

B) Reconciliation of equity as reported under US GAAP to IFRS

The following is a reconciliation of the company's total equity reported in accordance with US GAAP to its total equity under IFRS at the transition date January 1, 2010:

(millions of US$)	Ref	Capital stock	Retained earnings (deficit)	AOCI	Other	Non-controlling interests	**Total Equity**
As reported under US GAAP		$17,390	$(2,382)	$ 55	$ -	$484	**$15,547**
IFRS 1 Exemptions							
Deemed cost election for Barrick Energy	Note 3A (ii)	-	(166)	-	-	-	**(166)**
Reset of pension plan actuarial losses	Note 3A (iv)	-	(37)	37	-	-	**-**
Reset of cumulative translation losses	Note 3A (v)	-	(141)	141	-	-	**-**
IFRS Policy Impacts							
Capitalized production phase stripping costs	(i)	-	408	-	-	-	**408**
Capitalized exploration and evaluation costs	(ii)	-	160	-	-	50	**210**
Reversal of past impairments	(iii)	-	55	-	-	-	**55**
Changes in capitalized interest	(iv)	-	(125)	-	-	-	**(125)**
Changes in PER (note 3a iii)	(v)	-	(101)	-	-	-	**(101)**
Bifurcation of senior convertible debt	(vi)	-	(31)	-	143	-	**112**
Exclusion of time value changes in fair value of options designated as hedging instruments	(vii)	-	(33)	33	-	-	**-**
Reclassification of hedge gains to related asset	(viii)	-	-	(20)	-	-	**(20)**
Tax effect of IFRS changes		(6)	(119)	(14)	-	(12)	**(151)**
Others, net		8	(23)	-	-	-	**(15)**
As reported under IFRS		$17,392	$(2,535)	$232	$143	$522	**$15,754**

The following is a reconciliation of the company's total equity reported in accordance with US GAAP to its total equity under IFRS at December 31, 2010:

(millions of US$)	Ref	Capital stock	Retained earnings (deficit)	AOCI	Other	Non-controlling interests	**Total Equity**
As reported under US GAAP		$17,790	$456	$531	$288	$1,669	**$20,734**
IFRS 1 Exemptions							
Deemed cost election for Barrick Energy	Note 3A (ii)	-	(166)	-	-	-	**(166)**
Reset of pension plan actuarial losses	Note 3A (iv)	-	(37)	37	-	-	**-**
Reset of cumulative translation losses	Note 3A (v)	-	(141)	141	-	-	**-**
IFRS Policy Impacts							
Capitalized production phase stripping costs	(i)	-	632	-	-	-	**632**
Capitalized exploration and evaluation costs	(ii)	-	270	-	-	50	**320**
Reversal of past impairments	(iii)	-	139	-	-	-	**139**
Changes in capitalized interest	(iv)	-	(130)	-	-	-	**(130)**
Changes in PER (note 3a iii)	(v)	-	(100)	-	-	-	**(100)**
Bifurcation of senior convertible debt	(vi)	-	(31)	-	38	-	**7**
Exclusion of time value changes in fair value of options designated as hedging instruments	(vii)	-	(72)	72	-	-	**-**
Reclassification of hedge gains to related asset	(viii)	-	-	(26)	-	-	**(26)**
IPO of ABG	(ix)	-	-	-	(12)	25	**13**
Gain on acquisition of additional 25% interest in Cerro Casale	(x)	-	13	-	-	-	**13**
Tax effect of IFRS changes		20	(202)	(20)	-	1	**(201)**
Others, net		10	(22)	(6)	-	-	**(18)**
As reported under IFRS		$17,820	$609	$729	$314	$1,745	**$21,217**

C) Reconciliation of net income attributable to equity holders of Barrick Gold Corporation as reported under US GAAP to IFRS

The following is a reconciliation of the company's net income reported in accordance with US GAAP to its net income under IFRS for the year ended December 31, 2010:

(millions of US$)	Ref	Year ended December 31, 2010
Net Income - As reported under US GAAP		$3,274
IFRS Policy Impacts		
Capitalized production phase stripping costs	(i)	224
Capitalized exploration and evaluation costs	(ii)	110
Reversal of past impairments	(iii)	84
Changes in capitalized interest	(iv)	(5)
Changes in PER (note 3a iii)	(v)	1
Exclusion of time value changes in fair value of options designated as hedging instruments	(vii)	(39)
Gain on acquisition of additional 25% interest in Cerro Casale	(x)	13
Tax effect of IFRS changes		(83)
Non-controlling interest share of income		(25)
Others, net		28
Net Income - As reported under IFRS		$3,582

D) Reconciliation of OCI as reported under US GAAP to IFRS

The following is a reconciliation of the company's OCI reported in accordance with US GAAP to its OCI under IFRS for the year ended December 31, 2010:

(millions of US$)	Ref	Year ended December 31, 2010
OCI - As reported under US GAAP		$476
IFRS Policy Impacts		
Exclusion of gains/(losses) on time value changes in fair value of options designated as hedging instruments, net of tax	(vii)	33
Realized capital hedges gains/(losses) transferred to PP&E, net of tax	(vii)	(6)
Currency translation adjustments on deemed cost election for Barrick Energy, net of tax		(8)
OCI - As reported under IFRS		$495

E) Reconciliation of net cash provided by operating activities and net cash used in investing activities as reported under US GAAP to IFRS

The following is a reconciliation showing material adjustments to the company's consolidated statement of cash flow as reported under US GAAP to its consolidated cash flow statement under IFRS for the year ended December 31, 2010:

Operating Activities

(millions of US$)	Ref	Year ended Dec. 31, 2010
Net cash provided by operating activities - As reported under US GAAP		$4,127
IFRS Policy Impacts		
Capitalized development costs[1]	(i), (ii)	458
Net cash provided by operating activities - As reported under IFRS		$4,585

Investing Activities

(millions of US$)	Ref	Year ended Dec. 31, 2010
Net cash used in investing activities - As reported under US GAAP		($4,172)
IFRS Policy Impacts		
Capitalized development costs[1]	(i), (ii)	(458)
Net cash used in investing activities - As reported under IFRS		($4,630)

1 The net cash provided by operating activities and the net cash used in investing activities increased due to the increased capitalization of development costs including production phase stripping costs and exploration and evaluation costs under IFRS compared to US GAAP. The change in net cash provided by financing activities was the same under US GAAP and IFRS.

References

(i) Under IFRS, production phase stripping costs for open pit mines are capitalized to PP&E if the stripping activities provide a probable future economic benefit. Under US GAAP, these costs are treated as current production costs. Capitalized stripping costs also resulted in an increase in depreciation expense.

(ii) Under IFRS, exploration and evaluation expenditures are capitalized if management determines that probable future economic benefits will be generated as a result of the expenditures. We capitalized additional exploration and evaluation costs at certain properties, mainly Cerro Casale, where management assessed under IFRS that it was probable that these expenditures would result in future economic benefits.

(iii) Under IFRS, past impairments of equity investments can be reversed if there is a recovery in the realizable value of the investment. In 2008, we recorded an impairment of $139 million on our investment in Highland Gold. In our opening IFRS balance sheet and throughout 2010, we have recorded reversals of this impairment charge as the fair value of our investment increased due to a recovery in the quoted share price.

(iv) Investments accounted for using the equity method of accounting are not qualifying assets under IFRS for the purpose of capitalizing interest. On transition and in subsequent quarters, this resulted in the reversal of previously capitalized interest primarily related to Cerro Casale. This was partially offset by higher capitalization of interest due to capitalization of production phase stripping and exploration and evaluation costs.

(v) Under IFRS, Provisions for Environmental Rehabilitation (PER) are updated each reporting period for changes in discount rates and exchange rates.

(vi) IFRS requires bifurcation of convertible debt instruments, with the debt and equity portions to be recognized separately. This change also resulted in reversal of previously amortized debt premium from retained earnings.

(vii) Under IFRS, all realized and unrealized non-hedge derivative gains or losses, gains or losses related to hedge ineffectiveness and changes in fair value of option derivatives designated as accounting hedges due to changes in time value, which are excluded from the hedge effectiveness assessment, are presented as a separate line item on the consolidated statement of income. Under US GAAP these amounts were presented in the respective income statement line item most closely related to the risk exposure expected to be offset by the derivative, and changes in fair value due to changes in time value were recognized in equity.

(viii) The capitalization of production phase stripping costs resulted in the reclassification of the related currency hedge gains realized on such expenditures from retained earnings to PP&E.

(ix) The difference in the carrying amount of ABG under IFRS compared to its carrying amount under US GAAP resulted in an adjustment to paid-in capital in the equity section of the balance sheet, with a corresponding adjustment in the non-controlling interest.

(x) In the first quarter of 2010, Barrick acquired an additional 25% ownership interest in the Cerro Casale project. Due to the elimination of capitalized interest on investments accounted for using the equity method of accounting, the carrying amount was lower under IFRS, which resulted in a higher gain on acquisition (see note 4f).

4 > ACQUISITIONS AND DIVESTITURES

For the years ended December 31	**2011**	2010
Cash paid on acquisition [1]		
Equinox	**$ 7,482**	$ -
Cerro Casale	**-**	454
Oil and Gas acquisitions	**278**	264
Tusker Gold Limited	**-**	74
REN	**-**	36
	$ 7,760	$ 828
Less: cash acquired	**(83)**	(15)
	$ 7,677	$ 813
Cash proceeds on divestiture [1]		
Sedibelo	**$ 44**	$ -
IPO of African Barrick Gold Plc[2]	**-**	884
Osborne	**-**	17
Pinson	**15**	**-**
	$ 59	$ 901

[1] All amounts represent gross cash paid on acquisition or received on divestiture.
[2] There was no change in control as a result of the IPO of ABG, and consequently the net proceeds received were recorded as a financing cash inflow on the consolidated statement of cash flows.

A) Acquisition of Equinox Minerals Limited

On June 1, 2011, we acquired 83% of the recorded voting shares of Equinox Minerals Limited ("Equinox"), thus obtaining control. Throughout June we obtained a further 13% of the voting shares and obtained the final 4% on July 19, 2011. Cash consideration paid in second quarter 2011 was $7,213 million, with a further $269 million paid in third quarter 2011, for total cash consideration of $7,482 million. We have determined that this transaction represents a business combination with Barrick identified as the acquirer. We began consolidating the operating results, cash flows and net assets of Equinox from June 1, 2011.

Equinox was a publicly traded mining company that owns the Lumwana copper mine in Zambia and the Jabal Sayid copper project in Saudi Arabia. These operations form part of Barrick's copper business unit which was established in the fourth quarter.

The tables below present the purchase cost and our final allocation of the purchase price to the assets and liabilities acquired. This allocation was finalized in fourth quarter 2011 to reflect the final determination of the fair values of the assets and liabilities acquired. The significant adjustments were to increase property plant and equipment by $819 million and deferred income taxes by $769 million, with a corresponding net increase to goodwill of $79 million. There were no significant adjustments made to the consolidated statements of income after applying these adjustments retroactively to the acquisition date.

Purchase Cost

Cash paid to Equinox shareholders in June 2011	$ 6,957
Cash paid to Equinox shareholders in July 2011	269
Cost of Equinox shares previously acquired	131
Payouts to Equinox employees on change of control	125
Total Acquisition Cost	$ 7,482
Cash acquired with Equinox	(83)
Net Cash Consideration	$ 7,399

The purchase cost was funded from our existing cash balances and from proceeds from the issuance of long-term debt of $6.5 billion.

Summary of Final Purchase Price Allocation

	Fair Value at Acquisition
Assets	
Current assets	$ 366
Buildings, plant and equipment	1,526
Lumwana depreciable mining interest	1,792
Lumwana non-depreciable mining interest	2,258
Jabal Sayid non-depreciable mining interest	902
Intangible assets	66
Goodwill	3,506
Total assets	$ 10,416
Liabilities	
Current liabilities	$ 359
Deferred income tax liabilities	2,108
Provisions	59
Debt	408
Total liabilities	$ 2,934
Net assets	$ 7,482

In accordance with the acquisition method of accounting, the acquisition cost has been allocated to the underlying assets acquired and liabilities assumed, based primarily upon their estimated fair values at the date of acquisition. We primarily used a static discounted cash flow model (being the net present value of expected future cash flows) to determine the fair value of the mining interests, and used a replacement cost approach in determining the fair value of buildings, plant and equipment. Expected future cash flows are based on estimates of projected future revenues, expected conversions of resources to reserves, expected future production costs and capital expenditures based on the life of mine plan as at the acquisition date. The excess of acquisition cost over the net identifiable assets acquired represents goodwill.

Goodwill arose on this acquisition principally because of the following factors: 1) the scarcity of large, long-life copper deposits; 2) the ability to capture financing, tax and operational synergies by managing these properties within a copper business unit in Barrick; 3) the potential to expand production through operational improvements and increases to reserves through exploration at the Lumwana property, which is located in one of the most prospective copper regions in the world; and 4) the recognition of a deferred tax liability for the difference between the assigned values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The goodwill is not deductible for income tax purposes.

Since it has been consolidated from June 1, 2011, Equinox contributed revenue of $569 million and segment income of $46 million. Revenues and net income of the combined Equinox and Barrick entities would have been approximately $14.7 billion and approximately $4.4 billion, respectively, for the twelve months ended December 31, 2011 had the acquisition and related debt issuances occurred on January 1, 2011.

Acquisition related costs of approximately $85 million have been expensed, with approximately $39 million presented in other expense and $45 million in realized foreign exchange losses relating to our economic hedge of the purchase price presented in gain (loss) on non-hedge derivatives.

B) **Oil and Gas Acquisitions**

In 2011, our oil and gas subsidiary Barrick Energy completed three acquisitions. On January 14, 2011, Barrick Energy acquired a 50% interest in the Valhalla North property from Penn West (“Valhalla North”), for approximately $25 million. On June 30, 2011, Barrick Energy acquired all of the outstanding shares of Venturion Natural Resources Limited (“Venturion”), a privately held corporation, for approximately $185 million. On July 28, 2011, Barrick Energy acquired all of the outstanding shares of Culane Energy Corporation (“Culane”) for approximately $68 million. These acquisitions were made to acquire additional producing assets, proved and probable reserves, as well as facilities to allow us to grow and expand our energy business. We have determined that these transactions represent business combinations, with Barrick Energy identified as the acquirer. The tables below present the combined purchase cost and the final purchase price allocation for these transactions. We have recorded goodwill on these transactions as a result of the potential to increase current reserves through enhanced oil recoveries and the recognition of a deferred tax liability for the difference between the carrying values and the tax bases of assets acquired and liabilities assumed. The goodwill is not deductible for tax purposes. Barrick Energy began consolidating the operating results, cash flows, and net assets of Valhalla North, Venturion and Culane from January 14, 2011, June 30, 2011 and July 28, 2011, respectively.

Total Costs to Allocate

Purchase cost	$ 278

Final Allocation of Fair Values to Valhalla North, Venturion and Culane’s Net Assets

Current assets	$ 8
Property, plant and equipment	342
Goodwill	26
Total assets	$ 376
Current liabilities	$4
Provisions	13
Bank debt	44
Deferred income tax liabilities	37
Total liabilities	$ 98
Net assets acquired	$ 278

In 2010, Barrick Energy completed three acquisitions. On May 17, 2010, Barrick Energy acquired all of the outstanding shares of Bountiful Resources (“Bountiful”), a privately held corporation, for approximately $109 million and on June 25, 2010, Barrick Energy acquired the Puskwa property from Galleon Energy Inc. (“Puskwa”) for approximately $130 million. On September 17, 2010, Barrick Energy acquired the assets of Dolomite Resources (“Dolomite”) for approximately $25 million. These acquisitions were made to acquire additional producing assets, proved and probable reserves as well as facilities to allow us to grow and expand our energy business. We have determined that these transactions represent business combinations, with Barrick Energy identified as the acquirer. The tables below present the combined purchase cost and the final purchase price allocation for these 2010 transactions. We have recorded goodwill on these transactions as a result of the potential to increase current reserves through enhanced oil recoveries and the recognition of a deferred tax liability for the difference between the carrying values and the tax bases of assets acquired and liabilities assumed. The goodwill is not deductible for tax purposes. Barrick Energy began consolidating the operating results, cash flows, and net assets of Bountiful, Puskwa, and Dolomite, from May 17, 2010, June 25, 2010, and September 17, 2010, respectively.

Total Costs to Allocate	
Purchase cost	$ 264

Allocation of Fair Values to Bountiful, Puskwa, and Dolomite's Net Assets	
Current assets	$ 8
Property, plant and equipment	252
Goodwill	64
Total assets	$ 324
Current liabilities	$ 2
Provisions	8
Bank debt	13
Deferred income tax liabilities	37
Total liabilities	$ 60
Net assets acquired	$ 264

C) Acquisition of Tusker Gold Limited

On April 27, 2010, ABG acquired 100% of the issued and outstanding shares of Tusker Gold Limited ("Tusker") for aggregate net consideration of approximately $74 million. As a result of this acquisition, ABG increased its interest in the Nyanzaga joint venture from 51% to 100%. We have determined that this transaction represents a business combination, with ABG identified as the acquirer. The purchase price allocation was finalized in second quarter 2011 and there were no adjustments to the preliminary allocations. The goodwill is attributable to a deferred tax liability generated due to the difference between the fair value of the exploration and evaluation assets and the book value of these assets. The goodwill is not deductible for income tax purposes. The tables below present the purchase cost and our final purchase price allocation. ABG began consolidating the operating results, cash flows and net assets of Tusker from April 30, 2010.

Total Costs to Allocate	
Purchase cost	$ 74
Less: cash acquired	(8)
Cash consideration paid	$ 66

Allocation of Fair Values to Tusker's Net Assets	
Property, plant and equipment	$ 80
Goodwill	22
Total assets	$ 102
Current liabilities	$ 10
Other non-current liabilities	4
Deferred income tax liabilities	22
Total liabilities	$ 36
Net assets acquired	$ 66

D) Disposition of 10% Interest in Sedibelo

On March 23, 2011, we disposed of our 10% interest in the Sedibelo platinum project ("Sedibelo") with a carrying amount of nil, to the Bakgatla-Ba-Kgafela Tribe ("BBK"), owner of the remaining 90% interest in Sedibelo; and transferred certain long lead items and associated liabilities with carrying amounts of nil and $23 million, respectively, to Newshelf 1101 (Proprietary) Limited for consideration of $44 million. We also settled various outstanding matters between Barrick and the BBK regarding Sedibelo and their respective interests. We recorded a pre-tax gain of $66 million upon the closing of this transaction.

E) IPO of African Gold Mining Operations

On March 24, 2010, the IPO for ABG closed and its approximately 404 million ordinary shares were admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities. ABG sold approximately 101 million ordinary shares in the offering, or about 25% of its equity and Barrick retained an interest in approximately 303 million ordinary shares, or about 75% of the equity of ABG. In April 2010, the over-allotment option was partially exercised resulting in a 1.1% dilution of our interest in ABG to 73.9%.

The net proceeds from the IPO and the exercise of the over-allotment option were approximately $834 million and $50 million, respectively. As Barrick has retained a controlling financial interest in ABG, we continue to consolidate ABG and accounted for the disposition of ABG shares as an equity transaction. Accordingly, the difference between the proceeds received and the carrying amount has been recorded as additional paid-in capital in equity, and we have set up a non-controlling interest to reflect the change in our ownership interest in ABG.

F) Acquisition of the Additional 25% Interest in Cerro Casale

On March 31, 2010, we completed the acquisition of the additional 25% interest in Cerro Casale from Kinross Gold Corporation ("Kinross") for cash consideration of $454 million and the elimination of a $20 million contingent obligation, which was payable by Kinross to Barrick on a construction decision. The acquisition of the additional 25% interest has been accounted for as a business combination.

Our interest in the project is now 75% and, as a result of obtaining control, we have re-measured our previously held 50% ownership interest to fair value and recorded a corresponding post-tax gain of $42 million in other income (see note 9C).

We primarily used an income approach (being the net present value of expected future cash flows) to determine the fair values of the depreciable and non-depreciable mining interest. Estimates of expected future cash flows reflect estimates of projected future revenues, conversion of resources to reserves, production costs and capital expenditures contained in our life-of-mine plan.

We recorded goodwill on this acquisition principally because of the following factors: 1) the going concern value implicit in our ability to sustain and grow this project by increasing reserves and resources through new discoveries; 2) the ability to capture unique synergies that can be realized from managing this project within our South America regional business unit; and 3) the recognition of a deferred tax liability for the difference between the assigned values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The goodwill is not deductible for income tax purposes.

Beginning in second quarter 2010, we consolidated 100% of the operating results, cash flows, assets and liabilities of Cerro Casale, with an offsetting non-controlling interest of 25% measured at fair value as at March 31, 2010.

The tables below present the purchase cost, the final purchase price allocation and the remeasurement gain recorded in other income (note 9C).

Purchase Cost

Cash	$ 454
Less: cash acquired	(7)
Cash consideration paid	$ 447
Carrying amount of equity method investment	839
Remeasurement gain	42
Net assets	$ 1,328

Summary of Purchase Price Allocation

	Fair Value at Acquisition
Current assets	$ 1
VAT receivables	12
Depreciable mining interest	1,155
Non-depreciable mining interest	263
Water rights	75
Goodwill	809
Total assets	$ 2,315
Current liabilities	$ 10
Deferred income tax liabilities	523
Total liabilities	$ 533
Non-controlling interest	454
Net assets	$ 1,328

G) Discontinued Operations

Results of Discontinued Operations

For the years ended December 31	2011	2010
Gold sales		
Osborne	$ -	$ 43
Copper sales		
Osborne	-	244
	$ -	$ 287
Other metals sales		
Osborne	$ -	$ 2
	$ -	$ 2
Income before tax		
Osborne	$ -	$ 175
	$ -	$ 175
Net income		
Osborne	$ -	$ 124
	$ -	$ 124

Osborne

On September 30, 2010, we divested our Osborne copper mine for $17 million cash, as well as a royalty receivable from any future production, capped at approximately $14 million. Ivanhoe has agreed to assume all site environmental obligations. A loss of approximately $7 million, primarily due to the settlement of severance obligations, was recorded and recognized in discontinued operations. The results of operations and the assets and liabilities of Osborne have been presented as discontinued operations in the consolidated statement of income, the consolidated statement of cash flow and the consolidated balance sheet.

5 > SEGMENT INFORMATION

Barrick's business is organized into seven primary business units: four regional gold businesses, a global copper business, an oil and gas business, and a capital projects business. Barrick's Chief Operating Decision Maker reviews the operating results, assesses performance and makes capital allocation decisions at a business unit level. Therefore, these business units are operating segments for financial reporting purposes. In fourth quarter 2011, Barrick established the global copper business unit in order to maximize the value of the Company's copper and other non-gold mining assets following the acquisition of Equinox in June, 2011. This unit is responsible for providing strategic direction and oversight of the copper business and ensuring that the Company realizes the business and operational synergies arising from the acquisition. Segment information for the years ended December 31, 2011 and 2010 has been revised to reflect this organizational change.

Segment performance is evaluated based on a number of measures including operating income before tax, production levels and unit production costs. Income tax, corporate administration, finance income and costs, impairment charges and reversals, investment write-downs and gains/losses on non-hedge derivatives are managed on a consolidated basis and are therefore not reflected in segment income.

Consolidated Statements of Income Information

For the year ended December 31, 2011	Revenue	Cost of Sales: Direct mining & Royalties	Cost of Sales: Depreciation	Exploration & Evaluation	Operating Segment Administration	Other Expenses[1]	Segment Income (Loss)[2]
Gold							
North America	$ 5,263	$ 1,453	$ 471	$ 98	$ 45	$ 102	$ 3,094
South America	2,864	698	207	26	30	16	1,887
Australia Pacific	3,073	1,304	307	90	42	-	1,330
ABG	1,218	570	138	30	48	35	397
Copper	1,717	813	170	23	22	45	644
Capital Projects[3]	-	-	8	44	2	111	(165)
Barrick Energy	177	59	97	-	12	58	(49)
	$ 14,312	$ 4,897	$ 1,398	$ 311	$ 201	$ 367	$ 7,138

Consolidated Statements of Income Information

For the year ended December 31, 2010	Revenue	Cost of Sales: Direct mining & Royalties	Cost of Sales: Depreciation	Exploration & Evaluation	Operating Segment Administration	Other Expenses (Income)[1]	Segment Income (Loss)[2]
Gold							
North America	$ 3,827	$ 1,347	$ 465	$ 80	$ 39	$ 59	$ 1,837
South America	2,567	491	211	17	41	25	1,782
Australia Pacific	2,438	1,218	262	54	51	22	831
ABG	985	485	113	15	37	20	315
Copper	1,061	342	88	-	5	19	607
Capital Projects[3]	-	-	4	54	3	(43)	(18)
Barrick Energy	123	67	47	-	7	3	(1)
	$ 11,001	$ 3,950	$ 1,190	$ 220	$ 183	$ 105	$ 5,353

[1] Other expenses include accretion expense. For the year ended December 31, 2011, accretion expense was $52 million (2010: $21 million). See note 17 for further details.
[2] We manage the performance of our business units using a measure of income before interest and taxes; consequently, interest income, interest expense and income taxes are not allocated to our business units.
[3] The Capital Projects segment relates to our interests in our significant gold projects under construction.

Reconciliation of Segment Income to Income (Loss) from Continuing Operations Before Income Taxes

For the years ended December 31	**2011**	2010
Segment income	**$ 7,138**	$ 5,353
Depreciation of corporate assets	**(21)**	(22)
Exploration not attributable to segments	**(9)**	(9)
Evaluation not attributable to segments	**(40)**	(36)
Corporate administration	**(166)**	(156)
Other expenses	**49**	(76)
Impairment (charges) reversals	**(96)**	77
Finance income	**13**	14
Finance costs (excludes accretion)	**(147)**	(159)
Gain on non-hedge derivatives	**81**	69
Gain from equity investees not attributable to segments	**22**	12
Income before income taxes	**$ 6,824**	$ 5,067

Geographic Information

	Non-current assets[1]			Sales[2]	
	As at December 31 2011	As at December 31 2010	As at January 1 2010	**2011**	2010
United States	**$ 5,675**	$ 4,966	$ 4,782	**$ 4,914**	$ 3,524
Zambia	**5,153**	-	-	**543**	-
Chile	**5,111**	4,168	2,189	**1,148**	1,062
Dominican Republic	**3,638**	2,624	1,450	**-**	-
Argentina	**2,893**	1,954	1,382	**1,397**	1,352
Tanzania	**2,099**	1,864	1,652	**1,218**	985
Canada	**1,432**	1,014	670	**525**	426
Saudi Arabia	**1,611**	-	-	**-**	-
Australia	**1,485**	1,367	1,293	**2,330**	1,828
Papua New Guinea	**1,017**	924	711	**769**	609
Peru	**602**	439	310	**1,468**	1,215
Other	**94**	97	139	**-**	-
Unallocated assets[1]	**11,529**	8,149	7,417	**-**	-
Total	**$ 42,339**	$ 27,566	$ 21,995	**$ 14,312**	$ 11,001

[1] Unallocated assets include goodwill, deferred tax assets and other financial assets.
[2] Presented based on the location in which the sale originated.

Asset Information[1]

	Total Assets			Segment Capital Expenditures[2]	
	As at December 31 2011	As at December 31 2010	As at January 1 2010	**For the year ended December 31 2011**	For the year ended December 31 2010
Gold					
North America	**$ 8,200**	$ 7,472	$ 7,311	**$ 1,056**	$ 657
South America	**2,925**	2,789	1,803	**491**	294
Australia Pacific	**3,982**	3,911	3,624	**465**	385
ABG	**2,258**	2,031	1,798	**309**	194
Copper	**12,398**	2,114	2,126	**433**	63
Capital Projects[3]	**9,385**	6,465	2,781	**2,563**	2,250
Barrick Energy	**1,104**	726	342	**163**	86
Segment total	**$ 40,252**	$ 25,508	$ 19,785	**$ 5,480**	$ 3,929
Cash and equivalents	**2,745**	3,968	2,564	**-**	-
Other current assets	**3,800**	3,103	2,265	**-**	-
Equity in investees	**308**	271	991	**-**	-
Other investments	**161**	171	62	**-**	-
Intangible assets	**569**	475	275	**-**	-
Deferred income tax assets	**409**	625	601	**-**	-
Assets of discontinued operations	**-**	-	100	**-**	-
Other items not allocated to segments	**640**	516	281	**27**	67
Total	**$ 48,884**	$ 34,637	$ 26,924	**$ 5,507**	$ 3,996

1 Liabilities are not managed on a segment basis and have therefore been excluded from segment disclosures.

2 Segment capital expenditures are presented for internal management reporting purposes on an accrual basis. Capital expenditures in the Consolidated Statements of Cash Flow are presented on a cash basis. In 2011, cash expenditures were $4,973 million (2010: $3,778 million) and the increase in accrued expenditures was $534 million (2010: $218 million increase).

3 The carrying amount of the long-lived assets in the Capital Projects segment is transferred to the relevant operating segment on commissioning of the mine.

6 > REVENUE

For the years ended December 31	2011	2010
Gold bullion sales[1]		
Spot market sales	**$ 11,819**	$ 9,349
Concentrate sales	**444**	338
	$ 12,263	$ 9,687
Copper sales[1]		
Copper cathode sales	**$ 1,141**	$ 1,052
Concentrate sales	**573**	4
	$ 1,714	$ 1,056
Oil and gas sales	**$ 177**	$ 123
Other metal sales[2]	**$ 158**	$ 135
Total	**$ 14,312**	$ 11,001

[1] Revenues include amounts transferred from OCI to earnings for commodity cash flow hedges (see note 22d).
[2] Revenues include the sale of by-products for our gold and copper mines.

Principal Products

All of our gold mining operations produce gold in doré form, except Bulyanhulu and Buzwagi which produce both gold doré and gold concentrate. Gold doré is unrefined gold bullion bars usually consisting of 90% gold that is refined to pure gold bullion prior to sale to our customers. Concentrate is a processing product containing the valuable ore mineral from which most of the waste mineral has been eliminated. Our Lumwana mine produces a concentrate that primarily contains copper. At our Zaldívar mine we produce copper cathode, which consists of 99.9% copper.

Revenue

Revenue is presented net of direct sales taxes of $50 million (2010: $30 million). Incidental revenues from the sale of by-products, primarily copper and silver, are classified within other metal sales.

Provisional Copper and Gold Sales

We have provisionally priced sales for which price finalization, referenced to the relevant copper and gold index, is outstanding at the balance sheet date. Our exposure at December 31, 2011 to the impact of movements in market commodity prices for provisionally priced sales is set out in the following table:

	Volumes subject to final pricing		Impact on net income before taxation of 10% movement in market price US$M	
As at December 31	**2011**	2010	**2011**	2010
Copper pounds (millions)	**63**	37	**$ 22**	$ 16
Gold ounces (000's)	**29**	31	**5**	4

For the year ended December 31, 2011, our provisionally priced copper sales included provisional pricing losses of $63 million (2010: $32 million gain) and our provisionally priced gold sales included provisional pricing gains of $9 million (2010: $4 million gain).

At December 31, 2011, our provisionally priced copper and gold sales subject to final settlement were recorded at average prices of $3.45/lb (2010: $4.42/lb) and $1,653/oz (2010: $1,392/oz), respectively. The sensitivities in the above tables have been determined as the impact of a 10 percent change in commodity prices at each reporting date, while holding all other variables, including foreign currency exchange rates, constant.

7 > COST OF SALES

For the years ended December 31	2011	2010
Direct mining cost[1, 2]	**$ 4,562**	$ 3,674
Depreciation	**1,419**	1,212
Royalty expense	**335**	276
	$ 6,316	$ 5,162

[1] Direct mining cost includes charges to reduce the cost of inventory to net realizable value as follows: $nil for the year ended December 31, 2011 (2010: $3 million).
[2] Direct mining cost includes the costs of extracting co-products.

Cost of Sales

Cost of sales consists of direct mining costs (which include personnel costs, general and administrative costs, energy costs (principally diesel fuel and electricity), maintenance and repair costs, operating supplies, external services, third party smelting, refining and transport fees), and depreciation related to sales and royalty expenses for the period. Cost of sales is based on the weighted average cost of contained or recoverable ounces sold and royalty expense for the period. All costs include any impairment to reduce inventory to its net realizable value.

Royalties

Certain of our properties are subject to royalty arrangements based on mineral production at the properties. 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. Other types of royalties include:

- Ø Net profits interest (NPI) royalty,
- Ø Modified net smelter return (NSR) royalty,
- Ø Net smelter return sliding scale (NSRSS) royalty,
- Ø Gross proceeds sliding scale (GPSS) royalty,
- Ø Gross smelter return (GSR) royalty,
- Ø Net value (NV) royalty,
- Ø Land tenement (LT) royalty, and a
- Ø Gold revenue royalty.

Royalty expense is recorded on completion of the production process.

Royalties applicable to our oil and gas properties include:

- Ø Crown royalties,
- Ø Net profits interest (NPI) royalty,
- Ø Overriding royalty (ORR), and a
- Ø Freehold royalty (FH).

Producing mines and capital projects	Type of royalty
North America	
Goldstrike	0%-5% NSR, 0%-6% NPI
Williams	1.5% NSR, 0.75%-1% NV
David Bell	3%-3.5% NSR
Hemlo - Interlake property	50% NPI, 3% NSR
Round Mountain	3.53%-6.35% NSRSS
Bald Mountain	3.5%-7% NSRSS, 2.9%-4% NSR, 10% NPI
Ruby Hill	3% modified NSR
Cortez	1.5% GSR
Cortez - Pipeline/South Pipeline deposit	0.4%-9% GSR
Cortez - portion of Pipeline/South Pipeline deposit	5% NV
South America	
Veladero	3.75% gross proceeds
Lagunas Norte	2.51% NSR
Australia Pacific	
Porgera	2% NSR, 0.25% other
Queensland & Western Australia production[1]	2.5%-2.7% of gold revenue
Cowal	4% of net gold revenue
African Barrick Gold	
Bulyanhulu	3% NSR
Tulawaka	3% NSR
North Mara - Nyabirama and Nyabigena pit	3% NSR, 1% LT
North Mara - Gokona pit	3% NSR, 1.1% LT
Buzwagi	3% NSR, 30% NPI[2]
Capital Projects	
Donlin Gold Project	1.5% NSR (first 5 years), 4.5% NSR (thereafter), 8.0% NPI[3]
Pascua-Lama Project - Chile gold production	1.5%-9.8% GPSS
Pascua-Lama Project - Chile copper production	2% NSR
Pascua-Lama Project - Argentina production	3% modified NSR
Pueblo Viejo	3.2% NSR (for gold & silver), 28.75% NPI[3]
Cerro Casale	3% NSR (capped at $3 million cumulative)
Copper	
Lumwana	3% GSR[4]
Reko Diq	2% NSR
Kabanga	3% NSR
Other	
Barrick Energy	0.22% NPI, 1.69% FH&ORR, 20.4% Crown Royalty

[1] Includes the Kalgoorlie, Kanowna, Granny Smith, Plutonic, Darlot and Lawlers mines.
[2] The NPI is calculated as a percentage of profits realized from the Buzwagi mine after all capital, exploration, and development costs and interest incurred in relation to the Buzwagi mine have been recouped and all operating costs relating to the Buzwagi mine have been paid. No amount is currently payable.
[3] The NPI is calculated as a percentage of profits realized from the mine until all funds invested to date with interest at an agreed upon rate are recovered. No amount is currently payable.
[4] The GSR will increase to 6% effective April 1, 2012.

8 > EXPLORATION AND EVALUATION

For the years ended December 31	2011	2010
Exploration:		
Minesite exploration	**$ 72**	$ 51
Global programs	**145**	103
	$ 217	$ 154
Evaluation costs	**129**	75
Exploration and evaluation expense[1]	**$ 346**	$ 229

[1] Approximates the impact on Operating Cash Flow.

9 > OTHER CHARGES

A Other Expense

For the years ended December 31	2011	2010
Operating segment administration[1]	**$ 201**	$ 183
Corporate social responsibility	**55**	25
Changes in estimate of rehabilitation costs at closed mines	**79**	41
World Gold Council fees	**9**	16
Currency translation losses[2]	**22**	26
Pension and other post-retirement benefit expense (note 32)	**4**	6
Severance and other restructuring costs	**6**	16
Equinox acquisition costs	**39**	-
Other expensed items	**161**	142
Total	**$ 576**	$ 455

[1] Relates to costs incurred at business unit offices.
[2] Amounts attributable to currency translation losses on working capital balances.

B Impairment Charges and Reversals

For the years ended December 31	2011	2010
Impairment of long-lived assets[1]	**$ 138**	$ 11
Impairment (reversal) of investment in associates[2]	**-**	(84)
Impairment of available-for-sale investments	**97**	-
Total	**$ 235**	$ (73)

[1] In 2011, an impairment charge of $83 million was recorded to reduce the carrying amount to the estimated fair value for certain power assets and tailings dam assets at Pueblo Viejo. In 2011, the carrying amount of certain properties at Barrick Energy were tested for impairment on update of reserves following completion of the annual long-range planning process. An impairment charge of $49 million was recorded to reduce the carrying amount to the estimated fair value for these properties. Refer to note 17.
[2] 2010 amount reflects an impairment reversal on our investment in Highland Gold. Refer to note 3.

C Other Income

For the years ended December 31	2011	2010
Gain on sale/acquisition of long-lived assets/investments[1]	**$ 229**	$ 79
Royalty income	**3**	7
Other	**16**	30
Total	**$ 248**	$ 116

[1] 2011 amounts include the sale of our interest in Sedibelo ($66 million), Fronteer Gold ($46 million), Fenn Gibb ($34 million), Metminco ($32 million) and Pinson ($28 million). 2010 amounts include $42 million related to the acquisition of an additional 25% interest in Cerro Casale. See note 4f for further details.

10 > INCOME TAX EXPENSE

For the years ended December 31	2011	2010
Tax on profit		
Current tax		
Charge for the year	**$ 1,861**	$ 1,317
Adjustment in respect of prior years	**24**	(8)
	$ 1,885	$ 1,309
Discontinued operations	**-**	(52)
Continuing operations	**$ 1,885**	$ 1,257
Deferred tax		
Origination and reversal of temporary differences in the current year	**$ 405**	$ 336
Adjustment in respect of prior years	**(3)**	(32)
Continuing operations	**$ 402**	$ 304
	$ 2,287	$ 1,561
Tax expense related to continuing operations		
Current		
Canada	**$ 23**	$ 15
International	**1,736**	1,246
	$ 1,759	$ 1,261
Deferred		
Canada	**$ (15)**	$ (2)
International	**453**	325
	$438	$323
Income tax expense before elements below which relate to international jurisdictions	**$ 2,197**	$ 1,584
Net currency translation (gains) losses on deferred tax balances	**(32)**	(19)
Dividend withholding tax	**87**	74
Impact of Peruvian Tax Court decision	**39**	-
Impact of legislative amendments in Australia	**-**	(78)
Impact of Australian functional currency election	**(4)**	-
Total expense	**$ 2,287**	$ 1,561

Currency Translation
Deferred tax balances are subject to remeasurement for changes in currency exchange rates each period. The most significant balances are Papua New Guinea deferred tax liabilities with a carrying amount of approximately $40 million, and Argentinean deferred tax liabilities with a carrying amount of approximately $257 million. In 2011 and 2010, the appreciation of the Papua New Guinea Kina against the US dollar, and the weakening of the Argentine peso against the US dollar resulted in net translation gains totaling $32 million and $19 million, respectively. These gains are included within deferred tax expense/recovery.

Dividend Withholding Tax
In 2011, we recorded an $87 million dollar dividend withholding current tax expense in respect of funds repatriated from foreign subsidiaries.

In 2010, we recorded a $74 million dollar dividend withholding current tax expense in respect of funds available to be repatriated from a foreign subsidiary.

Peruvian Tax Court Decision
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 for an amount of $32 million, excluding interest and penalties. The assessment mainly related to the validity of a revaluation of the Pierina mining concession, which affected its tax basis for the years 1999 and 2000. 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.

In January 2005, we received written confirmation that there would be no appeal of the September 30, 2004 Tax Court of Peru decision. In December 2004, we recorded a $141 million reduction in current and deferred income tax liabilities and a $21 million reduction in other accrued costs. The confirmation concluded the administrative and judicial appeals process with resolution in Barrick's favor.

Notwithstanding the favorable Tax Court decision we received in 2004 on the 1999 to 2000 revaluation matter, in an audit concluded in 2005, The Tax Administration in Peru (SUNAT) has reassessed us on the same issue for tax years 2001 to 2003. On October 19, 2007, SUNAT confirmed their reassessment. We filed an appeal to the Tax Court of Peru within the statutory period.

The Tax Court decision was rendered on August 15, 2011. The Tax Court ruled in our favor on substantially all material issues. However, based on the Tax Court decision, the timing of certain deductions would differ from the position taken on filing. As a result, we would incur interest and penalties in some years and earn refund interest income in other years. SUNAT has since assessed us $100 million for this matter. However, we believe that the SUNAT amount is incorrect, and have appealed the assessment. After recomputing the liability, to reflect what we believe is the probable amount, we have recorded a current tax expense of $39 million in 2011 in respect of this matter.

On November 15, 2011, we appealed the Tax Court decision to the Judicial Court with respect to the timing of certain deductions for the Pierina mining concession. SUNAT also appealed the Tax Court decision to the Judicial Court.

Australian Functional Currency Election
In 2011, we filed an election in Australia to prepare certain of our Australian tax returns using US dollar functional currency effective January 1, 2011. This election resulted in a one-time deferred tax benefit of $4 million. Going forward, all material Australian tax returns will now be filed using a US dollar functional currency.

Impact of Legislative Amendments in Australia
In Australia, we elected to enter into the consolidated tax regime in 2004 (in 2002 for the former Placer Dome Inc. subsidiaries). At the time the elections were made, there were certain accrued gains that were required to be included in taxable income upon subsequent realization. In second quarter 2010, clarifying legislative amendments to the Australian consolidation tax rules were enacted. These amendments enable us to reduce the inclusion of certain of these accrued gains, resulting in a permanent decrease in taxable income. The impact of the amendment is a current tax recovery of $78 million recorded in 2010.

Reconciliation to Canadian Statutory Rate

For the years ended December 31	**2011**	2010
At 28% (2010: 31%) statutory rate	**$ 1,911**	$ 1,571
Increase (decrease) due to:		
Allowances and special tax deductions [1]	**(243)**	(168)
Impact of foreign tax rates [2]	**270**	86
Expenses not tax deductible	**22**	43
Net currency translation (gains)/losses on deferred tax balances	**(32)**	(19)
Recognition of previously unrecognized deferred tax assets	**-**	(129)
Current year tax losses not recognized in deferred tax assets	**17**	16
Adjustments in respect of prior years	**21**	(40)
Impact of Peruvian Tax Court decision	**39**	-
Impact of Australian functional currency election	**(4)**	-
Impact of legislative amendments in Australia	**-**	(78)
Dividend withholding tax	**87**	74
Other withholding taxes	**31**	21
Mining taxes	**167**	108
Other items	**1**	76
Income tax expense	**$ 2,287**	$ 1,561

[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 statutory rate.

11 > EARNINGS PER SHARE

For the years ended December 31 ($ millions, except shares in millions and per share amounts in dollars)	2011		2010	
	Basic	**Diluted**	Basic	Diluted
Income from continuing operations	**$ 4,537**	**$ 4,537**	$ 3,506	$ 3,506
Net income attributable to non-controlling interests	**(53)**	**(53)**	(48)	(48)
Net income from continuing operations after assumed conversions	**$ 4,484**	**$ 4,484**	$ 3,458	$ 3,458
Income from discontinued operations	**-**	**-**	124	124
Net income attributable to equity holders of Barrick Gold Corporation after assumed conversions	**$ 4,484**	**$ 4,484**	$ 3,582	$ 3,582
Weighted average shares outstanding	**999**	**999**	987	987
Effect of dilutive securities				
Stock options	**-**	**2**	-	2
Convertible debentures	**-**	**-**	-	8
	999	**1,001**	987	997
Earnings per share data attributable to the equity holders of Barrick Gold Corporation				
Income from continuing operations	**$ 4.49**	**$ 4.48**	$ 3.50	$ 3.47
Income from discontinued operations	**$ -**	**$ -**	$ 0.13	$ 0.12
Net income	**$ 4.49**	**$ 4.48**	$ 3.63	$ 3.59

12 > FINANCE INCOME AND FINANCE COST

A Finance Income

For the years ended December 31	**2011**	2010
Interest income	**$ 13**	$ 13
Other	**-**	1
Total	**$ 13**	$ 14

B Finance Costs

For the years ended December 31	**2011**	2010
Interest	**$ 541**	$ 419
Amortization of debt issue costs	**17**	4
Amortization of premium (discount)	**(3)**	2
Interest capitalized[1]	**(408)**	(285)
Finance charges[2]	**-**	19
Accretion	**52**	21
Total	**$ 199**	$ 180

[1] Interest has been capitalized at the rate of interest applicable to the specific borrowings financing the assets under construction or, where financed through general borrowings, at a capitalization rate representing the average interest rate on such borrowings. For the year ended December 31, 2011, the general capitalization rate was 5.43% (2010: 6.42%).
[2] Represents accrued financing charges on the remaining settlement obligation to close out gold sales contracts.

13 > CASH FLOW – OTHER ITEMS

A Operating Cash Flows - Other Items

For the years ended December 31	2011	2010
Adjustments for non-cash income statement items:		
Currency translation losses (note 9a)	**$ 22**	$ 26
Amortization of debt issue costs	**17**	4
RSU expense	**30**	48
Stock option expense	**15**	16
Gain on non-hedge derivatives	**(81)**	(69)
(Gain) loss from investment in associates and JCEs (note 14)	**(8)**	24
Change in estimate of rehabilitation provisions at closed mines	**79**	41
Inventory impairment charges (reversals) (note 15)	**-**	3
Cash flow arising from changes in:		
Derivative assets and liabilities	**(78)**	(42)
Other current assets	**(32)**	(101)
Value added tax recoverable	**(68)**	(81)
Accounts receivable	**49**	(57)
Other current liabilities	**(81)**	68
Prepaid assets	**(35)**	90
Accounts payable and accrued liabilities	**66**	311
Other assets and liabilities	**(24)**	130
Income from discontinued operations	**-**	(124)
Payment of settlement of gold sales contracts	**-**	(656)
Operating cash flows of discontinued operations	**-**	(8)
Settlement of rehabilitation obligations	**(44)**	(44)
Other net operating activities	**(173)**	(421)
Operating cash flow includes payments for:		
Cash interest paid (note 22)	**$ 137**	$ 153

B Investing Cash Flows – Other Items

For the years ended December 31	2011	2010
Funding of investments in associates and JCEs (note 14)	**$ (36)**	$ (51)
Other	**(197)**	(3)
Other net investing activities	**$ (233)**	$ (54)
Investing cash flow includes payments for:		
Capitalized interest (note 22)	**$ 382**	$ 275

C Financing Cash Flows – Other Items

For the years ended December 31	2011	2010
Financing fees on long-term debt	**$ (59)**	$ (37)
Derivative settlements	**(7)**	12
Other net financing activities	**$ (66)**	$ (25)

14 > INVESTMENTS

A Equity Accounting Method Investment Continuity

	Highland Gold[2]	Reko Diq[3]	Cerro Casale	Donlin Gold	Kabanga	Total
At January 1, 2010	$ 96	$ 131	$ 828	$ 67	$ 2	$ 1,124
Equity pick-up (loss) from equity investees	12	(19)	(1)	(10)	(6)	(24)
Funds invested (dividends received)	-	12	12	22	5	51
Impairment (charges) reversals	84	-	-	-	-	84
Derecognition on acquisition of controlling interest[1]	-	-	(839)	-	-	(839)
At December 31, 2010	$ 192	$ 124	$ -	$ 79	$ 1	$ 396
Equity pick-up (loss) from equity investees	22	(12)	-	(2)	-	8
Funds invested (dividends received)	(5)	9	-	22	10	36
At December 31, 2011	$ 209	$ 121	$ -	$ 99	$ 11	$ 440
Publicly traded	Yes	No	No	No	No	No

[1] The carrying amount of the Cerro Casale investment has been derecognized as an equity method investee as a result of our obtaining control over the entity as a result of the acquisition of an additional 25% interest in Q1 2010. See note 4f for further details.
[2] Based on the December 30, 2011 trading price of $1.88 GBP per share, the market value of our investment in Highland Gold is $193 million. We performed a qualitative and quantitative assessment on the decline in fair value and determined that the decline was not significant or prolonged.
[3] Refer to note 33 for further details.

In February 2012, we determined that our investment in Highland Gold Mining Limited (“Highland”) was non-core to our business operations and strategy. As a result, we intend to divest our shareholding in an orderly process which delivers proper value to Barrick and supports the interests and aims of Highland and its shareholders. Based on the trading price of Highland as at February 14, 2012, the market value of our investment in Highland is $169 million.

B Other Investments

	As at December 31, 2011		As at December 31, 2010		As at January 1, 2010	
	Fair Value[1]	**Gains in OCI**	Fair value	Gains in OCI	Fair value	Gains in OCI
Available-for-sale securities	**$ 161**	**$ 25**	$ 171	$ 85	$ 62	$ 27

[1] Refer to note 23 for further information on the measurement of fair value.

Gains on Investments Recorded in Earnings

For the years ended December 31	**2011**	2010
Gains realized on sales[1]	**$ 55**	$ 12
Cash proceeds from sales	**80**	15

[1] 2011 amounts include gains realized on sale of our investment in Fronteer Gold of $46 million.

15 > INVENTORIES

	Gold			Copper		
	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010	**As at December 31, 2011**	As at December 31, 2010	As at January 1, 2010
Raw materials						
Ore in stockpiles	**$ 1,401**	$ 1,364	$ 932	**$ 189**	$ 112	$ 79
Ore on leach pads	**335**	223	184	**247**	157	130
Mine operating supplies	**757**	558	485	**128**	25	19
Work in process	**371**	255	237	**6**	48	47
Finished products						
Gold doré	**111**	88	74	**-**	-	-
Copper cathode	**-**	-	-	**14**	8	5
Copper concentrate	**-**	-	-	**89**	-	-
Gold concentrate	**3**	-	5	**-**	-	-
	$ 2,978	$ 2,488	$ 1,917	**$ 673**	$ 350	$ 280
Non-current ore in stockpiles[1]	**(980)**	(884)	(589)	**(173)**	(156)	(120)
	$ 1,998	$ 1,604	$ 1,328	**$ 500**	$ 194	$ 160

[1] Ore that we do not expect to process in the next 12 months is classified within other assets.

