

## Consolidated Statements of Income

| Barrick Gold Corporation<br>(in millions of United States dollars, except per share data) (Unaudited) | Three months ended<br>September 30, |         | Nine months ended<br>September 30, |         |
|---|-------------------------------------|---------|------------------------------------|---------|
|   | 2020                                | 2019    | 2020                               | 2019    |
| <b>Revenue (notes 5 and 6)</b>  | <b>\$3,540</b>                      | \$2,678 | <b>\$9,316</b>                     | \$6,834 |
| <b>Costs and expenses (income)</b>  |                                     |         |                                    |         |
| Cost of sales (notes 5 and 7)   | 1,927                               | 1,889   | 5,603                              | 4,924   |
| General and administrative expenses   | 50                                  | 68      | 161                                | 181     |
| Exploration, evaluation and project expenses  | 72                                  | 86      | 221                                | 258     |
| Impairment (reversals) charges (notes 9B and 13)  | 4                                   | (872)   | (309)                              | (857)   |
| Loss on currency translation  | 16                                  | 40      | 34                                 | 56      |
| Closed mine rehabilitation  | 8                                   | 5       | 105                                | 46      |
| Income from equity investees (note 12)  | (95)                                | (38)    | (210)                              | (116)   |
| Other income (note 9A)  | (78)                                | (1,851) | (40)                               | (1,818) |
| <b>Income before finance costs and income taxes</b>   | <b>\$1,636</b>                      | \$3,351 | <b>\$3,751</b>                     | \$4,160 |
| Finance costs, net  | (81)                                | (125)   | (267)                              | (363)   |
| <b>Income before income taxes</b>   | <b>\$1,555</b>                      | \$3,226 | <b>\$3,484</b>                     | \$3,797 |
| Income tax expense (note 10)  | (284)                               | (791)   | (928)                              | (999)   |
| <b>Net income</b>   | <b>\$1,271</b>                      | \$2,435 | <b>\$2,556</b>                     | \$2,798 |
| <b>Attributable to:</b>   |                                     |         |                                    |         |
| Equity holders of Barrick Gold Corporation  | \$882                               | \$2,277 | \$1,639                            | \$2,582 |
| Non-controlling interests   | \$389                               | \$158   | \$917                              | \$216   |

### Earnings per share data attributable to the equity holders of Barrick Gold Corporation (note 8)

|            |        |        |        |        |
|------------|--------|--------|--------|--------|
| Net income |        |        |        |        |
| Basic      | \$0.50 | \$1.30 | \$0.92 | \$1.47 |
| Diluted    | \$0.50 | \$1.30 | \$0.92 | \$1.47 |

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

## Consolidated Statements of Comprehensive Income

| Barrick Gold Corporation<br>(in millions of United States dollars) (Unaudited)                                    | Three months ended<br>September 30, |                | Nine months ended<br>September 30, |                |
|---|-------------------------------------|----------------|------------------------------------|----------------|
|   | 2020                                | 2019           | 2020                               | 2019           |
| Net income  | \$1,271                             | \$2,435        | \$2,556                            | \$2,798        |
| <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, \$nil, \$nil and \$nil | (3)                                 | —              | (4)                                | —              |
| Realized (gains) losses on derivatives designated as cash flow hedges, net of tax \$nil, \$nil, \$nil and \$nil   | 3                                   | —              | 3                                  | —              |
| Currency translation adjustments, net of tax \$nil, \$nil, \$nil and \$nil  | (1)                                 | (1)            | (6)                                | (4)            |
| <b>Items that will not be reclassified to profit or loss:</b>   |                                     |                |                                    |                |
| Actuarial gain (loss) on post employment benefit obligations, net of tax \$1, \$nil, \$1 and \$nil                | —                                   | —              | (2)                                | —              |
| Net change on equity investments, net of tax (\$34), \$nil, (\$34) and \$nil                                      | 38                                  | 53             | 131                                | 60             |
| <b>Total other comprehensive income</b>   | <b>37</b>                           | <b>52</b>      | <b>122</b>                         | <b>56</b>      |
| <b>Total comprehensive income</b>   | <b>\$1,308</b>                      | <b>\$2,487</b> | <b>\$2,678</b>                     | <b>\$2,854</b> |
| <b>Attributable to:</b>   |                                     |                |                                    |                |
| Equity holders of Barrick Gold Corporation  | \$919                               | \$2,329        | \$1,761                            | \$2,638        |
| Non-controlling interests   | \$389                               | \$158          | \$917                              | \$216          |

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

# Consolidated Statements of Cash Flow

| Barrick Gold Corporation<br>(in millions of United States dollars) (Unaudited) | Three months ended<br>September 30, |                | Nine months ended<br>September 30, |                |
|--|-------------------------------------|----------------|------------------------------------|----------------|
|  | 2020                                | 2019           | 2020                               | 2019           |
| <b>OPERATING ACTIVITIES</b>  |                                     |                |                                    |                |
| Net income   | \$1,271                             | \$2,435        | \$2,556                            | \$2,798        |
| Adjustments for the following items:   |                                     |                |                                    |                |
| Depreciation   | 574                                 | 559            | 1,664                              | 1,460          |
| Finance costs, net   | 83                                  | 129            | 280                                | 381            |
| Impairment (reversals) charges (notes 9B and 13)                               | 4                                   | (872)          | (309)                              | (857)          |
| Income tax expense (note 10)   | 284                                 | 791            | 928                                | 999            |
| Remeasurement of Turquoise Ridge to fair value                                 | —                                   | (1,886)        | —                                  | (1,886)        |
| Gain on sale of non-current assets   | (2)                                 | (15)           | (54)                               | (27)           |
| Loss on currency translation   | 16                                  | 40             | 34                                 | 56             |
| Change in working capital (note 11)  | (3)                                 | 67             | (344)                              | (263)          |
| Other operating activities (note 11)   | (244)                               | (126)          | (226)                              | (112)          |
| Operating cash flows before interest and income taxes                          | 1,983                               | 1,122          | 4,529                              | 2,549          |
| Interest paid  | (19)                                | (31)           | (173)                              | (196)          |
| Income taxes paid  | (105)                               | (87)           | (577)                              | (395)          |
| <b>Net cash provided by operating activities</b>                               | <b>1,859</b>                        | <b>1,004</b>   | <b>3,779</b>                       | <b>1,958</b>   |
| <b>INVESTING ACTIVITIES</b>  |                                     |                |                                    |                |
| Property, plant and equipment  |                                     |                |                                    |                |
| Capital expenditures (note 5)  | (548)                               | (502)          | (1,508)                            | (1,255)        |
| Sales proceeds   | 8                                   | 13             | 24                                 | 31             |
| Investment sales (purchases)   | 2                                   | 3              | 208                                | (4)            |
| Divestitures (note 4)  | —                                   | —              | 256                                | —              |
| Cash acquired in merger  | —                                   | —              | —                                  | 751            |
| Other investing activities (note 11)   | 84                                  | 103            | 139                                | 165            |
| <b>Net cash used in investing activities</b>                                   | <b>(454)</b>                        | <b>(383)</b>   | <b>(881)</b>                       | <b>(312)</b>   |
| <b>FINANCING ACTIVITIES</b>  |                                     |                |                                    |                |
| Lease repayments   | (8)                                 | (5)            | (20)                               | (23)           |
| Debt repayments  | —                                   | (264)          | (351)                              | (280)          |
| Dividends  | (141)                               | (67)           | (387)                              | (461)          |
| Funding from non-controlling interests   | —                                   | 102            | 1                                  | 116            |
| Disbursements to non-controlling interests                                     | (259)                               | (133)          | (693)                              | (161)          |
| Other financing activities   | —                                   | (2)            | (15)                               | (2)            |
| <b>Net cash used in financing activities</b>                                   | <b>(408)</b>                        | <b>(369)</b>   | <b>(1,465)</b>                     | <b>(811)</b>   |
| <b>Effect of exchange rate changes on cash and equivalents</b>                 | <b>4</b>                            | <b>—</b>       | <b>(3)</b>                         | <b>(1)</b>     |
| Net increase in cash and equivalents   | 1,001                               | 252            | 1,430                              | 834            |
| <b>Cash and equivalents at the beginning of period</b>                         | <b>3,743</b>                        | <b>2,153</b>   | <b>3,314</b>                       | <b>1,571</b>   |
| <b>Cash and equivalents at the end of period</b>                               | <b>\$4,744</b>                      | <b>\$2,405</b> | <b>\$4,744</b>                     | <b>\$2,405</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,<br>2020 | As at December 31,<br>2019 |
|---|-----------------------------|----------------------------|
| <b>ASSETS</b>   |                             |                            |
| Current assets  |                             |                            |
| Cash and equivalents (note 14A)                                     | \$4,744                     | \$3,314                    |
| Accounts receivable   | 509                         | 363                        |
| Inventories   | 2,111                       | 2,289                      |
| Other current assets  | 495                         | 565                        |
| Total current assets (excluding assets classified as held for sale) | \$7,859                     | \$6,531                    |
| Assets classified as held for sale                                  | —                           | 356                        |
| Total current assets  | \$7,859                     | \$6,887                    |
| Non-current assets  |                             |                            |
| Equity in investees (note 12)                                       | 4,643                       | 4,527                      |
| Property, plant and equipment                                       | 24,698                      | 24,141                     |
| Goodwill  | 4,769                       | 4,769                      |
| Intangible assets   | 170                         | 226                        |
| Deferred income tax assets  | 165                         | 235                        |
| Non-current portion of inventory                                    | 2,392                       | 2,300                      |
| Other assets  | 1,420                       | 1,307                      |
| Total assets  | \$46,116                    | \$44,392                   |
| <b>LIABILITIES AND EQUITY</b>                                       |                             |                            |
| Current liabilities   |                             |                            |
| Accounts payable  | \$1,032                     | \$1,155                    |
| Debt (note 14B)   | 21                          | 375                        |
| Current income tax liabilities                                      | 339                         | 224                        |
| Other current liabilities   | 359                         | 622                        |
| Total current liabilities   | \$1,751                     | \$2,376                    |
| Non-current liabilities   |                             |                            |
| Debt (note 14B)   | 5,140                       | 5,161                      |
| Provisions  | 3,311                       | 3,114                      |
| Deferred income tax liabilities                                     | 3,064                       | 3,091                      |
| Other liabilities   | 1,200                       | 823                        |
| Total liabilities   | \$14,466                    | \$14,565                   |
| Equity  |                             |                            |
| Capital stock (note 16)   | \$29,235                    | \$29,231                   |
| Deficit   | (8,474)                     | (9,722)                    |
| Accumulated other comprehensive loss                                | —                           | (122)                      |
| Other   | 2,038                       | 2,045                      |
| Total equity attributable to Barrick Gold Corporation shareholders  | \$22,799                    | \$21,432                   |
| Non-controlling interests   | 8,851                       | 8,395                      |
| Total equity  | \$31,650                    | \$29,827                   |
| Contingencies and commitments (notes 5 and 17)                      |                             |                            |
| Total liabilities and equity  | \$46,116                    | \$44,392                   |

