

Management's Responsibility

Management's Responsibility for Financial Statements

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

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

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



Jamie C. Sokalsky
Executive Vice President
and Chief Financial Officer
Toronto, Canada
February 20, 2008

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 of December 31, 2007. 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 that evaluation, Barrick's management concluded that the Company's internal control over financial reporting was effective as of December 31, 2007.

Based on Barrick management's assessment, Barrick's internal control over financial reporting is effective as of December 31, 2007.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2007 has been audited by PricewaterhouseCoopers LLP, independent auditors, as stated in their report which is located on pages 78–80 of Barrick's Financial Report 2007.

Independent Auditors' Report

Independent Auditors' Report

To the Shareholders of Barrick Gold Corporation

We have completed integrated audits of the consolidated financial statements and internal control over financial reporting of Barrick Gold Corporation (the "Company") as at December 31, 2007 and 2006 and an audit of its 2005 consolidated financial statements. Our opinions, based on our audits, are presented below.

Consolidated financial statements

We have audited the accompanying consolidated balance sheets of Barrick Gold Corporation as at December 31, 2007 and December 31, 2006, and the related consolidated statements of income, cash flow, shareholders' equity and comprehensive income for each of the years in the three year period ended December 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits of the Company's financial statements as at December 31, 2007 and December 31, 2006 and for each of the years then ended in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). We conducted our audit of the Company's financial statements for the year ended December 31, 2005 in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. A financial statement audit also includes assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as at December 31, 2007 and December 31, 2006 and the results of its operations and its cash flows for each of the years in the three year period ended December 31, 2007 in accordance with accounting principles generally accepted in the United States of America.

Internal control over financial reporting

We have also audited the Company's internal control over financial reporting as at December 31, 2007, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's 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 on page 77 of the 2007 Annual Report to Shareholders. Our responsibility is to express an opinion on the effectiveness of 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 opinion.

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.

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.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at December 31, 2007 based on criteria established in *Internal Control – Integrated Framework* issued by the COSO.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

February 20, 2008

Comments by Auditors for U.S. Readers on Canada-U.S. Reporting Differences

In the United States, reporting standards for auditors require the addition of an explanatory paragraph (following the opinion paragraph) when there is a change in accounting principles that has a material effect on the comparability of the Company's financial statements, such as the changes described in Note 2e to these consolidated financial statements. Our report to the shareholders dated February 20, 2008 is expressed in accordance with Canadian reporting standards which do not require a reference to such a change in accounting principles in the Auditors' report when the change is properly accounted for and adequately disclosed in the financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Canada

February 20, 2008

Consolidated Statements of Income

Barrick Gold Corporation

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

	2007	2006	2005
Sales (notes 4 and 5)	\$ 6,332	\$ 5,630	\$ 2,348
Costs and expenses			
Cost of sales ¹ (note 6)	3,184	2,741	1,198
Amortization (note 4)	1,004	735	427
Corporate administration	155	142	71
Exploration (notes 4 and 7)	179	171	109
Project development expense (note 7)	188	119	32
Other expense (note 8a)	208	216	114
Impairment charges (note 8b)	65	23	16
	4,983	4,147	1,967
Interest income	141	110	38
Interest expense (note 20b)	(113)	(126)	(3)
Other income (note 8c)	103	93	46
	131	77	81
Income from continuing operations before income taxes and other items	1,480	1,560	462
Income tax expense (note 9)	(341)	(348)	(60)
Non-controlling interests (note 2c)	14	1	(1)
Equity in investees (note 12)	(43)	(4)	(6)
Income from continuing operations	1,110	1,209	395
Income from discontinued operations (note 3h)	9	297	–
Income before cumulative effect of changes in accounting principles	1,119	1,506	395
Cumulative effect of changes in accounting principles	–	–	6
Net income for the year	\$ 1,119	\$ 1,506	\$ 401
Earnings per share data (note 10)			
Income from continuing operations			
Basic	\$ 1.28	\$ 1.44	\$ 0.74
Diluted	\$ 1.27	\$ 1.42	\$ 0.73
Net income			
Basic	\$ 1.29	\$ 1.79	\$ 0.75
Diluted	\$ 1.28	\$ 1.77	\$ 0.75

