

15 May 2020

**Barrick Gold Corporation
("Barrick")**

**Recommended Share Offer for Acacia Mining Plc ("Acacia") by Barrick
effected by means of a Scheme of Arrangement under Part 26 of the Companies
Act 2006 (the "Scheme")**

1. Introduction

This note is intended to provide UK resident Scheme Shareholders with certain further information in relation to the UK capital gains tax treatment of the disposal of their Scheme Shares under the Scheme, which became effective on 17 September 2019.

Since the implementation of the Scheme, HM Revenue and Customs have agreed the valuation of the Special Dividend Rights for capital gains purposes and certain aspects of the capital gains treatment of the receipt of the Special Dividend Rights by UK resident Scheme Shareholders.

Unless otherwise defined, capitalised terms used in this note have the meanings given to them in the scheme document published by Barrick on 12 August 2019 (the "**Scheme Document**").

The paragraphs below are intended as a general guide only to the treatment of the disposal of the Scheme Shares for the purposes of UK capital gains tax and do not constitute tax advice. This guidance has been prepared to assist Scheme Shareholders with their tax obligations. Barrick is under no obligation to provide such advice and therefore cannot take any responsibility for the tax position of any individual Scheme Shareholder. These paragraphs relate only to certain limited aspects of the UK capital gains tax treatment of Scheme Shareholders and insofar as any of the below relates to UK individual Scheme Shareholders it is intended to apply only to Scheme Shareholders who are resident and domiciled in the UK for UK tax purposes at all relevant times and who are and were the absolute direct beneficial owners of their Scheme Shares ("UK Holders").

The comments only apply to Scheme Shareholders who held, and will hold, their shares as capital investments and not as securities to be realised in the course of a trade (and the shares were not held, and are not held, through an individual savings account (ISA) or a self-invested personal pension (SIPP)). They may not apply to certain shareholders, such as dealers in securities, insurance companies and collective investment schemes, shareholders who are exempt from taxation, shareholders who acquired their ordinary shares under share plans and shareholders who have (or are deemed to have) acquired their ordinary shares by virtue of an office or employment. Such persons may be subject to special rules. Any Scheme Shareholder who is in any doubt about their tax position are advised to consult an appropriate independent professional tax adviser.

Unless otherwise specified, all legislative references in this note are references to the Taxation of Chargeable Gains Act 1992.

2. Apportionment of base cost

As set out in paragraph 1 of Part 6 of the Scheme Document, it may be necessary for UK Holders within the charge to the UK capital gains tax on a disposal of their Scheme Shares to apportion their base cost in their Scheme Shares between the New Barrick Shares, Special Dividend Rights and any cash received in lieu of any entitlement to a fraction of a New Barrick Share ("**Fractional Entitlement Cash**") received by them under the Scheme. The apportionment of the base cost in their Scheme Shares needs to be determined by reference to the respective market values of the consideration received.

Market Value of the Special Dividend Rights

At closing on 16 September 2019, the Scheme Shares traded at £2.34 per share on the LSE as recorded by Bloomberg whilst the New Barrick Shares traded at \$17.10 per share on the NYSE as recorded by Bloomberg. At a closing exchange rate of \$1.24968/£1, the Scheme Shares were trading at \$2.92 per share. At an exchange ratio of 0.168, the value of the New Barrick Shares received by the Scheme Shareholders was \$2.87 (i.e. \$17.10 x 0.168). The resultant value attributed to the Special Dividend Rights is therefore \$0.05 per Scheme Share. This valuation has been agreed by HM Revenue & Customs.

The market value attributed to the Special Dividend Right is therefore 1.71% of the value of the Scheme Shares (i.e. \$0.05/\$2.92).

"Small" treatment

Where the value of the Special Dividend Rights and Fractional Entitlement Cash received by a UK Holder for their Scheme Shares is either:

- 5 per cent or less of the value of the Scheme Shares; or
- £3,000 or less (whether or not this amounts to 5% or less of the value of the Scheme Shares),

HMRC have indicated that the receipt by the UK Holder will be regarded as "small" for the purposes of UK capital gains tax.

If the value of the Special Dividend Rights and Fractional Entitlement Cash received by a UK Holder is "small", the receipt should not be treated as a disposal of the Scheme Shares, but rather the amount distributed should be deducted from the UK Holder's base cost attributable to the New Barrick Shares (provided that the UK Holder has sufficient base cost to allow such deduction). In this scenario, HM Revenue and Customs have confirmed that there would be no capital gains tax arising to the UK Holder as a result of the Scheme.

Apportionment on part disposal

If either (i) the receipt of the Special Dividend Rights and the Fractional Entitlement Cash is not "small" or (ii) a UK Holder does not have sufficient base cost in the New Barrick Shares to deduct from, then there will be a part disposal of the Scheme Shares for the purposes of UK capital gains tax. In determining any capital gain arising on this part disposal, the apportionment of the base cost in the Scheme Shares to the Special Dividend Rights will reflect the \$0.05 valuation of the Special Dividend Rights agreed with HM Revenue & Customs.