

## Consolidated Statements of Income

Barrick Gold Corporation (in millions of United States dollars, except per share data) (Unaudited)	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
<b>Revenue (notes 5 and 6)</b>	<b>\$2,678</b>	\$1,837	<b>\$6,834</b>	\$5,339
<b>Costs and expenses (income)</b>				
Cost of sales (notes 5 and 7)	1,889	1,315	4,924	3,643
General and administrative expenses	68	71	181	212
Exploration, evaluation and project expenses	86	89	258	259
Impairment (reversals) charges (notes 9B and 13)	(872)	431	(857)	492
Loss on currency translation	40	62	56	152
Closed mine rehabilitation	5	(6)	46	(6)
Income from equity investees (note 12)	(38)	(19)	(116)	(45)
Loss (gain) on non-hedge derivatives	1	—	—	(3)
Other (income) expense (note 9A)	(1,852)	16	(1,818)	55
<b>Income (loss) before finance costs and income taxes</b>	<b>\$3,351</b>	(\$122)	<b>\$4,160</b>	\$580
Finance costs, net	(125)	(159)	(363)	(428)
<b>Income (loss) before income taxes</b>	<b>\$3,226</b>	(\$281)	<b>\$3,797</b>	\$152
Income tax expense (note 10)	(791)	(105)	(999)	(422)
<b>Net income (loss)</b>	<b>\$2,435</b>	(\$386)	<b>\$2,798</b>	(\$270)
<b>Attributable to:</b>				
Equity holders of Barrick Gold Corporation	\$2,277	(\$412)	\$2,582	(\$348)
Non-controlling interests	\$158	\$26	\$216	\$78
<b>Earnings (loss) per share data attributable to the equity holders of Barrick Gold Corporation (note 8)</b>				
Net income (loss)				
Basic	\$1.30	(\$0.35)	\$1.47	(\$0.30)
Diluted	\$1.30	(\$0.35)	\$1.47	(\$0.30)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## Consolidated Statements of Comprehensive Income

Barrick Gold Corporation (in millions of United States dollars) (Unaudited)	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Net income (loss)	<b>\$2,435</b>	(\$386)	<b>\$2,798</b>	(\$270)
<b>Other comprehensive (loss) income, net of taxes</b>				
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Unrealized gains (losses) on derivatives designated as cash flow hedges, net of tax \$nil, (\$1), \$nil and (\$7)	—	5	—	15
Realized (gains) losses on derivatives designated as cash flow hedges, net of tax \$nil, \$1, \$nil and \$1	—	(1)	—	(1)
Currency translation adjustments, net of tax \$nil, \$nil, \$nil and \$nil	<b>(1)</b>	(6)	<b>(4)</b>	(4)
<b>Items that will not be reclassified to profit or loss:</b>				
Actuarial gain (loss) on post employment benefit obligations, net of tax \$nil, \$nil, \$nil and \$nil	—	—	—	1
Net unrealized change on equity investments, net of tax \$nil, \$nil, \$nil and \$nil	<b>53</b>	(4)	<b>61</b>	(12)
Net realized change on equity investments, net of tax \$nil, \$nil, \$nil and \$nil	—	—	<b>(1)</b>	—
<b>Total other comprehensive income (loss)</b>	<b>52</b>	(6)	<b>56</b>	(1)
<b>Total comprehensive income (loss)</b>	<b>\$2,487</b>	(\$392)	<b>\$2,854</b>	(\$271)
<b>Attributable to:</b>				
Equity holders of Barrick Gold Corporation	<b>\$2,329</b>	(\$418)	<b>\$2,638</b>	(\$349)
Non-controlling interests	<b>\$158</b>	\$26	<b>\$216</b>	\$78

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Consolidated Statements of Cash Flow

Barrick Gold Corporation  
(in millions of United States dollars) (Unaudited)

Three months ended  
September 30,      Nine months ended  
September 30,

	2019	2018	2019	2018
<b>OPERATING ACTIVITIES</b>				
Net income (loss)	\$2,435	(\$386)	\$2,798	(\$270)
Adjustments for the following items:				
Depreciation	559	363	1,460	1,016
Finance costs	129	163	381	440
Impairment (reversals) charges (notes 9B and 13)	(872)	431	(857)	492
Income tax expense (note 10)	791	105	999	422
Remeasurement of Turquoise Ridge to fair value	(1,886)	—	(1,886)	—
Gain on sale of non-current assets	(15)	(1)	(27)	(49)
Loss on currency translation	40	62	56	152
Change in working capital (note 11)	67	167	(263)	(69)
Other operating activities (note 11)	(126)	(63)	(112)	(204)
Operating cash flows before interest and income taxes	1,122	841	2,549	1,930
Interest paid	(31)	(29)	(196)	(212)
Income taxes paid	(87)	(106)	(395)	(364)
<b>Net cash provided by operating activities</b>	<b>1,004</b>	<b>706</b>	<b>1,958</b>	<b>1,354</b>
<b>INVESTING ACTIVITIES</b>				
Property, plant and equipment				
Capital expenditures (note 5)	(502)	(387)	(1,255)	(1,026)
Sales proceeds	13	1	31	53
Investment (purchases) proceeds	3	—	(4)	(39)
Cash acquired in merger	—	—	751	—
Other investing activities (note 11)	103	—	165	(5)
<b>Net cash used in investing activities</b>	<b>(383)</b>	<b>(386)</b>	<b>(312)</b>	<b>(1,017)</b>
<b>FINANCING ACTIVITIES</b>				
Lease repayments	(5)	—	(23)	—
Debt repayments	(264)	(649)	(280)	(680)
Dividends	(67)	(31)	(461)	(94)
Funding from non-controlling interests	102	5	116	17
Disbursements to non-controlling interests	(133)	—	(161)	(82)
Other financing activities	(2)	(29)	(2)	(29)
<b>Net cash used in financing activities</b>	<b>(369)</b>	<b>(704)</b>	<b>(811)</b>	<b>(868)</b>
<b>Effect of exchange rate changes on cash and equivalents</b>	<b>—</b>	<b>(4)</b>	<b>(1)</b>	<b>(6)</b>
Net increase (decrease) in cash and equivalents	252	(388)	834	(537)
<b>Cash and equivalents at the beginning of period</b>	<b>2,153</b>	<b>2,085</b>	<b>1,571</b>	<b>2,234</b>
<b>Cash and equivalents at the end of period</b>	<b>\$2,405</b>	<b>\$1,697</b>	<b>\$2,405</b>	<b>\$1,697</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## Consolidated Balance Sheets

Barrick Gold Corporation  
(in millions of United States dollars) (Unaudited)

As at September 30, As at December 31,

	2019	2018
<b>ASSETS</b>		
Current assets		
Cash and equivalents (note 14A)	\$2,405	\$1,571
Accounts receivable	311	248
Inventories	2,265	1,852
Other current assets	529	307
<b>Total current assets</b>	<b>\$5,510</b>	<b>\$3,978</b>
Non-current assets		
Equity in investees (note 12)	4,474	1,234
Property, plant and equipment	24,758	12,826
Goodwill	4,798	1,176
Intangible assets	227	227
Deferred income tax assets	334	259
Non-current portion of inventory	2,434	1,696
Other assets	1,332	1,235
<b>Total assets</b>	<b>\$43,867</b>	<b>\$22,631</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities		
Accounts payable	\$1,337	\$1,101
Debt (note 14B)	66	43
Current income tax liabilities	133	203
Other current liabilities	308	321
<b>Total current liabilities</b>	<b>\$1,844</b>	<b>\$1,668</b>
Non-current liabilities		
Debt (note 14B)	5,494	5,695
Provisions	3,664	2,904
Deferred income tax liabilities	2,692	1,236
Other liabilities	1,773	1,743
<b>Total liabilities</b>	<b>\$15,467</b>	<b>\$13,246</b>
Equity		
Capital stock (note 16)	\$29,228	\$20,883
Deficit	(11,020)	(13,453)
Accumulated other comprehensive loss	(102)	(158)
Other	2,043	321
<b>Total equity attributable to Barrick Gold Corporation shareholders</b>	<b>\$20,149</b>	<b>\$7,593</b>
Non-controlling interests	8,251	1,792
<b>Total equity</b>	<b>\$28,400</b>	<b>\$9,385</b>
Contingencies and commitments (notes 5 and 17)		
<b>Total liabilities and equity</b>	<b>\$43,867</b>	<b>\$22,631</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Consolidated Statements of Changes in Equity

Barrick Gold Corporation

Attributable to equity holders of the company

(in millions of United States dollars) (Unaudited)	Common Shares (in thousands)	Capital stock	Retained deficit	Accumulated other comprehensive income (loss) <sup>1</sup>	Other <sup>2</sup>	Total equity attributable to shareholders	Non-controlling interests	Total equity
<b>At January 1, 2019</b>	<b>1,167,847</b>	<b>\$20,883</b>	<b>(\$13,453)</b>	<b>(\$158)</b>	<b>\$321</b>	<b>\$7,593</b>	<b>\$1,792</b>	<b>\$9,385</b>
Net income	—	—	2,582	—	—	2,582	216	2,798
Total other comprehensive income	—	—	—	56	—	56	—	56
Total comprehensive income	—	—	2,582	56	—	2,638	216	2,854
Transactions with owners								
Dividends	—	—	(131)	—	—	(131)	—	(131)
Merger with Randgold Resources Limited	583,669	7,903	—	—	—	7,903	874	8,777
Nevada Gold Mines JV with Newmont Goldcorp Corporation	—	—	—	—	1,645	1,645	5,909	7,554
Acquisition of 36.1% of Acacia Mining plc	24,837	423	—	—	70	493	(495)	(2)
Issued on exercise of stock options	130	1	—	—	—	1	—	1
Funding from non-controlling interests	—	—	—	—	—	—	116	116
Other decrease in non-controlling interest	—	—	—	—	—	—	(161)	(161)
Dividend reinvestment plan (note 16)	1,299	18	(18)	—	—	—	—	—
Share-based payments	—	—	—	—	7	7	—	7
Total transactions with owners	609,935	8,345	(149)	—	1,722	9,918	6,243	16,161
<b>At September 30, 2019</b>	<b>1,777,782</b>	<b>\$29,228</b>	<b>(\$11,020)</b>	<b>(\$102)</b>	<b>\$2,043</b>	<b>\$20,149</b>	<b>\$8,251</b>	<b>\$28,400</b>
<b>At December 31, 2017</b>	<b>1,166,577</b>	<b>\$20,893</b>	<b>(\$11,759)</b>	<b>(\$169)</b>	<b>\$321</b>	<b>\$9,286</b>	<b>\$1,781</b>	<b>\$11,067</b>
Impact of adopting IFRS 15 on January 1, 2018	—	—	64	—	—	64	—	64
<b>At January 1, 2018 (restated)</b>	<b>1,166,577</b>	<b>\$20,893</b>	<b>(\$11,695)</b>	<b>(\$169)</b>	<b>\$321</b>	<b>\$9,350</b>	<b>\$1,781</b>	<b>\$11,131</b>
Net (loss) income	—	—	(348)	—	—	(348)	78	(270)
Total other comprehensive income (loss)	—	—	—	(1)	—	(1)	—	(1)
Total comprehensive (loss) income	—	—	(348)	(1)	—	(349)	78	(271)
Transactions with owners								
Dividends	—	—	(94)	—	—	(94)	—	(94)
Issued on exercise of stock options	20	—	—	—	—	—	—	—
Funding from non-controlling interests	—	—	—	—	—	—	17	17
Other decrease in non-controlling interests	—	—	—	—	—	—	(97)	(97)
Dividend reinvestment plan	996	11	(11)	—	—	—	—	—
Total transactions with owners	1,016	11	(105)	—	—	(94)	(80)	(174)
<b>At September 30, 2018</b>	<b>1,167,593</b>	<b>\$20,904</b>	<b>(\$12,148)</b>	<b>(\$170)</b>	<b>\$321</b>	<b>\$8,907</b>	<b>\$1,779</b>	<b>\$10,686</b>

