BARRICK

BARRICK GOLD CORPORATION
BCE Place, Canada Trust Tower
Suite 3700, 161 Bay Street
P.O. Box 212
Toronto, Canada
M5J 2S1

Tel: (416) 861-9911
Fax: (416) 861-2492

Steering Committee
National Roundtables on Corporate Social Responsibility

September 15th, 2006

Please consider this letter and attached materials as our written submission to the National Roundtables on Corporate Social Responsibility (CSR) and the Canadian Extractives Industry in Developing Countries hosted in Toronto on September 12-14, 2006.

During the Roundtables, a number of presentations made reference to Barrick Gold Corporation's Pascua Lama Project in Chile. Several of these presentations included inaccurate information and/or baseless allegations related to the company's social and environmental performance.

Our submission is aimed at correcting the misinformation presented at the Roundtables with regards to Barrick's Pascua-Lama Project. The attached "Question and Answer" report provides clarification on a number of issues which were raised and reflects more accurately the details of the Project and the activities of the company. This report is also publicly available on Barrick's website at www.barrick.com.

Please note that a more comprehensive report will be posted to the Barrick website later this year. This report will address a number of the technical details related to how our company has protected the water quality and quantity in the Huasco Valley in Chile as well as the extent and scope of the consultation with the local community.

Sincerely,

Peter Sinclair
Director, Corporate Social Responsibility

PASCUA-LAMA UPDATE - QUESTIONS AND ANSWERS

The Pascua-Lama project has been the subject of extensive review as it has proceeded through the approval process in Chile over the last number of years. Recently, inaccurate information has surfaced on the Internet and has prompted people to ask Barrick for further information. The following is intended to provide you with facts about Pascua-Lama. For instance, 94 per cent of the farmers and water users in the Huasco Valley voted in favor of the project. And contrary to the assertion that icefields/glaciers will be affected, the Chilean authorities' approval states:

"...the company shall only access the ore in a manner that does not remove, relocate, destroy or physically intervene the Toro 1, Toro 2, and Esperanza glaciers."

1. Was the project reviewed thoroughly before it was approved by Chilean authorities?

Yes. Pascua-Lama has been subjected to one of the most rigorous approval processes in Chile's history. It was a comprehensive and transparent review involving environmental authorities, government agencies, independent experts and community stakeholders. The Environmental Impact Statement (EIA) was submitted in December 2004 and was under formal review for 14 months. The amount of information and supporting documentation was extensive: the 2004 EIA and three Addenda comprised 5,336 pages in 13 volumes. The cost of this work amounted to approximately US$15 million in Chile alone and involved some 200,000 man hours by various professional and technical personnel from 10 major internationally recognized engineering and environmental consultancies as well as four local ones and five universities who worked on the preparation and submissions of the EIA.