For the years ended December 31	**2011**	2010
Inventory impairment charges	**$ 1**	$ 3
Inventory impairment charges reversed	**(1)**	-

Ore on leach pads

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

Estimates of recoverable gold or copper 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).

Although the quantities of recoverable gold or copper placed on the leach pads are reconciled by comparing the grades of ore placed on pads to the quantities of gold or copper 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 regularly 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 or copper on our leach pads. At December 31, 2011, the weighted average cost per recoverable ounce of gold and recoverable pound of copper on leach pads was $653 per ounce and $1.03 per pound, respectively (2010: $427 per ounce of gold and $0.69 per pound of copper). 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 or copper 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 for gold ranging from 2012 to 2030 and for copper ranging from 2012 to 2028. Including the estimated time required for

residual leaching, rinsing and reclamation activities, we expect that our leaching operations will terminate within a period of up to six years 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 or copper at each balance sheet date that we expect to recover during the next 12 months.

Ore in Stockpiles

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010	Year[1]
Gold				
Goldstrike	**$ 525**	$ 507	$ 407	2027
Cortez	**192**	366	97	2024
Porgera	**149**	111	105	2025
Kalgoorlie	**99**	89	79	2022
Cowal	**90**	81	77	2020
North Mara	**75**	59	56	2020
Buzwagi	**59**	41	25	2024
Pueblo Viejo	**55**	6	-	2047
Round Mountain	**47**	4	5	2019
Veladero	**30**	20	26	2014
Lagunas Norte	**22**	24	8	2012
Turquoise Ridge	**15**	14	15	2039
Other	**43**	42	32	
Copper				
Zaldívar	**175**	112	79	2028
Lumwana	**14**	-	-	2037
	$ 1,590	$ 1,476	$ 1,011	

[1] Year in which we expect to complete full processing of the ore in stockpiles.

Ore on Leachpads

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010	Year[1]
Gold				
Veladero	**$ 128**	$ 71	$ 46	2012
Cortez	**12**	16	24	2012
Ruby Hill	**9**	10	23	2012
Bald Mountain	**61**	12	24	2012
Lagunas Norte	**15**	17	23	2012
Round Mountain	**17**	26	17	2012
Pierina	**71**	52	14	2012
Marigold	**22**	19	13	2012
Copper				
Zaldívar	**247**	157	130	2014
	$ 582	$ 380	$ 314	

[1] Year in which we expect to complete full processing of the ore on leachpads.

Purchase Commitments

At December 31, 2011, we had purchase obligations for supplies and consumables of approximately $1,748 million (2010: $1,449 million).

16> ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010
Accounts receivable			
Amounts due from concentrate sales	**$ 99**	$ 46	$ 16
Amounts due from copper cathode sales	**107**	159	109
Other receivables	**220**	165	134
	$ 426	$ 370	$ 259
Other current assets			
Derivative assets (note 22f)	**$ 507**	$ 615	$ 214
Goods and services taxes recoverable[1]	**194**	211	201
Prepaid expenses	**123**	95	92
Other	**52**	14	11
	$ 876	$ 935	$ 518

[1] Includes $131 million and $22 million in VAT and fuel tax receivables in South America and Africa, respectively (2010: $132 million and $59 million, respectively).

17 > PROPERTY, PLANT AND EQUIPMENT

	Mining Properties[1]				
	Buildings, plant and equipment	Assets subject to depreciation[3]	Assets not subject to depreciation[2]	Oil and gas properties	Total
At January 1, 2010					
Net of accumulated depreciation	$ 2,081	$ 7,070	$ 3,886	$ 341	$ 13,378
Adjustment on currency translation	-	-	-	28	28
Additions	202	471	3,152	90	3,915
Capitalized interest	-	-	284	-	284
Disposals	(5)	(2)	(17)	-	(24)
Acquisitions	-	-	1,535	252	1,787
Depreciation	(392)	(1,035)	-	(44)	(1,471)
Impairments (charges)	-	-	-	(7)	(7)
Transfers between categories[4]	568	695	(1,263)	-	-
At December 31, 2010	$ 2,454	$ 7,199	$ 7,577	$ 660	$ 17,890
At January 1, 2010					
Cost	$ 6,058	$ 13,141	$ 3,886	$ 391	$ 23,476
Accumulated depreciation	(3,977)	(6,071)	-	(50)	(10,098)
Net carrying amount - January 1, 2010	$ 2,081	$ 7,070	$ 3,886	$ 341	$ 13,378
At December 31, 2010					
Cost	$ 6,808	$ 14,278	$ 7,577	$ 754	$ 29,417
Accumulated depreciation	(4,354)	(7,079)	-	(94)	(11,527)
Net carrying amount - December 31, 2010	$ 2,454	$ 7,199	$ 7,577	$ 660	$ 17,890

	Mining Properties[1]				
	Buildings, plant and equipment	**Assets subject to depreciation[3]**	**Assets not subject to depreciation[2]**	**Oil and gas properties**	**Total**
At December 31, 2010					
Net of accumulated depreciation	**$ 2,454**	**$ 7,199**	**$ 7,577**	**$ 660**	**$ 17,890**
Adjustment on currency translation	**-**	**-**	**-**	**(22)**	**(22)**
Additions	**180**	**219**	**4,874**	**178**	**5,451**
Capitalized interest	**-**	**-**	**396**	**-**	**396**
Disposals	**(20)**	**(4)**	**-**	**-**	**(24)**
Acquisitions	**-**	**3,078**	**3,400**	**342**	**6,820**
Depreciation	**(389)**	**(910)**	**-**	**(95)**	**(1,394)**
Impairments (charges)	**-**	**-**	**(89)**	**(49)**	**(138)**
Transfers between categories[4]	**417**	**1,468**	**(1,885)**	**-**	**-**
At December 31, 2011	**$ 2,642**	**$ 11,050**	**$ 14,273**	**$ 1,014**	**$ 28,979**
At December 31, 2011					
Cost	**$ 7,352**	**$ 19,200**	**$ 14,273**	**$ 1,225**	**$ 42,050**
Accumulated depreciation	**(4,710)**	**(8,150)**	**-**	**(211)**	**(13,071)**
Net carrying amount - December 31, 2011	**$ 2,642**	**$ 11,050**	**$ 14,273**	**$ 1,014**	**$ 28,979**

[1] Includes capitalized reserve acquisition costs, capitalized development costs and exploration and evaluation costs.
[2] Assets not subject to depreciation includes construction-in-progress, capital projects and acquired mineral resources and exploration potential.
[3] Assets subject to depreciation include the following items for production stage properties: acquired mineral reserves and resources, capitalized mine development costs, capitalized stripping and capitalized exploration and evaluation costs.
[4] The carrying amount of the long-lived assets in the Capital Projects segment is transferred to the relevant operating segment on commissioning of the mine.

Assets Not Subject to Depreciation

	Carrying amount at December 31, 2011	Carrying amount at December 31, 2010	Carrying amount at January 1, 2010
Construction-in-progress[3]	**$ 1,314**	$ 913	$ 853
Acquired mineral resources and exploration potential	**2,278**	359	423
Projects			
Pascua-Lama	**3,749**	2,156	1,185
Pueblo Viejo[2]	**3,554**	2,590	1,425
Cerro Casale[1, 2]	**1,732**	1,544	-
Jabal Sayid	**1,605**	-	-
Other	**41**	15	
	$ 14,273	$ 7,577	$ 3,886

1 The carrying amount of the Cerro Casale investment has been transferred to PP&E as a result of our obtaining control over the entity due to the acquisition of an additional 25% interest. See note 4f for further details.
2 Amounts are presented on a 100% basis and include our partner's non- controlling interest.
3 Represents assets under construction at our operating mine sites.

B Depreciation and Accretion

	2011	2010
Depreciation (note 5)	**$ 1,419**	$ 1,212
Accretion (note 24)	**52**	21
	$ 1,471	$ 1,233

Changes in Gold and Copper Mineral Reserves

At the end of each fiscal year, as part of our annual business cycle, we prepare estimates of proven and probable gold and copper mineral reserves for each mineral property. We prospectively revise calculations of amortization expense for property, plant and equipment amortized using the UOP method, whereby the denominator is estimated recoverable ounces of gold/pounds of copper. The effect of changes in reserve estimates on amortization expense for 2011 was a $119 million decrease (2010: $40 million decrease).

C Capital Commitments

In addition to entering into various operational commitments in the normal course of business, we had commitments of approximately $1,338 million at December 31, 2011 (2010: $1,254 million) for construction activities at our capital projects.

18 > GOODWILL AND OTHER INTANGIBLE ASSETS

A Goodwill

We allocate goodwill to the group of CGUs that comprise an operating segment, since each CGU in a segment is expected to derive benefits from a business combination that results in the recognition of goodwill. At December 31, 2011, goodwill has been allocated to each operating segment as follows:

	Gold							
	North America	Australia	South America	ABG	Capital Projects	Copper[4]	Barrick Energy	Total
Opening balance January 1, 2010	$ 2,376	$ 1,480	$ 441	$ 157	$ -	$ 743	$ -	$ 5,197
Additions[1]	$ -	$ -	$ -	$22	$ -	$ -	$64	$86
Other[3]	-	-	-	-	809	-	4	813
Closing balance December 31, 2010	$ 2,376	$ 1,480	$ 441	$ 179	$ 809	$ 743	$ 68	$ 6,096
Additions[2]	$ -	$ -	$ -	$ -	$ -	$3,506	$26	$3,532
Other[3]	-	-	-	-	-	-	(2)	(2)
Closing balance December 31, 2011	$ 2,376	$ 1,480	$ 441	$ 179	$ 809	$ 4,249	$ 92	$ 9,626
Cost	$2,376	$1,480	$441	$179	$809	$4,249	$92	$9,626
Net carrying amount	$ 2,376	$ 1,480	$ 441	$ 179	$ 809	$ 4,249	$ 92	$ 9,626

[1] Represents goodwill acquired as a result of the acquisition of Tusker ($22 million) (note 4c) and Bountiful, Puskwa and Dolomite ($64 million) (note 4b).
[2] Represents goodwill acquired as a result of the acquisition of Equinox ($3,506 million) (note 4a) and Venturion and Culane ($26 million) (note 4b).
[3] Represents remeasured goodwill as a result of the adoption of the consolidation method of accounting following acquisition of an additional 25% interest in Cerro Casale (note 4f) and the impact of foreign exchange rate changes on the translation of Barrick Energy from C $ to US $.
[4] In fourth quarter 2011, we established a global copper business unit. As a result, all of our copper assets now form part of this operating segment. The comparatives have been restated to reflect this reorganization.

B Intangible Assets

	Water rights[1]	Technology[2]	Supply contracts[3]	Exploration potential[4]	Total
Opening balance January 1, 2010	$ 40	$ 17	$ 9	$ 209	$ 275
Additions	$76	$ -	$6	$126	$208
Disposals	-	-	(7)	-	(7)
Amortization	-	-	(1)	-	(1)
Closing balance December 31, 2010	$ 116	$ 17	$ 7	$ 335	$ 475
Additions	$ -	$ -	$16	$78	$94
Closing balance December 31, 2011	$ 116	$ 17	$ 23	$ 413	$ 569
Cost	$116	$17	$39	$413	$585
Accumulated amortization and impairment losses	-	-	(16)	-	(16)
Net carrying amount December 31, 2011	$ 116	$ 17	$ 23	$ 413	$ 569

[1] Water rights in South America ($116 million) are subject to annual impairment testing and will be amortized through cost of sales when used in the future. In 2010, we recorded a $75 million increase as a result of adoption of the consolidation method of accounting for Cerro Casale. Refer to note 4f.
[2] The amount will be amortized through cost of sales using the UOP method over the estimated proven and probable reserves of the Pueblo Viejo mine, with no assumed residual value.
[3] Relates to a supply agreement with Michelin North America Inc. to secure a supply of tires and will be amortized over the effective term of the contract through cost of sales.
[4] Exploration potential consists of the estimated fair value attributable to exploration licenses acquired as a result of a business combination or asset acquisition. The carrying value of the licenses will be transferred to PP&E when the development of attributable mineral resources commences (note 2m(i)).

C Impairment of Goodwill and Non-current Assets

Goodwill was tested for impairment in the fourth quarter. The recoverable amount of each operating segment has been determined using a FVLCS approach. For the year ended December 31, 2011, we did not record any impairment to goodwill (2010: nil).

FVLCS for each gold operating segment was determined by considering the net present value ("NPV") of the future cash flows expected to be generated by the segment. Net future cash flows were derived from the most recent life of mine ("LOM") plans, with mine lives ranging from 2 to 35 years, aggregated to the segment level. We have used an estimated long-term gold price of $1,600 per ounce (2010: $1,250 per ounce) to estimate future revenues. The net future cash flows were discounted using a segment real weighted average cost for a gold business of 5% (2010: 5%). Gold companies consistently trade at a market capitalization greater than the NPV of their expected cash flows. Market participants describe this as a "NAV multiple", whereby the NAV represents the multiple applied to the NPV to arrive at the trading price. As a result, we applied a NAV multiple to the NPV of each gold operating segment based on the observable NAV multiples of comparable companies as at the test date. In 2011, the average NAV multiple was about 1.2 (2010: 1.4).

For our copper segment, the FVLCS was determined based on the NPV of future cash flows expected to be generated using the most recent LOM plans, with mine lives ranging from 11 to 31 years, aggregated to the segment level. We utilized a long-term risk-adjusted copper price of $3.44 per pound to estimate future revenues. The risk adjustment to the average long-term copper price was approximately 4.5%. The expected net future cash flow was additionally discounted using rates from 4.5% to 5.5% to reflect the time value of money and a residual risk factor for cash flow uncertainties not related to metal price. This results in an effective weighted average cost of capital for the copper segment of approximately 7%.

For our oil and gas segment, the FVLCS was determined based on the NPV of future cash flows expected to be generated from our oil and gas properties, aggregated to the segment level. We have estimated future oil prices using the forward curve provided by an independent reserve evaluation firm, with prices starting at $97 per barrel (WTI) (2010: $88 per barrel). The net future cash flows were discounted using a real weighted average cost of capital for long life oil and gas assets of 8.5% (2010: 8.5%).

Non-current assets are tested for impairment when events or changes in circumstances suggest that the carrying amount may not be recoverable. The recoverable amount is calculated using the same FVLCS approach as described above for goodwill. However, the assessment is done at the CGU level, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets. For the year ended December 31, 2011, we recorded impairment charges of $138 million for non-current assets. The impairment included a $49 million charge at our Barrick Energy segment, primarily due to recovery issues at one of our properties. Impairment charges also included an $83 million write-down of certain power related assets at our Pueblo Viejo project as a result of a decision to proceed with an alternative long-term power solution.

Expected future cash flows used to determine the FVLCS used in the impairment testing of goodwill and non-current assets are inherently uncertain and could materially change over time. The cash flows are significantly affected by a number of factors including estimates of production levels, operating costs and capital expenditures reflected in our LOM plans; as well as economic factors beyond management's control, such as gold, copper and oil prices; discount rates; and observable NAV multiples. Should management's estimate of the future not reflect actual events, further impairments may be identified.

For purposes of testing for impairment of non-current assets of our gold, copper and oil and gas segments, a reasonably possible change in the key assumptions used to estimate the FVLCS could result in an impairment charge at one or more of our CGUs. The carrying value of the net assets of CGUs that are most sensitive to changes in the key assumptions are:

As at December 31, 2011	Carrying Value
Lumwana	**$ 3,538**
Jabal Sayid	**1,160**
Buzwagi	**634**
Barrick Energy CGUs	**231**
Pierina	**51**

19 > OTHER ASSETS

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010
Derivative assets (note 22f)	**$ 455**	$ 511	$ 290
Goods and services taxes recoverable [1]	**272**	138	121
Notes receivable	**121**	90	94
Other	**154**	134	144
	$ 1,002	$ 873	$ 649

[1] Includes $209 million and $63 million in VAT and fuel tax receivables in South America and Africa, respectively (2010: $75 million and $63 million, respectively).

20 > ACCOUNTS PAYABLE

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010
Accounts payable	**$ 963**	$ 790	$ 612
Accruals	**1,120**	721	609
	$ 2,083	$ 1,511	$ 1,221

21 > OTHER CURRENT LIABILITIES

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010
Provision for environmental rehabilitation (note 24)	**$ 79**	$ 88	$ 85
Derivative liabilities (note 22f)	**22**	173	180
Post-retirement benefits (note 32b)	**14**	10	16
Restricted stock units (note 31b)	**27**	51	26
Contingent purchase consideration[1]	**50**	-	-
Other	**134**	94	59
	$ 326	$ 416	$ 366

[1] Represents the contingent purchase consideration arising on our acquisition of the additional 40% interest in our Cortez property in 2008. Consideration of $1,695 million was recognized on acquisition in 2008.

22 > 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 consolidated financial statements as follows: accounts receivable – note 16; investments – note 14; restricted share units – note 31b.

A Cash and Equivalents

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

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010
Cash deposits	**$ 1,009**	$ 1,345	$ 509
Term deposits	**278**	1,236	298
Treasury bills	**-**	-	125
Money market investments	**1,458**	1,387	1,632
	$ 2,745	$ 3,968	$ 2,564

B Long-Term Debt[1]

	2011				2010				
	At December 31	**Proceeds**	**Repayments**	**Amortization and Other[2]**	At December 31	Proceeds	Repayments	Amortization and Other[2]	At January 1
1.75%/2.9%/4.4%/5.7% notes[3]	**$ 3,972**	**$ 4,000**	**$ -**	**$ (28)**	$ -	$ -	$ -	$ -	$ -
5.80%/4.875% notes[4]	**750**	**-**	**-**	**-**	750	-	-	4	746
5.75%/6.35% notes[5]	**988**	**-**	**-**	**-**	988	-	-	1	987
Other fixed rate notes	**3,190**	**-**	**-**	**-**	3,190	-	-	6	3,184
Convertible senior debentures[6]	**-**	**-**	**-**	**-**	-	-	176	3	173
Project financing	**873**	**148**	**-**	**(16)**	741	754	62	(8)	57
Capital leases	**203**	**-**	**20**	**151**	72	-	24	34	62
Other debt obligations[7]	**899**	**-**	**-**	**2**	897	-	63	(9)	969
First credit facility[8]	**1,500**	**1,500**	**-**	**-**	-	-	-	-	-
Second credit facility[9]	**994**	**1,000**	**-**	**(6)**	-	-	-	-	-
	$ 13,369	**$ 6,648**	**$ 20**	**$ 103**	$ 6,638	$ 754	$ 325	$ 31	$ 6,178
Less: current portion[10]	**(196)**	**-**	**-**	**-**	(14)	-	-	-	(54)
	$ 13,173	**$ 6,648**	**$ 20**	**$ 103**	$ 6,624	$ 754	$ 325	$ 31	$ 6,124

[1] The agreements that govern our long-term debt each contain various provisions which are not summarized herein. In certain cases, these provisions allow Barrick to, at its option, redeem indebtedness prior to maturity at specified prices and also may permit redemption of debt by Barrick upon the occurrence of certain specified changes in tax legislation.

[2] Amortization of debt premium/discount and increases in capital leases.

[3] In June 2011, we issued an aggregate of $4 billion of debentures to finance a portion of the acquisition of Equinox. They are comprised of: $700 million at a $1 million discount that matures on May 30, 2014, $1.1 billion at a $1 million discount that matures on May 30, 2016, $1.35 billion at a $1 million discount that matures on May 30, 2021, and $850 million at a $4 million discount that matures on May 30, 2041.

[4] During third quarter 2004, we issued $400 million of debentures at a $3 million discount that mature on November 15, 2034 and $350 million of debentures at a $2 million discount that mature on November 15, 2014.

[5] $400 million of US dollar notes with a coupon rate of 5.75% mature in 2016 and $600 million of US dollar notes with a coupon rate of 6.35% mature in 2036.

[6] On October 20, 2010 we redeemed all of our entire outstanding Placer Dome 2.75% Convertible Senior Debentures due 2023.

[7] The obligations have an aggregate amount of $899 million, of which $100 million is subject to floating interest rates and $799 million is subject to fixed interest rates ranging from 4.75% to 8.05%. The obligations mature at various times between 2012 and 2035.

[8] 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 $1.5 billion or the equivalent amount in Canadian currency. The credit facility, which is unsecured, has an interest rate of LIBOR plus 0.25% to 0.35% on drawn down amounts, and a commitment rate of 0.07% to 0.08% on undrawn amounts. $50 million matures in 2012 and the remaining $1.45 billion matures in 2013.

[9] We have a credit and guarantee agreement with a group of banks which requires the Lenders to make available to us a credit facility of up to $2 billion or the equivalent amount in Canadian currency. The credit facility, which is unsecured, has an interest rate of LIBOR plus 1.25% on drawn down amounts, and a commitment rate of 0.20% on undrawn amounts. In January 2012, the $2 billion facility was terminated and the $1 billion drawn was transferred to the new $4 billion facility.

[10] The current portion of long-term debt consists of capital leases ($78 million, 2010: $14 million), other debt obligations ($68 million, 2010: $nil) and the first credit facility ($50 million, 2010: $nil).

Equinox Acquisition Financing

In May 2011, we entered into a credit and guarantee agreement (the “second credit facility”) with the Lenders, which required the Lenders to make available to us a credit facility of $2 billion or the equivalent amount in Canadian dollars. The second credit facility, which is unsecured, has an interest rate of LIBOR plus 1.25% on drawn down amounts, and a commitment rate of 0.20% on undrawn amounts. The second credit facility matures in 2016.

In June 2011, we drew $1 billion on the second credit facility to finance a portion of the acquisition of Equinox, including the payment of related fees and expenses. At December 31, 2011, the undrawn amount on the second credit facility was $1 billion.

In June 2011, Barrick, and our wholly-owned subsidiary Barrick North America Finance LLC ("BNAF"), issued an aggregate of $4.0 billion in debt securities comprised of: $700 million of 1.75% notes due 2014 and $1.1 billion of 2.90% notes due 2016 issued by Barrick (collectively, the “Barrick Notes”) as well as $1.35 billion of 4.40% notes due 2021 and $850 million of 5.70% notes due 2041 issued by BNAF (collectively, the “BNAF Notes”). Barrick provides an

unconditional and irrevocable guarantee of the BNAF Notes. The Barrick Notes and the guarantee in respect of the BNAF Notes will rank equally with Barrick's other unsecured and unsubordinated obligations.

The net proceeds from this offering were used in June 2011 to finance a portion of the acquisition of Equinox, including the payment of related fees and expenses.

First Credit Facility
We also have a credit and guarantee agreement (the "first credit facility") with the Lenders, which requires the Lenders to make available to us a credit facility of up to $1.5 billion or the equivalent amount in Canadian dollars. The first credit facility, which is unsecured, has an interest rate of LIBOR plus 0.25% to 0.35% on drawn down amounts, and a commitment rate of 0.07% to 0.08% on undrawn amounts. $50 million matures in 2012 and the remaining $1.45 billion matures in 2013.

In May 2011, we drew $1.5 billion on the first credit facility to finance a portion of the acquisition of Equinox Minerals Limited, including the payment of related fees and expenses.

Pueblo Viejo Project Financing Agreement
In April 2010, Barrick and Goldcorp finalized terms for $1.035 billion (100% basis) in non-recourse project financing for Pueblo Viejo. The lending syndicate is comprised of international financial institutions including export development agencies and commercial banks. The amount is divided into three tranches of $400 million, $375 million and $260 million with tenors of 15, 15 and 12 years, respectively. The $400 million tranche bears a coupon of LIBOR+3.25% pre-completion and scales gradually to LIBOR+5.10% (inclusive of political risk insurance premium) for years 13-15. The $375 million tranche bears a fixed coupon of 4.02% for the entire 15 years. The $260 million tranche bears a coupon of LIBOR+3.25% pre-completion and scales gradually to LIBOR+4.85% (inclusive of political risk insurance premium) for years 11-12. Barrick and Goldcorp each provided a guarantee for their proportionate share which will terminate upon Pueblo Viejo meeting certain operating completion tests and are subject to an exclusion for certain political risk events. In June 2010 we received $782 million (100% basis), less financing fees of $28 million on this financing agreement by fully drawing on the $400 million and $260 million tranches and a portion of the $375 million tranche. In March 2011, we received $159 million (100% basis) less financing fees of $15 million on this financing agreement.

Redemption of Convertible Senior Debentures
On October 20, 2010 (the "Redemption Date") we redeemed our entire outstanding Placer Dome 2.75% Convertible Senior Debentures due 2023 (the "Debentures"). The registered holders of the Debentures were to receive a redemption price of 100.825% of the principal amount outstanding, plus accrued and unpaid interest to the Redemption Date, for a total of $1,008.63 per $1,000.00 principal amount of Debentures if the conversion option was not exercised.

Effective September 1, 2010 to October 19, 2010, the conversion rate per each $1,000 principal amount of Securities was 40.9378 common shares. Substantially all the holders of these debentures exercised their right to convert these Securities into common shares. No gain or loss was recognized in the income statement on conversion.

Other Fixed Rate Notes
On October 16, 2009, we issued two tranches of debentures totaling $1.25 billion through our wholly-owned indirect subsidiary Barrick (PD) Australia Finance Pty Ltd. ("BPDAF") consisting of $850 million of 30-year notes with a coupon rate of 5.95%, and $400 million of 10-year notes with a coupon rate of 4.95% (collectively the "Notes"). BPDAF used the proceeds to provide loans to us for settling the Gold Hedges and some of the Floating Contracts. In exchange, we provide sufficient funds to BPDAF to meet the principal and interest obligations on the notes. We also provided an unconditional and irrevocable guarantee of these payments, which will rank equally with our other unsecured and unsubordinated obligations.

On March 19, 2009, we issued an aggregate of $750 million of 10-year notes with a coupon rate of 6.95% for general corporate purposes. The notes are unsecured, unsubordinated obligations and will rank equally with our other unsecured, unsubordinated obligations.

In September, 2008, we issued an aggregate of $1.25 billion of notes through our wholly-owned indirect subsidiaries Barrick North America Finance LLC and Barrick Gold Financeco LLC (collectively the "LLCs") consisting of $500 million of 5-year notes with a coupon rate of 6.125%, $500 million of 10-year notes with a coupon rate of 6.8%, and $250 million of 30-year notes with a coupon rate of 7.5% (collectively the "Notes"). The LLCs used the proceeds to provide loans to us. We provide sufficient funds to the LLCs to meet the principal and interest obligations on the notes. We also provided an unconditional and irrevocable guarantee of these payments, which will rank equally with our other unsecured and unsubordinated obligations.

Refinancing of Second Credit Facility
In January 2012, we finalized a credit and guarantee agreement with the Lenders, which required the Lenders to make available to us a credit facility of $4 billion or the equivalent amount of Canadian dollars. The credit facility, which is unsecured, has an interest rate of LIBOR plus 1.00% on drawn amounts, and a commitment rate of 0.15% on undrawn amounts. The $4 billion facility matures in 2017. Coincident with this agreement becoming effective, we terminated the $2 billion facility that was set to mature in 2016 and transferred the $1 billion drawn on the $2 billion facility to the new $4 billion facility.

Debt Issue Costs
In 2011, a total of $34 million of debt issue costs arose from the Equinox acquisition financing. In 2010, a total of $9 million of debt issue costs arose from the non-recourse project financing for Pueblo Viejo.

Amortization of debt issue costs is calculated using the interest method over the term of each debt obligation and is classified as a component of interest cost.

Interest

	2011		2010	
For the years ended December 31	**Interest cost**	**Effective rate[1]**	Interest cost	Effective rate[1]
1.75%/2.9%/4.4%/5.7% notes	**$ 88**	**3.77%**	$ -	0.00%
5.80%/4.875% notes	**42**	**5.63%**	41	5.48%
5.75%/6.35% notes	**62**	**6.22%**	62	6.22%
Other fixed rate notes	**212**	**6.27%**	211	6.49%
Convertible senior debentures	**-**	**-**	2	1.30%
Project financing	**36**	**4.22%**	16	3.65%
Capital leases	**7**	**5.03%**	3	4.30%
Other debt obligations	**48**	**5.30%**	47	4.94%
First credit facility	**5**	**0.56%**	-	-
Second credit facility	**10**	**1.62%**	-	-
Deposit on silver sale agreement (note 26)	**33**	**8.59%**	19	8.59%
Accretion	**52**		21	
Other interest	**12**		43	
	$ 607		$ 465	
Less: interest capitalized	**(408)**		(285)	
	$ 199		$ 180	
Cash interest paid	**$ 519**		$ 428	
Amortization of debt issue costs	**17**		4	
Amortization of premium (discount)	**(3)**		2	
Increase in interest accruals	**22**		10	
Accretion	**52**		21	
Interest cost	**$ 607**		$ 465	

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

Scheduled Debt Repayments

	2012	2013	2014	2015	2016	2017 and thereafter
1.75%/2.9%/4.4%/5.7% notes	$ -	$ -	$ 700	$ -	$ 1,100	$ 2,200
5.80%/4.875% notes	-	-	350	-	-	400
5.75%/6.35% notes	-	-	-	-	400	600
Other fixed rate notes	-	500	-	-	-	2,750
Project financing	-	45	90	90	90	626
Other debt obligations	118	66	-	100	-	566
First credit facility	50	1,450	-	-		-
Second credit facility[1]	-	-	-	-	1,000	-
	$ 168	$ 2,061	$ 1,140	$ 190	$ 2,590	$ 7,142
Minimum annual payments under capital leases	$ 28	$ 30	$ 26	$24	$ 16	$19

[1] In January 2012 we finalized a credit and guarantee agreement with a group of banks which required the Lenders to make available to us a credit facility of up to $4 billion or the equivalent amount of Canadian dollars. Coincident with this agreement becoming effective, we terminated the $2 billion facility that was set to mature in 2016 and transferred the $1 billion drawn on the $2 billion facility to the new $4 billion facility. As a result, there are no scheduled repayments on this new facility prior to 2017 and have enough undrawn debt capacity to replace debt coming due in 2012 and 2013.

C Derivative Instruments ("Derivatives")

In the normal course of business, our assets, liabilities and forecasted transactions, as reported in US dollars, are impacted by various market risks including, but not limited to:

Item	Impacted by
• Sales	• Prices of gold, copper, oil and natural gas
• Cost of sales	
◦ Consumption of diesel fuel, propane, natural gas, and electricity	◦ Prices of diesel fuel, propane, natural gas, and electricity
◦ Non-US dollar expenditures	◦ Currency exchange rates – US dollar versus A$, ARS, C$, CLP, JPY, PGK, TZS, ZAR and ZMK
◦ By-product credits	◦ Prices of silver and copper
• Corporate and regional administration, exploration and evaluation costs	• Currency exchange rates – US dollar versus A$, ARS, C$, CLP, JPY, PGK, TZS and ZAR
• Capital expenditures	
◦ Non-US dollar capital expenditures	◦ Currency exchange rates – US dollar versus A$, ARS, C$, CLP, EUR and PGK
◦ Consumption of steel	◦ Price of steel
• Interest earned on cash and equivalents	• US dollar interest rates
• Interest paid on fixed-rate borrowings	• US dollar interest rates

The time frame and manner in which we manage those 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 appropriate way of managing the risk.

We use derivatives as part of our risk management program to mitigate variability associated with changing market values related to the hedged item. Many of the derivatives we use meet the hedge effectiveness criteria and are designated in a hedge accounting relationship.

Certain derivatives are designated as either hedges of the fair value of recognized assets or liabilities or of firm commitments ("fair value hedges") or hedges of highly probable forecasted transactions ("cash flow hedges"), collectively known as "accounting hedges". Hedges that are expected to be highly effective in achieving offsetting changes in fair value or cash flows are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Some of the derivative instruments we use are effective in achieving our risk management objectives, but they do not meet the strict hedge effectiveness criteria. These derivatives are considered to be "non-hedge derivatives". We also enter into derivative instruments with the objective of realizing trading gains to increase our reported net income. These derivatives are also considered to be "non-hedge derivatives".

D Summary of Derivatives at December 31, 2011

	Notional Amount by Term to Maturity				Accounting Classification by Notional Amount			
	Within 1 year	2 to 3 years	4 to 5 years	Total	Cash flow hedge	Fair value hedge	Non-Hedge	Fair value (USD)
US dollar interest rate contracts								
Total receive - fixed swap positions	$ -	$ 200	$ -	$ 200	$ -	$ 200	$ -	$ 7
Currency contracts								
A$:US$ contracts (A$ millions)	2,057	1,640	774	4,471	4,071	-	400	610
C$:US$ contracts (C$ millions)	935	304	-	1,239	767	-	472	2
CLP:US$ contracts (CLP millions) [1]	289,789	510,341	-	800,130	161,670	-	638,460	(29)
EUR:US$ contracts (EUR millions)	35	-	-	35	35	-	-	(3)
PGK:US$ contracts (PGK millions)	40	-	-	40	-	-	40	-
ZAR:US$ contracts (ZAR millions)	416	94	-	510	-	-	510	1
Commodity contracts								
Copper collar sell contracts (millions of pounds)	249	-	-	249	238	-	11	129
Copper bought floor contracts (millions of pounds)	40	-	-	40	40	-	-	21
Copper bought call contracts (millions of pounds)	238	-	-	238	-	-	238	5
Silver collar sell contracts (millions of ounces)	-	15	30	45	45	-	-	115
Diesel contracts (thousands of barrels) [2]	1,939	3,043	-	4,982	3,552	-	1,430	37
Propane contracts (millions of gallons)	4	-	-	4	4	-	-	2
Electricity contracts (thousands of megawatt hours)	35	22	-	57	-	-	57	1

[1] Non-hedge contracts economically hedge pre-production capital expenditures at our Pascua-Lama project and operating/administration costs at various South American locations.
[2] Diesel commodity contracts represent a combination of WTI, BRENT, ULSD and BRENT/WTI spread swaps, WTB, MOPS and JET hedge contracts. These derivatives hedge physical supply contracts based on the price of ULSD, WTB, MOPS and JET, respectively, plus a spread. WTI represents West Texas Intermediate, BRENT represents Brent Crude Oil, WTB represents Waterborne, MOPS represents Mean of Platts Singapore, JET represents Jet Fuel, ULSD represents Ultra Low Sulfur Diesel US Gulf Coast.

Fair Values of Derivative Instruments

	Asset Derivatives				Liability Derivatives			
	Balance Sheet Classification	**Fair Value as at December 31, 2011**	Fair Value as at December 31, 2010	Fair Value as at January 1, 2010	Balance Sheet Classification	**Fair Value as at December 31, 2011**	Fair Value as at December 31, 2010	Fair Value as at January 1, 2010
Derivatives designated as hedging instruments								
US dollar interest rate contracts	Other assets	**$ 7**	$ 6	$ -	Other liabilities	**$ -**	$ -	$ -
Currency contracts	Other assets	**629**	831	374	Other liabilities	**26**	1	9
Commodity contracts	Other assets	**312**	112	53	Other liabilities	**6**	192	131
Total derivatives classified as hedging instruments		**$ 948**	$ 949	$ 427		**$ 32**	$ 193	$ 140
Derivatives not designated as hedging instruments								
US dollar interest rate contracts	Other assets	**$ -**	$ -	$ 1	Other liabilities	**$ -**	$ 5	$ 7
Currency contracts	Other assets	**4**	30	15	Other liabilities	**26**	7	9
Commodity contracts	Other assets	**10**	147	61	Other liabilities	**6**	73	43
Total derivatives not designated as hedging instruments		**$ 14**	$ 177	$ 77		**$ 32**	$ 85	$ 59
Total derivatives		**$ 962**	$ 1,126	$ 504		**$ 64**	$ 278	$ 199

US Dollar Interest Rate Contracts

Fair Value Hedges

We have a $200 million receive fixed swap position outstanding that is used to hedge changes in the fair value of a portion of our long-term fixed-rate debt. The effective portion of changes in the fair value of the swap contracts is recorded in interest expense. Gains and losses from hedge ineffectiveness are recognized in current earnings, classified in the consolidated statement of income as gains/(losses) on non-hedge derivatives.

Currency Contracts

Cash Flow Hedges

During the year, currency contracts totaling A$ 1,693 million, CAD$ 522 million, EUR 25 million, and CLP 162 billion have been designated against forecasted non-US dollar denominated expenditures, some of which are hedges which matured within the year. In total, we have AUD$ 4,071 million, CAD$ 767 million, EUR 35 million, and CLP 162 billion designated as cash flow hedges of our anticipated operating, administrative, sustaining capital and project capital spend. The outstanding contracts hedge the variability of the US dollar amount of those expenditures caused by changes in currency exchange rates over the next five years. The effective portion of changes in fair value of the currency contracts is recorded in OCI until the forecasted expenditure impacts earnings. Gains and losses from hedge ineffectiveness are recognized in current earnings classified in the consolidated statement of income as gains (losses) on non-hedge derivatives.

Non-hedge Derivatives

We concluded that CLP 638 billion of derivatives contracts do not meet the strict hedge effectiveness criteria. These contracts represent an economic hedge of operating and administrative expenses at various South America locations, and pre-production capital expenditures at our Pascua Lama and Cerro Casale projects. Also, ZAR 510 million represents an economic hedge of our anticipated operating and administrative spending at various locations in Africa. Although not qualifying as accounting hedges, the contracts protect us against the variability of CLP and ZAR to the US dollar. The remaining non-hedge currency contracts are used to mitigate the variability of the US dollar amount of non-US dollar denominated exposures that do not meet the strict hedge effectiveness criteria. Changes in the fair value of the non-hedge currency contracts are recorded in the consolidated statement of income as gains (losses) on non-hedge derivatives.

During the year, we wrote a combination of AUD put and call options with an outstanding notional amount of AUD $400 million at December 31, 2011. We also wrote CAD put option contracts with an outstanding notional amount of CAD $445 million at December 31, 2011. As a result of these activities we earned $30 million in premium income, recognized in the consolidated statement of income as gains on non-hedge derivatives.

Commodity Contracts

Diesel/Propane/Electricity/Natural Gas

Cash Flow Hedges

In total, we have fuel contracts totaling 2,793 thousand barrels of diesel, 759 thousand barrels of Brent crude, and 4 million gallons of propane designated as cash flow hedges of our anticipated usage of fuels in our operations. The designated contracts act as a hedge against the variability in market prices. The effective portion of changes in the fair value of the commodity contracts is recorded in OCI until the forecasted transaction impacts earnings. Gains and losses from hedge ineffectiveness are recognized in current earnings, classified in the consolidated statement of income as gains (losses) on non-hedge derivatives.

Non-hedge Derivatives

As a result of de-designating all existing WTI contracts on January 1, 2011 due to a change in our diesel fuel supply contract, we currently have $26 million of crystallized gains in OCI as at December 31, 2011, remaining from the original total of $35 million. The hedged item is still expected to occur and therefore amounts crystallized in OCI will be recorded in cost of sales when the originally designated exposures occur over the next 24 months. During the year, we entered into 1,340 thousand barrels of WTI, and 480 thousand barrels of Brent-WTI swaps to economically hedge our exposure to forecasted fuel purchases for expected consumption at our mines.

Non-hedge electricity contracts of 57 thousand megawatt hours are used to mitigate the risk of price changes on electricity consumption at Barrick Energy. Although not qualifying as an accounting hedge, the contracts protect Barrick to a significant extent from the effects of changes in electricity prices. Changes in the unrealized and realized fair value of non-hedge electricity contracts are recognized in the consolidated statement of income as gains (losses) on non-hedge derivatives.

During the year, we wrote two million barrels of WTI put options all of which have expired. As a result of this activity, we recorded $4 million in realized gains on premiums recognized in the consolidated statement of income as gains (losses) on non-hedge derivatives.

Metals Contracts

Cash Flow Hedges

During the year, we purchased 238 million pounds of copper collar contracts to designate as hedges against copper cathode sales at our Zaldivar mine in 2012. These contracts contain purchased put and sold call options with weighted average strike prices of $3.75/lb and $5.50/lb, respectively. In addition, we purchased 40 million pounds of copper floors with a weighted average strike price of $3.74/lb. We paid premiums of $71 million to purchase these contracts. These contracts were designated as cash flow hedges, with the effective portion of the hedge recognized in AOCI and the ineffective portion, together with the changes in time value, recognized in non-hedge derivative gains (losses). These contracts mature evenly throughout 2012.

Silver collar contracts totaling 45 million ounces have been designated as hedges against silver bullion sales from our silver producing mines. These contracts contain purchased put and sold call options with weighted average strike prices of $23/oz and $57/oz, respectively.

Our copper and silver collar contracts have been designated as accounting hedges and the effective portion of changes in fair value of these contracts is recorded in OCI until the forecasted sale impacts earnings. Any changes in the fair value of collar contracts due to changes in time value are excluded from hedge effectiveness assessment and are consequently recognized in the consolidated statement of income. Provided that spot copper and silver prices remain within the collar band, any unrealized gain (loss) on the collar will be attributable to time value.

During the year, we recorded unrealized gains on our copper collars and silver collars of $94 million and $64 million, respectively, due to changes in time value. This was included in current period earnings as gains on non-hedge derivative activities. Gains and losses from hedge ineffectiveness and the excluded time value of options are recognized in the consolidated statement of income as gains on non-hedge derivatives.

Non-Hedge Derivatives

We have purchased call options outstanding to economically remove the cap of $5.50/lb on the entire 238 million pounds of copper collars. Premiums of $6 million were paid to purchase these contracts. These contracts mature evenly throughout 2012. Changes in the unrealized and realized fair value of these copper positions are recognized in the consolidated statement of income as gains (losses) on non-hedge derivatives.

We enter into purchased and written contracts with the primary objective of increasing the realized price on our gold sales. During the year, we held net purchased gold long forward positions with an average outstanding notional of 0.3 million ounces. We also wrote gold put and call options with an average outstanding notional of 0.1 million and 0.1 million ounces, respectively. As a result of

these activities, we recorded realized gains of $43 million in the consolidated statement of income as gains on non-hedge derivatives. There are no outstanding gold positions at December 31, 2011.

Cash Flow Hedge Gains (Losses) in AOCI

	Commodity price hedges			Currency hedges			Interest rate hedges	
	Gold/Silver[1]	Copper	Fuel	Operating costs	Administration/other costs	Capital expenditures	Long-term debt	Total
At January 1, 2010	$ 3	$ (33)	$ (4)	$ 309	$ 19	$ 25	$ (30)	$ 289
Effective portion of change in fair value of hedging instruments	-	(41)	29	552	56	53	-	649
Transfers to earnings:								
On recording hedged items in earnings	(2)	54	26	(145)	(33)	(13)	3	(110)
At December 31, 2010	$ 1	$ (20)	$ 51	$ 716	$ 42	$ 65	$ (27)	$ 828
Effective portion of change in fair value of hedging instruments	46	128	26	200	1	17	(7)	411
Transfers to earnings:								
On recording hedged items in earnings/PP&E[1]	(3)	(22)	(48)	(344)	(24)	(64)	3	(502)
Hedge ineffectiveness due to changes in original forecasted transaction	-	(4)	-	-	-	-	-	(4)
At December 31, 2011	$ 44	$ 82	$29	$ 572	$ 19	$ 18	$ (31)	$ 733

Hedge gains/losses classified within	Cost of sales	Copper sales	Cost of sales	Cost of sales	Administration/other expense	Property, plant, and equipment	Interest expense	
Portion of hedge gain (loss) expected to affect 2012 earnings[2]	$ -	$ 82	$ 20	$ 278	$ 19	$ 7	$ (3)	$ 403

[1] Realized gains (losses) on qualifying currency hedges of capital expenditures are transferred from OCI to PP&E on settlement.
[2] Based on the fair value of hedge contracts at December 31, 2011.

Cash Flow Hedge Gains (Losses) at December 31

Derivatives in cash flow hedging relationships	Amount of gain (loss) recognized in OCI		Location of gain (loss) transferred from OCI into income/PP&E (effective portion)	Amount of gain (loss) transferred from OCI into income (effective portion)		Location of gain (loss) recognized in income (ineffective portion and amount excluded from effectiveness testing)	Amount of gain (loss) recognized in income (ineffective portion and amount excluded from effectiveness testing)	
	2011	2010		**2011**	2010		**2011**	2010
Interest rate contracts	**$ (7)**	$ -	Finance income/finance costs	**$ (3)**	$ (3)	Gain (loss) on non-hedge derivatives	**$ -**	$ 3
Foreign exchange contracts	**218**	661	Cost of sales/corporate administration	**432**	191	Gain (loss) on non-hedge derivatives	**(2)**	-
Commodity contracts	**200**	(12)	Revenue/cost of sales	**73**	(78)	Gain (loss) on non-hedge derivatives	**168**	(25)
Total	**$ 411**	$ 649		**$ 502**	$ 110		**$ 166**	$ (22)

Fair Value Hedge Gains at December 31

Derivatives in fair value hedging relationships	Location of gain (loss) recognized in income on derivative	Amount of gain (loss) recognized in income on derivative	
		2011	2010
Interest rate contracts	Interest income/expense	**$ 2**	$ 5

E Gains (Losses) on Non-hedge Derivatives

For the years ended December 31	**2011**	2010
Gains (losses) on non-hedge derivatives		
Commodity contracts		
Gold	**$ 43**	$ 26
Copper	**(85)**	41
Fuel	**(1)**	-
Currency contracts	**(48)**	29
Interest rate contracts	**6**	(2)
	$ (85)	$ 94
Gains (losses) attributable to silver option collar hedges[1]	**$ 64**	$ (15)
Gains (losses) attributable to copper option collar hedges[1]	**94**	(19)
Gains (losses) attributable to currency option collar hedges[1]	**(2)**	(4)
Hedge ineffectiveness	**10**	13
	$ 166	$ (25)
	$ 81	$ 69

[1] Represents unrealized gains (losses) attributable to changes in time value of the collars, which are excluded from the hedge effectiveness assessment.

F Derivative Assets and Liabilities

	2011	2010
At January 1	**$ 848**	$ 305
Derivatives cash (inflow) outflow		
Operating activities	**(428)**	(168)
Financing activities	**7**	(12)
Change in fair value of:		
Non-hedge derivatives	**(85)**	103
Cash flow hedges:		
Effective portion	**411**	635
Ineffective portion	**-**	14
Fair value hedges	**(21)**	5
Excluded from effectiveness changes	**166**	(34)
At December 31	**$ 898**	$ 848
Classification:		
Other current assets	**$ 507**	$ 615
Other long-term assets	**455**	511
Other current liabilities	**(22)**	(173)
Other long-term obligations	**(42)**	(105)
	$ 898	$ 848

23 > FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

A Assets and Liabilities Measured at Fair Value on a Recurring Basis

Fair Value Measurements at December 31, 2011				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Aggregate Fair Value
Cash and equivalents	$ 2,745	$ -	$ -	$ 2,745
Available-for-sale securities	161	-	-	161
Derivatives	-	898	-	898
Receivables from provisional copper and gold sales	-	206	-	206
	$ 2,906	$ 1,104	$ -	$ 4,010

B Fair Values of Financial Assets and Liabilities

	At December 31, 2011		At December 31, 2010		At January 1, 2010	
	Carrying amount	**Estimated fair value**	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial assets						
Cash and equivalents[1]	**$ 2,745**	**$ 2,745**	$3,968	$ 3,968	$ 2,564	$ 2,564
Accounts receivable[1]	**426**	**426**	370	370	259	259
Other receivables	**743**	**743**	623	623	472	472
Available-for-sale securities[2]	**161**	**161**	171	171	62	62
Derivative assets	**962**	**962**	1,126	1,126	504	504
	$ 5,037	**$ 5,037**	$6,258	$ 6,258	$ 3,861	$ 3,861
Financial liabilities						
Accounts payable[1]	**$ 2,083**	**$ 2,083**	$1,511	$ 1,511	$ 1,221	$ 1,221
Long-term debt[3]	**13,369**	**14,374**	6,638	7,070	6,178	6,723
Derivative liabilities	**64**	**64**	278	278	199	199
Other liabilities	**202**	**202**	111	111	8	8
Settlement obligation to close out gold sales contracts	**-**	**-**	-	-	647	647
Pension liabilities	**136**	**136**	111	111	109	109
Stock-based payments[4]	**57**	**57**	80	80	56	56
	$ 15,911	**$16,916**	$ 8,729	$ 9,161	$ 8,418	$ 8,963

[1] Fair value approximates the carrying amounts due to the short-term nature and historically negligible credit losses.
[2] Recorded at fair value. Quoted market prices are used to determine fair value.
[3] Long-term debt is generally recorded at amortized cost except for obligations that are designated in a fair-value hedge relationship, in which case the carrying amount is adjusted for changes in fair value of the hedging instrument in periods when a hedge relationship exists. The fair value of long-term debt is primarily determined using quoted market prices. Balance includes current portion of long-term debt.
[4] Recorded at fair value based on our period-end closing market share price.

C Assets Measured at Fair Value on a Non-Recurring Basis

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
Property, plant and equipment[1]	$ -	$ -	$ 430	$ 430

1 Property, plant and equipment with a carrying amount of $562 million were written down to their fair value of $430 million, resulting in an impairment of $132 million, which was included in earnings this period.

Valuation Techniques

Cash Equivalents

The fair value of our cash equivalents is classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices in active markets. Our cash equivalents are comprised of U.S. Treasury bills and money market securities that are invested primarily in U.S. Treasury bills.

Available-for-Sale Securities

The fair value of available-for-sale securities is determined based on a market approach reflecting the closing price of each particular security at the balance sheet date. The closing price is a quoted market price obtained from the exchange that is the principal active market for the particular security, and therefore available-for-sale securities are classified within Level 1 of the fair value hierarchy.

Derivative Instruments

The fair value of derivative instruments is determined using either present value techniques or option pricing models that utilize a variety of inputs that are a combination of quoted prices and market-corroborated inputs. The fair values of all our derivative contracts include an adjustment for credit risk. For counterparties in a net asset position, credit risk is based upon the observed credit default swap spread for each particular counterparty, as appropriate. For counterparties in a net liability position, credit risk is based upon Barrick's observed credit default swap spread. The fair value of US dollar interest rate and currency swap contracts is determined by discounting contracted cash flows using a discount rate derived from observed LIBOR and swap rate curves and CDS rates. In the case of currency contracts, we convert non-US dollar cash flows into US dollars using an exchange rate derived from currency swap curves and CDS rates. The fair value of commodity forward contracts is determined by discounting contractual cash flows using a discount rate derived from observed LIBOR and swap rate curves and CDS rates. Contractual cash flows are calculated using a forward pricing curve derived from observed forward prices for each commodity. Derivative instruments are classified within Level 2 of the fair value hierarchy.