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)<br>(Unaudited)  | Common<br>Shares (in<br>thousands)            | Capital<br>stock | Retained<br>earnings<br>(deficit) | Accumulated<br>other<br>comprehensive<br>income (loss) <sup>1</sup> | Other <sup>2</sup> | Total equity<br>attributable to<br>shareholders | Non-<br>controlling<br>interests | Total<br>equity |
| <b>At January 1, 2020</b>                              | <b>1,777,927</b>                              | <b>\$29,231</b>  | <b>(\$9,722)</b>                  | <b>(\$122)</b>  | <b>\$2,045</b>     | <b>\$21,432</b>                                 | <b>\$8,395</b>                   | <b>\$29,827</b> |
| Net income   | —   | —                | 1,639                             | —   | —                  | 1,639   | 917                              | 2,556           |
| Total other comprehensive income (loss)                | —   | —                | —                                 | 122   | —                  | 122   | —                                | 122             |
| Total comprehensive income                             | —   | —                | 1,639                             | 122   | —                  | 1,761   | 917                              | 2,678           |
| Transactions with owners                               |   |                  |                                   |   |                    |   |                                  |                 |
| Dividends  | —   | —                | (387)                             | —   | —                  | (387)   | —                                | (387)           |
| Issuance of 16% interest in Tanzania mines (note 13)   | —   | —                | —                                 | —   | —                  | —   | 238                              | 238             |
| Sale of Acacia exploration properties                  | —   | —                | —                                 | —   | (13)               | (13)  | 13                               | —               |
| Issued on exercise of stock options                    | 70  | —                | —                                 | —   | —                  | —   | —                                | —               |
| Funding from non-controlling interests                 | —   | —                | —                                 | —   | —                  | —   | 1                                | 1               |
| Disbursements to non-controlling interests             | —   | —                | —                                 | —   | —                  | —   | (713)                            | (713)           |
| Dividend reinvestment plan (note 16)                   | 129   | 4                | (4)                               | —   | —                  | —   | —                                | —               |
| Share-based payments                                   | —   | —                | —                                 | —   | 6                  | 6   | —                                | 6               |
| Total transactions with owners                         | 199   | 4                | (391)                             | —   | (7)                | (394)   | (461)                            | (855)           |
| <b>At September 30, 2020</b>                           | <b>1,778,126</b>                              | <b>\$29,235</b>  | <b>(\$8,474)</b>                  | <b>\$—</b>  | <b>\$2,038</b>     | <b>\$22,799</b>                                 | <b>\$8,851</b>                   | <b>\$31,650</b> |
| <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             |
| Disbursements to non-controlling interests             | —   | —                | —                                 | —   | —                  | —   | (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> |

<sup>1</sup> Includes cumulative translation losses at September 30, 2020: \$94 million (September 30, 2019: \$87 million).

<sup>2</sup> Includes additional paid-in capital as at September 30, 2020: \$2,000 million (December 31, 2019: \$2,007 million; September 30, 2019: \$1,998 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, Canada, Côte d’Ivoire, the Democratic Republic of Congo, the Dominican Republic, Mali, Tanzania and the United States. Our mine in Papua New Guinea was placed on care and maintenance in April 2020. We have ownership interests in producing copper mines in Chile, Saudi Arabia and Zambia. We also have various projects located throughout the Americas.

## 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, 2019 (“2019 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 4, 2020.

### B) New Accounting Standards Issued But Not Yet Effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on Barrick in the current or future reporting periods.

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

The judgments, estimates, assumptions and risks discussed here reflect updates from the 2019 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 2019 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 rates. 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 decrease of \$12 million (2019: \$481 million net increase) to the PER at our minesites for the three months ended September 30, 2020 and a net increase of \$124 million (2019: \$752 million net increase) for the nine months ended September 30, 2020 primarily due to changes 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.

### B) Pascua-Lama

The Pascua-Lama project received \$410 million as at September 30, 2020 (December 31, 2019: \$424 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 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, unless extended. Interest on this amount would accrue from the date of non-compliance.

In addition, we have recorded \$59 million in VAT recoverable in Argentina as at September 30, 2020 (December 31, 2019: \$72 million) relating to the development of the Argentinean side of the project. These amounts may not be fully 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) Covid-19**

On March 11, 2020, the Covid-19 outbreak was declared a pandemic by the World Health Organization. The outbreak and efforts to contain it have had a significant effect on commodity prices and capital markets. We have adopted certain operating procedures to respond to Covid-19, and to date, our operations have not been significantly impacted by the pandemic with the exception of Veladero where the government of Argentina implemented a mandatory nationwide quarantine in March 2020. Although this was lifted in April, movement and social distancing restrictions have impacted the remobilization of employees and contractors back to Veladero. Notwithstanding the proactive and considered actions taken to maintain a safe workplace, it is possible that in the future there will be negative impacts on our operations or supply chain and the pandemic may trigger actions such as reduced mining and production activities at our operations. This could have a material adverse effect on our cash flows, earnings, results of operations and financial position.

Our sites have continued to produce and sell their production, with no significant disruptions to date, with the exception of Veladero as noted above. Our ability to maintain production across our operations combined with increased market gold prices, has resulted in Barrick being able to deliver strong operating cash flow for the nine months ended September 30, 2020. Barrick has \$4.7 billion in cash, an undrawn \$3.0 billion credit facility and no significant debt repayments due until 2033, providing us with sufficient liquidity to manage through this period of uncertainty.