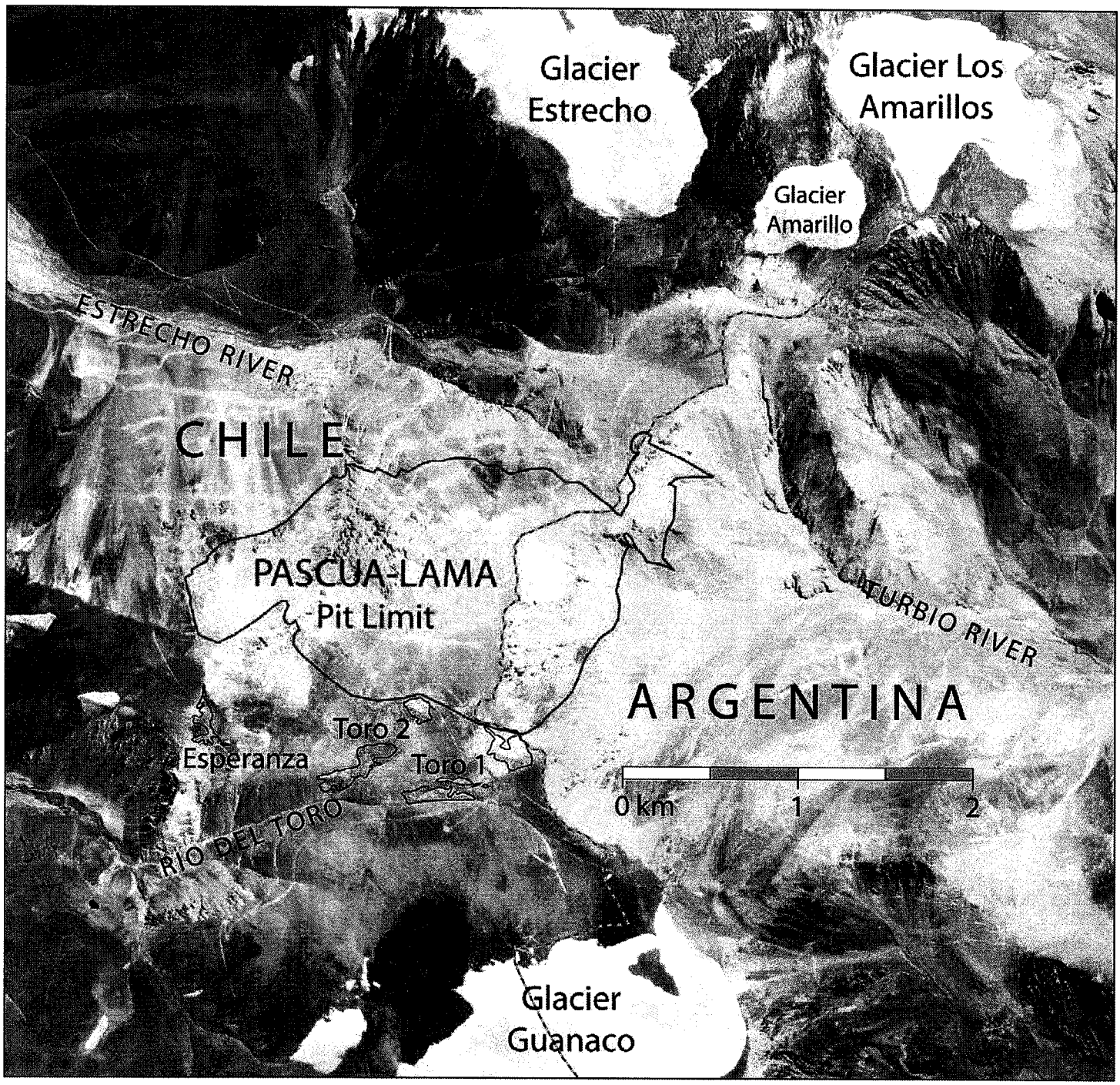
Before and during this entire process, Barrick conducted extensive public consultations with local community members, farmers and water users. The company's efforts to include and encourage local stakeholder involvement in the process exceeded all of the legal requirements in this area. As a result, the company modified its original plan to incorporate suggestions from these stakeholders to further improve the project. For specific examples, please see Question 11 below.