Receivables from Provisional Copper and Gold Sales

The fair value of receivables rising from copper and gold sales contracts that contain provisional pricing mechanisms is determined using the appropriate quoted forward price from the exchange that is the principal active market for the particular metal. As such, these receivables are classified within Level 2 of the fair value hierarchy.

Property, Plant and Equipment

The fair value of property, plant and equipment is determined primarily using an income approach based on unobservable cash flows and, as a result are classified within Level 3 of the fair value hierarchy. Refer to note 17.

24 > PROVISIONS AND ENVIRONMENTAL REHABILITATION

A Provisions

	As at December 31, 2011	As at December 31, 2010	As at January 1, 2010
Environmental rehabilitation	**$ 2,080**	$ 1,533	$ 1,191
Pension benefits	**124**	103	96
Other post-retirement benefits	**22**	25	26
RSUs	**22**	20	23
Other	**78**	87	72
	$ 2,326	$ 1,768	$ 1,408

B Environmental Rehabilitation

	2011	2010
At January 1	**$ 1,621**	$ 1,301
PERs acquired (divested) during the year	**67**	(25)
PERs arising in the year	**391**	332
Impact of revisions to expected cash flows recorded in earnings	**75**	39
Settlements		
Cash payments	**(44)**	(44)
Settlement gains	**(3)**	(3)
Accretion	**52**	21
At December 31	**2,159**	1,621
Current portion (note 21)	**(79)**	(88)
	$ 2,080	$ 1,533

The eventual settlement of all PERs is expected to take place between 2012 and 2052.

The PER has increased from the third quarter 2011 by $223 million primarily due to changes in discount rates and PER's acquired in acquisitions.

At December 31	2011	2010
Operating mines and development properties		
PER increase[1]	**$ 434**	$295
Closed mines		
PER increase[2]	**79**	41
Barrick Energy		
PER increase[1]	**33**	15

[1] 2011 increase includes discount rate adjustments of $205 million, accretion of $89 million, an increase due to the acquisition of the Lumwana mine of $53 million, and accretion of $38 million.
[2] For closed mines, any change in the fair value of PER results in a corresponding charge or credit to other expense or other income, respectively.

25 > FINANCIAL RISK MANAGEMENT

Our financial instruments are comprised of financial liabilities and financial assets. Our principal financial liabilities, other than derivatives, comprise accounts payable and debt. The main purpose of these financial instruments is to manage short-term cash flow and raise funds for our capital expenditure program. Our principal financial assets, other than derivative instruments, are cash and equivalents and accounts receivable, which arise directly from our operations. In the normal course of business, we use derivative instruments to mitigate exposure to various financial risks.

We manage our exposure to key financial risks in accordance with our financial risk management policy. The objective of the policy is to support the delivery of our financial targets while protecting future financial security. The main risks that could adversely affect our financial assets, liabilities or future cash flows are as follows:

a) Market risk, including commodity price risk, foreign currency and interest rate risk;
b) Credit risk;
c) Liquidity risk; and
d) Capital risk management.

Management designs strategies for managing each of these risks, which are summarized below. Our senior management oversees the management of financial risks. Our senior management ensures that our financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with our policies and our risk appetite. All derivative activities for risk management purposes are carried out by functions that have the appropriate skills, experience and supervision.

a) Market Risk

Market risk is the risk that changes in market factors, such as commodity prices, foreign exchange rates or interest rates, will affect the value of our financial instruments. We manage market risk by either accepting it or mitigating it through the use of derivatives and other economic hedging strategies.

Commodity Price Risk

Gold and Copper

We sell our gold and copper production in the world market. The market prices of gold and copper are the primary drivers of our profitability and ability to generate free cash flow. All of our future gold production is un-hedged in order to provide our shareholders with full exposure to changes in the market gold price. Our corporate treasury function implements hedging strategies on an opportunistic basis to protect us from downside price risk on our copper production. We have put in place floor protection on approximately half of our expected copper production for 2012 at an average price of $3.75 per pound and have full participation to any upside in copper prices. Our remaining copper production is subject to market prices.

Silver

We expect to produce significant amounts of silver as Pascua-Lama enters production in 2013. We utilize option collar strategies, whereby we have hedge protection on a total of 45 million ounces of expected silver production from 2013 to 2018, inclusive, to provide downside price risk protection on a portion of this future silver production.

Currently, changes in the market silver price only have a significant impact on the fair value of these collars.

Fuel

On average we consume approximately 4.5 million barrels of diesel fuel 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. Therefore, volatility in crude oil prices has a significant direct and indirect impact on our production costs. To mitigate this volatility, we employ a strategy of combining the use of financial contracts and our production from Barrick Energy to effectively hedge our exposure to oil prices.

The table below summarizes the impact of changes in the market price on gold, copper, silver and oil. The impact is expressed in terms of the resulting change in our profit after tax for the year or, where applicable, the change in equity. The sensitivities are based on the assumption that the market price changes by ten per cent with all other variables held constant.

Impact of a 10% change from year-end price

	Effect on Earnings		Effect on Equity	
Products	**2011**	2010	**2011**	2010
10% increase in gold price	**$ 776**	$ 650	**$ 776**	$ 650
10% increase in copper price	**143**	101	**46**	53
10% increase in silver price[1]	**(42)**	(21)	**(21)**	1
10% increase in oil price	**10**	8	**(1)**	(2)

	Effect on Earnings		Effect on Equity	
Products	**2011**	2010	**2011**	2010
10% decrease in gold price	**$ (776)**	$ (650)	**$ (776)**	$ (650)
10% decrease in copper price	**(130)**	(84)	**(47)**	(80)
10% decrease in silver price[1]	**32**	20	**30**	(1)
10% decrease in oil price	**(10)**	(8)	**1**	2

[1] Represents unrealized gains (losses) attributable to changes in fair value of the silver collars.

Foreign Currency Risk

The functional and reporting currency for our gold and copper segments and capital projects is the US dollar, while the functional currency of our oil and gas segment is the Canadian dollar. We report our results using the US dollar. The majority of our operating and capital expenditures are denominated and settled in US dollars. The largest single exposure we have is to the Australian dollar. We also have exposure to the Canadian dollar through a combination of Canadian mine operating costs and corporate administration costs; and to the Papua New Guinea kina, Peruvian sol, Chilean peso, Argentinean peso and Zambian Kwacha through mine operating costs. Consequently, fluctuations in the US dollar exchange rate against these currencies increase the volatility of cost of sales, corporate administration costs and overall net earnings, when translated into US dollars. To mitigate these inherent risks and provide greater certainty over our costs, we have foreign currency hedges in place for substantially all of our Australian and Canadian dollar exposures as well as a significant portion of our Chilean peso exposures. Consequently, the residual risk of foreign exchange fluctuations on our net earnings and financial position is not significant.

Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instruments will fluctuate due to changes in market interest rates. Currently, our interest rate exposure mainly relates to interest receipts on our cash balances ($2.7 billion at the end of the year); the mark-to market value of derivative instruments; the fair value and ongoing payments under US dollar interest-rate swaps; and to the interest payments on our variable-rate debt ($3.6 billion at December 31, 2011).

The following table shows the approximate interest rate sensitivities of our financial assets and liabilities as at December 31:

Impact of a 1% change in interest rate

	Effect on Net Earnings		Effect on Equity	
	2011	2010	**2011**	2010
1% increase	**16**	30	**16**	30
1% decrease	**(16)**	(30)	**(16)**	(30)

b) 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. Credit risk arises from cash and equivalents, trade and other receivables as well as derivative assets. For cash and equivalents and trade and other receivables, credit risk exposure equals the carrying amount on the balance sheet, net of any overdraft positions. To mitigate our inherent exposure to credit risk we maintain policies to limit the concentration of credit risk, review counterparty creditworthiness on a monthly basis, and ensure liquidity of available funds. We also invest our cash and equivalents in highly rated financial institutions, primarily within the United States and other investment grade countries[1].

Furthermore, we sell our gold and copper production into the world market and to private customers with strong credit ratings. Historically customer defaults have not had a significant impact on our operating results or financial position.

For derivatives with a positive fair value, we are exposed to credit risk equal to the carrying value. When the fair value of a derivative is negative, we assume no credit risk. We mitigate credit risk on derivatives by:

- Entering into derivatives with high credit-quality counterparties;
- Limiting the amount of net exposure with each counterparty; and
- Monitoring the financial condition of counterparties on a regular basis.

The company's maximum exposure to credit risk at the reporting date is the carrying value of each of the financial assets disclosed as follows:

At December 31	2011	2010
Cash and equivalents	**$ 2,745**	$ 3,968
Accounts receivable	**426**	370
Net derivative assets by counterparty	**901**	899
	$ 4,072	$ 5,237

[1] Investment grade countries include Canada, Chile, Australia, and Peru. Investment grade countries are defined as being rated BBB- or higher by S&P.

c) Liquidity Risk

Liquidity risk is the risk of loss from not having access to sufficient funds to meet both expected and unexpected cash demands. We manage our exposure to liquidity risk through prudent management of our balance sheet, including maintaining sufficient cash balances and access to undrawn credit facilities. Details of the undrawn credit facility are included in Note 22 of the consolidated financial statements. We also ensure we have access to public debt markets by maintaining a strong credit rating.

The following table outlines the expected maturity of our significant financial assets and liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows, these balances may not agree with the amounts disclosed in the balance sheet.

As at December 31, 2011 (in $ millions)	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Cash and equivalents	$ 2,745	$ -	$ -	$ -	$ 2,745
Accounts receivable	426	-	-	-	426
Other receivables	213	308	98	124	743
Derivative assets	504	369	56	33	962
Trade and other payables	2,083	-	-	-	2,083
Debt	196	3,257	2,820	7,161	13,434
Derivative liabilities	22	30	12	-	64
Other liabilities	12	140	18	32	202
Stock-based payments	27	21	-	-	48
Total	$ 6,228	$ 4,125	$ 3,004	$ 7,350	$ 20,707

As at December 31, 2010 (in $ millions)	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Cash and cash equivalents	$ 3,968	$ -	$ -	$ -	$ 3,968
Accounts receivable	370	-	-	-	370
Other receivables	228	218	67	110	623
Derivative assets	560	466	80	20	1,126
Trade and other payables	1,511	-	-	-	1,511
Debt	14	756	1,620	4,315	6,705
Derivative liabilities	175	49	22	32	278
Other liabilities	35	32	16	28	111
Stock-based payments	53	19	-	-	72
Total	$ 6,914	$ 1,540	$ 1,805	$ 4,505	$ 14,764

d) Capital Risk Management

Our objective when managing capital is to provide value for shareholders by maintaining an optimal short-term and long-term capital structure in order to reduce the overall cost of capital while preserving our ability to continue as a going concern. Our capital management objectives are to safeguard our ability to support our operating requirements on an ongoing basis, continue the development and exploration of our mineral properties and support any expansionary plans. Our objectives are also to ensure that we maintain a strong balance sheet and optimize the use of debt and equity to support our business and provide financial flexibility in order to maximize shareholder value. We define capital as total debt less cash and equivalents and it is managed by management subject to approved policies and limits by the Board of Directors. We are not subject to any significant financial covenants or capital requirements with our lenders or other parties.

26 > OTHER NON-CURRENT LIABILITIES

	At December 31, 2011	At December 31, 2010	At January 1, 2010
Deposit on silver sale agreement	**$ 453**	$ 312	$ 196
Settlement obligation to close out gold sales contracts	**-**	-	647
Derivative liabilities (note 22f)	**42**	105	19
Provision for supply contract restructuring costs	**25**	31	-
Provision for offsite remediation	**61**	66	-
Other	**108**	52	22
	$ 689	$ 566	$ 884

Silver Sale Agreement

On September 22, 2009, we entered into an agreement with Silver Wheaton Corp. to sell the equivalent of 25% of the life of mine silver production from the Pascua-Lama project and 100% of silver production from the Lagunas Norte, Pierina and Veladero mines until project completion at Pascua-Lama. In return, we were entitled to an upfront cash payment of $625 million payable over three years

from the date of the agreement, as well as ongoing payments in cash of the lesser of $3.90 (subject to an annual inflation adjustment of 1% starting three years after project completion at Pascua-Lama) and the prevailing market price for each ounce of silver delivered under the agreement.

During 2011 we received cash payments of $137.5 million (2010: $137.5 million). Providing that construction continues to progress at Pascua-Lama, we are entitled to receive an additional cash payment totaling $137.5 million in aggregate on the next anniversary date of the agreement. An imputed interest expense is being recorded on the liability at the rate implicit in the agreement. The liability plus imputed interest will be amortized based on the difference between the effective contract price for silver and the amount of the ongoing cash payment per ounce of silver delivered under the agreement.

27 > 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: substantively enacted rates that will apply when temporary differences reverse; interpretations of relevant tax legislation; estimates of the tax bases of assets and liabilities; and the deductibility of expenditures for income tax purposes. In addition the measurement and recognition of deferred tax assets takes into account tax planning strategies. We recognize the effect of changes in our assessment of these estimates and factors when they occur. Changes in deferred income tax assets and liabilities are allocated between net income, other comprehensive income, and goodwill based on the source of the change.

Current income taxes of $15 million and deferred income taxes of $31 million have been provided on the undistributed earnings of certain foreign subsidiaries. Deferred income taxes have not been provided on the undistributed earnings of all other foreign subsidiaries for which we are able to control the timing of the remittance, and it is probable that there will be no remittance in the foreseeable future. These undistributed earnings amounted to $7,892 million as at December 31, 2011. The majority of the $87 million dividend withholding tax expensed in 2011 related to a one-time dividend.

Sources of Deferred Income Tax Assets and Liabilities

At December 31	**2011**	2010
Deferred tax assets		
Tax loss carry forwards	**$ 624**	$ 337
Alternative minimum tax ("AMT") credits	**165**	318
Environmental rehabilitation	**683**	469
Property, plant and equipment	**26**	-
Post-retirement benefit obligations	**16**	25
Derivative instruments	**-**	-
Accrued interest payable	**45**	63
Other	**41**	-
	$ 1,600	$ 1,212
Deferred tax liabilities		
Property, plant and equipment	**(5,067)**	(2,177)
Derivative instruments	**(138)**	(160)
Inventory	**(217)**	(212)
Other	**-**	(9)
	$ (3,822)	$ (1,346)
Classification:		
Non-current assets	**$ 409**	$ 625
Non-current liabilities	**(4,231)**	(1,971)
	$ (3,822)	$ (1,346)

The deferred tax asset of $409 million includes $300 million receivable in more than one year. The deferred tax liability of $4,231 million includes $4,207 million due in more than one year.

Expiry Dates of Tax Losses and AMT Credits

	2012	2013	2014	2015	2016+	No expiry date	Total
Non-capital tax losses[1]							
Canada	$ -	$ -	$ 4	$ 5	$ 1,513	$ -	$1,522
Dominican Republic	-	-	-	-	-	333	333
Barbados	-	-	-	-	7,281	-	7,281
Chile	-	-	-	-	-	130	130
Tanzania	-	-	-	-	-	115	115
Zambia	-	-	-	-	494	-	494
Other	-	-	-	2	-	24	26
	$ -	$ -	$4	$7	$9,288	$602	$9,901
AMT credits[2]						$165	$165

[1] Represents the gross amount of tax loss carry forwards translated at closing exchange rates at December 31, 2011.

[2] Represents the amounts deductible against future taxes payable in years when taxes payable exceed "minimum tax" as defined by United States tax legislation.

The non-capital tax losses include $7,568 million of losses which are not recognized in deferred tax assets. Of these, $4 million expire in 2014, $7 million expire in 2015, $7,317 in 2016 or later, and $240 million have no expiry date.

Recognition of Deferred Tax Assets

We recognize deferred tax assets taking into account the effects of local tax law. Deferred tax assets are fully recognized when we conclude that sufficient positive evidence exists to demonstrate that it is probable that a deferred tax asset will be realized. The main factors considered are:

- Historic and expected future levels of taxable income;
- 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 income are mainly affected by: market gold, copper and silver prices; forecasted future costs and expenses to produce gold and copper reserves; quantities of proven and probable gold and copper reserves; market interest rates; and foreign currency exchange rates. If these factors or other circumstances change, we record an adjustment to the recognition of deferred assets to reflect our latest assessment of the amount of deferred tax assets that is probable will be realized.

A deferred income tax asset totaling $310 million has been recorded in Canada. This deferred tax asset primarily arose due to mark-to-market losses realized for acquired Placer Dome derivative instruments recognized on the acquisition in 2006. Projections of various sources of income support the conclusion that the realizability of this deferred tax asset is probable and consequently we have fully recognized this deferred tax asset.

Deferred Tax Assets Not Recognized

	2011	2010
Australia	**$ 122**	$ 104
Canada	**76**	52
Argentina	**35**	61
Barbados	**73**	73
Tanzania	**31**	63
Other	**23**	39
	$ 360	$ 392

Deferred Tax Assets Not Recognized relate to: non-capital loss carry forwards of $170 million (2010: $175 million), capital loss carry forwards with no expiry date of $120 million (2010: $102 million), and other deductible temporary differences with no expiry date of $70 million (2010: $115 million).

Source of Changes in Deferred Tax Balances

For the years ended December 31	**2011**	2010
Temporary differences		
Property, plant and equipment	**$ (2,865)**	$ (877)
Environmental rehabilitation	**214**	34
Tax loss carry forwards	**287**	(169)
AMT credits	**(152)**	167
Derivatives	**21**	(78)
Other	**(17)**	(83)
	(2,512)	(1,006)
Net currency translation gains/(losses) on deferred tax balances	**32**	19
Impact of Australian functional currency election	**4**	-
	$ (2,476)	$ (987)
Intraperiod allocation to:		
Income (loss) from continuing operations before income taxes	**$ (402)**	$ (304)
Equinox acquisition	**(2,108)**	-
Barrick Energy acquisitions	**(37)**	(37)
Cerro Casale acquisition	**-**	(523)
Tusker acquisition	**-**	(22)
OCI	**69**	(113)
Other	**2**	12
	$ (2,476)	$ (987)

Income Tax Related Contingent Liabilities

	2011	2010
At January 1	**$ 64**	$ 67
Additions based on tax positions related to the current year	**1**	-
Reductions for tax positions of prior years	**(1)**	-
Settlements	**-**	(3)
At December 31 [1]	**$ 64**	$ 64

[1] If reversed, the total amount of $64 million would be recognized as a benefit to income taxes on the income statement, and therefore would impact the reported effective tax rate.

We anticipate the amount of income tax related contingent liabilities to decrease within 12 months of the reporting date by approximately $2 million to $3 million, related primarily to the expected settlement of income tax and mining tax assessments.

We further anticipate that it is reasonably possible for the amount of income tax related contingent liabilities to decrease within 12 months of the reporting date by approximately $37 million through a potential settlement with tax authorities that may result in a reduction of available tax pools.

Tax Years Still Under Examination

Canada	2006-2011
United States	2011
Peru	2007-2011
Chile	2008-2011
Argentina	2005-2011
Australia	All years open
Papua New Guinea	2004-2011
Tanzania	All years open
Zambia	All years open

28 > CAPITAL STOCK

Common Shares

Our authorized capital stock includes an unlimited number of common shares (issued 1,000,422,260 common shares); 10,000,000 First preferred shares Series A (issued nil); 10,000,000 Series B (issued nil); and 15,000,000 Second preferred shares Series A (issued nil). Our common shares have no par value.

Dividends

In 2011, we declared and paid dividends in US dollars totaling $0.51 per share ($509 million) (2010: $0.44 per share, $436 million).

29 > NON-CONTROLLING INTERESTS

	Pueblo Viejo	ABG[1]	Cerro Casale[2]	Total
At January 1, 2010	$ 500	$ 22	$ -	$ 522
Share of income (loss)	(3)	51	-	48
Cash contributed	101	-	13	114
Recognition of non-controlling interest	-	607	454	1,061
At December 31, 2010	$ 598	$ 680	$ 467	$ 1,745
Share of income (loss)	(26)	82	(3)	53
Cash contributed	365	-	38	403
Decrease in non-controlling interest[3]	-	(10)	-	(10)
At December 31, 2011	$ 937	$ 752	$ 502	$ 2,191

[1] Represents non-controlling interest in ABG. The balance at January 1, 2010 includes the non-controlling interest of 30% in our Tulawaka mine.
[2] Represents non-controlling interest in Cerro Casale. Refer to note 4f.
[3] Represents dividends received from African Barrick Gold.

30 > REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel include the members of the Board of Directors and the Senior leadership team. Compensation for key management personnel (including Directors) was as follows:

For the years ended December 31	**2011**	2010
Salaries and short-term employee benefits[1]	**$ 20**	$ 18
Post-employment benefits[2]	**3**	3
Share-based payments and other[3]	**28**	22
	$ 51	$ 43

[1] Includes annual salary as at December 31 and annual short-term incentives/other bonuses earned in the year.
[2] Represents company contributions to retirement savings plans.
[3] Represents year-end stock option, RSU, and PRSU grants and other compensation.

31 > STOCK-BASED COMPENSATION

A Stock Options

Under Barrick's stock option plan, certain officers and key employees of the Corporation may purchase common shares at an exercise price that is equal to the closing share price on the day before the grant of the option. The grant date is the date when the details of the award, including the number of options granted by individual and the exercise price, are approved. Stock options 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 seven years. At December 31, 2011, 6.9 million (2010: 8.4 million) common shares were available for granting options. Stock options when exercised result in an increase to the number of common shares issued by Barrick.

Compensation expense for stock options was $15 million in 2011 (2010: $16 million), and is presented as a component of corporate administration and other expense, consistent with the classification of other elements of compensation expense for those employees who had stock options. The recognition of compensation expense for stock options reduced earnings per share for 2011 by $0.01 per share (2010: $0.01 per share).

Total intrinsic value relating to options exercised in 2011 was $40 million (2010: $96 million).

Employee Stock Option Activity (Number of Shares in Millions)

	2011		2010	
	Shares	**Average Price**	Shares	Average Price
C$ options				
At January 1	**1.4**	**$ 26**	3.3	$ 27
Exercised	**(0.2)**	**25**	(1.9)	27
Forfeited	**-**	**-**	-	-
Cancelled/expired	**(0.1)**	**23**	-	-
At December 31	**1.1**	**$ 27**	1.4	$ 26
US$ options				
At January 1	**7.0**	**$ 38**	9.1	$ 33
Granted	**0.5**	**50**	0.9	55
Exercised	**(1.6)**	**30**	(2.9)	28
Forfeited	**-**	**-**	(0.1)	38
Cancelled/expired	**(0.1)**	**34**	-	-
At December 31	**5.8**	**$ 41**	7.0	$ 38

Stock Options Outstanding (Number of Shares in Millions)

	Outstanding				Exercisable		
Range of exercise prices	Shares	Average price	Average life (years)	Intrinsic value[1] ($ millions)	Shares	Average price	Intrinsic value[1] ($ millions)
C$ options							
$ 22 - $ 27	0.6	$ 24	1	$ 12	0.6	$ 24	$ 12
$ 28 - $ 31	0.5	30	2	9	0.5	30	9
	1.1	$ 27	1	$ 21	1.1	$ 26	$ 21
US$ options							
$ 9 - $ 19	0.1	$ 13	1	$ 2	0.1	$ 13	$ 2
$ 20 - $ 27	0.9	26	4	17	0.7	26	14
$ 28 - $ 41	1.4	38	3	10	1.1	38	8
$ 42 - $ 55	3.4	47	5	(6)	1.5	44	1
	5.8	$ 41	4	$ 23	3.4	$ 38	$ 25

[1] Based on the closing market share price on December 31, 2011 of C$46.15 and US$45.25.

Option Information

For the years ended (per share and per option amounts in dollars)	**December 31, 2011**	December 31, 2010	January 1, 2010
Valuation assumptions	**Lattice[1,2]**	Lattice[1,2]	Lattice[1,2]
Expected term (years)	**5.3**	5.0	5.0
Expected volatility[2]	**33%-38%**	33%-60%	35%-60%
Expected dividend yield	**1.22%**	1.13%	1.10%
Risk-free interest rate[2]	**0.04%-2.04%**	0.19%-2.88%	0.16%-3.44%
Options granted (in millions)	**0.5**	0.9	1.6
Weighted average fair value per option	**$14**	$16	$13

[1] Different assumptions were used for the multiple stock option grants during the year.
[2] The volatility and risk-free interest rate assumptions varied over the expected term of these stock option grants.

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.

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, 2011, there was $25 million (2010: $29 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 (2010: 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 at the end of a two-and-a-half year period and are settled in cash on the two-and-a-half year anniversary of the grant date. Additional RSUs are credited to reflect dividends paid on Barrick common shares over the vesting period.

Compensation expense for RSUs incorporates an expected forfeiture rate. The expected forfeiture rate is estimated based on historical forfeiture rates and expectations of future forfeiture rates. We make adjustments if the actual forfeiture rate differs from the expected rate. At December 31, 2011, the weighted average remaining contractual life of RSUs was 1.55 years.

Compensation expense for RSUs was $30 million in 2011 (2010: $48 million) and is presented as a component of corporate administration and other expense, consistent with the classification of other elements of compensation expense for those employees who had RSUs.

Under our DSU plan, Directors must receive a specified portion 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 January 1, 2010	167	$ 6.6	3,150	$ 49.0
Settled for cash	(20)	(0.6)	(824)	(42.8)
Forfeited	-	-	(326)	(17.0)
Granted	33	1.5	918	49.3
Credits for dividends	-	-	29	1.3
Change in value	-	1.9	-	30.9
At December 31, 2010	180	$ 9.4	2,947	$ 70.7
Settled for cash	(29)	(0.8)	(1,242)	(60.8)
Forfeited	-	-	(69)	(2.3)
Granted	36	1.7	1,153	56.8
Credits for dividends	-	-	26	1.2
Change in value	-	(1.9)	-	(16.4)
At December 31, 2011	187	$ 8.4	2,815	$ 49.2

C Performance Restricted Share Units (PRSUs)

In 2008, Barrick launched a PRSU plan. Under this plan, selected employees are granted PRSUs, where each PRSU has a value equal to one Barrick common share. PRSUs vest at the end of a three-year period and are settled in cash on the third anniversary of the grant date. Additional PRSUs are credited to reflect dividends paid on Barrick common shares over the vesting period. Vesting, and therefore the liability, is based on the achievement of performance goals and the target settlement will range from 0% to 200% of the value. At December 31, 2011, 201 thousand units were outstanding (2010: 335 thousand units).

D Employee Share Purchase Plan (ESPP)

In 2008, Barrick launched an Employee Share Purchase Plan. This plan enables Barrick employees to purchase Company shares through payroll deduction. Each year, employees may contribute 1%-6% of their combined base salary and annual bonus, and Barrick will match 50% of the contribution, up to a maximum of $5,000 per year. During 2011, Barrick contributed and expensed $0.8 million to this plan (2010: $0.6 million).

E ABG Stock Options

African Barrick Gold has a stock option plan for its directors and selected employees. The exercise price of the granted options is determined by the ABG Remuneration Committee before the grant of an option provided that this price cannot be less than the average of the middle-market quotation of ABG's shares (as derived from the London Stock Exchange Daily Official List) for the three dealing days immediately preceding the date of grant. All options outstanding at the end of the year expire in 2017 and 2018. There were 0.3 million ABG options granted which were exercisable at December 31, 2011. Stock option expense of $1.4 million (2010: $0.6 million) is included as a component of other expense.

32 > POST-RETIREMENT BENEFITS

A Description of Plans

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 $58 million in 2011, and $56 million in 2010.

Defined Benefit Pension Plans

We have qualified defined benefit pension plans that cover certain of our United States and Canadian employees and provide benefits based on employees' years of service. Through the acquisition of Placer Dome, we acquired pension plans in the United States, Canada and Australia. Our policy is to fund the amounts necessary on an actuarial basis to provide enough assets to meet the benefits payable to plan members. Independent trustees administer assets of the plans, which are invested mainly in fixed income and equity 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 record actuarial gains and losses in the Statement of Comprehensive Income.

Post-Retirement Healthcare Plans

We provide post-retirement medical, dental, and life insurance benefits to certain employees.

B Post Retirement Plan Information
Actuarial Assumptions

As at December 31	**Pension Plans 2011**	**Other Post-Retirement Benefits 2011**	Pension Plans 2010	Other Post-Retirement Benefits 2010
Discount rate				
Benefit obligation	**2.80 - 5.21%**	**3.80 - 4.10%**	3.50 - 5.30%	4.60 - 4.90%
Pension cost	**4.60 - 4.90%**	**3.50 - 5.77%**	4.25 - 5.95%	5.25 - 5.50%
Expected return on plan assets	**4.50 - 7.00%**	**N/A**	4.50 - 7.00%	N/A
Wage increases	**N/A**	**5.00%**	N/A	5.00%

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 five basis points. The procedure was applied separately for pension and post-retirement 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 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.

We have assumed a health care cost trend of 8% in 2012 (2010: 8%), decreasing ratably to 4.75% in 2019 and thereafter (2010: 4.75%). 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, 2011 would have had no significant effect on the post-retirement obligation and would have had no significant effect on the benefit expense for 2011.

Expense Recognized in the Income Statement

As at December 31	**Pension Plans 2011**	**Other Post-Retirement Benefits 2011**	Pension Plans 2010	Other Post-Retirement Benefits 2010
Expected return on plan assets	**$ (15)**	**$ -**	$ (14)	$ -
Past service cost	**1**	**-**	-	-
Interest cost	**16**	**1**	17	1
Plan amendment	**1**	**-**	2	-
Total expense	**$ 3**	**$ 1**	$ 5	$ 1

Plan Assets/Liabilities

As at December 31	**Pension Plans 2011**	**Other Post-Retirement Benefits 2011**	Pension Plans 2010	Other Post-Retirement Benefits 2010
Non-current assets	**$ 2**	**$ -**	$ 2	$ -
Current liabilities[1]	**12**	**2**	8	2
Non-current liabilities	**124**	**22**	103	25
Other comprehensive income (loss)[2]	**(38)**	**4**	(2)	-
	$ 100	**$ 28**	$ 111	$ 27
Accumulated actuarial gains (losses) recognized in OCI (before taxes)	**$ (40)**	**$4**	$ (2)	$ -

[1] Expected recovery or settlement within 12 months from the reporting date.
[2] Amounts represent actuarial (gains) losses.

Defined Benefit Obligation

The movement in the defined benefit obligation over the year is as follows:

As at December 31	**Pension Plans 2011**	**Other Post-Retirement Benefits 2011**	Pension Plans 2010	Other Post-Retirement Benefits 2010
Balance at January 1	**$ 336**	**$ 27**	$ 321	$ 29
Service cost	**1**	**-**	-	-
Interest cost	**16**	**1**	17	1
Actuarial (gains) losses	**29**	**(3)**	20	(1)
Benefits paid	**(21)**	**(1)**	(25)	(2)
Foreign currency adjustments	**-**	**-**	2	-
Amendments	**-**	**-**	1	-
Balance at December 31	**$ 361**	**$ 24**	$ 336	$ 27
Funded status[1]	**$ (134)**	**$ (24)**	$ (109)	$ (27)

[1] Represents the fair value of plan assets less projected benefit obligations.

Expected contributions to the pension plans and post-employment benefit plans for the year ended December 31, 2012 are $16 million and $2 million respectively.

Fair Value of Plan Assets

The movement in the fair value of plan assets over the year is as follows:

	Pension Plans 2011	**Other Post-Retirement Benefits 2011**	Pension Plans 2010	Other Post-Retirement Benefits 2010
Balance at January 1	**$ 227**	**$ -**	$ 215	$ -
Expected return on plan assets	**16**	**-**	25	-
Actuarial gains and losses	**(3)**	**-**	-	-
Company contributions	**9**	**1**	12	2
Benefits paid	**(22)**	**(1)**	(25)	(2)
Balance at December 31	**$ 227**	**$ -**	$ 227	$ -

	As at December 31, 2011		
	Target[1]	Actual	Actual
Composition of plan assets[2]			
Equity securities	53%	52%	$ 118
Fixed income securities	47%	48%	109
	100%	100%	$ 227

[1] Based on the weighted average target for all defined benefit plans.
[2] Holdings in equity and fixed income securities consist of Level 1 and Level 2 assets within the fair value hierarchy.

Expected Future Benefit Payments

For the years ending December 31	Pension Plans	Other Post-Retirement Benefits
2012	$ 35	$ 2
2013	26	2
2014	26	2
2015	26	2
2016	26	2
2017 – 2021	$ 133	$ 8

33 > 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.

Cortez Hills Complaint

On November 12, 2008, the United States Bureau of Land Management (the "BLM") issued a Record of Decision approving the Cortez Hills Expansion Project. On November 20, 2008, the TeMoak Shoshone Tribe, the East Fork Band Council of the TeMoak Shoshone Tribe and the Timbisha Shoshone Tribe, the Western Shoshone Defense Project, and Great Basin Resource Watch filed a lawsuit against the United States seeking to enjoin the majority of the activities comprising the Project on the grounds that it violated the Western Shoshone rights under the Religious Freedom Restoration Act ("RFRA"), that it violated the Federal Land Policy and Management Act's ("FLPMA") prohibition on "unnecessary and undue degradation," and that the Project's Environment Impact Statement ("EIS") did not meet the requirements of the National Environmental Policy Act ("NEPA"). The Plaintiffs subsequently dismissed their RFRA claim, with prejudice, conceding that it was without merit, in light of a decision in another case.

On November 24, 2008, the Plaintiffs filed a Motion for a Temporary Restraining Order and a Preliminary Injunction barring work on the Project until after a trial on the merits. In January 2009, the Court denied the Plaintiffs' Motion for a Preliminary Injunction, concluding that the Plaintiffs had failed to demonstrate a likelihood of success on the merits and that the Plaintiffs had otherwise failed to satisfy the necessary elements for a preliminary injunction. The Plaintiffs appealed that decision to the United States Court of Appeals for the Ninth Circuit. In December 2009, the Ninth Circuit issued an opinion in which it held that the Plaintiffs had failed to show that they were likely to succeed on the merits of their FLPMA claims, and thus were not entitled to an injunction based on those claims. The Ninth Circuit, however, held that the Plaintiffs were likely to succeed on two of their NEPA claims and ordered that a supplemental EIS be prepared by Barrick that specifically provided more information on (i) the effectiveness of proposed mitigation measures for seeps and springs that might be affected by groundwater pumping, and (ii) the air quality impact of the shipment of refractory ore to Goldstrike for processing and that additional air quality modeling for fine particulate matter using updated EPA procedures should be performed and included in the supplemental EIS. The Ninth Circuit decision directed the District Court to enter an injunction consistent with the decision. In April 2010, the District Court granted Barrick's motion seeking a tailored preliminary injunction, which allows mining operations to continue while the supplemental EIS is being completed.

In August 2010, the District Court issued an order granting summary judgment for Cortez except, generally for those issues covered by the supplemental EIS, on which it reserved ruling until the completion of that document. The final supplemental EIS was published on January 14, 2011. On March 15, 2011, the BLM issued its record of decision that approved the supplemental EIS, which had the effect of terminating the tailored injunction, thereby enabling the Cortez mine to revert to its original operating scope. All parties filed their motions for summary judgment on all remaining issues. On January 3, 2012, the Court issued a decision granting summary judgment in favor of Barrick and the BLM on all remaining issues.

Marinduque Complaint

Placer Dome Inc. was named the sole defendant in a Complaint filed in October 2005 by the Provincial Government of Marinduque, an island province of the Philippines ("Province"), with the District Court in Clark County, Nevada. The Complaint asserted that Placer Dome Inc. was responsible for alleged environmental degradation with consequent economic damages and impacts to the environment in the vicinity of the Marcopper mine that was owned and operated by Marcopper Mining Corporation ("Marcopper"). Placer Dome Inc. indirectly owned a minority shareholding of 39.9% in Marcopper until the divestiture of its shareholding in 1997. The Province sought "to recover damages for injuries to the natural, ecological and wildlife resources within its territory". In addition, the Province sought compensation for the costs of restoring the environment, an order directing Placer Dome Inc. to undertake and complete "the remediation, environmental cleanup, and balancing of the ecology of the affected areas," and payment of the costs of environmental monitoring. The Complaint addressed the discharge of mine tailings into Calancan Bay, the 1993 Maguila-guila dam breach, the 1996 Boac river tailings spill, and alleged past and continuing damage from acid rock drainage.

The action was removed to the U.S. District Court for the District of Nevada on motion of Placer Dome Inc. After the amalgamation of Placer Dome Inc. and the Company, the Court granted the Province's motion to join the Company as an additional named Defendant. In June 2007, the Court issued an order granting the Company's motion to dismiss on grounds of forum non conveniens (improper choice of forum). In September 2009, the U.S. Court of Appeals for the Ninth Circuit reversed the decision of the District Court on the grounds that the U.S. District Court lacked subject matter jurisdiction over the case and removal from the Nevada state court was improper.

In April 2010, the Company filed a motion to dismiss the claims in the Nevada state court on the grounds of forum non conveniens and on October 12, 2010, the court issued an order granting the Company's motion to dismiss the action. On February 11, 2011, the Court issued its written reasons for the dismissal order. On March 11, 2011, the Province filed a motion to reconsider the Court's order, which the Company opposed on March 28, 2011. The Court denied the motion to reconsider on May 25, 2011. The Province has appealed the Court's dismissal order to the Nevada Supreme Court. The Company intends to continue to defend the action vigorously. No amounts have been accrued for any potential loss under this complaint.

Calancan Bay (Philippines) Complaint

In July 2004, a complaint was filed against Marcopper and Placer Dome Inc. in the Regional Trial Court of Boac, on the Philippine island of Marinduque, on behalf of a putative class of fishermen who reside in the communities around Calancan Bay, in northern Marinduque. The complaint alleges injuries to health and economic damages to the local fisheries resulting from the disposal of mine tailings from the Marcopper mine. The total amount of damages claimed is approximately US$1 billion.

In October 2006, the court granted the plaintiffs' application for indigent status, allowing the case to proceed without payment of filing fees. In March 2008, an attempt was made to serve Placer Dome Inc. by serving the summons and complaint on Placer Dome Technical Services (Philippines) Inc. ("PDTS"). PDTS has returned the summons and complaint stating that PDTS is not an agent of Placer Dome Inc. for any purpose and is not authorized to accept service or to take any other action on behalf of Placer Dome Inc. In April 2008, Placer Dome Inc. made a special appearance by counsel to move to dismiss the complaint for lack of personal jurisdiction and on other grounds. The plaintiffs have opposed the motion to dismiss. The motion has been briefed and is currently pending.

In October 2008, the plaintiffs filed a motion challenging Placer Dome Inc.'s legal capacity to participate in the proceedings in light of its alleged "acquisition" by the Company. Placer Dome Inc. opposed this motion. The motion has been briefed and is currently pending. The Company intends to defend the action vigorously. No amounts have been accrued for any potential loss under this complaint.

Perilla Complaint

In August 2009, Barrick Gold Inc. was purportedly served in Ontario with a complaint filed in November 2008 in the Regional Trial Court of Boac, on the Philippine island of Marinduque, on behalf of two named individuals and purportedly on behalf of the approximately 200,000 residents of Marinduque. In December 2009, the complaint was also purportedly served in Ontario in the name of Placer Dome Inc. The complaint alleges injury to the economy and the ecology of Marinduque as a result of the discharge of mine tailings from the Marcopper mine into the Calancan Bay, the Boac River, and the Mogpog River. The plaintiffs are claiming for abatement of a public nuisance allegedly caused by the tailings discharge and for nominal damages for an alleged violation of their constitutional right to a balanced and healthful ecology. Barrick Gold Inc. has moved to dismiss the complaint on a variety of grounds, which motion is now pending a decision of the Court following the failure of plaintiffs' counsel to appear at the hearing in February 2010 or to timely file any comment or opposition to the motion. Motions to dismiss the complaint on a variety of grounds have also been filed in the name of Placer Dome Inc. In May 2010, the plaintiffs filed a motion for an order to admit an amended complaint in which they are seeking additional remedies including temporary and permanent environmental protection orders. In June 2010, Barrick Gold Inc. and Placer Dome Inc. filed a motion to have the Court resolve their unresolved motions to dismiss before considering the plaintiffs' motion to admit the amended complaint. An opposition to the plaintiffs' motion to admit was also filed by Barrick Gold Inc. and Placer Dome Inc. on the same basis. This motion is now fully briefed and awaiting determination by the Court. It is not known when these motions or the outstanding motions to dismiss will be decided by the Court. The Company intends to defend the action vigorously. No amounts have been accrued for any potential loss under this complaint.

Writ of Kalikasan

On February 25, 2011 a Petition for the Issuance of a Writ of Kalikasan with Prayer for Temporary Environmental Protection Order was filed in the Supreme Court of the Republic of the Philippines in Eliza M. Hernandez, Mamerto M. Lanete and Godofredo L. Manoy versus Placer Dome Inc. and Barrick Gold Corporation, SC G.R. No. 195482 (the "Petition"). On March 8, 2011, the Supreme Court issued an En Banc Resolution and Writ of Kalikasan and directed service of summons on Placer Dome Inc. and the Company, ordered Placer Dome Inc. and the Company to make a verified return of the Writ with ten (10) days of service and referred the case to the Court of Appeal for hearing. The Petition alleges that Placer Dome Inc. violated the petitioners' constitutional right to a balanced and healthful ecology as a result of, amongst other things, the discharge of tailings into Calancan Bay, the 1993 Maguila-Guila dam break, the 1996 Boac river tailings spill and failure of Marcopper to properly decommission the Marcopper mine. The petitioners have pleaded that the Company is liable for the alleged actions and omissions of Placer Dome Inc. which was a minority indirect shareholder of Marcopper at all relevant times and is seeking orders requiring the Company to environmentally remediate the areas in and around the mine site that are alleged to have sustained environmental impacts. The petitioners purported to serve the Company on March 25, 2011.

On March 31, 2011, the Company filed an Urgent Motion For Ruling on Jurisdiction with the Supreme Court challenging the constitutionality of the Rules of Procedure in Environmental Cases (the "Environmental Rules") pursuant to which the Petition was filed, as well as the jurisdiction of the Court over the Company. As required by the Environmental Rules, by special appearance and without submitting to the jurisdiction of the Court, on April 4, 2011, the Company filed its Return Ad Cautelam to the Writ seeking the dismissal of the Petition with prejudice. On April 12, 2011, the Supreme Court issued a Resolution requiring the petitioners to submit a Comment on the Company's Urgent Motion for Ruling on Jurisdiction within ten days of receiving notice of the Resolution. On or around April 27, 2011, the petitioners purported to make discovery requests of the Company and Placer Dome Inc. (collectively, the "Discovery Requests"). On May 4, 2011, the Court of Appeals issued a Resolution: (i) directing the petitioners to submit a Comment on the Company's Urgent Motion for Ruling on Jurisdiction; and (ii) putting the petitioners' Discovery Requests in abeyance pending resolution of the Company's Urgent Motion for Ruling on Jurisdiction. On May 16, 2011, the Company, appearing specially and without submitting to the Supreme Court's jurisdiction, filed with the Supreme Court a Clarificatory Manifestation seeking clarification as to whether the Court of Appeals or the Supreme Court has jurisdiction over the matter. On June 2, 2011, the petitioners served an Opposition to the Company's Urgent Motion for Ruling on Jurisdiction.

On June 6, 2011, a mail package addressed to Placer Dome Inc. from the Philippines Office of the Solicitor General purported to serve summons and other materials on Placer Dome Inc. On or about June 6, 2011, the Company, appearing specially and without submitting to the Supreme Court's jurisdiction, filed a Manifestation drawing to the Court's attention the fact that each of the Court of Appeals and the Supreme Court had issued (inconsistent)

Resolutions indicating that they would each resolve the Company's Urgent Motion for Ruling on Jurisdiction. The Company requested that all further proceedings in the case, both before the Supreme Court and the Court of Appeals, be suspended pending issuance of the clarification sought in the Company's Clarifactory Manifestation. By Manifestation dated June 10, 2011, Placer Dome Inc., by special appearance and without submitting itself to the Supreme Court's jurisdiction: (i) adopted the Company's Urgent Motion for Ruling on Jurisdiction and reserved the right to file a supplement thereto; and (ii) joined the Company in seeking clarification as to which court has jurisdiction over this matter. By Manifestation dated June 16, 2011, Placer Dome Inc., by special appearance and without submitting itself to the Supreme Court's jurisdiction: (i) adopted as its own the Company's Return Ad Cautelam; and (ii) reserved the right to supplement this Return after the Supreme Court has clarified which court has jurisdiction.

The Supreme Court issued a Resolution dated June 21, 2011 in which it referred the records of the case to the Court of Appeals for appropriate action on the various pending motions. In June 2011, the Petitioners filed their Opposition to the Urgent Motion for Ruling on Jurisdiction. On July 1, 2011, Placer Dome Inc., by special appearance and without submitting themselves to the court's jurisdiction, filed a Supplement to the pending Urgent Motion for Ruling on Jurisdiction. On July 8, 2011, the Company and Placer Dome Inc., by special appearance and without submitting themselves to the jurisdiction of the Court of Appeals, filed a Manifestation: (i) indicating their understanding that the Supreme Court Resolution dated June 21, 2011 resolves the issues raised in the Clarificatory Manifestation and effectively rules that the Supreme Court has lost or relinquished subject matter jurisdiction over the case effective June 21, 2011 and has transferred jurisdiction to the Court of Appeals; (ii) manifesting their intention to file a Second Supplement to the Urgent Motion for Ruling on Jurisdiction. On July 12, 2011, the Company and Placer Dome Inc. filed, under special and limited appearance and without submitting themselves to the Court of Appeal's jurisdiction, a Second Supplement to their Urgent Motion for Ruling on Jurisdiction. On July 14, 2011, the Company and Placer Dome Inc., by special appearance and without submitting themselves to the jurisdiction of the Court, filed a Manifestation submitting that they are entitled to be heard on the Petitioners' Urgent Motion dated April 12, 2011 (regarding service related issues) and Manifestation with Reiterated Motion dated May 11, 2011 (also regarding service related issues), neither of which had been served on the Company and Placer Dome Inc. On September 8, 2011, in response to learning that the Supreme Court had granted the Petitioners' Urgent Motion dated April 12, 2011 and Manifestation with Reiterated Motion dated May 11, 2011 in its Resolution dated May 31, 2011, without the Company or Placer Dome Inc. being aware of such motions or having an opportunity to respond to them, the Company and Placer Dome Inc., by special appearance and without submitting themselves to the jurisdiction of the Court, filed a Manifestation submitting that the Supreme Court's May 31, 2011 Resolution is functus officio and moot and, in any event, is void and legally ineffective. On or about August 8, 2011, the Petitioners filed a Comment (to the Supplement and Second Supplement to the Urgent Motion for Ruling on Jurisdiction). On September 1, 2011, the Company and Placer Dome Inc. Inc., by special appearance and without submitting themselves to the jurisdiction of the Court, filed a Consolidated Reply to the Petitioners' June, 2011 Opposition and August 8, 2011 Comment. The Urgent Motion for Ruling on Jurisdiction is now fully briefed. No decision has as yet been issued with respect to either the Urgent Motion for Ruling on Jurisdiction or the Manifestations dated July 14, 2011 and September 8, 2011.

On November 23, 2011, the Company's counsel received a Motion for Intervention, dated November 18, 2011, filed with the Supreme Court. In this Motion for Intervention, two local governments, or "baranguays" (Baranguay San Antonio and Baranguay Lobo), seek intervenor status in the proceedings with the intention of seeking a dismissal of the proceedings. No decision has been issued with respect to this motion. No amounts have been accrued for any potential loss under this matter.

Reko Diq Arbitration

On February 15, 2011, Tethyan Copper Company Pakistan (Private) Limited ("TCCP") (the local operating subsidiary of Tethyan Copper Company ("TCC")) submitted to the Government of the Province of Balochistan (the "GOB") an application for a mining lease in respect of the Reko Diq project in Pakistan. Barrick currently indirectly holds 50% of the shares of TCC, with Antofagasta Plc ("Antofagasta") indirectly holding the other 50%.

TCC believes that, under the Chagai Hills Joint Venture Agreement (the "CHEJVA") between TCC and the GOB, as well as under the 2002 Balochistan Mineral Rules, TCCP was legally entitled to the mining lease subject only to "routine" government requirements. On September 21, 2011, the GOB delivered a notice to TCC advising that it considered TCCP's application to be incomplete and unsatisfactory and giving TCC 30 days in which to respond. On October 19, 2011, TCCP delivered a response to the GOB's notice. In addition, TCCP delivered a notice of dispute in accordance with the arbitration agreement

between TCC and the GOB. On November 15, 2011, the GOB notified TCCP of the rejection of TCCP's application for the mining lease.

On November 28, 2011, TCCP filed an administrative appeal under the 2002 Balochistan Mineral Rules, calling on the GOB to perform its obligations. On the same day, TCC filed two requests for international arbitration: one against the Government of Pakistan with the International Centre for Settlement of Investment Disputes ("ICSID") asserting breaches of the Bilateral Investment Treaty between Australia (where TCC is incorporated) and Pakistan, and another against the GOB with the International Chamber of Commerce ("ICC"), asserting breaches of the CHEJVA. Constitution of the ICC arbitration panel is in process. The GOB has filed jurisdictional objections in that proceeding. The ICSID has registered the arbitration request against Pakistan, but Pakistan has not yet taken any action in that proceeding.

Pakistani Constitutional Litigation

In November 2006, a Constitutional Petition was filed in the High Court of Balochistan by three Pakistani citizens against: Barrick, the Governments of Balochistan and Pakistan, the Balochistan Development Authority ("BDA"), TCCP, Antofagasta, Muslim Lakhani and BHP (Pakistan) Pvt Limited ("BHP").

The Petition alleged, among other things, that the entry by the BDA into the 1993 Joint Venture Agreement ("JVA") with BHP to facilitate the exploration of the Reko Diq area and the grant of related exploration licenses were illegal and that the subsequent transfer of the interests of BHP in the JVA and the licenses to TCC was also illegal and should therefore be set aside. In June 2007, the High Court of Balochistan dismissed the Petition against Barrick and the other respondents in its entirety. In August 2007, the petitioners filed a Civil Petition for Leave to Appeal in the Supreme Court of Pakistan. In late 2010, the Supreme Court of Pakistan began hearing this matter, together with several other related petitions filed against TCC or its related parties. The related petitions primarily related to whether it would be in the public interest for TCCP to receive a mining lease. On May 25, 2011, the Supreme Court ruled, among other things, that the GOB should proceed to expeditiously decide TCCP's application for the grant of a mining lease, transparently and fairly in accordance with laws and applicable rules. The Supreme Court also ruled that the petitions before the Court would remain pending.

