

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 19, 2009

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, 2008. 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, 2008.

The effectiveness of the Company's internal control over financial reporting as at December 31, 2008 has been audited by PricewaterhouseCoopers LLP, Chartered Accountants, as stated in their report which is located on pages 80–81 of Barrick's 2008 Annual Financial Statements.

Independent Auditors' Report

Independent Auditors' Report

To the Shareholders of Barrick Gold Corporation

We have completed integrated audits of Barrick Gold Corporation's (the Company) 2008, 2007 and 2006 consolidated financial statements and of its internal control over financial reporting as at December 31, 2008. 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, 2008 and December 31, 2007, 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, 2008. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits of the Company's consolidated financial statements 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 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, 2008 and December 31, 2007 and the results of its operations and its cash flows for each of the years in the three year period ended December 31, 2008 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, 2008, 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 in the accompanying Report. 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 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, 2008 based on criteria established in *Internal Control – Integrated Framework* issued by the COSO.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Canada
February 19, 2009

Consolidated Statements of Income

Barrick Gold Corporation

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

	2008	2007	2006
Sales (notes 4 and 5)	\$ 7,913	\$ 6,332	\$ 5,630
Costs and expenses			
Cost of sales (notes 4 and 6) ¹	3,876	3,144	2,710
Amortization and accretion (notes 4 and 15)	1,033	1,054	774
Corporate administration	155	155	142
Exploration (notes 4 and 7)	216	179	171
Project development expense (note 7)	242	188	119
Other expense (note 8a)	295	205	212
Impairment charges (note 8b)	749	42	17
	6,566	4,967	4,145
Interest income	39	141	110
Interest expense (note 20b)	(21)	(113)	(126)
Other income (note 8c)	291	110	97
Write-down of investments (note 8b)	(205)	(23)	(6)
	104	115	75
Income from continuing operations before income taxes and other items	1,451	1,480	1,560
Income tax expense (note 9)	(590)	(341)	(348)
Non-controlling interests (note 2b)	(12)	14	1
Loss from equity investees (note 12)	(64)	(43)	(4)
Income from continuing operations	785	1,110	1,209
Income from discontinued operations (note 3)	–	9	297
Net income for the year	\$ 785	\$ 1,119	\$ 1,506
Earnings per share data (note 10)			
Income from continuing operations			
Basic	\$ 0.90	\$ 1.28	\$ 1.44
Diluted	\$ 0.89	\$ 1.27	\$ 1.42
Net income			
Basic	\$ 0.90	\$ 1.29	\$ 1.79
Diluted	\$ 0.89	\$ 1.28	\$ 1.77

1. Exclusive of amortization.

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)

	2008	2007	2006
Operating Activities			
Net income	\$ 785	\$ 1,119	\$ 1,506
Amortization and accretion (notes 4 and 15)	1,033	1,054	774
Impairment charges and write-down of investments (notes 8b and 12)	954	65	23
Increase in inventory	(373)	(252)	(193)
Gain on sale of assets (note 8c)	(187)	(2)	(9)
Income tax expense (notes 9 and 24)	590	341	348
Income taxes paid	(575)	(585)	(280)
Other items (note 11a)	(21)	(8)	(47)
Net cash provided by continuing operating activities	2,206	1,732	2,122
Investing Activities			
Property, plant and equipment			
Capital expenditures (note 4)	(1,776)	(1,046)	(1,087)
Sales proceeds	185	100	8
Acquisitions (note 3)	(2,174)	(1,122)	(208)
Investments (note 12)			
Purchases	(18)	(11)	(369)
Sales	76	625	46
Reclassification of asset-backed commercial paper	-	(66)	-
Long-term supply contract (note 12)	(35)	-	-
Other investing activities (note 11b)	(170)	(42)	17
Net cash used in continuing investing activities	(3,912)	(1,562)	(1,593)
Financing Activities			
Capital stock			
Proceeds on exercise of stock options	74	142	74
Long-term debt (note 20b)			
Proceeds	2,723	408	2,189
Repayments	(1,603)	(1,128)	(1,581)
Dividends (note 25)	(349)	(261)	(191)
Settlement of derivative instruments acquired with Placer Dome	-	(197)	(1,840)
Funding from non-controlling interests	88	-	2
Net cash provided by (used in) continuing financing activities	933	(1,036)	(1,347)
Cash Flows of Discontinued Operations (note 3)			
Operating activities	-	21	29
Investing activities	-	-	2,788
Financing activities	-	-	11
	-	21	2,828
Effect of exchange rate changes on cash and equivalents	3	9	(4)
Net increase (decrease) in cash and equivalents	(770)	(836)	2,006
Cash and equivalents at beginning of year (note 20a)	2,207	3,043	1,037
Cash and equivalents at end of year (note 20a)	\$ 1,437	\$ 2,207	\$ 3,043

