

Beyond Borders



A BARRICK GOLD QUARTERLY REPORT ON RESPONSIBLE MINING • OCTOBER 2008

FEATURE STORY

Barrick launches ground-breaking artisanal mining initiative in Tanzania | PAGE 6



Opening new markets for subsistence farmers | page 20



Promoting a sustainable tourism industry in Iglesia, Argentina | page 12

NEWS HIGHLIGHTS

- Barrick reaches agreement with Western Shoshone tribes
- New partnership brings laptops to Latin American schools
- U.N. body to study economic impacts of mining in Argentina
- Medical students team up with Barrick on community health
- Pediatric ward funded by Barrick opens in Argentina hospital
- New road in Papua New Guinea boosts infrastructure
- Barrick supports local farmers in Tanzania
- Academy for Indigenous girls in Australia gets results

BEYOND BORDERS READERS SURVEY INSIDE



Dow Jones Sustainability Index ranks Barrick as world leader | page 2

BEYOND BORDERS NEWS



Barrick Gold named to Dow Jones Sustainability World Index

Barrick Gold Corporation has been listed on the annual Dow Jones Sustainability Index (DJSI) – World for the first time, ranking the company as a global leader in corporate social responsibility.

Barrick is one of 33 companies to join the influential DJSI World category this year, which includes companies representing 57 industries. The company has previously been listed on the Dow Jones Sustainability Index – North America and was included in the

regional listing again this year. The selection of Barrick as a member of the DJSI World category coincides with the company's 25-year anniversary.

“There is a direct connection between Barrick's success as a gold mining company and our commitment to Responsible Mining,” said Peter Kinver, Barrick executive vice president and chief operating officer. “Today our corporate social responsibility programs are bringing enduring benefits to communities where we operate and support sustainable development and environmental stewardship on five continents. We are very pleased that the Dow Jones Sustainability World Index has ranked Barrick among the most sustainability-driven and responsible companies in the world.”

Mr. Kinver credited Barrick's employees with the new global ranking, saying it reflects company-wide efforts to meet the highest international standards for socially responsible business practices. “This achievement motivates us to continue to improve Barrick's performance and strengthen our leadership role for years to come.”

Established in 1999, the Dow Jones Sustainability Index is one of the world's foremost indices of corporate sustainability practices. DJSI provides asset managers with reliable and objective benchmarks of economic, social and environmental performance and is considered influential among socially responsible investors.

FOR MORE INFORMATION PLEASE VISIT WWW.SUSTAINABILITY-INDEXES.COM.



New partnership brings laptops, teacher training to schools in South America

Barrick has reached an agreement with Intel Corporation and the Cisneros Foundation to bring the benefits of computer technology and teacher training to schools in South America.

Class 21, Barrick's latest educational partnership, is based

on Intel's World Ahead program and the Foundation's AME (Actualización de Maestros en Educación) program. Under the agreement, targeted schools in Chile and Peru will receive laptop computers and hands-on teacher training. To date, three secondary schools have been confirmed as participants - two in Chile's Huasco Valley near Barrick's Pascua-Lama project and one near the Pierina mine in Peru.