On November 15, 2011, the GOB notified TCCP of the rejection of TCCP's application for the mining lease. As noted above, on November 28, 2011, TCC filed the requests for international arbitration with ICSID and the ICC. Subsequently, the Supreme Court has resumed hearing various petitions relating to TCC and the Reko Diq project, including applications seeking an order staying the ICSID and ICC arbitrations. On February 7, 2012, the Supreme Court issued an order directing the GOB and Pakistan to request to the ICC and ICSID to refrain from taking further steps in respect of the arbitration proceedings and to extend the deadline for nomination of an arbitrator, pending disposition of the constitutional petitions by the Supreme Court.

TCC continues to pursue its rights under international arbitration, and Barrick, and TCCP continue to vigorously defend the above actions. No amounts have been accrued for any potential loss under these complaints.

Pueblo Viejo

In April 2010, Pueblo Viejo Dominicana Corporation ("PVDC") received a copy of an action filed in the Dominican Republic by Fundacion Amigo de Maimon Inc., Fundacion Miguel L. de Pena Garcia Inc., and a number of individuals. The action alleges a variety of matters couched as violations of fundamental rights, including taking of private property, violations of mining and environmental and other laws, slavery, human trafficking, and bribery of government officials. The complaint does not describe the relief sought, but the action is styled as an "Amparo" remedy, which typically includes some form of injunctive relief. PVDC intends to vigorously defend the action. No amounts have been accrued for any potential loss under this matter.

Argentine Glacier Legislation

On September 30, 2010, the National Law on Minimum Requirements for the Protection of Glaciers was enacted in Argentina, and came into force in early November 2010. The federal law bans new mining exploration and exploitation activities on glaciers and in the "peri-glacial" environment, and subjects ongoing mining activities to an environmental audit. If such audit identifies significant impacts on glaciers and peri-glacial environment, the relevant authority is empowered to take action, which according to the legislation could include the suspension or relocation of the activity. In the case of the Veladero mine and the Pascua-Lama project, the competent authority is the Province of San Juan. The Province of San Juan had previously adopted glacier protection legislation, with which Veladero and Pascua-Lama comply. In November 2010, in response to legal actions brought against the

National State by local unions and San Juan based mining and construction chambers, as well as by Barrick's subsidiaries, Barrick Exploraciones Argentina S.A. and Minera Argentina Gold S.A., which own the Veladero mine and the Argentine portion of the Pascua-Lama project, respectively, the Federal Court in the Province of San Juan, granted injunctions, based on the unconstitutionality of the federal law, suspending its application in the Province and, in particular to Veladero and Pascua-Lama. In December 2010, the Province of San Juan became a party to the actions, joining the challenge to the constitutionality of the new federal legislation. As a result of the intervention of the Province, the actions were removed to the National Supreme Court of Justice of Argentina to determine the constitutionality of the legislation.

The National Supreme Court of Justice of Argentina issued a decision determining that this case falls within its jurisdiction. The National State has filed a remedy for revocation of the decision of the Federal Court in the Province of San Juan to grant injunctions suspending the application of the federal law in the Province of San Juan. BEASA and MAGSA answered this remedy on June 29, 2011. No amounts have been accrued for any potential loss under this matter.

SUMMARY GOLD MINERAL RESERVES AND MINERAL RESOURCES [1,2,3]

For the year ended December 31, 2011		2011			2010		
Based on attributable ounces		Tons (000's)	Grade (oz/ton)	Ounces (000's)	Tons (000's)	Grade (oz/ton)	Ounces (000's)
NORTH AMERICA							
Goldstrike Open Pit	(proven and probable)	**97,325**	**0.096**	**9,342**	**95,865**	**0.101**	**9,656**
	(mineral resource)	**4,612**	0.032	**147**	**4,694**	0.037	**173**
Goldstrike Underground	(proven and probable)	**11,895**	**0.255**	**3,035**	**10,872**	**0.272**	**2,958**
	(mineral resource)	**6,077**	0.301	**1,828**	**6,771**	0.298	**2,020**
Goldstrike Property Total	(proven and probable)	**109,220**	**0.113**	**12,377**	**106,737**	**0.118**	**12,614**
	(mineral resource)	**10,689**	0.185	**1,975**	**11,465**	0.191	**2,193**
Pueblo Viejo (60.00%)	(proven and probable)	**188,729**	**0.080**	**15,173**	**168,417**	**0.084**	**14,195**
	(mineral resource)	**120,194**	0.055	**6,597**	**96,807**	0.059	**5,675**
Cortez	(proven and probable)	**306,879**	**0.047**	**14,488**	**317,081**	**0.046**	**14,494**
	(mineral resource)	**54,391**	0.069	**3,757**	**60,463**	0.071	**4,320**
Red Hill - Gold Rush	(proven and probable)	**-**	-	**-**	**-**	-	**-**
	(mineral resource)	**11,221**	0.113	**1,273**	**-**	-	**-**
Bald Mountain	(proven and probable)	**307,162**	**0.017**	**5,102**	**246,711**	**0.019**	**4,748**
	(mineral resource)	**123,191**	0.013	**1,623**	**151,944**	0.011	**1,680**
Turquoise Ridge (75.00%)	(proven and probable)	**11,986**	**0.442**	**5,294**	**9,254**	**0.456**	**4,224**
	(mineral resource)	**62,394**	0.122	**7,641**	**64,219**	0.131	**8,415**
Round Mountain (50.00%)	(proven and probable)	**82,688**	**0.017**	**1,411**	**73,017**	**0.018**	**1,319**
	(mineral resource)	**83,420**	0.016	**1,338**	**50,865**	0.022	**1,107**
South Arturo (60.00%)	(proven and probable)	**28,237**	**0.050**	**1,398**	**27,358**	**0.051**	**1,391**
	(mineral resource)	**21,482**	0.039	**828**	**16,041**	0.043	**692**
Ruby Hill	(proven and probable)	**16,778**	**0.058**	**978**	**17,182**	**0.065**	**1,122**
	(mineral resource)	**107,626**	0.021	**2,245**	**61,530**	0.023	**1,390**
Hemlo	(proven and probable)	**16,620**	**0.069**	**1,139**	**18,388**	**0.074**	**1,362**
	(mineral resource)	**4,735**	0.087	**410**	**4,184**	0.071	**299**
Marigold Mine (33.33%)	(proven and probable)	**77,285**	**0.015**	**1,194**	**47,843**	**0.016**	**775**
	(mineral resource)	**10,977**	0.012	**135**	**26,842**	0.014	**387**
Golden Sunlight	(proven and probable)	**8,932**	**0.055**	**487**	**9,649**	**0.056**	**539**
	(mineral resource)	**716**	0.041	**29**	**1,231**	0.047	**58**
Donlin Gold (50.00%)	(proven and probable)	**-**	-	**-**	**-**	-	**-**
	(mineral resource)	**298,358**	0.065	**19,503**	**322,485**	0.060	**19,357**
SOUTH AMERICA							
Cerro Casale (75.00%)	(proven and probable)	**990,088**	**0.018**	**17,434**	**1,002,722**	**0.017**	**17,377**
	(mineral resource)	**245,990**	0.010	**2,494**	**199,842**	0.012	**2,376**
Pascua-Lama	(proven and probable)	**424,117**	**0.042**	**17,861**	**423,931**	**0.042**	**17,845**
	(mineral resource)	**269,930**	0.025	**6,734**	**231,590**	0.027	**6,260**
Veladero	(proven and probable)	**481,153**	**0.022**	**10,558**	**483,181**	**0.023**	**11,291**
	(mineral resource)	**44,029**	0.011	**464**	**51,130**	0.012	**600**
Lagunas Norte	(proven and probable)	**214,418**	**0.029**	**6,151**	**210,104**	**0.031**	**6,618**
	(mineral resource)	**35,164**	0.014	**505**	**40,529**	0.019	**756**
Pierina	(proven and probable)	**67,865**	**0.011**	**771**	**59,947**	**0.013**	**791**
	(mineral resource)	**10,243**	0.013	**132**	**18,288**	0.015	**273**
AUSTRALIA PACIFIC						**165.000**	
Porgera (95.00%)	(proven and probable)	**75,372**	**0.084**	**6,366**	**83,611**	**0.089**	**7,432**
	(mineral resource)	**27,369**	0.071	**1,933**	**19,535**	0.074	**1,449**
Kalgoorlie (50.00%)	(proven and probable)	**108,843**	**0.040**	**4,394**	**70,860**	**0.053**	**3,780**
	(mineral resource)	**23,211**	0.033	**766**	**46,907**	0.025	**1,152**
Cowal	(proven and probable)	**65,280**	**0.034**	**2,209**	**71,050**	**0.035**	**2,478**
	(mineral resource)	**37,191**	0.032	**1,187**	**47,349**	0.032	**1,503**
Plutonic	(proven and probable)	**2,987**	**0.135**	**402**	**2,078**	**0.202**	**420**
	(mineral resource)	**2,451**	0.275	**675**	**3,130**	0.262	**820**
Kanowna Belle	(proven and probable)	**5,861**	**0.142**	**832**	**6,813**	**0.159**	**1,086**
	(mineral resource)	**6,326**	0.124	**786**	**7,201**	0.125	**901**
Darlot	(proven and probable)	**2,805**	**0.127**	**357**	**3,241**	**0.124**	**403**
	(mineral resource)	**1,345**	0.192	**258**	**1,676**	0.153	**256**
Granny Smith	(proven and probable)	**4,034**	**0.157**	**635**	**4,018**	**0.154**	**617**
	(mineral resource)	**2,507**	0.166	**417**	**3,419**	0.175	**599**
Lawlers	(proven and probable)	**1,669**	**0.140**	**234**	**2,124**	**0.166**	**352**
	(mineral resource)	**977**	0.289	**282**	**1,118**	0.249	**278**
Reko Diq (37.50%)[4]	(proven and probable)	**-**	-	**-**	**-**	-	**-**
	(mineral resource)	**1,232,986**	0.008	**9,506**	**1,232,986**	0.008	**9,506**
AFRICA							
Bulyanhulu (73.90%)	(proven and probable)	**22,963**	**0.342**	**7,857**	**23,903**	**0.341**	**8,147**
	(mineral resource)	**14,472**	0.154	**2,230**	**9,011**	0.236	**2,128**
North Mara (73.90%)	(proven and probable)	**28,997**	**0.089**	**2,575**	**22,502**	**0.093**	**2,096**
	(mineral resource)	**13,025**	0.082	**1,064**	**15,183**	0.089	**1,355**
Buzwagi (73.90%)	(proven and probable)	**50,036**	**0.043**	**2,154**	**45,277**	**0.047**	**2,137**
	(mineral resource)	**28,910**	0.033	**947**	**14,727**	0.028	**417**
Nyanzaga (73.90%)	(proven and probable)	**-**	-	**-**	**-**	-	**-**
	(mineral resource)	**60,186**	0.043	**2,572**	**-**	-	
Tulawaka (51.73%)	(proven and probable)	**135**	**0.348**	**47**	**261**	**0.188**	**49**
	(mineral resource)	**500**	0.160	**80**	**422**	0.159	**67**
OTHER	(proven and probable)	**173**	**0.306**	**53**	**210**	**0.400**	**84**
	(mineral resource)	**37**	0.351	**13**	**163**	0.307	**50**
TOTAL	(proven and probable)	**3,701,312**	**0.038**	**139,931**	**3,557,470**	**0.039**	**139,786**
	(mineral resource)	**2,966,243**	0.027	**80,399**	**2,812,282**	0.027	**76,319**

(1) Resources which are not reserves do not have demonstrated economic viability.
(2) See accompanying footnote #1.
(3) Measured plus indicated resources.
(4) See accompanying footnote #2.

GOLD MINERAL RESERVES [1]

As at December 31, 2011	PROVEN			PROBABLE			TOTAL		
Based on attributable ounces	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	**Tons** (000's)	**Grade** (oz/ton)	Contained ozs (000's)
NORTH AMERICA									
Goldstrike Open Pit	58,885	0.092	5,427	38,440	0.102	3,915	**97,325**	**0.096**	**9,342**
Goldstrike Underground	4,071	0.330	1,344	7,824	0.216	1,691	**11,895**	**0.255**	**3,035**
Goldstrike Property Total	62,956	0.108	6,771	46,264	0.121	5,606	109,220	0.113	12,377
Pueblo Viejo (60.00%)	23,925	0.098	2,342	164,804	0.078	12,831	**188,729**	**0.080**	**15,173**
Cortez	30,714	0.070	2,153	276,165	0.045	12,335	**306,879**	**0.047**	**14,488**
Bald Mountain	86,914	0.019	1,614	220,248	0.016	3,488	**307,162**	**0.017**	**5,102**
Turquoise Ridge (75.00%)	5,000	0.444	2,222	6,986	0.440	3,072	**11,986**	**0.442**	**5,294**
Round Mountain (50.00%)	27,521	0.020	562	55,167	0.015	849	**82,688**	**0.017**	**1,411**
South Arturo (60.00%)	-	-	-	28,237	0.050	1,398	**28,237**	**0.050**	**1,398**
Ruby Hill	965	0.060	58	15,813	0.058	920	**16,778**	**0.058**	**978**
Hemlo	3,661	0.102	375	12,959	0.059	764	**16,620**	**0.069**	**1,139**
Marigold Mine (33.33%)	13,232	0.017	221	64,053	0.015	973	**77,285**	**0.015**	**1,194**
Golden Sunlight	2,689	0.057	153	6,243	0.053	334	**8,932**	**0.055**	**487**
SOUTH AMERICA									
Cerro Casale (75.00%)	189,900	0.019	3,586	800,188	0.017	13,848	**990,088**	**0.018**	**17,434**
Pascua-Lama	43,514	0.050	2,167	380,603	0.041	15,694	**424,117**	**0.042**	**17,861**
Veladero	36,931	0.022	828	444,222	0.022	9,730	**481,153**	**0.022**	**10,558**
Lagunas Norte	17,132	0.036	625	197,286	0.028	5,526	**214,418**	**0.029**	**6,151**
Pierina	6,813	0.015	103	61,052	0.011	668	**67,865**	**0.011**	**771**
AUSTRALIA PACIFIC									
Porgera (95.00%)	18,267	0.117	2,138	57,105	0.074	4,228	**75,372**	**0.084**	**6,366**
Kalgoorlie (50.00%)	67,193	0.030	2,047	41,650	0.056	2,347	**108,843**	**0.040**	**4,394**
Cowal	14,774	0.024	353	50,506	0.037	1,856	**65,280**	**0.034**	**2,209**
Plutonic	1,015	0.025	25	1,972	0.191	377	**2,987**	**0.135**	**402**
Kanowna Belle	3,403	0.146	497	2,458	0.136	335	**5,861**	**0.142**	**832**
Darlot	1,627	0.126	205	1,178	0.129	152	**2,805**	**0.127**	**357**
Granny Smith	1,060	0.158	168	2,974	0.157	467	**4,034**	**0.157**	**635**
Lawlers	859	0.157	135	810	0.122	99	**1,669**	**0.140**	**234**
Henty	-	-	-	-	-	-	**-**	**-**	**-**
AFRICA									
Bulyanhulu (73.90%)	1,002	0.314	315	21,961	0.343	7,542	**22,963**	**0.342**	**7,857**
North Mara (73.90%)	9,367	0.081	761	19,630	0.092	1,814	**28,997**	**0.089**	**2,575**
Buzwagi (73.90%)	4,039	0.032	129	45,997	0.044	2,025	**50,036**	**0.043**	**2,154**
Tulawaka (51.73%)	36	0.111	4	99	0.434	43	**135**	**0.348**	**47**
OTHER	131	0.344	45	42	0.190	8	**173**	**0.306**	**53**
TOTAL	**674,640**	**0.045**	**30,602**	**3,026,672**	**0.036**	**109,329**	**3,701,312**	**0.038**	**139,931**

COPPER MINERAL RESERVES [1]

As at December 31, 2011	PROVEN			PROBABLE			TOTAL		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons 165	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
Zaldivar	425,791	0.528	4,496	211,304	0.498	2,106	**637,095**	**0.518**	**6,602**
Lumwana	147,415	0.587	1,731	322,535	0.493	3,178	**469,950**	**0.522**	**4,909**
Jabal Sayid	16,500	2.206	728	10,315	2.201	454	**26,815**	**2.204**	**1,182**
TOTAL	**589,706**	**0.590**	**6,955**	**544,154**	**0.527**	**5,738**	**1,133,860**	**0.560**	**12,693**

[1] See accompanying footnote #1.

GOLD MINERAL RESOURCES (1,2)

As at December 31, 2011	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable ounces	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)
NORTH AMERICA										
Goldstrike Open Pit	886	0.032	28	3,726	0.032	119	**147**	564	0.055	31
Goldstrike Underground	985	0.341	336	5,092	0.293	1,492	**1,828**	2,698	0.298	805
Goldstrike Property Total	1,871	0.195	364	8,818	0.183	1,611	1,975	3,262	0.256	836
Pueblo Viejo (60.00%)	2,296	0.062	143	117,898	0.055	6,454	**6,597**	14,970	0.047	701
Cortez	3,159	0.038	121	51,232	0.071	3,636	**3,757**	21,881	0.074	1,615
Red Hill - Gold Rush	-	-	-	11,221	0.113	1,273	**1,273**	41,290	0.139	5,748
Bald Mountain	34,428	0.014	480	88,763	0.013	1,143	**1,623**	72,491	0.011	787
Turquoise Ridge (75.00%)	7,995	0.128	1,024	54,399	0.122	6,617	**7,641**	25,494	0.130	3,303
Round Mountain (50.00%)	17,795	0.022	400	65,625	0.014	938	**1,338**	38,847	0.012	464
South Arturo (60.00%)	-	-	-	21,482	0.039	828	**828**	10,458	0.023	236
Ruby Hill	1,331	0.024	32	106,295	0.021	2,213	**2,245**	5,779	0.034	196
Hemlo	2,000	0.110	220	2,735	0.069	190	**410**	2,937	0.127	374
Marigold Mine (33.33%)	683	0.012	8	10,294	0.012	127	**135**	3,674	0.013	48
Golden Sunlight	121	0.041	5	595	0.040	24	**29**	1,605	0.036	57
Donlin Gold (50.00%)	4,261	0.073	313	294,097	0.065	19,190	**19,503**	50,825	0.059	2,997
SOUTH AMERICA										
Cerro Casale (75.00%)	19,356	0.008	164	226,634	0.010	2,330	**2,494**	413,013	0.011	4,513
Pascua-Lama	23,420	0.031	722	246,510	0.024	6,012	**6,734**	35,590	0.034	1,215
Veladero	3,800	0.009	36	40,229	0.011	428	**464**	74,600	0.008	573
Lagunas Norte	884	0.014	12	34,280	0.014	493	**505**	7,920	0.014	109
Pierina	581	0.012	7	9,662	0.013	125	**132**	9,474	0.006	61
AUSTRALIA PACIFIC										
Porgera (95.00%)	9,065	0.080	724	18,304	0.066	1,209	**1,933**	22,671	0.130	2,936
Kalgoorlie (50.00%)	6,054	0.035	212	17,157	0.032	554	**766**	348	0.078	27
Cowal	-	-	-	37,191	0.032	1,187	**1,187**	12,418	0.030	374
Plutonic	240	0.117	28	2,211	0.293	647	**675**	3,975	0.298	1,183
Kanowna Belle	2,776	0.128	354	3,550	0.122	432	**786**	5,631	0.104	588
Darlot	766	0.187	143	579	0.199	115	**258**	1,043	0.215	224
Granny Smith	403	0.159	64	2,104	0.168	353	**417**	5,316	0.237	1,261
Lawlers	-	-	-	977	0.289	282	**282**	472	0.316	149
Reko Diq (37.50%)[3]	718,521	0.009	6,466	514,465	0.006	3,040	**9,506**	1,192,569	0.005	6,399
AFRICA										
Bulyanhulu (73.90%)	-	-	-	14,472	0.154	2,230	**2,230**	6,776	0.350	2,372
North Mara (73.90%)	2,222	0.061	136	10,803	0.086	928	**1,064**	1,269	0.075	95
Buzwagi (73.90%)	110	0.036	4	28,800	0.033	943	**947**	8,390	0.034	283
Nyanzaga (73.90%)	-	-	-	60,186	0.043	2,572	**2,572**	7,381	0.060	442
Tulawaka (51.73%)	-	-	-	**500**	**0.160**	**80**	**80**	**95**	**0.168**	**16**
OTHER	**34**	**0.353**	**12**	**3**	**0.333**	**1**	**13**	**4**	**0.250**	**1**
TOTAL	**864,172**	**0.014**	**12,194**	**2,102,071**	**0.032**	**68,205**	**80,399**	**2,102,468**	**0.019**	**40,183**

COPPER MINERAL RESOURCES (1,2)

As at December 31, 2011	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
Zaldivar	**78,576**	**0.433**	**680**	**59,006**	**0.462**	**545**	**1,225**	40,439	**0.543**	439
Lumwana	**4,698**	**0.713**	**67**	**162,737**	**0.619**	**2,015**	**2,082**	882,479	**0.604**	10,660
Jabal Sayid	**1,984**	**1.890**	**75**	**4,212**	**2.077**	**175**	**250**	19,436	**0.962**	374
Reko Diq (37.50%)[3]	**718,521**	**0.536**	**7,697**	**514,465**	**0.392**	**4,034**	**11,731**	1,192,569	**0.352**	8,393
TOTAL	**803,779**	**0.530**	**8,519**	**740,420**	**0.457**	**6,769**	**15,288**	**2,134,923**	**0.465**	**19,866**

(1) Resources which are not reserves do not have demonstrated economic viability.
(2) See accompanying footnote #1.
(3) See accompanying footnote #2.

CONTAINED SILVER WITHIN REPORTED GOLD RESERVES [1]

For the year ended Dec. 31, 2011	IN PROVEN GOLD RESERVES			IN PROBABLE GOLD RESERVES			TOTAL			
Based on attributable ounces	Tons (000s)	Grade (oz/ton)	Contained ozs (000s)	Tons (000s)	Grade (oz/ton)	Contained ozs (000s)	**Tons** (000s)	**Grade** (oz/ton)	**Contained ozs** (000s)	**Process recovery %**
NORTH AMERICA										
Pueblo Viejo (60.00%)	23,925	0.76	18,144	164,804	0.47	77,956	188,729	0.51	96,100	87.1%
SOUTH AMERICA										
Cerro Casale (75.00%)	189,900	0.06	10,565	800,188	0.04	33,451	**990,088**	**0.04**	**44,016**	**69.0%**
Pascua-Lama	43,514	1.73	75,454	380,603	1.58	600,795	**424,117**	**1.59**	**676,249**	**81.6%**
Lagunas Norte	17,132	0.12	2,021	197,286	0.11	21,884	**214,418**	**0.11**	**23,905**	**21.6%**
Veladero	26,689	0.38	10,259	444,222	0.42	187,436	**470,911**	**0.42**	**197,695**	**6.2%**
Pierina	6,813	0.58	3,945	61,052	0.32	19,319	**67,865**	**0.34**	**23,264**	**37.0%**
AFRICA										
Bulyanhulu (73.90%)	1,002	0.21	207	21,961	0.28	6,079	**22,963**	0.27	6,286	75.0%
TOTAL	**308,975**	**0.39**	**120,595**	**2,070,116**	**0.46**	**946,920**	**2,379,091**	**0.45**	**1,067,515**	**65.3%**

[1] Silver is accounted for as a by-product credit against reported or projected gold production costs.

CONTAINED COPPER WITHIN REPORTED GOLD RESERVES [1]

For the year ended Dec. 31, 2011	IN PROVEN GOLD RESERVES			IN PROBABLE GOLD RESERVES			TOTAL			
Based on attributable pounds	Tons (000s)	Grade (%)	Contained lbs (millions)	Tons (000s)	Grade (%)	Contained lbs (millions)	**Tons** (000s)	Grade (%)	Contained lbs (millions)	**Process recovery %**
NORTH AMERICA										
Pueblo Viejo (60.00%)	23,925	0.080	38.3	164,804	0.096	316.0	**188,729**	0.094	**354.3**	**79.5%**
SOUTH AMERICA										
Cerro Casale (75.00%)	189,900	0.190	721.3	800,188	0.226	3,613.3	**990,088**	0.219	**4,334.6**	**87.4%**
Pascua-Lama	43,514	0.096	83.7	380,603	0.075	574.4	**424,117**	0.078	**658.1**	**63.0%**
AFRICA										
Bulyanhulu (73.90%)	1,002	0.369	7.4	21,961	0.683	299.9	**22,963**	0.669	**307.3**	**95.0%**
Buzwagi (73.90%)	4,039	0.068	5.5	45,997	0.118	108.3	**50,036**	0.114	**113.8**	**70.0%**
TOTAL	**262,380**	**0.163**	**856.2**	**1,413,553**	**0.174**	**4,911.9**	**1,675,933**	**0.172**	**5,768.1**	**84.2%**

[1] Copper is accounted for as a by-product credit against reported or projected gold production costs.

CONTAINED SILVER WITHIN REPORTED GOLD RESOURCES [1]

For the year ended Dec. 31, 2011	MEASURED (M)			INDICATED (I)			**(M) + (I)**	INFERRED		
Based on attributable ounces	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)	**Ounces** (000's)	Tons (000's)	Grade (oz/ton)	Contained ozs (000's)
NORTH AMERICA										
Pueblo Viejo (60.00%)	2,296	0.37	839	117,898	0.30	35,723	**36,562**	**14,970**	0.37	**5,572**
SOUTH AMERICA										
Cerro Casale (75.00%)	19,356	0.04	720	226,634	0.03	7,257	**7,977**	**413,013**	0.03	**12,594**
Pascua-Lama	23,420	0.71	16,708	246,510	0.68	168,459	**185,167**	**35,590**	0.45	**16,055**
Lagunas Norte	884	0.06	50	34,280	0.05	1,778	**1,828**	**7,920**	0.05	**397**
Veladero	3,800	0.16	614	40,229	0.35	14,049	**14,663**	**74,600**	0.33	**24,523**
Pierina	581	0.22	128	9,662	0.19	1,820	**1,948**	**9,474**	0.31	**2,928**
AFRICA										
Bulyanhulu (73.90%)	-	-	-	14,472	0.13	1,829	**1,829**	**6,529**	0.30	**1,949**
TOTAL	**50,337**	**0.38**	**19,059**	**689,685**	**0.33**	**230,915**	**249,974**	**562,096**	**0.11**	**64,018**

[1] Resources which are not reserves do not have demonstrated economic viability.

CONTAINED COPPER WITHIN REPORTED GOLD RESOURCES [1]

For the year ended Dec. 31, 2011	IN MEASURED (M) GOLD RESOURCES			IN INDICATED (I) GOLD RESOURCES			**(M) + (I)**	INFERRED		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
NORTH AMERICA										
Pueblo Viejo (60.00%)	2,296	0.12	5.5	117,898	**0.084**	198.3	203.8	14,970	**0.077**	23.0
SOUTH AMERICA										
Cerro Casale (75.00%)	19,356	**0.126**	48.7	226,634	**0.161**	730.5	779.2	413,013	**0.191**	1,580.1
Pascua-Lama	23,420	**0.061**	28.7	246,510	**0.053**	261.0	289.7	35,590	**0.047**	33.7
AFRICA										
Buzwagi (73.90%)	110	0.09	0.2	28,800	**0.098**	56.7	56.9	8,390	**0.089**	14.9
TOTAL	**45,182**	**0.092**	**83.1**	**619,842**	**0.101**	**1,246.5**	**1,329.6**	**471,963**	**0.175**	**1,651.7**

[1] Resources which are not reserves do not have demonstrated economic viability.

NICKEL MINERAL RESOURCES [1]

For the year ended Dec. 31, 2011	MEASURED (M)			INDICATED (I)			**(M) + (I)**	INFERRED		
Based on attributable pounds	Tons (000's)	Grade (%)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)	Contained lbs (millions)	Tons (000's)	Grade (%)	Contained lbs (millions)
AFRICA										
Kabanga (50.00%)	7,606	**2.490**	378.8	12,897	**2.720**	701.6	1,080.4	11,464	**2.600**	596.1

[1] Resources which are not reserves do not have demonstrated economic viability.

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Barrick Gold Corporation ("Barrick", "we", "our" or the "Company"), our operations, financial performance and present and future business environment. This MD&A, which has been prepared as of February 15, 2012, should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2011. Unless otherwise indicated, all amounts are presented in US dollars.

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) 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.

Continuous disclosure materials, including our most recent Form 40-F/Annual Information Form, annual MD&A, audited consolidated financial statements, and Notice of Annual Meeting of Shareholders and Proxy Circular will be available on our website at www.barrick.com, on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. For an explanation of terminology unique to the mining industry, readers should refer to the glossary on page 80.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain information contained or incorporated by reference in this MD&A, including any information as to our strategy, project plans or 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", "intend", "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 the Company, 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 market and forward price of gold and copper or certain other commodities (such as silver, diesel fuel and electricity); the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows; fluctuations in the currency markets (such as Canadian and Australian dollars, Chilean and Argentinean peso, British pound, Peruvian sol, Zambian kwacha and Papua New Guinean kina versus US dollar); changes in US dollar interest 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, Zambia, Saudi Arabia, United Kingdom, Pakistan 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, the Company; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with mining or development activities; employee relations; availability and increased costs associated with mining inputs and the construction of capital projects; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or reserve grades; adverse changes in our credit rating; contests over title to properties, particularly title to undeveloped properties; and the organization of our previously held African gold operations and properties under a separate listed company. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion or copper cathode 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 MD&A are qualified by these cautionary statements. Specific reference is made to

the 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 law.

Changes in Presentation of Non-GAAP Financial Performance Measures

We use certain non-GAAP financial performance measures in our MD&A. For a detailed description of each of the non-GAAP measures used in this MD&A, please see the discussion under "Non-GAAP Financial Performance Measures" beginning on page 72 of our MD&A.

Adjusted Operating Cash Flow before Working Capital Changes
Starting in this MD&A, we are introducing "Adjusted operating cash flow before working capital" as a non-GAAP measure. We present adjusted operating cash flow before working capital changes as a measure which excludes working capital changes from adjusted operating cash flow. Management uses adjusted operating cash flow before working capital as a measure internally to evaluate the Company's ability to generate cash flows from its mining operations.

Adjusted Operating Cash Flow
We have adjusted our adjusted operating cash flow to remove the effect of one time withholding tax payments and acquisition costs and working capital adjustments related to acquisitions. These items are not reflective of the underlying capacity of our operations to generate operating cash flow and therefore this adjustment will result in a more meaningful operating cash flow measure for investors and analysts to evaluate our performance in the period and assess our future operating cash flow generating capability.

Adjusted Net Earnings
In 2011, we updated our adjusted net earnings measure to include the removal of the impact of changes in the discount rate on the measurement of the provision for environmental rehabilitation at our closed sites. This adjustment will result in a more meaningful measure of adjusted net earnings for investors and analysts to assess our current operating performance and to predict future operating results.

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FINANCIAL AND OPERATING HIGHLIGHTS[1]
2011 Fourth Quarter and Year-End Results

	For the three months ended December 31		For the years ended December 31	
($ millions, except where indicated)	**2011**	2010	**2011**	2010
Financial Data				
Revenue	**$ 3,789**	$3,011	**$ 14,312**	$ 11,001
Net earnings[2]	**959**	961	**4,484**	3,582
Per share ("EPS")[3]	**0.96**	0.97	**4.49**	3.63
Adjusted net earnings[4]	**1,166**	1,018	**4,666**	3,517
Per share ("adjusted EPS")[3,4]	**1.17**	1.02	**4.67**	3.56
EBITDA[4]	**1,998**	1,770	**8,376**	6,521
Capital expenditures	**1,320**	1,311	**4,973**	3,778
Operating cash flow	**1,224**	866	**5,315**	4,585
Adjusted operating cash flow[4]	**1,299**	1,522	**5,680**	5,241
Adjusted operating cash flow before working capital changes[4]	**1,405**	2,044	**5,819**	5,242
Free cash flow[4]	**68**	327	**1,082**	1,870
Cash and equivalents			**2,745**	3,968
Adjusted debt[4]			**13,058**	6,392
Net debt[4]			**$ 10,320**	$ 2,427
Return on equity[4]	**20%**	22%	**22%**	20%
Operating Data				
Gold				
Gold produced (000s ounces)[5]	**1,814**	1,700	**7,676**	7,765
Gold sold (000s ounces)	**1,865**	1,831	**7,550**	7,742
Realized price ($ per ounce)[4]	**$ 1,664**	$ 1,368	**$ 1,578**	$ 1,228
Net cash costs ($ per ounce)[4]	**$ 382**	$ 278	**$ 339**	$ 293
Total cash costs ($ per ounce)[4]	**$ 505**	$ 440	**$ 460**	$ 409
Copper				
Copper produced (millions of pounds)	**143**	82	**451**	368
Copper sold (millions of pounds)	**135**	103	**444**	391
Realized price ($ per pound)[4]	**$ 3.69**	$ 3.99	**$ 3.82**	$ 3.41
Total cash costs ($ per pound)[4]	**$ 1.99**	$ 1.08	**$ 1.75**	$ 1.10

[1] The amounts presented in this table include the results of discontinued operations.
[2] Net earnings represent net income attributable to the equity holders of the Company.
[3] Calculated using weighted average number of shares outstanding under the basic method.
[4] Adjusted net earnings, adjusted EPS, EBITDA, adjusted operating cash flow, adjusted operating cash flow before working capital changes, free cash flow, adjusted debt, net debt, return on equity, realized price, net cash costs and total cash costs are non-GAAP financial performance measures with no standardized definition under IFRS. For further information and a detailed reconciliation, please see pages 72 – 79 of this MD&A.
[5] Production includes our equity share of gold production at Highland Gold.

FOURTH QUARTER FINANCIAL AND OPERATING HIGHLIGHTS

- Net earnings for the fourth quarter were $959 million, which is in line with net earnings in the prior year period. This reflects the impact of impairment charges and investment write-downs totaling $187 million, one-time tax charges totaling $75 million, and higher gold and copper cost of sales, partially offset by higher gold and copper sales volumes and higher realized gold prices.

- Adjusted net earnings for the fourth quarter were $1,166 million, up 15% over the prior year period. The increase primarily reflects higher realized gold prices and higher gold and copper sales volumes, partially offset by higher gold and copper cost of sales and higher income tax expense.
- EPS and adjusted EPS for the fourth quarter were $0.96 and $1.17, respectively, down 1% and up 15%, respectively, over the prior year period. The changes reflect the decrease in net earnings and increase in adjusted net earnings, respectively.
- EBITDA for the fourth quarter was $1,998 million, up 13% over the prior year period, reflecting the same factors affecting net earnings, except for income tax expense.
- Operating cash flow for the fourth quarter was $1,224 million, up 41% over the prior year period. The increase in operating cash flow primarily reflects payments related to the settlement of gold sales contracts of $656 million in 2010, partially offset by lower net earnings and a one-time withholding tax payment of $75 million in 2011.
- Adjusted operating cash flow for the fourth quarter was $1,299 million, down 15% from the prior year period. The decrease in adjusted operating cash flow reflects lower net earnings and higher income taxes paid. Adjusted operating cash flow before working capital adjustments was $1,405 million, down $639 million from the prior year period.
- Capital expenditures for the fourth quarter were $1,320 million, up 1% over the prior year period. The increases largely reflect higher project capital and minesite expansion expenditures.
- Gold production for the fourth quarter was 1.8 million ounces, up 7% over the prior year period. Gold production increased primarily due to increases in production in North America and South America, partially offset by decreased production in ABG.
- The realized gold price for the fourth quarter was $1,664 per ounce, up 22% over the prior year period, principally reflecting higher market gold prices.
- Gold total cash costs for the fourth quarter were $505 per ounce, up 15% over the prior year period. The increase reflects increased direct mining costs, including higher labor, energy, maintenance and consumable costs.
- Net cash costs for the fourth quarter were $382 per ounce, up 37% over the prior year period, primarily due to higher total cash costs and lower copper credits.
- Copper production for the fourth quarter was 143 million pounds, up 74% over the prior year period, primarily due to the inclusion of production from Lumwana, which was acquired as part of the acquisition of Equinox on June 1, 2011.
- Realized copper prices for the fourth quarter were $3.69 per pound, down 8% from the prior year period, primarily due to lower market copper prices.
- Copper total cash costs for the fourth quarter were $1.99 per pound, up 84% over the prior year period. The increase was primarily due to the inclusion of higher cost production from Lumwana in the mix, which was acquired as part of the acquisition of Equinox on June 1, 2011. Total cash costs were also higher due to higher direct production costs and lower production levels at Zaldívar.

FULL YEAR FINANCIAL AND OPERATING HIGHLIGHTS

- Net earnings for 2011 were $4,484 million, up 25% over the prior year. The increase reflects higher realized gold and copper prices and higher copper sales volumes, partially offset by higher gold and copper cost of sales, lower gold sales volumes, impairment charges and investment write-downs, as well as higher income tax expense.
- Adjusted net earnings for 2011 were $4,666 million, up 33% over the prior year. The increase primarily reflects higher realized gold and copper prices and higher copper sales volumes, partially offset by higher gold and copper cost of sales, lower gold sales volumes and higher income tax expense.
- EPS and adjusted EPS for 2011 were $4.49 and $4.67, respectively, up 24% and 31%, respectively, over the prior year. The increases for the year reflect the increases in both net earnings and adjusted net earnings.
- EBITDA for 2011 was $8,376 million, up 28% over the prior year. The increase in EBITDA reflects the same factors affecting net earnings, except for income tax expense.
- Operating cash flow for 2011 was $5,315 million, up 16% over the prior year. The increase in operating cash flow was primarily due to higher net earnings, partially offset by higher income tax payments, including tax payments totaling about $480 million made in 2011 related to the final 2010 income tax liability.
- Adjusted operating cash flow for 2011 was $5,680 million, up 8% over the prior year. Adjusted operating cash flow increased for the same reasons as operating cash flow. Adjusting items in 2011 include: one-time costs related to the Equinox acquisition of $204 million and withholding tax payments of $161 million. Adjusted operating cash flow before changes in working capital was $5,819 million, up 11% over the prior year.

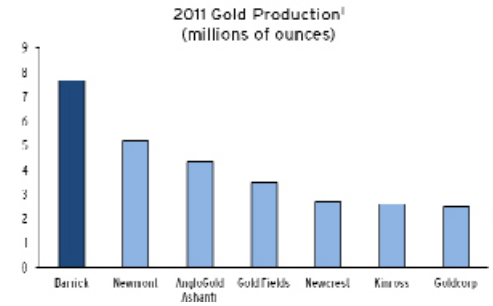
- Capital expenditures were $4,973 million, up 32% over the prior year. Capital expenditures attributable to Barrick for 2011 were $4,598 million, up 36% over the prior year. The increase reflects higher project capital expenditures and an increase in minesite expansion, minesite sustaining and open pit and underground development expenditures.
- Gold production for 2011 was 7.7 million ounces, down slightly from the prior year. Gold production decreased for the year primarily due to decreases in production in South America, Australia Pacific and ABG, partially offset by increased production in North America.
- Realized gold prices for 2011 were $1,578 per ounce, up 29% over the prior year, principally as a result of higher market gold prices.
- Gold total cash costs for 2011 were $460 per ounce, up 12% over the prior year. The increase reflects higher direct mining costs, particularly higher labor, energy, maintenance and consumable costs, as well as the impact of lower production levels in South America, our lowest cost RBU, which resulted in higher consolidated unit production costs, partially offset by an increase in capitalized production phase stripping costs,.
- Net cash costs for 2011 were $339 per ounce, up 16% over the prior year, primarily due to higher total cash costs.
- Copper production for 2011 was 451 million pounds, up 23% over the prior year, primarily due to the inclusion of production from Lumwana which was acquired as a result of the acquisition of Equinox on June 1, 2011, partially offset by lower production in Zaldívar and the impact of the divestiture of Osborne in the third quarter of 2010.
- Realized copper prices for 2011 were $3.82 per pound, up 12% over the prior year, primarily reflecting higher average market copper prices.
- Copper total cash costs for 2011 were $1.75 per pound, up 59% over the prior year. The increase reflects higher direct production costs and lower production levels at Zaldívar and the impact of including higher cost production from Lumwana in the mix.

Business Overview

Barrick's vision is to be the world's best gold mining company by finding, acquiring, developing and producing gold in a safe, profitable and socially responsible manner. We sell our production in the world market through the following distribution channels: gold bullion is sold in the gold spot market; gold and copper concentrate is sold to independent smelting companies; and copper cathode is sold to various manufacturers and traders.

Barrick's market capitalization, annual gold production and gold reserves are the largest in the industry. We also produce significant amounts of copper and have significant silver reserves contained within our gold reserves at our Pascua-Lama project. Our large mineral inventory provides significant optionality to metal prices, which supports mine life extension and expansion investment opportunities.





[1] Based on Fiscal 2011 results.

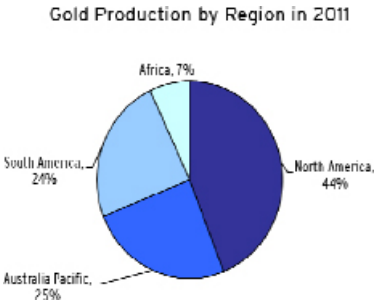
We are targeting to increase our annual gold production to nine million ounces by 2016. The significant drivers of this production growth include our Pueblo Viejo and Pascua-Lama projects, as well as various expansionary opportunities at our existing operating mines. We are targeting to increase our annual copper production to about 1 billion pounds by 2017 as a result of the start-up of Jabal Sayid and expansion opportunities at Zaldívar and Lumwana. We produced about 3.4 million ounces of silver as a by-product in 2011. We are targeting to increase our annual silver production to about 50 million ounces by 2016.

Our targeted production levels do not include production from Cerro Casale, Donlin Gold through 2016/2017, the Turquoise Ridge expansion or Goldrush/Red Hills gold discoveries due to the extended permitting and construction timelines for these projects.

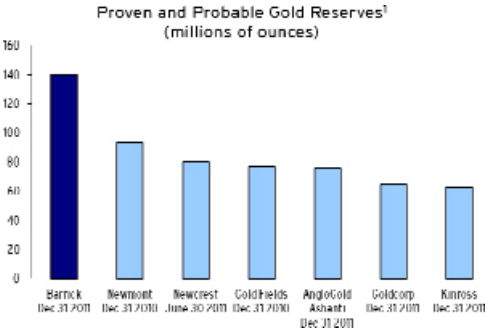
We manage our business through seven primary business units: four regional gold businesses, a global copper business, an oil & gas business and a Capital Projects business. This structure enables each business unit to customize corporate strategies to meet the unique conditions in which they operate. For gold, we manage our operations using a geographical business unit approach, with producing mines concentrated in three regional business units ("RBUs"): North America, South America and Australia Pacific, each of which is led by its own Regional President. We also hold a 73.9% equity interest in African Barrick Gold ("ABG"), which includes our previously held African gold mines and exploration properties. We established our global copper business unit in the fourth quarter of 2011 to manage our copper business in a manner that maximizes the value of the Company's copper assets. Our oil & gas business, managed by Barrick Energy, provides an economic hedge against our exposure to oil prices and also provides support for energy-saving initiatives undertaken by our other business units. Our Capital Projects business, distinct from our other business units, focuses on managing feasibility studies and construction of our major capital projects, while our operating business units manage feasibility studies and construction of mine expansion projects at existing operating mines. Our business unit structure adds value by enabling the realization of operational efficiencies, allocating resources to individual mines/projects more effectively and understanding and better managing the local business environment, including labor, consumable costs and supply and government and community relations.

The newly created copper business unit has been given the primary responsibility and accountability for managing our copper business, which includes the Zaldívar and Lumwana mines, and the Jabal Sayid, Reko Diq and Kabanga projects. The copper business unit's long-term strategy is to maximize the value of these important assets by providing strategic oversight of copper production and marketing, the adoption of best

We have operating mines or projects in Canada, the United States, the Dominican Republic, Australia, Papua New Guinea, Peru, Chile, Argentina, Zambia, Saudi Arabia, Pakistan and Tanzania. The geographic split of gold production for the year ended December 31, 2011 was as follows:

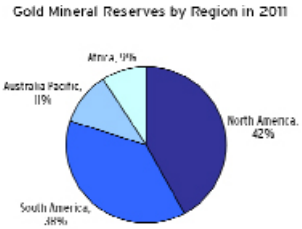


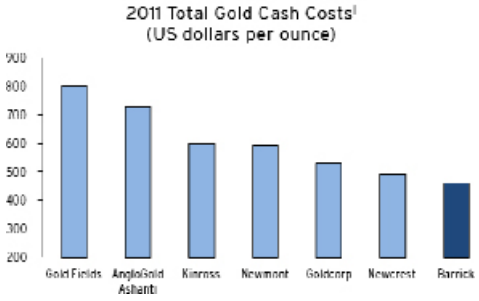
In addition, our gold reserves and resources are situated primarily in geopolitically secure countries, with approximately 66% of our gold reserves located in investment grade[1] countries, including the United States, Chile, Australia, Peru, and Canada. This provides a lower overall risk profile.



[1] Based on the most recent public information as at date noted.
[1] Defined as being rated BBB- or higher by S&P.

practices in mining throughout the portfolio of mines/projects, as well advancing value creation opportunities within the copper business, such as the Lumwana and Zaldívar expansion opportunities.





[1] Based on Fiscal 2011 results.

Increasing Gold and Copper Reserves through Exploration and Selective Acquisition

Acquisition of Equinox Minerals Limited

In April 2011, we announced an offer to acquire all of the issued and outstanding common shares of Equinox Minerals Limited ("Equinox") for an all-cash offer of C$8.15 per share. This strategic, all-cash transaction was accomplished without issuing equity or diluting our shareholders' exposure to gold and has added two attractive copper assets to our portfolio. On June 1, 2011, we had acquired 83% of the shares, thus obtaining control. We began consolidating operating results, including cash flows, from this date onwards. On July 19, 2011, we acquired 100% of the issued and outstanding common shares for total cash consideration of $7.482 billion. Equinox's primary asset is the Lumwana copper mine, a high-quality, long-life property in the highly prospective Zambian Copperbelt

region. Equinox's other significant asset is the Jabal Sayid copper project in Saudi Arabia, which is currently in construction and is expected to enter production in 2012. This acquisition was funded through our existing cash balances and $6.5 billion in new debt issued during 2011. The contribution of Equinox operations has been consolidated into Barrick's results from June 1, 2011 onwards as part of our newly formed copper business unit.

Gold discoveries in Nevada

In Nevada, recent drilling continues to grow the potential at Red Hill/Goldrush. At Red Hill, a resource of 1.27 million ounces was calculated in the indicated category and 3.30 million ounces in the inferred category[2], and the resource remains open in multiple directions. Step-out holes have intersected mineralization a further 2,800 feet north beyond the initial 2010 resource as well as extended mineralization at least 1,000 feet to the southwest. Highlights of major step-out drilling include 90 feet at 0.15 ounces per ton (opt), 120 feet at 0.32 opt, 20 feet at 1.18 opt, and 110 feet at 0.12 opt. Infill drilling between the deposits has shown that Red Hill and Goldrush merge into a single deposit. A small portion of the Goldrush deposit had sufficient drill density to report an initial inferred resource of 2.45 million ounces[2]. The step-out drilling continues to suggest a high likelihood of major resource expansion. A total of 468,000 feet of drilling ($64 million) is planned at Red Hill/Goldrush in 2012 to test the full extent of the mineralized system and further expand and upgrade the resource base and a scoping study has commenced.

Gold and Copper Reserves and Resources Update[3]

Barrick replaced proven and probable gold reserves to an industry leading 139.9 million ounces at the end of 2011, based on a $1,200 per ounce gold price, and also has measured and indicated gold resources of 80.4 million ounces and inferred gold resources of 40.2 million ounces, based on a $1,400 per ounce gold price[2]. With the addition of Lumwana and Jabal Sayid, copper reserves nearly doubled from 6.5 billion pounds to 12.7 billion pounds, measured and indicated copper resources rose 17% to 15.3 billion pounds and inferred copper resources increased 117% to 19.9 billion pounds based on a $2.75 per pound copper price and a $3.25 per pound copper price[2], respectively.

[2] 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 U.S. reporting purposes, approximately 2.15 million ounces of reserves at Pueblo Viejo (Barrick's 60% interest) is classified as mineralized material. For a breakdown of reserves and resources by category and additional information relating to reserves and resources, see pages 161 to 166 of Barrick's 2011 Year-End Report.

[3] For a breakdown of reserves and resources by category and additional information relating to reserves and resources, see pages 161 to 166 of this Financial Report.

New Financing and Capital Structure Developments

During 2011 we increased our outstanding debt by $6.5 billion to fund the cost of the Equinox acquisition. In May 2011, we entered into a new $2 billion revolving credit facility with an interest rate of LIBOR plus 1.25%. In June 2011, we drew $1 billion on this credit facility. In May 2011, we drew $1.5 billion on our previously existing revolving credit facility and in June 2011, we issued an aggregate of $4.0 billion in debt securities.

In January 2012, we entered into a credit facility of $4 billion, which matures in 2017 to replace our $2 billion facility that was scheduled to mature in 2016 and also to augment our overall credit capacity. Coincident with this agreement becoming effective, we terminated our $2 billion facility that was obtained in April 2011 and transferred the $1 billion drawn on the $2 billion facility to the new $4 billion facility.

Returning Capital to Shareholders

As a result of our positive outlook on the gold price, our strong financial position and robust operating cash flow, Barrick's Board of Directors authorized an annual dividend increase from $0.48 per common share to $0.60 per common share[4] in October, 2011. Over the last five years, Barrick has had a consistent track record of returning capital to shareholders, increasing its dividends by more than 170%[5] on a quarterly basis.

Investing in and Developing High Return Projects

Projects in Construction

Pueblo Viejo

At the Pueblo Viejo project in the Dominican Republic, first production continues to be expected in mid-2012 and overall construction is currently about 90% complete. At the end of Q4, approximately 85% of the expected total mine construction capital of $3.6 -$3.8 billion[6] (100% basis) or $2.2 -$2.3 billion (Barrick's 60% share) had been committed. About 13 million tonnes of ore, representing approximately 1.4 million contained gold ounces, has been stockpiled to date. Construction

[4] The declaration and payment of dividends remains at the discretion of the Board of Directors and will depend on our financial results, cash requirements, future prospects and other factors deemed relevant by the Board.