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)

	2008	2007
Assets		
Current assets		
Cash and equivalents (note 20a)	\$ 1,437	\$ 2,207
Accounts receivable (note 14)	197	256
Inventories (note 13)	1,309	1,129
Other current assets (note 14)	1,169	707
	4,112	4,299
Non-current assets		
Investments (note 12)	1,145	1,227
Property, plant and equipment (note 15)	11,547	8,585
Goodwill (note 17)	5,280	5,847
Intangible assets (note 16)	75	68
Deferred income tax assets (note 24)	869	722
Other assets (note 18)	1,133	1,203
Total assets	\$ 24,161	\$ 21,951
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 970	\$ 808
Short-term debt (note 20b)	206	233
Other current liabilities (note 19)	668	255
	1,844	1,296
Non-current liabilities		
Long-term debt (note 20b)	4,350	3,153
Asset retirement obligations (note 22)	973	892
Deferred income tax liabilities (note 24)	754	841
Other liabilities (note 23)	781	431
Total liabilities	8,702	6,613
Non-controlling interests		
	182	82
Shareholders' equity		
Capital stock (note 25)	13,372	13,273
Retained earnings	2,261	1,832
Accumulated other comprehensive income (loss) (note 26)	(356)	151
Total shareholders' equity	15,277	15,256
Contingencies and commitments (notes 15 and 29)		
Total liabilities and shareholders' equity	\$ 24,161	\$ 21,951

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 Shareholders' Equity

Barrick Gold Corporation For the years ended December 31 (in millions of United States dollars)	2008	2007	2006
Common shares (number in millions)			
At January 1	870	864	538
Issued on exercise of stock options (note 27a)	3	6	3
Issued on acquisition of Placer Dome (note 3f)	–	–	323
At December 31	873	870	864
Common shares			
At January 1	\$ 13,273	\$ 13,106	\$ 4,222
Issued on exercise of stock options (note 27a)	74	142	74
Issued on acquisition of Placer Dome (note 3f)	–	–	8,761
Options issued on acquisition of Placer Dome (note 3f)	–	–	22
Recognition of stock option expense (note 27a)	25	25	27
At December 31	13,372	13,273	13,106
Retained earnings (deficit)			
At January 1	1,832	974	(341)
Net income	785	1,119	1,506
Dividends (note 25a)	(349)	(261)	(191)
Repurchase of preferred shares of a subsidiary	(7)	–	–
At December 31	2,261	1,832	974
Accumulated other comprehensive income (loss) (note 26)	(356)	151	119
Total shareholders' equity at December 31	\$ 15,277	\$ 15,256	\$ 14,199

Consolidated Statements of Comprehensive Income

Barrick Gold Corporation For the years ended December 31 (in millions of United States dollars)	2008	2007	2006
Net income	\$ 785	\$ 1,119	\$ 1,506
Other comprehensive income (loss), net of tax (note 26)	(507)	32	150
Comprehensive income	\$ 278	\$ 1,151	\$ 1,656

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