2. Will icefields/glaciers in the vicinity of Pascua-Lama be affected by mining operations?

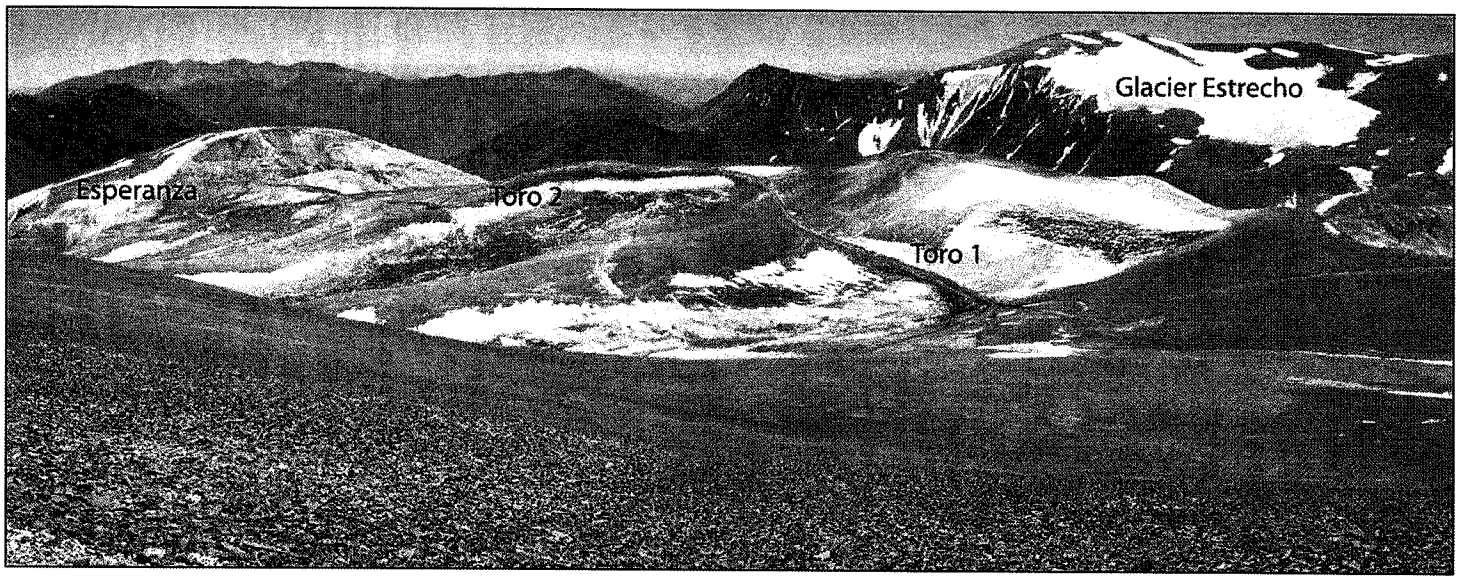
No. Following the thorough review process, the Chilean approval of Pascua-Lama stated that "the company shall only access the ore in a manner that does not remove, relocate, destroy or physically intervene the Toro 1, Toro 2, and Esperanza glaciers." The condition relating to the protection of icefields/glaciers was among more than 400 conditions that were included in the approval of the project (Resolution RCA 024/February 2006).

3. On the Internet, I read that the orebody is under glaciers. Is this true?

Absolutely not. In fact, the orebody that Barrick has been authorized to mine is NOT under any icefields or glaciers. Contrary to the inaccurate information on the Internet, you can judge for yourself by reviewing the following images.



Above: In this satellite view of the project area, the Pascua-Lama open pit is outlined in red. To the south of the pit, you'll see icefields that are known as Toro 1, Toro 2 and Esperanza, which are **outside** of the pit limit.



Above: This illustrates why these bodies of ice have been classified by glaciologists as "glacierets" or "ice reservoirs" rather than traditional glaciers, and consequently their contribution to the water resource of the Huasco Valley is considered to be insignificant.

4. Will Pascua-Lama have any significant impact on water quality or quantity in the Huasco Valley and other nearby communities?

No. There will not be any significant impact on the water or its users in the area, including the Huasco Valley.

As far as water quantity is concerned, the mining operations will only draw about 0.3 per cent of the water in the Huasco River flowing into the Huasco Valley's Santa Juana Reservoir.

Concerning water quality, under the requirements set out with the governmental approval of the project, Barrick is obligated to maintain the baseline quality of water - as determined prior to the commencement of the project - at a point approximately 45 kilometers upstream of the nearest community. Furthermore, the quality of water leaving Barrick property, at point NE8 some 30 kilometers downstream from the project and 15 kilometers upstream from the nearest community will be monitored and maintained in accordance with regulated Chilean potable water standards.

5. On what basis can you say water quality will be protected and what measures are you taking to ensure this is going to be the case?

