BARRICK

Speech

All Amounts in United States Dollars

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Good morning, ladies and gentlemen,

As always, it's a pleasure to take part in this conference. It's a particular pleasure this year, because I'm bringing you the latest chapter in the expanding saga of our Bulyanhulu Mine Project in Tanzania. And "expanding" is the right word for it! Last year I told you that we had raised reserves to 7.5 million ounces, from the 3.6 million ounces at time of acquisition. Reserves now stand at 10 million ounces - based on $300 gold, and will certainly continue to climb.

"Expanding" is also the right word for Barrick as a company. Our financial strength, as well as the strategies that create it, explain our presence in Africa and our approach to Bulyanhulu. Before discussing this new mine in some detail, therefore, let me give you a quick overview of Barrick itself.

Before the non-cash provision, Barrick earnings and cash flow in 2000 were the best ever in the Company's history - the third consecutive year of continuous growth. More specifically, our operational strategies and our Premium Gold Sales Program combined to generate:

- $334 million in operating earnings;
- $705 million in operating cash flow; and
- perhaps most significantly of all, $530 million in free cash flow from our operating mines.

With this free cash flow, we can choose our activities and the timing of those activities. We have the financial strength to acquire, explore and develop new projects into the future - thereby ensuring more earnings and free cash flow in years to come.

By the way, sometimes choosing our own timing means choosing to wait. We

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have decided to postpost the Pascua-Lama Project in Chile and Argentina. And we can afford to wait - Buly is about to start making its very significant contribution to production and reserves.

Going forward, we expect to continue to generate strong results, including rising free cash flow - whether gold price is high or low. As we plan our future, we have the advantage of the only "A" credit rating in the industry, and the best balance sheet as well: $623 million in cash, virtually no net debt, and shareholders' equity of $3 billion.

The $1.1-billion non-cash provision (after tax) we made this year has adjusted the carrying values of certain of our properties to the realities of today's lower gold price environment. It has no impact on Barrick's cash flows, reserves, production profile or employment levels.

Barrick's growth is organic, not dependent on external factors. We drive our own free cash flow, by focussing on quality assets and the financial and operational strategies that create added value.

Our operating strategies are:

1. to increase profitable production;
2. to lower costs; and
3. to expand high quality reserves.

In 2000, those strategies generated the following results:

- record production of 3.7 million ounces;
- cash costs of $145 per ounce, one of the lowest in the industry; and
- reserves of 58 million ounces, virtually unchanged despite record production.

Furthermore, these numbers were due to strong results across the board. We are not dependent on one star property; our assets are all strong, low-cost performers.
Goldstrike, for example, set another production record, at one of the lowest cash costs in its history. The property also commissioned its new roaster, which came on-stream without a hitch and has exceeded our expectations ever since.

The roaster is a good example of how Barrick judiciously uses capital to maximize resource recovery and reduce costs. This investment allows us to recover gold from the carbonaceous ores in the most efficient way possible - while reducing processing costs by some $350 million, net of investment, over the life of the property. We also expect throughput to be higher than design - and costs lower, at $14 per ton.

In Peru, the Pierina Mine also illustrates the success of our operating strategies. The team there reworked the life of mine plan to bring ounces forward, and lower costs. We had originally planned to produce 750,000 ounces a year for the first three years. Over the first two years, we exceeded our goal by 100,000 ounces a year, and instead produced 850,000 ounces. We expect to

do the exact same thing this year.

As for costs... Pierina was already our lowest-cost mine, but the team sharpened their pencils anyway. As a result, anticipated cash costs over the full life of the mine have dropped from $100 per ounce - to less than $90.

We've also increased reserves at Pierina, following the first exploration program since construction began. The addition is 500,000 ounces - handsome enough in itself, but even more impressive for its eventual impact on free cash flow. To give you an idea, in 2000 each ounce of low-cost Pierina production generated $250 in free cash flow.

Bulyanhulu fits right into this list of examples. When I spoke to this conference last year, I made it clear that we thought Buly was a remarkable property. One year later, we are even more impressed. Exploration is booming and, even though the mine is not yet on stream, we already expect to raise production. Our initial operating plan called for 400,000 ounces a year at a cost of $130 an ounce. However, as the resource base continues to expand, we are reviewing ways to produce 500,000 ounces a year instead.

And I want to add: we're not just happy with the project itself, we're happy to be working in Tanzania. As you know, it ranks as one of the most prospective gold regions in the world today. We also find it one of the most welcoming environments in which to operate. Since starting this project 16 months ago, everything has combined to increase our sense of comfort - right from the terms of the country's legal and fiscal regime, to the cooperation offered by our public- and private-sector partners, to the attitude and aptitude of our new employees.

