

Barrick Overview

Building Mines, Delivering Value

It was a year of solid, profitable achievement, capped by the bid for Placer Dome. In 2005, Barrick:

- increased gold production by 10%;
- held total cash costs in line with guidance;
- brought three new mines into production; and
- launched the successful bid to acquire Placer Dome.

Barrick produced 5.46 million ounces of gold in 2005, at total cash costs of \$227 per ounce. This strong production derives from both our existing mines, such as Goldstrike (which produced over 2 million ounces), and the contribution from the Company's new mines, in particular Lagunas Norte in Peru.

Average total cash costs of \$227 per ounce were in line with our original guidance for the year. This achievement, in a year of extreme cost pressure, is a tribute to our cost-mitigation initiatives and supply chain management efforts, which include close attention to operational detail and the procurement of consumables and equipment on the best possible terms, worldwide.

Three new mines entered production in 2005: Tulawaka (Tanzania), Lagunas Norte (Peru) and Veladero (Argentina). We also made excellent progress with our development projects and exploration targets. Cowal (Australia), East Archimedes (Nevada)

and Pascua-Lama (Chile/Argentina) remained on schedule for their anticipated start-ups in first quarter 2006, 2007, and 2009, respectively. Exploration targets at both Buzwagi (Tanzania) and South Arturo (Nevada) yielded encouraging results.

In April, Barrick made Russia/Central Asia the Company's newest Regional Business Unit and opened an office there, laying the groundwork for opportunities in this highly prospective part of the world.

Finally, on December 22, 2005, Barrick reached agreement with Placer Dome for a friendly transaction, an achievement that positioned Barrick for its next phase of value creation. Combining the talent and physical assets of these two companies will create an industry powerhouse beginning in 2006.

Exploration

Barrick has a motivated, discovery-driven team of over 150 geoscientists exploring for gold in over 16 countries around the world. Reserve development and replacement of production is a major priority for all sites. The Company consistently funds its exploration programs throughout all gold cycles, and has a proven track record of finding ounces at both greenfield and brownfield projects. Exploration is focused on highly gold-endowed districts where Barrick controls large land positions, primarily the Goldstrike and Pipeline districts in Nevada, the Frontera District in Chile/Argentina, and the Lake Victoria District in Tanzania. In addition, the Company is exploring earlier-stage projects in Australia, Canada and West Africa, as well as evaluating exploration opportunities in emerging districts around the world.

Three key factors drive the Company's exploration success: the motivation and technical excellence of its exploration team; the policy of consistently investing



Barrick initiatives result in longer life for existing tires (here, Lagunas Norte, Peru) and a more dependable supply of new ones.



Safety training, procedures and equipment make for safe work on the 100-kilometer power line supplying energy to Lagunas Norte (Peru).

in exploration; and the robust and balanced pipeline of exploration projects. The Company's disciplined exploration strategy maximizes the chance of near-term discovery by putting the best people on the best projects and advancing the best projects more quickly up the exploration pipeline.

Outlook for 2006

Based on our preliminary view of the Placer Dome assets combined with those of Barrick, we expect to produce 8.6 to 8.9 million ounces of gold at total cash costs of between \$275 and \$290 per ounce in 2006.

We also expect to produce approximately 350 million pounds of copper at total cash costs of approximately \$0.75 per pound before the impact of one-time purchase accounting adjustments relating to the Placer Dome acquisition that will add \$0.35 to the costs per pound reported in 2006. This is due to the revaluation of opening inventory at the date of acquisition from historic cost to fair value.

2006 Company Performance Plan

As always, our focus is to deliver shareholder value. We will do this by building the Company and delivering profitable business growth. To succeed in this objective, we will focus our energies in the following five key areas:

Integrate Placer Dome

- integrate all corporate functions, establish the combined organization
- position Barrick to fully capture synergies as of 2007
- strengthen the management team

Deliver Results

- meet or outperform budgets for gold production and total cash costs
- further reduce corporate gold sales contracts
- maintain our position as the lowest cash-cost senior gold producer

Reinforce Social Responsibility

- demonstrate leadership in health and safety
- enhance community development programs
- maintain high standards of environmental performance

Strengthen the Organization

- further develop leadership capacity, Company-wide
- leverage our size and scale to enhance our competitive position

Grow the Business

- pursue new exploration opportunities
- advance the pipeline of projects

Reserves and Resources as of December 31, 2005

With the acquisition of Placer Dome, Barrick's combined proven and probable gold reserves have increased to 139 million ounces and measured and indicated gold resources to 55 million ounces. We also have proven and probable copper reserves

of 6.2 billion pounds and measured and indicated copper resources of 1.2 billion pounds.

The following table summarizes Barrick's and Placer Dome's reported gold and copper reserves and resources by region as of December 31, 2005.

	Proven and Probable Reserves		Measured and Indicated Resources	
	Barrick ¹	Placer Dome ²	Barrick ¹	Placer Dome ²
Gold (millions of ounces)				
North America	23	22	4	19
South America	41	0	5	0
Australia ³	11	9	6	4
Africa	14	19	3	14
Total	89	50	18	37
Barrick pro-forma	139		55	
	Proven and Probable Reserves		Measured and Indicated Resources	
	Barrick ¹	Placer Dome ²	Barrick ¹	Placer Dome ²
Copper (billions of pounds)				
South America		5.9		1.1
Australia		0.3		0.1
Total	0.0	6.2	0.0	1.2
Barrick pro-forma	6.2		1.2	

1. Calculated in accordance with National Instrument 43-101 as required by Canadian securities regulatory authorities. For United States reporting purposes, Industry Guide 7 (under the Securities Exchange Act of 1934), as interpreted by the Staff of the SEC, applies different standards in order to classify mineralization as a reserve. Accordingly, for US reporting purposes, Buzwagi is classified as mineralized material. Barrick is currently assessing the resolution issued by Chilean regulatory authorities approving the environmental impact assessment for the Pascua-Lama project. It is possible that upon completion of this assessment, up to 1 million ounces of mineralization at the Pascua-Lama project may be reclassified from reserves to mineralized material for US reporting purposes but will remain as reserves for Canadian reporting purposes. For additional information on reserves see the tables and related footnotes on pages 125–129.
2. For a breakdown of Placer Dome's reserves and resources by category and additional information relating to such reserves and resources, see Placer Dome's press release of February 20, 2006. Such reserves and resources were calculated by employees of Placer Dome in accordance with National Instrument 43-101, as required by Canadian securities regulatory authorities, and in accordance with Placer Dome's previously established policies and procedures, and have not been independently verified by Barrick Gold Corporation. Industry Guide 7 (under the Securities and Exchange Act of 1934), as interpreted by Staff of the SEC, applies different standards to classify mineralization as a reserve. Based on a preliminary review, Barrick does not intend to report mineralization at the Pueblo Viejo project as a reserve for US reporting purposes at this time.
3. Includes Porgera which is located in Papua New Guinea.