

February 1, 2011

## Statement by Barrick Gold Corporation in response to Human Rights Watch report

TORONTO – Barrick Gold Corporation outlined its response to a Human Rights Watch report released today concerning the Porgera Joint Venture (PJV) mine in Papua New Guinea (PNG), which is jointly owned by Barrick (95%) and Mineral Resources Enga (5%). The report documents disturbing allegations of PJV personnel involvement in serious crimes.

Barrick condemns these alleged crimes in the strongest possible terms and wishes to see anyone involved brought to justice under PNG law. These allegations run contrary to everything we stand for as a company firmly committed to protecting human rights and human dignity. We expect all our employees to obey the law and to conduct themselves to high ethical standards, consistent with the company's Code of Business Conduct and Ethics. While Barrick operates in regions with complex social and economic challenges, the same expectations apply to every employee in every location where we do business without exception.

Barrick takes a zero tolerance approach to human rights abuses. At the Porgera mine, Barrick conducted a thorough internal investigation in relation to these incidents. Barrick and the PJV have terminated employees and are undertaking a series of actions which include changes to the security function at PJV. Our deepest concern is for the women who may have been the victims of these alleged crimes.

We are thankful to Human Rights Watch for providing us with specific, detailed information that assisted the company and the police in conducting investigations. Over the past six months, Barrick, PJV and Human Rights Watch (HRW) have worked together constructively and have discussed a range of important subjects in connection with the PJV. We look forward to continued dialogue and engagement with HRW and to reviewing the recommendations contained in their report.

In late June 2010, when HRW provided Barrick with detailed allegations that PJV security personnel were involved in serious crimes, PJV promptly contacted the Commissioner of

Police in PNG and requested that a criminal investigation be undertaken. The PNG police, who have been investigating these alleged crimes with a team of officers, have now commenced making arrests. PJV has cooperated fully with PNG police and the investigation is continuing.

Barrick also has conducted an extensive internal investigation, which involved a 15-member independent investigative team. This outside investigative team spent several months at the mine interviewing more than 650 employees and conducting a comprehensive investigation of personnel and procedures.

While most PJV employees were unaware of criminal activities, the results of the investigations were disturbing. Information was turned over to the police and the PJV has terminated employees who were found to have violated Barrick's Code of Conduct. In addition, PJV has terminated those who had knowledge of, but did not report, misconduct by others. Further terminations and other disciplinary actions may occur pending the results of police investigation.

Sexual violence against women is a pervasive problem in PNG. Barrick and the PJV are working towards solutions with the community, our own workforce and others in order to address this problem.

Additional Barrick actions include:

- A review of security issues at PJV and subsequent improvements to the security environment to protect the safety of both women and men at and around the site. This includes the introduction of security personnel monitoring systems. Radios have been assigned to all mine site locations where guards operate and a "real time" tracking system of security personnel is currently being implemented;
- Enhanced human rights training for all PJV security personnel;
- A commitment to hire additional female security staff members, with the first round of recruitment for these positions already underway;
- A plan to enhance the corporate human rights compliance structure, designed to prevent, detect and address potential human rights abuses by employees or third-

party service providers. This structure will include a formal human rights policy, training, internal reporting mechanisms and other elements; and

- Working with experts to improve both internal and third-party grievance mechanisms so that victims of crime or people who have information about crimes feel comfortable coming forward.

The PJV has made significant community investments that have improved access to health care, education and other basic services in the region and is a long-standing supporter of the Porgera District Women's Association (PDWA), which works to improve the welfare of local women. Additionally, the PJV is:

- Providing enhanced funding and support to the PDWA to allow it to expand its services to include an independent Women's Welfare Liaison Officer, to assist victims of sexual assault and domestic violence and engage in prevention efforts within the local community;
- Engaging an expert to research sexual assault and violence against women within the Porgera region in order to enhance the PJV's understanding of this issue and ensure company-supported interventions are appropriate; and
- Continuing its role as a leading partner in the Restoring Justice Initiative, a multi-stakeholder initiative in the Porgera area, designed to address the root causes of serious law and order problems, including violence against women, and build the capacity of the justice system.

Barrick and the PJV will continue to pursue a range of internal improvements at PJV to address challenges associated with this complex operating environment.

Barrick was recently admitted to the Voluntary Principles on Security and Human Rights, reinforcing the company's commitment to these important human rights principles. Through this process, Barrick is now formally engaging with participating governments, non-governmental organizations and other extractive companies to seek ways to improve security and uphold human rights.