

All Amounts in United States Dollars

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To: Annual Meeting to Shareholders

Date: May 8, 2001

Thank you, John, and good morning, ladies and gentlemen.

Both Randall and John came armed this morning with charts that capture in a simple image the kind of strength we've built at Barrick. In that same spirit, I'll add a chart of my own - one that illustrates our strength from a financial perspective.

As you can see, over the past 10 years, the gold price has dropped more than 25% - while over that same period, Barrick's annual operating cash-flow has grown more than 400% - to over \$700 million dollars.

Performance like that shows that Barrick has all the building blocks in place to create value in any gold price environment. As I see it, on the financial front, the keys to our sustained success are strength, flexibility and discipline.

In terms of strength, we set records in 2000 for earnings, before the provision - more on that in a moment - as well as generating record cash flow, for our third consecutive year.

For me, the key to Barrick's strength comes from the combination of the low cost production and our Premium Gold Sales Program. Together, they give us the unique flexibility to manage our capital on a global basis to maximum advantage, and optimal return.

In 2000, this combination resulted in:

- A record \$334 million in operating earnings. After the non-cash provision, we recorded a one-time loss of \$766 million.
- We also generated \$705 million in operating cash flow.
- More importantly - and this I consider to be the key to creating value: Our operating properties generated \$530 million in free cash flow... which we used to acquire, explore and develop new projects that will add earnings and additional free cash flow, not just this year, but for years to come.

At year-end we had cash of \$623 million, virtually no net debt, shareholders' equity of \$3 billion and the industry's only A-credit rating. It all adds up to the best balance sheet in the business - putting Barrick in its strongest financial position ever. And this is no accident. It's really a tribute to the talent of our people and their ability to execute and deliver on a daily basis.

And we are delivering: With our 1st Quarter results in, we again posted strong earnings, cash flow and free cash flow. This increased our cash balance to a record \$665 million. That's \$1 billion Canadian.

When people think of Barrick, they think of great mines and our strong premium gold sales program. Often, however, they think of those two functions as separate and distinct. They're not.

There's a synergy between our great mines and our premium gold sales program that makes them more valuable together than either one apart. Let me explain how this works. I know some people have the opinion that hedging reduces a gold company's upside. But that's a one-dimensional view. For Barrick, nothing could be further from the truth. To see the true impact of our program you've got to follow the money. Our program increases our upside by giving us additional revenues to acquire assets that add low-cost reserves and production to our portfolio, and at a lower cost of capital.

From this perspective - and especially in today's environment - our premium gold sales program is an enormous asset, creating synergies that give Barrick a major competitive advantage.

Take, for example, Bulyanhulu: The additional revenues we earned from hedging in the past two years alone more than paid for the cost to acquire and develop this long-life, low-cost mine. A mine with a 15 million ounce resource base, and growing. This has created much more upside for Barrick, not less. It's just one example of how the program continues to build a high margin, high return business for us.

Now add the fact that the backing of strong assets like Buly allows us to have the longest, most flexible hedging lines in the business - lines that are un-margined at any gold price...And it's those unique trading lines that give us complete flexibility to choose whether to deliver our production against our spot deferred contracts - or if gold prices are higher, sell at spot.

Our program has generated a \$67 per ounce premium over spot for 53 straight quarters in both rising and falling gold markets. We realized \$300 million in additional revenues in 2000 alone. And in the 1st Quarter this year, we generated another \$68 million dollars. Collectively, over the past 13 years, the program has brought Barrick nearly \$2 billion dollars in additional revenue. This clearly demonstrates the consistency, predictability, and reliability of the program.

In the past two quarters, we've opportunistically added to our program, to lock in higher forward prices before the decrease in U.S. interest rates and the increase in lease rates. With 16.1 million ounces in the program, we have the security of our production being fully protected for the next two years at a minimum price of \$340 per ounce - and a significant portion protected beyond that at a minimum price of almost \$360.

Which means, if the gold price stays where it is now the position we have today will generate well over \$1 billion of additional revenue going forward. Our premium gold sales program gives Barrick the best of both worlds: protection on the downside and full participation on the upside.

Admittedly, with 53 consecutive quarters behind us of delivering our gold at a premium to spot, we haven't had the opportunity to demonstrate the tremendous flexibility we have. But if the time comes -- we're ready.

Up to this point, my focus has been on the synergy between our great mines and our premium gold sales program. Along with this synergy comes financial flexibility - the freedom to decide when and how to raise capital.

Case in point: The Buly financing. When we made the decision to build Buly, we were generating plenty of free cash flow, and we had plenty of money in the bank. Still, we chose to do a \$200 million project financing for the mine development.

Why? Several reasons: First, it was a prudent way to manage the investment of our capital globally by partnering with some of the largest banks and government agencies in the world.

Second, cash is king in today's environment and all things being equal, we liked the idea of keeping ours.

The last key to our financial success is discipline. You saw that in our decision last year to delay Pascua and take a provision to bring our balance sheet into line with the realities of the current gold price environment.

Every one of the projects in this organization must compete for capital - based on the spot price, not our higher forward prices. Each dollar we invest must return not only that dollar, but a return that exceeds the cost of that dollar. If it doesn't we won't make the investment. Put simply: We'll build no mine before its time.

Well, at today's gold and silver prices, Pascua simply does not generate a high enough return. We'll still have Pascua in our portfolio, of course so when the price environment changes, we'll be able to ramp up development. In the meantime, however, we're going to direct our capital into investment opportunities that will earn attractive double-digit returns at today's price.

It's all part of the reality-based approach we take to business. As Randall said, we deal with things as they are - not as we'd like them to be.

That's the rationale behind the \$1.1 billion non-cash provision - it's an adjustment that reflects the reality of the current gold price environment. The provision reduces the premium over book value recorded when assets were acquired years ago, with shares, when the gold price was more than \$100 higher than it is today. It's not an impairment in the underlying value of the properties. And since this is a non-cash provision, it has no impact on our financial strength or our hedging lines.

Looking forward, here's where we see Barrick headed: The combination of the solid performance on the operations front and the benefits of our Premium Gold Sales Program will result in another strong year in 2001. This company is financially strong. We can grow organically...through acquisitions...or both. The synergy between our low-cost operations and premium gold sales program magnifies that strength. We have tremendous flexibility to choose how, when, and where we grow. And, with our strong balance sheet, we have the discipline to ensure that we make the right decisions for our shareholders, long term.

As a result, we're confident we can:

- Generate high cash margins;
- Generate high profit margins; and
- increase both earnings and cash flow...especially free cash flow.

We've combined operational excellence with financial strength to build a solid foundation for the future - assets that will allow us to increase shareholder value not only in a higher gold market - but in any gold market...

...Which is the best measure I know that Barrick is indeed... built to last.

Now, I'd like to ask Randall Oliphant back to the podium.

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