While we have not experienced any significant negative impact to date, the extent to which Covid-19 impacts future business activity or financial results, and the duration of any such negative impact, will depend on future developments, which are highly uncertain and unknown at this time.

#### **E) Streaming transactions**

Our silver sale agreement with Wheaton Precious Metals Corp. ("Wheaton") requires us to deliver 25% of the life of mine silver production from the Pascua-Lama project once it is constructed and required delivery of 100% of our silver production from the Lagunas Norte, Pierina and Veladero mines until March 31, 2018. The completion date guarantee under the silver sale agreement for Pascua-Lama was originally December 31, 2015 but was subsequently extended to June 30, 2020. Per the terms of the amended silver sale agreement, if the requirements of the completion guarantee were not satisfied by June 30, 2020, then Wheaton had the right to terminate the agreement within 90 days of that date, in which case, they would have been entitled to the return of the upfront consideration paid less credit for silver delivered up to the date of that event.

Given that, as of September 28, 2020, Wheaton had not exercised its termination right, a residual liability of \$253 million remains due on September 1, 2039 (assuming no future deliveries were made). This residual cash liability was re-measured to \$148 million, being the present value of the liability due in 2039 discounted at a rate estimated for comparable liabilities, including Barrick's outstanding debt. This remeasurement resulted in a gain of \$104 million recorded in Other Income (refer to note 9A). The liability of

\$148 million has been reclassified from other current liabilities to other non-current liabilities in these financial statements and will be measured at amortized cost in future periods. For further details of the silver sale agreement, refer to notes 3 and 29 of the 2019 Annual Financial Statements.

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

#### **A) Eskay Creek**

On August 4, 2020 Barrick entered into a definitive agreement with Skeena Resources Limited ("Skeena") pursuant to which Skeena exercised its option to acquire the Eskay Creek project in British Columbia and Barrick will waive its back-in right on the Eskay Creek project. The consideration under the definitive agreement consists of: (i) the issuance by Skeena of 22,500,000 units (the "Units"), with each Unit comprising one common share of Skeena and one half of a warrant, with each whole warrant entitling Barrick to purchase one additional common share of Skeena at an exercise price of C\$2.70 each until the second anniversary of the closing date; (ii) the grant of a 1% net smelter returns ("NSR") royalty on the entire Eskay Creek land package; and (iii) a contingent payment of C\$15 million payable during a 24-month period after closing. The transaction closed on October 5, 2020 and we expect to recognize a gain of approximately \$60 million in the fourth quarter of 2020.

#### **B) Morila**

On August 31, 2020, Barrick announced an agreement with AngloGold Ashanti Limited to sell their combined 80% interest in the Morila gold mine in Mali to Mali Lithium Limited for cash consideration estimated at between \$22 million and \$27 million, depending on closing adjustments. Barrick holds a 40% interest in Morila and expects to receive 50% of the cash consideration. The sale is subject to certain conditions, including the acknowledgement of the transaction by the state of Mali, which holds the remaining 20% of the Morila gold mine. The transaction is expected to close in the fourth quarter of 2020.

#### **C) Massawa Project**

On March 4, 2020, Barrick and our Senegalese joint venture partner completed the sale of our aggregate 90% interest in the Massawa project ("Massawa") in Senegal to Teranga Gold Corporation ("Teranga") for total consideration fair valued at \$440 million on the date of closing. Barrick received 92.5% of the consideration for its interest in the Massawa project, with the balance received by Barrick's local Senegalese partner. Barrick received a net of \$256 million in cash and 19,164,403 Teranga common shares (worth \$104 million at the date of closing) plus a contingent payment of up to \$46.25 million based on the three year average gold price, which was valued at \$28 million at the date of closing. The cash consideration received was net of \$25 million that Barrick provided through its participation in the \$225 million syndicated debt financing facility secured by Teranga in connection with the transaction. The facility has a final repayment date of December 31, 2022. The difference between the fair value of consideration received and the carrying value of the assets on closing was \$54 million and was recognized as a gain in the first quarter of 2020.

## 5 > SEGMENT INFORMATION

Barrick's business is organized into eighteen minesites and one project. Barrick's Chief Operating Decision Maker ("CODM") (Mark Bristow, President and Chief Executive Officer) reviews the operating results, assesses performance and makes capital allocation decisions at the minesite, Company and/or project level. Each individual minesite and the Pascua-Lama project are operating segments for financial reporting purposes. Our presentation of our reportable operating segments consists of nine gold mines (Carlin, Cortez, Turquoise Ridge, Pueblo Viejo, Loulo-Goukoto, Kibali, Veladero, Porgera and North Mara). The remaining operating segments, including our copper mines, remaining gold mines and project, 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. Prior period figures have been restated to reflect the changes made to our reportable operating segments in the prior year.

### Consolidated Statement of Income Information

| For the three months ended<br>September 30, 2020 | Cost of Sales |   |              |  |   | Segment income<br>(loss) |
|--|---------------|---|--------------|--|---|--------------------------|
|  | Revenue       | Direct mining,<br>royalties and<br>community<br>relations | Depreciation | Exploration,<br>evaluation and<br>project expenses | Other expenses<br>(income) <sup>1</sup> |                          |
| Carlin <sup>2</sup>                              | \$852         | \$358   | \$82         | \$7  | \$4                                     | \$401                    |
| Cortez <sup>2</sup>                              | 358           | 144   | 54           | 4  | —                                       | 156                      |
| Turquoise Ridge <sup>2</sup>                     | 240           | 95  | 41           | 2  | —                                       | 102                      |
| Pueblo Viejo <sup>2</sup>                        | 417           | 113   | 56           | 2  | (5)                                     | 251                      |
| Loulo-Goukoto <sup>2</sup>                       | 329           | 116   | 69           | 3  | 26                                      | 115                      |
| Kibali   | 176           | 56  | 43           | —  | 3                                       | 74                       |
| Veladero   | 82            | 32  | 17           | —  | 3                                       | 30                       |
| Porgera  | —             | 1   | 4            | 1  | 11                                      | (17)                     |
| North Mara <sup>2</sup>                          | 158           | 53  | 20           | —  | —                                       | 85                       |
| Other Mines <sup>2,3</sup>                       | 1,096         | 439   | 219          | 5  | 9                                       | 424                      |
| Reportable segment total                         | \$3,708       | \$1,407   | \$605        | \$24   | \$51                                    | \$1,621                  |
| Share of equity investees                        | (176)         | (56)  | (43)         | —  | (3)                                     | (74)                     |
| Segment total                                    | \$3,532       | \$1,351   | \$562        | \$24   | \$48                                    | \$1,547                  |

### Consolidated Statement of Income Information

| For the three months ended<br>September 30, 2019 | Cost of Sales |   |              |  |   | Segment income<br>(loss) |
|--|---------------|---|--------------|--|---|--------------------------|
|  | Revenue       | Direct mining,<br>royalties and<br>community<br>relations | Depreciation | Exploration,<br>evaluation and<br>project expenses | Other expenses<br>(income) <sup>1</sup> |                          |
| Carlin <sup>2</sup>                              | \$652         | \$344   | \$101        | \$6  | \$5                                     | \$196                    |
| Cortez <sup>2</sup>                              | 300           | 117   | 53           | 2  | 3                                       | 125                      |
| Turquoise Ridge <sup>2</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                       |
| Porgera  | 111           | 65  | 11           | —  | 2                                       | 33                       |
| North Mara <sup>2</sup>                          | 87            | 36  | 17           | —  | 3                                       | 31                       |
| Other Mines <sup>2,3</sup>                       | 568           | 362   | 147          | 7  | 7                                       | 45                       |
| Reportable segment total                         | \$2,811       | \$1,375   | \$605        | \$26   | \$24                                    | \$781                    |
| Share of equity investees                        | (133)         | (50)  | (57)         | (1)  | —                                       | (25)                     |
| Segment total                                    | \$2,678       | \$1,325   | \$548        | \$25   | \$24                                    | \$756                    |