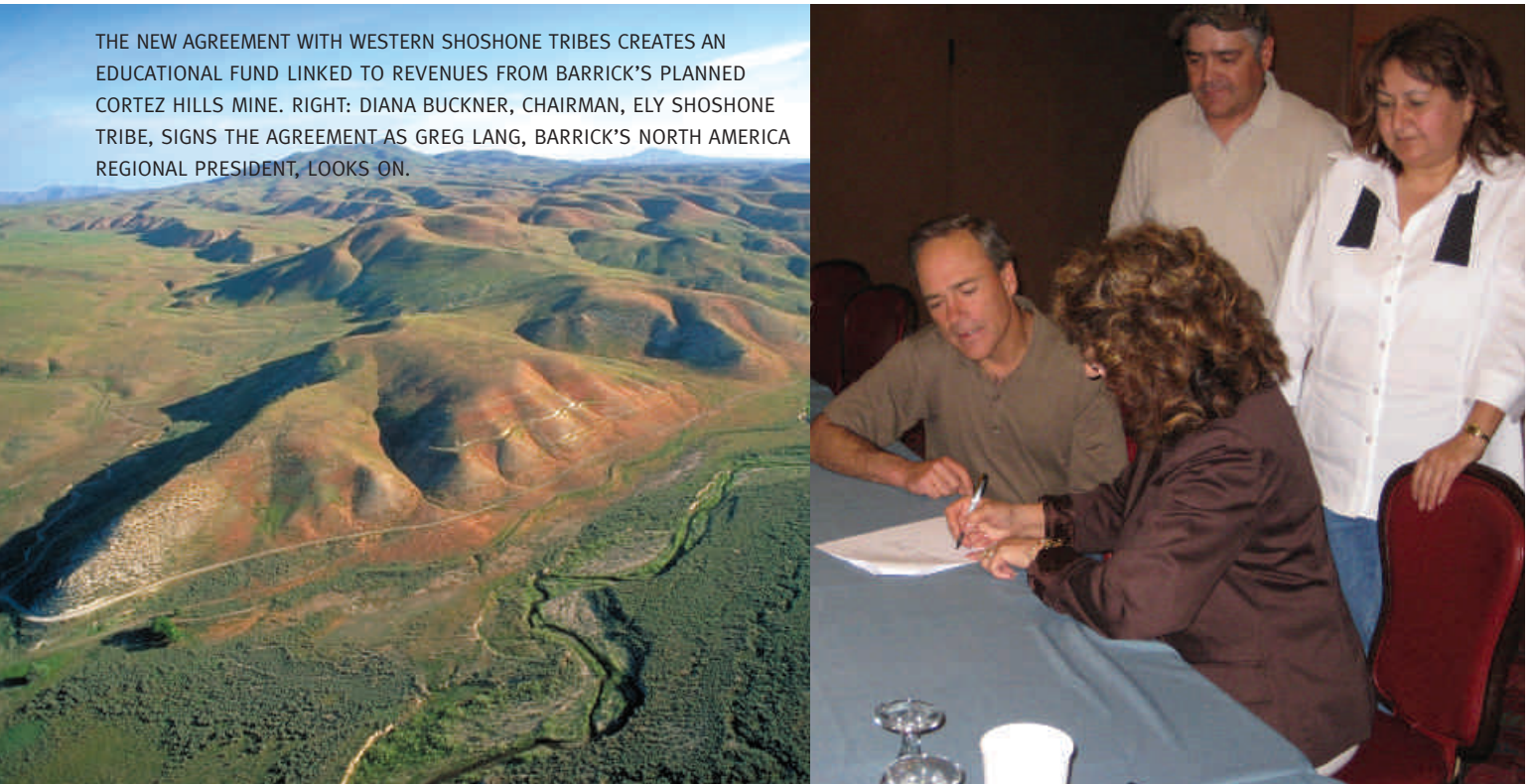
The objective of the program is to prepare students for 21st century challenges by providing access to new technologies and digital learning environments.

Barrick and its partners made the announcement at an event in Santiago, Chile, at the headquarters of the United Nations Economic Commission for Latin America and the Caribbean. The event attracted members of the media, politicians and educators.

Intel, one of the world's largest technology companies, has a track record of success with its World Ahead program in Africa, Asia and Latin America. The Cisneros Foundation's AME program is helping educators improve and update their skills, employing a virtual teaching-and-learning network that facilitates collaboration among teachers in different locations. This latest partnership builds on Barrick's ongoing strategic investments to improve education in South America.

BEYOND BORDERS NEWS

THE NEW AGREEMENT WITH WESTERN SHOSHONE TRIBES CREATES AN EDUCATIONAL FUND LINKED TO REVENUES FROM BARRICK'S PLANNED CORTEZ HILLS MINE. RIGHT: DIANA BUCKNER, CHAIRMAN, ELY SHOSHONE TRIBE, SIGNS THE AGREEMENT AS GREG LANG, BARRICK'S NORTH AMERICA REGIONAL PRESIDENT, LOOKS ON.



Historic agreement reached with Western Shoshone tribes

EDUCATION LEGACY FUND ESTABLISHED

Following three years of regular dialogue meetings with leaders and members of Western Shoshone tribes, Barrick has signed an historic collaborative agreement that promises a path of constructive engagement with several Native American communities in Nevada.

At a dialogue meeting in Elko, Nevada, Greg Lang, president of Barrick's North America region, signed the Collaborative Agreement with elected leaders of the Duckwater, Ely and Yomba Shoshone Tribes and the Duck Valley Western Shoshone Committee. The Agreement enables Barrick and the four Western Shoshone communities to work together in partnership to improve education, business and employment opportunities for Western Shoshone, to enhance awareness of Native culture and build greater mutual understanding.

"This agreement is a major accomplishment and provides a solid platform for us to work on a range of shared objectives with these communities," Lang says. "Barrick is the first large company to do this in Nevada and I am very proud to have a role in this ongoing effort."

In Nevada, members of several Western Shoshone tribes of the Great Basin Region make up a significant portion of the population in the towns of Elko, Eureka, Winnemucca and other places where Barrick has a presence in the state.

