BARRICK

Speech

All Amounts in United States Dollars

Speech Given by: Alex Davidson
Senior Vice-President, Exploration

To: Investing in the Americas

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Good morning, ladies and gentlemen,

As always, it is a great pleasure to take part in the Investing in the Americas conference. Our hosts are to be congratulated. Once again, we can look forward to enhancing our professional knowledge, while enjoying the companionship of colleagues from around the world.

Barrick, of course, relates very closely to the theme of "investing in the Americas," because North and South America have been the heart of our business to date. Even with our new venture in Tanzania, the Bulyanhulu Mine, we remain deeply committed to this hemisphere.

It is, after all, home to Goldstrike and Pierina, which between them contribute 87% of our gold production, as well as to our Canadian mines, our great mine project at Pascua-Lama, and extensive exploration and reserve-development programs.

Our work with these assets illustrates the disciplined, business approach we take to the gold industry. Results show why we are so committed to this approach.

Barrick is now the 4th largest gold producer in the world, and the most profitable. Despite continued weakness in the gold price environment, 2000 was our best year ever on several key fronts.

- We produced a record 3.7 million ounces of gold, at $145 per ounce - the lowest cost among our peer group.
- Reserves at year-end were 58.5 million ounces - virtually unchanged, despite record production and our decision to drop our reserve calculation price from $325 to $300 per ounce.
- We generated record operating earnings of $334 million, and cash flow of

Barrick Gold Corporation
Royal Bank Plaza
South Tower, Suite 2700
Toronto, Canada
M5J 2J3
Tel. (416) 861-9911
Fax (416) 861-0727

$705 million.

- Our operating mines generated more than a half-billion dollars of free cash flow.
- And, best of all, we achieved high, sustainable cash margins, averaging $200 an ounce. We're confident that we can maintain these margins for at least the next ten years - even at today's gold price.

I referred to our disciplined, business approach to the gold industry. Our focus is:
- to produce gold for the lowest price and sell it for the highest price;
- to pursue the highest possible return on capital; and
- to build our Company to perform well, whether the gold price is weak or strong.

We therefore concentrate on three financial objectives:
1. To increase earnings and cash flow;
2. To improve the return on equity; and
3. To maintain a strong balance sheet.

We achieve these objectives through the following operating strategies:
1. To increase profitable production;
2. To lower costs;
3. To expand our high-quality reserves; and
4. To maximize revenues through our Premium Gold Sales Program.

Note those distinctions, because they are crucial to our approach. Not just more production, but more profitable production; not just more reserves, but more high-quality reserves; and always, always - lower costs.

These operating strategies guide every step we take at our producing mines. Consistent with our emphasis on quality, all these mines are located on one or another of the most prospective gold belts in the world:

- the Carlin Trend in Nevada, home to our Goldstrike operation;
- the Andean Cordillera of north-central Peru, where Pierina is located;
- the Abitibi Greenstone Belt of eastern Canada, which hosts both Bousquet and Holt-McDermott; and, as of this April,
- the Lake Victoria Greenstone Belt in Tanzania, home to Bulyanhulu.

Bulyanhulu is far from the Americas, and therefore far from the topic of these remarks. However, it is our newest baby, and you will perhaps permit me to say that we're extremely pleased with it.
- The average grade is nearly one-half ounce per ton.

- We now have a continuous sheet of mineralization almost 5 kilometres long by 2 kilometres deep - twice the size of our original estimate.
- As of year-end 2000, reserves and resources stand at 14.6 million ounces. This is an excellent indication of reserve potential as well, since our conversation rate is nearly 100%.
- The current plan calls for 260,000 ounces of production this year, and the full 400,000 ounces by 2003. However, as reserves expand, we are already considering an increase to 500,000 ounces a year.

Right - enough Buly! Back to the Americas! And believe me, there is a great deal to excite and occupy us on this side of the Atlantic as well. Furthermore, it is the mines here in the Americas that allowed us to meet all our objectives in 2000.

The first objective, remember, is to increase profitable production. 2000 was a record year - 3.7 million ounces of gold. Our two powerhouses, the Goldstrike mines and Pierina, produced 87% of the total. Collectively, our operating mines generated over $530 million in free cash flow - and that's after capital expenditures.

In 2000, Goldstrike set yet another production record. This time it was because of the added capacity that was gained when the new roaster came onstream.

Pierina, a heap leach operation not far from Huaráz, had an outstanding year as well. The mine team in that beautiful mountain location reworked Pierina's mine plan, to bring ounce production forward. The plan had called for annual production of 750,000 ounces for the first three years. Instead, by the end of 2001, which is year three, the mine will have averaged 850,000 ounces a year.