## Consolidated Statement of Income Information

| For the nine months ended<br>September 30, 2020 | Cost of Sales |   |              |  |   | Segment income<br>(loss) |
|---|---------------|---|--------------|--|---|--------------------------|
|   | Revenue       | Direct mining,<br>royalties and<br>community<br>relations | Depreciation | Exploration,<br>evaluation and<br>project expenses | Other expenses<br>(income) <sup>1</sup> |                          |
| Carlin <sup>2</sup>                             | \$2,168       | \$1,007   | \$232        | \$17   | \$16                                    | \$896                    |
| Cortez <sup>2</sup>                             | 1,056         | 403   | 164          | 9  | 2                                       | 478                      |
| Turquoise Ridge <sup>2</sup>                    | 684           | 287   | 132          | 7  | 2                                       | 256                      |
| Pueblo Viejo <sup>2</sup>                       | 1,126         | 369   | 163          | 7  | (5)                                     | 592                      |
| Loulo-Goukoto <sup>2</sup>                      | 912           | 336   | 202          | 9  | 31                                      | 334                      |
| Kibali  | 480           | 167   | 126          | 2  | (1)                                     | 186                      |
| Veladero  | 234           | 107   | 52           | —  | 5                                       | 70                       |
| Porgera   | 140           | 81  | 20           | 2  | 38                                      | (1)                      |
| North Mara <sup>2</sup>                         | 429           | 166   | 70           | —  | (3)                                     | 196                      |
| Other Mines <sup>2,3</sup>                      | 2,559         | 1,179   | 597          | 12   | 46                                      | 725                      |
| Reportable segment total                        | \$9,788       | \$4,102   | \$1,758      | \$65   | \$131                                   | \$3,732                  |
| Share of equity investees                       | (480)         | (167)   | (126)        | (2)  | 1                                       | (186)                    |
| Segment total                                   | \$9,308       | \$3,935   | \$1,632      | \$63   | \$132                                   | \$3,546                  |

## Consolidated Statement of Income Information

| For the nine months ended<br>September 30, 2019 | Cost of Sales |   |              |  |   | Segment income<br>(loss) |
|---|---------------|---|--------------|--|---|--------------------------|
|   | Revenue       | Direct mining,<br>royalties and<br>community<br>relations | Depreciation | Exploration,<br>evaluation and<br>project expenses | Other expenses<br>(income) <sup>1</sup> |                          |
| Carlin <sup>2</sup>                             | \$1,198       | \$654   | \$220        | \$10   | \$2                                     | \$312                    |
| Cortez <sup>2</sup>                             | 1,007         | 367   | 182          | 6  | 14                                      | 438                      |
| Turquoise Ridge <sup>2</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                       |
| Porgera   | 280           | 179   | 30           | 1  | 3                                       | 67                       |
| North Mara <sup>2</sup>                         | 310           | 144   | 62           | —  | 10                                      | 94                       |
| Other Mines <sup>2,3</sup>                      | 1,585         | 1,041   | 403          | 14   | 42                                      | 85                       |
| Reportable segment total                        | \$7,209       | \$3,612   | \$1,575      | \$54   | \$81                                    | \$1,887                  |
| Share of equity investees                       | (375)         | (153)   | (144)        | (1)  | 1                                       | (78)                     |
| Segment total                                   | \$6,834       | \$3,459   | \$1,431      | \$53   | \$82                                    | \$1,809                  |

<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, 2020, accretion expense was \$6 million (2019: \$13 million) and for the nine months ended September 30, 2020, accretion expense was \$24 million (2019: \$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, 2020 for Nevada Gold Mines \$668 million, \$359 million, \$303 million (2019: \$504 million, \$346 million, \$149 million), Pueblo Viejo \$171 million, \$67 million, \$104 million (2019: \$140 million, \$72 million, \$67 million), Loulo-Goukoto \$65 million, \$36 million, \$23 million (2019: \$57 million, \$40 million, \$16 million), North Mara, Bulyanhulu and Buzwagi \$75 million, \$37 million, \$37 million (2019: \$51 million, \$35 million, \$12 million), and Tongon \$14 million, \$9 million, \$4 million (2019: \$11 million, \$11 million, \$nil) and for the nine months ended September 30, 2020 for Nevada Gold Mines \$1,781 million, \$1,031 million, \$727 million (2019: \$504 million, \$346 million, \$149 million), Pueblo Viejo \$463 million, \$211 million, \$251 million (2019: \$390 million, \$211 million, \$175 million), Loulo-Goukoto \$182 million, \$107 million, \$67 million (2019: \$148 million, \$113 million, \$32 million), North Mara, Bulyanhulu and Buzwagi \$158 million, \$91 million, \$63 million (2019: \$169 million, \$125 million, \$31 million) and Tongon \$38 million, \$29 million, \$9 million (2019: \$29 million, \$32 million, \$(3) million).

<sup>3</sup> Includes provisional pricing adjustments for the three months ended September 30, 2020 of \$43 million gains (2019: \$1 million gains) and for the nine months ended September 30, 2020 of \$50 million gains (2019: \$15 million gains).

## Reconciliation of Segment Income to Income Before Income Taxes

|   | For the three months ended<br>September 30 |         | For the nine months ended<br>September 30 |         |
|---|--|---------|---|---------|
|   | 2020                                       | 2019    | 2020                                      | 2019    |
| Segment income  | \$1,547                                    | \$756   | \$3,546                                   | \$1,809 |
| Other revenue   | 8  | —       | 8   | —       |
| Other cost of sales/amortization  | (14)                                       | (16)    | (36)                                      | (34)    |
| Exploration, evaluation and project expenses not attributable to segments | (48)                                       | (61)    | (158)                                     | (205)   |
| General and administrative expenses                                       | (50)                                       | (68)    | (161)                                     | (181)   |
| Other income (expense) not attributable to segments                       | 115  | 1,863   | 138                                       | 1,861   |
| Impairment reversals (charges)  | (4)  | 872     | 309                                       | 857     |
| Loss on currency translation  | (16)                                       | (40)    | (34)                                      | (56)    |
| Closed mine rehabilitation  | (8)  | (5)     | (105)                                     | (46)    |
| Income from equity investees  | 95   | 38      | 210                                       | 116     |
| Finance costs, net (includes non-segment accretion)                       | (75)                                       | (112)   | (243)                                     | (324)   |
| Gain (loss) on non-hedge derivatives                                      | 5  | (1)     | 10  | —       |
| Income before income taxes <sup>1</sup>                                   | \$1,555                                    | \$3,226 | \$3,484                                   | \$3,797 |

<sup>1</sup> Includes non-controlling interest portion of revenues, cost of sales and non-segment income for the three months ended September 30, 2020 for Acacia, \$nil, \$nil, \$nil (2019: \$nil, \$nil, \$(11) million) and Nevada Gold Mines, \$nil, \$2 million, \$(4) million (2019: \$nil, \$2 million, \$(4) million) and for the nine months ended September 30, 2020 for Acacia, \$nil, \$nil, \$nil (2019: \$nil, \$nil, \$(17) million) and Nevada Gold Mines, \$nil, \$4 million, \$(13) million (2019: \$nil \$2 million, \$(4) million).

## Capital Expenditures Information

|                                       | Segment capital expenditures <sup>1</sup>  |       |   |         |
|---------------------------------------|--|-------|---|---------|
|                                       | For the three months ended<br>September 30 |       | For the nine months ended<br>September 30 |         |
|                                       | 2020                                       | 2019  | 2020                                      | 2019    |
| Carlin                                | \$92                                       | \$98  | \$288                                     | \$217   |
| Cortez                                | 76   | 92    | 254                                       | 257     |
| Turquoise Ridge                       | 20   | 39    | 73  | 86      |
| Pueblo Viejo                          | 55   | 28    | 115                                       | 86      |
| Loulo-Gounkoto                        | 94   | 62    | 203                                       | 151     |
| Kibali                                | 9  | 14    | 40  | 34      |
| Veladero                              | 21   | 20    | 63  | 68      |
| Porgera                               | —  | 12    | 11  | 41      |
| North Mara                            | 23   | 12    | 59  | 40      |
| Other Mines                           | 132  | 90    | 287                                       | 287     |
| Reportable segment total              | \$522                                      | \$467 | \$1,393                                   | \$1,267 |
| Other items not allocated to segments | 36   | 35    | 127                                       | 86      |
| Total                                 | \$558                                      | \$502 | \$1,520                                   | \$1,353 |
| Share of equity investees             | (9)  | (14)  | (40)                                      | (34)    |
| Total                                 | \$549                                      | \$488 | \$1,480                                   | \$1,319 |

<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, 2020, cash expenditures were \$548 million (2019: \$502 million) and the increase in accrued expenditures was \$1 million (2019: \$14 million decrease). For the nine months ended September 30, 2020, cash expenditures were \$1,508 million (2019: \$1,255 million) and the decrease in accrued expenditures was \$28 million (2019: \$64 million increase).