The agreement establishes a Western Shoshone Educational Legacy Fund tied directly to revenues from the planned Cortez Hills mine. The fund is expected to provide financial support for generations of Western Shoshone seeking higher education. It will replace Barrick's existing, more modest Native American scholarship program. A total of 50 students have received awards for the Fall 2008 school semester under the new Fund.

"Nothing changes people's lives more than education," Lang says. "The Legacy Fund creates new opportunities for people to build stronger families and communities. That's what it's all about."

Many Native American communities are struggling to find their place in the changing world while maintaining as much of their culture and traditional ways as possible. According to Lang, while dialogue meetings with Western Shoshone tribal leaders were initially met with some suspicion, they embraced the company's approach to constructive engagement fairly quickly.

"They have taught us a great deal about the complex issues they face and the goals they have for their communities, which has helped us to find ways to support them. I believe we've been able to create an atmosphere of mutual respect and trust that can lead to benefits for both the company and the Western Shoshone."

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EXPLORATION DRILLING AT THE VELADERO MINE IN ARGENTINA.

U.N. body studies economic impacts of mining in Argentina

The Economic Commission for Latin America and the Caribbean (CEPAL), the United Nations organization responsible for promoting economic and social development in Latin America, is overseeing a major study of the economic impacts of Barrick's Veladero mine in San Juan province, Argentina.

The study will be conducted later this year and will assess the economic impact and contribution of the mine to the province. Research will take into account a wide array of economic indicators and data, including corporate taxes and royalties, job creation, local procurement and business development, investments in community programs, infrastructure and other factors.

"We have long said that our mines are a catalyst for economic development. This is particularly evident in Argentina, where our Responsible Mining approach is bringing important economic and social benefits to local people," said Igor Gonzales, regional president, Barrick South America. "We look forward to the results of this in-depth independent assessment that is being led by this respected U.N. organization."



Barrick supports MBAs Without Borders educational campaign

MBAs Without Borders will conduct a national student awareness program targeting Canadian university students throughout the Fall of 2008 to promote the role of business in advancing the United Nations Millennium Development Goals. The national tour, which is expected to reach approximately 7,000 MBA students at universities across the country, will also challenge students to prepare business plans focused on the Millennium Development Goals, with prizes awarded to the winning teams. Barrick is a lead sponsor of the tour.

MBAs Without Borders is an international, non-profit organization that empowers entrepreneurs and small businesses in developing countries by matching them with top MBA leaders from around the world to build poverty alleviation into local business solutions. The organization operates in 25 developing countries including Tanzania and Pakistan, where Barrick has mining operations and exploration projects.

ESTABLISHED IN 2000 BY ALL UNITED NATIONS MEMBER STATES, THE MILLENNIUM DEVELOPMENT GOALS (MDG) ARE EIGHT GOALS TO BE ACHIEVED BY 2015 THAT RESPOND TO THE WORLD'S MAIN DEVELOPMENT CHALLENGES. THE GOALS INCLUDE ERADICATING EXTREME POVERTY AND HUNGER, ACHIEVING UNIVERSAL PRIMARY EDUCATION AND GENDER EQUALITY, REDUCING CHILD AND MATERNAL MORTALITY, COMBATING HIV/AIDS AND OTHER DISEASES, ENSURING ENVIRONMENTAL SUSTAINABILITY AND DEVELOPING A GLOBAL PARTNERSHIP FOR DEVELOPMENT.

BEYOND BORDERS NEWS



ABOVE: A TANZANIAN MEDICAL STUDENT TEACHES COMMUNITY MEMBERS ABOUT PREVENTING HIV/AIDS, TUBERCULOSIS AND MALARIA NEAR BARRICK'S BULYANHULU MINE. RIGHT: CHILDREN RECEIVE TREATED MOSQUITO NETTING TO REDUCE THE RISK OF MALARIA INFECTION.



Targeting community health in Tanzania

A team of 25 medical students from the Muhimbili University of Health and Allied Sciences (MUHAS) conducted an intensive summer health campaign focusing on HIV/AIDS, malaria and tuberculosis in the communities near the Bulyanhulu mine in Tanzania.

The medical students travelled from Dar es Salaam to conduct the two-week health intervention which targeted 10 remote villages near the mine. The program was funded by Barrick and initiated in collaboration with the Tanzania Medical Students Association.

The program enabled the medical students to interact with underserved, isolated communities and act as mentors to local health workers near the mine. A key focus was to empower groups at greatest risk of infection, including youth, pregnant women, commercial sex workers, intravenous drug users and vulnerable children.

"It was terrific to have these teams of young, enthusiastic physicians come out to remote villages to help sensitize people and change behaviours," said Dr. Rob Barbour, Barrick's chief medical officer. "It was excellent training for them and an important service to the community."