<sup>1</sup> Includes cumulative translation losses at September 30, 2019: \$87 million (September 30, 2018: \$77 million).

<sup>2</sup> Includes additional paid-in capital as at September 30, 2019: \$1,998 million (December 31, 2018: \$283 million; September 30, 2018: \$283 million) and convertible borrowings - equity component as at September 30, 2019: \$38 million (December 31, 2018: \$38 million; September 30, 2018: \$38 million).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Barrick Gold Corporation.** *Tabular dollar amounts in millions of United States dollars, unless otherwise shown.*

## 1 > CORPORATE INFORMATION

Barrick Gold Corporation (“Barrick”, “we” or the “Company”) is a corporation governed by the *Business Corporations Act (British Columbia)*. The Company’s head office is located at Brookfield Place, TD Canada Trust Tower, 161 Bay Street, Suite 3700, Toronto, Ontario, M5J 2S1. The Company’s registered office is 925 West Georgia Street, Suite 1600, Vancouver, British Columbia, V6C 3L2. We are principally engaged in the production and sale of gold and copper, as well as related activities such as exploration and mine development. We sell our gold and copper into the world market.

We have ownership interests in producing gold mines that are located in Argentina, Australia, Canada, Côte d’Ivoire, Democratic Republic of Congo, Dominican Republic, Mali, Papua New Guinea, Peru, Tanzania and the United States. We have ownership interests in producing copper mines in Chile, Saudi Arabia and Zambia. We also have various projects located throughout the Americas and Africa. Refer to note 4 for information on acquisitions and divestments occurring during this year.

## 2 > SIGNIFICANT ACCOUNTING POLICIES

### A) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These interim financial statements should be read in conjunction with Barrick’s most recently issued Annual Report which includes information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies were presented in Note 2 of the Annual Consolidated Financial Statements for the year ended December 31, 2018 (“2018 Annual Financial Statements”), and have been consistently applied in the preparation of these interim financial statements, except as otherwise noted in Note 2B. These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on November 5, 2019.

### B) New Accounting Standards Effective in 2019

#### *Impact of Adoption of IFRS 16 Leases*

We have adopted the requirements of IFRS 16 Leases (“IFRS 16”) as of January 1, 2019. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all major leases where a lessee has the right to control the use of an identified asset. We elected to apply IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 Leases and IFRIC 4: Determining Whether an Arrangement Contains a Lease. The reclassifications and the adjustments arising from the new

leasing rules are therefore recognized on January 1, 2019. The details of accounting policy changes and the quantitative impact of these changes are described below.

### Accounting policy changes

Through 2018, assets acquired via a finance lease were recorded as an asset with a corresponding liability at an amount equal to the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment was allocated between the liability and finance cost using the effective interest method, whereby a constant rate of interest expense is recognized on the balance of the liability outstanding. The interest element of the lease was charged to the consolidated statements of income as a finance cost. Property, plant and equipment assets acquired under finance leases were depreciated over the shorter of the useful life of the asset and the lease term. All other leases were classified as operating leases. Operating lease payments were recognized as an operating cost in the consolidated statements of income on a straight-line basis over the lease term.

From January 1, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with

a lease term of 12 months or less. Low-value assets are generally comprised of IT-equipment and small items of office furniture.

#### Impact on consolidated financial statements

On adoption of IFRS 16, we recognized lease liabilities in relation to leases which had previously been classified as operating leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the weighted average incremental borrowing rate as of January 1, 2019 of 5.83%.

For leases previously classified as finance leases the entity recognized the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right-of-use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are applied after the date of initial application.

The following table reconciles the Company's operating lease obligations as at December 31, 2018 as previously disclosed in the Company's 2018 Annual Financial Statements, to the lease obligations recognized on initial application of IFRS 16 at January 1, 2019:

Barrick operating lease commitments disclosed as at December 31, 2018	\$ 167
Add: embedded service contracts not previously assessed as a lease	38
(Less): contracts reassessed as service agreements	(130)
(Less): short-term leases recognized on a straight-line basis as expense	(6)
(Less): low-value leases recognized on a straight-line basis as expense	(1)
(Less): discounting using the lessee's incremental borrowing rate of at January 1, 2019	(4)
<b>Discounted leases recognized as at January 1, 2019</b>	<b>\$ 64</b>
Add: finance lease liabilities recognized as at December 31, 2018	19
Add: leases acquired as part of the merger with Randgold on January 1, 2019	28
<b>Discounted lease liability recognized as at January 1, 2019</b>	<b>\$ 111</b>
Of which are:	
Current lease liabilities	37
Non-current lease liabilities	\$ 74

The recognized right-of-use assets relate to the following types of assets:

	September 30, 2019	January 1, 2019
Buildings, Plant & Equipment	\$ 80	\$ 69
Underground mobile equipment	8	7
Light vehicles and other mobile equipment	6	9
<b>Total right-of-use assets</b>	<b>\$ 94</b>	<b>\$ 85</b>

Right-of use assets were measured at the amount equal to the lease liability, except for onerous contracts.

The change in accounting policy affected the following items in the balance sheet on January 1, 2019:

- property, plant and equipment - increase by \$85 million
- deferred income tax assets - \$nil.
- debt - increase by \$92 million

There was no net impact on deficit on January 1, 2019.

Consolidated net income decreased by \$nil and \$1 million, respectively, for the three and nine months ended September 30, 2019 as a result of the adoption of IFRS 16.

#### Practical expedients applied

In applying IFRS 16 for the first time, we have used the following practical expedients permitted by the standard:

- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application;
- the adjustment of the right-of-use assets at the date of initial application by the amount of any provision for onerous contracts recognized immediately before the date of initial application; and
- to not separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

### 3 > SIGNIFICANT JUDGMENTS, ESTIMATES, ASSUMPTIONS AND RISKS

The judgments, estimates, assumptions and risks discussed here reflect updates from the 2018 Annual Financial Statements. For judgments, estimates, assumptions and risks related to other areas not discussed in these interim consolidated financial statements, please refer to Notes 3 and 28 of the 2018 Annual Financial Statements.

#### A) Provision for Environmental Rehabilitation ("PER")

Provisions are updated each reporting period for changes to expected cash flows and for the effect of changes in the discount rate and foreign exchange rate, and the change in estimate is added or deducted from the related asset and depreciated over the expected economic life of the operation to which it relates. We recorded a net increase of \$481 million (2018: \$66 million net decrease) to the PER at our minesites for the three months ended September 30, 2019 and a net increase of \$752 million (2018: \$148 million net decrease) for the nine months ended September 30, 2019 primarily due to the contribution of Newmont Goldcorp Corporation's assets to Nevada Gold Mines LLC on July 1, 2019, the acquisition of Randgold Resources Limited ("Randgold") on January 1, 2019 and a decrease in the discount rate.

Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of the significant judgments and estimates involved. Rehabilitation provisions are adjusted as a result of changes in estimates and assumptions and are accounted for prospectively. In the fourth quarter of each year, our life of mine plans are updated and that typically results in an update to the rehabilitation provision.

With respect to our U.S. properties, under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") and its state law equivalents, present or past owners of a property may be held jointly and severally liable for cleanup costs or forced to undertake remedial actions in response to unpermitted releases of hazardous substances at such property, in addition to, among other potential consequences, potential liability to governmental entities for the cost of damages to natural resources, which may be substantial. These subject properties are referred to as "superfund" sites. In addition to properties that have previously been designated as such, there is a chance that our current or legacy operations not currently designated as superfund sites in the U.S. could also be so designated as a superfund site in the future, exposing Barrick to potential further liability under CERCLA. The U.S. Environmental Protection Agency recently announced it is considering listing on the CERCLA National Priorities List a 322 square mile site in the San Mateo basin in New Mexico ("San Mateo Site") due to alleged surface and ground water contamination from past uranium mining. The San Mateo Site includes legacy operations of our wholly owned subsidiary Homestake Mining Company of California.

#### **B) Pascua-Lama**

The Pascua-Lama project received \$433 million as at September 30, 2019 (December 31, 2018: \$443 million) in value added tax ("VAT") refunds in Chile relating to the development of the Chilean side of the project. Under the current arrangement this amount plus interest, calculated from the date of receipt by Barrick, of up to potentially \$371 million (December 31, 2018: \$340 million) must be repaid if the project does not evidence exports for an amount of \$3,538 million within a term that expires on December 31, 2026. The terms of the current VAT arrangement in Chile are applicable to either an open pit or an underground mine design. In addition, we have recorded \$74 million in VAT recoverable in Argentina as at September 30, 2019 (December 31, 2018: \$112 million) relating to the development of the Argentine side of the project. These amounts may not be recoverable if the project does not enter into production and are subject to foreign currency risk as the amounts are recoverable in Argentine pesos.