## Purchase Commitments

At September 30, 2020, we had purchase obligations for supplies and consumables of \$1,661 million (December 31, 2019: \$1,681 million).

## Capital Commitments

In addition to entering into various operational commitments in the normal course of business, we had capital commitments of \$158 million at September 30, 2020 (December 31, 2019: \$383 million).

## 6 > REVENUE

|                                 | For the three months ended<br>September 30 |         | For the nine months ended<br>September 30 |         |
|---------------------------------|--|---------|---|---------|
|                                 | 2020                                       | 2019    | 2020                                      | 2019    |
| <b>Gold sales</b>               |  |         |   |         |
| Spot market sales               | \$2,973                                    | \$2,549 | \$8,145                                   | \$6,371 |
| Concentrate sales               | 246  | 36      | 475                                       | 56      |
| Provisional pricing adjustments | 18   | —       | 22  | 1       |
|                                 | <b>\$3,237</b>                             | \$2,585 | <b>\$8,642</b>                            | \$6,428 |
| <b>Copper sales</b>             |  |         |   |         |
| Copper concentrate sales        | \$194                                      | \$44    | \$474                                     | \$297   |
| Provisional pricing adjustments | 25   | 1       | 28  | 14      |
|                                 | <b>\$219</b>                               | \$45    | <b>\$502</b>                              | \$311   |
| <b>Other sales<sup>1</sup></b>  | <b>84</b>                                  | 48      | <b>172</b>                                | 95      |
| <b>Total</b>                    | <b>\$3,540</b>                             | \$2,678 | <b>\$9,316</b>                            | \$6,834 |

<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          |         |
|--|----------------|---------|--------------|-------|--------------------|------|----------------|---------|
|  | 2020           | 2019    | 2020         | 2019  | 2020               | 2019 | 2020           | 2019    |
| For the three months ended<br>September 30 |                |         |              |       |                    |      |                |         |
| Direct mining cost <sup>1,2</sup>          | \$1,151        | \$1,207 | \$76         | \$30  | \$—                | \$1  | \$1,227        | \$1,238 |
| Depreciation                               | 508            | 538     | 61           | 13    | 5                  | 8    | 574            | 559     |
| Royalty expense                            | 103            | 79      | 16           | 5     | —                  | —    | 119            | 84      |
| Community relations                        | 6              | 7       | 1            | 1     | —                  | —    | 7              | 8       |
|  | <b>\$1,768</b> | \$1,831 | <b>\$154</b> | \$49  | <b>\$5</b>         | \$9  | <b>\$1,927</b> | \$1,889 |
| For the nine months ended<br>September 30  |                |         |              |       |                    |      |                |         |
| Direct mining cost <sup>1,2</sup>          | \$3,352        | \$3,022 | \$224        | \$169 | \$4                | \$1  | \$3,580        | \$3,192 |
| Depreciation                               | 1,480          | 1,353   | 167          | 83    | 17                 | 24   | 1,664          | 1,460   |
| Royalty expense                            | 303            | 223     | 38           | 26    | —                  | —    | 341            | 249     |
| Community relations                        | 16             | 20      | 2            | 3     | —                  | —    | 18             | 23      |
|  | <b>\$5,151</b> | \$4,618 | <b>\$431</b> | \$281 | <b>\$21</b>        | \$25 | <b>\$5,603</b> | \$4,924 |

<sup>1</sup> Direct mining cost includes charges to reduce the cost of inventory to net realizable value as follows: \$11 million for the three months ended September 30, 2020 (2019: \$nil) and \$29 million for the nine months ended September 30, 2020 (2019: \$16 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<br>September 30 |         |         |         | For the nine months ended<br>September 30 |         |         |         |
|--|--|---------|---------|---------|---|---------|---------|---------|
|  | 2020                                       |         | 2019    |         | 2020                                      |         | 2019    |         |
|  | Basic                                      | Diluted | Basic   | Diluted | Basic                                     | Diluted | Basic   | Diluted |
| Net income   | \$1,271                                    | \$1,271 | \$2,435 | \$2,435 | \$2,556                                   | \$2,556 | \$2,798 | \$2,798 |
| Net income attributable to non-controlling interests   | (389)                                      | (389)   | (158)   | (158)   | (917)                                     | (917)   | (216)   | (216)   |
| Net income attributable to equity holders of Barrick Gold Corporation                                    | \$882                                      | \$882   | \$2,277 | \$2,277 | \$1,639                                   | \$1,639 | \$2,582 | \$2,582 |
| Weighted average shares outstanding  | 1,778                                      | 1,778   | 1,756   | 1,756   | 1,778                                     | 1,778   | 1,751   | 1,751   |
| Basic and diluted earnings per share data attributable to the equity holders of Barrick Gold Corporation | \$0.50                                     | \$0.50  | \$1.30  | \$1.30  | \$0.92                                    | \$0.92  | \$1.47  | \$1.47  |

## 9 > OTHER EXPENSE

### A) Other Expense (Income)

|   | For the three months ended September 30 |                  | For the nine months ended September 30 |                  |
|---|---|------------------|--|------------------|
|   | 2020                                    | 2019             | 2020                                   | 2019             |
| Other expense:  |   |                  |  |                  |
| Bank charges  | \$3                                     | \$2              | \$12                                   | \$10             |
| Bulyanhulu reduced operations program cost <sup>1</sup> | 5                                       | 6                | 19                                     | 18               |
| Litigation  | 3                                       | 4                | 12                                     | 23               |
| Miscellaneous write-offs (reversals)                    | (1)                                     | 5                | —                                      | 7                |
| Covid-19 donations                                      | 4                                       | —                | 22                                     | —                |
| Porgera care and maintenance costs                      | 12                                      | —                | 39                                     | —                |
| Tanzania transaction costs incurred by Acacia           | —                                       | 19               | —                                      | 19               |
| Tanzania - other  | —                                       | 5                | —                                      | 10               |
| Other   | 11                                      | 17               | 40                                     | 25               |
| <b>Total other expense</b>                              | <b>\$37</b>                             | <b>\$58</b>      | <b>\$144</b>                           | <b>\$112</b>     |
| Other income:   |   |                  |  |                  |
| Gain on sale of long-lived assets                       | (\$2)                                   | (\$15)           | (\$54)                                 | (\$27)           |
| Remeasurement of Turquoise Ridge to fair value          | —                                       | (1,886)          | —                                      | (1,886)          |
| Remeasurement of silver sale liability <sup>2</sup>     | (104)                                   | —                | (104)                                  | —                |
| Loss (gain) on non-hedge derivatives                    | (5)                                     | 1                | (10)                                   | —                |
| Other   | (4)                                     | (9)              | (16)                                   | (17)             |
| <b>Total other income</b>                               | <b>(\$115)</b>                          | <b>(\$1,909)</b> | <b>(\$184)</b>                         | <b>(\$1,930)</b> |
| <b>Total</b>  | <b>(\$78)</b>                           | <b>(\$1,851)</b> | <b>(\$40)</b>                          | <b>(\$1,818)</b> |

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

<sup>2</sup> Refer to note 3E for further details.

### B) Impairment (Reversals) Charges

|   | For the three months ended September 30 |                | For the nine months ended September 30 |                |
|---|---|----------------|--|----------------|
|   | 2020                                    | 2019           | 2020                                   | 2019           |
| Impairment (reversals) of non-current assets <sup>1</sup> | \$4                                     | (\$872)        | (\$321)                                | (\$857)        |
| Impairment of intangibles                                 | —                                       | —              | 12                                     | —              |
| <b>Total</b>  | <b>\$4</b>                              | <b>(\$872)</b> | <b>(\$309)</b>                         | <b>(\$857)</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 |              |
|--------------|---|--------------|--|--------------|
|              | 2020                                    | 2019         | 2020                                   | 2019         |
| Current      | \$372                                   | \$163        | \$846                                  | \$396        |
| Deferred     | (88)                                    | 628          | 82                                     | 603          |
| <b>Total</b> | <b>\$284</b>                            | <b>\$791</b> | <b>\$928</b>                           | <b>\$999</b> |

Income tax expense was \$928 million for the nine months ended September 30, 2020. The unadjusted effective

income tax rate for the nine months ended September 30, 2020, was 27% of the income before income taxes.