Barrick's second operating strategy is to lower costs. In 2000, every single operation reduced unit costs, for the fourth consecutive year. As a result, the Company's cash costs have dropped from $217 an ounce in 1996 - which was an industry pace-setter at the time - to $145 per ounce in 2000. Nobody, as far as we know, has achieved a better rate of improvement than that.

I want to mention two examples at the Goldstrike operation, because they illustrate two different ways to cut costs. The first involves spending money. If you make a wise capital investment that allows you to maximize reserve recovery, the result is - you reduce costs.
During 2000, we commissioned the Goldstrike roaster, which will allow us to recover gold from the carbonaceous ores with maximum efficiency. Over the life of the Property, this will reduce processing costs by $350 million, net of investment. Over time, we also expect throughput to be higher than design, and costs 10% lower.

My second Goldstrike example illustrates the cumulative impact of many smaller changes. In the last few years, Betze-Post has cut some $400 million out of its mine-life cost structure. It has done so by combining roductivity improvements, including the accelerated purchase of larger trucks, with a range of operational efficiencies in the pit.

But Pierina is probably the most striking example of cost cutting, because that Mine already had our lowest cash costs. However, the team sharpened their pencils and, while reworking the mine plan, found some operating improvements. Result: they reduced life-of-mine average cash costs from $100 an ounce, to less than $90.

And now for our third operating strategy: to expand high quality reserves. Once again, Pierina provides a good example of our approach. The Property added 500,000 ounces to reserves in 2000. This isn't much in absolute numbers - not when you think of our 58-million ounce total.

However, these are the highest cash-margin ounces in our portfolio. Last year, each low-cost Pierina ounce generated $250 in free cash flow. Combine that with the year's cost-cutting measures and in 2000 we added over $100 million of value to the Property.

That's why Barrick places such emphasis on quality reserves: they mean profitable production, and high free cash flow. They are the future strength of our Company.

We build that future through our District Development Programs, which are linked with each mining operation. We establish a presence on a prospective gold belt; we develop that hub as we add to our holdings; and we then methodically explore the region. At Goldstrike, for example, we first developed the Betze-Post Mine. Next we found and developed the adjacent Meikle Mine, and now we are developing yet another major deposit, Rodeo, as a new component of the Meikle Mine.

The District Development Program around our Bulyanhulu Mine is well under way, and very prospective. We now control over 7200 square kilometres on the Belt, which we think could be one of the most important gold-producing Archean regions in the world. We expect it to offer similar rewards to those we have enjoyed at Goldstrike: additional high-quality deposits, which we can develop at lower cost because of the infrastructure already in place.

However, at Barrick, development is not automatic - even when the deposit in question is substantial, and even though we have the resources to proceed at will.

It's wonderful to have the financial means to say, "Yes." But sometimes, in our business approach to the industry, we need the discipline to say, "Not right now."

Case in point: our Pascua-Lama Project in Chile and Argentina.

It's an outstanding deposit, and, after six years of exploration, we still don't know its full extent. It certainly has the potential to be one of the biggest gold/silver mines in the Americas, with current resources of over 25 million ounces of gold and 594 million ounces of silver. Last April, I described our three-phase development plan to you with great enthusiasm.

Last December, however, we announced our decision to postpone construction. The decision reflected the realities of a weak gold and silver price environment. The deferment allows us to retain complete financial flexibility, without diminishing Pascua-Lama's potential.

That vast deposit isn't going anywhere - and neither are we. We are continuing with the engineering work, and with significant enhancements and cost-savings to the development plan. Pascua-Lama is a long-life, quality asset, and we will proceed with its development when it makes business sense to do so.

As I said, this decision was made from a position of strength. Operationally speaking, we have three key operating assets (Goldstrike, Pierina and Bulyanhulu) to provide production now, and reserves for the future.

Financially, we can choose to build Pascua-Lama when conditions are right, because our balance sheet is the strongest in the industry. At year-end 2000, we had cash of $623 million, virtually no net debt, and shareholders' equity of $3 billion.

That observation brings me to Barrick's fourth strategy: to maximize revenues through our Premium Gold Sales Program. By selling between three and four years' worth of production while it is still in the ground, this Program reduces our exposure to gold-price volatility. More than that, it adds an additional stream of predictable, substantial revenue to the Company bottom line.