Barrick has more than five years of data measuring water quality and quantity in the water courses surrounding the project, in addition to regional government information. This data has been reviewed by multiple independent internationally recognized hydrology, hydrogeology, geochemical, biology, limnology, archeology, anthrology, and sociology experts from private consultancies, universities, and scientific institutions, including representatives of the Huasco Water Users Cooperative (Junta de Vigilancia del Rio Huasco).

Above: Monitoring point ME-8, located on the Chollay River, Estrecho basin, in Chile's Huasco Valley. Barrick will set up 34 water monitoring stations in the Huasco Valley, 30 of which will transmit data in real time to environmental authorities and the public.

Considering the recommendations of these professionals, the Company has designed a multiple barrier "fail-safe" system for water protection, including:

- The diversion of surface water to minimize runoff water coming in contact with mining operations.
- Multiple barriers of passive and active protection in the collection, storage, and treatment of any surface or ground water that does come in contact with mining operations and subsequently complete reuse of that water in the mine operations.
- No operational discharges to the environment. There is sufficient capacity in the system to provide protection downstream even in extreme runoff events during the life of the mine and after closure.
- Building the anticipated closure requirements into the project at the beginning of construction.

The project will include a comprehensive plan to monitor water quality and a water management program. There will be 34 monitoring stations or points, of which 30 will be automated from which data will be readily available in real time to the authorities and the public. All of the testing points will be regularly inspected, controlled and independently audited to comply with stringent water quality standards consistent with the EIA and its approval resolutions.

Through a number of cooperative projects, water quality and supply in the Huasco Valley will actually benefit from Barrick's presence, as the company is providing significant funding for projects to improve, expand, and develop new water management facilities in the Huasco Valley. These are efforts that will improve the general availability, quantity, and quality of water to all users, including the farmers. These projects will be determined and prioritized by the needs of the users/farmers and include such facilities for water treatment, irrigation, storage, and regulation.

6. Do the farmers/water users and local communities support Pascua-Lama?

Yes, there is broad support for Pascua-Lama among farmers/water users and within the surrounding communities. In the Huasco Valley, members of the Water Users Cooperative voted 94 per cent in favor of the project at a Special Meeting of the organization. This Cooperative represents the 2,000 water users in the area, including the Huasco Valley's approximately 700 farmers.

Mayors from all four municipalities surrounding Pascua-Lama and most of the community leaders in the Huasco Valley have also strongly expressed their support for the project. The Mayor of Vallenar, Juan Santana said, "We value the investment that is made in the valley either by mining activity or by agricultural and other services..." and the Mayor of Huasco, Juan Sabando said, "Pascua-Lama should proceed and must create the development the community expects from it. This company has proven to be serious and responsible in terms of environmental matters."

To illustrate the interest among people in the region in employment opportunities at Pascua-Lama, Barrick has already received more than 50,000 applications for jobs as of June, 2006.

7. Have local residents been consulted extensively on Pascua-Lama?

In addition to the formal component of citizen participation as set out under Chilean legislation, Barrick voluntarily undertook extensive consultative measures to involve communities in the project review. These included almost 1,000 meetings with community leaders, more than 100 presentations to community groups, participation in 30 public events, and a door-to-door visit program that reached 40 per cent of homes in the Huasco province. Every month, 15,000 copies of a newsletter with information on the project and community activities are distributed.

8. How did Barrick address the concerns of citizens, stakeholder groups and the permitting authorities?

Barrick has continually reached out, consulted with, and involved residents of the Huasco Valley since the project was first considered and approved by CONAMA, Chile's environmental authority, in 2001. Although it was not legally required to do so, Barrick elected to submit the modifications for environmental approval pursuant to an EIA in November 2004 – a process that included formal public consultations. As a consequence, the entire project was opened up to a complete review. (The modifications included the addition of a camp for 750 mine workers rather than daily transport, the relocation of the water treatment plant, and the increase in the rate of production in the project design.)