#### **C) Contingencies**

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will be resolved only when one or more future events, not wholly within our control, occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. Refer to note 17 for further details on contingencies.

#### **D) Zambia Tax Matters**

The mining taxes assessed to the Lumwana Mine have contradicted the Development Agreement that was finalized between Lumwana Mining Company Limited ("LMC") and the Government of Zambia on December 16, 2005. In 2015, the Company began to take steps to preserve its rights under the Development Agreement and started to engage in formal discussions with the government to redress historical tax issues relating to the Development Agreement. On October 3, 2018, a deed of settlement was signed by the Government of Zambia and LMC. The deed provides that, within 30 days of the deed, LMC shall file tax returns for 2012 through 2017,

and the government shall have the right to conduct and complete an audit of the returns within 60 days of the deed. LMC has filed the tax returns for 2012 through 2017 and the audit of these tax returns by the Zambian tax authority is expected to be completed in the next three months.

#### **E) Business Combinations**

Business combinations are accounted for using the acquisition method of accounting. The determination of fair value often requires management to make estimates and assumptions with respect to future production levels, operating, capital and closure costs in our LOM plans, future metal prices, foreign exchange rates, Net Asset Value ("NAV") multiples, value of reserves outside LOM plans in relation to the assumptions related to comparable entities and the market values per ounce and per pound and discount rates. The excess of the purchase price over the estimated fair value of the net assets acquired is then assigned to goodwill. Refer to note 4 for further details on acquisitions.

### **4 > ACQUISITIONS AND DIVESTITURES**

#### **A) Acacia Mining plc**

On September 17, 2019, Barrick acquired all of the shares in Acacia Mining plc ("Acacia") that we did not already own (36.1%) through a share-for-share exchange of 0.168 Barrick shares and any Acacia Exploration Special Dividends for each ordinary share of Acacia. The Acacia Exploration Special Dividends and any deferred cash consideration dividends (if applicable) will be paid as a consequence of a sales process to realize value from the sale of certain Acacia exploration properties to be undertaken during the two year period following closing. This transaction resulted in the issuance of 24,836,670 Barrick common shares or approximately 1% of Barrick's share capital.

The difference between the carrying value of the non-controlling interest and the September 16, 2019 closing price of Barrick's common shares issued was recorded in equity in the third quarter of 2019 in the amount of \$70 million.

Notwithstanding the completion of the Acacia transaction on September 17, 2019, we consolidated our interest in Acacia and recorded a non-controlling interest of 36.1% in the income statement for the entirety of the third quarter of 2019 as a matter of convenience. As at September 30, 2019, we derecognized the non-controlling interest on the balance sheet related to our former 63.9% ownership of Acacia to reflect our current 100% interest. The former Acacia mine sites (Bulyanhulu, North Mara and Buzwagi) will now be referred to as Tanzania in our financial statements.

On October 20, 2019, Barrick announced that it had reached an agreement with the Government of Tanzania ("GoT") to settle all disputes between the GoT and the mining companies formerly operated by Acacia but now managed by Barrick. The final agreements have been submitted to the Tanzanian Attorney General for review and legalization. As part of the agreement, the GoT will acquire a free carried shareholding of 16% in each of the mines. The accounting for the agreement will take place until the GoT's 16% free-carried interest is made effective, which is expected in the fourth quarter. Refer to note 17 for further details on the agreement and impact on outstanding contingencies.

## B) Nevada Joint Venture

On March 10, 2019, we entered into an implementation agreement with Newmont Mining Corporation, now Newmont Goldcorp Corporation, ("Newmont Goldcorp") to create a joint venture combining our respective mining operations, assets, reserves and talent in Nevada, USA. This includes Barrick's Cortez, Goldstrike, Turquoise Ridge and Goldrush properties and Newmont's Carlin, Twin Creeks, Phoenix, Long Canyon and Lone Tree properties. Barrick is the operator of the joint venture and owns 61.5%, with Newmont Goldcorp owning the remaining 38.5% of the joint venture. On July 1, 2019, the transaction concluded establishing Nevada Gold Mines LLC ("Nevada Gold Mines"). Barrick, as the majority joint venture partner, has the right to appoint a majority of the board members and can therefore control decisions requiring majority approval including, but not limited to, LOM plans, budgets and capital projects. Therefore, we have determined that Barrick controls Nevada Gold Mines and began consolidating the operating results, cash flows and net assets from July 1, 2019 with a 38.5% non-controlling interest.

We have determined that the transaction to acquire the Newmont Goldcorp mines represents a business combination with Barrick identified as the acquirer. We have undertaken a purchase price exercise to determine the fair value of the Newmont Goldcorp mines acquired and the fair value of the non-controlling interest of the Barrick mines given up as consideration. The tables below present the preliminary allocation of the purchase price to the assets and liabilities acquired. This allocation is preliminary as we have not had sufficient time to complete the final allocation of values within Nevada Gold Mines. We expect to complete this process in the fourth quarter of 2019. The \$1,645 million difference between the carrying value and the fair value of the non-controlling interest in the Barrick mines given up was recorded in equity in the third quarter of 2019.

	millions
<b>Fair value of non-controlling interest of Barrick mines given up</b>	<b>\$ 3,897</b>
<b>Preliminary fair value allocation of Newmont Goldcorp mines acquired</b>	
Current assets	\$ 172
Inventory	970
Property, plant and equipment	3,511
Goodwill	2,520
<b>Total assets</b>	<b>\$ 7,173</b>
Current liabilities	\$ 119
Deferred income tax liabilities	268
Provisions	449
<b>Total liabilities</b>	<b>\$ 836</b>
Non-controlling interests	2,440
<b>Net assets acquired</b>	<b>\$ 3,897</b>

The Barrick mines in which we held 100% prior to the creation of Nevada Gold Mines (Cortez, Goldstrike and Goldrush) will continue to be accounted for at historical cost and continue to be consolidated with a non-controlling interest in these mines recorded as of July 1, 2019. Prior to July 1, 2019, our 75% interest in the Turquoise Ridge mine was accounted for

as a joint operation and following its contribution to Nevada Gold Mines it has been consolidated with a non-controlling interest. As a result, our previously held 75% interest was remeasured to fair value and a gain of \$1.9 billion was recognized in the third quarter of 2019.

We primarily used a discounted cash flow model (being the net present value of expected future cash flows) to determine the fair value of the mining interests and used a replacement cost approach in determining the fair value of buildings, plant and equipment. Expected future cash flows are based on estimates of future gold prices inclusive of a \$1,300 gold price and projected future revenues, estimated quantities of ore reserves and mineral resources, including expected conversions of resources to reserves, expected future production costs and capital expenditures based on the life of mine plans for the mines as at the acquisition date.

Goodwill arose on the acquisition principally because of the following factors: 1) it combines high-quality gold reserves in one of the world's most prolific gold districts, positioning the Company for sustainable growth; 2) the ability to optimize ore sources and production schedules across the joint venture; and 3) the recognition of a deferred tax liability for the difference between the assigned values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The goodwill is not deductible for income tax purposes.

Since July 1, 2019, the Newmont Goldcorp mines acquired contributed revenue of \$550 million and net income of \$109 million for the three months ended September 30, 2019.

Acquisition related costs of approximately \$26 million were expensed in the three and nine month periods ended September 30, 2019 and were presented as part of corporate development costs in exploration, evaluation & project expense.

## C) Randgold Resources Limited Merger

On January 1, 2019, we acquired 100% of the issued and outstanding shares of Randgold Resources Limited (the "Merger"). Each Randgold shareholder received 6.1280 common shares of Barrick for each Randgold share, which resulted in the issuance of 583,669,178 Barrick common shares. After this share issuance, Barrick shareholders owned 66.7%, while former Randgold shareholders owned 33.3%, of the shares of the combined company. We have determined that this transaction represents a business combination with Barrick identified as the acquirer. Based on the December 31, 2018 closing share price of Barrick's common shares, the total consideration of the acquisition was \$7.9 billion. We began consolidating the operating results, cash flows and net assets of Randgold from January 1, 2019.

Randgold was a publicly traded mining company with ownership interests in the following gold mines: Kibali in the Democratic Republic of Congo; Tongon in Côte d'Ivoire; Loulo-Gounkoto and Morila in Mali; and the Massawa project in Senegal. The following table includes the joint arrangements and entities other than 100% owned subsidiaries.

	Place of business	Entity type	Economic interest <sup>1</sup>	Method
Loulo	Mali	Subsidiary	80%	Consolidation
Goukoto	Mali	Subsidiary	80%	Consolidation
Tongon	Côte d'Ivoire	Subsidiary	89.7%	Consolidation
Kibali	Democratic Republic of Congo	JV	45%	Equity Method
Morila	Mali	JV	40%	Equity Method

<sup>1</sup> Unless otherwise noted, all of our joint arrangements are funded by contributions made by the parties sharing joint control in proportion to their economic interest.

The table below presents the purchase cost and our preliminary allocation of the purchase price to the assets acquired and liabilities assumed. This allocation is preliminary as we have not had sufficient time to complete the valuation process. We have made minor adjustments in the third quarter and there may be further adjustments to the estimated fair values as the valuation work is finalized, which will be completed in the fourth quarter of 2019.

	millions
<b>Purchase Cost</b>	
Fair value of equity shares issued	\$ 7,903
Fair value of restricted shares issued	6
Fair value of consideration	\$ 7,909

#### Preliminary Fair Value at Acquisition

Cash	\$ 751
Other current assets	323
Equity in investees	3,226
Property, plant and equipment	3,903
Other assets	230
Goodwill	1,630
Total assets	\$10,063

Current liabilities	\$ 490
Deferred income tax liabilities	704
Provisions	55
Debt <sup>1</sup>	31
Total liabilities	\$ 1,280
Non-controlling interests	874
Net assets	\$ 7,909

<sup>1</sup> Debt mainly relates to leases as a result of adopting IFRS16.