The underlying effective income tax rate on ordinary income for the nine months ended September 30, 2020 was 27% after adjusting for the gain on sale of the Massawa project; the impact of the settlement of all outstanding disputes with the Government of Tanzania ("GoT"); the impact of impairment charges; the impact of the transfer of a free carried shareholding of 16% in each of the Tanzania mines to the GoT; the impact of foreign currency translation losses on deferred tax balances; the impact of non-deductible foreign exchange losses; the impact of a reduced corporate tax rate in Argentina on deferred tax balances; the impact of Covid-19 donations; the impact of the Porgera mine being placed on care and maintenance; the impact of the remeasurement of our residual cash liability on the silver sale agreement with Wheaton for Pascua-Lama; 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, 2020, a tax recovery of \$6 million primarily arose from translation losses and gains on tax balances in Argentina and Mali, respectively, due to the weakening of the Argentine peso and strengthening of the West African CFA franc, against the US dollar. These net translation gains are included within deferred income tax expense.

### Nevada Gold Mines

Nevada Gold Mines is a limited liability company treated as a flow through partnership for US tax purposes. The partnership is not subject to federal 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 income tax associated with the investment (61.5% share) following the principles in IAS 12.

### Argentina Deferred Taxes

In December 2017, Argentina reduced its 35% corporate tax rate to 30% for 2018 and 2019, with a 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. On December 23, 2019, Argentina enacted a law that the previously approved corporate tax rate reduction from 30% to 25% will be deferred for one year until January 1, 2021. Therefore, the corporate tax rate of 30% is unchanged for the 2020 calendar year. The scheduled increase of dividend withholding tax from 7% to 13% was also deferred until January 1, 2021.

A deferred tax recovery of \$35 million was recorded in the first quarter of 2020 as a result of the tax reform measures.

### Tanzania

On January 24, 2020, Barrick formalized the establishment of a joint venture between Barrick and the GoT and resolution of all outstanding disputes between Barrick and the GoT, including the lifting of the previous concentrate

export ban, effective immediately. Refer to note 13 for further details.

A current tax expense and deferred tax recovery of \$21 million and \$44 million, respectively, was recorded in the first quarter of 2020, largely to reflect the terms of the framework agreement with the GoT. A total of \$13 million of

additional deferred tax recovery was recorded in the second and third quarters of 2020 due to the recognition of deferred tax assets at Buzwagi.

## 11 > CASH FLOW – OTHER ITEMS

| Operating Cash Flows – Other Items                         | For the three months ended September 30 |         | For the nine months ended September 30 |         |
|--|---|---------|--|---------|
|  | 2020                                    | 2019    | 2020                                   | 2019    |
| Adjustments for non-cash income statement items:           |   |         |  |         |
| Loss (gain) on non-hedge derivatives                       | (\$5)                                   | \$1     | (\$10)                                 | \$—     |
| Remeasurement of silver sale liability                     | (104)                                   | —       | (104)                                  | —       |
| Share-based compensation expense                           | 23                                      | 25      | 73                                     | 63      |
| Income from investment in equity investees                 | (95)                                    | (38)    | (210)                                  | (116)   |
| Change in estimate of rehabilitation costs at closed mines | 8                                       | 5       | 105                                    | 46      |
| Net inventory impairment charges                           | 11                                      | —       | 29                                     | 16      |
| Change in other assets and liabilities                     | (51)                                    | (96)    | (34)                                   | (68)    |
| Settlement of rehabilitation obligations                   | (31)                                    | (23)    | (75)                                   | (53)    |
| Other operating activities                                 | (\$244)                                 | (\$126) | (\$226)                                | (\$112) |
| Cash flow arising from changes in:                         |   |         |  |         |
| Accounts receivable  | (\$110)                                 | (\$6)   | (\$158)                                | (\$39)  |
| Inventory  | 101                                     | 9       | 76                                     | 21      |
| Other current assets                                       | 89                                      | (39)    | (50)                                   | (133)   |
| Accounts payable   | (88)                                    | 115     | (161)                                  | (45)    |
| Other current liabilities                                  | 5                                       | (12)    | (51)                                   | (67)    |
| Change in working capital                                  | (\$3)                                   | \$67    | (\$344)                                | (\$263) |

| Investing Cash Flows – Other Items                         | For the three months ended September 30 |       | For the nine months ended September 30 |       |
|--|---|-------|--|-------|
|  | 2020                                    | 2019  | 2020                                   | 2019  |
| Dividends received from equity method investments          | \$38                                    | \$72  | \$92                                   | \$104 |
| Funding of equity method investments                       | —                                       | (2)   | —                                      | (2)   |
| Shareholder loan repayments from equity method investments | 46                                      | 35    | 47                                     | 65    |
| Other  | —                                       | (2)   | —                                      | (2)   |
| Other net investing activities                             | \$84                                    | \$103 | \$139                                  | \$165 |

## 12 > EQUITY ACCOUNTING METHOD INVESTMENT CONTINUITY

|                                      | Kibali  | Jabal Sayid | Zaldívar | Other | Total   |
|--------------------------------------|---------|-------------|----------|-------|---------|
| At January 1, 2019                   | \$—     | \$245       | \$989    | \$—   | \$1,234 |
| Acquisitions                         | 3,195   | —           | —        | 58    | 3,253   |
| Equity pick-up from equity investees | 98      | 51          | 16       | —     | 165     |
| Funds invested                       | —       | —           | —        | 2     | 2       |
| Dividends received                   | (75)    | —           | (50)     | —     | (125)   |
| Shareholder loan repayment           | —       | —           | —        | (2)   | (2)     |
| At December 31, 2019                 | \$3,218 | \$296       | \$955    | \$58  | \$4,527 |
| Equity pick-up from equity investees | 147     | 51          | 12       | —     | 210     |
| Shareholder loan repayment           | —       | —           | —        | (2)   | (2)     |
| Dividends received                   | (92)    | —           | —        | —     | (92)    |
| At September 30, 2020                | \$3,273 | \$347       | \$967    | \$56  | \$4,643 |

### 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 2019 Annual Financial Statements for further information.

For the nine months ended September 30, 2020, we recorded net impairment reversals of \$309 million (2019: \$857 million net impairment reversals) for non-current assets.

#### Indicators of impairment and reversals

##### *Porgera*

As described in note 17, on April 24, 2020, we received communication from the Government of Papua New Guinea that the Special Mining Lease will not be extended, and therefore Porgera was placed on temporary care and maintenance on April 25, 2020. We have performed an analysis and concluded that the carrying value of our 47.5% share of Porgera (\$273 million as at September 30, 2020) remains recoverable. The ultimate resolution of this dispute may differ from this assumption and there is no guarantee that the carrying value will remain recoverable.

##### *Tanzania*

On January 24, 2020, Barrick formalized the establishment of a joint venture between Barrick and the GoT and resolution of all outstanding disputes between Barrick and the GoT, including the lifting of the previous concentrate export ban, effective immediately. Effective January 1, 2020, the GoT received a free carried shareholding of 16% in each of the Tanzania mines (Bulyanhulu, Buzwagi and North Mara), a 16% interest in the shareholder loans owed by the operating companies and will receive half of the economic benefits from the Tanzanian operations from taxes, royalties, clearing fees and participation in all cash distributions made by the mines, after the recoupment of capital investments.

