

All Amounts in United States Dollars

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To: Annual Meeting to Shareholders

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Thank you John and good morning ladies and gentlemen.

We are very proud of our outstanding financial performance at Barrick. I appreciate the opportunity to tell you about these results and the financial strategies behind them.

Last year we earned a record \$331 million, a 10% increase from 1998.

Cash flow rose 30% to \$702 million.

Cash balances increased to \$500 million - even after capital expenditures of \$620 million and \$79 million in dividends. In fact, 1999 was the 13th consecutive year in which we increased the dividend.

These results are exceptional, but not unexpected. Since our founding almost two decades ago, we have established a financial record that is unequalled. We have delivered a 10% or better annual increase in earnings for 10 of the past 12 years... regardless of the gold price... We consistently earn the highest profit in the industry. And we expect to deliver even stronger results, beginning this year, as indicated by our better-than-planned performance in the first quarter.

As a result of this outstanding financial performance, Barrick has the highest market value in the business, the industry's only "A" credit rating, and a balance sheet that is the best in the gold industry.

How have we been able to achieve these record results year after year? By acting upon our belief that shareholder value begins and ends with running all aspects of our business well. That includes the financial management of the business. Our

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financial strategy is to maximize revenues through our Premium Gold Sales Program. It allows us to increase the value of our assets and provides a distinct competitive advantage to grow the company profitably. It means that we will be able to continue to deliver financial growth as our production rises. And it also means that we are better managing the capital that has been entrusted to us.

The program maximizes the revenue we earn on every single ounce we produce by following three fundamental principles:

- It provides predictable revenues;
- It takes advantage of premiums in the forward markets - to increase those revenues; and
- It provides the ability to fully participate in rising gold prices.

Last year, hedging came under increased scrutiny because of problems experienced by some companies. But Barrick's program is as different as night and day from the rest. We have structured it conservatively to minimize risk and at the same time maximize revenues. It is backed by the strongest balance sheet in the business and the expertise that comes from being the principal architect of hedging in this industry.

This strategy has worked very successfully for us. For 12 straight years, we have earned a premium above the market price of gold, in both rising and falling gold markets. This adds up to an additional \$1.6 billion in revenue, or \$66 for every ounce we produced. This consistent performance demonstrates, without a doubt, that our program is not only reliable but sustainable.

Last year alone, the Program contributed \$391 million of additional revenue. That's a \$106 per ounce premium above the average market price. This added premium paid for the acquisition of Bulyanhulu. In other words, we acquired 7.5 million ounces of gold with one year of hedging income.

Currently we have 13.4 million ounces sold in advance with a minimum floor price of \$360 an ounce, \$80 more than the current market price of gold. This position represents 100% of our next two years production and 25% of production beyond that.

And last year, we fine - tuned the program in order to provide earlier participation in gold price rallies. We used existing gains in the program to purchase call options covering the next two years production. These call options give us the right but not the obligation to buy gold as the price rises. As a result, our earnings and cash flow now participate much sooner in gold price rallies, long before

the gold price reaches our \$360 floor price.

More than ever, our program offers investors the best of both worlds. It offers the security of knowing that Barrick's earnings are protected during periods of low gold prices. We know in advance the minimum price which we are going to sell our gold for this year, next year and out in the future. And because we are earning interest on our gold while it's still in the ground we know that our gold will be worth more in the future.

At the same time, the program also ensures that Barrick is able to participate fully in gold price rallies. We have the absolute flexibility to choose between our hedge price or the market price of gold, whichever is higher. This is accomplished with the best trading agreements in the business and it has been further enhanced with the call option program.

And I'd like to note, that to accomplish all this, we have had to commit only a small portion of our reserves to the program. It is important to highlight that we have 51 million ounces fully able to benefit from rising gold prices. In other words, we have about as many ounces exposed to a rising gold price as any unhedged North American producer.

But while we fully participate in a rising gold price, our success does not rely on it. Our strategy delivers in any gold market and demonstrates how we manage this business to ensure that:

- We are able to fund new projects from internally generated cash flow;
- We can make acquisitions in low gold price environments; and
- We have the flexibility to decide when and how to raise capital.

The bottom line - our strategies allow us to enhance our ability to make long-term business decisions to increase shareholder returns.

And these strategies will continue to drive Barrick's expansion of production and reserves. As you heard earlier, we are building three major new mines at Rodeo, Bulyanhulu and Pascua and undertaking an extensive reserve expansion program at our existing properties. These properties will provide an average rate of return of 15% at a \$300 gold price. And, if we add the benefits of our financial strategies, that rate increases to 22%. This further demonstrates how our financial and operating strategies work together to produce outstanding returns.

For 2000, we will make capital expenditures of \$565 million. This will be funded from cash flow from operations and our recently completed project financing for Bulyanhulu.

We were able to do this \$200-million financing because of the quality of the project and the operating and financial strengths of this Company. It ranks as the

largest bank financing ever done for a mining company in Sub-Saharan Africa. It is a major vote of confidence in the project by six of the world's premier banks as well as the World Bank and Canada's Export Development Corporation.

And while we make judicious use of debt, the fact remains that we have more than enough cash flow to fund our growth. Free cash flow will reach over \$1.5 billion over the next five years, even after building three new mines.

This Company has never been stronger financially. Going forward we will continue to build strength on strength. In 2000, we expect another record year, continuing the earnings momentum that we have achieved for more than a decade.

I am confident in our financial future. I am confident because we will continue to apply the same financial management strategies that we have successfully applied for more than a decade. As a result, Barrick will continue to deliver growth and value in the future.