[5] Calculated based on converting the 2006 semi-annual dividend of 11 cents per share to a quarterly dividend.

[6] Based on gold and oil price assumptions of $1,300/oz and $100/bbl, respectively.

of the tailings facility progressed during Q4 with the receipt of approvals to re-commence construction. The oxygen plant is expected to undergo pre-commissioning testing in Q1 2012, with the first two autoclaves undergoing pre-commissioning in Q2 2012. Construction of the transmission line connecting the site to the national power grid was completed during Q4 2011, and the inter-connect to the grid has been achieved. As part of a longer-term, optimized power solution for Pueblo Viejo, the Company has started early works to construct a dual fuel power plant at an estimated incremental cost of approximately $300 million (100% basis). The power plant would commence operations utilizing heavy fuel oil, but have the ability to subsequently transition to lower cost liquid natural gas. The new plant is expected to provide lower-cost, long-term power to the project.

Pueblo Viejo is expected to contribute approximately 100,000-125,000 ounces to Barrick at total cash costs of $400-$500 per ounce[7] in 2012 as it ramps up to full production in 2013. Barrick's 60% share of annual gold production in the first full five years of operation is expected to average 625,000-675,000 ounces at total cash costs of $300-$350 per ounce[8].

Jabal Sayid

Overall construction of the Jabal Sayid copper project in Saudi Arabia was about 75% complete at the end of Q4. Subject to receipt of final approvals, the operation is expected to enter production in the second half of 2012 at total construction capital of approximately $400 million, of which 85% had been committed at the end of Q4. Underground mine development for first ore production and concrete works was completed in Q4 and bulk earthworks were about 90% complete. Jabal Sayid is expected to produce 35-45 million pounds of copper in 2012 at total cash costs of $2.15 -$2.50 per pound[9]. Average annual production from Lodes 2 and 4 is expected to be 100-130 million pounds over the first full five years of operation at total cash costs of $1.50 -$1.70 per pound. Results from recent drilling beneath Lode 4 demonstrate that the width of mineralization towards the base of the current resource model had been underestimated by lack of drilling. In addition to the previous intercept of 111 meters grading 2.67% copper, recent drilling has intersected 119 meters at 1.2% copper. This area will be the focus of ongoing drilling and resource/reserve upgrades and additions in 2012.

Pascua-Lama

At the Pascua-Lama project, approximately 55% of the previously announced pre-production capital of $4.7 -$5.0 billion[10] has been committed and first production is expected in mid-2013. The project is being impacted by labor and commodity cost pressures as a result of inflation, competition for skilled labor, the impact of increased Argentinean customs restrictions on equipment procurement and lower than expected labor productivity.

In Chile, earthworks were about 95% complete at the end of Q4, and in Argentina, earthworks construction was approximately 65% complete at year end. Approximately 40% of the concrete has been poured at the processing facilities in Argentina and about 15% of the structural steel has been erected to date. Occupancy of the construction camps in Chile and Argentina continues to ramp up with 6,500 beds available by the end of 2011. The camps are expected to reach their full capacity of 10,000 beds in mid-2012. Average annual gold production from Pascua-Lama is expected to be 800,000–850,000 ounces in the first full five years of operation at negative total cash costs of $225-$275 per ounce[10] based on a silver price of $25 per ounce. For every $1 per ounce increase in the silver price, total cash costs are expected to decrease by about $35 per ounce over this period.

Projects in Feasibility

Cerro Casale

At the Cerro Casale project in Chile, basic engineering was completed on schedule in Q4. The EIA permitting process is anticipated to be completed by the end of 2012, after which Barrick will consider a construction decision, commencement of detailed engineering and sectoral permitting. Ongoing consultation with the government, local communities and indigenous groups is continuing in parallel with permitting.

Barrick's 75% share of average annual production is anticipated to be 750,000-825,000 ounces of gold and 190-210 million pounds of copper in the first full five years of operation at total cash costs of $200-$250 per

[7] Based on 2012 gold and oil price assumptions of $1,700/oz and $100/bbl, respectively. The 2012 total cash cost estimate is dependent on the rate at which production ramps up after commercial levels of production are achieved. A change in the efficiency of the ramp up could have a significant impact on this estimate.

[8] Based on gold and oil price assumptions of $1,300/oz and $100/bbl, respectively.

[9] Based on 2012 copper and gold price assumptions of $3.50/lb and $1,700/oz, respectively. The 2012 total cash cost estimate is dependent on the rate at which production ramps up after commercial levels of production are achieved. A change in the efficiency of the ramp up could have a significant impact on this estimate.

[10] Based on gold, silver and oil price assumptions of $1,300/oz, $25/oz and $100/bbl, respectively, and assuming a Chilean peso f/x rate of 475:1.

ounce[11]. Estimated total mine construction capital is approximately $6.0 billion (100% basis)[10,12] .

Donlin Gold
At the 50%-owned Donlin Gold project in Alaska, the revised feasibility study, which includes updated costs and the utilization of natural gas, has been completed and acceptance of the study by the Board of Donlin Gold LLC is expected in the first half of 2012. Mine construction capital is expected to be approximately $6.7 billion (100% basis)[13], which includes a natural gas pipeline that is anticipated to lower long-term power costs and offer a better environmental and operational solution for power connection to the site. Permitting is expected to commence following approval by the Board of the revised feasibility study. Donlin Gold is anticipated to produce about 1.5 million ounces of gold annually (100% basis) in its first full five years of operation.

Lagunas Norte Sulfides Expansion
A scoping study was completed on the Lagunas Norte deep sulfide potential in 2011 and the project is undergoing metallurgical and geotechnical work as part of a prefeasibility study, which is anticipated to be completed by year end 2012. This expansion opportunity has the potential to benefit life of mine production starting as early as 2016.

Zaldívar Sulfides Expansion
A scoping study has also been completed on the Zaldívar deep sulfides and a prefeasibility study is expected by year end 2012. Although this project is in the early stages, this expansion opportunity has the potential to benefit life of mine production starting as early as 2017 and significantly extend the mine life.

Lumwana Expansion
At Lumwana, activity has been ramped up with 17 drill rigs on the property focusing on resource definition drilling at Chimiwungo to convert inferred resources into the indicated category and step-out drilling to the south and east to extend the mineralization. Drilling to date has confirmed the thickened eastern shoot of Chimiwungo and selected highlights include 44 meters grading 1.00% copper, 44 meters at 1.07%, 41 meters at 0.80%, 37 meters at 0.91% and 20 meters at 1.60%. In addition to these strong results within the resource area, drilling further to the east is intersecting shallower than expected mineralization. A prefeasibility study on an expansion that could potentially double processing rates at Lumwana is expected to be completed by year end 2012.

Turquoise Ridge Expansion
At the 75%-owned Turquoise Ridge mine in Nevada, work is advancing on the potential to develop a large-scale open pit in order to mine the lower grade halo around the high-grade underground ore, which could significantly increase annual production. Work in 2012 will focus on resource conversion, mine planning, environmental data collection, geotechnical and hydrologic evaluation, metallurgical and trade-off studies for processing as part of the prefeasibility study, which is expected to be completed by the end of 2012. Twelve drill rigs are currently active on the property and the focus of open pit drilling is on upgrading resources. Additionally, surface drilling has intersected new mineralization, particularly in the shallower south area of the planned pit, which could positively impact economics. Underground drilling is also yielding strong results, intersecting higher grades than expected in some areas, and zones are open up-dip and to the northwest.

Hemlo Expansion
We have identified an opportunity at our Hemlo mine to expand the open pit and extend the mine life by up to 10 years. We are currently working on the feasibility study, which is expected to be completed in early 2012.

Adoption of IFRS
We adopted IFRS effective January 1, 2011. The financial results discussed in this MD&A were prepared in accordance with IFRS, including the relevant prior year comparative amounts. Under IFRS, certain costs such as production phase waste stripping costs and exploration and evaluation costs can be capitalized where there is probable future economic benefit. As a result, the conversion to IFRS resulted in a decrease in operating costs, an increase in net assets and an increase in operating cash flow and capital expenditures compared to equivalent results if presented in accordance with US GAAP. Certain figures within this MD&A are presented under US GAAP and have been labeled accordingly. For a discussion of our significant accounting policies, refer to note 2 of the Consolidated Financial Statements.

Economic, Fiscal and Legislative Developments
The current global economic situation has impacted Barrick in a number of ways. The response from many governments to the ongoing economic crisis has led to continuing low interest rates and a reflationary

[11] Based on gold, copper, and oil price assumption of $1,300/oz, $3.25/oz and $100/bbl, respectively and assuming a Chilean peso f/x rate of 475;1.
[12] Based on Q2 2011 prices and does not include escalation for inflation.
[13] Based on Q2 2011 prices and does not include escalation for inflation.

environment that has been generally supportive of higher commodity prices. The long-term fundamentals for gold remain strong and are supported by a number of factors including ongoing risks to the European financial system, central bank buying for reserve diversification purposes and strong investment and retail demand from consumers in developing countries. Gold and copper market prices in particular (refer to Market Review section of this MD&A for more details) have been key drivers of higher income and operating cash flows for Barrick. During the year, the market prices for these metals were extremely volatile. During 2011, gold prices achieved a series of successive all-time nominal highs. Copper prices also reached an all-time high during 2011, but declined significantly in the second half, closing at $3.43 per pound, which was down compared to the 2010 closing price of $4.42 per pound.

The fiscal pressures currently experienced by many governments have resulted in a search for new sources of revenues, and the mining industry, which is generating significant profits and cash flow in this high metal price environment, is facing the possibility of higher income taxes and royalties. The Australian Mineral Resources Rent Tax ("MRRT"), which if enacted will apply from July 1, 2012 is one example. While the MRRT currently does not apply to our gold operations, there has been a degree of political agitation to extend the legislation to include gold mining. We continue to monitor and consider any developments related to this legislation. In addition, in order to finance reconstruction stemming from the devastating 2010 earthquake, the Chilean government enacted a temporary first tier income tax increase from 17% to 20% in 2011 and 18.5% in 2012 as well as a new elective mining royalty. In January 2011 we adopted the new royalty. The impact on the Company of the temporary income tax rate increase and the elective mining royalty on 2011 income tax expense were about $18 million and $8 million, respectively.

The Peruvian government enacted new tax legislation, effective October 1, 2011, which will apply specifically to mining operations. The tax rates will apply differently depending on whether or not a mining company has a stabilization agreement in effect. The impact to the Company from the new tax legislation has resulted in an increase in income tax expense of $12 million in fourth quarter 2011. On an annualized basis, we expect income tax expense to increase by about $23 million per year over the next couple of years.

In September 2011, Zambia elected a new leader, Michael Sata of the Patriotic Front party. Part of Mr. Sata's campaign platform was to ensure the state receives more economic benefits from its mining sector. The new Zambian Government has since announced a change in the mining tax regime to increase the royalty rate from 3% to 6%. The new rate, which has been enacted, will be effective from April 1, 2012.

On October 26, 2011, the Argentinean government announced by Decree 1722 the obligation for companies producing crude oil, natural gas, and mining to repatriate and convert into Argentinean pesos, on the Single and Free Foreign Exchange Market, all foreign currencies resulting from export transactions. The Bank Transaction Tax ("BTT") resulting from the conversion of foreign currencies to pesos is 0.6% and is applicable to all currency transactions that would otherwise have been executed using offshore funds. We do not expect the BTT to have a significant impact on Veladero and Pascua Lama. Both Veladero and Pascua-Lama acquired stability rights in Argentina before Decree 1722/2011, which we believe should provide protection against changes to our stabilized foreign exchange regimes. The Argentinean Mining Investment Law N°24.196 grants tax and foreign exchange stability for a 30 year term to mining companies that file a feasibility study for a mining project.

The Australian government has enacted its carbon tax scheme with a commencement date of July 1, 2012. The carbon price will be set at AUD $23 per tonne of carbon until June 30, 2015 and will apply to the top 500 high-emitting companies. We have completed a preliminary assessment and expect the impact of complying with the legislation to be an increase in our total gold cash costs of approximately $3 per ounce on a consolidated basis and approximately $12 per ounce for the regional business unit on an annualized basis.

On November 15th, 2011 the Government of Balochistan rejected the mining lease application for our Reko Diq copper-gold project in Pakistan. We believe that we have a sound legal basis to support our entitlement to secure a mining lease and we are actively pursuing the enforcement of our legal rights through both the International Center for Settlement of Investment Disputes and the International Chamber of Commerce, as well as through an administrative appeal under the Balochistan Mineral Rules. The carrying value of our investment in Reko Diq is $121 million.

Outlook for 2012

2012 Guidance Summary

	2011 Actual	2012 Guidance
Gold production and costs		
Production (millions of ounces)[1]	**7.7**	7.3 -7.8
Cost of sales[2]	**5,127**	5,800 - 6,200
Gold unit production costs		
Total cash costs ($ per ounce)[3]	**460**	520 - 560
Net cash costs ($ per ounce)[4]	**339**	400 - 450
Depreciation ($ per ounce)[5]	**154**	185 - 195
Copper production and costs		
Production (millions of pounds)	**451**	550 - 600
Cost of sales[6]	**949**	1,400 - 1,600
Copper unit production costs		
Total cash costs ($ per pound)	**1.75**	1.90 - 2.20
Depreciation ($ per pound)	**0.38**	0.50 - 0.60
Other depreciation[7]	**50**	65 - 75
Exploration and evaluation expense	**352**	380 - 410
Exploration[8]	**217**	260 - 280
Evaluation[9]	**135**	120 - 130
Corporate administration	**166**	165 - 175
Other expense[10]	**576**	425 - 450
Other income[11]	**248**	15 - 20
Finance income	**13**	10 - 15
Finance costs	**199**	200 - 225
Capital expenditures:		
Minesite sustaining	**980**	1,200-1,300
Open pit and underground mine development[12]	**842**	850 - 925
Minesite expansion[12,13]	**529**	850 - 925
Capital projects[14]	**2,247**	2,600 - 2,750
Total capital expenditures	**4,598**	5,500 - 5,900
Effective income tax rate[15]	**33%**	32%

[1] Guidance for gold production reflects Barrick's equity share of production from ABG (73.9%), Pueblo Viejo (60%).

[2] Cost of sales applicable to gold includes depreciation expense and cost of sales applicable to the outside equity interests in ABG. Guidance for cost of sales reflects the full 100% consolidation of ABG gold sales. Cost of sales guidance does not include proceeds from by-product metal sales or the net contribution from Barrick Energy, whereas guidance for gold total cash costs and gold net cash costs do reflect these items.

[3] Gold total cash costs includes expected proceeds of approximately $140 million (2011: $155 million) from the sale of by-product metals and the net contribution of approximately $156 million from Barrick Energy (2011: $117 million). Copper total cash costs includes expected proceeds of approximately $8 million from the sale of by-product metals (2011: $3 million).

[4] Assuming a realized copper price of $3.50 per pound.

[5] Includes depreciation expense related to Barrick Energy.

[6] Cost of sales applicable to copper includes depreciation expense and excludes the amortization of the Lumwana inventory fair value adjustment at acquisition (2011: $34 million)

[7] Represents depreciation for the Corporate and Regional Business Unit offices.

[8] Total exploration expenditures in 2012 are expected to be between $450 - $490 million including $260 - $280 million (2011: $217 million) in exploration expense and $190 - $210 million (2011: $133 million) in capitalized exploration costs. The capitalized exploration costs are included in the guidance for open pit and underground mine development and minesite expansion capital expenditures, as appropriate.

[9] Represents Barrick's share of evaluation expenditures. Includes expected costs of $4 million for Kabanga and Donlin Gold (2011: $2 million) that will be classified under "income (loss) from equity investees".

[10] Other expense is expected to be lower in 2012 as 2011 costs include special items of approximately $149 million in other expense, primarily due to acquisition costs, and the effect of discount rate changes on environmental provisions at closed sites.

[11] Other income is expected to be lower in 2012 as 2011 income includes approximately $224 million in other income due to the gain on sale of certain assets and investments.

[12] Includes capitalized exploration costs.

[13] Represents Barrick's share of minesite expansion capital expenditures. Includes capitalized interest of about $115 to $120 million (2011: $39 million).

[14] Represents Barrick's share of project capital expenditures including capitalized interest of about $375 million in 2012 (2011: $343 million).

[15] Excludes the impact of one time dividend withholding tax in 2011 of $87 million.

2012 Guidance Analysis

Production

We prepare estimates of future production based on mine plans that reflect the expected method by which we will mine reserves at each site. Actual gold and copper production may vary from these estimates due to a number of operational factors, including whether the volume and/or grade of ore mined differs from estimates, which could occur because of changing mining rates, ore dilution, varying metallurgical and other ore characteristics, and/or short-term mining conditions that require different sequential development of ore bodies or mining in different areas of the mine. Certain non-operating factors may also cause actual production to vary from guidance, including litigation risk, the regulatory environment and the impact of global economic conditions. Mining rates are also impacted by various risks and hazards inherent at each operation, including natural phenomena, such as inclement weather conditions, floods and earthquakes, and unexpected civil disturbances, labor shortages or strikes.

We expect 2012 gold production to be about 7.3 to 7.8 million ounces. Our gold production mix is expected to change as a result of higher production in North America that is offset by lower production in South America. The production mix within North America is also expected to change due to the commencement of operations at Pueblo Viejo in the Dominican Republic in the second half of the year and an increase in ore tons mined and processed at Goldstrike as the mine completed a stripping phase towards the end of 2011. This is expected to be partially offset by lower

production at Cortez due to a decline in open pit ore grade. South America production is expected to be lower than 2011 levels, primarily due to lower ore grades at Veladero and decreased production at Pierina. Production at Australia Pacific is expected to be consistent with 2011 levels and production at ABG is expected to be slightly higher than 2011, primarily due to higher ore grades at North Mara.

Copper production is expected to increase from 451 million pounds in 2011 to about 550 to 600 million pounds in 2012, as a result of a full year of production from Lumwana and the mid-year start up of Jabal Sayid. Production at Zaldívar is expected to remain at levels similar to 2011.

Revenues

Revenues include consolidated sales of gold, copper, oil and metal by-products. Revenues from oil and metal by-products are reflected in our guidance for gold total cash costs. Revenues from gold and copper reported in 2012 will reflect the sale of production at market gold and copper prices and the impact of copper floor price contracts. Barrick does not provide guidance on 2012 gold and copper prices.

Cost of Sales, Net Cash Costs and Total Cash Costs

We prepare estimates of cost of sales, net cash costs and total cash costs based on expected costs associated with mine plans that reflect the expected method by which we will mine reserves at each site. Cost of sales, net cash costs and total cash costs per ounce/pound are also affected by ore metallurgy that impacts gold and copper 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.

Cost of sales applicable to gold is expected to be in the range of $5.8 to $6.2 billion, compared to $5.1 billion in 2011. The increase is primarily due to the commencement of operations at Pueblo Viejo, higher total ore tons mined, lower waste tons mined that are eligible for capitalization and inflationary cost pressures on labor and other input costs.

Total cash costs are expected to be in the range of $520 to $560 per ounce, up from $460 per ounce in 2011. The increase in 2012 principally reflects a change in production mix from lower-cost ore sources to higher-cost ore sources, both between and within mine sites. Additionally, we expect to capitalize less waste stripping costs as a result of Goldstrike and Cortez completing substantial stripping campaigns in 2011. Labor cost is increasing due to a combination of significant inflation in certain parts of South America, market adjustments for skilled labor in North America, Australia and Africa and planned hiring at some of our operations. Gas and electricity costs are also higher, principally due to significantly higher natural gas prices at Porgera as a result of the expiration of a long-term contract at the end of 2011. Other cost pressures include the changes in our effective currency hedge rates from 2011 to 2012 and higher royalties due to higher realized gold prices.

Cost of sales applicable to copper is expected to be in the range of $1,400 to $1,600 million, compared to $949 million in the prior year. Total cash costs are expected to be in the range of $1.90 to $2.20 per pound for copper, up from total cash costs of $1.75 per pound in 2011. The increase in cost of sales and total cash costs is primarily a result of the impact of a full year's contribution from Lumwana, an increase to the Zambian government royalty rate, the start-up of Jabal Sayid and higher costs at Zaldívar, primarily due to an increase in market prices for sulfuric acid.

Net gold cash costs are expected to be in the range of $400 to $450 per ounce, assuming an average market copper price of $3.50 for 2012 and the impact of copper hedge contracts.

Exploration and Evaluation

Exploration and Evaluation ("E&E") costs will be classified under both the "exploration and evaluation" line and the "loss from equity investees" line on our consolidated statements of income. The timing of the funding provided to equity investees for E&E expenditures and the recognition of the related income or expense as loss from equity investees in our consolidated statement of income may vary. The funding is initially recorded as an increase in the carrying amount of our investment. Our share of expenses is recognized when the expenditures are incurred by the equity investee.

We expect to expense approximately $380 to $410 million of E&E expenditures in 2012. Costs primarily reflect ongoing minesite reserve and resource development programs, principally at Red Hill and Goldrush, Goldstrike, Lumwana, Kanowna, and Veladero. E&E expenses also include our share of non-capitalizable project costs at Pueblo Viejo, Pascua-Lama and Cerro Casale and costs classified under income (loss) from equity investees.

Finance Costs

Finance costs primarily represent interest expense on long-term debt. We expect higher finance costs in 2012, primarily due to higher gross interest costs on debt issued to finance the Equinox acquisition in mid-2011. Capitalized interest for 2012 is similar to 2011 as higher interest capitalized on Pascua Lama and Cerro Casale is offset by lower capitalized interest at Pueblo Viejo and Jabal Sayid once these mines commence production in 2012.

Capital Expenditures

Total capital expenditures for 2012 are expected to be in the range of $5.5 to $5.9 billion. The level of spend is higher in 2012, primarily due to construction activity at Pascua-Lama and Jabal Sayid and higher minesite expansion expenditures. We expect the level of spending on capital projects to decline in 2013 to about $1.7 billion following the completion of Pueblo Viejo and Jabal Sayid in 2012 and Pascua Lama in mid-2013.

Minesite Sustaining

Sustaining capital expenditures are expected to increase from 2011 expenditure levels of $980 million to about $1,200 to $1,300 million, mainly due a full year of expenditures at Lumwana, and the inclusion of sustaining capital expenditures at Pueblo Viejo.

Open pit and underground mine development

Open pit and underground mine development capital includes capitalized waste stripping, underground mine development and exploration drilling expenditures that meet our criteria for capitalization. In 2012, expenditures primarily relate to mine development activities at Goldstrike, Cortez, North Mara, Veladero, Porgera and Granny Smith. Expenditures are expected to increase slightly from 2011 levels, primarily due to higher expenditures in South America from increased mine development activities at Veladero, and in ABG due to higher strip ratios and higher costs at Buzwagi and North Mara. These increases are partly offset by lower expenditures expected in North America, where both Goldstrike and Cortez completed a period of high waste stripping in 2011 as anticipated in their life of mine plans.

Minesite Expansion

The expected increase in expansion capital relates to various projects at Pueblo Viejo, Goldstrike, Cortez and Turquoise Ridge in North America, Lagunas Norte in South America and Lumwana. At Pueblo Viejo, $240 million (100% basis) or $144 million (Barrick's share) of 2012 expenditures relate to the construction of a dual fuel power plant at Pueblo Viejo at an estimated incremental total cost of approximately $300 million (100% basis) or $180 million (Barrick share). The increase also reflects capitalized exploration costs to advance the expansion project at Turquoise Ridge.

Capital Projects

The expected increase in our share of capital project capital expenditures from $2,247 million in 2011 to $2,600 to $2,750 million in 2012 is mainly due to the construction activity at Pascua-Lama, partly offset by lower capital project capital expenditures at Pueblo Viejo as this project commences operation in mid-2012.

Project Capital Expenditures

($ millions)	2011 Actual	2012 Guidance
Pueblo Viejo (60% basis)	$ 521	$400 - $425
Pascua-Lama	1,191	$1,600 - $1,675
Cerro Casale (75% basis)	83	$50 - $75
Jabal Sayid	105	$125 - $150
Other	4	~$50
Capitalized interest	343	~$375
	$2,247	$2,600 - $2,750

Income Taxes

Our underlying expected effective tax rate of 32% excludes the impact of currency translation gains/losses and changes in the recognition of deferred tax assets.

Based on our current outlook assumptions, cash tax payments in 2012 are expected to be consistent with 2011. Cash tax payments in 2012 are expected to be the highest in the second quarter due to the settlement of some 2011 liabilities and operating cash flow will be reduced accordingly.

Outlook Assumptions and Economic Sensitivity Analysis

	2012 Guidance Assumption	Hypothetical Change	Impact on Total Cash Costs	Impact on EBITDA (millions)
Gold revenue	$1,700/oz[1]	$50/oz	n/a	$375 - $400
Copper revenue[2]	$3.50/lb[1]	$0.25/lb	n/a	$72
Gold total cash costs				
Gold price effect on royalties	$1,700/oz	$50/oz	$1.25/oz	$10
WTI crude oil price[3]	$100/bbl	$10/bbl	$0.25/oz	$2
Australian dollar exchange rate[3]	1 : 1	10%	$0/oz	$0
Copper total cash costs				
WTI crude oil price	$100/bbl	$10/bbl	$0.01/lb	$6
Chilean peso exchange rate[3]	500 : 1	10%	$0/lb	$0

[1] We have assumed a gold price of $1,700 per ounce and copper price of $3.50/lb, which are consistent with current market prices. This assumption does not represent a forecast of what we expect gold or copper prices to average in 2012.
[2] We have put in place floor protection on just under half of our expected copper production for 2012 at an average floor price of $3.75 per pound and can fully participate in copper price upside. At prices above $3.75 per pound, the impact on EBITDA of a $0.25/lb change in the copper price is approximately $140 million.
[3] Due to hedging activities we are largely protected against changes in these factors.

Our Strategy

Our core objective is to maximize long-term value for our shareholders by following a balanced approach that emphasizes increasing net asset value, production, reserves, earnings and cash flow on a per share basis, while continuing our track record of paying a progressive dividend. In order to deliver on these objectives, our strategic focus in 2012 is on the following priorities:

- Meet operational and financial targets to maximize benefits of rising metal prices;
- Increase gold and copper reserves through exploration and selective acquisitions;
- Maximize the value of existing mines and properties, leveraging technical skills and regional infrastructure;
- Invest in and develop high return projects; and
- Continually improve corporate social responsibility ("CSR") practices to maintain license to operate.

Capability to Execute our Strategy

The capability to execute on our strategy comes from the strength of our experienced management team, skilled workforce and organizational structure; a strong emphasis on exploration and a pipeline of projects that facilitates the long-term sustainability of our business; our strong financial position; and our commitment to maintaining our license to operate.

We understand that creating shareholder value is the reward for actively managing the risks that could impact our ability to execute our strategy. Consequently, we have established an enterprise risk management ("ERM") process for identifying, evaluating and managing company-wide risks. Our ERM process ensures that risks are properly identified, assessed, reported and monitored at all levels of the organization. All risks and associated mitigation plans are reported through our business units and corporate functional leaders. These risks are reviewed, consolidated, ranked and prioritized by senior management. An analysis is performed to ensure there is proper assessment of risks that may interfere with achieving our strategic objectives.

The following is a summary of our key competitive strengths, as well as certain risk factors impacting our ability to execute our strategy.

There are additional risks that either individually or collectively may affect our business and financial results in the future. For a more detailed description of the risks facing the Company, please refer to the most recently filed Annual Information Form.

Experienced Management Team, Skilled Workforce and Organizational Structure

We have an experienced board of directors and senior management team with a proven track record at Barrick and within the mining industry. Strong leadership and governance are critical to the successful implementation of our core business strategies.

> Risk Factor: Our ability to attract and retain staff with critical mining skills affects our ability to deliver on our strategic objectives, move on opportunities and provide resources for our projects.

In order to continue to maintain a skilled workforce, we have a combination of strategies, including partnerships to develop local capabilities, technical and leadership training programs, succession planning, talent management systems, and implementation of a targeted compensation strategy. We continue to focus on training and development for key members of our senior mine management, technical professionals and frontline workers through our talent management processes, and enhanced distance learning programs in order to meet this challenge. We have also expanded our technical training and development programs beyond the traditional mining disciplines (mining, metallurgy, maintenance and geology) to include our critical support functions such as environment, health & safety and human resources. This program is now improving the technical and leadership skills of over 1,000 professionals. Leadership development for high potential employees has been and will continue to be an area of focus in the coming year.

Exploration

Barrick's exploration strategy is aligned with our business objectives. It is a balanced approach that ensures we can meet both our short-term and long-term growth needs.

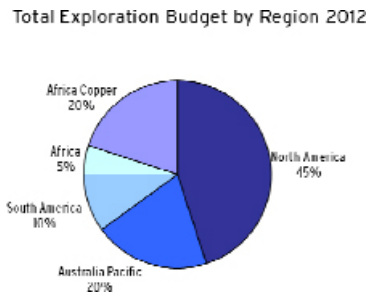
> Risk Factor: We must continually replace reserves depleted by production to maintain production levels over the long term.

Our exploration strategy is three-fold:

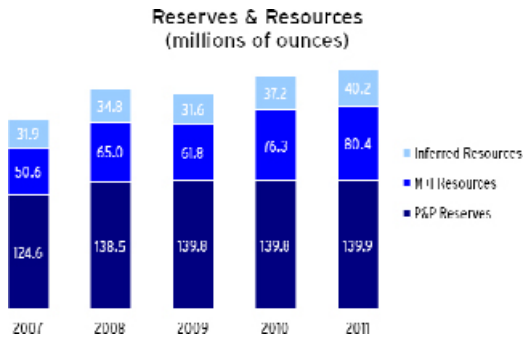
- Replacing and adding resources at existing operations and development projects, where we can monetize new discoveries in a more timely manner;
- Working closely with our corporate development group to identify acquisition opportunities with exploration upside; and
- Searching for the next flagship deposit that will sustain Barrick for decades.

The exploration budget supports a strong pipeline of projects and is weighted towards near-term resource additions and conversion at our existing mines, where we believe there is excellent potential to make new discoveries and to expand reserves and resources. The budget also provides support for earlier-stage exploration in our operating districts, with a smaller percentage of the budget directed at emerging areas in order to generate quality projects for future years.

The 2012 total exploration budget guidance is $450 to $490 million, including expenditures that will meet the criteria for capitalization. This is a ~20% increase from 2011, and is a reflection of the exceptionally strong and robust exploration pipeline in each of our business units. The increase in budget is mainly the result of major exploration programs at Red Hill/Goldrush, Turquoise Ridge and Lumwana, following on from successful results of our 2011 programs at these sites. These are key projects with large drill programs that are expected to directly add and/or upgrade gold and copper reserves/resources over the next few years, and support the various planned scoping, prefeasibility, feasibility and expansion studies that are underway at these sites.



Barrick has been successful at consistently finding reserves and resources. With each one of our acquisitions, we have gone on to substantially add to reserves and resources. We have extensive land positions on many of the world's most prospective trends and, due in large part to our consistent funding and disciplined approach to exploration, we were successful at replacing reserves in 2011 and growing resources. Since 1990, we have spent approximately $2.5 billion on exploration, which has resulted in the discovery of approximately 148 million ounces of reserves, substantially more than the 118 million ounces that we have produced in the same time period. The per ounce cost of reserve additions of approximately $17 has added substantial value to the Company.



Investing in High Return Projects

Building new mines is key to our long-term goal of increasing profitability and creating long-term shareholder value.

> Risk Factor: Our significant capital projects represent a key driver to our plans for future growth and the process to bring these projects into operation may be subject to unexpected delays that could increase the cost of development and the ultimate operating cost of the relevant project.

It may take years for a project to move from the exploration stage through feasibility, permitting and mine construction into production. This development timeframe has increased in recent years as many mines require the development of supporting infrastructure, which complicates the completion of feasibility studies and adds significantly to the capital costs of construction. The development of a new mine requires successful completion of a major permitting process including extensive discussions with government regulatory bodies and communities affected by the new mine. This significant increase in the timeline and cost of developing projects is reflected in our business strategy by ensuring that we have a deep inventory of projects and internal resources to effectively manage and support each phase of new mine development.

Our Capital Projects group utilizes a formal system to govern advancement of our large projects through the development process, up to and including the commissioning of new mines, at which point responsibility for mine operations is handed over to the relevant operating business unit. This disciplined system of standards and procedures, which includes the involvement of multiple functional groups, enhances the study quality and consistency; and enables the development of mitigation plans where necessary, thereby improving the overall certainty of project delivery on schedule and on budget. Over the past eight years, we have built seven new projects on time and near budget, namely Tulawaka, Lagunas Norte, Veladero, Cowal, Ruby Hill, Buzwagi and Cortez Hills. This experience will support commissioning the three projects currently in construction (Pueblo Viejo, Jabal Sayid and Pascua-Lama), over the next two years.

Liquidity and Capital Structure

We actively manage our liquidity and capital structure by monitoring our balance sheet debt to capitalization and debt coverage ratios such as net debt to equity and net debt-to-total capitalization ratios. We utilize combinations of proceeds from operating cash flow and debt financings to fund investments in capital expenditures and acquisitions. We also put in place undrawn credit facilities that provide the flexibility to manage through periods of volatile commodity prices while ensuring funding is available for major capital projects. Operating cash flow is a key driver of our liquidity and is dependent on prices realized from gold and copper sales, production levels, production costs, exploration costs, payments for income taxes and interest and other factors. Our strong operating cash flow generation, primarily driven by rising gold and copper prices, has enabled us to fund significant investments during the past two years in capital projects and expansion projects at existing major mines while maintaining our strong financial position. We have the only A-rated balance sheet in the gold mining industry and our credit ratings have remained stable. We were able to obtain low-cost financing in order to partially finance the acquisition of Equinox. In January 2012, we secured a credit facility of $4 billion, which matures in 2017 to replace our $2 billion facility that was scheduled to mature in 2016 and also to augment our overall credit capacity. Coincident with this agreement becoming effective, we terminated our $2 billion facility that was obtained in April 2011 and transferred the $1 billion drawn on the $2 billion facility to the new $4 billion facility.

Risk Factor: Our revenues are primarily derived from the sale of gold and copper and the market prices of these metals can fluctuate widely due to macroeconomic factors that are beyond our control. Our operating results and financial condition also depend significantly on other commodity prices and foreign exchange rates, which are largely dependent on worldwide economic conditions outside of our control.

Our shareholders want full exposure to changes in the gold price, and consequently all of our future gold production is unhedged. Our corporate treasury function implements hedging strategies on an opportunistic basis to protect us from downside price risk on our copper production. We also actively hedge foreign exchange risk for key input commodities such as fuel. Please see pages 32 to 34 of this MD&A for a description of our exposures and mitigation strategies for these risks.

License to Operate

Our license to operate is a critical asset and contributes directly to the achievement of our strategic objectives and value creation for our shareholders.

Risk Factor: In order to maintain our license to operate, it is essential that we:

- Ensure every person goes home safe and healthy every day;
- Actively review talent and develop people for the future;
- Manage our reputation proactively;
- Are a partner welcomed in the communities where we operate;
- Protect the environment;
- Maintain good relations with governments and other stakeholders;
- Comply with all regulatory standards; and
- Conduct our business in an ethical manner.

In order to mitigate risks associated with our license to operate, Barrick places a strong focus on CSR and safety and environmental performance, a summary of which is provided below.

Corporate Social Responsibility

At Barrick, we approach CSR as an opportunity to create mutual benefit and value for our diverse stakeholders, including the communities where we operate, our shareholders and our employees. Doing so helps ensure we continue to be partners welcomed in these communities.

In 2011, for the fourth straight year, Barrick was named to the Dow Jones Sustainability World Index, and for the fifth year, to the North American Index. The renewed listing on the index reinforces Barrick's position among the most sustainability-driven companies in the world. Our work in CSR is one of continuous improvement, and in 2012 we will maintain our focus on this key strategic objective.

We have completed the development of our Community Relations Management System ("CRMS"), which aims to ensure our community relations activities and initiatives are carried out in a systematic manner across the Company, consistent with international best practice. Securing and maintaining our social license to operate depends on our ability to listen actively and respond in a timely manner to issues of material importance to our key stakeholders. To this end, one of our top priorities in implementing the CRMS has been to ensure that all operations have an effective grievance mechanism process. By the end of 2012, all communities where we operate will have access to a simple and culturally sensitive process through which they can provide feedback and seek resolution to legitimate concerns.

Barrick was the first Canadian mining company to become a member of the Voluntary Principles on Security and Human Rights ("Voluntary Principles"). The Voluntary Principles were developed by a group comprised of national governments, non-governmental organizations and companies in the extractive and energy sector. They guide and dictate our engagement with host nation military and police representatives that provide external security and response assistance, ensuring that human rights principles are reinforced in contractual requirements, guidelines on the use of force, relevant training, and other relevant areas. In geopolitically complex regions, Barrick's security personnel receive mandatory human rights training and training in the requirements of the Voluntary Principles.

We are also in the process of developing our formal human rights compliance program. This program is designed to take into account best practices across all industries, including the extractive sector. It will be designed to cover all operations, employees, and third party service providers, on a global basis. Our active role in these programs ensure we are part of the evolving effort on improving the industry's performance on human rights and security.

Safety and Environmental Performance

Responsible environmental management is central to our success as a leading gold mining company. Our Environmental Management System has been fully implemented at twenty of our mines, with full implementation at the remaining six mines to be completed in 2012. By the end of 2011, Barrick had achieved International Cyanide Management Code certification at 22 of the 23 of our mines which use cyanide, and we expect to achieve full certification in 2012.

We recognize the risks that climate change poses to society and to our long-term success. To address these risks, our Climate Change Standard has been implemented in all our regions. The Standard focuses on energy efficiency and the greater use of renewable energy to reduce our carbon footprint and allow us to remain competitive in a carbon-constrained world. We are continuing our efforts to use more renewable energy. In 2011, we inaugurated the Punta Colorada wind farm in Chile, joining our solar farm in Nevada, and our wind turbine, located at the Veladero mine in Argentina, as alternative energy sources built and operated by Barrick.

Water is essential for all of our operations, as well as for the communities where we operate, and therefore water availability is a critical concern. We are focused on using water wisely and managing it as a community resource, respecting the rights of other water users. We have implemented our Water Conservation Standard at all of our operations. In 2011, approximately 30 percent of our water intake was brackish or saline rather than fresh water. We also recycle water through the processing systems at most of our operations, reusing it many times over. Nineteen of our mines are zero water discharge operations, with all water recycled and reused on site and we continue to look for more ways to reduce water consumption.

Managing land effectively is an essential component of our commitment to responsible mining. Effective land management involves exercising good land stewardship at our operations throughout their life cycle, providing erosion control, practicing concurrent reclamation, protecting land with high conservation value, mitigating impacts where avoiding them is not possible, and planning for mine closure during mine development. This approach reduces our impact on the land during the life of a mine and helps achieve a successful closure once mining has ceased.

At Barrick we believe that the safety, health and well-being of our workers and their families is of paramount importance. Our safety and health vision is: "Every person going home safe and healthy every day".

For us to succeed in fulfilling this vision, we:

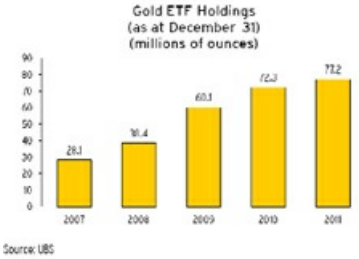
- Provide the expertise and resources needed to maintain safe and healthy working environments;
- Establish clearly defined safety and occupational health programs and measure safety and health performance, making improvements as warranted;
- Operate in accordance with recognized industry standards, while complying with applicable regulations;
- Investigate the causes of accidents and incidents and develop effective preventative and remedial action;
- Train employees to carry out their jobs safely and productively;
- Maintain a high degree of emergency preparedness; and
- Require that vendors and contractors comply with our applicable safety and health standards.

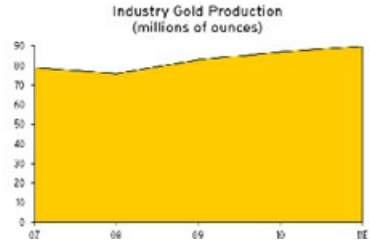
Market Review

Gold and Copper

The market prices of gold and copper are the primary drivers of our profitability and our ability to generate free cash flow for our shareholders. The prices of gold and copper 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 price volatility remained historically high in 2011, with the price ranging from $1,319 per ounce to an all-time nominal high of $1,921 per ounce. The average market price for the year of $1,572 per ounce was also a record and represented a 28% increase over 2010. Gold has continued to attract investor interest due to sovereign debt concerns and very accommodative monetary policies by some of the world's most prominent central banks, resulting in gold performing its traditional role as a store of value and an alternative to fiat currency. The continuing uncertain macroeconomic environment and loose monetary policies, together with the limited choice of alternative safe haven investments, is supportive of continued strong investment demand. Throughout 2011, we have continued to see increased interest in holding gold as an investment. This was evidenced by the growth in Exchange Traded Funds ("ETFs"), which increased by 5 million ounces to a total of 77 million ounces, as well as the worldwide demand for physical gold in forms such as bars and coins. Physical demand for gold for jewelry and other uses also remains a significant driver of the overall gold market. A continuation of these trends is supportive of higher gold prices.



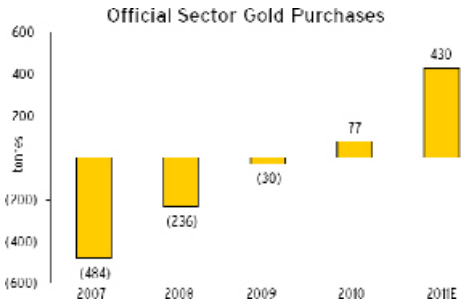




Source: Thomson Reuters GFMS

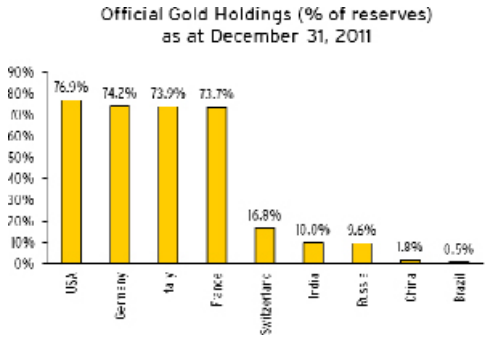
Gold prices also continue to be influenced by long-term trends in global gold mine production and the impact of central bank gold activities. Gold production has increased in recent years with the extension of the lives of older mines due to the rising gold price. The time requirement to bring projects to the production stage and the increasing costs and risks of building a mine, including concerns of resource nationalism and lengthened permitting processes, are expected to slow the pace of new production in future years.

The International Monetary Fund ("IMF") completed its previously announced and approved sale of gold in late 2010. No other significant seller of gold has emerged from the official sector since that time. In the second year of the Central Bank Gold Agreement ("CBGA"), which ended in September 2011, the signatory members sold 1 tonne of gold, or less than 1% of the maximum agreed amount. In addition, for the second consecutive year, global central banks were net buyers of gold in 2011, with the central banks of Mexico, Russia, Turkey, Thailand and South Korea, among others, adding to their gold reserves.



Source: World Gold Council and Thomson Reuters GFMS

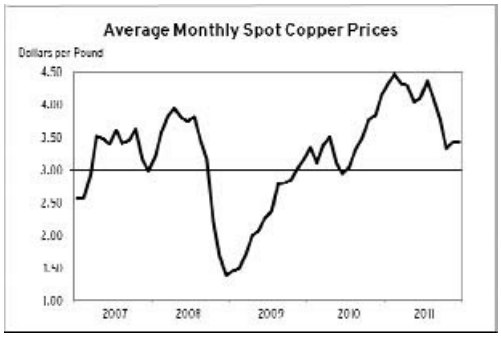
The reserve gold holdings as a percentage of total reserves of emerging market countries, such as the BRIC countries (Brazil, Russia, India, and China), are significantly lower than other developed countries. The central banks of these developing economies hold a significant portion of their reserves in US dollar government assets and, as they identify a need to diversify their portfolio and reduce their exposure to the US dollar, we believe that gold will be one of the main beneficiaries. In conjunction with the very low amount of gold sold under the CBGA quota, which is expected to continue in the current year of the agreement, the net purchases of gold by global central banks provide a strong indication that gold is viewed as a reserve asset and a de facto currency.



Source: World Gold Council

Copper prices experienced a volatile year, as London Metals Exchange ("LME") copper prices traded in a wide range of $3.01 per pound to an all-time high of $4.62 per pound, averaged $4.00 per pound, and closed the year at $3.43 per pound. Copper's rise to an all-time high occurred mainly as a result of strong demand from emerging markets, especially China, a physical deficit and continually increasing investor interest in base metals with strong forward-looking supply/demand fundamentals. Copper prices should continue to be positively influenced by demand from Asia, global economic growth, the limited availability of scrap metal and lower production levels of mines and smelters in the future.

We have put in place floor protection on approximately half of our expected copper production for 2012 at an average price of $3.75 per pound and have full participation to any upside in copper prices. Our realized price on all 2012 copper production is expected to be reduced by approximately $0.13 per pound as a result of the net premium paid on option hedging strategies. Our remaining copper production is subject to market prices.





Silver

Silver traded in a wide range of $26.07 per ounce to $49.79 per ounce in 2011, averaged an all-time high of $35.12 per ounce and closed the year at $28.18 per ounce. Despite weak industrial demand, silver managed to rise during the year to a 31-year high due to similar factors influencing investment demand for gold. The physical silver market is currently in surplus and with the continuing global economic growth expected to improve industrial demand, investor interest continues to be price supportive.

Silver prices do not significantly impact our current operating earnings, cash flows or gold total cash costs. Silver prices, however, will have a significant impact on the overall economics for our Pascua-Lama project, which is currently in the construction phase. In the first five full years of production, Pascua-Lama is expected to produce an average of 35 million ounces of silver per annum.

Utilizing option collar strategies, we have hedge protection on a total of 45 million ounces of expected silver production from 2013 to 2018, inclusive, with an average floor price of $23 per ounce and an average ceiling price of $57 per ounce.

In 2009, we entered into a transaction with Silver Wheaton Corp. ("Silver Wheaton") whereby we sold 25% of the life of mine Pascua-Lama silver production from the later of January 1, 2014 or completion of project construction, and 100% of silver production from the Lagunas Norte, Pierina and Veladero mines until that time. Silver Wheaton will make up-front payments totaling $625 million ($488 million received as at December 31, 2011). Silver Wheaton will also make ongoing payments of $3.90 per ounce in cash (subject to a 1% annual inflation adjustment starting three years after completing construction at Pascua-Lama) for each ounce of silver delivered under the agreement.

Currency Exchange Rates

The results of our mining operations outside of the United States are affected by US dollar exchange rates. The largest single exposure we have is to the Australian dollar/US dollar exchange rate. We also have exposure to the Canadian dollar through a combination of Canadian mine operating costs and corporate administration costs and exposure to the Chilean peso as a result of the construction of our Pascua-Lama project and Chilean mine operating costs. In addition, we have exposure to the Papua New Guinea kina, Peruvian sol, Zambian kwacha and Argentinean peso through mine operating and capital costs.

Fluctuations in the US dollar increase the volatility of our costs reported in US dollars, subject to protection that we have put in place through our currency hedging program. Australia, Canada and Chile each continue to emerge from the global economic crisis better than many other OECD countries. As a result, the Australian dollar, Canadian dollar and Chilean peso traded at historically strong levels during the year against the currencies of larger developed economies, including the US dollar and Euro. In 2011, the Australian dollar traded in a range of $0.94 to $1.11 against the US dollar, while the US dollar against the Canadian dollar and Chilean peso yielded ranges of $0.94 to $1.07 and CLP455 to CLP536, respectively.

About 60% of our consolidated production costs are denominated in US dollars and are not exposed to fluctuations in US dollar exchange rates. For the remaining portion, our currency hedge position allows for more accurate forecasting of our anticipated expenditures in US dollar terms and mitigates our exposure to volatility in the US dollar. Our currency hedge position has provided benefits to us in the form of hedge gains recorded within our operating costs when contract exchange rates are compared to prevailing market exchange rates as follows: 2011 - $344

million; 2010 - $145 million; and 2009 - $27 million (US GAAP). As a result of the gains from our currency hedging program, total cash costs were reduced by $46 per ounce in 2011. Also for 2011, we recorded currency hedge gains in our corporate administration costs of $24 million (2010 - $33 million gain and 2009 - $7 million loss (US GAAP)) and capitalized additional currency hedge gains of $64 million (2010 - $13 million and 2009 - $3 million (US GAAP)).

Our average hedge rates vary depending on when the contracts were put in place. We have hedged approximately AUD $1.7 billion, CAD $500 million and CLP 300 billion in 2012 for expected Australian, Canadian and Chilean operating costs including Canadian corporate administrative costs and sustaining and eligible project capital expenditures at average rates of $0.81, $1.01 and 516, respectively. As a result, for 2012, we are almost fully hedged for each of our expected Australian dollar, Canadian dollar and Chilean peso expenditures. Assuming market exchange rates at the December 31, 2011 levels of AUD $1.02 against the US dollar and $1.02 and CLP520 for the US dollar against the Canadian dollar and Chilean peso, respectively, we expect to record gains on our operating expenditures of approximately $300 million in 2012, primarily related to our Australian dollar hedges, or about $40 per ounce based on total forecasted 2012 production. Beyond 2012, we have hedge protection in place for about 40% of our Australian dollar operating exposures through 2016. Further information on our currency hedge positions is included in note 22 to the consolidated financial statements.

