
All Amounts in United States Dollars

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Thank you for the introduction and thank you all for that warm welcome.

It's a pleasure to be here in Lima - a city that is becoming as important to the mining industry as Detroit is to the auto industry or Los Angeles is to the entertainment industry. Companies looking for leadership in the international gold market simply cannot ignore the promise and potential of Peru.

I'm here today to talk about our exploration strategy, but before I do let me give you a brief introduction to Barrick: A snapshot of our operating footprint and an overview of how exploration is an integral part of our strategy today and for the future.

Last year, Barrick completed a smooth integration with Homestake to become the largest gold producer in North America and the biggest in the world in terms of market capitalization.

In 2001, we produced a record 6.1 million ounces and we're on course to produce 5.7 million ounces in 2002, a decline that reflects the planned closing of six mines by the end of this year. The bulk of Barrick's production comes from a global portfolio mix of eight major mine properties operating on four continents. We have reserves of over 82 million ounces and that figure is growing. In fact, Barrick is currently the only major gold producer expanding reserves - and exploration is a big reason why.

On the development front, we have a property pipeline unique in the industry with exceptional opportunities right here in South America at Pascua-Lama/Veladero and Alto Chicama, as well as at key properties in Australia and Africa. The quality of assets in our property portfolio is second to none, Barrick is one of the world's lowest cost producers, with cash costs of \$162 last year and an estimated \$167 this year.

Our strong balance sheet supported by our Premium Gold Sales Program which is designed to hedge risk and reduce the impact of price volatility - gives Barrick the financial flexibility to:

Number One: Fund ongoing operations;
Two: Build a pipeline of projects; and
Three: Pursue an aggressive exploration strategy.

And I do mean aggressive. As Barrick's point man for exploration, my job is not just to replace current production, it's to use exploration to generate additional growth. Barrick's growing emphasis on exploration reflects a shift in the mining industry. Over the past six years, the challenging price environment has led the juniors to drastically cut back their exploration efforts - a fact reflected in the worldwide decline in exploration spending from \$5 billion in 1996 to \$2 billion last year. And that drop off in the juniors' exploration efforts has had a big impact on senior companies. Historically, seniors could rely on the juniors to provide a pipeline for new development. But those days are over. The reality is, it is no longer as easy to partner or venture or purchase a promising property. That means the seniors have had to step up and get out into the field themselves. And Barrick has. Our original exploration budget for 2002 was slated at \$52 million. With the success of Alto Chicama, which I'll explore in more detail in a minute, we've increased that by another \$15 million already. We are also expensing more at Veladero as well as expanding the program at some other properties. All told, the exploration and development budget for the year is \$85 million. And we have the financial strength to expand additional programs if events in the field warrant a greater commitment of resources. Clearly, our exploration budget is strong and robust enough to fund not just one or two, but upwards of a couple of dozen projects around the world in addition to the development activities being undertaken at our eight major mine properties. This combination of financial commitment and global reach makes Barrick the number one exploration company in the world.

How does it all fit together? What is our plan? How do we do it? Our strategy is to maintain a geographical mix of projects at different stages in the exploration sequence in order to achieve three goals:

- First, to maximize the chances of near term discovery;
- Second, to move the most promising projects up the exploration chain, from grassroots to drill testing to reserve development; and
- Third, to be prepared to take advantage of any new discoveries or developments made by third parties.

Our exploration projects are concentrated in four main areas: Peru is one, plus Tanzania, Nevada and Australia. What's the common denominator - why those four places and not three or five others? Simple reason: That's where I think the best potential is.

Our projects run the spectrum from exploration to development - from grassroots through target delineation, drill testing, and advanced exploration all the way to reserve development. Each of these projects has the potential to deliver million-ounce, low-cost, long-life ore bodies, after all, that's what we're after! We're excited about this pipeline and what it means for profitable growth. But the bulk of our exploration program is in Latin America and the biggest investment we're making in any country, anywhere in the world is right here in Peru. I think Peru is the premier gold mining location in the world with the greatest potential in terms of gold

resources, plus tremendous human resources in terms of mining talent and skill and a strong business and political climate that shares a commitment to development. All in all, Peru is a nation with a fantastic mining culture.