We have determined this to be an indicator of impairment reversal, as the resolution of the long standing dispute has led to a decrease in the risk adjustment previously included in the weighted average cost of capital ("WACC") and the removal of the estimated impact of the previously anticipated issuance of the equity to the GoT. The key assumptions and estimates used in determining the fair value less cost to dispose ("FVLCD") are a short-term gold price of \$1,350 per ounce, long-term gold price of \$1,300 per ounce, NAV multiples of 1.1-1.3 and a WACC of 5.4%-6.2%. Management assumed the resumption of concentrate sales and exports commencing in Q2 2020 and the resumption of production from underground mining at Bulyanhulu in 2020. We identified that the FVLCD exceeded the carrying value and a full non-current asset impairment reversal was recognized in the first quarter of 2020 of \$649 million at Bulyanhulu and \$88 million at North Mara, based on a FVLCD of \$1,237 million and

\$967 million, respectively. No impairment reversal was recognized at Buzwagi.

The FVLCD was also used to determine the initial value assigned to the 16% equity interest in each of the operating mines that was given to the GoT. The recognition of this non-controlling interest in the three Tanzanian mines resulted in a loss of \$238 million being recognized in the first quarter of 2020. The assignment of 16% of the existing shareholder loans also resulted in the recognition of a \$167 million loss in the first quarter of 2020.

As the signing of the agreement to resolve all outstanding disputes with the GoT caused the impairment reversal, loss on equity issuance and loss on assignment of shareholder loans, the financial impact has been aggregated and presented as a \$332 million net impairment reversal on the consolidated statement of income.

### 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 January 31, 2020, Barrick completed a make-whole redemption of the approximately \$337 million of outstanding principal on the 3.85% notes due 2022. The settlement resulted in a debt extinguishment loss of \$15 million.

In January 2020, the final installment of \$14 million was repaid in relation to the Acacia Credit Facility.

## 15 > FAIR VALUE MEASUREMENTS

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

| As at September 30, 2020                           | 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                               | \$4,744  | \$—   | \$—                                       | \$4,744              |
| Other investments <sup>1</sup>                     | 333  | —   | —   | 333                  |
| Derivatives  | —  | 38  | —   | 38                   |
| Receivables from provisional copper and gold sales | —  | 229   | —   | 229                  |
|  | <b>\$5,077</b>   | <b>\$267</b>                                  | <b>\$—</b>                                | <b>\$5,344</b>       |

<sup>1</sup> Includes equity investments in other mining companies.

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

|                                | As at September 30, 2020 |                      | As at December 31, 2019 |                      |
|--------------------------------|--------------------------|----------------------|-------------------------|----------------------|
|                                | Carrying amount          | Estimated fair value | Carrying amount         | Estimated fair value |
| <b>Financial assets</b>        |                          |                      |                         |                      |
| Other assets <sup>1</sup>      | \$608                    | \$608                | \$612                   | \$612                |
| Other investments <sup>2</sup> | 333                      | 333                  | 258                     | 258                  |
| Derivative assets <sup>3</sup> | 40                       | 40                   | 1                       | 1                    |
|                                | <b>\$981</b>             | <b>\$981</b>         | <b>\$871</b>            | <b>\$871</b>         |
| <b>Financial liabilities</b>   |                          |                      |                         |                      |
| Debt <sup>4</sup>              | \$5,161                  | \$7,276              | \$5,536                 | \$6,854              |
| Derivative liabilities         | 2                        | 2                    | —                       | —                    |
| Other liabilities              | 340                      | 340                  | 209                     | 209                  |
|                                | <b>\$5,503</b>           | <b>\$7,618</b>       | <b>\$5,745</b>          | <b>\$7,063</b>       |

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

<sup>2</sup> Includes equity investments in other mining companies. Recorded at fair value. Quoted market prices are used to determine fair value.

<sup>3</sup> Primarily consists of contingent consideration received as part of the sale of Massawa

<sup>4</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.

The Company's valuation techniques were presented in Note 26 of the 2019 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 1,778,125,848 common shares as at September 30, 2020). Our common shares have no par value.

### 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.

The Company's dividend reinvestment plan resulted in 129,237 common shares issued to shareholders for the nine months ended September 30, 2020.

## 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 2019 Annual Financial Statements, and no new contingencies have occurred that are material to the Company since the issuance of the 2019 Annual Financial Statements.

The description set out below should be read in conjunction with Note 36 "Contingencies" to the 2019 Annual Financial Statements.

### Litigation and Claims Update

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

In March 2020, the Quebec court denied both the leave to proceed with statutory secondary market misrepresentations claims and class certification motions. As a result, subject to appeal, the claimant cannot pursue the statutory secondary market misrepresentation claims, and can only pursue his other purported claims on an individual basis rather than on behalf of other shareholders. The claimant has filed an appeal.

The motion for class certification in Ontario has not yet been heard. The Ontario court has indicated that it currently does not intend to hear that motion until after the Plaintiffs' appeal from the October 2019 decision dismissing all but one of the statutory secondary market misrepresentation claims is decided. That appeal is currently scheduled to be heard in November 2020. On October 20, 2020, the Company's motion for leave to appeal from the October 2019 decision allowing one statutory secondary market misrepresentation claim to move ahead was dismissed.

The Company intends to vigorously defend the proposed Canadian securities class actions. No amounts have been recorded for any potential liability arising from these matters, as the Company cannot reasonably predict the outcome.

#### *Pascua-Lama – SMA Regulatory Sanctions*

On September 17, 2020, the Antofagasta Environmental Court issued a ruling in which it upheld the closure order and sanctions imposed on Compañía Minera Nevada ("CMN"), the Barrick subsidiary that holds the Chilean portion of the Pascua-Lama project, by Chile's

environmental regulator (the “SMA”) in the Revised Resolution from January 2018. As part of its ruling, the Environmental Court also ordered the SMA to reevaluate certain environmental infringements contained in the Revised Resolution which may result in the imposition of additional fines against CMN. The Company confirmed that it will not appeal the Environmental Court’s decision, and the Chilean side of the Pascua-Lama project will now be transitioned to closure in accordance with that ruling.

On October 6, 2020, a group of local farmers challenged the Environmental Court’s decision. The challenge, which was brought before the Chilean Supreme Court, claims that the fines imposed by the SMA were inadequate and seeks to require the SMA to issue additional and more severe sanctions against CMN. The Chilean Supreme Court has not yet decided whether to accept this appeal.

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

##### *Federal Investigation*

On October 8, 2020, the Federal Supreme Court upheld the appeal filed by the Province of San Juan, finding that the Federal Court does not have jurisdiction to order additional environmental studies in communities downstream from the Veladero mine as part of its investigation into the alleged failure of three former federal government officials to maintain adequate environmental controls.

##### *Glaciers Investigation*

Due to the Argentine response to Covid-19 and a procedural challenge by one of the former federal officials, the oral arguments originally scheduled for April and May 2020 in this matter have been postponed and have not yet been rescheduled.

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

In the Criminal Tax Case, the Argentinean Federal Tax Authority’s appeal of the trial court’s ruling on the defendants’ motion to dismiss on statute of limitations grounds was denied. Additional evidence from an Argentine income tax expert will be submitted to the trial court to support the defendants’ arguments.

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.

#### *Writ of Kalikasan*

The tentative trial date of March 23, 2020 was postponed due to the Philippine government’s response to the Covid-19 pandemic. Following the re-opening of court operations in the Philippines, a September trial date was set and then cancelled at the request of petitioners’ counsel, including for the purpose of permitting the Court to consider two motions filed by the petitioners. A new trial date has not been set.

No amounts have been recorded for any potential liability under this matter, as the Company cannot reasonably

predict the outcome. The Company intends to continue to defend the action vigorously.

#### *Malian Tax Dispute*

The Company has settled all of the existing tax disputes with the State of Mali and the matters are now closed. The existing disputes were settled for an amount within the provision recorded for these matters in the Company’s 2019 Annual Financial Statements.

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

On January 24, 2020, Barrick announced that the Company had ratified the creation of Twiga at a signing ceremony with the President of Tanzania, formalizing the establishment of a joint venture between Barrick and the GoT and resolution of all outstanding disputes between Barrick and the GoT, including the lifting of the previous concentrate export ban, effective immediately. The GoT received a free carried shareholding of 16% in each of the Tanzania mines (Bulyanhulu, Buzwagi and North Mara), a 16% interest in the shareholder loans owed by the operating companies 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, after the recoupment of capital investments. Twiga will provide management services to the mines. Barrick and the GoT continue efforts to fulfill their respective obligations to satisfy all conditions of the signed agreement, primarily with respect to the execution and delivery of formal termination documents for the settlement of all outstanding disputes between the two parties.

