Barrick Gold Corporation
PDAC, Toronto – March 2003

BARRICK



FLIGHT OF SPECULATIVE CAPITAL
LOW METAL PRICES

CONSOLIDATION

PDAC 2003: The Impact of Consolidation on Exploration

CONSOLIDATION

PRICES

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2000

Billiton → Rio Algom
Phelps Dodge → Cyprus Amax
Grupo Mexico → Asarco
Rio Tinto → North

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2001

Billiton ↔ BHP
+
14 mergers/acquisitions
+
10 mine transactions

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CONSOLIDATION

THE FORCES

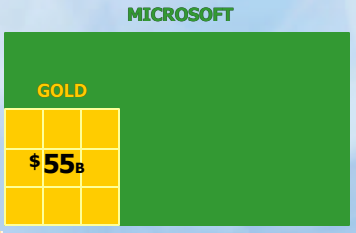
THE OUTLOOK

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THE FORCES

1. Investor Demand
   - Large and profitable
   - Continual growth

THE FORCES



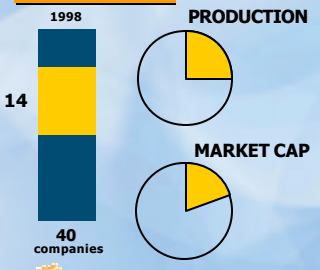
THE FORCES

2. Improve Rate of Return
   - Reducing operating costs
   - Improving margins
   - Operating smarter
   - Increasing productivity
   - Synergies

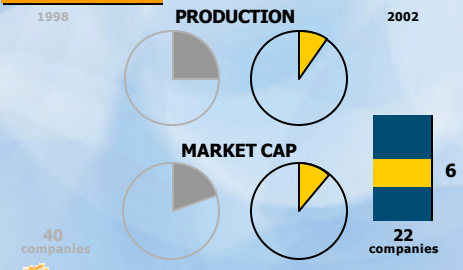
THE FORCES

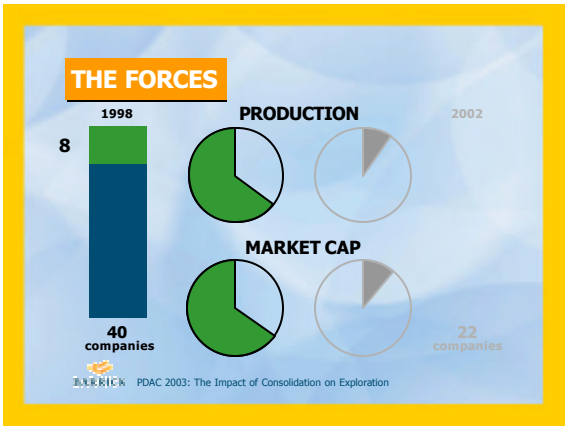
3. Increase Production and Growth
   - Less exploration
   - Fewer discoveries

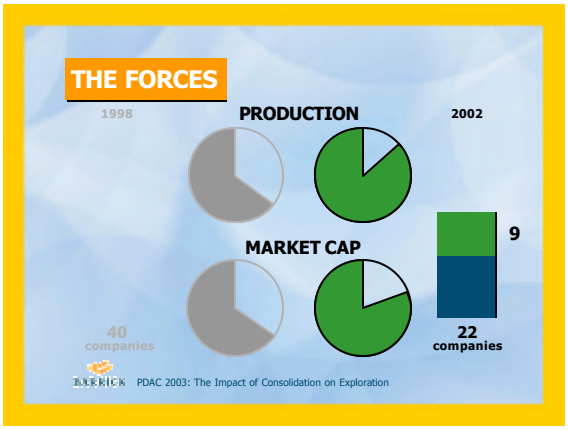
THE FORCES

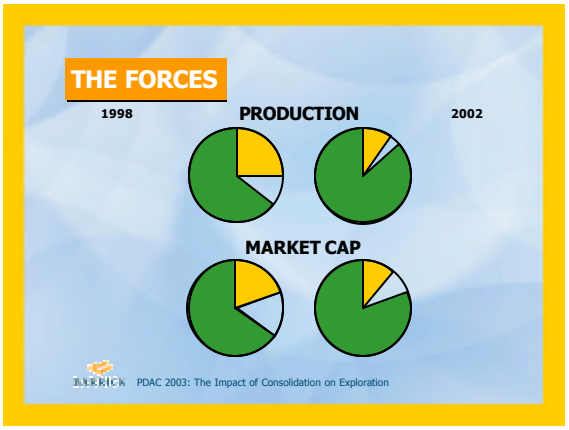


THE FORCES



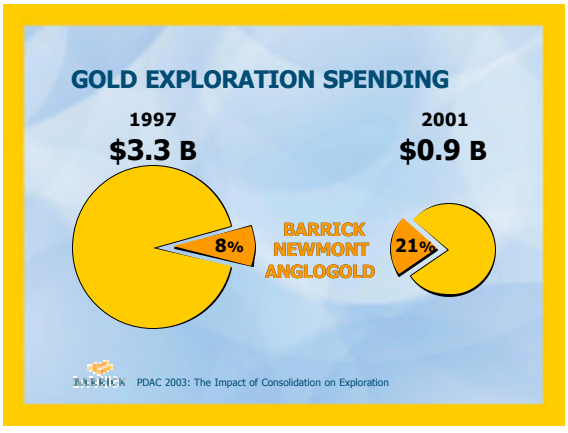

THE FORCES
1998
PRODUCTION
2002
8
MARKET CAP
40
companies
22
companies
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THE FORCES
1998
PRODUCTION
2002
MARKET CAP
9
40
companies
22
companies
PDAC 2003: The Impact of Consolidation on Exploration