AUD Currency Contracts

	Contracts (AUD millions)	Effective Average Hedge Rate (AUDUSD)	% of Total Expected AUD Exposure[1] Hedged	% of Expected Operating Cost Exposure Hedged
2012	1,657	0.81	93%	100%
2013	967	0.74	54%	69%
2014	673	0.80	43%	54%
2015	487	0.92	37%	41%
2016	287	0.90	27%	31%

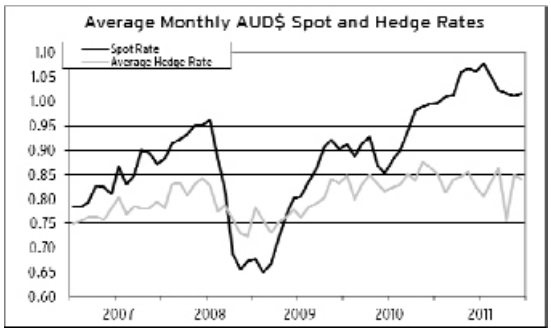
CAD Currency Contracts

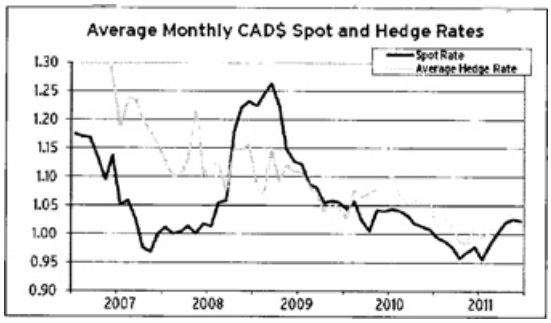
	Contracts (CAD millions)[2]	Effective Average Hedge Rate (USDCAD)	% of Total Expected CAD Exposure[1] Hedged	% of Expected Operating Cost Exposure Hedged
2012	463	1.01	93%	100%
2013	304	1.02	58%	100%

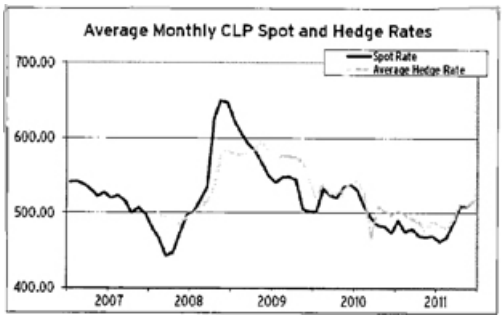
CLP Currency Contracts

	Contracts (CLP millions)[3]	Effective Average Hedge Rate (USDCLP)	% of Total Expected CLP Exposure[1] Hedged	% of Expected Operating Cost Exposure Hedged
2012	289,789	516	96%	100%
2013	223,325	513	69%	100%
2014	287,016	509	78%	100%

[1] Includes all forecasted operating, administrative sustainable and eligible project capital expenditures.
[2] Includes $266 million CAD contracts with a cap and floor of $0.98 and $1.07, respectively.
[3] Includes CLP 638,460 million collar contracts that are an economic hedge of operating and administrative and capital expenditures at various South American sites and at our Pascua-Lama project with a cap and floor of 505 and 581, respectively.







Fuel

For 2011, the price of West Texas Intermediate ("WTI") crude oil traded between $75 and $115 per barrel, averaged $95 per barrel and closed the year at $99 per barrel. Geopolitical tensions in certain oil-producing nations, emerging market demand, concerns over global economic growth and the release of oil by the member countries of the International Energy Agency combined to create a volatile environment for the price of oil during the year.

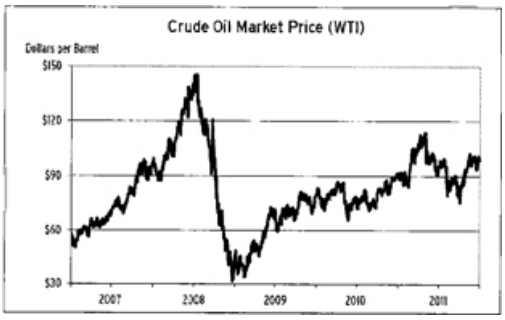
On average we consume approximately 4.5 million barrels of diesel fuel annually across all our operating mines. Diesel fuel is refined from crude oil and is therefore subject to the same price volatility affecting crude oil prices. Therefore, volatility in crude prices has a significant direct and indirect impact on our production costs. To mitigate this volatility, we employ a strategy of combining the use of financial contracts and our production from Barrick Energy to effectively hedge our exposure to oil prices. We currently have financial contracts in place totaling 5.0 million barrels over the next three years. In 2011, we recorded hedge gains in earnings of approximately $48 million on our fuel hedge positions (2010: $26 million loss and 2009: $97 million (US GAAP) loss). Assuming market rates at the December 31, 2011 level of $99 per barrel, we expect to realize hedge gains of approximately $20 million in 2012 from our financial fuel contracts.

In 2012, we expect Barrick Energy to produce about 3.7 million boe. The net contribution from Barrick Energy's production is expected to provide a natural offset equivalent to about 1.8 million barrels of fuel. The Barrick Energy contribution, along with our financial hedges, provide hedge protection for approximately 80% of our estimated fuel consumption for 2012.

Financial Fuel Hedge Summary

	Barrels[1] (thousands)	Average Price	% of Expected Exposure
2012	2,052	$ 105	46%
2013	1,910	87	41%
2014	1,020	96	24%
	4,982	$ 96	40%

[1] Refers to contracts for a combination of WTI, BRENT, ULSD, WTB, MOPS and JET. Products other than WTI and BRENT have market prices in excess of crude due to refining and location premiums. As a result, our average price on hedged barrels for 2012 – 2014 is $89 per barrel on a WTI-equivalent basis.

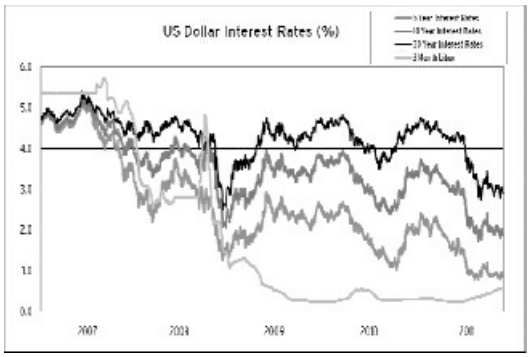


US Dollar Interest Rates

Beginning in 2008, in response to the contraction of global credit markets and in an effort to spur economic activity and avoid potential deflation, the US Federal Reserve reduced its benchmark rate to between 0% and 0.25%. The benchmark was kept at this level through 2011. We expect that short-term rates will remain at low levels into 2014, with the US Federal Reserve continuing to use monetary policy initiatives in an effort to keep long-term interest rates low and increase employment. We expect such initiatives to be followed by incremental increases to short-term rates once economic conditions and credit markets normalize.

At present, our interest rate exposure mainly relates to interest receipts on our cash balances ($2.7 billion at the end of the year); the mark-to-market value of derivative instruments; the fair value and ongoing payments under US dollar interest-rate swaps; and to the interest payments on our variable-rate debt ($3.6 billion at December 31, 2011). Currently, the amount of interest expense recorded in our consolidated statement of income is not materially impacted by changes in interest rates, because the majority of debt was issued at fixed interest rates. The relative amounts of variable-rate financial assets and liabilities may change in the future, depending on the amount of operating cash flow we generate, as well as the level of capital expenditures and our ability to borrow on favorable terms using fixed rate debt instruments.

The upward-sloping US yield curve has a significant impact on the net amount of interest expense since our debt issuances were set at predominantly 5-year to 30-year interest rates, while our cash and equivalent balances are generating interest income at much lower rates in the 1 to 90 day range.



FINANCIAL AND OPERATING RESULTS

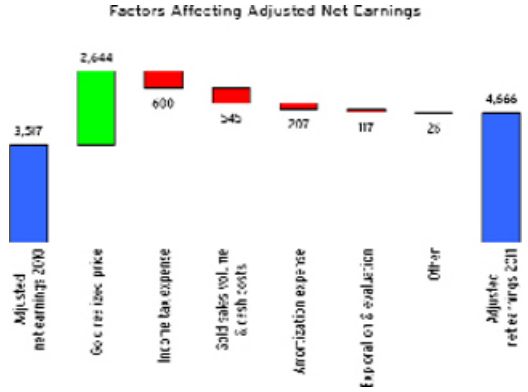
Summary of Financial Performance[1]
($ millions, except per share data in dollars)

	IFRS				US GAAP
For the years ended December 31	**2011**	2010	$ change	% change	2009
Revenues	**$ 14,312**	$ 11,001	$ 3,311	30%	$8,404
Net earnings	**4,484**	3,582	902	25%	(4,274)
Per share[2]	**4.49**	3.63	0.86	24%	(4.73)
Adjusted net earnings[3]	**4,666**	3,517	1,149	33%	1,810
Per share[2,3]	**4.67**	3.56	1.11	31%	2.00
EBITDA[3]	**8,376**	6,521	1,855	28%	(2,563)
Operating cash flow	**5,315**	4,585	730	16%	(2,322)
Adjusted operating cash flow[3]	**5,680**	5,241	439	8%	2,899
Free cash flow[3]	**$ 1,082**	$ 1,870	$ (788)	(42%)	$ 833

[1] The amounts presented in this table include the results of discontinued operations.
[2] Calculated using weighted average number of shares outstanding under the basic method.
[3] Adjusted net earnings, adjusted EPS, EBITDA, adjusted operating cash flow and free cash flow are non-GAAP financial performance measures with no standard meaning under IFRS. For further information and a detailed reconciliation, please see pages 72 - 79 of this MD&A.

In 2011, we recorded net earnings of $4,484 million compared to net earnings of $3,582 million in the prior year. Adjusted net earnings were $4,666 million, compared to $3,517 million in 2010. The increases in net earnings and adjusted net earnings were primarily driven by higher realized gold and copper prices, higher copper sales volumes, partially offset by lower gold sales volumes, higher income tax expense and higher cost of sales applicable to gold and copper.

The significant post-tax adjusting items in 2011 include: $97 million in acquisition-related costs, including inventory purchase accounting adjustments attributable to the Equinox acquisition; $165 million in impairment charges, which include write-downs on our available-for-sale investments ($85 million), asset impairment charges in our oil & gas business ($37 million) and on certain power-related assets at our Pueblo Viejo project ($47 million); $122 million in non-recurring tax expense; and a $23 million charge for the recognition of a liability for contingent consideration related to the acquisition of an additional 40% interest in the Cortez property in 2008 that was previously held by Kennecott Explorations (Australia) Ltd, a subsidiary of Rio Tinto plc. These charges were partially offset by $188 million in gains from the sale of assets and $66 million in unrealized gains on non-hedge derivative instruments.

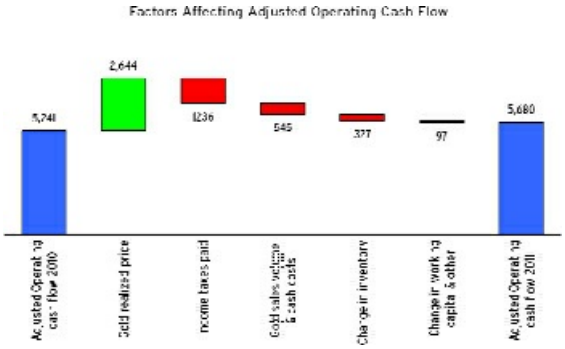


EBITDA was $8,376 million in 2011, compared to EBITDA of $6,521 million in the prior year. The significant increase in EBITDA primarily reflects the increase in pre-tax earnings. EPS and adjusted EPS for the year ended December 31, 2011 were $4.49 and $4.67, up 24% and 31%, respectively, compared to the same prior year period due to higher net earnings and adjusted net earnings.

Summary of Cash Flow Performance
($ millions)

For the years ended December 31	**2011**	2010
Operating cash flow	**$5,315**	$4,585
Adjusted operating cash flow	**$5,680**	$5,241
Adjusted operating cash flow before working capital changes	**$5,819**	$5,242

Operating cash flow was $5,315 million in 2011 compared to $4,585 million in the prior year. 2010 operating cash flow reflects payments related to the settlement of gold sales contracts of $656 million. In 2011, significant items that impact operating cash flow include non-recurring payments related to the Equinox acquisition of $204 million, and non-recurring withholding tax payments of $161 million. Adjusted operating cash flow, which excludes the impact of these payments, totaled $5,680 million in 2011 compared to $5,241 million in the prior year. The increases in operating cash flow and adjusted operating cash flow were primarily due to higher net earnings levels, partially offset by higher income tax payments, including tax payments totaling about $480 million made in 2011 related to the final 2010 income tax liability, and the impact of working capital changes. Adjusted operating cash flow before changes in working capital was $5,819 million, up 11% from the prior year.



Summary of Operating Performance[1]

($ millions, except per ounce/pound data in dollars)	Gold			Copper		
	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009
Production (000s oz/millions of lbs)[2]	**7,676**	7,765	7,397	**451**	368	393
Revenues						
000s oz/millions lbs	**7,550**	7,742	7,279	**444**	391	380
$ millions[3]	**$ 12,263**	$ 9,730	$ 7,191	**$ 1,714**	$ 1,300	$ 1,155
Market price[4]	**1,572**	1,225	972	**4.00**	3.42	2.34
Realized price[4,5]	**1,578**	1,228	985	**3.82**	3.41	3.16
Cost of sales ($ millions)	**5,177**	4,618	3,431	**983**	430	444
Total cash costs ($ millions)[2,4,5]	**460**	409	464	**$ 1.75**	$ 1.10	$ 1.17
Net cash costs ($ millions)[2,4,5]	**$ 339**	$ 293	$ 360			

1 The amounts presented in this table include the results of discontinued operations.
2 Reflects our equity share of production.
3 Represents revenues on a 100% consolidated basis.
4 Per ounce/pound weighted average.
5 Realized price, total cash costs and net cash costs are non-GAAP financial performance measures with no standard meaning under IFRS. For further information and a detailed reconciliation, please see pages 72 - 79 of this MD&A.

Revenues
In 2011, gold and copper revenues totaled $12,263 million and $1,714 million, respectively, up 26% and 32% compared to the prior year, primarily due to higher realized gold and copper prices and higher copper sales volumes, partially offset by lower gold sales volumes. The increase in copper sales volumes for the year ended December 31, 2011 reflects production from Lumwana, which was acquired as part of the Equinox transaction on June 1, 2011, partially offset by lower production from Zaldívar and the divestiture of Osborne in third quarter 2010.

Realized gold prices of $1,578 per ounce in 2011 were up $350 per ounce, or 29%, compared to the prior year, reflecting the increase in market gold prices, which averaged $1,572 per ounce in 2011, compared to $1,225 per ounce in 2010. Realized copper prices were 12% higher than the prior year, primarily due to the 17% increase in market copper prices.

Cost of sales
Cost of sales applicable to gold was $5.2 billion in 2011, up 12%, compared to the prior year. This included depreciation expense of $1,152 million in 2011 as compared to depreciation expense of $1,077 million in 2010. The increase reflects higher direct mining costs, particularly higher labor, energy, maintenance and consumable costs, partially offset by an increase in capitalized production phase stripping costs.

Cost of sales applicable to copper was $983 million, including depreciation expense of $170 million in 2011, up 129% compared to the $430 million, including depreciation expense of $88 million, recorded in the prior year. The increase reflects the impact of including production from Lumwana beginning on June 1, 2011, and higher direct mining costs at Zaldívar, primarily due to higher power and sulfuric acid prices; partially offset by lower copper sales volumes at Zaldívar and the impact of the divestiture of Osborne at the end of third quarter 2010.

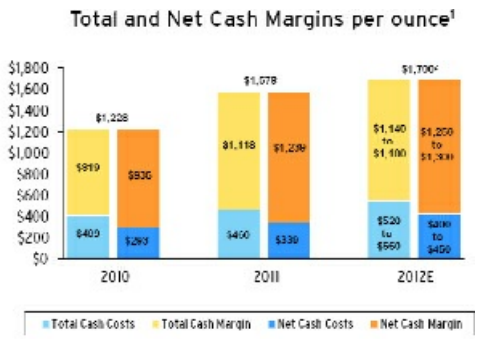
Total cash costs and net cash costs
Gold total cash costs were $460 per ounce in 2011, up 12% compared to the $409 per ounce recorded in the prior year. The increase reflects the same factors impacting cost of sales applicable to gold, as well as the impact of lower production levels in South America, our lowest-cost RBU, which resulted in higher consolidated unit production costs. For the year, total cash costs per ounce were at the low end of our 2011 guidance range of $460 to $475 per ounce, mainly as a result of changes in our production mix, with lower cost mine sites contributing a greater share of total company production in fourth quarter 2011.

Copper total cash costs were $1.75 per pound in 2011, up 59% compared to $1.10 per pound in 2010 and slightly higher than our most recent 2011 guidance range of $1.60 to $1.70 per pound. The increase reflects the higher unit production costs at Lumwana, as well as the higher costs at Zaldívar due to the impact of lower average grades on production levels.

Net cash costs were $339 per ounce in 2011, up 16% compared to the $293 per ounce recorded in the prior year. The increase reflects higher gold total cash costs per ounce, which was partially offset by higher copper credits due to higher realized copper prices and higher copper sales volumes.

Net cash margins
Net cash margins per ounce illustrate the trends in profitability and the impact of fluctuations in realized prices and net cash costs on our ability to generate earnings and operating cash flow.

Net cash margins per ounce increased 33% in 2011, largely due to the rise in gold prices partially offset by the increase in net cash costs.



[1] Total cash costs, total cash margin, net cash costs and net cash margin are non-GAAP financial performance measures with no standard definition under IFRS. For further information and a detailed reconciliation, please see pages 72 – 79 of this MD&A.

[2] We have assumed a gold price of $1,700 per ounce, which is consistent with current market prices. This assumption does not represent a forecast of what we expect gold prices to be in 2012.

Other operating expenses

Other expense was $576 million in 2011, up 27% compared to the $455 million recorded in the prior year. The increase is primarily due to higher RBU costs; higher corporate social responsibility costs; an increase in the provision for environmental rehabilitation due to changes in discount rates at some of our closed mines; a $39 million charge for the recognition of a liability for contingent consideration related to the acquisition of the additional 40% of the Cortez property in 2008; and acquisition-related costs for the Equinox transaction, partially offset by lower currency translation losses and lower severance and other restructuring costs.

Exploration and Evaluation

(in $ millions) For the years ended December 31	**2011**	2010
Exploration:		
Minesite programs	**$ 72**	$ 51
Global programs	**145**	103
Evaluation costs	**129**	75
Exploration and evaluation expense	**$ 346**	$ 229

Exploration and evaluation expense was $346 million in 2011, up 51% compared to $229 million in 2010. The increase is primarily due to increased minesite and global exploration and an increase in evaluation expenditures. Minesite exploration expenditures increased primarily due to increased exploration activities at Cowal and Granny Smith as well as at ABG. Exploration expenditures for the global programs increased due to increased expenditures at Cortez, Jabal Sayid and Lumwana. The evaluation expenditures increase relates to mine expansion studies at Bald Mountain, Hemlo, Cowal, Pueblo Viejo and Porgera.

Interest Expense

(in $ millions) For the years ended December 31	**2011**	2010
Interest costs		
Incurred	**$ 555**	$ 425
Capitalized	**(408)**	(285)
Interest expensed	**$ 147**	$ 140

Finance costs incurred in 2011 were $199 million, compared to $180 million in the prior year. Interest costs incurred were $555 million, up 31% compared to the $425 million in the prior year. The increase in interest costs incurred primarily relates to the Pueblo Viejo project financing, for which drawdowns began at the end of second quarter 2010, as well as interest incurred on debt issued and credit facilities drawn on to finance the Equinox acquisition in the second quarter of 2011. Interest capitalized increased in 2011 compared to the prior year primarily due to increased construction activity at our Pueblo Viejo and Pascua-Lama projects.

Impairment Charges

Impairment charges were $235 million, compared to impairment reversals of $73 million in 2010. The amount for 2011 included write-downs on our available-for-sale investments ($97 million); asset impairment charges on various properties in our oil & gas business ($49 million); and a write-down on certain power-related assets at our Pueblo Viejo project as a result of our decision to proceed with a new long-term power solution ($62 million) that is expected to provide lower long-term power costs. In 2010, the impairment reversal related to our equity investment in Highland Gold.

Income Tax

(Percentages) For the years ended December 31	**2011**	2010
Effective tax rate on ordinary income	**33%**	31%
Impact of legislative amendment in Australia	**-**	(1%)
Dividend withholding tax	**1%**	1%
Actual effective tax rate	**34%**	31%

Our effective tax rate on ordinary income increased from 31% to 34% in 2011 primarily due to the impact of changes in the mix of production and in the mix of taxable income in the various tax jurisdictions where we operate. The more significant items impacting income tax expense in 2011 and 2010 include the following:

Currency Translation
Deferred tax balances are subject to remeasurement for changes in currency exchange rates each period. The most significant balances are Papua New Guinea deferred tax liabilities with a carrying amount of approximately $40 million, and Argentinean deferred tax liabilities with a carrying amount of approximately $257 million. In 2011 and 2010, the appreciation of the Papua New Guinea kina against the US dollar, and the weakening of the Argentinean peso against the US dollar resulted in net translation gains totaling $32 million and $19 million, respectively. These gains are included within deferred tax expense/recovery.

Dividend Withholding Tax
In 2011, we recorded an $87 million dollar dividend withholding current tax expense in respect of funds repatriated from foreign subsidiaries.

In 2010, we recorded a $74 million dollar dividend withholding current tax expense in respect of funds available to be repatriated from a foreign subsidiary.

Peruvian Tax Court Decision
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 for an amount of $32 million, excluding interest and penalties. The assessment mainly related to the validity of a revaluation of the Pierina mining concession, which affected its tax basis for the years 1999 and 2000. The full life of mine effect on current and deferred income tax liabilities totalling $141 million was fully recorded at December 31, 2002, as well as other related costs of about $21 million.

In January 2005, we received written confirmation that there would be no appeal of the September 30, 2004 Tax Court of Peru decision. In December 2004, we recorded a $141 million reduction in current and deferred income tax liabilities and a $21 million reduction in other accrued costs. The confirmation concluded the administrative and judicial appeals process with resolution in Barrick's favor.

Notwithstanding the favorable Tax Court decision we received in 2004 on the 1999 to 2000 revaluation matter, in an audit concluded in 2005, The Tax Administration in Peru (SUNAT) has reassessed us on the same issue for tax years 2001 to 2003. On October 19, 2007, SUNAT confirmed their reassessment. We filed an appeal to the Tax Court of Peru within the statutory period.

The Tax Court decision was rendered on August 15, 2011. The Tax Court ruled in our favor on substantially all material issues. However, based on the Tax Court decision, the timing of certain deductions would differ from the position taken on filing. As a result, we would incur interest and penalties in some years and earn refund interest income in other years. The Tax Administration in Peru (SUNAT) has since assessed us $100 million for this matter. However, we believe that the SUNAT amount is incorrect, and have appealed the assessment. After recomputing the liability, to reflect what we believe is the probable amount, we have recorded a current tax expense of $39 million in 2011 in respect of this matter.

On November 15, 2011 we appealed the Tax Court decision to the Judicial Court with respect to the timing of certain deductions for the Pierina mining concession. The tax administration SUNAT also appealed the Tax Court decision to the Judicial Court.

Australian Functional Currency Election
In 2011, we filed an election in Australia to prepare certain of our Australian tax returns using US dollar functional currency effective January 1, 2011. This election resulted in a one-time deferred tax benefit of $4 million. Going forward, all material Australian tax returns will now be filed using a US dollar functional currency.

Impact of Legislative Amendments in Australia
In Australia, we elected to enter into the consolidated tax regime in 2004 (in 2002 for the former Placer Dome Inc. subsidiaries). At the time the elections were made, there were certain accrued gains that were required to be included in taxable income upon subsequent realization. In second quarter 2010, clarifying legislative amendments to the Australian consolidation tax rules were enacted. These amendments enable us to reduce the inclusion of certain of these accrued gains, resulting in a permanent decrease in taxable income. The impact of the amendment is a current tax recovery of $78 million recorded in 2010.

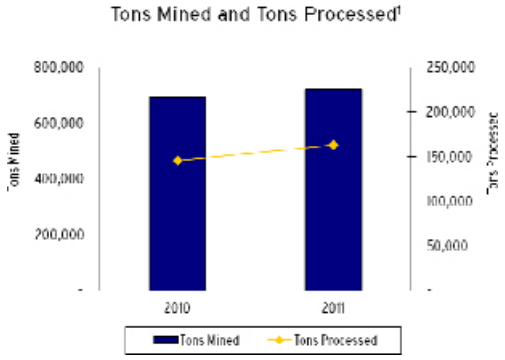
Mining Overview[1]

	IFRS			US GAAP
For the years ended December 31	**2011**	2010	% Change	2009
Gold				
Ore tons mined (millions)	**151**	155	(3%)	174
Waste tons mined (millions)	**569**	539	6%	555
Total tons mined (millions)	**720**	694	4%	729
Ore tons processed (millions)	**162**	145	12%	171
Average grade (ozs/ton)	**0.056**	0.063	(11%)	0.052
Recovery rate	**84.6%**	85.0%	-	83.2%
Gold produced (000s/oz)	**7,676**	7,765	(1%)	7,397
Copper				
Ore tons mined (millions)	**50**	48	4%	50
Waste tons mined (millions)	**90**	24	275%	30
Total tons mined (millions)	**140**	72	94%	80
Ore tons processed (millions)	**63**	46	37%	49
Average grade (percent)	**0.54**	0.60	(10%)	0.60
Copper produced (millions of lbs)	**451**	368	23%	393

[1] The amounts presented in this table include the results of discontinued operations.

Production - Gold

Gold production in 2011 was slightly lower than the prior year, due to lower production in South America, Australia and ABG, partially offset by higher production in North America. Production of 7.676 million ounces was in line with our most recent guidance range of 7.6 to 7.8 million ounces, and within our original guidance range of 7.6 to 8.0 million ounces.



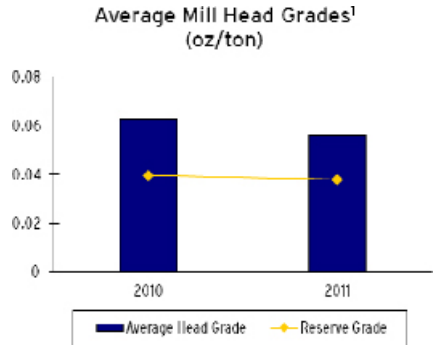
[1] All amounts presented are based on equity production.

Tons Mined and Tons Processed - Gold

Total tons mined increased in 2011 by 4%, and tons processed increased by 12%, compared to the prior year. The increases were primarily due to increased mining activity at Bald Mountain, Lagunas Norte, Veladero, Yilgarn South and Kalgoorlie, partially offset by decreased mining activity at Goldstrike, Cortez, Golden Sunlight, Ruby Hill, Pierina, Porgera, Cowal and Buzwagi. The increase in ore tons processed was primarily due to increases at Bald Mountain, Golden Sunlight, Cortez, Veladero and Pierina. Higher tons were processed at Bald Mountain due to an ongoing mine expansion. At Golden Sunlight, higher tons were processed as it recommenced production in 2011 after an extended redevelopment phase. At Cortez, higher tons were processed in 2011 due to a drawdown of stockpiled ore.

Average Mill Head Grades - Gold

Average mill head grades decreased by approximately 11% in 2011 compared to the prior year, primarily due to lower ore grades from Cortez, Goldstrike, Cowal, North Mara and Veladero, partially offset by higher grades processed at Yilgarn South. In general, reserve grades have been trending downwards in recent years, partly as a result of rising gold prices which make it economic to process lower grade material.



[1] All amounts presented based on equity production. Average mill head grades are expressed as the number of ounces of gold contained in a ton of ore processed. Reserve grade represents expected grade over the life of the mine and is calculated based on reserves reported at the end of the immediately preceding year.

Production - copper
Copper production in 2011 was 23% higher than the prior year, primarily due to production from Lumwana which was acquired as part of the Equinox transaction, partially offset by decreased production from Zaldívar and the impact of the Osborne divestiture in third quarter 2010. Production of 451 million pounds was in line with the lower end of our most recent guidance of approximately 450-460 million pounds.

Tons Mined and Tons Processed - Copper
Total tons mined increased in 2011 by 94%, and tons processed increased by 37%, compared to the prior year. The increases are primarily due to the acquisition of Lumwana on June 1, 2011, partially offset by a decrease in tons mined and processed at Zaldívar and the impact of the divestiture of Osborne in third quarter 2010.

Mineral Reserves and Mineral Resources Update[14]
At year-end 2011, we added 9 million ounces of proven and probable gold reserves. After depletion of 9 million ounces, proven and probable gold reserves was at 139.9 million ounces, still the largest in the industry, based on an assumed $1,200[15] per ounce gold price. The increase primarily reflects reserve additions at Goldstrike, Cortez, Turquoise Ridge, Kalgoorlie, partially offset by a decrease in Porgera and Bulyanhulu. Contained silver within reported gold reserves is 1 billion ounces.

Measured and indicated gold mineral resources increased by 5% to 80.4 million ounces and inferred gold mineral resources increased 8% to 40.2 million ounces based on an assumed gold price of $1,400 per ounce.

Proven and probable copper reserves nearly doubled from 6.5 billion pounds to 12.7 billion pounds, measured and indicated copper resources rose 17% to 15.3 billion pounds and inferred copper resources increased 117% to 19.9 billion pounds based on a $2.75 per pound copper price and a $3.25 per pound copper price, respectively. The increases primarily reflect incremental reserves and resources due to the addition of Lumwana and Jabal Sayid, acquired as part of acquisition of Equinox on June 1, 2011.

Replacing gold and copper reserves depleted by production year over year is necessary in order to 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 and copper production levels. Reserves can be replaced by expanding known ore bodies, acquiring mines or properties or discovering new deposits. Once a site with gold or copper mineralization is discovered, it takes many 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 permit and construct mining and processing facilities.

Review of Operating Segments Performance
Barrick's business is organized into seven primary business units: four regional gold businesses, a global copper business, an oil and gas business, and a Capital Projects business. Barrick's Chief Operating Decision Maker reviews the operating results, assesses performance and makes capital allocation decisions for each of these business operations at a business unit level. Therefore, these business units are operating segments for financial reporting purposes. In the fourth quarter 2011, Barrick established a global copper unit in order to maximize the value of the Company's copper assets. This unit will be responsible for providing strategic direction and oversight of the copper business and ensuring that the Company realizes the business and operational synergies arising from the acquisition of Equinox. Our internal reporting structure has been revised to reflect this organizational change. Segment information for the years ended December 31, 2011 and 2010 has also been revised to reflect this organizational change. Segment performance is evaluated based on a number of measures including operating income before tax, production levels and unit production costs. Income tax, corporate administration, finance income and costs, impairment charges and reversals, investment write-downs and gains/losses on non-hedge derivatives are managed on a consolidated basis and are therefore not reflected in segment income.

[14] For a breakdown of reserves and resources by category and additional information relating to reserves and resources, see pages 161 to 166 of this Financial Report.
[15] Reserves at Plutonic have been calculated using an assumed price of $1,250 per ounce.

North America

Summary of Financial and Operating Data

Summary of Financial and Operating Data

	IFRS			US GAAP
For the years ended December 31	**2011**	2010	% Change	2009
Total tons mined (millions)	**410**	396	4%	397
Ore tons processed (millions)	**61**	44	39%	64
Average grade (ozs/ton)	**0.065**	0.084	(23%)	0.053
Gold produced (000s/oz)	**3,382**	3,110	9%	2,810
Cost of sales ($ millions)	**$ 1,924**	$ 1,812	6%	$ 1,421
Total cash costs (per oz)	**$ 426**	$ 429	(1%)	$ 504
Segment income ($ millions)[1]	**$ 3,094**	$ 1,837	68%	$ 897
Segment EBITDA ($ millions)[2]	**$ 3,585**	$ 2,317	55%	$ 1,259
Capital expenditures ($ millions)[3]	**$ 854**	$ 603	42%	$ 207

[1] Segment income excludes income taxes.

[2] EBITDA is a non-GAAP financial performance measure with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see page 76 of this MD&A.

[3] Amounts presented represent expenditures for minesite expansion, minesite sustaining as well as open pit and underground mine development on a cash basis excluding capitalized interest.

Segment EBITDA and segment income for 2011 were $3,585 million and $3,094 million, an increase of 55% and 68%, respectively, over the prior year. The increases were primarily the result of higher realized gold prices and higher sales volume.

Gold production of 3.38 million ounces for 2011 was 9% higher than the prior year, and in line with the high end of our most recent regional guidance range of 3.30 to 3.40 million ounces. Higher production was mainly due to increased production at Cortez, Bald Mountain, Ruby Hill and Golden Sunlight, which recommenced producing gold in 2011 after an extended redevelopment phase. This increase was partially offset by lower production at Goldstrike.

Production at Cortez increased by 25% over 2010, mainly as a result of higher volumes processed; partially offset by lower head grades due to the impact of a full year production at the Cortez Hills open pit. Production at Bald Mountain increased by 58% mainly due to higher tons mined and processed as a result of an ongoing mine expansion. At Ruby Hill, production for year was up by 57% due to increase in refractory ore processed, which resulted in higher average head grades. At Goldstrike, production for the year was down by 12% primarily as a result of lower average head grades due to mine sequencing and lower throughput at the autoclave.

Cost of sales for 2011 increased by 6% over the prior year, primarily as a result of higher direct mining costs, particularly for labor and energy. The increase in direct mining costs was partially offset by an increase in capitalized production phase stripping costs at Goldstrike and Cortez. Total cash costs per ounce were $426, as compared to $429 in the prior year, and were in line with our most recent regional guidance range of $425 to $450 per ounce. Total cash costs were lower in 2011 due to the impact of higher production levels, particularly at Cortez, which was partially offset by the increase in direct mining costs.

In 2012, we expect gold production to be in the range of 3.425 to 3.60 million ounces. Production mix within North America is expected to change due to the commencement of operations at Pueblo Viejo in the Dominican Republic in the second half of the year and an increase in ore tons mined and processed at Goldstrike as the mine completed a substantial stripping phase towards the end of 2011. Production is also expected to be higher due to higher tons mined and processed at Bald Mountain due to the completion of a recent expansion in 2011, and higher ore grades at Golden Sunlight following the completion of an extended development period early in 2011. This is expected to be partially offset by lower production at Cortez due to a decline in open pit ore grade. Total cash costs are expected to be $475 to $525 per ounce, higher than 2011 levels of $426 per ounce primarily due to a change in production mix. Additionally, we expect to capitalize less operating costs for waste stripping as a result of Goldstrike and Cortez completing substantial stripping campaigns in 2011. Labor cost is increasing due to market adjustments for skilled labor and additional hiring at some sites. Gas and electricity costs are slightly higher at Cortez and royalties are increasing due to higher realized gold prices.

Beyond 2012, we have identified various opportunities to add production within North America, including the potential expansion of our current Turquoise Ridge underground operation into a large scale open pit to mine low-grade mineralization; the recent discoveries known as Red Hill/Goldrush in Nevada, together with possibilities for extension at the Cortez Hills Lower Zone and other satellite deposits; the use of thiosulphate technology at Goldstrike to extend the life of the autoclaves; and the expansion of the open pit mine life at Hemlo. We continue to progress evaluation of these opportunities to create value at our existing operations.

South America

Summary of Financial and Operating Data

For the years ended December 31	IFRS 2011	IFRS 2010	IFRS % Change	US GAAP 2009
Total tons mined (millions)	**162**	145	12%	158
Ore tons processed (millions)	**69**	67	3%	70
Average grade (ozs/ton)	**0.035**	0.039	(10%)	0.036
Gold produced (000s/oz)	**1,872**	2,120	(12%)	1,889
Cost of sales ($ millions)	**$ 905**	$ 702	29%	$499
Total cash costs (per oz)	**$ 358**	$ 208	72%	$265
Segment income ($ millions)[1]	**$ 1,887**	$ 1,782	6%	$ 1,111
Segment EBITDA ($ millions)[2]	**$ 2,102**	$ 1,996	5%	1,245
Capital expenditures ($ millions)[3]	**$ 298**	$ 293	2%	$ 171

[1] Segment income excludes income taxes.

[2] EBITDA is a non-GAAP financial performance measure with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see page 76 of this MD&A.

[3] Amounts presented represent expenditures for minesite expansion, minesite sustaining as well as open pit and underground mine development on a cash basis excluding capitalized interest.

Segment EBITDA and segment income for 2011 were $2,102 million and $1,887 million, an increase of 5% and 6%, respectively, over the prior year. These increases were primarily as a result of higher realized gold prices, which were partially offset by lower sales volumes and higher total cash costs.

Gold production for 2011 was 12% lower than in the prior year, and was within our regional guidance range of 1.85 to 1.90 million ounces. The decrease in production reflects lower production levels across all of our mines.

In 2011, cost of sales increased by 29% over the prior year, primarily due to higher direct mining costs, largely due to inflationary pressures in Argentina, an increase in consumable costs, and lower capitalized production phase stripping costs at Veladero. Total cash costs of $358 per ounce were slightly lower than our most recent regional guidance range of $360 to $380 per ounce. The increase in total cash costs was mainly due to higher direct mining costs along with the impact of lower production levels, particularly from the lower-cost Lagunas Norte and Veladero mines.

In 2012, we expect gold production to be in the range of 1.55 to 1.70 million ounces. Production is expected to be lower than 2011, primarily due to lower Veladero and Pierina production and, to a lesser extent, Lagunas Norte. Mining activity at Veladero is expected to shift away from the higher grade areas of the Filo Federico pit to lower grade areas as anticipated in the life of mine plan. Total gold cash costs are expected to be $430 to $480 per ounce compared to $358 per ounce in 2011. Total cash costs per ounce are expected to be higher in 2012 primarily due to the production mix impact of lower grades at Veladero and higher labor and contractor costs due to inflation in Argentina.

Beyond 2012, we have identified various opportunities to add production within South America, including extending mining at Lagunas Norte as a result of incremental sulphide mineralization, which has the potential to benefit life of mine production, and an optimized leach pad solution at Veladero, which would accelerate the processing of inventory. We continue to make progress in our evaluation of these opportunities to create value at our existing operations.

Australia Pacific

Summary of Financial and Operating Data[1]

For the years ended December 31	IFRS 2011	IFRS 2010	IFRS % Change	US GAAP 2009
Total tons mined (millions)	**112**	118	(5%)	133
Ore tons processed (millions)	**26**	27	(4%)	30
Average grade (ozs/ton)	**0.083**	0.082	1%	0.075
Gold produced (000s/oz)	**1,879**	1,939	(3%)	1,950
Cost of sales ($ millions)	**$ 1,611**	$ 1,480	9%	$ 1,134
Total cash costs (per oz)	**$ 621**	$ 576	8%	$ 581
Segment income ($ millions)[2]	**$ 1,330**	$ 831	60%	$ 315
Segment EBITDA ($ millions)[3]	**$ 1,648**	$ 1,096	50%	$ 597
Capital expenditures ($ millions)[4]	**$ 463**	$ 381	22%	$ 239

[1] The amounts presented in this table include the results of discontinued operations.

[2] Segment income includes income taxes related to Osborne only.

[3] EBITDA is a non-GAAP financial performance measure with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see page 76 of this MD&A.

[4] Amounts presented represent expenditures for minesite expansion, minesite sustaining as well as open pit and underground mine development on a cash basis excluding capitalized interest.

Segment EBITDA and segment income for 2011 were $1,648 million and $1,330 million, an increase of 50% and 60%, respectively, over the prior year. The increases were primarily as a result of higher realized gold prices, which was partially offset by lower sales volumes and higher total cash costs.

Gold production of 1.9 million ounces for 2011 was slightly lower than the prior year and was in line with our original and most recent guidance of 1.9 million ounces. Higher production at Yilgarn South was offset by lower production at Cowal, Kanowna, Plutonic and Porgera.

Production at Yilgarn South increased by 18% over 2010 due to better average head grades at Lawlers, improved production rates at Darlot and higher tons mined and processed at Granny Smith, primarily as a result of the mine expansion. Production at Cowal decreased by 10%, due to mine sequencing, which resulted in the mining of lower grade zones of the pit. Production at Kanowna decreased by 10% from 2010 as a result of lower average head grades and lower tons processed due to mining and processing of harder ore which is more difficult to treat and results in lower recoveries. Production at Plutonic decreased by 15% from 2010 due to lower average head grades. Production at Porgera decreased by 4%, mainly due to lower average head grades as a higher portion of the mill feed was sourced from stockpiles.

In 2011, cost of sales increased by 9% over the prior year, reflecting higher direct mining costs, particularly for labor and energy, a decrease in capitalized production phase stripping costs at Porgera, Cowal and Kalgoorlie and higher costs as a result of a mine expansion at Granny Smith.

Total cash costs per ounce were up 8% to $621 over the prior year, due to the same factors that affected cost of sales, as well as the impact of slightly lower production levels. Total cash costs were within our original guidance range of $610 to $635 per ounce.

In 2012, we expect gold production to be in the range of 1.80 to 1.95 million ounces, which is consistent with 2011. Higher production is expected at Porgera due to improved underground production primarily due to equipment availability issues and unplanned maintenance in 2011. This is expected to be offset by lower production at Kalgoorlie due to fewer tons mined in lower grade areas. Total gold cash costs are expected to be $700 to $750 per ounce compared to $621 per ounce in 2011. Total cash costs per ounce are expected to be higher primarily due to the changes in our effective hedge rates from 2011 to 2012, higher gas and electricity costs and higher labor due to inflation and hiring at some sites. Gas and electricity costs are higher principally due to significantly higher natural gas prices at Porgera, where it is used to generate power, as a result of the expiration of a long-term contract at the end of 2011.

Beyond 2012, we have identified various opportunities to add gold production within Australia Pacific, including a potential expansion at Cowal that could extend the mine life by about 5 years and an expansion at Granny Smith below the current underground mine. We continue to progress our evaluation of these opportunities to create value at our existing operations.

African Barrick Gold

Summary of Financial and Operating Data

For the years ended December 31	IFRS			US GAAP
100% basis	**2011**	2010	% Change	2009
Total tons mined (millions)	**50**	44	14%	41
Ore tons processed (millions)	**8**	8	-	7
Average grade (ozs/ton)	**0.096**	0.094	2%	0.114
Gold produced (000s/oz)	**689**	701	(2%)	716
Cost of sales ($ millions)	**$708**	$598	18%	$377
Total cash costs (per oz)	**$692**	$570	21%	$545
Segment income ($ millions)[2]	**$397**	$315	26%	$143
Segment EBITDA ($ millions)[3]	**$538**	$429	25%	$236
Capital expenditures ($ millions)[4]	**$284**	$225	26%	$134

For the years ended December 31	IFRS			US GAAP
73.9% basis[1]	**2011**	2010	% Change	2009
Total tons mined (millions)	**37**	35	6%	41
Ore tons processed (millions)	**6**	7	(14%)	7
Average grade (ozs/ton)	**0.096**	0.094	2%	0.114
Gold produced (000s/oz)	**509**	564	(10%)	716
Cost of sales ($ millions)	**$523**	$480	9%	$377
Total cash costs (per oz)	**$692**	$570	21%	$545
Segment income ($ millions)[2]	**$293**	$250	17%	$143
Segment EBITDA ($ millions)[3]	**$398**	$342	16%	$236
Capital expenditures ($ millions)[4]	**$210**	$176	19%	$134

[1] These amounts represent our equity share of results. The dilution of our ownership interest in ABG to approximately 73.9% impacts our operating statistics from second quarter 2010 onwards.

[2] Segment income excludes income taxes.

[3] EBITDA is a non-GAAP financial performance measure with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see page 76 of this MD&A.

[4] Amounts presented represent expenditures for minesite expansion, minesite sustaining as well as open pit and underground mine development on a cash basis excluding capitalized interest.

Segment EBITDA and segment income for 2011, on a 100% basis, were $538 million and $397 million, an increase of 25% and 26%, respectively, over the prior year. The increases were primarily as a result of higher realized gold prices, which was partially offset by lower sales volume and higher total cash costs.

Barrick's equity interest in 2011 production was 0.509 million ounces, slightly lower than the most recent regional guidance of 0.515 to 0.560 million ounces. Lower than originally expected production in 2011 was

mainly due to a decrease in production at North Mara, partially offset by higher production at Tulawaka. The decrease at North Mara was due to mine sequencing, which resulted in the processing of lower grade stockpiles as a result of its ongoing waste stripping program. The increase at Tulawaka was due to higher average head grades from underground operations.

In 2011, cost of sales, on a 100% basis, increased by 18% over 2010 primarily due to higher direct mining costs, which is largely due to inflationary pressures and increases in commodity inputs for key operating consumables. Compared to 2010, 2011 total cash costs per ounce were $692, up 21% and were within our regional guidance range of $675 to $700 per ounce. The increase in total cash costs was primarily due to higher costs across our operations.

In 2012, we expect equity gold production, reflecting our 73.9% ownership of ABG, to be in the range of 0.500 to 0.535 million ounces, which is consistent with 2011. North Mara production is expected to be higher due to higher ore grades mined and milled from slightly fewer tons processed. Buzwagi production is lower due to a shift to mining lower grade areas. Total gold cash costs are expected to be $790 to $860 per ounce compared to $692 per ounce in 2011. Total cash costs per ounce are expected to be higher due to the production mix impact of lower Buzwagi grades and an increase in labor, gas and electricity costs at several sites.

Beyond 2012, ABG has identified various opportunities to add production, including the Gokona/Nyabigena underground zones at North Mara; a process plant expansion and the Upper East Zone at Bulyanhulu; and at the Golden Ridge exploration property. ABG continues to make progress in its evaluation of these opportunities to create value at its existing operations and to develop acquired exploration properties.

Capital Projects

Summary of Financial and Operating Data

($ millions)	IFRS			US GAAP
For the years ended December 31	**2011**	2010	% Change	2009
E&E expense[1]	**$ 53**	$ 21	152%	49
E&E expenses incurred by equity investees[2]	**2**	11	(82%)	93
Total E&E expenses	**55**	32	72%	142
Segment income (loss)	**(165)**	(18)	817%	(109)
Segment EBITDA	**(155)**	(15)	933%	(106)
Capital expenditures[3]				
Pascua-Lama	**1,191**	724	65%	202
Pueblo Viejo	**521**	592	(12%)	433
Cerro Casale	**83**	50	66%	-
Cortez Hills	**-**	19	(100%)	-
Buzwagi				52
Equity investees	**39**	25	56%	
Subtotal	**1,834**	1,410	30%	687
Capital commitments[4]	**$ 1,338**	$ 1,253	31%	1,018

[1] Amounts presented represent our share of E&E expense.
[2] Amounts presented represent our share of project development expense from projects for which we use the equity accounting method managed by Capital Projects, including Donlin Gold and Cerro Casale (until March 31, 2010).
[3] Amounts presented represent our share of capital expenditures on a cash basis.
[4] Capital commitments represent purchase obligations as at December 31 where binding commitments have been entered into for long lead capital items related to construction activities at our projects.

We spent $53 million in E&E expenses (our share) in capital expenditures in 2011 as compared to prior year E&E expense of $21 million. The increase in E&E compared to 2010 primarily relates to increased E&E expenses at our capital projects, partially offset by decreased E&E expenditures incurred by our equity investees. The increase in capital expenditures primarily relates to increased construction activities at our Pascua-Lama project.

Projects in construction

Barrick has targeted growth in production to approximately nine million ounces of gold by 2016[16]., driven largely by Pueblo Viejo and Pascua-Lama. Total cash costs per ounce are expected to benefit from these two large, low-cost projects as they come on stream in 2012 and 2013, respectively. These two high quality

[16] The target of 9 M oz of annual production by 2016 reflects a current assessment of the expected production and timeline to complete and commission Barrick's projects currently in construction (Pueblo Viejo and Pascua-Lama) and the Company's current assessment of existing mine site opportunities, some of which are sensitive to metal price and various capital and input cost assumptions.

mines are expected to contribute 1.5 million ounces [17] of average annual production and have a significant positive impact on Barrick's overall total cash costs.

Pueblo Viejo

At the Pueblo Viejo project in the Dominican Republic, first production continues to be expected in mid-2012 and overall construction is currently about 90% complete. At the end of Q4, approximately 85% of the expected total mine construction capital of $3.6 -$3.8 billion[18] (100% basis) or $2.2 -$2.3 billion (Barrick's 60% share) had been committed. About 13 million tonnes of ore, representing approximately 1.4 million contained gold ounces, has been stockpiled to date. Construction of the tailings facility progressed during Q4 with the receipt of approvals to re-commence construction. The oxygen plant is expected to undergo pre-commissioning testing in Q1 2012, with the first two autoclaves undergoing pre-commissioning in Q2 2012. Construction of the transmission line connecting the site to the national power grid was completed during Q4 2011, and the inter-connect to the grid has been achieved. As part of a longer-term, optimized power solution for Pueblo Viejo, the Company has started early works to construct a dual fuel power plant at an estimated incremental cost of approximately $300 million (100% basis). The power plant would commence operations utilizing heavy fuel oil, but have the ability to subsequently transition to lower cost liquid natural gas. The new plant is expected to provide lower cost, long-term power to the project.

Pueblo Viejo is expected to contribute approximately 100,000-125,000 ounces to Barrick at total cash costs of $400-$500 per ounce[19] in 2012 as it ramps up to full production in 2013. Barrick's 60% share of annual gold production in the first full five years of operation is expected to average 625,000-675,000 ounces at total cash costs of $300-$350 per ounce[20].

Pascua-Lama

At the Pascua-Lama project, approximately 55% of the previously announced pre-production capital of $4.7 -$5.0 billion[21] has been committed and first production is expected in mid-2013. The project is being impacted by labor and commodity cost pressures as a result of inflation, competition for skilled labor, the impact of increased Argentinean customs restrictions on equipment procurement and lower than expected labor productivity.

In Chile, earthworks were about 95% complete at the end of Q4, and in Argentina, earthworks construction was approximately 65% complete at year end. Approximately 40% of the concrete has been poured at the processing facilities in Argentina and about 15% of the structural steel has been erected to date. Occupancy of the construction camps in Chile and Argentina continues to ramp up with 6,500 beds available by the end of 2011. The camps are expected to reach their full capacity of 10,000 beds in mid-2012. Average annual gold production from Pascua-Lama is expected to be 800,000–850,000 ounces in the first full five years of operation at negative total cash costs of $225-$275 per ounce[21] based on a silver price of $25 per ounce. For every $1 per ounce increase in the silver price, total cash costs are expected to decrease by about $35 per ounce over this period.

Projects in feasibility

Cerro Casale

At the Cerro Casale project in Chile, basic engineering was completed on schedule in Q4. The EIA permitting process is anticipated to be completed by the end of 2012, after which Barrick will consider a construction decision, commencement of detailed engineering and sectoral permitting. Ongoing consultation with the government, local communities and indigenous groups is continuing in parallel with permitting.

Barrick's 75% share of average annual production is anticipated to be 750,000-825,000 ounces of gold and 190-210 million pounds of copper in the first full five years of operation at total cash costs of $200-$250 per ounce[22]. Estimated total mine construction capital is approximately $6.0 billion (100% basis)[22,23].

