

Consolidated Statements of Income

Barrick Gold Corporation
For the years ended December 31 (in millions of United States dollars)

	2006	2005	2004
Sales (notes 4 and 5)	\$ 5,636	\$ 2,350	\$ 1,932
Costs and expenses			
Cost of sales ¹ (note 6)	2,736	1,214	1,047
Amortization (note 4)	735	427	452
Corporate administration	142	71	71
Exploration (note 4)	171	109	96
Project development expense	119	32	45
Other operating expenses (note 7a)	124	59	47
Impairment of long-lived assets (note 7b)	17	–	139
	4,044	1,912	1,897
Interest income	101	38	25
Interest expense (note 19b)	(126)	(7)	(19)
Other income (note 7c)	89	49	49
Other expense (note 7d)	(96)	(56)	(47)
	(32)	24	8
Income from continuing operations before income taxes and other items	1,560	462	43
Income tax (expense) recovery (note 8)	(348)	(60)	203
Non-controlling interests	1	(1)	2
Equity in investees (note 11)	(4)	(6)	–
Income from continuing operations	1,209	395	248
Discontinued operations (note 3b)			
Income from discontinued operations	297	–	–
Income taxes	–	–	–
Income before cumulative effect of changes in accounting principles	1,506	395	248
Cumulative effect of changes in accounting principles (note 2e)	–	6	–
Net income for the year	\$ 1,506	\$ 401	\$ 248
Earnings per share data (note 9)			
Income from continuing operations			
Basic	\$ 1.44	\$ 0.74	\$ 0.47
Diluted	\$ 1.42	\$ 0.73	\$ 0.46
Net income			
Basic	\$ 1.79	\$ 0.75	\$ 0.47
Diluted	\$ 1.77	\$ 0.75	\$ 0.46

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, except per share data)	2006	2005	2004
Operating Activities			
Net income	\$ 1,506	\$ 401	\$ 248
Amortization (note 4)	735	427	452
Deferred income taxes (notes 8 and 22)	(109)	(30)	(225)
Hedge losses on acquired gold hedge position (note 19c)	165	—	—
Income from discontinued operations (note 3b)	(297)	—	—
Other items (note 10a)	122	(72)	34
Net cash provided by operating activities	2,122	726	509
Investing Activities			
Property, plant and equipment			
Capital expenditures (note 4)	(1,087)	(1,104)	(824)
Sales proceeds	8	8	43
Acquisition of Placer Dome, net of cash acquired of \$1,102 (note 3a)	(160)	—	—
Other acquisitions, net of cash acquired of \$8 million (note 3c)	(47)	—	—
Acquisition of equity method investments (note 11)	(125)	(58)	(40)
Available-for-sale securities (note 11)			
Purchases	(245)	(31)	(7)
Sales	46	10	9
Other investing activities	17	(5)	(2)
Net cash used in investing activities	(1,593)	(1,180)	(821)
Financing Activities			
Capital stock			
Proceeds on exercise of stock options	74	92	49
Dividends (note 23a)	(191)	(118)	(118)
Repurchased for cash (note 23a)	—	—	(95)
Long-term debt (note 19b)			
Proceeds	2,189	179	973
Repayments	(1,581)	(59)	(41)
Settlement of acquired derivative instrument liabilities (note 19c)	(1,840)	—	—
Other financing activities	2	(1)	(28)
Net cash (used in) provided by financing activities	(1,347)	93	740
Cash Flows of Discontinued Operations (note 3b)			
Operating activities	29	—	—
Investing activities – proceeds on sale	2,850	—	—
Other investing activities	(62)	—	—
Financing activities	11	—	—
	2,828	—	—
Effect of exchange rate changes on cash and equivalents	(4)	—	—
Net increase (decrease) in cash and equivalents	2,006	(361)	428
Cash and equivalents at beginning of year (note 19a)	1,037	1,398	970
Cash and equivalents at end of year (note 19a)	\$ 3,043	\$ 1,037	\$ 1,398

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Consolidated Balance Sheets

Barrick Gold Corporation
At December 31 (in millions of United States dollars)

	2006	2005
Assets		
Current assets		
Cash and equivalents (note 19a)	\$ 3,043	\$ 1,037
Accounts receivable (note 13)	234	54
Inventories (note 12)	931	402
Other current assets (note 13)	588	255
	4,796	1,748
Non-current assets		
Available-for-sale securities (note 11)	646	62
Equity method investments (note 11)	327	138
Property, plant and equipment (note 14)	8,335	4,146
Intangible assets (note 15)	75	–
Goodwill (note 16)	5,855	–
Other assets (note 17)	1,339	768
Total assets	\$ 21,373	\$ 6,862
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 686	\$ 386
Short-term debt (note 19b)	863	80
Other current liabilities (note 18)	303	94
	1,852	560
Non-current liabilities		
Long-term debt (note 19b)	3,244	1,721
Asset retirement obligations (note 20)	843	409
Deferred income tax liabilities (note 22)	798	114
Other liabilities (note 21)	436	208
Total liabilities	7,173	3,012
Non-controlling interests	1	–
Shareholders' equity		
Capital stock (note 23)	13,106	4,222
Retained earnings (deficit)	974	(341)
Accumulated other comprehensive income (loss) (note 24)	119	(31)
Total shareholders' equity	14,199	3,850
Contingencies and commitments (notes 14 and 27)		
Total liabilities and shareholders' equity	\$ 21,373	\$ 6,862

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)	2006	2005	2004
Common shares (number in millions)			
At January 1	538	534	535
Issued on exercise of stock options (note 25a)	3	4	3
Issued on acquisition of Placer Dome	323	—	—
Repurchased (note 23a)	—	—	(4)
At December 31	864	538	534
Common shares			
At January 1	\$ 4,222	\$ 4,129	\$ 4,115
Issued on exercise of stock options (note 25a)	74	93	49
Issued on acquisition of Placer Dome (note 3a)	8,761	—	—
Repurchased (note 23a)	—	—	(35)
Options issued on acquisition of Placer Dome (note 3a)	22	—	—
Recognition of stock option expense (note 25a)	27	—	—
At December 31	13,106	4,222	4,129
Retained earnings (deficit)			
At January 1	(341)	(624)	(694)
Net income	1,506	401	248
Dividends (note 23a)	(191)	(118)	(118)
Adjustment on repurchase of common shares (note 23a)	—	—	(60)
At December 31	974	(341)	(624)
Accumulated other comprehensive income (loss) (note 24)	119	(31)	69
Total shareholders' equity at December 31	\$ 14,199	\$ 3,850	\$ 3,574

Consolidated Statements of Comprehensive Income

Barrick Gold Corporation For the years ended December 31 (in millions of United States dollars)	2006	2005	2004
Net income	\$ 1,506	\$ 401	\$ 248
Other comprehensive income (loss), net of tax (note 24)	150	(100)	9
Comprehensive income	\$ 1,656	\$ 301	\$ 257

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