1. Exclusive of amortization (note 6).

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

Consolidated Statements of Cash Flow

Barrick Gold Corporation For the years ended December 31 (in millions of United States dollars)	2007	2006	2005
Operating Activities			
Net income	\$ 1,119	\$ 1,506	\$ 401
Amortization (note 4)	1,004	735	427
Income tax expense (notes 9 and 23)	341	348	60
Gains on sale of investments (note 8c)	(71)	(6)	(17)
Revisions to AROs at closed mines (notes 8a and 21)	6	53	15
Income taxes paid	(585)	(280)	(80)
Income from discontinued operations (note 3h)	(9)	(297)	–
Other items (note 11a)	(73)	63	(80)
Net cash provided by operating activities	1,732	2,122	726
Investing Activities			
Property, plant and equipment			
Capital expenditures (note 4)	(1,046)	(1,087)	(1,104)
Sales proceeds	100	8	8
Acquisitions, net of cash acquired of \$13 million (2006: \$1,108 million) (note 3)	(1,122)	(208)	–
Investments (note 12)			
Purchases	(11)	(369)	(89)
Sales	625	46	10
Reclassifications (note 12)	(66)	–	–
Other investing activities (note 11b)	(42)	17	(5)
Net cash used in investing activities	(1,562)	(1,593)	(1,180)
Financing Activities			
Capital stock			
Proceeds on exercise of stock options	142	74	92
Dividends (note 24a)	(261)	(191)	(118)
Long-term debt (note 20b)			
Proceeds	408	2,189	179
Repayments	(1,128)	(1,581)	(59)
Settlement of derivative instruments acquired with Placer Dome	(197)	(1,840)	–
Other financing activities	–	2	(1)
Net cash (used in) provided by financing activities	(1,036)	(1,347)	93
Cash Flows of Discontinued Operations			
Operating activities	21	29	–
Investing activities	–	2,788	–
Financing activities	–	11	–
	21	2,828	–
Effect of exchange rate changes on cash and equivalents	9	(4)	–
Net increase (decrease) in cash and equivalents	(836)	2,006	(361)
Cash and equivalents at beginning of year (note 20a)	3,043	1,037	1,398
Cash and equivalents at end of year (note 20a)	\$ 2,207	\$ 3,043	\$ 1,037

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

Consolidated Balance Sheets

Barrick Gold Corporation

At December 31 (in millions of United States dollars)

	2007	2006
Assets		
Current assets		
Cash and equivalents (note 20a)	\$ 2,207	\$ 3,043
Accounts receivable (note 14)	256	234
Inventories (note 13)	1,118	931
Other current assets (note 14)	707	588
	4,288	4,796
Non-current assets		
Investments (note 12)	142	646
Equity method investments (note 12)	1,074	327
Property, plant and equipment (note 15)	8,596	8,390
Intangible assets (note 16)	68	75
Goodwill (note 17)	5,847	5,855
Other assets (note 18)	1,936	1,421
Total assets	\$ 21,951	\$ 21,510
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 808	\$ 686
Short-term debt (note 20b)	233	863
Other current liabilities (note 19)	255	303
	1,296	1,852
Non-current liabilities		
Long-term debt (note 20b)	3,153	3,244
Asset retirement obligations (note 21)	892	843
Deferred income tax liabilities (note 23)	841	798
Other liabilities (note 22)	431	518
Total liabilities	6,613	7,255
Non-controlling interests	82	56
Shareholders' equity		
Capital stock (note 24)	13,273	13,106
Retained earnings	1,832	974
Accumulated other comprehensive income (note 25)	151	119
Total shareholders' equity	15,256	14,199
Contingencies and commitments (notes 15 and 28)		
Total liabilities and shareholders' equity	\$ 21,951	\$ 21,510

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

Signed on behalf of the Board,



Gregory C. Wilkins, Director



Steven J. Shapiro, Director

Consolidated Statements of Shareholders' Equity

Barrick Gold Corporation For the years ended December 31 (in millions of United States dollars)	2007	2006	2005
Common shares (number in millions)			
At January 1	864	538	534
Issued on exercise of stock options (note 26a)	6	3	4
Issued on acquisition of Placer Dome	–	323	–
At December 31	870	864	538
Common shares			
At January 1	\$ 13,106	\$ 4,222	\$ 4,129
Issued on exercise of stock options (note 26a)	142	74	93
Issued on acquisition of Placer Dome (note 3g)	–	8,761	–
Options issued on acquisition of Placer Dome (note 3g)	–	22	–
Recognition of stock option expense (note 26a)	25	27	–
At December 31	13,273	13,106	4,222
Retained earnings (deficit)			
At January 1	974	(341)	(624)
Net income	1,119	1,506	401
Dividends (note 24a)	(261)	(191)	(118)
At December 31	1,832	974	(341)
Accumulated other comprehensive income (loss) (note 25)	151	119	(31)
Total shareholders' equity at December 31	\$ 15,256	\$ 14,199	\$ 3,850

Consolidated Statements of Comprehensive Income

Barrick Gold Corporation For the years ended December 31 (in millions of United States dollars)	2007	2006	2005
Net income	\$ 1,119	\$ 1,506	\$ 401
Other comprehensive income (loss), net of tax (note 25)	32	150	(100)
Comprehensive income	\$ 1,151	\$ 1,656	\$ 301

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