Donlin Gold

At the 50%-owned Donlin Gold project in Alaska, the revised feasibility study, which includes updated costs and the utilization of natural gas, has been completed and acceptance of the study by the Board of Donlin Gold LLC is expected in the first half of 2012. Mine construction capital is expected to be approximately

17 Based on the estimated cumulative average annual production in the first full five years once both are at full capacity.
18 Based on gold and oil price assumptions of $1,300/oz and $100/bbl, respectively.
19 Based on 2012 gold and oil price assumptions of $1,700/oz and $100/bbl, respectively. The 2012 total cash cost estimate is dependent on the rate at which production ramps up after commercial levels of production are achieved.
A change in the efficiency of the ramp up could have a significant impact on this estimate.
20 Based on gold and oil price assumptions of $1,300/oz and $100/bbl, respectively.
21 Based on gold, silver and oil price assumptions of $1,300/oz, $25/oz and $100/bbl, respectively and assuming a Chilean peso f/x rate of 475:1.
22 Based on gold, copper, and oil price assumption of $1,300/oz, $3.25/oz and $100/bbl, respectively and assuming a Chilean peso f/x rate of 475:1.
23 Based on Q2 2011 prices and does not include escalation for inflation.

$6.7 billion (100% basis)[24], which includes a natural gas pipeline that is anticipated to lower long-term power costs and offer a better environmental and operational solution for power connection to the site. Permitting is expected to commence following approval by the Board of the revised feasibility study. Donlin Gold is anticipated to produce about 1.5 million ounces of gold annually (100% basis) in its first full five years of operation.

Copper

Summary of Financial and Operating Data

	IFRS			US GAAP
For the years ended December 31	**2011**	2010	% Change	2009
Copper produced (millions of lbs)	**451**	368	23%	393
Cost of sales ($ millions)	**$ 983**	$ 430	129%	$ 444
Total cash costs (per lb)	**$ 1.75**	$ 1.10	59%	$ 1.17
Segment income ($ millions) [1]	**$ 644**	$ 607	6%	$ 570
Segment EBITDA ($ millions) [2]	**$ 817**	$ 697	17%	$ 646
Capital expenditures ($ millions)[3]	**$ 333**	$ 55	505%	$ 39

[1] Segment income excludes income taxes.

[2] EBITDA is a non-GAAP financial performance measure with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see page 76 of this MD&A.

[3] Amounts presented represent expenditures for minesite expansion, minesite sustaining as well as open pit and underground mine development on a cash basis excluding capitalized interest.

Segment EBITDA and segment income for 2011 were $817 million and $644 million, an increase of 17% and 6%, respectively, over the prior year. Segment income for 2011 was $644 million, up $37 million as compared to the prior year. The increases were primarily as a result of higher realized copper prices and sales volumes, which were partially offset by higher total cash costs. Segment EBITDA was negatively affected by $34 million in inventory purchase accounting adjustments related to mineral inventory that was acquired as part of the Equinox acquisition. Segment income was also affected by depreciation of fair value increments arising from the allocation of the purchase price.

Copper production in 2011 was 451 million pounds, which was 23% higher than the prior year, and was in line with the low end of our regional guidance range of 450 to 460 million pounds. The increase in production level was mainly due to production from Lumwana, which was acquired as part of the Equinox transaction, partially offset by lower production in Zaldívar due to lower average head grades and the impact of the divestiture of Osborne in the third quarter of 2010.

[24] Based on Q2 2011 prices and does not include escalation for inflation.

In 2011, cost of sales increased by 129% over the prior year, primarily due to the inclusion of Lumwana production and the impact of higher input prices for fuel, power and sulfuric acid costs at Zaldívar. Total cash costs per pound increased by 59% over the prior year, reflecting higher direct production costs and lower production levels at Zaldívar and the impact of higher cost production from Lumwana. Total cash costs were slightly above the high end of our recent guidance range of $1.60 to $1.70 per pound.

In 2012, we expect copper production in the range of about 550 to 600 million pounds, resulting from a full year of production from Lumwana and the mid-year start-up of Jabal Sayid. Production at Zaldívar is expected to remain at levels similar to 2011. Total cash costs for copper are expected to be in the range of $1.90 to $2.20 per pound, approximately $0.30 higher than 2011 and mainly the result of the impact of a full year's contribution from Lumwana, an increase to the Zambian government royalty rate, start-up of Jabal Sayid at higher average cash costs per pound and an increase in market prices for sulfuric acid at Zaldívar.

Projects in construction

Jabal Sayid

Overall construction of the Jabal Sayid copper project in Saudi Arabia was about 75% complete at the end of Q4. Subject to receipt of final approvals, the operation is expected to enter production in the second half of 2012 at total construction capital of approximately $400 million, of which 85% had been committed at the end of Q4. Underground mine development for first ore production and concrete works was completed in Q4 and bulk earthworks were about 90% complete. Jabal Sayid is expected to produce 35-45 million pounds of copper in 2012 at total cash costs of $2.15 -$2.50 per pound[25]. Average annual production from Lodes 2 and 4 is expected to be 100-130 million pounds over the first full five years of operation at total cash costs of $1.50 -$1.70 per pound. Results from recent drilling beneath Lode 4 demonstrate that the width of mineralization towards the base of the current resource model had been underestimated by lack of drilling. In addition to the previous intercept of 111 meters grading 2.67% copper, recent drilling has intersected 119 meters at 1.2% copper. This area will be the focus of ongoing drilling and resource/reserve upgrades and additions in 2012.

[25] Based on 2012 copper and gold price assumptions of $3.50/lb and $1,700/oz, respectively. The 2012 total cash cost estimate is dependent on the rate at which production ramps up after commercial levels of production are achieved. A change in the efficiency of the ramp up could have a significant impact on this estimate.

Projects in Feasibility

Zaldívar Sulfides Expansion

A scoping study has also been completed on the Zaldívar deep sulfides and a prefeasibility study by year end 2012. Although this project is in the early stages, this expansion opportunity has the potential to benefit life of mine production starting as early as 2017 and significantly extend the mine life.

Lumwana Expansion

At Lumwana, activity has been ramped up with 17 drill rigs on the property focusing on resource definition drilling at Chimiwungo to convert inferred resources into the indicated category and step-out drilling to the south and east to extend the mineralization. Drilling to date has confirmed the thickened eastern shoot of Chimiwungo and selected highlights include 44 meters grading 1.00% copper, 44 meters at 1.07%, 41 meters at 0.80%, 37 meters at 0.91% and 20 meters at 1.60%. In addition to these strong results within the resource area, drilling further to the east is intersecting shallower than expected mineralization. A prefeasibility study on an expansion that could potentially double processing rates at Lumwana is expected to be completed by year end 2012.

Kabanga

At the 50%-owned Kabanga nickel project in Tanzania, preliminary engineering continues along with efforts to obtain an approved Environmental Impact Assessment and a Special Mining License and negotiate a Mineral Development Agreement with the Tanzanian government by the end of 2012, at which point the partners expect to make a construction decision.

FINANCIAL CONDITION REVIEW

Summary Balance Sheet and Key Financial Ratios

($ millions, except ratios and share amounts)

	As at December 31, 2011	As at December 31, 2010
Total cash and equivalents	**$ 2,745**	$ 3,968
Non-cash working capital	**2,335**	1,695
Non-current assets	**42,339**	27,566
Other assets	**1,465**	1,408
Total Assets	**48,884**	34,637
Non-current liabilities excluding adjusted debt	**7,361**	4,537
Adjusted debt[1]	**13,058**	6,392
Other liabilities	**2,911**	2,491
Total Liabilities	**23,330**	13,420
Total shareholders' equity	**23,363**	19,472
Non-controlling interests	**2,191**	1,745
Total Equity	**$ 25,554**	$ 21,217
Dividends	**$ 509**	$ 436
Net debt[1]	**$ 10,320**	$ 2,427
Total common shares outstanding (millions of shares) [2]	**1,000**	999
Key Financial Ratios:		
Current ratio[3]	**2.25:1**	2.84:1
Adjusted debt-to-equity[4]	**0.56:1**	0.33:1
Net debt-to-equity[5]	**0.44:1**	0.12:1
Net debt-to-total capitalization[6]	**0.33:1**	0.10:1
Return on equity[7]	**22%**	20%

[1] Adjusted debt and net debt are non-GAAP financial performance measures with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see page 79 of this MD&A.
[2] Total common shares outstanding do not include 6.9 million stock options. The increase from December 31, 2010 is due to the exercise of stock options and the conversion of debentures.
[3] Represents current assets divided by current liabilities as at December 31, 2011 and December 31, 2010.
[4] Represents adjusted debt divided by total shareholders' equity as at December 31, 2011 and December 31, 2010.
[5] Represents net debt divided by total shareholders' equity as at December 31, 2011 and December 31, 2010.
[6] Represents net debt divided by capital stock and long-term debt at December 31, 2011 and December 31, 2010.
[7] Represents adjusted net earnings divided by average shareholders' equity as at December 31, 2011 and December 31, 2010.

Balance Sheet Review

Total assets were $49 billion in 2011, an increase of $14.2 billion or 41% compared to 2010. The increase primarily reflects an increase in property, plant and equipment and goodwill, which were partially offset by a decrease in cash and equivalents. This reflects the impact of our acquisition of Equinox in the second quarter of 2011 as well as the significant capital expenditures primarily related to our projects in construction. Our asset base is primarily comprised of non-current assets such as property, plant and equipment and goodwill, reflecting the capital intensive nature of the mining business and our history of growing through acquisitions. Other significant assets include production inventories and cash and equivalents. We typically do not carry a material accounts receivable balance, since only sales of concentrate and copper cathode have a settlement period.

Total liabilities increased by $10 billion or 74% compared to 2010, largely due to the issuance of $6.5 billion of new debt in connection with the acquisition of Equinox.

Sources and Uses of Net Debt

	For the years ended December 31	
(in $ millions)	**2011**	2010
Operating Activities		
Adjusted operating cash flow	**$ 5,680**	$5,241
Settlement of gold sales contracts	**-**	(656)
Acquisition costs expensed and related working capital movements	**(204)**	-
Withholding tax payment	**(161)**	
Operating inflows	**$ 5,315**	$4,585
Investing activities		
Capital expenditures - minesite sustaining	**(980)**	(865)
Capital expenditures - open pit and underground mine development	**(842)**	(595)
Capital expenditures - minesite expansion[1]	**(533)**	(257)
Capital expenditures - projects[1]	**(2,618)**	(2,061)
Acquisitions	**(7,677)**	(813)
Other investing activities	**(177)**	(39)
Total investing outflows	**(12,827)**	(4,630)
Financing activities (excluding debt)		
Proceeds from public issuance of common shares by a subsidiary	**-**	884
Dividends	**(509)**	(436)
Funding from non-controlling interests	**403**	114
Repayments of debt related to the acquisitions	**(347)**	-
Deposit on silver sales agreement	**138**	137
Other financing activities	**(9)**	102
Total financing (outflows) inflows	**(324)**	801
Other movements	**(116)**	30
Conversion of convertible debt		176
Settlement (recognition) of obligation to close out gold sales contracts	**-**	656
Adjustment for Pueblo Viejo financing (partner's share), net of cash	**59**	310
Net (decrease) increase in net debt	**7,893**	(1,928)
Net debt at beginning of period[2]	**2,427**	4,355
Net debt at end of period[2]	**$ 10,320**	$ 2,427

[1] The amounts include capitalized interest of $382 million (2010: $275 million).

[2] Net debt is a non-GAAP financial performance measures with no standardized definition under IFRS. For further information and a detailed reconciliation, please see pages 79 of this MD&A.

As at December 31, 2011 net debt was $10.3 billion, and our net debt-to-equity ratio and net debt-to-total capitalization ratios were 0.44:1 and 0.33:1, respectively. This compares to net debt as at December 30, 2010 of $2.4 billion, and net debt to equity and net debt-to-total capitalization ratios of 0.12:1 and 0.10:1, respectively. The increase in net debt, net debt-to-equity and net debt-to-total capitalization ratios are largely due to the additional debt issued in connection with our acquisition of Equinox. The majority of our outstanding long-term debt matures at various dates beyond 2013. In January 2012, we entered into a new credit facility of $4 billion with an interest rate of LIBOR plus 1.00%, which matures in 2017. Coincident with this agreement becoming effective, we terminated our $2 billion facility that was secured in May 2011 and transferred the $1 billion drawn on the $2 billion facility to the new $4 billion facility. As a result, our total scheduled debt repayments in the next couple of years is $2,287 million. Counterparties to debt and derivative instruments do not have unilateral discretionary rights to accelerate repayment at earlier dates, and therefore we are largely protected from short-term liquidity fluctuations.

Shareholders' Equity
Outstanding Share Data

As at January 27, 2012	Number of shares
Common shares	1,000,422,260
Stock options	6,845,296

Dividend Policy

In 2011, we increased our annual dividend from $0.48 per common share to $0.60 per common share. This 25% increase in dividends reflects our ability to generate substantial cash flows from our operations in a high gold price environment. The amount and timing of any dividends is within the discretion of our Board of Directors. The Board of Directors reviews the dividend policy quarterly based on our current and projected liquidity profile, and capital requirements for capital projects and potential acquisitions.

Comprehensive Income

Comprehensive income consists of net income or loss, together with certain other economic gains and losses, which, collectively, are described as "other comprehensive income" or "OCI", and excluded from the income statement.

In 2011, other comprehensive income was a loss of $156 million on an after-tax basis consisting primarily of gains of $411 million on hedge contracts designated for future periods, caused primarily by changes in currency exchange rates, copper prices, and fuel prices, offset by reclassification adjustments totaling $506 million for gains on hedge contracts designated for 2011 that were transferred to earnings in 2011 in conjunction with the recognition in expense of the related hedge exposure;

$41 million loss transferred to earnings related to gains recorded on the sale of shares in various investments and losses for impaired investments; $100 million of losses recorded as a result of changes in the fair value of investments held during the year; $36 million in losses for currency translation adjustments on Barrick Energy; $35 million actuarial loss on pension liability and a $69 million gain due to tax recoveries on the overall decrease in OCI.

Included in accumulated other comprehensive income at December 31, 2011 were unrealized pre-tax gains on currency, commodity and interest rate hedge contracts totaling $733 million. The balance primarily relates to currency hedge contracts that are designated against operating costs and capital expenditures, primarily over the next three years and are expected to help protect against the impact of the strengthening in the Australian and Canadian dollar exchange rates against the US dollar. These hedge gains/losses are expected to be recorded in earnings at the same time as the corresponding hedged operating costs/depreciation are recorded in earnings.

Financial Position

We have maintained a strong financial position despite the market turbulence that has been experienced over the past four years. Our strong earnings and operating cash flow growth have enabled us to make high return investments in our project pipeline and also consistently increase our dividends. This is illustrated by our significant cash and working capital balances which remain strong after the use of approximately $2 billion in cash for the acquisition of Equinox in 2011. Our debt-to-equity and debt-to-total capitalization ratios as at December 31, 2011 have also increased reflecting the additional debt issued in connection with our acquisition of Equinox.

Our strong financial position enabled us to fund the acquisition of Equinox through a combination of our existing cash balances and new debt, which helped up maintain the only A-rated balance sheet in the gold mining industry as measured by S&P. Our credit ratings, as established by S&P and Moody's, have remained stable throughout this period of financial uncertainty. Our ability to access unsecured debt markets and the related cost of debt financing is, in part, dependent upon maintaining an acceptable credit rating. Deterioration in our credit rating would not adversely affect existing debt securities, but could impact funding costs for any new debt financing.

Credit Rating from Major Rating Agencies

At January 28, 2012:	
Standard and Poor's ("S&P")	**A-**
Moody's	**Baa1**

The key factors impacting our financial position, and therefore our credit rating, include the following:

- Our market capitalization and the strength of our balance sheet, including the amount of net debt and our net debt-to-equity ratio (refer to the balance sheet review section of this MD&A for a discussion of key factors impacting these measures in 2011);
- Our net cash flow, including cash generated by operating activities (refer to the liquidity and cash flow section of this MD&A for a discussion of key factors impacting these measures in 2011);
- Expected capital expenditure requirements (refer to the outlook section of this MD&A for a discussion of key factors impacting these measures in future periods);
- The quantity of our gold and copper reserves (refer to page 42 for more information); and
- Our geo-political risk profile.

Liquidity and Cash Flow

Total cash and cash equivalents at the end of 2011 were $2.7 billion[26]. At year end, our cash position consisted of a mix of term deposits, treasury bills and money market investments. Our cash position is primarily denominated in US dollars. The decrease in cash and cash equivalents at December 31, 2011 compared to the end of the prior year is largely due to the use of approximately $2 billion for the acquisition of Equinox. To fund the remaining cost of the acquisition, we issued $4.0 billion of debt securities and we drew down $2.5 billion from our credit facilities. Upon completion of the renegotiation of one of our credit facilities in January 2012, we have a total of $5.5 billion under our credit facilities, with $3.0 billion available for drawdown as a source of financing.

One of our primary ongoing sources of liquidity is operating cash flow. In 2011, we generated $5.3 billion in operating cash flow, which was net of tax payments of about $2 billion, of which about $0.5 billion related to final 2010 income tax payments, compared to $4.6 billion of operating cash flow in 2010. Adjusted operating cash flow, which excludes the impact of payment of the settlement of gold sales contracts, transaction costs and working capital inputs related to

[26] Includes $584 million cash held at ABG, which may not be readily deployed outside ABG.

acquisition totaled $5.7 billion in 2011, an increase of 8% compared to 2010. The increase in adjusted operating cash flow was primarily due to growing cash margins with the rise in realized gold and copper prices and higher copper sales volumes, partially offset by higher income taxes paid and lower gold sales volumes. The most significant driver of the change in operating cash flow is market gold and copper prices. Future changes in those market prices, either favorable or unfavorable, will continue to have a material impact on our cash flow and liquidity.

The table below illustrates the sensitivity impact of changes in gold and copper prices on our 2011 production levels.

	Change in price	Impact on EBITDA
Gold	**100/oz**	**$ 0.8 billion**
Copper	**$ 0.50/lb**	**$ 0.2 billion**

Working Capital

(in $ millions)	**As at December 31, 2011**	As at December 31, 2010
Inventories[1]	**$ 3,651**	$ 2,838
Other current assets	**507**	615
Accounts receivable	**426**	370
VAT and fuel tax receivables[2]	**466**	349
Accounts payable and other current liabilities	**(2,715)**	(2,477)
Non-cash working capital	**$ 2,335**	$ 1,695

[1] Includes long-term stockpiles of $1,153 million (2010: $1,040 million).
[2] Includes long-term VAT and fuel tax receivables of $272 million (2010: $138 million).

Operating cash flow and adjusted operating cash flow were also impacted by a $640 million increase in non-cash working capital. The increase in non-cash working capital primarily relates to an increase in inventories, partially offset by an increase in accounts payable and other current liabilities. The increase in inventory related to an increase in ore in stockpiles of approximately $114 million, principally at Porgera and Goldstrike. These increases were partially offset by a decrease at Cortez as a result of the processing of ore stockpiles in the second half of the year.

The principal uses of operating cash flow are to fund our capital expenditures, including construction activities at our advanced projects; acquisitions; dividend payments; and repayments of our outstanding debt.

Assuming we are able to sustain our current level of cash generation, continue to pay dividends at current rates totaling about $0.6 billion per year and incur minesite sustaining capital expenditures of about $2 billion per year, $3 billion per year of free cash flow would be available for investment in capital projects, minesite expansion opportunities and acquisitions. We expect to complete construction at Pueblo Viejo in mid-2012 and Jabal Sayid in the second half of 2012, with Pascua-Lama in construction throughout 2012. Therefore, we expect 2012 to be a peak year of capital expenditure and anticipate the amount of capital expenditures to begin declining in 2013 and beyond. However, capital expenditures will be significantly impacted by the timing and expenditure levels relating to other major new mine projects and mine expansions, which are subject to permitting approvals and final construction decisions. A material adverse decline in the market price of gold and/or copper could impact the timing of final construction decisions on these other major new mine projects that are not yet in construction.

We take a balanced approach to capital allocation and subject all investment decisions to a rigorous and disciplined internal capital allocation review. This review entails an assessment of our overall liquidity, the overall level of investment required, and the prioritization of investments based on the merits of each opportunity relative to the portfolio of investment choices we have. This review may result in good opportunities being held back in favor of higher return projects and should allow us to generate the best return on investment decisions when we are faced with a multitude of prospects. The assessment also takes into account expected levels of future operating cash flow and the cost and availability of new financing. Future changes in market gold prices and/or copper prices could impact the timing and amount of cash available for future investment in capital projects, acquisitions, dividends, debt repayments and/or other uses of capital.

Alternatives for sourcing our future capital or other liquidity needs include $3.0 billion of availability under our credit facilities, future operating cash flow, project financings and further debt or equity financings. These alternatives should provide us with the flexibility to fund any cash flow shortfall and are continually evaluated to determine the optimal mix of capital resources for our capital needs.

Cash used in investing activities amounted to $12,827 million in 2011, an increase of $8,197 million compared to 2010, primarily due to the $7,482 million acquisition of Equinox in the second quarter of 2011.

Capital Expenditures[1]

For the years ended December 31

($ millions)	2011	2010
Capital expenditures - gold projects		
Pascua-Lama	**$ 1,191**	$ 724
Pueblo Viejo	**521**	592
Cerro Casale	**83**	50
Cortez Hills	**-**	19
Subtotal[2]	**$ 1,795**	$ 1,385
Copper projects		
Jabal Sayid	**$ 105**	-
Subtotal	**$ 1,900**	$ 1,385
Capital expenditures attributable to non-controlling interests[3]	**375**	407
Total consolidated project capital expenditures	**$ 2,275**	$ 1,792
Capital expenditures - minesite expansion		
Gold		
North America	**255**	$ 228
South America	**96**	23
African Barrick Gold	**50**	-
Copper	**93**	-
Total capital expenditures - minesite expansion	**$ 494**	$ 251
Capital expenditures - minesite sustaining		
Gold		
North America	**$ 254**	$ 198
South America	**140**	172
Australia Pacific	**192**	190
African Barrick Gold	**136**	96
Copper	**69**	55
Other[4]	**189**	154
Total capital expenditures - minesite sustaining	**$ 980**	$ 865
Capital expenditures - open pit and underground mine development		
Gold		
North America	**$ 345**	$ 177
South America	**62**	98
Australia Pacific	**271**	191
African Barrick Gold	**98**	129
Copper	**66**	-
Total capital expenditures - open pit and underground mine development	**$ 842**	$ 595
Capitalized interest	**382**	275
Total consolidated capital expenditures	**$ 4,973**	$ 3,778
Capital expenditures attributable to non-controlling interests[3]	**375**	407
Total capital expenditures attributable to Barrick	**$4,598**	$3,371
Total capital expenditures - copper	**385**	55
Total capital expenditures - gold	**4,024**	3,162
Capital expenditures - other	**189**	154
Total capital expenditures attributable to Barrick	**$4,598**	$3,371

[1] These amounts are presented on a cash basis consistent with the amounts presented on the consolidated statement of cash flows.
[2] On an accrual basis, our share of project capital expenditures is $2,501 million including capitalized interest.
[3] Amount reflects our partner's share of expenditures at the Pueblo Viejo and Cerro Casale project on a cash basis.
[4] These amounts include $162 million of capital expenditures at Barrick Energy (2010: $86 million).

Our ability to access low-cost borrowing allowed us to generate financing cash inflow of $6,291 million in 2011. The significant financing activities in 2011 include financing inflows of $4 billion in debt securities and $2.5 billion in proceeds from the drawdown of our line of credit. These amounts were partially offset by dividend payments of $509 million and debt repayments of $380 million. This compares to financing inflows in 2010 of $1,434 million, which primarily includes $884 million in proceeds from public issuance of common shares by ABG in the first quarter 2010 and the drawdown of $782 million of Pueblo Viejo project financing in second quarter 2010 partially offset by debt repayments of $149 million and dividend payments of $436 million.

Financial Instruments

We use a mixture of cash, long-term debt and shareholders' equity to maintain an efficient capital structure and ensure adequate liquidity exists to meet the cash needs of our business. 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 22 to our consolidated financial statements. For a discussion of certain risks and assumptions that relate to the use of derivatives, including market risk, liquidity risk and credit risk, refer to notes 2 and 25 to our consolidated financial statements. For a discussion of the methods used to value financial instruments, as well as any significant assumptions, refer also to note 2 to our consolidated financial statements.

Counterparty Risk

Our financial position is also dependent, in part, on our exposure to the risk of counterparty defaults related to the net fair value of our derivative contracts. Counterparty risk is the risk that a third party might fail to fulfill its performance obligations under the terms of

a financial instrument. Counterparty risk can be assessed both in terms of credit risk and liquidity risk. For cash and equivalents and accounts receivable, credit risk represents the carrying amount on the balance sheet, net of any overdraft positions.

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. However, liquidity risk exists to the extent a counterparty is no longer able to perform in accordance with the terms of the contract due to insolvency. 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. For a net positive amount, this is a reasonable basis to measure credit risk when there is a legally enforceable master netting agreement. We mitigate credit and liquidity 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.

As of December 31, 2011, we had 24 counterparties to our derivative positions. We proactively manage our exposure to individual counterparties in order to mitigate both credit and liquidity risks. For those counterparties with which we hold a net asset position (total balance attributable to the counterparties is $899 million), four hold greater than 10% of our mark-to-market asset position, with the largest counterparty holding 14%. We have two counterparties with which we are in a net liability position, for a total net liability of 1 million. On an ongoing basis, we monitor our exposures and ensure that none of the counterparties with which we hold outstanding contracts has declared insolvency.

Summary of Financial Instruments

As at December 31, 2011

Financial Instrument	Principal/Notional Amount			Associated Risks
				• Interest rate
Cash and equivalents		$ 2,745	million	• Credit
				• Credit
Accounts receivable		$ 426	million	• Market
				• Market
Available-for-sale securities		$ 161	million	• Liquidity
Accounts payable		$ 2,083	million	• Interest rate
Debt		$ 13,434	million	• Interest rate
Restricted share units		$ 48	million	• Market
Deferred share units		$ 8	million	• Market
Derivative instruments - currency contracts	CAD	1,239	million	• Credit
	CLP	800,130	million	• Market/liquidity
	AUD	4,471	million	
	EUR	35	million	
	PGK	40	million	
	ZAR	510	million	
Derivative instruments - silver contracts		45	million oz	• Market/liquidity
Derivative instruments - copper contracts		289	million lbs	• Credit
Derivative instruments - energy contracts	Diesel	5.0	million bbls	• Market/liquidity
	Propane	4	million gallons	• Credit
Derivative instruments - interest rate contracts	Receive fixed interest rate swaps	$ 200	million	• Market/liquidity
Non-hedge derivatives		various		• Market/liquidity
				• Credit

Commitments and Contingencies

Capital Expenditures Not Yet Committed

We expect to incur capital expenditures during the next five years for both projects and producing mines. The projects are at various stages of development, from preliminary exploration or scoping study stage through to the construction execution stage. The ultimate decision to incur capital expenditures at each potential site is subject to positive results which allow the project to advance past decision hurdles. Three projects were at an advanced stage at December 31, 2011, namely Pueblo Viejo, Pascua-Lama and Jabal Sayid (refer to pages 46-48 for further details).

Contractual Obligations and Commitments

	Payments due As at December 31						
($ millions)	**2012**	2013	2014	2015	2016	2017 and thereafter	Total
Debt[1]							
Repayment of principal	**$ 168**	$ 2,061	$ 1,140	$ 190	$ 2,590	$ 7,142	$ 13,291
Capital leases	**28**	30	26	24	16	19	143
Interest	**562**	544	506	480	442	5,096	7,630
Provisions for environmental rehabilitation[2]	**151**	126	72	79	111	1,791	2,330
Operating leases	**25**	22	15	14	11	68	155
Restricted share units	**27**	19	2	-	-	-	48
Pension benefits and other post-retirement benefits	**37**	28	28	28	28	141	290
Derivative liabilities[3]	**22**	10	20	9	3	-	64
Purchase obligations for supplies and consumables[4]	**872**	215	149	114	192	206	1,748
Capital commitments[5]	**1,740**	15	1	1	7	-	1,764
Social development costs	**16**	16	6	6	6	64	114
Total	**$ 3,648**	$ 3,086	$ 1,965	$ 945	$ 3,406	$ 14,527	$ 27,577

[1] 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 debt and interest amounts include 100% of the Pueblo Viejo financing, even though we have only guaranteed our 60% share. We are not required to post any collateral under any debt obligations. The terms of our debt obligations would not be affected by deterioration in our credit rating. Projected interest payments on variable rate debt were based on interest rates in effect at December 31, 2011. Interest is calculated on our long-term debt obligations using both fixed and variable rates.

[2] Provisions for Environmental Rehabilitation - Amounts presented in the table represent the undiscounted future payments for the expected cost of provisions for environmental rehabilitation.

[3] Derivative Liabilities - Amounts presented in the table relate to derivative contracts disclosed under notes 22 to the consolidated financial statements. Payments related to derivative contracts cannot be reasonably estimated given variable market conditions.

[4] Purchase Obligations for Supplies and Consumables - Includes commitments related to new purchase obligations to secure a supply of acid, tires and cyanide for our production process.

[5] Capital Commitments - Purchase obligations for capital expenditures include only those items where binding commitments have been entered into. Commitments at the end of 2011 mainly relate to construction capital at Pueblo Viejo, Pascua-Lama and Jabal Sayid.

Litigation and Claims

We are currently subject to various litigation as disclosed in note 33 to the consolidated 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.

REVIEW OF QUARTERLY RESULTS

Quarterly Information[1]

	2011				2010			
($ millions, except where indicated)	**Q4**	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenues	**$3,789**	$ 4,007	$3,426	$3,090	$3,011	$2,788	$2,621	$2,581
Realized price - gold[2]	**1,664**	1,743	1,513	1,389	1,368	1,237	1,205	1,114
Realized price - copper[2]	**3.69**	3.54	4.07	4.25	3.99	3.43	2.93	3.29
Cost of sales	**1,733**	1,730	1,496	1,357	1,331	1,301	1,262	1,268
Net earnings[4]	**959**	1,365	1,159	1,001	961	942	859	820
Per share (dollars)[3,4]	**0.96**	1.37	1.16	1.00	0.97	0.96	0.87	0.83
Adjusted net earnings[5]	**1,166**	1,379	1,117	1,004	1,018	912	824	763
Per share (dollars)[3,4]	**1.17**	1.38	1.12	1.01	1.02	0.93	0.84	0.78
EBITDA[5]	**1,998**	2,460	2,090	1,828	1,770	1,669	1,489	1,593
Operating cash flow	**1,224**	1,902	750	1,439	866	1,441	1,127	1,151
Adjusted operating cash flow[5]	**$1,299**	$2,004	$ 938	$1,439	$1,522	$1,441	$1,127	$1,151

[1] The amounts presented in this table include the results of discontinued operations.
[2] Per ounce/pound weighted average. Realized price is a non-GAAP financial performance measure with no standard meaning under IFRS. For further information and a detailed reconciliation, please see page 77 of this MD&A.
[3] Calculated using weighted average number of shares outstanding under the basic method of earnings per share.
[4] Sum of all the quarters may not add up to the yearly total due to rounding.
[5] Adjusted net earnings, EBITDA and adjusted operating cash flow are non-GAAP financial performance measures with no standard meaning under IFRS. For further information and a detailed reconciliation, please see pages 72 - 79 of this MD&A.

Our financial results for the last eight quarters reflect a trend of increasing spot gold and copper prices that have translated into increasing revenues, net earnings, EBITDA and adjusted operating cash flow partially offset by higher gold and copper production costs mainly caused by inflationary pressures. These financial results were driven by tremendous gold margins. Our results have shown significant margin expansion over the past several years as we continue to benefit from rising gold prices and held the line on our cash cost.

Fourth Quarter Results

In fourth quarter 2011, we reported net earnings and adjusted net earnings of $959 million and $1,166 million, respectively, compared to $961 million and $1,018 million, respectively, in fourth quarter 2010.

The decrease in both net earnings and adjusted net earnings were largely driven by higher market gold and copper prices along with higher gold and copper sales volumes, which were partially offset by higher cost of sales applicable to gold and copper and higher total cash costs for gold and copper.

In fourth quarter 2011, we sold 1.87 million ounces of gold and 135 million pounds of copper, compared to 1.83 million ounces of gold and 103 million pounds of copper in fourth quarter 2010. Revenues in fourth quarter 2011 were higher than the same prior year period reflecting higher market prices for both copper and gold and higher gold and copper sales volumes. In fourth quarter 2011, cost of sales was $1,733 million, total cash costs of gold was $505 per ounce and total cash cost of $1.99 per pound for copper, an increase of $402 million, $65 per ounce, and $0.91 per pound respectively, from fourth quarter 2010. Cost of sales was higher, reflecting higher direct mining costs, including higher labor, energy, maintenance and consumable costs, the impact of including production from Lumwana, beginning on June 1, 2011, partially offset by an increase in capitalized production phase stripping costs for gold. Total gold cash costs were higher as a result of increasing direct mining costs, including higher labor, energy, maintenance and consumables costs. Total copper cash costs increased due to inclusion of Lumwana production in the sales mix. In fourth quarter 2011, net cash costs increased by $104 per ounce to $382 per ounce, compared to $278 per ounce in fourth quarter 2010, reflecting higher total gold cash costs.

Operating cash flow in fourth quarter 2011 was $1,224 million, a significant increase from fourth quarter 2010. Fourth quarter operating cash flow of 2010 reflected the cost of settling the gold sales contracts of $656 million.

Adjusted operating cash flow for the fourth quarter was $1,299 million, down 15% from the prior year period. The decrease in adjusted operating cash flow reflects lower net earnings and higher income taxes paid. Adjusted operating cash flow before working capital adjustments was $1,405 million, down $639 million from the prior year period.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

We have adopted IFRS effective January 1, 2011. Our transition date is January 1, 2010 (the "transition date") and the Company has prepared its opening IFRS balance sheet as at that date. Our IFRS accounting policies are described in note 2 of the Financial Statements.

Elected exemptions from full retrospective application

In preparing the accompanying Financial Statements in accordance with IFRS 1 First-time Adoption of International Financial Reporting Standards ("IFRS 1"), the Company has applied certain of the optional exemptions from full retrospective application of IFRS. The optional exemptions applied are described below.

(i) Business combinations

We have applied the business combinations exemption in IFRS 1 to not apply International Financial Reporting Standard 3 *Business Combinations* ("IFRS 3") retrospectively to past business combinations. Accordingly, the Company has not restated business combinations that took place prior to the transition date.

(ii) Fair value or revaluation as deemed cost

We have elected to measure certain items of Property, Plant and Equipment ("PP&E") at fair value as at January 1, 2010 or revaluation amounts previously determined under US GAAP and use those amounts as deemed cost as at January 1, 2010. We have made this election at the following properties: Pascua-Lama, Goldstrike, Plutonic, Marigold, Pierina, Sedibelo and Osborne. We have also elected to adopt this election for certain assets at Barrick Energy, which were adjusted by $166 million to their fair value of $342 million on the transition date to IFRS, due to a decline in oil prices.

(iii) Asset related to Provision for Environmental Rehabilitation

We have elected to take a simplified approach to calculate and record the asset related to the environmental rehabilitation provision on our opening IFRS consolidated balance sheet. The environmental rehabilitation provision calculated on the transition date in accordance with International Accounting Standard 37 *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37") was discounted back to the date when the provision first arose on the mineral property, at which date the corresponding asset was set up and then depreciated to its carrying amount as at the transition date.

(iv) Employee benefits

We have elected to recognize all cumulative actuarial gains and losses as at January 1, 2010 in opening retained earnings for the company's employee benefit plans.

(v) Cumulative translation differences

We have elected to set the previously accumulated cumulative translation account, which was included in accumulated other comprehensive income ("AOCI"), to zero as at January 1, 2010 and absorbed the balance into retained earnings.

Reconciliation of Consolidated Balance Sheets as Reported Under US GAAP and IFRS

	Ref	January 1, 2010			December 31, 2010		
		US GAAP[1]	Adj	IFRS	US GAAP[1]	Adj	IFRS
Assets							
Current assets							
Cash and equivalents		$ 2,564	$ -	$ 2,564	$ 3,968	$ -	$ 3,968
Accounts receivable		251	8	259	346	24	370
Inventories	A	1,540	(52)	1,488	1,852	(54)	1,798
Other current assets		524	(6)	518	947	(12)	935
Total current assets (excluding assets classified as held for sale)		4,879	(50)	4,829	7,113	(42)	7,071
Assets classified as held for sale		59	41	100	-	-	-
Total current assets		4,938	(9)	4,929	7,113	(42)	7,071
Non current assets							
Equity in investees	B	1,136	(12)	1,124	291	105	396
Other investments	E	92	(30)	62	203	(32)	171
Property, plant and equipment	C	13,125	253	13,378	17,751	139	17,890
Goodwill	C	5,197	-	5,197	5,287	809	6,096
Intangible assets	C	66	209	275	140	335	475
Deferred income tax assets	D	949	(348)	601	467	158	625
Other assets	A, E	1,531	(173)	1,358	2,070	(157)	1,913
Assets of discontinued operations		41	(41)	-	-	-	-
Total assets		$ 27,075	$ (151)	$ 26,924	$ 33,322	$ 1,315	$ 34,637
Liabilities and Equity							
Current liabilities							
Accounts payable		$ 1,221	$ -	$ 1,221	$ 1,511	$ -	$ 1,511
Debt		54	-	54	14	-	14
Current income tax liabilities		94	10	104	535	15	550
Other current liabilities		381	(15)	366	429	(13)	416
Total current liabilities (excluding liabilities classified as held for sale)		1,750	(5)	1,745	2,489	2	2,491
Liabilities classified as held for sale		23	26	49	-	-	-
Total current liabilities		1,773	21	1,794	2,489	2	2,491
Non-current liabilities							
Debt	F	6,281	(157)	6,124	6,678	(54)	6,624
Provisions	G	1,122	286	1,408	1,439	329	1,768
Deferred income tax liabilities	D	1,184	(224)	960	1,114	857	1,971
Other liabilities		1,145	(261)	884	868	(302)	566
Liabilities of discontinued operations		23	(23)	-	-	-	-
Total liabilities		11,528	(358)	11,170	12,588	832	13,420
Equity							
Capital stock		17,390	2	17,392	17,790	30	17,820
Other		-	143	143	288	26	314
Retained earnings (deficit)	H	(2,382)	(153)	(2,535)	456	153	609
Accumulated other comprehensive income	I	55	177	232	531	198	729
Total equity attributable to Barrick Gold Corporation shareholders		15,063	169	15,232	19,065	407	19,472
Non-controlling interests	J	484	38	522	1,669	76	1,745
Total equity		15,547	207	15,754	20,734	483	21,217
Total liabilities and equity		$ 27,075	$ (151)	$ 26,924	$ 33,322	$ 1,315	$ 34,637

[1] Certain US GAAP figures have been reclassified to conform to our IFRS financial statement presentation.

Consolidated Statements of Comprehensive Income

	Ref	For the year ended December 31, 2010 US GAAP[1]	Adj	IFRS
Revenues	K	$ 10,924	$ 77	$ 11,001
Costs and expenses				
Cost of sales	L	5,350	(188)	5,162
Corporate administration		154	2	156
Exploration and evaluation	M	333	(104)	229
Other expense		463	(8)	455
Impairment charges (reversals)	N	7	(80)	(73)
		6,307	(378)	5,929
Other income		124	(8)	116
Loss from equity investees		(41)	17	(24)
Gain (loss) on non-hedge derivatives	O	-	69	69
Income before finance items and income taxes		4,700	533	5,233
Finance items				
Finance income		14	-	14
Finance costs		(168)	(12)	(180)
Income before income taxes		4,546	521	5,067
Income tax expense	P	(1,370)	(191)	(1,561)
Income from continuing operations		3,176	330	3,506
Income from discontinued operations		121	3	124
Net income		3,297	333	3,630
Unrealized gains (losses) on available-for-sale (AFS) financial securities, net of tax		64	-	64
Realized (gains) losses and impairments (recoveries) on AFS financial securities, net of tax		(11)	-	(11)
Unrealized gains (losses) on derivatives designated as cash flow hedges, net of tax		485	33	518
Realized (gains) losses on derivatives designated as cash flow hedges, net of tax		(82)	(6)	(88)
Actuarial gains (losses) on post employment benefit obligations, net of tax		(2)	-	(2)
Currency translation adjustments, net of tax		22	(8)	14
Other comprehensive income		476	19	495
Total comprehensive income		$ 3,773	$ 352	$ 4,125
Attributable to:				
Equity holders of Barrick Gold Corporation		$ 3,750	327	$ 4,077
Non-controlling interests		$ 23	$ 25	$ 48

[1] Certain US GAAP figures have been reclassified to conform to our IFRS financial statement presentation.

Consolidated Statements of Cash Flow

Under IFRS, as a result of capitalized production phase stripping costs and capitalized E&E costs, operating cash inflows for the year ended December 31, 2010 increased by $458 million to $4,585 million and investing cash outflows increased by $458 million to $4,630 million, compared to the equivalent US GAAP amounts for the same periods.

References

Consolidated Balance Sheets

A) Inventories

Description	Jan.1, 2010	Dec.31, 2010
Capitalized production phase stripping[1]	$ (142)	$ (116)
Other[2]	3	(4)
	(139)	(120)
Short-term inventories	(52)	(54)
Long-term inventories	(87)	(66)
	$ (139)	$ (120)

1. The most significant IFRS impact on inventory was the change in the accounting treatment of production phase stripping costs for open pit mines, which we capitalize to PP&E when management assesses that it is probable that the stripping costs will result in future economic benefits. Under US GAAP, these costs were treated as production costs. Capitalized production phase stripping costs also resulted in an increase in depreciation. Refer to note C below for more information on capitalized production phase stripping costs.
2. Includes asset retirement cost adjustments. Refer to note C.

B) Equity in Investees

Description	Jan.1, 2010	Dec.31, 2010
Highland Gold impairment reversal[1]	$ 55	$ 139
Elimination of interest capitalization on equity investees[2]	(125)	(46)
Capitalized E&E[3]	22	12
Accumulated hedge losses relating to capital expenditures reclassified[4]	36	-
	$ (12)	$ 105

1. Under IFRS, past impairments of equity investments must be reversed in the future if there is a recovery in the fair value of the investment. In 2008, we recorded an impairment of $140 million on our investment in Highland Gold. The fair value of the investment has increased since the write down; therefore, partial reversals were recorded under IFRS at the transition date and in subsequent quarters.
2. Under IFRS, our investment in equity investees are not qualifying assets that are eligible for interest capitalization. On transition and in subsequent quarters, this resulted in the reversal of previously capitalized interest on our equity investees where the primary activities are the development of mining projects, which principally impacted the carrying amount of our investment in Cerro Casale.
3. Under US GAAP, E&E costs can only be capitalized when Barrick has declared US 2P reserves in accordance with Industry Guide 7 issued by the US SEC. Under IFRS, we capitalize E&E costs when management assesses that it is probable that the expenditures will result in future economic benefits. This resulted in the capitalization of previously expensed E&E costs for the Cerro Casale project.
4. IFRS requires that hedge gains or losses on capital expenditures be recorded against the related asset. Accordingly, hedge losses on our capital expenditures incurred for equity method investments were reclassified from AOCI to Equity in Investees.

C) Property, Plant and Equipment

	Increase (decrease) as at	
Description	Jan.1, 2010	Dec.31, 2010
Land, Building and Equipment:		
Deemed cost election for oil & gas properties[1]	$ (166)	$ (166)
Accumulated hedge gains reclassified from AOCI[2]	(56)	(62)
	(222)	(228)
Mining Interest - Depreciable:		
Capitalized production phase stripping[3]	550	736
Asset retirement cost adjustments[4]	(41)	(19)
	509	717
Mining Interest - Non-Depreciable:		
Capitalized E&E[5]	188	292
Acquired exploration properties reclassified to intangible assets[6]	(209)	(335)
Cerro Casale acquisition[7]	-	(313)
	(21)	(356)
Other adjustments	(13)	6
	$ 253	$ 139

1. As permitted in IFRS 1, we took a deemed cost election for Barrick Energy, which resulted in an adjustment to the carrying amount of certain assets with an offset to retained earnings. For more information on IFRS 1 elections, refer to note 3a of the Financial Statements.
2. IFRS requires that hedge gains or losses on capital expenditures be recorded with the related asset. Accordingly, hedge gains on our capital expenditures at capital projects and certain operating mines were reclassified from AOCI to the related asset.
3. Under IFRS, production phase stripping costs that generate a future economic benefit are capitalized as open pit mine development costs within PP&E. On transition and in subsequent quarters, this resulted in a net increase in PP&E.
4. As permitted in IFRS 1, we elected to take a simplified approach to calculate and record the asset related to the rehabilitation provision on our opening IFRS consolidated balance sheet. For more information on IFRS 1 elections available to first-time adopters, refer to note 3A of the Financial Statements. Subsequent to January 1, 2010, asset retirement costs increased or decreased based on movements in foreign exchange and discount rates.
5. Under US GAAP, E&E costs can only be capitalized when Barrick has declared US 2P reserves in accordance with Industry Guide 7 issued by the US SEC. IFRS allows capitalization of E&E costs when management assesses that it is probable that the expenditures will result in future economic benefits. At January 1, 2010, the difference resulted from additional E&E costs capitalized under IFRS for the Pueblo Viejo, Buzwagi, Veladero and Lagunas Norte properties. Capitalized costs are net of accumulated depreciation.
6. Under IFRS, on acquisition of a mineral property in the exploration stage, we prepare an estimate of the fair value attributable to the exploration potential including mineral resources, if any, of that property. This fair value is recorded as an intangible asset (acquired exploration potential) as at the date of acquisition. This change resulted in the reclassification of PP&E related to acquired exploration potential primarily for our Kainantu property, to Intangible Assets.
7. Under IFRS, Cerro Casale met the definition of a business when we acquired an additional 25% ownership, obtaining control, in first quarter 2010. Under US GAAP, Cerro Casale was accounted for as an acquisition of an asset. This accounting difference resulted in the recognition of goodwill of $809 million.

Adjustments to PP&E by Segment:

	Increase (decrease) as at	
Description	Jan.1, 2010	Dec.31, 2010
Gold		
North America	$ 248	$ 272
South America	196	235
Australia Pacific	(154)	(74)
African Barrick Gold	21	4
Copper	**6**	**14**
Capital Projects	95	(161)
Barrick Energy	(159)	(151)
	$ 253	$ 139

D) Deferred Income Tax Assets and Liabilities

	Increase (decrease) as at	
Description	Jan.1, 2010	Dec.31, 2010
Deferred income tax assets [1]	$(348)	$158
Deferred income tax liabilities [1]	$(224)	$857

1. Deferred tax asset and liability balances changed primarily due to the tax effects of the IFRS adjustments. In addition, for December 31, 2010, the IFRS deferred tax liability includes $523 million related to the finalization of the Cerro Casale purchase price allocation which is adjusted retroactively under IFRS. The US GAAP deferred tax amount did not include amounts related to the Cerro Casale purchase price allocation.

Sources of Deferred Income Tax Assets and Liabilities

At December 31, 2010	US GAAP	IFRS
Deferred tax assets		
Tax loss carry forwards	$ 553	$ 337
Capital tax loss carry forwards	101	-
Alternative minimum tax ("AMT") credits	318	318
PER	494	469
Property, plant and equipment	177	-
Post-retirement benefit obligations	14	25
Accrued interest payable	63	63
Other	53	-
	1,773	1,212
Valuation allowances	(425)	-
	1,348	1,212
Deferred tax liabilities		
Property, plant and equipment	(1,725)	(2,177)
Derivative instruments	(168)	(160)
Inventory	(102)	(212)
Other	-	(9)
	$ (647)	$ (1,346)
Classification:		
Non-current assets	$ 467	$ 625
Non-current liabilities	(1,114)	(1,971)
	$ (647)	$ (1,346)

E) Other Assets

	Increase (decrease) as at	
Description	Jan.1, 2010	Dec.31, 2010
Capitalized production phase stripping costs related to long-term inventory [1]	$ (87)	$ (66)
Debt issuance costs reclassified to debt [2]	(45)	(54)
Reversal of the RSU long-term asset	(68)	(70)
Investment in Yokohama reclassified	30	32
Other adjustments	(3)	1
	$ (173)	$ (157)

1. Refer to note A.
2. Refer to note F.

F) Debt

	Increase (decrease) as at	
Description	Jan.1, 2010	Dec.31, 2010
Bifurcation of senior convertible debt [1]	$ (143)	$-
Debt issue costs reclassified [2]	(45)	(54)
Previously amortized debt premium reversed from retained earnings [2]	31	-
	$ (157)	$ (54)

1. Under IFRS, compound financial instruments are required to be split into a debt and an equity component. On transition to IFRS, our senior convertible debentures were bifurcated into debt and equity components. We calculated the liability component by discounting the cash flows associated with the liability at a market rate for a similar debt instrument (without the conversion option). The equity component was measured as the residual amount.
2. IFRS requires debt issuance costs to be deducted from the carrying amount of the related financial liability. At January 1, 2010, this resulted in the reclassification of debt issuance costs from other assets to debt. This was partially offset by reversal of previously amortized debt premium from retained earnings.

G) Provisions

	Increase (decrease) as at	
Description	Jan. 1, 2010	Dec. 31, 2010
PER adjustments[1,2,3]	$ 72	$ 80
Reclassification of employee benefits and stock based compensation from other liabilities[4]	269	302
Additional provision recognized under IFRS[5]	11	11
Reversal of the RSU long-term asset[6]	(68)	(70)
Other adjustments	2	6
	$ 286	$ 329

1. IFRS requires that provisions for PER be adjusted to fair value at each reporting period by applying the current foreign exchange and discount rates. The adjustments to PER are added (or deducted) from the cost of the related asset. At January 1, 2010, the effect of applying the current foreign exchange and discount rates was an increase in the PER balance. In subsequent quarters, the PER increased or decreased based on the movements in foreign exchange and discount rates.
2. IFRS requires that constructive obligations be recognized as provisions if it is probable that the obligation will result in an outflow of economic resources. At January 1, 2010, we recognized certain constructive obligations that were previously expensed as incurred under US GAAP.
3. IFRS requires that environmental obligations be measured using management's best estimate of the expenditure required to settle the obligation. Under US GAAP, environmental obligations are recorded based on the cost of a third- party performing the work, irrespective of management's intention to perform the work internally. At January 1, 2010, we eliminated contractor margins for those obligations where Barrick intends to perform the work.
4. Under IFRS, we reclassified employee benefits and stock-based compensation from other liabilities to provisions.
5. IFRS requires recognition of a contingent liability if it is probable that the obligation will result in an outflow of economic resources. At January 1, 2010, this resulted in the recognition of a contingent financial liability of $11 million relating to the additional 40% Cortez acquisition in 2008.
6. Refer to note E.