In accordance with the acquisition method of accounting, the acquisition cost has been allocated to the underlying assets acquired and liabilities assumed, based primarily upon their estimated fair values at the date of acquisition. We primarily used a discounted cash flow model (being the net present value of expected future cash flows) to determine the fair value of the mining interests and used a replacement cost approach in determining the fair value of buildings, plant and equipment. Expected future cash flows are based on estimates of future gold prices and projected future revenues, estimated quantities of ore reserves and mineral resources, including expected conversions of resources to reserves, expected future production costs and capital expenditures based on the life of mine plans as at the acquisition date. The excess of acquisition cost over the net identifiable assets acquired represents goodwill.

Goodwill arose on the acquisition principally because of the following factors: 1) it significantly strengthened Barrick's position in the industry relative to high-quality gold reserves in many of the world's most prolific gold districts, positioning the Company for sustainable growth; 2) it included the acquisition of a proven management team, with a shared vision and commitment to excellence, and a powerful financial base that will support sustainable investment in growth; and 3) the recognition of a deferred tax liability for the difference between the assigned values and the tax bases of assets acquired and liabilities assumed at amounts that do not reflect fair value. The goodwill is not deductible for income tax purposes.

The fair value of accounts receivable is \$193 million, which is equivalent to the contractual amount.

Prior to the Merger, Randgold had received various tax claims from the State of Mali in respect of its Mali operations, which totaled \$267.7 million as at January 1, 2019. The total amount of the various tax claims, not including advances made in good faith to date, stood at \$275 million at the end of the third quarter of 2019. The Company has a provision of \$60 million recorded for the estimated final amount to settle the various tax claims. Refer to note 17 for further details.

Since it has been consolidated from January 1, 2019, Randgold contributed revenue of \$397 million and \$1,025 million, respectively, for the three and nine months ended September 30, 2019 and net income of \$67 million and \$127 million, respectively, for the three and nine months ended September 30, 2019.

Acquisition related costs of approximately \$37 million were expensed in the prior year and were presented as part of corporate development costs in exploration, evaluation & project expense.

## 5 > SEGMENT INFORMATION

Starting in the first quarter of 2019, management reviews the operating results and assesses performance of our operations in Nevada at an individual minesite level; therefore our Cortez and Goldstrike minesites, previously presented as Barrick Nevada, have been presented separately. Prior period figures have been restated to reflect this disaggregation. Barrick's business is organized into seventeen minesites, one grouping of three minesites and two projects. Barrick's Chief Operating Decision Maker ("CODM"), reviews the operating results, assesses performance and makes capital allocation decisions at the minesite, Company and/or project level. Upon completion of the Merger, Mark Bristow, as President and Chief Executive Officer, assumed this role. Each individual minesite and the Pascua-Lama project, with the exception of the Acacia mines (now called Barrick TZ Limited), are operating segments for financial reporting purposes. Following the merger with Randgold, we re-evaluated our reportable operating segments and no longer report on our interests in the following non-core properties: Lagunas Norte and Pascua-Lama. Our presentation of our reportable operating segments consists of seven gold mines (Carlin, Cortez, Turquoise Ridge, Pueblo Viejo, Loulo-Goukoto, Kibali and Veladero) and Tanzania, a grouping of three operating mines formerly held in Acacia. The remaining operating segments, including our remaining gold mines, copper mines and projects, have been grouped into an "other" category and will not be reported on individually. Segment performance is evaluated based on a number of measures including operating income before tax, production levels and unit production costs. Certain costs are managed on a consolidated basis and are therefore not reflected in segment income.

### Consolidated Statement of Income Information

For the three months ended September 30, 2019	Cost of Sales					Segment income (loss)
	Revenue	Direct mining, royalties and community relations	Depreciation	Exploration, evaluation and project expenses	Other expenses (income) <sup>1</sup>	
Carlin <sup>2,5</sup>	\$652	\$344	\$101	\$6	\$5	\$196
Cortez <sup>2</sup>	300	117	53	2	3	125
Turquoise Ridge <sup>2,6</sup>	231	98	70	2	—	61
Pueblo Viejo <sup>2</sup>	353	133	48	4	(3)	171
Loulo-Goukoto <sup>2</sup>	287	123	76	3	5	80
Kibali	133	50	57	1	—	25
Veladero	89	47	25	1	2	14
Tanzania <sup>2,7</sup>	140	74	24	—	42	—
Other Mines <sup>2,3,4</sup>	626	388	151	7	2	78
Reportable segment income	\$2,811	\$1,374	\$605	\$26	\$56	\$750
Share of equity investees	(133)	(50)	(57)	(1)	—	(25)
Segment income	\$2,678	\$1,324	\$548	\$25	\$56	\$725

### Consolidated Statement of Income Information

For the three months ended September 30, 2018	Cost of Sales					Segment income (loss)
	Revenue	Direct mining, royalties and community relations	Depreciation	Exploration, evaluation and project expenses	Other expenses (income) <sup>1</sup>	
Carlin <sup>2,5</sup>	\$294	\$177	\$73	\$6	(\$4)	\$42
Cortez <sup>2</sup>	432	122	102	3	6	199
Turquoise Ridge <sup>2,6</sup>	90	53	7	—	—	30
Pueblo Viejo <sup>2</sup>	324	148	48	7	(1)	122
Loulo-Goukoto <sup>2</sup>	—	—	—	—	—	—
Kibali	—	—	—	—	—	—
Veladero	59	31	24	—	(2)	6
Tanzania <sup>2,7</sup>	166	95	19	—	17	35
Other Mines <sup>2,3,4</sup>	472	327	81	3	7	54
Reportable segment income	\$1,837	\$953	\$354	\$19	\$23	\$488
Share of equity investees	—	—	—	—	—	—
Segment income	\$1,837	\$953	\$354	\$19	\$23	\$488

## Consolidated Statement of Income Information

For the nine months ended September 30, 2019	Cost of Sales					Segment income (loss)
	Revenue	Direct mining, royalties and community relations	Depreciation	Exploration, evaluation and project expenses	Other expenses (income) <sup>1</sup>	
Carlin <sup>2,5</sup>	\$1,198	\$654	\$220	\$10	\$2	\$312
Cortez <sup>2</sup>	1,007	367	182	6	14	438
Turquoise Ridge <sup>2,6</sup>	441	185	85	3	—	168
Pueblo Viejo <sup>2</sup>	993	391	141	10	(1)	452
Loulo-Goukoto <sup>2</sup>	740	343	222	7	11	157
Kibali	375	153	144	1	(1)	78
Veladero	280	155	86	2	1	36
Tanzania <sup>2,7</sup>	467	263	84	—	83	37
Other Mines <sup>2,3,4</sup>	1,708	1,101	412	15	21	159
Reportable segment income	\$7,209	\$3,612	\$1,576	\$54	\$130	\$1,837
Share of equity investees	(375)	(153)	(144)	(1)	1	(78)
Segment income	\$6,834	\$3,459	\$1,432	\$53	\$131	\$1,759

## Consolidated Statement of Income Information

For the nine months ended September 30, 2018	Cost of Sales					Segment income (loss)
	Revenue	Direct mining, royalties and community relations	Depreciation	Exploration, evaluation and project expenses	Other expenses (income) <sup>1</sup>	
Carlin <sup>2,5</sup>	\$759	\$459	\$188	\$11	(\$3)	\$104
Cortez <sup>2</sup>	1,166	321	274	8	13	550
Turquoise Ridge <sup>2,6</sup>	249	131	21	—	—	97
Pueblo Viejo <sup>2</sup>	977	408	132	15	—	422
Loulo-Goukoto <sup>2</sup>	—	—	—	—	—	—
Kibali	—	—	—	—	—	—
Veladero	271	123	89	2	(1)	58
Tanzania <sup>2,7</sup>	499	276	66	—	18	139
Other Mines <sup>2,3,4</sup>	1,418	906	221	11	33	247
Reportable segment income	\$5,339	\$2,624	\$991	\$47	\$60	\$1,617
Share of equity investees	—	—	—	—	—	—
Segment income	\$5,339	\$2,624	\$991	\$47	\$60	\$1,617

<sup>1</sup> Includes accretion expense, which is included within finance costs in the consolidated statement of income. For the three months ended September 30, 2019, accretion expense was \$13 million (2018: \$14 million) and for the nine months ended September 30, 2019, accretion expense was \$39 million (2018: \$39 million).

<sup>2</sup> Includes non-controlling interest portion of revenues, cost of sales and segment income for the three months ended September 30, 2019 for Nevada Gold Mines \$504 million, \$348 million, \$145 million (2018: \$nil, \$nil, \$nil), Pueblo Viejo \$140 million, \$72 million, \$67 million (2018: \$131 million, \$79 million, \$48 million), Loulo-Goukoto \$57 million, \$40 million, \$16 million (2018: \$nil, \$nil, \$nil), Tanzania \$51 million, \$35 million, \$1 million (2018: \$60 million, \$42 million, \$13 million), and Tongon \$11 million, \$11 million, \$nil (2018: \$nil, \$nil, \$nil) and for the nine months ended September 30, 2019 for Nevada Gold Mines \$504 million, \$348 million, \$145 million (2018: \$nil, \$nil, \$nil), Pueblo Viejo \$390 million, \$211 million, \$175 million (2018: \$388 million, \$215 million, \$166 million), Loulo-Goukoto \$148 million, \$113 million, \$32 million (2018: \$nil, \$nil, \$nil), Tanzania \$169 million, \$125 million, \$14 million (2018: \$180 million, \$124 million, \$50 million) and Tongon \$29 million, \$32 million, \$(3) million (2018: \$nil, \$nil, \$nil).

<sup>3</sup> Includes cost of sales of Pierina for the three months ended September 30, 2019 of \$28 million (2018: \$22 million) and for the nine months ended September 30, 2019 of \$99 million (2018: \$84 million) and Golden Sunlight for the three months ended September 30, 2019 of \$1 million (2018: \$13 million) and for the nine months ended September 30, 2019 of \$29 million (2018: \$39 million).

<sup>4</sup> Includes provisional pricing adjustments for the three months ended September 30, 2019 of \$1 million gains (2018: \$6 million losses) and for the nine months ended September 30, 2019 of \$15 million gains (2018: \$35 million losses).

<sup>5</sup> On July 1, 2019, Barrick's Goldstrike and Newmont Goldcorp's Carlin mines were contributed to Nevada Gold Mines and are now operated as one segment referred to as Carlin. As a result, the amounts presented represent Goldstrike (including South Arturo) up until June 30, 2019, and the combined results of Carlin (including Goldstrike) thereafter including non-controlling interest. Refer to note 4.