During the ensuing 14 month review process, there were three distinct sets of questions and or comments and recommendations (ICSARAs) issued by CONAMA requesting clarifications, additional information, or changes, to which Barrick responded in each case with an Addendum containing extensive detail and documentation, which were also subject to public review and comment.

Addendum No.1 included one volume of 378 pages in response to 124 questions.

Addendum No. 2 included responses to more than 184 questions and comments contained in 10 Volumes, comprising more than 4,000 pages. This Addendum included the independent review, analysis, and recommendations of technical experts of the Huasco Water Users Cooperative (Junta de Vigilancia del Rio Huasco) regarding all aspects of the project. This Addendum incorporated all of the significant changes to the project design to address the concerns raised by the authorities and the public in ICSARAs 1 and 2. Although not legally required to do so, Barrick also performed three studies of alternate mining methods and included the results in this Addendum. The entire Addendum was submitted with the full support of the Water Users Cooperative.

Addendum No.3 included one volume of 504 pages in response to 158 questions, predominantly providing more detail clarifying the responses in Addendum 2. Addendum 3 was similarly supported by the Water Users Cooperative.

The project includes the independent review, analysis, and recommendations of technical experts of the Huasco Water Users Cooperative regarding all aspects of the project. Specifically this encompasses mining, glaciology, hydrology, hydrogeology, biology, limnology, archeology, anthropology, and sociology. The final Addendum incorporated all of the significant changes to the project design to address the prevention, mitigation, and compensation concerns raised by the authorities and the stakeholders in ICSARAs 1 and 2.

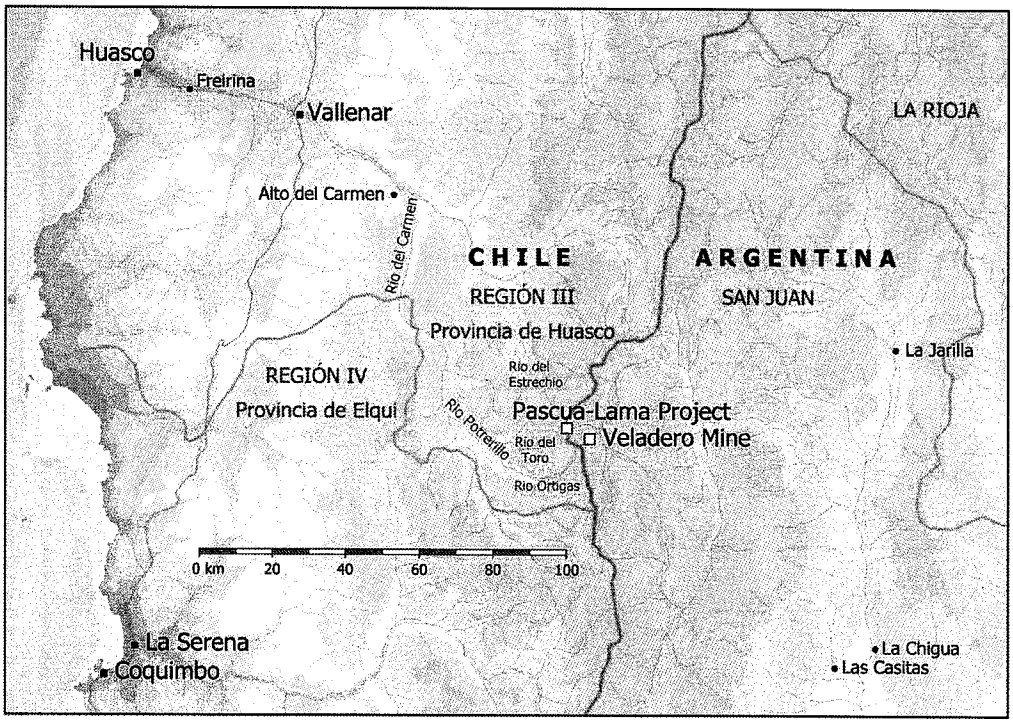
9. Where is Pascua-Lama situated and what is the terrain/vegetation like?