H) Opening Retained Earnings[1]

US GAAP, as reported Jan. 1, 2010	($ 2,382)
IFRS 1 Exemptions	
Reset of actuarial gains and losses relating to pension plans[2]	(37)
Reset of cumulative translation account[2]	(141)
Adjustment due to deemed cost election for oil & gas properties[2]	(166)
IFRS Policy choices	
Capitalized production phase stripping[3]	408
Capitalized E&E[3]	160
Highland Gold impairment reversal[4]	55
Elimination of interest capitalization on equity investees[4]	(125)
Increase in PERs and related asset[5]	(101)
Bifurcation of senior convertible debt[6]	(31)
Time value changes in fair value of options designated as hedging instrument[7]	(33)
Tax effect of adjustments, net	(119)
Other adjustments	(23)
IFRS, as reported Jan. 1, 2010	($ 2,535)

1. Retained earnings changes for the quarters are due to the IFRS adjustments in the consolidated statement of income.
2. Refer to note 3a of the Financial Statements.
3. Refer to note C.
4. Refer to note B.
5. Refer to note G.
6. Refer to note F.
7. Under IFRS, Barrick is required to separate the intrinsic value and the time value of our purchased copper options and designate as the hedging instrument only the changes in the intrinsic value of the option. As a result, for hedge relationships where the critical terms of the purchased option match the hedged risk, the change in intrinsic value is deferred in equity while the change in time value is reclassified from AOCI to opening retained earnings. This change resulted in an amount recorded in retained earnings on transition and gains/losses attributable to time value changes in subsequent quarters were recognized on a separate line item 'gains (losses) on non-hedge derivatives' in the income statement.

I) Accumulated Other Comprehensive Income

	Increase (decrease) as at	
Description	Jan. 1, 2010	Dec. 31, 2010
Reset of actuarial gains and losses relating to pension plans[1]	$ 37	$ 37
Reset of cumulative translation account[1]	141	141
Time value changes in fair value of options designated as hedging instrument[2]	33	72
Accumulated hedge losses relating to capital expenditures reclassified[3]	36	36
Accumulated hedge gains reclassified[4]	(56)	(62)
Tax effect of adjustments	(14)	(20)
Other adjustments	-	(6)
	$ 177	$ 198

1. Refer to note 3a of the Financial Statements.
2. Refer to note H.
3. Refer to note B.
4. Refer to note C.

J) Non-Controlling Interests (NCI)

	Increase (decrease) as at	
Description	Jan. 1, 2010	Dec. 31, 2010
Capitalized E&E attributable to NCI related to Pueblo Viejo[1]	$ 50	$ 50
Sale of 26.1% ownership of ABG[2]	-	25
Other adjustments	(12)	1
	$ 38	$ 76

1. Refer to note C.
2. On February 17, 2010, our Board of Directors approved a plan to create ABG and to offer about 26.1% of its equity (including the overallotment option) in an initial public offering on the London Stock Exchange. ABG holds Barrick's previously held African gold mines and most of Barrick's previously held exploration properties. The carrying amounts of the net assets are different under IFRS as compared to US GAAP, which resulted in an adjustment to Additional Paid In Capital ("APIC"), and a corresponding adjustment to the NCI. For more information on this transaction, refer to note 4 of the Financial Statements.

Consolidated Statements of Comprehensive Income

K) Revenues

	Increase (decrease) for the period
Description	Year ended December 31, 2010
Other metal sales reclassified from cost of sales[1]	$ 131
Gain on non-hedge derivatives[2]	(68)
Revenue recognition[3]	14
Others	-
	$ 77

1 Recognition of incidental other metal sales previously recorded as a credit to costs of sales will be presented as part of revenues commencing January 1, 2010.
2 Under IFRS, all realized and unrealized non-hedge derivative gains or losses, hedge ineffectiveness and amounts not qualifying for hedge accounting are presented as a separate line on the consolidated income statement. Under US GAAP these amounts were presented in the respective income statement line item to which the gain or loss was most closely related.
3 Revenues increased on transition due to earlier recognition of revenue for our concentrate sales at Bulyanhulu mine. Under IFRS, revenue is recognized on transfer of risk and rewards as compared to recognition on transfer of title under US GAAP.

L) Cost of Sales

	Increase (decrease) for the period
Description	Year ended December 31, 2010
Capitalized production phase stripping[1]	($ 292)
Reclassification to income tax[2]	(101)
Depreciation expense[3]	63
Other metal sales[4]	131
Gain on non-hedge derivatives	21
Other adjustments	(10)
	($ 188)

1 Cost of sales were lower primarily due to capitalized production phase stripping costs.
2 Under IFRS, royalties and mining taxes that are payable to government bodies and are calculated based on net profit are classified as income taxes. We reclassified the following to income tax expense: Nevada Net Proceeds Tax and Cowal royalty.
3 Depreciation expense increased under IFRS due to higher book values resulting from capitalization of production phase stripping costs and E&E costs, and the impact of the calculation of the asset related to the environmental rehabilitation provisions under IFRS 1 for opening balance sheet as at January 1, 2010.
4 Refer to note K.

M) Exploration and Evaluation

Under IFRS, the criteria to determine costs that qualify for capitalization differs from US GAAP. We capitalized additional E&E costs at certain properties, mainly Cerro Casale, where management assessed under IFRS that it is probable that these expenditures will result in future economic benefits.

N) Impairment Charges (Reversals)

	Increase (decrease) for the period
Description	Year ended December 31, 2010
Highland Gold impairment reversal[1]	($ 84)
Other	4
	($ 80)

1. Refer to note B.

O) Gain (Loss) on Non-Hedge Derivatives

Description	Increase (decrease) for the period Year ended December 31, 2010
Gains on non-hedge derivative positions[1]	$ 94
Unrealized gains due to hedge ineffectiveness	14
Time value changes in fair value of options designated as hedging instrument[1]	(39)
	$ 69

[1] Under IFRS, all realized and unrealized non-hedge derivative gains or losses, hedge ineffectiveness and amounts not qualifying for hedge accounting are presented as a separate line on the consolidated income statement. Under US GAAP these amounts were presented in the respective income statement line item to which the gain or loss was most closely related.

P) Income Tax Expense

Description	(Increase) decrease for the period Year ended December 31, 2010
Tax effect of changes in income	($ 98)
Reclassification from cost of sales[1]	(108)
Other adjustments	15
	($ 191)

[1] Refer to note L.

Impact of conversion to IFRS Total Cash Costs per ounce on gold and per pound on copper

	For the year ended December 31, 2010	
	Gold	Copper
(Per ounce/pound information in dollars)	2010	2010
Cash costs - US GAAP	457	1.11
Capitalized production phase stripping costs[1]	(36)	-
Cost of sales reclassified to income tax expense[2]	(13)	-
Other adjustments	1	(0.01)
Cash costs - IFRS	409	1.10

[1] Refer to footnote L1.
[2] Refer to footnote L2.

IFRS CRITICAL ACCOUNTING POLICIES AND ACCOUNTING 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 significant accounting policies are disclosed in note 2 of the Financial Statements.

Future Accounting Policy Changes

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") under the historical cost convention, as modified by revaluation of certain financial assets, derivative contracts and post-retirement assets. The policies applied in these financial statements are based on IFRS's in effect as at February 15, 2012, the date the Board of Directors approved these consolidated financial statements for issue.

Financial Instruments

IFRS 9 Financial Instruments

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 *Financial Instruments: Disclosures* including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and de-recognition of financial instruments. In December 2011, the IASB issued an amendment that adjusted the mandatory effective date of IFRS 9 from January 1, 2013 to January 1, 2015. We are currently assessing the impact of adopting IFRS 9 on our consolidated financial statements, including the impact of early adoption.

IFRS 10 Consolidated Financial Statements

In May 2011, the IASB issued IFRS 10 *Consolidated Financial Statements* to replace IAS 27 *Consolidated and Separate Financial Statements* and SIC 12 *Consolidation - Special Purpose Entities*. The new consolidation standard changes the definition of control so that the same criteria apply to all entities, both operating and special purpose entities, to determine control. The revised definition focuses on the need to have both power and variable returns before control is present. IFRS 10 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 10 on our consolidated financial statements.

IFRS 11 Joint Arrangements

In May 2011, the IASB issued IFRS 11 *Joint Arrangements* to replace IAS 31, Interests in Joint Ventures. The new standard defines two types of arrangements: Joint Operations and Joint Ventures. Focus is on the rights and obligations of the parties involved to reflect the joint arrangement, thereby requiring parties to recognize the individual assets and liabilities to which they have rights or for which they are responsible, even if the joint arrangement operates in a separate legal entity. IFRS 11 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 11 on our consolidated financial statements.

IFRS 12 Disclosure of Interests in Other Entities

In May 2011, the IASB issued IFRS 12 *Disclosure of Interests in Other Entities* to create a comprehensive disclosure standard to address the requirements for subsidiaries, joint arrangements and associates including the reporting entity's involvement with other entities. It also includes the requirements for unconsolidated structured entities (i.e. special purpose entities). IFRS 12 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 12 on our consolidated financial statements.

IFRS 13 Fair Value Measurement

In May 2011, the IASB issued IFRS 13 *Fair Value Measurement* as a single source of guidance for all fair value measurements required by IFRS to reduce the complexity and improve consistency across its application. The standard provides a definition of fair value and guidance on how to measure fair value as well as a requirement for enhanced disclosures. Enhanced disclosures about fair value are required to enable financial statement users to understand how the fair

values were derived. IFRS 13 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRS 13 on our consolidated financial statements.

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

In October 2011, the IASB issued IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*. IFRIC 20 provides guidance on the accounting for the costs of stripping activity in the production phase of surface mining when two benefits accrue to the entity from the stripping activity: useable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. IFRIC 20 must be applied starting January 1, 2013 with early adoption permitted. We are currently assessing the impact of adopting IFRIC 20 on our consolidated financial statements.

Internal Control over Financial Reporting and Disclosure Controls and Procedures

Management is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure controls and procedures. Internal control over financial reporting is a framework designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The Company's internal control over financial reporting framework includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements.

Disclosure controls and procedures form a broader framework designed to ensure that other financial information disclosed publicly fairly presents in all material respects the financial condition, results of operations and cash flows of the Company for the periods presented in this MD&A and Barrick's Annual Report. The Company's disclosure controls and procedures framework includes processes designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to management by others within those entities to allow timely decisions regarding required disclosure.

Together, the internal control over financial reporting and disclosure controls and procedures frameworks provide internal control over financial reporting and disclosure. Due to its inherent limitations, internal control over financial reporting and disclosure may not prevent or detect all misstatements. Further, the effectiveness of internal control is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change. The changes related to our new Copper reporting segment described on page 16 will not significantly impact the design of internal control over financial reporting and disclosure. Management will continue to monitor the effectiveness of its internal control over financial reporting and disclosure and may make modifications from time to time as considered necessary or desirable.

The management of Barrick, at the direction of our chief executive and financial officers, have evaluated the effectiveness of the design and operation of the internal controls over financial reporting and disclosure controls and procedures as of the end of the period covered by this report and have concluded that they were effective at a reasonable assurance level.

Barrick's annual management report on internal control over financial reporting and the integrated audit report of Barrick's auditors for the year ended December 31, 2011 will be included in Barrick's 2011 Annual Report and its 2011 Form 40-F/Annual Information Form on file with the US Securities and Exchange Commission ("SEC") and Canadian provincial securities regulatory authorities.

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; or there is a reasonable likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates.

Accounting Estimates

Life of mine ("LOM") Estimates Used to Measure Depreciation of Property, Plant and Equipment

We depreciate our assets over their useful life, or over the remaining life of the mine (if shorter). We use the

units-of-production basis ("UOP") to depreciate the mining interest component of PP&E whereby the denominator is the expected mineral production based on our LOM plans. LOM plans are prepared based on estimates of ounces of gold/pounds of copper in proven and probable reserves and a portion of resources at the mine where there is a high probability of economic extraction. At the end of each fiscal year, as part of our business cycle, we update our LOM plans and prepare estimates of proven and probable gold and copper mineral reserves as well as measured, indicated and inferred mineral resources for each mineral property. We prospectively revise calculations of depreciation based on these updated LOM plans. The table below illustrates the impact of historic changes in LOM estimates on depreciation for each of our operating segments.

Impact of Historic Changes in LOM Estimates on Depreciation

For the years ended	**2011**		2010	
($ millions, except LOM in millions of contained oz/pounds)	**LOM increase (decrease)[1]**	**Depreciation increase (decrease)**	LOM increase (decrease)[1]	Depreciation increase (decrease)
Gold				
North America	**7.1**	**$ (64)**	5.7	$ (30)
Australia Pacific	**1.7**	**(39)**	1.5	(11)
African Barrick Gold	**(0.1)**	**5**	(0.8)	5
South America	**1.3**	**(13)**	0.8	(6)
Total Gold	**10.0**	**$ (111)**	7.2	$ (42)
Total Copper[2]	**734**	**$ (8)**	308	$2

[1] Each year we update our LOM estimates as at the end of the year as part of our normal business cycle. We then use those updated LOM estimates to calculate depreciation expense in the following fiscal year on assets which use the units-of-production method of depreciation. LOM changes presented were calculated as at the end of 2010 and 2009 and are in millions of contained ounces/pounds.
[2] The copper segment includes the reserve amounts of Zaldívar. Results of Lumwana are not included in the copper segment as it was acquired in the second quarter of 2011.

Provisions for Environmental Rehabilitations ("PERs")

We have an obligation to reclaim our mining properties after the minerals have been mined from the site, and have estimated the costs necessary to comply with existing reclamation standards. We recognize the fair value of a liability for a PER such as site closure and reclamation costs, in the period in which it is incurred if a reasonable estimate of fair value can be made. PER can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation, including compliance with and monitoring of environmental regulations; security and other site-related costs required to perform the rehabilitation work; and operation of equipment designed to reduce or eliminate environmental effects.

Provisions for the cost of each rehabilitation program are normally recognized at the time that an environmental disturbance occurs or a constructive obligation is determined. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. We record a PER 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 a PER is recorded as an adjustment to the corresponding asset carrying amount and results in a prospective increase in depreciation expense. At closed mines, any adjustment to a PER is recognized as an expense in the consolidated statement of income.

PERs are measured at the expected value of the future cash flows, discounted to their present value using a current, US dollar real risk-free pre-tax discount rate. The expected future cash flows exclude the effect of inflation. The unwinding of the discount, referred to as accretion expense, is included in finance costs and results in an increase in the amount of the provision. Provisions are updated each reporting period for the effect of a change in the discount rate and foreign exchange rate when applicable, and the change in estimate is added or deducted from the related asset and depreciated prospectively over the asset's useful life.

In the future, changes in regulations or laws or enforcement could adversely affect our operations; and any instances of non-compliance 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 nears, the reliability of expected cash flows increases, but earlier in the mine life, the estimation of a PER is inherently more subjective. Significant judgments and estimates are made when estimating the fair value of PERs. Expected cash flows relating to PERs could occur over periods of 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 a PER, the fair value of PERs can materially change over time.

The amount of PERs 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 PERs and future earnings in a period of change.

During year ended December 31, 2011, our PER balance increased by $538 million primarily due to a change in the discount rate used to calculate PER. The offset was recorded as an increase in PP&E for our operations and other expense at our closed sites.

PERs

(in $ millions)

As at December 31	**2011**	2010
Operating mines	**$ 1,608**	$ 1,230
Closed mines	**373**	302
Development projects	**97**	42
Other	**81**	47
Total	**$ 2,159**	$ 1,621

Accounting for impairment of non-current assets

Goodwill was tested for impairment in the fourth quarter. The recoverable amount of each operating segment has been determined using a FVLCS approach. For the year ended December 31, 2011, we did not record any impairment to goodwill (2010: nil).

FVLCS for each gold operating segment was determined by considering the net present value ("NPV") of the future cash flows expected to be generated by the segment. Net future cash flows were derived from the most recent life of mine ("LOM") plans, with mine lives ranging from 2 to 35 years, aggregated to the segment level. We have used an estimated long-term gold price of $1,600 per ounce (2010: $1,250 per ounce) to estimate future revenues. The net future cash flows were discounted using a segment real weighted average cost for a gold business of 5% (2010: 5%). Gold companies consistently trade at a market capitalization greater than the NPV of their expected cash flows. Market participants describe this as a "NAV multiple", whereby the NAV represents the multiple applied to the NPV to arrive at the trading price. As a result, we applied a NAV multiple to the NPV of each gold operating segment based on the observable NAV multiples of comparable companies as at the test date. In 2011, the average NAV multiple was about 1.2 (2010: 1.4).

For our copper segment, the FVLCS was determined based on the NPV of future cash flows expected to be generated using the most recent LOM plans, with mine lives ranging from 11 to 31 years, aggregated to the segment level. We utilized a long-term risk-adjusted copper price of $3.44 per pound to estimate future revenues. The risk adjustment to the average long-term copper price was approximately 4.5%. The expected net future cash flow was additionally discounted using rates from 4.5% to 5.5% to reflect the time value of money and a residual risk factor for cash flow uncertainties not related to metal price. This results in an effective weighted average cost of capital for the copper segment of approximately 7%.

For our oil and gas segment, the FVLCS was determined based on the NPV of future cash flows expected to be generated from our oil and gas properties, aggregated to the segment level. We have estimated future oil prices using the forward curve provided by an independent reserve evaluation firm, with prices starting at $97 per barrel (WTI) (2010: $88 per barrel). The net future cash flows were discounted using a real weighted average cost of capital for long life oil and gas assets of 8.5% (2010: 8.5%).

Non-current assets are tested for impairment when events or changes in circumstances suggest that the carrying amount may not be recoverable. The recoverable amount is calculated using the same FVLCS approach as described above for goodwill. However, the assessment is done at the CGU level, which is the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets. For the year ended December 31, 2011, we recorded impairment charges of $138 million for non-current assets. The impairment included a $49 million charge at our Barrick Energy segment, primarily due to recovery issues at one of our properties. Impairment charges also included an $83 million write-down of certain power related assets at our Pueblo Viejo project as a result of a decision to proceed with an alternative long-term power solution.

Expected future cash flows used to determine the FVLCS used in the impairment testing of goodwill and non-current assets are inherently uncertain and could materially change over time. The cash flows are significantly affected by a number of factors including estimates of production levels, operating costs and capital expenditures reflected in our LOM plans; as well as economic factors beyond management's control, such as gold, copper and oil prices; discount rates; and observable NAV multiples. Should management's estimate of the future not reflect actual events, further impairments may be identified.

For purposes of testing for impairment of non-current assets of our gold, copper and oil and gas segments, a reasonably possible change in the key assumptions used to estimate the FVLCS could result in an impairment charge at one or more of our CGUs. The carrying value of the net assets of CGUs that are most sensitive to changes in the key assumptions are:

As at December 31, 2011	Carrying Value
Lumwana	$ 3,538
Jabal Sayid	1,160
Buzwagi	634
Barrick Energy CGUs	231
Pierina	$ 51

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 consolidated financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period of changes.

Recognition of Deferred Tax Assets

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 activities. Levels of future taxable income are affected by, among other things, market gold prices, and production costs, quantities of proven and probable gold and copper reserves, interest rates and foreign currency exchange rates. If we determine that it is probable (a likelihood of more than 50%) that all or some portion of a deferred tax asset will not be realized, we do not recognize it in our financial statements. Changes in recognition of deferred tax assets 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 income and the amount of recognition of deferred tax assets, has been rising market gold prices. A decline in market gold prices could lead to derecognition of deferred tax assets and a corresponding increase in income tax expense.

In 2010, we recognized $129 million of previously nonrecognized deferred tax assets primarily because sources of income became available that enabled tax losses and US Alternative Minimum Tax ("AMT") credits to be realized.

Deferred Tax Assets Not Recognized

	2011	2010
Australia	**$ 122**	$ 104
Canada	**76**	52
Argentina	**35**	61
Barbados	**73**	73
Tanzania	**31**	63
Other	**23**	39
	$ 360	$ 392

Chile, Argentina, Tanzania and Other: the unrecognized deferred tax assets 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 recognize some or all of the deferred tax assets.

Canada: most of the unrecognized deferred tax assets relate to tax pools which can only be utilized by income from specific sources.

Australia: most of the unrecognized deferred tax assets relate to capital losses that can only be utilized if capital gains are realized.

NON-GAAP FINANCIAL PERFORMANCE MEASURES [27]

Adjusted Net Earnings (Adjusted Net Earnings per Share) and Return on Equity

Adjusted net earnings is a non-GAAP financial measure which excludes the following from net earnings:

- Elimination of gold sales contracts;
- Significant tax adjustments not related to current period earnings;
- Impairment charges (reversals) related to intangibles, goodwill, property, plant and equipment, and investments;
- Gains/losses and other one-time costs relating to acquisitions/dispositions;
- Foreign currency translation gains/losses;
- Non-recurring restructuring costs;
- Unrealized gains/losses on non-hedge derivative instruments; and
- Change in the measurement of the PER as a result of changes in the discount rates for closed sites.

Management uses this measure internally to evaluate the underlying operating performance of the Company as a whole for the reporting periods presented, and to assist with the planning and forecasting of future operating results. We believe that adjusted net earnings allows investors and analysts to better evaluate the results of the underlying business of the Company. While the adjustments to net earnings in this measure include items that are recurring, management believes that adjusted net earnings is a useful measure of the Company's performance because non-recurring tax adjustments; impairment charges, gains/losses and other one-time costs relating to asset acquisitions/dispositions and business combinations; and non-recurring restructuring charges do not reflect the underlying operating performance of our core mining business and are not necessarily indicative of future operating results.

Furthermore, foreign currency translation gains/losses and unrealized gains/losses from non-hedge derivatives are not necessarily reflective of the underlying operating results for the reporting periods presented.

Starting in Q4 2011, we have also begun adjusting for changes in PER discount rates relating to our closed sites as they are not related to our day to day operations and not indicative of underlying results.

As noted, the Company uses this measure for its own internal purposes. Management's internal budgets and forecasts and public guidance do not reflect potential impairment charges, potential gains/losses on the acquisition/disposition of assets, foreign currency translation gains/losses, or unrealized gains/losses on non-hedge derivatives. Consequently, the presentation of adjusted net earnings enables investors and analysts to better understand the underlying operating performance of our core mining business through the eyes of Management. Management periodically evaluates the components of adjusted net earnings based on an internal assessment of performance measures that are useful for evaluating the operating performance of our business segments and a review of the non-GAAP measures used by mining industry analysts and other mining companies.

We also present return on equity as a measure which is calculated by dividing adjusted net earnings by average shareholders' equity. Management believes this to be a useful indicator of the Company's performance.

Adjusted net earnings and return on equity are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. The following table reconciles these non-GAAP measures to the most directly comparable IFRS measure.

[27] The amounts presented in the non-GAAP financial performance measure tables include the results of discontinued operations.

Reconciliation of Net Earnings to Adjusted Net Earnings and Return on Equity [1]

($ millions, except per share amounts in dollars)	For the years ended December 31			For the three months ended December 31	
	IFRS		US GAAP		
	2011	2010	2009	**2011**	2010
Net earnings/(losses) attributable to equity holders of the Company	**$ 4,484**	$ 3,582	$ (4,274)	**$ 959**	$ 961
Elimination of gold sales contracts	**-**	-	5,901	**-**	-
Significant tax adjustments not related to current period earnings	**122**	(4)	59	**86**	74
Impairment charges (reversals) related to intangibles, property, plant and equipment, and investments	**165**	(65)	259	**153**	(17)
Acquisition/disposition adjustments[2]	**(165)**	(62)	(85)	**(6)**	(20)
Foreign currency translation (gains)/losses	**(5)**	32	(95)	**21**	(5)
Restructuring costs	**2**	43	15	**-**	3
Acquisition related costs[3]	**97**	-	-	**(18)**	-
Changes in PER discount rate for closed sites	**32**	-	-	**32**	-
Unrealized (gains)/losses on non-hedge derivative instruments	**(66)**	(9)	30	**(61)**	22
Adjusted net earnings	**$ 4,666**	$ 3,517	$ 1,810	**$ 1,166**	$ 1,018
Net earnings/(losses) per share[4]	**$ 4.49**	$ 3.63	$ (4.73)	**$0.96**	$0.97
Adjusted net earnings per share[4]	**$ 4.67**	$ 3.56	$ 2.00	**$ 1.17**	$ 1.02
Average Shareholders' Equity	**$21,418**	$17,352	$15,170	**$22,869**	$18,805
Return on equity[5]	**22%**	20%	12%	**20%**	22%

[1] Amounts presented in this table are post-tax.
[2] For the three month period ended December 31, 2011, includes gains on sale of assets. For the year ended December 31, 2011 includes gain on sale assets of $188 million, partially offset by a $23 million charge for the recognition of a liability for contingent consideration related to the acquisition of the additional 40% interest in Cortez property.
[3] Represents expensed transaction costs, fair value inventory purchase adjustments and realized foreign exchange losses relating to our economic hedge of the purchase price related to the Equinox acquisition.
[4] Calculated using weighted average number of shares outstanding under the basic method of earnings per share.
[5] Calculated as annualized adjusted net earnings divided by average shareholders' equity.

Adjusted Operating Cash Flow, Adjusted Operating Cash Flow before Working Capital Changes and Free Cash Flow

Adjusted operating cash flow is a non-GAAP financial measure which excludes the effect of elimination of gold sales contracts, the impact of one-time costs and working capital adjustments relating to business combinations.

Management uses adjusted operating cash flow as a measure internally to evaluate the underlying operating cash flow performance of the Company as a whole for the reporting periods presented, and to assist with the planning and forecasting of future operating cash flow. The elimination of gold sales contracts and one-time costs and working capital adjustments relating to business combinations are activities that are not reflective of the underlying capacity of our operations to generate operating cash flow and therefore this adjustment will result in a more meaningful operating cash flow measure for investors and analysts to evaluate our performance in the period and assess our future operating cash flow-generating capability.

We also present adjusted operating cash flow before working capital changes as a measure which excludes working capital changes from adjusted operating cash flow. Management uses operating cash flow before working capital changes as a measure internally to evaluate the Company's ability to generate cash flows from its mining operations, before the impact of working capital movements.

Free cash flow is a measure which excludes capital expenditures from adjusted operating cash flow. Management believes this to be a useful indicator of the Company's ability to operate without reliance on additional borrowing or usage of existing cash.

Adjusted operating cash flow, adjusted operating cash flow before working capital changes and free cash flow are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. The following table reconciles these non-GAAP measure to the most directly comparable IFRS measures.

Reconciliation of Adjusted Operating Cash Flow

($ millions)	For the years ended December 31			For the three months ended December 31	
	IFRS		US GAAP		
	2011	2010	2009	**2011**	2010
Operating cash flow	**$ 5,315**	$ 4,585	$ (2,322)	**$ 1,224**	$ 866
Elimination of gold sales contracts	**-**	656	5,221	**-**	656
Acquisition costs expensed and related working capital movements	**204**	-	-	**-**	-
Withholding tax payment	**161**	-	-	**75**	-
Adjusted operating cash flow	**$ 5,680**	$ 5,241	$ 2,899	**$ 1,299**	$ 1,522
Changes in working capital	**139**	1	(412)	**106**	522
Adjusted operating cash flow before working capital changes	**$ 5,819**	$ 5,242	$ 2,487	**$ 1,405**	$ 2,044
Adjusted operating cash flow	**$ 5,680**	$ 5,241	$ 2,899	**$ 1,299**	$ 1,522
Capital expenditures - Barrick's share	**(4,598)**	(3,371)	(2,066)	**(1,231)**	(1,195)
Free cash flow	**$ 1,082**	$ 1,870	$ 833	**$ 68**	$ 327

Total Cash Costs per ounce and Net Cash Costs per ounce

Total cash costs per ounce/pound and net cash costs per ounce are non-GAAP financial measures. Both measures include all costs absorbed into inventory, as well as royalties, and by-product credits, and exclude inventory purchase accounting adjustments, unrealized gains/losses from non-hedge currency and commodity contracts, and depreciation and accretion. These measures also include the gross margin generated by our Barrick Energy business unit, which was acquired to mitigate our exposure to oil prices as a credit against gold production costs. The presentation of these statistics in this manner allows us to monitor and manage those factors that impact production costs on a monthly basis. These measures are calculated by dividing the aggregate of the applicable costs by gold ounces or copper pounds sold. These measures are calculated on a consistent basis for the periods presented.

We have also adjusted our gold total cash costs to remove the impact of ore purchase agreements that have economic characteristics similar to a toll milling arrangement. The cost of producing these ounces is not indicative of our normal production costs. Hence, we have removed such costs from total cash costs.

We calculate total cash costs and net cash costs based on our equity interest in production from our mines. We believe that using an equity interest presentation is a fairer, more accurate way to measure economic performance than using a consolidated basis. For mines where we hold less than a 100% share in the production, we exclude the economic share of gold production attributable to the non-controlling interest. Consequently, our production and total cash costs and net cash costs statistics only reflect our equity share of production.

Net cash costs measures the gross margin from all non-gold sales, whether or not these non-gold metals are produced in conjunction with gold, as a credit against the cost of producing gold. A number of other gold producers present their costs net of the contribution from non-gold sales. We believe that including a measure of net cash costs per ounce on this basis provides investors and analysts with information with which to compare our performance to other gold producers, and to better assess the overall performance of our business. In addition, this measure provides information to enable investors and analysts to understand the importance of non-gold revenues to our cost structure.

Total cash cost and net cash cost statistics are intended to provide additional information only and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate these measures differently. The following tables reconcile these non-GAAP measures to the most directly comparable IFRS measure.

Reconciliation of Cost of Sales to Total Cash Costs per ounce/pound

	Gold			Copper			Oil and Gas			Total		
	IFRS		US GAAP	IFRS		US GAAP	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009
Cost of sales	**$ 5,177**	$ 4,618	$ 4,281	**$ 983**	$ 430	$ 437	**$ 156**	$ 114	$ 69	**$ 6,316**	$ 5,162	$ 4,787
Less: Depreciation	**1,152**	1,077	874	**170**	88	76	**97**	47	30	**1,419**	1,212	980
	$ 4,025	$ 3,541	$ 3,407	**$ 813**	$ 342	$ 361	**$ 59**	$ 67	$ 39	**$ 4,897**	$ 3,950	$ 3,807

($ millions, except per ounce/pound information in dollars)	Gold			Copper		
	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009
Cost of sales	**$ 4,025**	$ 3,541	$ 3,407	**$ 813**	$ 342	$ 361
Cost of sales applicable to discontinued operations	**-**	10	24	**-**	91	83
Cost of sales applicable to non-controlling interests [1]	**(171)**	(97)	(12)	**-**	-	-
Cost of sales applicable to ore purchase arrangement	**(126)**	(104)	(29)	**-**	-	-
Other metal sales	**(137)**	(120)	-	**(3)**	(6)	-
Inventory purchase accounting adjustments	**-**	-	-	**(34)**	-	-
Realized non-hedge gains/losses on fuel hedges	**(5)**	3	7	**-**	-	-
Impact of Barrick Energy	**(118)**	(56)	(20)	**-**	-	-
Total cash costs	**$ 3,468**	$ 3,177	$ 3,377	**$ 776**	$ 427	$ 444
Ounces/pounds sold - consolidated basis (000s ounces/millions pounds)	**7,758**	7,902	7,307	**444**	391	380
Ounces/pounds sold- non-controlling interest (000s ounces) [1]	**(208)**	(160)	(28)	**-**	-	-
Ounces/pounds sold - equity basis (000s ounces/millions pounds)	**7,550**	7,742	7,279	**444**	391	380
Total cash costs per ounce/per pound [2]	**$ 460**	$ 409	$ 464	**$ 1.75**	$ 1.10	$ 1.17

[1] Relates to interest in ABG held by outside shareholders.
[2] Total cash costs per ounce/pound may not calculate based on amounts presented in this table due to rounding.

Net Cash Costs per ounce

($ millions, except per ounce/pound data in dollars)	For the years ended December 31			For the three months ended December 31	
	IFRS		US GAAP		
	2011	2010	2009	**2011**	2010
Ounces gold sold – equity basis (000s)	**7,550**	7,742	7,279	**1,865**	1,831
Total cash costs per ounce – equity basis	**$ 460**	$ 409	$ 464	**$ 505**	$ 440
Revenues from copper sales	**$ 1,714**	$ 1,056	$ 943	**$ 504**	$ 323
Revenues from copper sales of discontinued operations	**-**	244	212	**-**	74
Unrealized non-hedge gold/copper derivative (gains) losses	**-**	-	49	**-**	-
Unrealized mark-to-market provisional price adjustments	**-**	-	(4)	**-**	-
Inventory purchase accounting adjustments	**34**	-	-	**(29)**	-
Realized non-hedge gold/copper derivative (losses) gains	**(21)**	30	-	**(5)**	11
Net revenues from copper excluding realized non-hedge gains/losses from copper contracts	**$ 1,727**	$ 1,330	$ 1,200	**$ 470**	$ 408
Copper cost of sales per consolidated statement of income	**813**	342	361	**239**	88
Copper cost of sales from discontinued operations	**-**	91	83	**-**	23
Copper credits	**914**	897	756	**231**	297
Copper credits per ounce[1]	**121**	116	104	**123**	162
Net cash costs per ounce	**$ 339**	$ 293	$ 360	**$ 382**	$ 278

[1] Copper credits per ounce for three month period and year ended December 31, 2011 and December 31, 2010 may not calculate based on amounts presented in this table due to rounding.

EBITDA

EBITDA is a non-GAAP financial measure, which excludes the following from net earnings:

- Income tax expense;
- Finance costs;
- Finance income; and
- Depreciation.

Management believes that EBITDA is a valuable indicator of the Company's ability to generate liquidity by producing operating cash flow to: fund working capital needs, service debt obligations, and fund capital expenditures. Management uses EBITDA for this purpose. EBITDA is also frequently used by investors and analysts for valuation purposes whereby EBITDA is multiplied by a factor or "EBITDA multiple" that is based on observed or inferred relationship between EBITDA and market values to determine the approximate total enterprise value of a company.

EBITDA is intended to provide additional information to investors and analysts and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore is not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate EBITDA differently.

The following table provides a reconciliation of EBITDA to net earnings.

Reconciliation of Net Earnings to EBITDA

($ millions, except per share amounts in dollars)	For the years ended December 31			For the three months ended December 31	
	IFRS		US GAAP		
	2011	2010	2009	**2011**	2010
Net earnings	**$ 4,484**	$ 3,582	$ (4,274)	**$ 959**	$ 961
Income tax expense	**2,287**	1,561	648	**589**	509
Finance costs	**199**	180	57	**51**	27
Finance income	**(13)**	(14)	(10)	**(3)**	(3)
Depreciation	**1,419**	1,212	1,016	**402**	276
EBITDA	**$ 8,376**	$ 6,521	$ (2,563)	**$ 1,998**	$ 1,770
Reported as:					
Gold					
North America	**$ 3,585**	$ 2,317	$ 1,259	**$ 804**	$ 627
South America	**2,102**	1,996	1,245	**657**	466
Australia Pacific	**1,648**	1,096	597	**450**	331
African Barrick Gold	**538**	429	236	**120**	141
Copper	**817**	697	646	**183**	230
Capital Projects	**(155)**	(15)	(106)	**(103)**	(7)
Barrick Energy	**49**	47	9	**(22)**	16
Other	**(208)**	(46)	(6,449)	**(91)**	(34)
EBITDA	**$ 8,376**	$ 6,521	$ (2,563)	**$ 1,998**	$ 1,770

Realized Prices

Realized price is a non-GAAP financial measure which excludes from sales:

- Unrealized gains and losses on non-hedge derivative contracts;
- Unrealized mark-to-market gains and losses on provisional pricing from copper and gold sales contracts;
- Sales attributable to ore purchase arrangement; and
- Export duties.

This measure is intended to enable management to better understand the price realized in each reporting period for gold and copper sales because unrealized mark-to-market value of non-hedge gold and copper derivatives are subject to change each period due to changes in market factors such as market and forward gold and copper prices so that prices ultimately realized may differ from those recorded. The exclusion of such unrealized mark-to-market gains and losses from the presentation of this performance measure enables investors to understand performance based on the realized proceeds of selling gold and copper production.

The gains and losses on non-hedge derivatives and receivable balances relate to instruments/balances that mature in future periods, at which time the gains and losses will become realized. The amounts of these gains and losses reflect fair values based on market valuation assumptions at the end of each period and do not necessarily represent the amounts that will become realized on maturity. We also exclude export duties that are paid upon sale and netted against revenues. We believe this provides investors and analysts with a more accurate measure with which to compare to market gold prices and to assess our gold sales performance. For those reasons, management believes that this measure provides a more accurate reflection of our past performance and is a better indicator of its expected performance in future periods.

The realized price measure is intended to provide additional information, and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of sales as determined under IFRS. Other companies may calculate this measure differently. The following table reconciles realized prices to the most directly comparable IFRS measure.

Reconciliation of Sales to Realized Price per ounce/per pound [1]

($ millions, except per ounce/pound information in dollars)	Gold			Copper		
	IFRS		US GAAP	IFRS		US GAAP
For the years ended December 31	**2011**	2010	2009	**2011**	2010	2009
Sales	**$ 12,263**	$ 9,687	$ 7,135	**$ 1,714**	$ 1,056	$ 943
Sales attributable to discontinued operations	**-**	43	56	**-**	244	212
Sales applicable to non-controlling interests	**(329)**	(206)	(27)	**-**	-	-
Sales attributable to ore purchase agreement	**(137)**	(111)	(26)	**-**	-	-
Unrealized non-hedge gold/copper derivates (gains) losses	**-**	-	-	**-**	-	49
Unrealized mark- to-market provisional price adjustment	**-**	(1)	-	**-**	-	(4)
Realized non-hedge gold/copper derivative (losses) gains	**43**	26	-	**(21)**	30	-
Export duties	**73**	68	30	**-**	-	-
Revenues - as adjusted	**$ 11,913**	$ 9,506	$ 7,168	**$ 1,693**	$ 1,330	$ 1,200
Ounces/pounds sold (000s ounces/millions pounds)	**7,550**	7,742	7,279	**444**	391	380
Realized gold/copper price per ounce/pound [1]	**$ 1,578**	$ 1,228	$ 985	**$ 3.82**	$ 3.41	$ 3.16

[1] Realized price per ounce/pound may not calculate based on amounts presented in this table due to rounding.

Net Cash Margin

Management uses a non-GAAP financial measure, net cash margin, which represents realized price per ounce less net cash costs per ounce. This measure is used by management to analyze profitability trends and to assess the cash-generating capability from the sale of gold on a consolidated basis in each reporting period, expressed on a unit basis. We believe that it illustrates the performance of our business on a consolidated basis and enables investors to better understand our performance in comparison to other gold producers who present results on a similar basis and is an important indicator of expected performance in future periods.

Net cash margin is intended to provide additional information, does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. This measure is not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate cash margin differently. The following table derives this non-GAAP measure from previously defined non-GAAP measures of realized gold price per ounce, total cash costs per ounce, and copper credit per ounce, as determined in the net cash cost reconciliation. Net cash margin could also be derived from realized price per ounce and net cash costs per ounce.

Reconciliation of net cash margin per ounce

(Per ounce data in dollars)	For the years ended December 31						For the three months ended December 31			
	Gold			Copper			Gold		Copper	
	IFRS		US GAAP	IFRS		US GAAP				
	2011	2010	2009	**2011**	2010	2009	**2011**	2010	**2011**	2010
Realized gold/copper price per ounce/pound	**$ 1,578**	$ 1,228	$ 985	**$ 3.82**	$ 3.41	$ 3.16	**$ 1,664**	$ 1,368	**$ 3.69**	$ 3.99
Total cash costs per ounce/per pound	**460**	409	464	**1.75**	1.10	1.17	**505**	440	**1.99**	1.08
Total cash margin per ounce/per pound	**$ 1,118**	$ 819	$ 521	**$ 2.07**	$ 2.31	$ 1.99	**$ 1,159**	$ 928	**$ 1.70**	$ 2.91
Copper credit per ounce [1]	**121**	116	104				**123**	162		
Net cash margin per ounce	**$ 1,239**	$ 935	$ 625				**$ 1,282**	$ 1,090		

[1] Copper credit per ounce is calculated as the margin from copper sales divided by gold ounces sold. Refer to the calculation in the net cash costs reconciliation on page 74.

Adjusted Debt and Net Debt

Management uses non-GAAP financial measures “adjusted debt” and “net debt” since they are more indicative of how we manage our debt levels internally than the IFRS measure. We believe these measures provide a meaningful measure for investors and analysts to evaluate our overall debt capacity, liquidity and capital structure. Adjusted debt and net debt are intended to provide additional information, do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

We have adjusted our long-term debt to exclude fair value and other adjustments and our partner’s share of project financing to arrive at adjusted debt. We have excluded the impact of fair value and other adjustments in order to reflect the actual settlement obligation in relation to the debt instrument. We have excluded our partners’ shares of project financing, where Barrick has provided a guarantee only for its proportionate share of the debt. We then deduct our cash and equivalents (net of our partner’s share of cash held at Pueblo Viejo) to arrive at net debt.

Adjusted Debt and Net Debt Summary

(in $ millions) As at December 31	**2011**	**2010**
Debt per financial statements	**$ 13,369**	$ 6,638
Fair value and other adjustments [1]	**65**	67
Pueblo Viejo financing - partner’s share [2]	**(376)**	(313)
Adjusted debt	**$ 13,058**	$ 6,392
Cash and equivalents	**(2,745)**	(3,968)
Cash and equivalents - partner’s share at Pueblo Viejo [2]	**7**	3
Net debt	**$ 10,320**	$ 2,427

[1] Other adjustment primarily related to issue costs which have been netted against the debts.
[2] We consolidate 100% of Pueblo Viejo in our financial statements; however we have guaranteed only our 60% share of the $940 million financing received to this point. Therefore, we have removed our partner’s share of both the financing and cash and equivalents to ensure comparability.

GLOSSARY OF TECHNICAL TERMS

AUTOCLAVE: Oxidation process in which high temperatures and pressures are applied to convert refractory sulfide 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 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.

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.

DRILLING:

Core: drilling with a hollow bit with a diamond cutting rim to produce a cylindrical core that is used for geological study and assays. Used in mineral exploration.

In-fill: any method of drilling intervals between existing holes, used to provide greater geological detail and to help establish reserve estimates.

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 ore body 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 ore body, based on reserve calculations.

HEAP LEACHING: A process whereby gold/copper 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/copper. The gold/copper-laden solution is then collected for gold/copper recovery.

HEAP LEACH PAD: A large impermeable foundation or pad used as a base for ore during heap leaching.

MILL: A processing facility where ore is finely ground and thereafter undergoes physical or chemical treatment to extract the valuable metals.

MINERAL RESERVE: See pages 161 to 166 – Summary Gold/ Copper Mineral Reserves and Mineral Resources.

MINERAL RESOURCE: See pages 161 to 166 – Summary Gold/Copper 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.

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 or pound of copper.

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

Exhibit 99.5

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the inclusion in the Annual Report on Form 40-F of Barrick Gold Corporation (the Company), and to the incorporation by reference on Form S-8 (File Nos. 333-121500, 333-131715, 333-135769) of the Company, of our report dated February 15, 2012 relating to the Company's 2011 consolidated financial statements and the effectiveness of internal control over financial reporting as at December 31, 2011.

/s/ PricewaterhouseCoopers LLP
Chartered Accountants, Licensed Public Accountants
Toronto, Ontario

March 28, 2012

Exhibit 99.6

CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a), PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Aaron W. Regent 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) 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
   (d) 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 28, 2012

/s/ Aaron W. Regent
Name: Aaron W. Regent
Title: President and Chief Executive Officer

Exhibit 99.7

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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) 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
   (d) 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 28, 2012

/s/ Jamie C. Sokalsky
Name: Jamie C. Sokalsky
Title: Executive Vice President and Chief Financial Officer

Exhibit 99.8

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, 2011 (the "Report").

I, Aaron W. Regent, 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 28, 2012

/s/ Aaron W. Regent
Name: Aaron W. Regent
Title: President and Chief Executive Officer

Exhibit 99.9

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, 2011 (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 28, 2012

/s/ Jamie C. Sokalsky
Name: Jamie C. Sokalsky
Title: Executive Vice President and Chief Financial Officer

Exhibit 99.10

Dodd-Frank Act Disclosure of Mine Safety and Health Administration Safety Data

Barrick Gold Corporation ("**Barrick**") is committed to the health and safety of its employees and in providing an incident free workplace. Barrick maintains a comprehensive health and safety program that includes extensive training for all employees and contractors, site inspections, emergency response preparedness, crisis communications training, incident investigation, regulatory compliance training and process auditing.

Barrick's U.S. mining operations are subject to Federal Mine Safety and Health Administration (" **MSHA**") regulation under the U.S. Federal Mine Safety and Health Act of 1977 ("**FMSH Act**"). MSHA inspects Barrick's mines on a regular basis and issues various citations and orders when it believes a violation has occurred under the FMSH Act. Whenever MSHA issues a citation or order, it also generally proposes a civil penalty, or fine, related to the alleged violation.

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank Act**"), which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934 that operate mines regulated under the FMSH Act. The disclosures reflect Barrick's U.S. mining operations only as the requirements of the Dodd-Frank Act do not apply to Barrick's mines operated outside the United States.

In addition, as required by the reporting requirements regarding mine safety included in section 1503(a)(2) of the Dodd-Frank Act, for the year ended December 31, 2011, none of the mines operated by Barrick received written notice from MSHA of (a) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of mine health or safety hazards under section 104(e) of the FMSH Act or (b) the potential to have such a pattern.

The information in the table below reflects citations and orders MSHA issued to Barrick during the year ended December 31, 2011, unless otherwise noted, as reflected in Barrick's records. The data in Barrick's system may not match or reconcile with the data MSHA maintains on its public website. In evaluating this information, consideration should also be given to factors such as: (i) the number of citations and orders may vary depending on the size and operation of the mine, (ii) the number of citations issued may vary from inspector to inspector and mine to mine, and (iii) citations and orders may be contested and appealed, and in that process, may be reduced in severity and amount, and may be dismissed.

Mine ID Number[1]	Mine or Operating Name	Section 104(a) Significant and Substantial Citations[2]	Section 104(b) Orders[3]	Section 104(d) Citations and Orders[4]	Section 110(b)(2) Violations[5]	Section 107(a) Orders[6]	Proposed MSHA Assessments[7]	Fatalities	Pending Legal Action[8]	Legal Action Instituted During 2011[8]	Legal Action Resolved During 2011
2601842	Bald Mountain Mine	43	—	—	—	1	$ 24,027.00	0	6	5	4
2602300	Storm Exploration Decline	2	—	—	—	—	$ 200.00	0	2	1	1
2602246	Meikle Mine	70	—	5	—	—	$ 17,941.00	0	12	9	27
2602673	Roaster Operations	9	—	—	—	—	$ 1,052.00	0	3	3	4
2602674	Mill/Autoclave Operations	12	—	—	—	—	$ 1,629.00	0	0	0	3
2602286	Turquoise Ridge Mine	94	—	2	—	1	$ 31,356.00	0	25	8	14
2600827	Barrick Cortez	65	—	—	—	—	$ 36,448.00	0	12	4	8
2602573	Barrick Cortez Underground	19	—	—	—	—	$ 4,425.00	0	3	2	4
2401417	Golden Sunlight Mine Inc.	20	—	—	—	—	$ 2,751.00	0	2	1	2
2602307	Ruby Hill Mine	5	—	—	—	—	$ 1,307.00	0	0	0	0
2601089	Goldstrike Mine	16	—	—	—	—	$ 27,604.00	0	3	1	12
2602233	Getchell Underground	0	—	—	—	—	$ 0.00	0	0	0	0

(1) MSHA assigns an identification number to each mine or operation and may or may not assign separate identification numbers to related facilities. The information provided in this table is presented by mine identification number.

(2) Represents the total number of citations issued by MSHA for violation of health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.

(3) Represents the total number of orders issued, which represents a failure to abate a citation under section 104(a) within the period prescribed by MSHA. This results in an order of immediate withdrawal from the area of the mine affected by the condition until MSHA determines that the violation has been abated.

(4) Represents the total number of citations and orders issued by MSHA for unwarrantable failure to comply with mandatory health or safety standards. These types of violations could significantly and substantially contribute to a serious injury; however, the conditions do not cause imminent danger (see note 6 below).

(5) Represents the total number of flagrant violations identified.

(6) Represents the total number of imminent danger orders issued under section 107(a) of the FMSH Act. Orders issued under section 107(a) of the FMSH Act require the operator of the mine to cause all persons (except authorized persons) to be withdrawn from the mine until the imminent danger and the conditions that caused such imminent danger cease to exist.

(7) Amounts represent the total dollar value of proposed assessments received from MSHA and do not necessarily relate to the citations or orders issued by MSHA during the period, or to the pending legal actions reported below.

(8) Pending legal actions before the Federal Mine Safety and Health Review Commission (" **Commission**") as required to be reported by Section 1503(a)(3)of the Dodd-Frank Act. The Commission is an independent adjudicative agency established by the FMSH Act that provides administrative trial and appellate review of legal disputes arising under the FMSH Act. These cases may involve, among other questions, challenges by operators to citations, orders and penalties they have received from MSHA or complaints of discrimination by miners under Section 105 of the FMSH Act. The following provides additional information of the types of proceedings that may be brought before the Commission:

- *Contest Proceedings* — a contest proceeding may be filed with the Commission by an operator to challenge the issuance of a citation or order issued by MSHA;

  14 Contest Proceedings Pending

- *Civil Penalty Proceedings* — a civil penalty proceeding may be filed with the Commission by an operator to challenge a civil penalty MSHA has proposed for a violation contained in a citation or order;

  52 Civil Penalty Proceedings

- *Discrimination Proceedings* — a discrimination proceeding involves a miner's allegation that he or she has suffered adverse employment action because he or she engaged in activity protected under the FMSH Act, such as making a safety complaint;

  2 Discrimination Proceedings

- *Temporary Reinstatement Proceedings* — a temporary reinstatement proceeding involves cases in which a miner has filed a complaint with MSHA stating that he or she has suffered discrimination and the miner has lost his or her position; and

  0 Temporary Reinstatement Proceedings

- *Compensation Proceedings* — a compensation proceeding may be filed with the Commission by miners entitled to compensation when a mine is closed by certain closure orders issued by MSHA. The purpose of the proceeding is to determine the amount of compensation, if any, due to miners idled by the orders.

  0 Compensation Proceedings