EXECUTION

Operations

Barrick met its production and cost guidance for the fifth year in a row, despite upward pressure on industry-wide costs such as energy, consumables, labor, and royalties that rise with the gold price. Production was 8.1 million ounces of gold, at total cash costs of $350 per ounce. Copper production was over 400 million pounds at total cash costs of $0.83 per pound.

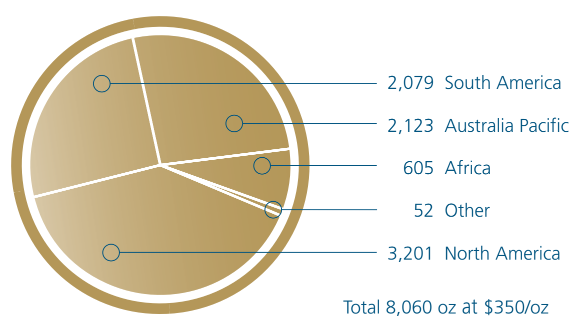
Within a few years, the Cortez property in Nevada is expected to contribute almost one million ounces of gold production a year.

Operations

Gold

Barrick's portfolio of mines delivered on the Company's overall production and cash cost objectives. These results demonstrate one of the key strengths of our 27-mine portfolio: dependability. The scale and quality of the portfolio as a whole allows it to absorb disruptions at an individual site, and deliver on overall expectations.

GOLD PRODUCTION (000s oz)



Operations continue to benefit from our decentralized corporate structure. Each Regional Business Unit focuses its resources and expertise on the specific opportunities and challenges of that region, while drawing on the strengths of other regions and head office.

The North America Business Unit is our largest region, in both production and reserves. In 2007, it generated 3.2 million ounces of gold at $370 total cash costs per ounce, meeting its targets for the year. Nevada drives the region, with 7 of its 10 producing mines.

Operations

For the second straight year, Lagunas Norte in Peru delivered more than one million ounces of gold to Company production, at cash costs of $105 per ounce.

Goldstrike produced more than 1.6 million ounces of gold at total cash costs of $373 per ounce. Costs reflected the high-stripping phase in the open pit during the latter part of the year, which caused lower-grade stockpiles to be processed. Once completed in 2008, we expect the pit to be into the high-grade ounces again. With 15 million ounces of reserves, this mine complex still has many years of production ahead of it.

Our Cortez joint venture delivered on plan. The Cortez property has the potential to add another one million ounce producer to our portfolio, now that we have purchased the remaining 40% interest, once the Cortez Hills project begins producing. The Record of Decision (ROD) allowing construction to begin on Cortez Hills is expected in the second half of 2008, and production is expected to commence within 15 months of the ROD becoming effective. Also in Nevada, the Ruby Hill mine began operations in February 2007. It is the fifth mine we have brought into production in the last four years and, like the others, it enjoyed a smooth ramp-up. Another of the year's achievements came from our Western 102 Power Plant, which was commissioned in 2005 to help lower energy costs at the Goldstrike complex. We have now been successful in making its power available to our Turquoise Ridge joint venture as well.

The South America Business Unit made a strong contribution to 2007 results, producing 2.1 million ounces of gold at total cash costs of $197 per ounce, in line with expectations. For the second straight year, Lagunas Norte in Peru delivered more than one million ounces of gold at cash costs of $105 per ounce, a world-class result.

Veladero in Argentina completed a successful second full year of operations, although sequencing required a high waste-stripping phase in order to access Filo Federico, the second pit at this operation. We expect improved performance in 2008, as we are now accessing the Amable pit and the higher-grade areas of the Federico pit.

Our Australia Pacific and Africa Business Units both experienced difficulties during the year because of natural causes, notably ground movement at Kanowna, storm damage causing power interruptions at Porgera, and the lingering impact of heavy rainfalls in Tanzania in late 2006.

Australia Pacific contributed more than 2.1 million ounces of gold, or 26% of the Company total, at total cash costs of $452 per ounce. We were not immune to the cost pressures facing all resource companies operating in this part of the world. The mining boom has caused unemployment in Western Australia to fall to its lowest level in a generation, pushing up wages and creating some labor shortages, which in turn contributed to a slower ramp-up of the Granny Smith underground operation.

Pure copper cathodes produced at our Zaldívar operation in Chile generate substantial earnings and cash flow for Barrick in a strong copper price environment.

Another cost factor was the strengthening Australian dollar. Our Currency Risk Management mitigated some of the impact for 2007, and has fully covered our exposure for 2008 to 2009 so that our operating costs are protected from any further appreciation.

Although Porgera's 2007 performance was affected by remediation activities at the West Wall and the storm-caused power interruptions during the year, it is expected to play a significant role in Barrick's future. During the year, we increased our stake by 20%, giving us a 95% total ownership position in this long-life asset with significant upside potential. Our share of reserves and resources now stands at 8.2 million ounces and 4.2 million ounces, respectively. Opportunities for a "Stage 6" expansion, which should increase production and extend the mine life, are currently being assessed.

The Africa Business Unit produced 0.6 million ounces of gold at total cash costs of $408 per ounce. The heavy rainfall of late 2006 triggered some pit wall instability at our North Mara mine, affecting both production and costs. We expect 2008 to be a better year, with the pit wall stabilized, a new mining fleet in operation, and the mine now accessing higher grades.

Bulyanhulu was adversely affected late in 2007 by an illegal strike that interrupted production and increased costs. The mine was back on track by early 2008 and approaching sufficient staffing levels. Buzwagi is now in development, with pre-stripping/mining activities expected to begin in 2008 and production scheduled for 2009. In close proximity to our Bulyanhulu and Tulawaka mines, this development project will further strengthen our position on the Lake Victoria Gold Belt, and benefit from shared infrastructure and training opportunities, and from construction experience gained at Tulawaka.

Copper

Our copper business, which comprises the Zaldívar mine in Chile and the Osborne operation in Australia, had an excellent year. They generated robust cash flows in a strong copper price environment where our average realized price for the year was $3.19 per pound. We achieved production guidance at 402 million pounds of copper, and operating costs were better than expected, at $0.83 per pound. Copper prices in 2007 remained robust as continued strong demand from China and other Asian countries supported prices, despite concerns about a slowing U.S. economy and the impact it would have on demand. The outlook for copper demand from China and the other Asian countries remains positive. These key markets are expected to underpin copper prices in the foreseeable future.

In 2007, Barrick increased its ownership to 95% in the Porgera Mine in Papua New Guinea – a long-life asset with significant upside potential.