Some of the world's largest banks and government agencies share our confidence. Though we had the cash to develop the project on our own, we chose to do a $200-million, limited recourse project finance for the mine development. It was a prudent way to manage our capital globally. Furthermore, in today's cash-is-king environment, we liked the idea of holding onto ours. Given the strength of both Buly and our own balance sheet, we had no trouble finding partners. The financing was oversubscribed by 200%.

Development at Buly has gone smoothly; in fact, we're ahead of schedule. This new mine will begin operations at the end of March, on time and on budget - and with further phases of development already under consideration. It's a great way to make our African debut as a producer!

When I look at Buly now, it's hard to believe that at the time of acquisition, the infrastructure amounted to little more than an airstrip, a basic exploration camp and some preparatory work on-site. The decline was 180 metres vertically below surface.

Since then we have constructed a processing plant; developed the underground to a depth of 470 metres; upgraded the road access; and brought in both a power line from the national grid, and a water pipeline from Lake Victoria. Our work force has grown from just 200 to more than 800 people, three-quarters of whom are Tanzanian. We have a well-staffed medical clinic on site, and a growing number of social and economic programs underway to enhance the region as a whole.

Since Buly is an underground mine, production will build gradually as the mine itself is developed. Our current mine plan calls for full production of 400,000 ounces by 2003. In 2001 and 2002, production will be 250,000 and 380,000 ounces respectively. These figures are all based on a 2,500 tonne per day mining and milling capacity.

We have already built a stockpile of 320,000 tonnes. Due to the high productivity of our development crews, the stockpile will be approximately 50% above our planned tonnage by April 1st, when we commission the Mine. This stockpile, along with production from underground, will be mill feed for the next two years, until we reach full capacity from the mine alone.

Under the current long-term mine plan, longhole stoping will account for 45% of the Main ore zone, with drift and fill mining accounting for another 35% and development for the rest. For the first five years, however, the majority of stoping will be longhole. We plan to use drift and fill for the East zone.

The mine is accessed by both a surface shaft and a series of declines. The shaft will be sunk 1,100 metres, to the 3910m level, with stations at 120-metre intervals. To date, the shaft has been sunk 470 metres down to the 4530m level. The upper 300 metres are now being equipped for hoisting and service equipment, in preparation for rock hoisting from the 4700-metre level this May. This is a temporary measure, to last until the mid-shaft loading pocket at the 4580-metre level is completed in the 4th quarter of this year.

The balance of shaft sinking and equipping down to the 3910 level will be completed by the end of the 3rd quarter of 2002. After that, the development and equipping of the rock handling system at the shaft bottom, that is at 3980m level and below, is scheduled for completion in the 4th quarter, 2003. At that time, the ultimate hoisting capacity of the shaft from that depth will be 5,000 tonnes per day.

We are already mining in the ore, with very encouraging results. Both grade and width are as good as originally anticipated, or better. The planned grade of ore to the mill is forecast at approximately 14.5 grams per tonne, for the life of the mine. Early indications from longhole stoping suggest that dilution will be lower than forecast in the feasibility study. Actual total dilution to date has been

about 30%, compared to calculated dilution for those areas of 43%. We have no experience yet with drift and fill, but longhole results reinforce our sense of optimism.

Longhole stoping is planned at a minimum width of 2.1 metres, but we are currently testing a lesser width in order to minimize the planned dilution. Any reduction in dilution width would both increase ore grade and reduce cost per ounce, without affecting the ounces of gold recovered through mining.

The process plant construction began in June, 2000, and we expect mechanical completion this month. The plant has a design capacity of 2500 tonnes per day, which we believe can be pushed to 3000 tonnes per day. We have also provided for the option of building in an expansion to 4000 tonnes per day.

The facility consists of a crushing and grinding circuit, a gold gravity circuit, and a copper/gold/silver flotation circuit. No cyanide is involved. We've chosen these processes because of the nature of Buly's mineralogy. The gold occurs either as free gold with grain sizes up to 850 microns, or associated with sulphide mineralization. The free gold will be collected in the gravity circuit, while the sulphide-associated gold will be recovered in the flotation circuit in the form of a copper concentrate. We forecast an overall recovery rate of 89% -- 42% by gravity, and 47% by flotation.

All tailings will be turned into paste, with about 30% put through a paste backfill plant and sent underground for support purposes. The remainder will be sent to the tailings dam.