<sup>6</sup> Barrick owned 75% of Turquoise Ridge up until June 30, 2019, with our joint venture partner, Newmont Goldcorp, owning the remaining 25%. Turquoise Ridge was accounted for as a joint operation and proportionately consolidated. On July 1, 2019, Barrick's 75% interest in Turquoise Ridge and Newmont Goldcorp's Twin Creeks and 25% interest in Turquoise Ridge were contributed to Nevada Gold Mines and are now operated as one segment referred to as Turquoise Ridge. The figures presented in this table are based on our 75% interest in Turquoise Ridge until June 30, 2019 and the combined results of Turquoise Ridge (including Twin Creeks) thereafter including non-controlling interest. Refer to note 4.

<sup>7</sup> Formerly known as Acacia Mining plc. On September 17, 2019, Barrick acquired all of the shares of Acacia it did not own. Refer to note 4 for more information.

## Reconciliation of Segment Income to Income Before Income Taxes

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Segment income	\$725	\$488	\$1,759	\$1,617
Other cost of sales/amortization <sup>1</sup>	(17)	(8)	(33)	(28)
Exploration, evaluation and project expenses not attributable to segments	(61)	(70)	(205)	(212)
General and administrative expenses	(68)	(71)	(181)	(212)
Other income (expense) not attributable to segments	1,895	(6)	1,910	(34)
Impairment reversals (charges) not attributable to segments	872	(431)	857	(492)
Loss on currency translation	(40)	(62)	(56)	(152)
Closed mine rehabilitation	(5)	6	(46)	6
Income from equity investees	38	19	116	45
Finance costs, net (includes non-segment accretion)	(112)	(146)	(324)	(389)
Loss (gain) on non-hedge derivatives <sup>2</sup>	(1)	—	—	3
Income (loss) before income taxes	\$3,226	(\$281)	\$3,797	\$152

<sup>1</sup> Includes all realized hedge gains and losses for the three months ended September 30, 2019 of \$nil (2018: \$nil) and for the nine months ended September 30, 2019 of \$nil losses (2018: \$2 million losses).

<sup>2</sup> Includes unrealized non-hedge gains and losses for the three months ended September 30, 2019 of \$1 million losses (2018: \$nil) and for the nine months ended September 30, 2019 of \$nil losses (2018: \$nil).

## Capital Expenditures Information

	Segment capital expenditures <sup>1</sup>			
	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Carlin <sup>2</sup>	\$98	\$35	\$217	\$153
Cortez	92	98	257	256
Turquoise Ridge <sup>3</sup>	39	15	86	42
Pueblo Viejo	28	39	86	110
Loulo-Goukoto	62	—	151	—
Kibali	14	—	34	—
Veladero	20	20	68	84
Tanzania <sup>4</sup>	13	23	46	74
Other Mines	99	110	322	233
Reportable segment total	\$465	\$340	\$1,267	\$952
Other items not allocated to segments	37	19	86	79
Total	\$502	\$359	\$1,353	\$1,031
Share of equity investees	(14)	—	(34)	—
Total	\$488	\$359	\$1,319	\$1,031

<sup>1</sup> Segment capital expenditures are presented for internal management reporting purposes on an accrual basis. Capital expenditures in the Consolidated Statements of Cash Flow are presented on a cash basis. For the three months ended September 30, 2019, cash expenditures were \$502 million (2018: \$387 million) and the decrease in accrued expenditures was \$14 million (2018: \$28 million decrease). For the nine months ended September 30, 2019, cash expenditures were \$1,255 million (2018: \$1,026 million) and the increase in accrued expenditures was \$64 million (2018: \$5 million increase).

<sup>2</sup> On July 1, 2019, Barrick's Goldstrike and Newmont Goldcorp's Carlin mines were contributed to Nevada Gold Mines and are now operated as one segment referred to as Carlin. As a result, the amounts presented represent Goldstrike (including South Arturo) up until June 30, 2019, and the combined results of Carlin (including Goldstrike) thereafter including non-controlling interest. Refer to note 4.

<sup>3</sup> Barrick owned 75% of Turquoise Ridge up until June 30, 2019, with our joint venture partner, Newmont Goldcorp, owning the remaining 25%. Turquoise Ridge was accounted for as a joint operation and proportionately consolidated. On July 1, 2019, Barrick's 75% interest in Turquoise Ridge and Newmont Goldcorp's Twin Creeks and 25% interest in Turquoise Ridge were contributed to Nevada Gold Mines and are now operated as one segment referred to as Turquoise Ridge. The figures presented in this table are based on our 75% interest in Turquoise Ridge until June 30, 2019 and the combined results of Turquoise Ridge (including Twin Creeks) thereafter including non-controlling interest. Refer to note 4.

<sup>4</sup> Formerly known as Acacia Mining plc. On September 17, 2019, Barrick acquired all of the shares of Acacia it did not own. Refer to note 4 for more information.

## Purchase Commitments

At September 30, 2019, we had purchase obligations for supplies and consumables of \$1,739 million (December 31, 2018: \$1,972 million).

## Capital Commitments

In addition to entering into various operational commitments in the normal course of business, we had capital commitments of \$159 million at September 30, 2019 (December 31, 2018: \$82 million).

## 6 > REVENUE

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
<b>Gold sales</b>				
Spot market sales	\$2,549	\$1,652	\$6,371	\$4,848
Concentrate sales	36	9	56	19
Provisional pricing adjustments	—	—	1	(1)
	<b>\$2,585</b>	<b>\$1,661</b>	<b>\$6,428</b>	<b>\$4,866</b>
<b>Copper sales</b>				
Copper concentrate sales	\$44	\$151	\$297	\$402
Provisional pricing adjustments	1	(6)	14	(34)
	<b>\$45</b>	<b>\$145</b>	<b>\$311</b>	<b>\$368</b>
<b>Other sales<sup>1</sup></b>	<b>48</b>	<b>31</b>	<b>95</b>	<b>105</b>
<b>Total</b>	<b>\$2,678</b>	<b>\$1,837</b>	<b>\$6,834</b>	<b>\$5,339</b>

<sup>1</sup> Revenues include the sale of by-products for our gold and copper mines.

## 7 > COST OF SALES

	Gold		Copper		Other <sup>3</sup>		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
For the three months ended September 30								
Direct mining cost <sup>1,2</sup>	\$1,207	\$790	\$30	\$96	\$1	\$—	\$1,238	\$886
Depreciation	538	319	13	37	8	7	559	363
Royalty expense	79	45	5	11	—	—	84	56
Community relations	7	10	1	—	—	—	8	10
	<b>\$1,831</b>	<b>\$1,164</b>	<b>\$49</b>	<b>\$144</b>	<b>\$9</b>	<b>\$7</b>	<b>\$1,889</b>	<b>\$1,315</b>
For the nine months ended September 30								
Direct mining cost <sup>1,2</sup>	\$3,022	\$2,196	\$169	\$231	\$1	\$4	\$3,192	\$2,431
Depreciation	1,353	907	83	86	24	23	1,460	1,016
Royalty expense	223	138	26	28	—	—	249	166
Community relations	20	27	3	3	—	—	23	30
	<b>\$4,618</b>	<b>\$3,268</b>	<b>\$281</b>	<b>\$348</b>	<b>\$25</b>	<b>\$27</b>	<b>\$4,924</b>	<b>\$3,643</b>

<sup>1</sup> Direct mining cost includes charges to reduce the cost of inventory to net realizable value as follows: \$nil for the three months ended September 30, 2019 (2018: \$5 million) and \$16 million for the nine months ended September 30, 2019 (2018: \$10 million).

<sup>2</sup> Direct mining cost includes the costs of extracting by-products.

<sup>3</sup> Other includes realized hedge gains and losses and corporate amortization.

## 8 > EARNINGS PER SHARE

	For the three months ended September 30				For the nine months ended September 30			
	2019		2018		2019		2018	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Net income (loss)	\$2,435	\$2,435	(\$386)	(\$386)	\$2,798	\$2,798	(\$270)	(\$270)
Net income attributable to non-controlling interests	(158)	(158)	(26)	(26)	(216)	(216)	(78)	(78)
Net income (loss) attributable to equity holders of Barrick Gold Corporation	\$2,277	\$2,277	(\$412)	(\$412)	\$2,582	\$2,582	(\$348)	(\$348)
Weighted average shares outstanding	1,756	1,756	1,167	1,167	1,751	1,751	1,167	1,167
Earnings (loss) per share data attributable to the equity holders of Barrick Gold Corporation								
Net income (loss)	\$1.30	\$1.30	(\$0.35)	(\$0.35)	\$1.47	\$1.47	(\$0.30)	(\$0.30)

## 9 > OTHER EXPENSE

### A) Other Expense (Income)

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Other expense:				
Bank charges	\$2	\$4	\$10	\$18
Bulyanhulu reduced operations program cost <sup>1</sup>	6	6	18	23
Insurance payment to Porgera JV	—	—	—	13
Tanzania transaction costs incurred by Acacia	19	—	19	—
Litigation	4	35	23	61
Miscellaneous write-offs	5	2	7	6
Tanzania - other	5	4	10	9
Other	17	(2)	25	15
<b>Total other expense</b>	<b>\$58</b>	<b>\$49</b>	<b>\$112</b>	<b>\$145</b>
Other income:				
Gain on sale of long-lived assets	(\$15)	(\$1)	(\$27)	(\$49)
Remeasurement of Turquoise Ridge to fair value <sup>2</sup>	(1,886)	—	(1,886)	—
Insurance proceeds related to Kalgoorlie JV	—	(24)	—	(24)
Other	(9)	(8)	(17)	(17)
<b>Total other income</b>	<b>(\$1,910)</b>	<b>(\$33)</b>	<b>(\$1,930)</b>	<b>(\$90)</b>
<b>Total</b>	<b>(\$1,852)</b>	<b>\$16</b>	<b>(\$1,818)</b>	<b>\$55</b>

<sup>1</sup> Primarily relates to care and maintenance costs.

<sup>2</sup> Refer to note 4 for further details.

### B) Impairment (Reversals) Charges

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Impairment (reversals) of non-current assets <sup>1</sup>	(\$872)	\$431	(\$857)	\$468
Impairment of intangibles <sup>1</sup>	—	—	—	24
<b>Total</b>	<b>(\$872)</b>	<b>\$431</b>	<b>(\$857)</b>	<b>\$492</b>

<sup>1</sup> Refer to note 13 for further details.