For 13 straight years, the price we realize on our production has been higher than the industry average spot price. In 2000 alone, that difference generated $300 million in additional revenues. Each year we fine-tune Program details, but never touch the fundamental principles, for they serve Barrick well.

The dependability and the scale of this revenue stream allows us to invest in and expand our mines. These activities add further value to the Company, which in turn strengthens the Premium Gold Sales Program. As you can see, there is a high level of synergy between Operations and Finance. Together, they add up to much more than their separate parts.

For example, we used free cash flow generated by our operating properties to buy Arequipa Resources, which is how we acquired Pierina. More recently - last year, in fact - we used free cash flow to buy the exploration company Pangea Goldfields, and fold it into our District Development Program in Tanzania.

Then, whenever these development programs allow us to bring new assets into production, we're able to add that production to our Premium Gold Sales Program - and generate even more free cash flow.

Ladies and gentlemen, that brings you up to date on our gold projects in Latin America. Let me now look forward for a moment, and discuss our major exploration and reserve development activities for 2001.

This year, we expect to spend a total of $45 million dollars on reserve development on and around our existing properties. The work is carried out through our District Development Programs, and is based on the assumption that the best place to find gold is ... right next to the place where you have already found gold.

More than half of that $45 million total is allocated to the Americas. The majority of the work will be done at Goldstrike and at Pascua-Lama. We will spend $7 million at Goldstrike, primarily for exploration in the Banshee area north of Meikle, but also for continued drilling at Meikle and Rodeo.

At Pascua-Lama, we have spent $10 million this season on a 8,500-metre drill program. The main focus was the Filo Federico Norte target, where in-fill and extension drilling defined the limits of the mineralization. The Porfiada and lama Central targets were drill-tested during the year as well.

Barrick is also involved in many Joint Venture agreements in the area. One of the most important is a 40% interest in the Veladero Property, which is adjacent to Pascua-Lama on the Argentinean side of the border.

Now, Veladero is the subject of Don Lewis' presentation later this morning, and I wouldn't dream of trying to steal Don's thunder! So I'll just observe that we were very pleased by the results of the 2000 program, which brought our share of the resource to 3.9 million ounces, and that we anticipate positive results from the 2001 program as well. We are also continuing joint-venture exploration in the area with partners such as IMA, TNR Resources and Viceroy.

Another of the Company's major Joint Venture agreements concerns the Dee and Rossi properties in Nevada. They lie three miles north of Goldstrike on the same rich Post Fault that defines our Meikle, Griffin, Rodeo, Goldbug and Betze-Post deposits.

At Rossi, we have an agreement with Meridian Gold to earn a 60% interest in the property. Since signing that agreement in 1998, we have spent over $10 million on a number of drill programs. Results to date have been good. We expect to carry out a 32,000-foot program during 2001, focused on targets outside the known area of mineralization.

At Dee, we also have an agreement to earn a 60% interest in the property. In 2001, we expect to complete approximately 23,000 feet of drilling to test new targets and to conduct follow-up drilling on mineralization encountered during the 2000 program.

As you may know, Barrick is not noted for doing early-stage or grassroots exploration. However, because of the drastic downturn in the markets and the related inability of juniors - whom we consider our pathfinders - to raise financing, we now find ourselves involved in more earlier-stage projects than ever before.

Our involvement may take two different forms. One is to continue to fund junior companies with projects in areas that we like - for example, Western Keltic in the Pogo area of Alaska. The other approach is to do earlier-stage exploration ourselves.

We are currently active in southern Peru, where we are using state-of-the-art airborne hyperspectral imagery to locate targets; in northern Chile on the Paleocene Belt; and in Patagonia in Argentina. Barrick likes to see a thriving junior industry, and we will continue to support it, but at the same time we intend to continue our own in-house early-stage efforts.

Looking ahead, ladies and gentlemen, Barrick anticipates a very strong year. We expect to produce 3.8 million ounces of gold in 2001, at $156 per ounce - the lowest cost in the industry. As a result, we anticipate strong earnings and cash flow especially free cash flow.

I wish some crystal ball allowed me to be as clear about the prospects for the industry as a whole! Still, it does seem likely that the gold-price environment will continue to pose major challenges for many companies. As a result, competition for quality assets may continue to decline, and the trend to consolidation will probably intensify.

If that happens, Barrick will benefit. We have the discipline to thrive in a more rigorous industry context, and we have the financial strength to be selective in our acquisitions. We need only pursue the projects that will add the most value.

And if, on the other hand, the gold price improves, we will also benefit. For example, it will allow us to open the throttle on projects within our control - such as Pascua-Lama, for example!

Thank you.

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