The mine site is on the border of Chile and Argentina and is 45 kilometers from the closest settlement/agricultural areas in Chile and 156 kilometers from the closest settlement in Argentina. It is situated between 4,200 and 5,200 meters above sea level in the Andes at 29° 20'S Latitude. The Pascua-Lama site is mountainous terrain that cannot be used for farming – there is minimal vegetation above 4,200 meters and minimal wildlife even in summer months. Only six per cent of the project site area has any vegetation – of which 0.1 per cent (or 0.8 hectares) will be affected. There is no vegetation in the pit area.

Barrick has been monitoring flora and fauna around the site for several years. The Company is also working with the University of La Serena, Chile, and the University of Waterloo, Canada, on programs to propagate native species and those challenged by the climactic conditions in Chile. The company is already conserving natural vegetation in the area around its nearby Veladero mine in Argentina. A project to rehabilitate vegas (vegetation found in alpine valleys) is already achieving excellent results, with over 20 square kilometers successfully cultivated (see photo below).

The Huasco Province in Region III of Chile has a population of 66,000 people. There are four municipalities including Vallenar (48,000), Huasco (6,000), Frierina (7,000), and Alto del Carmen (5,000). Vallenar has the highest unemployment rate (18 per cent) in all of Chile.

Farmers represent about one per cent of the population in the Huasco province. This is not surprising as only 0.4 per cent (or 7,000 hectares) of the land in the Huasco valley is arable or suitable for agricultural purposes.



10. I read on the Internet that the local communities won't benefit from this mine at all. Is that true?

No. The economic benefits will be substantial. Pascua-Lama will create 5,500 jobs directly during its construction stage (2006-2009) and 1,660 jobs over its estimated 20 years of operations. With unemployment rates hovering around 18 per cent in Vallenar, the capital of Huasco province, this project will significantly improve the local economy and provide much-needed jobs. In addition, it is estimated that there will be at least 2.5 indirect jobs created for each permanent job during construction and operation, along with many other spin-off economic benefits.

Barrick is committed to working with local employees. In the last year alone, more than 3,500 people from the Huasco Valley have participated in basic initial industrial training to acquire skills and knowledge to work on the Pascua-Lama project or other projects in the region.

The Company has successfully implemented a policy of hiring and training local and regional employees. In Argentina for example, at its Veladero mine, 94 per cent of the employees are Argentinian. At the Company's Pierina mine in Peru, 97 per cent are Peruvian. For Pascua-Lama, the Company is already making a significant investment in a professionally managed recruiting, selection, and training program to achieve its objective of maximizing local employment.

Similarly, the Company has targeted a significant component of the estimated US$1.5 billion capital investment for goods and services that it believes can be directly obtained in the Huasco province in Chile and the San Juan province in Argentina, either through existing capabilities and capacity or by expanding and creating new ones in conjunction with the community. During construction, an estimated US$250 million in goods and services has been targeted for local suppliers and an estimated US$80 million on an annual basis will be invested in the region from the operation of the mine over the course of its currently estimated 20-year life. The Company has identified more than 600 potential suppliers from Chile's Region III and 400 from the San Juan Province in Argentina. Barrick is working with these suppliers to prepare them to sell these goods and services to the project once work begins.

Sustainable development projects have been and will continue to be a priority for millions of dollars in funding for improving education, health, infrastructure, small business capacity and local production capabilities, including manufacturing and agro-industrial projects.

11. What suggestions from the approval review process have been incorporated into the project design?

The following suggestions will be implemented:

- The redundant barriers in the system for capturing potential drainage from surface or subterranean water that may come in contact with the sterile rock deposits have been supplemented with pumping systems to ensure positive early removal of any contaminated water that may escape the passive systems.