## 10 > INCOME TAX EXPENSE

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Current	\$163	\$18	\$396	\$247
Deferred	628	87	603	175
<b>Total</b>	<b>\$791</b>	<b>\$105</b>	<b>\$999</b>	<b>\$422</b>

Income tax expense was \$999 million for the nine months ended September 30, 2019. The unadjusted effective income

tax rate for income for the nine months ended September 30, 2019, was 26% of the income before income taxes.

The underlying effective income tax rate on ordinary income for the nine months ended September 30, 2019 was 33% which includes the impact of non-deductible depreciation on the Randgold and Nevada Gold Mines purchase price allocations. Adjustments are made for the impact of the remeasurement of our previously held 75% interest in Turquoise Ridge to fair value; the impact of the impairment reversal at Lumwana; the impact of foreign currency translation losses on deferred tax balances; the impact of non-deductible losses on currency translation; the impact of a reduced corporate tax rate in Argentina on deferred tax balances; the impact of recognizing the non-controlling interest on Turquoise Ridge's deferred tax liabilities and the impact of other expense adjustments.

### Currency Translation

Deferred tax balances are subject to remeasurement for changes in currency exchange rates each period. The most significant balances are Argentine and Malian net deferred tax liabilities. In the nine months ended September 30, 2019, tax expense of \$40 million primarily arose from translation losses on tax balances in Argentina and Mali, due to the weakening of the Argentine peso and the West African CFA franc, respectively, against the US dollar. In the nine months ended September 30, 2018, tax expense of \$30 million primarily arose from translation losses on tax balances in Argentina, due to the weakening of the Argentine peso against the US dollar. These translation losses are included within deferred income tax expense.

### Nevada Gold Mines joint venture

Nevada Gold Mines is a limited liability company treated as a flow through partnership for US tax purposes. The partnership is not subject to income tax directly, but each of its partners is liable for tax on its share of the profits of the partnership. As such, Barrick accounts for its current and deferred tax associated with the investment (61.5% share) following the principles in IAS 12.

A deferred tax expense of \$376 million was recorded in the third quarter of 2019 following the Turquoise Ridge mine remeasurement to fair value and the \$1.9 billion recognized gain (refer to note 4).

### Veladero Deferred Taxes

In December 2017, Argentina reduced its 35% corporate tax rate to 30% for 2018 and 2019, with further reduction to 25% for 2020 and thereafter. Concurrently, a dividend distribution tax was introduced that charges 7% tax on dividend distributions for 2018 and 2019, and 13% tax on dividend distributions for 2020 and thereafter.

A deferred tax recovery of \$70 million was recorded in the second quarter of 2019 as a result of an inflation adjustment implemented for statutory financial statement purposes in Argentina, and finalized in the second quarter of 2019, which results in Veladero not having dividend distribution capacity for prior years. The impact of material inflationary adjustments on distributable reserves and deferred taxes is expected to remain variable and will be evaluated on an annual basis.

## 11 > CASH FLOW – OTHER ITEMS

Operating Cash Flows – Other Items	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Adjustments for non-cash income statement items:				
Loss (gain) on non-hedge derivatives	\$1	\$—	\$—	(\$3)
Share-based compensation expense (recovery)	25	(1)	63	19
Income from investment in equity investees	(38)	(19)	(116)	(45)
Change in estimate of rehabilitation costs at closed mines	5	(6)	46	(6)
Net inventory impairment charges	—	5	16	10
Change in other assets and liabilities	(96)	(25)	(68)	(130)
Settlement of rehabilitation obligations	(23)	(17)	(53)	(49)
Other operating activities	(\$126)	(\$63)	(\$112)	(\$204)
Cash flow arising from changes in:				
Accounts receivable	(\$6)	\$5	(\$39)	\$50
Inventory	9	13	21	(135)
Other current assets	(39)	6	(133)	(71)
Accounts payable	115	154	(45)	87
Other current liabilities	(12)	(11)	(67)	—
Change in working capital	\$67	\$167	(\$263)	(\$69)

Investing Cash Flows – Other Items	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Dividends received from equity method investments	\$72	\$—	\$104	\$—
Funding of equity method investments	(2)	—	(2)	(5)
Shareholder loan repayments from equity method investments	35	—	65	—
Other	(2)	—	(2)	—
Other net investing activities	\$103	\$—	\$165	(\$5)

## 12 > EQUITY ACCOUNTING METHOD INVESTMENT CONTINUITY

	Kibali	Jabal Sayid	Zaldívar	Other <sup>1</sup>	Total
At January 1, 2018	\$—	\$206	\$975	\$32	\$1,213
Funds invested	—	—	—	5	5
Equity pick-up (loss) from equity investees	—	39	14	(7)	46
Impairment charges	—	—	—	(30)	(30)
At December 31, 2018	\$—	\$245	\$989	\$—	\$1,234
Acquisitions	3,168	—	—	58	3,226
Funds invested	—	—	—	2	2
Equity pick-up (loss) from equity investees	80	36	11	(11)	116
Dividends paid	(53)	—	(50)	(1)	(104)
At September 30, 2019	\$3,195	\$281	\$950	\$48	\$4,474

<sup>1</sup> Other includes Morila.

## 13 > IMPAIRMENT OF GOODWILL AND OTHER ASSETS

In accordance with our accounting policy, goodwill is tested for impairment in the fourth quarter and also when there is an indicator of impairment. Non-current assets are tested for impairment or impairment reversals when events or changes in circumstances suggest that the carrying amount may not be recoverable or is understated. Refer to note 21 of the 2018 Annual Financial Statements for further information.

For the nine months ended September 30, 2019, we recorded net impairment reversals of \$857 million (2018: \$492 million impairments) for non-current assets.

### Summary of impairments (reversals)

	For the three months ended September 30		For the nine months ended September 30	
	2019	2018	2019	2018
Lumwana	(\$947)	\$—	(\$947)	\$—
Cortez	57	—	57	9
Lagunas Norte	12	405	12	405
Golden Sunlight	1	—	9	—
Carlin	—	—	2	5
Equity Method Investments	—	—	—	30
Acacia	—	—	—	24
Pascua-Lama	—	—	—	(7)
Other <sup>1</sup>	5	26	10	26
<b>Total</b>	<b>(\$872)</b>	<b>\$431</b>	<b>(\$857)</b>	<b>\$492</b>

<sup>1</sup> Impairment charges for the third quarter of 2018 relate to impairment of non-current assets at non-operating sites.

### Indicators of impairment

#### Third Quarter 2019

##### Lumwana

On September 28, 2018, as part of their 2019 budget, the Zambian government introduced changes to the current mining tax regime. The changes included an increase in royalty rates by 1.5%, the introduction of a 10% royalty on copper production if copper price increases above a certain price, the imposition of a 5% import duty on copper concentrates, the non-deductibility of mineral royalties paid or payable for income tax purposes, and the replacement of the VAT with a non-refundable sales tax, although any outstanding VAT claims will be settled through the current refund mechanism. In the fourth quarter of 2018, the Zambian government finalized the changes to the current tax regime, which was effective January 1, 2019, with the exception of the changes to the non-refundable sales tax. In August 2019, the Zambian government alleviated this fiscal uncertainty by withdrawing the legislative Bill relating to the non-refundable sales tax and introduced a new Bill in September 2019 which contains measures to limit the claiming of VAT on certain items used by Lumwana.

In addition to these external impacts, we have updated our LOM plan for Lumwana based on the significant reductions achieved in the current year in unit mining costs and improvements in plant availability. This reduction in the cost base has allowed us to lower the cut-off grade which is expected to deliver a 5 year increase in the mine life of

Lumwana. Finally, during the third quarter of 2019, we also updated our long term copper price assumption to \$3.00 per pound (previously \$2.85 per pound). As a result of these indicators of impairment reversal, an assessment was undertaken and a non-current asset impairment reversal of \$947 million was recognized in the third quarter of 2019, as we identified that Lumwana's fair value less costs of disposal ("FVLCD") of \$1.4 billion exceeded its carrying value. The key assumptions and estimates used in determining the FVLCD are long-term copper prices of \$3.00 per pound and a weighted average cost of capital ("WACC") of 10.4%.

##### Nevada Gold Mines

On July 1, 2019 we formed Nevada Gold Mines, a joint venture combining the respective mining operations, assets, reserves and talent from Barrick and Newmont Goldcorp in Nevada, USA. This includes Barrick's Cortez, Goldstrike, Turquoise Ridge and Goldrush properties and Newmont's Carlin, Twin Creeks, Phoenix, Long Canyon and Lone Tree properties. Through the purchase price allocation exercise, we identified various assets with fair values less than their carrying values. Although we did not restate the assets of Goldstrike, Cortez and Goldrush to fair value, we identified indicators of impairment for certain land holdings and specific Cortez Hills Open Pit infrastructure assets and an impairment of \$60 million was recorded in the third quarter of 2019. Refer to note 4 for further information.

#### Second Quarter 2019

##### Acacia

On May 21, 2019, Barrick met with the Directors and senior management of Acacia and presented a proposal to acquire all of the shares it did not already own in Acacia through a share for share exchange of 0.153 Barrick shares for each ordinary share of Acacia. The exchange ratio was based on the 20-day volume weighted average trading prices of Acacia and Barrick as at market close in London and New York on May 20, 2019 and implied a value for 100% of Acacia of \$787 million.

On July 19, 2019, we announced that the Boards of Barrick and Acacia reached an agreement on the terms of a recommended offer by Barrick for the 36.1% of Acacia that we did not own at that time. Under the terms of the agreement, the minority shareholders would exchange each Acacia share for 0.168 Barrick shares and would also be entitled to special dividends under certain conditions. The offer received shareholder approval in the third quarter of 2019 and the transaction closed on September 17, 2019.

During the second quarter of 2019, Acacia updated its life of mine plans and subsequent to that the Barrick technical team has had an opportunity to conduct detailed due diligence on the updated life of mine plans for the Acacia assets and risk adjust the value of the assets. The value implied by Barrick's adjusted life of mine plans were deemed to be an indicator of impairment in the second quarter of 2019.