When I told you that our stockpile will be approximately 50% above plan, I gave the credit to the productivity of our workforce. Let me expand on that for a moment. Expatriates currently make up 21% of the total number of employees at the mine - a fine, multicultural group drawn from North America, Australia and, of course, right here in South Africa. We plan to reduce expatriates to 2% of the workforce within 10 years. Given the quality of our Tanzanian hires to date, and the success of our training programs, this goal is extremely realistic.

Recruitment is handled by internal as well as external advertising, and applicants are interviewed and tested according to the requirements of the job. We have relied primarily on the Vienna test system, which has been extensively used in the mining industry here in Africa, and is regarded as culturally fair. An occupational therapist has participated in the test review process, to help us meet our specific competency requirements.

Training has been going very well. For example, after just five months, we have already trained four Tanzanian development teams - one complete crew - who are now being supervised by a shift boss, because they no longer need the presence of an expatriate miner. We have specialized training pro-

grams for operational and engineering staff, for technical and supervisory skills, and for professionals such as mining engineers, geologists, engineers and accountants.

However - and this is typical of Barrick's approach worldwide - our interest in our employees goes beyond their professional development. In fact, we go beyond their well-being, to that of their families and the entire region. We know that our mine will have major impact in the region, and we are taking steps to ensure that it will be positive.

For example, we are developing infrastructure and housing in two nearby villages, to help them handle the influx of miners and their families. Employees will be able to purchase these homes over time, giving the families an asset and a base in the community. Barrick always wants to attract whole families, because of the positive effect their presence can have on employee stability and morale.

We're extremely involved with a whole range of health issues. We have a medical contractor managing our clinic - which already finds that 25% of its patients come from the local community. An NGO is our partner for a regional program of health-care education and training. We have paid for a new clinic in Bugarama, a near-by village, and we are funding improvements and renovations to the regional hospital in Kahama.

In addition, we are in the early stages of building up a series of development initiatives in the area. In cooperation with a growing list of local and international partners, we are stimulating programs in the areas of education, social welfare and small business development.
We're doing all these things, ladies and gentlemen, because we believe in social responsibility where we operate. We plan to be here for a long time: Africa suits us, Tanzania suits us, and Buly in particular suits us extremely well.

The potential just keeps opening up before us. At year-end 2000, we increased total reserves and resources to 14.6 million ounces, up from 10.4 million the year before. We will continue to concentrate on expanding our mineralized resources. Since our conversion rate is nearly 100%, the resource figure is an excellent guide to reserve potential as well. We have already nearly tripled reserves on the property; we now believe we may well be able to quadruple them.

The key to all this reserve growth is the excellent continuity of the orebody. It's great to work with. To date, it extends downdip for at least 2 kilometres, and has a strike length of almost 5 kilometres.

By year-end 2000, Reef 1 on Buly had turned into three distinct deposits: the original Main zone, plus the East and the West zones, both of which we discovered last year. There will certainly be

more to come, and it is because of these results that we are now thinking in terms of additional development phases at the mine.

During 2001, we'll be extending the resource to the east and west and at depth, and filling in some of the reserve area. We'll continue to define both reserves and resources in all three zones, and we'll complete deep geophysics to define new exploration targets on the various reefs on the property.

However, ladies and gentlemen, Buly is not just the Buly Mine - wonderful as that is. It is also the hub for our District Development Program for the entire region. Having acquired Sutton Resources Ltd., and with it Buly, we went on to acquire the Tanzanian exploration assets of both Pangea Goldfields and Randgold, and to collect a number of local assets as well. Barrick is now established as the dominant presence on the Lake Victoria Greenstone Belt, with over 7,200 square kilometres of property.

One of the priorities for our 2001 District Development Program is the Tulawaka Property, about 200 kilometres west of Buly, which we acquired with Pangea. Last year's program at Tulawaka was a success, allowing us to confirm the grade and continuity of previous drill programs. The current 1-million-ounce resource has a grade of 16.0 grams per tonne.

This year, we will do further drilling and a feasibility study to bring this resource into reserve. We expect to take the development decision in the second half of the year. If we are able to raise reserves to 2 million ounces or better, Tulawaka may be a stand-alone facility. Otherwise, we would truck the ore to Buly for processing. In either event, it could be an open-pit operation.

This is a very exciting time for Barrick, and for me personally. Buly is our first mine outside the Americas, and it could not look better. The Lake Victoria Greenstone Belt is one of the world's great belts, we have a dominant position on that belt, and it's still early days - for the belt, and for Barrick in Africa.

We look to the future with a great deal of pleasure.