#### *Tanzanian Revenue Authority Assessments*

All of the tax disputes with the TRA were resolved as part of the settlement with the GoT described above under “Tanzania – Concentrate Export Ban and Related Disputes.” As noted above, Barrick and the GoT continue efforts to fulfill their respective obligations to satisfy all conditions of the signed agreement, primarily with respect to the execution and delivery of formal termination documents for the settlement of all outstanding disputes between the two parties.

#### *Porgera Special Mining Lease Extension*

Porgera’s Special Mining Lease (“SML”) terminated on August 16, 2019. The Company applied for a 20-year extension of the SML in June 2017 and has been engaging with the Government of Papua New Guinea on this matter since then. On August 2, 2019, the National Court of Papua New Guinea ruled that the provisions of the country’s 1992 Mining Act applied to the Porgera gold mine, thus allowing it to continue operating while the application to extend its SML was being considered. Also in 2019, in response to a request from Papua New Guinea Prime Minister Marape, the Company proposed a benefit-sharing arrangement that would deliver more than half the economic benefits from the Porgera mine to Papua New Guinea stakeholders, including the Government, for the remainder of the life of mine, estimated at 20 years.

On April 24, 2020, Barrick Niugini Limited (“BNL”), the majority owner and operator of the Porgera joint venture, received a communication from the Government of Papua New Guinea that the SML would not be extended. The Company believes the Government’s decision not to extend

the SML is tantamount to nationalization without due process and in violation of the Government's legal obligations to BNL. The Company has been engaged in ongoing discussions with Prime Minister Marape and his Government in light of the potentially catastrophic impact of this decision for the communities at Porgera and in Enga Province, and for the country as a whole. On October 15, 2020, BNL and the Prime Minister Marape issued a joint press release indicating that they had productive discussions toward mutually acceptable arrangements for a new Porgera partnership to reopen and operate the mine going forward. It further indicated that the parties had agreed in principle that Papua New Guinea will take a major share of equity under the new arrangements and BNL will retain operatorship and there will be a fair sharing of the economic benefits. Efforts to reach a memorandum of agreement to make these concepts and additional points binding are underway. In the meantime, all legal proceedings continue as discussed below.

BNL has been pursuing and will pursue all legal avenues to challenge the Government's decision and to recover any damages that BNL may suffer as a result of the Government's decision. Based on the communication received from the Government of Papua New Guinea that the SML would not be extended, Porgera was placed on temporary care and maintenance on April 25, 2020 to ensure the safety and security of our employees and communities. BNL remains in possession of the mine to conduct care and maintenance pursuant to various court orders.

On April 28, 2020, BNL filed a Judicial Review action against the Government of Papua New Guinea in the Papua New Guinea National Court of Justice. Judicial Review is a proceeding that challenges the procedural and constitutional adequacy of government administrative actions. The Judicial Review action seeks to quash the decision not to extend the SML on the grounds that the Government did not comply with the applicable legal standards and processes.

Trial was set to commence in the Judicial Review action on August 12, 2020. BNL sought leave to appeal two procedural rulings of the National Court that would affect the trial to the Supreme Court of Papua New Guinea. The Government of Papua New Guinea then asked the National Court to dismiss the Judicial Review action on purely procedural grounds. On September 1, 2020, the Court granted the Government's request and dismissed the Judicial Review action. BNL appealed that decision to the Supreme Court on September 8, 2020.

On October 1 and 6, 2020, the Supreme Court reversed the National Court's decision and granted BNL's appeals of the two procedural rulings. The Supreme Court has not yet heard BNL's appeal of the National Court's dismissal of the Judicial Review action.

On August 25, 2020, the Government of Papua New Guinea purported to grant a new special mining lease covering the Porgera Mine to Kumul Mineral Holdings Limited ("Kumul"), the state-owned mining company. BNL immediately took administrative steps seeking to force the Government of Papua New Guinea to delay or withdraw the

issuance of the special mining lease to Kumul. These administrative steps were not successful and on September 24, 2020, BNL commenced another Judicial Review action seeking to quash the decision to issue the special mining lease to Kumul.

On July 9, 2020, BNL initiated conciliation proceedings before the World Bank's International Centre for Settlement of Investment Disputes ("ICSID"). Through this conciliation, BNL seeks to reach an agreement for the extension of the SML on terms that will be mutually beneficial to the Company and to all Papua New Guinea stakeholders.

Simultaneously with BNL initiating the conciliation proceedings, Barrick (PD) Australia Pty Limited ("Barrick PD"), the Company's subsidiary and an investor in the Porgera mine, has given notice to the Government of Papua New Guinea that a dispute has arisen under the Bilateral Investment Treaty ("BIT") between Papua New Guinea and Australia, and has referred the dispute to arbitration before the ICSID. Barrick PD seeks to recover damages it has already suffered and damages it may suffer in the future by virtue of the Government's wrongful refusal to grant an extension of the SML. The dispute notice expressly invites the Government to engage in consultations and negotiations in an attempt to resolve the investment treaty dispute.

#### *Porgera Tax Audits*

In April 2020, BNL received a position paper from the Internal Revenue Commission ("IRC") in Papua New Guinea asserting various proposed adjustments and other tax liabilities amounting to \$191 million (not including penalties) arising from tax audits of BNL conducted for 2006 through 2015. BNL responded to the position paper on June 30, 2020. On October 2, 2020, BNL received amended assessments from the IRC which increased the amount of proposed adjustments and other taxes to \$516 million (including penalties). The Company has reviewed the amended assessments and concluded that there is no merit to the IRC's tax audit adjustments, except for certain immaterial items for which a provision had already been made.

The Company intends to defend its position vigorously and has not recorded any additional estimated amounts for the potential liability arising from the amended assessments as the Company cannot reasonably predict the outcome.

#### *Zaldívar Chilean Tax Assessments*

On March 17, 2020, Compañía Minera Zaldívar Limitada ("CMZ"), Barrick's Chilean subsidiary that holds the Company's interest in the Zaldívar mine, filed a claim against the Chilean IRS at the Tax Court of Coquimbo (the "Tax Court") to nullify the tax assessment relating to the sale of a 50% interest by CMZ in the Zaldívar mine to Antofagasta in 2015 (the "2015 Tax Assessment"). The Chilean IRS filed their response to CMZ's claim on April 13, 2020.

On May 22, 2020, the Tax Court held a conciliation hearing which did not result in the resolution of the matter. The Tax Court then granted a joint proposal from CMZ and the Chilean IRS to suspend the legal case until October 2020 while settlement discussions continue.

In April 2020, the Chilean IRS initiated an audit of CMZ for 2016 relating to the same claims included in the 2015 Tax Assessment. This audit resulted in a new tax assessment against CMZ (the "2016 Tax Assessment"). On September 9, 2020, CMZ filed a claim at the Tax Court to nullify the 2016 Tax Assessment and the Chilean IRS filed its response on October 7, 2020.

On September 29, 2020, the Tax Court approved CMZ's request to consolidate its challenges to the 2015 and 2016 Tax Assessments (collectively, the "Zaldívar Tax Assessments") in a single proceeding.

The Company believes that the Zaldívar Tax Assessments are without merit and intends to vigorously defend its position. No amounts have been recorded for any potential liability arising from the Zaldívar Tax Assessments as the Company cannot reasonably predict the outcome.

#### *Massawa Senegalese Tax Dispute*

The Company received a Notice for Reassessment, dated May 7, 2020, from the Senegalese Tax Authority ("SRA") asserting capital gains and withholding tax liabilities and penalties of approximately \$211 million arising from the disposal of the subsidiary that held the Company's interest in the Massawa project in March 2020. The amount was subsequently reduced to \$199 million in a Confirmation of Reassessment dated July 13, 2020. The Company has reviewed the Notice for Reassessment and the Confirmation of Reassessment and has concluded that the proposed tax claims are without merit as Massawa's mining convention with the State of Senegal specifically precludes them. The Company submitted its responses to the SRA on June 5, 2020 and September 2, 2020, and intends to vigorously defend its position. No amounts have been recorded for any potential liability arising from the Notice for Reassessment or the Confirmation of Reassessment as the Company cannot reasonably predict the outcome.