An impairment assessment was undertaken in the second quarter and Barrick assessed the carrying value of the individual cash generating units within Acacia (Bulyanhulu, North Mara and Buzwagi) and determined that the carrying

amounts were recoverable. Therefore, no impairment was recognized.

The key assumptions and estimates used in determining the fair value less cost to dispose are short-term and long-term gold prices of \$1,250 per ounce, NAV multiples of 1.0-1.1 and a WACC of 6.5%-6.9%. Other assumptions include a 50% economic share of future economic benefits generated by the mines for the Government of Tanzania ("GoT"), which includes taxes, royalties, tolls and a 16% free carry interest in the mines. Management assumed the resumption of concentrate sales and exports commencing in Q3 2019 and the resumption of production from underground mining at Bulyanhulu in 2020. The WACC applied was lower than the 2018 and 2017 impairment tests for the Acacia CGUs, based on lower risk levels given the state of Barrick's negotiations with the GoT at that time and the expectation that an agreement would be signed once the recommended offer to purchase the minority shareholdings of Acacia as described above had closed and because the economic sharing of benefits had been modeled into the cash flows.

### Third Quarter 2018 Lagunas Norte

In the third quarter of 2018, we updated a feasibility study for proposed projects relating to the processing of carbonaceous materials ("CMOP") and the treatment of refractory sulphide ore ("PMR") at Lagunas Norte in Peru. Based upon the findings of the feasibility study, it was determined not to proceed with the PMR project at that time. As a result, an impairment assessment was undertaken and a non-current asset impairment of \$405 million was recognized in the third quarter of 2018, as we identified that Lagunas Norte's carrying value exceeded its FVLCD of \$150 million. The key assumptions and estimates used in determining the FVLCD were short-term and long-term gold prices of \$1,200 per ounce, NAV multiple of 1.1-1.2 and a WACC of 3.8%.

## 14 > FINANCIAL INSTRUMENTS

Financial instruments include cash; evidence of ownership in an entity; or a contract that imposes an obligation on one party and conveys a right to a second party to deliver/receive cash or another financial instrument.

### A) Cash and Equivalents

Cash and equivalents include cash, term deposits, treasury bills and money market funds with original maturities of less than 90 days.

### B) Debt

On July 15, 2019, Barrick completed a make-whole repurchase of the approximately \$248 million of outstanding principal on the 4.95% notes due 2020. The settlement resulted in a debt extinguishment loss of \$3 million.

### C) Guarantee

In connection with the closing of Nevada Gold Mines on July 1, 2019 (refer to Note 4), Nevada Gold Mines provided a guarantee in respect of Newmont Goldcorp's 2035 senior notes, which were originally issued in the aggregate principal amount of \$600 million. During the third quarter of 2019, Newmont Goldcorp completed a transaction with their bondholders that resulted in the release of the guarantee by Nevada Gold Mines.

## 15 > FAIR VALUE MEASUREMENTS

### A) Assets and Liabilities Measured at Fair Value on a Recurring Basis

As at September 30, 2019	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
Cash and equivalents	\$2,405	\$—	\$—	\$2,405
Other investments	271	—	—	271
Derivatives	—	1	—	1
Receivables from provisional copper and gold sales	—	49	—	49
	\$2,676	\$50	\$—	\$2,726

### B) Fair Values of Financial Assets and Liabilities

	As at September 30, 2019		As at December 31, 2018	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial assets				
Other assets <sup>1</sup>	\$627	\$627	\$559	\$559
Other investments <sup>2</sup>	271	271	209	209
Derivative assets	1	1	3	3
	\$899	\$899	\$771	\$771
Financial liabilities				
Debt <sup>3</sup>	\$5,560	\$6,999	\$5,738	\$6,183
Derivative liabilities	—	—	3	3
Other liabilities	552	552	297	297
	\$6,112	\$7,551	\$6,038	\$6,483

<sup>1</sup> Includes restricted cash and amounts due from our partners.

<sup>2</sup> Recorded at fair value. Quoted market prices are used to determine fair value.

<sup>3</sup> Debt is generally recorded at amortized cost. The fair value of debt is primarily determined using quoted market prices. Balance includes both current and long-term portions of debt.

We do not offset financial assets with financial liabilities.

**C) Assets Measured at Fair Value on a Non-Recurring Basis**

As at September 30, 2019	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
Property, plant and equipment <sup>1</sup>	—	—	1,862	1,862

<sup>1</sup> Property, plant and equipment were written up by \$857 million, which was included in earnings in this period.

The Company's valuation techniques were presented in Note 26 of the 2018 Annual Financial Statements and have been consistently applied in these interim financial statements.

**16 > CAPITAL STOCK**

**A) Authorized Capital Stock**

Our authorized capital stock is composed of an unlimited number of common shares (issued 1,777,781,827 common shares as at September 30, 2019). Our common shares have no par value.

On January 1, 2019, we issued 583,669,178 common shares to Randgold shareholders as a result of the Merger. Refer to note 4 for further details.

On September 17, 2019, we issued 24,836,670 common shares to the non-controlling shareholders of Acacia in exchange for their shares in Acacia. Refer to note 4 for further details.

**B) Dividends**

The Company's practice has been to declare dividends after a quarter in the announcement of the results for the quarter. Dividends declared are paid in the same quarter. However, during the first quarter of 2019, \$76.3 million in dividends were paid in relation to the additional dividend that was declared in the fourth quarter of 2018. In addition, the Company paid \$256.2 million in dividends during the first quarter of 2019 that were declared by Randgold in the fourth quarter of 2018.

The Company's dividend reinvestment plan resulted in 1,299,069 common shares issued to shareholders for the nine months ended September 30, 2019.

**17 > CONTINGENCIES**

Certain conditions may exist as of the date the financial statements are issued that may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The impact of any resulting loss from such matters affecting these financial statements and noted below may be material.

Except as noted below, no material changes have occurred with respect to the matters disclosed in Note 36 "Contingencies" to the 2018 Annual Financial Statements, and no new contingencies have occurred that are material to the Company since the issuance of the 2018 Annual Financial Statements.

The description set out below should be read in conjunction with Note 36 "Contingencies" to the 2018 Annual Financial Statements.

**Litigation and Claims Update**

*Proposed Canadian Shareholder Class Action (Veladero)*

On April 11, 2019, Barrick received an offer from the plaintiff to dismiss the proposed class action lawsuit without costs. The Ontario Superior Court of Justice ordered the dismissal of the proposed class action lawsuit on August 19, 2019, and the matter is now closed.

*Proposed Canadian Securities Class Actions (Pascua-Lama)*

In May 2019, the motion for leave to proceed with statutory misrepresentation claims and for class certification was heard in the Quebec action. The Quebec court has reserved judgment in this matter.

In July 2019, the motion for leave to proceed with statutory misrepresentation claims was heard in the Ontario action. In October 2019, the Ontario Superior Court of Justice dismissed all but one of those claims. The sole remaining statutory misrepresentation claim pertains to a statement concerning the water management system in Chile made by the Company in its Management's Discussion and Analysis for the second quarter of 2012. The Company has filed a motion in the Divisional Court, an intermediate appellate court in Ontario, for leave to appeal the decision to allow that one claim to proceed. The Plaintiffs have the right to pursue an appeal to the Court of Appeal for Ontario with respect to the claims that were dismissed.

A date has not yet been set for a hearing on the motion for class certification in Ontario.

*Pascua-Lama - SMA Regulatory Sanctions*

On March 14, 2019, the Chilean Supreme Court annulled the October 12, 2018 administrative decision of the Antofagasta Environmental Court on procedural grounds and remanded the case back to the Environmental Court for review by a different panel of judges. The Chilean Supreme Court did not review the merits of the Revised Resolution, which remains in effect. CMN's appeal of the Revised Resolution remains pending before the new panel of judges ordered by the Chilean Supreme Court, which heard arguments on July 23, 2019. The Company intends to vigorously defend this matter and continues to evaluate all of its legal options.

#### *Pascua-Lama – Water Quality Review*

On February 19, 2019, the Chilean Supreme Court accepted the appeal by the indigenous residents of the Environmental Court's decision. The Chilean Supreme Court heard oral arguments on September 10 and 11, 2019. A ruling on the matter remains pending. No amounts have been recorded for any potential liability arising from this matter, as the Company cannot reasonably predict any potential losses.

#### *Veladero - September 2015 Release of Cyanide-Bearing Process Solution*

##### **Criminal Matters**

###### *Provincial Action*

All defendants have completed the probationary period for community service and good behaviour and requested dismissal of the charges in the Provincial Action.

#### *Veladero – Tax Assessment and Criminal Charges*

Hearings for the Criminal Tax case were held between March 25 and March 27, 2019. The defendants filed a motion to dismiss based on the statute of limitations, which was granted in part and which has been appealed by the prosecution.

The Company filed Mutual Agreement Procedure applications in Canada on December 21, 2018, and in Argentina on March 29, 2019, pursuant to the Canada-Argentina Income Tax Convention Act (the "Canada-Argentina Tax Treaty") to escalate resolution of the Tax Assessment to the competent authority (as defined in the Canada-Argentina Tax Treaty) in an effort to seek efficient resolution of the matter.

The Company believes that the Tax Assessment and the Criminal Tax Case are without merit and intends to defend the proceedings vigorously. No amounts have been recorded for any potential liability arising from the Tax Assessment or the Criminal Tax Case, as the Company cannot reasonably predict the outcome.

#### *Argentine Glacier Legislation and Constitutional Litigation*

On June 4, 2019, the National Supreme Court of Argentina dismissed the case on the basis that no harm deriving from the federal glacier law has been proven and that the federal glacier law does not impact Veladero and Pascua-Lama and the matter is now closed.

#### *Pueblo Viejo – Amparo Action*

On April 12, 2019, PVDC's motion to challenge the timeliness of the appeal was accepted by the Constitutional Court, and the matter is now closed.

#### *Writ of Kalikasan*

On March 20, 2019, the Company was notified that the Court of Appeals granted a motion by the Petitioners to lift the Suspension of Proceedings and denied the motion to intervene filed by the two baranguays and set a preliminary case conference. In April 2019, the Company filed a motion for (i) reconsideration of the March 2019 order lifting the Suspension of Proceedings and dismissing the Company's request that the case be dismissed for delay; (ii) a ruling on its pending Urgent Motion for Ruling on Jurisdiction and Motion for a Ruling on Subject-Matter Jurisdiction; and (iii) an order suspending the proceedings pending determination of these motions. The preliminary case conference was subsequently cancelled by the Court of Appeals in April 2019.