THE FORCES
1998
PRODUCTION
2002
MARKET CAP
PDAC 2003: The Impact of Consolidation on Exploration

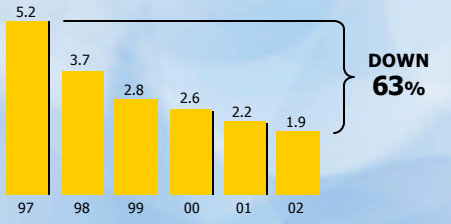

THE FORCES
Economies of scale
Need to improve ROR
Need for growth
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THE IMPACT
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GOLD EXPLORATION SPENDING
1997
$3.3 B
2001
$0.9 B
8%
BARRICK
NEWMONT
ANGLOGOLD
21%
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TOTAL EXPLORATION BUDGETS

US$ billions





DECREASED JUNIOR EXPLORATION SPENDING

- Lack of risk capital
- Asian crisis
- Low prices

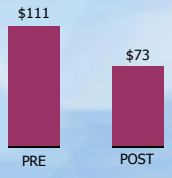
EXPLORATION CUTBACKS

- Loss of 8 mining and exploration companies in 2001
- Loss of $166 million in exploration budgets

EXPLORATION CUTBACKS

US$ millions

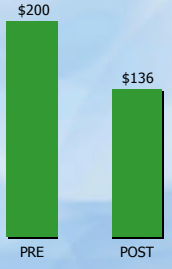
NEWMONT NORMANDY



EXPLORATION CUTBACKS

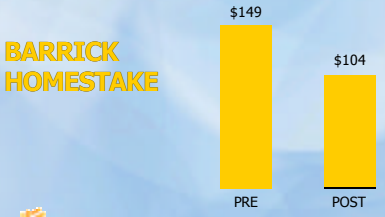
US$ millions

BHP-BILLITON



EXPLORATION CUTBACKS

US$ millions



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EXPLORATION STRATEGIES

- 5 million-ounce-plus deposits
- ROR that exceeds cost of capital

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5 MILLION-OUNCE DEPOSITS

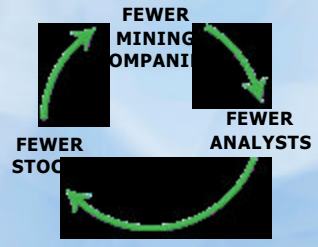
1994 - 1998	1999 - 2003
10	2

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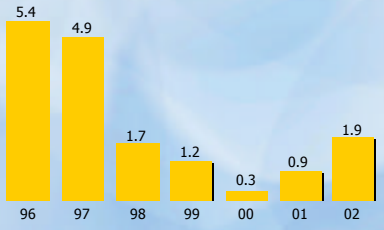


THE INVESTMENT INDUSTRY



MINING INDUSTRY FINANCINGS

US$ billions



REDUCED EXPLORATION R&D

AUSTRALIA

60%

IN 3 YEARS

- CAMIRO: 4 fewer sponsors
- MIRA/AMIRA: merge to reduce competition for sponsors

REDUCED EXPLORATION R&D

LESS R & D SPENDING

LESS EXPLORATION SUCCESS

TECHNOLOGICAL ADVANCES

- Quantec's Titan System
  - Deeper penetration
  - Mapping at depth
- Hyperspectral Imaging
  - Map different alteration minerals

TECHNOLOGICAL ADVANCES

LESS R & D SPENDING

SHORT TERM SAVINGS

SYNERGIES AND OPPORTUNITIES

- Larger contiguous land packages
- New exploration areas
- Spin-off opportunities
- Increased market cap attracts more attention

THE OUTLOOK

WILL CONSOLIDATION CONTINUE?

THE OUTLOOK

- Shortage of new discoveries
- Potential industry-production declines
- Investor interest in growth prospects
- Increase pressure on low-growth companies to acquire
- Inter-company swaps and reshuffles

THE OUTLOOK

MAJORS ? **MIDCAPS ?** **JUNIORS ?**

THE OUTLOOK

BARRICK

- 4 new mines
- 5-year timeline
- 2 million new ounces
- $125 cost per ounce
- Starting in 2005

THE OUTLOOK

BARRICK

The most expansive program in the industry

Barrick Gold Corporation
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The Impact of Consolidation on Exploration

PDAC 2003: The Impact of Consolidation on Exploration

INVESTOR DEMANDS	INCREASED COMPETITION	LOWER PRICES	LOWER BUDGETS
LOWER R&D	FEWER JOBS	NEW SYNERGIES	EXPANDED HORIZONS

DISAPPEARING EXPLORATION DOLLARS

BIG COMPANIES NEED TO SPEND MORE

WE NEED MORE SPECULATIVE CAPITAL

WE NEED A CONTINUING HIGH GOLD PRICE



BARRICK