- A passive cutoff wall has been added under the last collection barrier down to bedrock to provide a seal against any possible fugitive subterranean waters that may penetrate past the multiple redundant collection barriers upstream. The emergency pumps originally planned at this location will be retained downstream of the cutoff wall as a contingency. This is the point (NE5) at which the project water quality will be measured against baseline.
- Impermeable lined ponds have been increased to sufficient capacity to provide protection downstream of the last barrier below the project even in extreme runoff events - such as runoff from an extreme El Nino year or an unusually rapid snow melt - during the life of the mine and after closure.
- Any surface or subterranean water that comes in contact with mining operations will be captured, treated and now completely reused in the mine operations. A third step, an oxidation process, has been added to the water treatment facility and a polishing pond has been added downstream of the treatment plant to ensure the quality of the treated water and accommodate any potential treatment plant upsets. There are no planned discharges to the environment.
- The number of non process control monitoring points has been increased from 20 to 34, of which 30 will be automated stations from which data will be readily available in real time for the authorities and the public.
- Water quality will be monitored at a point (NE4) approximately 15 kilometers downstream of the project for conformance to Chilean standard NCh-1333 for irrigation water.
- Water quality will be monitored at a point (NE8) where the water leaves Barrick property, approximately 15 kilometers downstream of NE4 for compliance with NCh 409 for potable water.
- Water quality will be measured at 3 points approximately 15 kilometers downstream of NE8, above the village of Conay, which is the first community downstream of the Project.

12. Now that the Chilean government has approved the project and there is no further appeal, what will Barrick do?

Barrick will continue to advance the project, finalize the detailed designs which comply with the EIA approval in Chile and complete the review process in Argentina. The Company will continue to engage in meaningful dialogue with the stakeholders in the Huasco Valley and San Juan Province and beyond.

Barrick is committed to high standards and the long term interests of the areas in which we operate and the sustainability of the environment, communities, and livelihood of our neighbors in the areas affected by our operations.

We are proud of the work we are doing, the contributions of our people, the collaboration with communities and of the extensive support we have for our initiatives at the local and regional level.

Chronology of Pascua-Lama

1994

Barrick acquires the property in Chile which contained 1.8 million ounces of gold - over time, the company makes a substantial investment in exploration and finds that the multi-million ounce orebody extends into the Argentine side of the border; Barrick starts to build thorough database for environmental impacts study.

2000

The Mining Integration Treaty is ratified by both Chile and Argentina to facilitate development of cross-border mining. Barrick submits an Environmental Impact Assessment (EIA) to Chilean authorities.

2001

Chilean authorities grant approval for the project. Due to low gold prices, Barrick postpones development of Pascua-Lama and works to refine engineering, location of facilities and further improve the project.

2004

July - Barrick announces that it will proceed with the project's development and engages in community consultation. November - Barrick submits an EIA in Argentina.December - Barrick submits modifications to the project that was approved in Chile and updates EIA.

2005

Extensive public discussions and consultations occur throughout the year; Barrick works with stakeholders particularly farmers who are represented by the Huasco Water Users Cooperative which voted 94 per cent to support the project; experts from a variety of disciplines participate and validate information; exchange of information on Pascua-Lama is one of the most extensive reviews in Chilean environmental permitting history.

2006

February - Chilean authorities (COREMA), the regional environmental authority, unanimously pass a resolution (RCA 024/2006) granting conditional approval of Pascua-Lama and place more than 400 conditions to ensure its development is to the highest standards; COREMA says that "the company shall only access the ore in a manner that does not remove, relocate, destroy or physically intervene the Toro 1, Toro 2, and Esperanza glaciers." A similar extensive process has been underway for approval in Argentina since November 2004 and approval is pending.

March - 46 individual appeals are lodged with CONAMA, the national environmental authority and considered.

On June 13, CONAMA announce that they have rejected 44 of them and accepted two reinforcing conditions already stipulated in the RCA 024/2006 related to the water quality monitoring on the Estrecho River and noise levels in the vicinity of schools on the San Felix road.