On September 12, 2019, the Court of Appeals ruled that the issues raised by the Company should be decided concurrently with a hearing of the merits of the dispute. The Court set a preliminary case conference date of September 18, 2019.

On September 17, 2019, the Company filed a further motion to request that the Court of Appeals determine the Company's Urgent Motion for Ruling on Jurisdiction and Motion for a Ruling on Subject-Matter Jurisdiction prior to any merits hearing. Consequently, the Court of Appeals adjourned the September 18, 2019 preliminary case conference to October 21, 2019, to further consider the Company's motion requesting the determination of the Company's jurisdiction motions prior to any merits hearing.

On October 18, 2019, the Court of Appeals issued a Notice of Resolution, which, among other things, rejected the Company's constitutional objections and held that the Court of Appeals has jurisdiction based on a "tentative" determination that the Company was doing business in the Philippines made exclusively on the basis of unproved allegations made by the Petitioners in their petition, which "tentative" determination expressly does not foreclose the possibility of a contrary finding on the basis of evidence at a later date. On November 4, 2019 the Company filed a Motion for Reconsideration seeking a reversal of the Notice of Resolution dated October 18, 2019.

On October 21, 2019, the Court of Appeals rescheduled the preliminary case conference from October 21, 2019 to January 27, 2020 and, following a request from Petitioners' counsel, it directed that a court-annexed mediation take place on October 29, 2019. An additional mediation session has been scheduled for November 21, 2019. The Court of Appeals has not yet issued any decision related to certain remaining evidentiary matters. The Company intends to continue to defend the action vigorously.

#### *Malian Tax Dispute*

Prior to the Merger, Randgold had received various tax claims from the State of Mali in respect of its Mali operations, which totaled \$267.7 million at January 1, 2019. As at the end of the second quarter, the total claim for 2018 and prior year periods had risen to \$275 million. Each of Loulo and Goukoto (which together form the Loulo-Goukoto complex) and Morila have separate legally binding establishment conventions with the State of Mali, which guarantee fiscal stability, govern applicable taxes and allow for international arbitration in the event of disputes. Barrick has been actively engaged with the Malian authorities and is seeking a complete resolution of the various tax claims to avoid protracted arbitration.

During 2016, Randgold also received payment demands in respect of these disputed amounts, and consequently, from 2016 up to December 2018, Randgold paid tax advances to the State of Mali to support the resolution of the tax disputes, which after offsetting other tax payments resulted in a receivable being recorded of \$41.1 million. As part of the purchase price allocation for the Merger (see note 4), the fair value of this receivable has been reduced to nil. In July 2019, a further advance of \$43 million was paid to the State of Mali as part of a settlement proposal. A further \$17 million was accrued, bringing the total amount recorded for these events to \$60 million. This amount was recorded as a further update to the purchase price allocation in the second quarter. The

Company continues to await the State of Mali's response to its settlement proposal.

#### *Reko Diq Arbitration*

Barrick currently indirectly holds 50% of the shares of Tethyan Copper Company Pty Limited ("TCC"), with Antofagasta plc ("Antofagasta") indirectly holding the other 50%. On November 15, 2011, the Government of the Province of Balochistan notified Tethyan Copper Company Pakistan (Private) Limited ("TCCP") (the local operating subsidiary of TCC) of the rejection of TCCP's application for a mining lease for the Reko Diq project, to which TCCP was lawfully entitled subject only to "routine" government requirements. On November 28, 2011, TCC filed a request for international arbitration against the Government of Pakistan ("GOP") with the International Centre for Settlement of Investment Disputes ("ICSID") asserting breaches of the Bilateral Investment Treaty ("BIT") between Australia (where TCC is incorporated) and Pakistan.

On March 20, 2017, the Tribunal issued its decision, rejecting the GOP's position. In March 2019, ICSID closed the record in the arbitration.

In July 2019, ICSID awarded \$5.84 billion in damages to TCC in relation to the arbitration claims and unlawful denial of a mining lease for the Reko Diq project. Damages include compensation of \$4.087 billion in relation to the fair market value of the Reko Diq project at the time the mining lease was denied, and interest until the date of the award of \$1.753 billion. Compound interest continues to apply at a rate of US Prime +1% per annum until the award is paid. The Company cannot reasonably estimate the financial effect of this settlement award. No amounts have been recognized at this time.

#### *Tanzania – Concentrate Export Ban and Related Disputes*

On February 20, 2019, Barrick announced that it had arrived at a proposal with the Government of Tanzania (the "GoT") that set forth the commercial terms to resolve outstanding disputes concerning Acacia's operations in Tanzania.

On May 19, 2019, the GoT Negotiating Team wrote to Acacia's three Tanzanian operating companies (the "TMCs") to indicate that the GoT had resolved not to proceed to execute final agreements for the resolution of Acacia's disputes if Acacia was one of the counterparties to the agreements.

On July 12, 2019, Acacia's North Mara mine received a letter from the Mining Commission of the Tanzanian Ministry of Minerals informing it that the Mining Commission is soon to conduct an inspection of North Mara's gold production (the "No Export Letter"). The No Export Letter stated that export permits for gold shipments from North Mara would be issued following completion of this inspection.

Following an investigation conducted by the Mining Commission on July 30 and 31, 2019, the North Mara mine received a letter from the Mining Commission (the "Inspection Findings Letter") stating that it believes that certain provisions of the Mining Regulations, 2010 were violated and directing the North Mara mine to submit a feasibility study report and current mine plan for its approval by August 16, 2019. The Inspection Findings Letter also authorized the resumption of

gold exports from North Mara subject to its adherence to the export procedure.

On July 19, 2019, the Acacia Transaction Committee Directors and Barrick published a firm offer announcement pursuant to Rule 2.7 of the City Code on Takeovers and Mergers ("Rule 2.7 Announcement") announcing that they had reached agreement on the terms of a recommended final offer by Barrick for the ordinary share capital of Acacia Mining plc that Barrick does not already own, with the belief that the recommended final offer would enable Barrick to finalize the terms of a full, final and comprehensive settlement of all of Acacia's existing disputes with the GoT. To facilitate this and in anticipation of the Rule 2.7 Announcement, on July 17, 2019, Acacia announced that Bulyanhulu Gold Mine Limited and Pangea Minerals Limited would immediately seek a stay of their international arbitration proceedings with the GoT. As part of the stay, the hearings scheduled to begin in July 2019 were postponed. The parties to the arbitration have committed to providing the arbitration tribunal with an update on the status of the settlement discussions by December 30, 2019.

On September 12, 2019, the High Court of Justice in England and Wales made an order sanctioning the scheme of arrangement under Part 26 of the Companies Act 2006 (the "Scheme"), and on September 17, 2019, Barrick completed the acquisition of all of the shares of Acacia Mining plc that the Company did not already own pursuant to the Scheme. Acacia Mining plc ceased trading on the London Stock Exchange and became a wholly-owned subsidiary of Barrick called Barrick TZ Limited.

On October 20, 2019, Barrick announced that it had reached an agreement with the GoT to settle all disputes between the GoT and the mining companies formerly operated by Acacia but now managed by Barrick. The final agreements have been submitted to the Tanzanian Attorney General for review and legalization (see "Tanzanian Revenue Authority Assessments").

#### *Tanzanian Revenue Authority Assessments*

On October 20, 2019, Barrick announced that it had reached an agreement with the GoT to settle all disputes between the GoT and the mining companies formerly operated by Acacia but now managed by Barrick. The final agreements have been submitted to the Tanzanian Attorney General for review and legalization.

The terms of the agreement include the payment of \$300 million to settle all outstanding tax and other disputes; the lifting of the Ban; the sharing of future economic benefits from the Bulyanhulu, Buzwagi and North Mara mines on a 50/50 basis; and a dispute resolution mechanism that provides for binding international arbitration.

In conjunction with the finalization of the agreement, a new operating company called Twiga Minerals Corporation ("Twiga") has been formed to manage the Bulyanhulu, Buzwagi and North Mara mines. The GoT will receive a free carried shareholding of 16% in each of the mines and will receive its half of the economic benefits from taxes, royalties, clearing fees and participation in all cash distributions made by the mines and Twiga. An annual true-up mechanism will be included to maintain the 50/50 split.

#### *North Mara Environmental Issues*

During 2019, the GoT issued two environmental protection orders and directions to Acacia's North Mara mine in relation to alleged breaches of environmental regulations relating to seepage from and the discharge of a hazardous substance from the North Mara mine Tailings Storage Facility ("TSF"). In March 2019, the GoT directed the North Mara Mine to resolve an incident that resulted in the spillage of water into the local environment. On July 16, 2019, the Tanzanian National Environment Management Council ("NEMC") issued a Prohibition Notice (the "Prohibition Notice") to North Mara Gold Mine Limited (the Tanzanian operating company of the North Mara mine), which ordered the North Mara mine to suspend operations at its TSF on Saturday July 20, 2019. NEMC cited the North Mara mine's failure to contain and prevent seepage from the TSF as grounds for its issuance of the Prohibition Notice.

On September 17, 2019, following the submission of a detailed action plan to remediate issues related to the TSF and the implementation of remedial measures to contain the seepage from the TSF, the Prohibition Notice was lifted and North Mara was permitted to resume operations at the TSF.

#### *Zaldívar Chilean Tax Assessment*

On August 28, 2019, Barrick's Chilean subsidiary that holds the Company's interest in the Zaldívar mine, Compañía Minera Zaldívar Limitada ("CMZ"), received notice of a tax assessment from the Chilean Internal Revenue Service ("Chilean IRS") amounting to approximately \$1 billion in outstanding taxes, including interest and penalties (the "Zaldívar Tax Assessment"). The Zaldívar Tax Assessment primarily claims that CMZ improperly claimed a deduction relating to a loss on an intercompany transaction prior to recognizing and offsetting a capital gain on the sale of a 50% interest by CMZ in the Zaldívar mine to Antofagasta in 2015. CMZ filed an administrative appeal with the Chilean IRS on October 14, 2019. The Company believes that the Zaldívar Tax Assessment is without merit and intends to vigorously defend its position. No amounts have been recorded for any potential liability arising from the Zaldívar Tax Assessment as the Company cannot reasonably predict the outcome.