Of course, Barrick is no stranger to Peru. One of our leading mines is Pierina in the Department of Ancash, in north central Peru. Since we brought the mine online in late 1998, Pierina has produced 2.6 million ounces, with proven and probable reserves of 4.7 million ounces. In terms of cost, Pierina gold is about as good as it gets with an average annual production of 500,000 ounces at a total cash cost of \$90 per ounce over the life of the mine. That kind of performance only comes with a first-rate operating team and we are fortunate that Pierina is led by some of Peru's best mining talent. Barrick's successful past and hopeful future here in Peru would not be possible without Igor Gonzales, Vice President and General Manager.

Pierina sets a high standard for gold properties. But as important as Pierina is, it's only part of the story of Barrick's future here in Peru. Last month, we were thrilled to announce a major grassroots discovery at Alto Chicama - a site we believe can be another Pierina-style discovery. Alto Chicama is a 185 - square - kilometer property located in the northern Andes, approximately 140 km east of Trujillo and 175 km north of Pierina.

Why are we so excited about Alto? Based on initial results from 75 diamond drill holes, we calculate an inferred resource of 61 million tons, grading at 0.057 ounces/ton for a total of 3.5 million ounces. That estimate may prove conservative - it is calculated within a 50-meter radius of each drill hole. Sixty of those holes are in the Lagunas Norte area - a portion of the property that is 750 meters wide by 1600 meters long, which is open both to the north and the south. The discovery is remarkably similar to Pierina in terms of grades, metallurgy and potential. As a geologist, I can tell you: discoveries like this don't come along every day. And while I was happy to receive the handshakes and high-fives back at Barrick's headquarters back in Toronto, I was merely doing so on behalf of our wonderful team here in Peru - led by Ramon Araneda. So let me stop right here to say congratulations to Ramon and our entire Peru exploration team and the Alto Chicama team led by Raul Guerra.

To define and realize the potential of this property, Barrick has made a major investment of resources and a major commitment of time, stretching back over two years. Starting in April 2000, we established a Barrick field office in the area. In January 2001, we bid for Alto Chicama, and were later awarded the property by the Peruvian State mining company, Centromin/MineroPeru. Here, too, congratulations are in order for the tremendous job Centromin/MineroPeru has done privatizing projects like Alto Chicama - and bringing foreign investment and development expertise into Peru.

So far, Barrick has invested over \$3 million in exploration at Alto Chicama. Based on the promising results thus far, we have increased our exploration budget this year four-fold over previous plans - to at least \$20 million. Over the last six months, we have acquired an additional 1,000 square kilometers of land in the adjacent area; a strong indication of our commitment to this property and the potential we see for new discoveries and more production. Our current plan for Alto Chicama is to drill 90,000 meters by year-end. Our resource calculation is based on the 14,000 meters we've drilled so far. We plan to have 12 rigs operational by mid-summer focused on infill

drilling to bring drill spacing to reserve status density.

Our program includes metallurgical test work, process planning and permitting. Additional drilling will step out from the known resource and explore new targets. We think Alto Chicama could be the hub of a whole new district. We're also exploring potential operating synergies with Pierina. We'll do our metallurgical testing of Alto Chicama over at Pierina, for instance and we'll draw on our highly trained Pierina personnel to help in the development of Alto Chicama. All of which proves when it comes to exploration, Barrick is on the move. Our goal is to generate organic growth from our operating mines -- and new sources of production from exploration.

As the person responsible for achieving this goal and as a geologist whose goal is finding ounces I can tell you that few companies can match Barrick's across-the-board commitment to exploration. We have an exploration pipeline that is tops in the industry, we have a management team led by a CEO and Board of Directors that has made exploration a key component of Barrick's growth strategy and we have the financial flexibility to fund an aggressive program. And when it comes to Peru, Barrick is here to stay.

We're proud of our Pierina mine, we're excited about the potential of Alto Chicama and we're thankful to the great team we have here who have made Peru such a key part of Barrick's present production profile and an even brighter part of Barrick's future.

Thank you very much and enjoy the rest of the conference.

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