According to Barbour, the students were able to apply their medical training in a rural context and advance health strategies that took into account poverty, discrimination and gender inequality.

During the campaign, the students interacted with an estimated 4,000 people and distributed a total of 450 bed nets. They also shared the latest information about diagnosis and treatment with local health workers, who welcomed the opportunity to upgrade their knowledge.

This latest initiative builds on Barrick's well-established HIV/AIDS and malaria programs in Tanzania, where these diseases pose serious health risks to the company's employees and the wider community. Barrick is an active partner with government, the medical community, local organizations and international NGOs, such as the African Medical & Research Foundation (AMREF), to improve public health in Tanzania.

"Barrick's health programs here in Tanzania aim to eliminate the transmission of these diseases and minimize their prevalence within the community," said Dr. Barbour. "Our approach is to form strategic partnerships with the public and private sector and

BARRICK'S MALARIA CONTROL PROGRAMS INVOLVE:

- Elimination of mosquito breeding sites by clearing bush, spraying, and treating water catchments
- Wide distribution of insecticide-treated bed nets
- Prevalence monitoring to inform ongoing company programs
- Rapid diagnosis and quality treatment
- Education, communication and information-sharing, particularly about behaviours that protect people from becoming infected

harness various competencies. This way we can have a greater impact and improve community health in a sustainable way."

Barrick's dedicated health teams are continually monitoring and tracking the prevalence of malaria, HIV/AIDS and tuberculosis. This information is used to inform and improve the company's ongoing control programs.

BARRICK IS A MEMBER OF THE GLOBAL BUSINESS COALITION ON HIV/AIDS, TUBERCULOSIS AND MALARIA (GBC), THE PRE-EMINENT ORGANIZATION LEADING THE GLOBAL BUSINESS RESPONSE TO THE AIDS, TB AND MALARIA PANDEMICS.

Landmark initiative brings artisanal miners into the fold



TANZANIA'S ARTISANAL MINERS OFTEN WORK IN UNSAFE CONDITIONS, EXPOSING THEMSELVES TO TOXINS SUCH AS MERCURY AND ARSENIC. BARRICK'S ARTISANAL AND SMALL-SCALE MINING INITIATIVE WILL EQUIP THEM WITH PROPER TOOLS, KNOWLEDGE AND LAND ON WHICH THEY CAN MINE SAFELY.



ALFAXAD CHACHA

At age 13, Alfaxad Chacha started digging. He never stopped. Seven days a week, 14 hours a day, he sifted through the red mud and rock of the Tanzanian landscape under

an equatorial sun. With a little luck and a lot of backbreaking labor, Alfaxad and his friends eked out a meager living on the miniscule bits of gold they uncovered.

It was difficult work, using dangerous explosives and toxic chemicals. But for 1.5 million Tanzanians, this primitive form of artisanal mining is a daily reality.

Today, Chacha is 50 years old. He lives in the village of Kerende in Tanzania's Mara region. A life of digging for gold under the ground has hardened him.

"I am an artisanal gold miner. I have been all my life and so were my parents before me, but I'm not too proud of what I do," Chacha says. "My work is barely able to support me, my family and my community. It is very hard work for very

little money. This is not the life I dreamt of, but it is all I have."

Like many others, Chacha spends his days digging, crushing and grinding ore, to unlock the small particles of gold it contains. He sells his product for a fraction of its true value to gold dealers who pass through the village. It's part of an underground gold industry in Tanzania - one with no government regulation or oversight of any kind.

"I know I put my life at risk, using explosives with no safety equipment. I put my family in danger by exposing them to mercury. I put the land at risk because the sulphates, mercury and arsenic I leave behind destroy our crops and pollute the water," Chacha says. "But I don't do this because I want to; I have no choice. I have to make a living and support my family."

Like Chacha, Tanzania's army of artisanal miners are increasingly finding themselves with less land, less money and even fewer choices.

These small-scale miners are the focus of Barrick's new Artisanal and Small-Scale Mining Initiative (ASM). This ambitious, community-driven initiative aims to transform artisanal mining activities

in Tanzania into regulated, productive and sustainable small-scale mining operations.

A pilot project targeting more than 2,000 artisanal miners is already underway near Barrick's North Mara operation. The company is investing \$2.5 million to construct a model mine near North Mara, where artisanal miners can learn safe and effective mining techniques. The company also has plans to expand the program to its Bulyanhulu mine and Buzwagi project.

HISTORY

Artisanal mining in Tanzania dates back to the early 20th century. Since then, this activity has provided a livelihood for many people. Yet over time, small-scale miners have adopted harmful environmental practices, with little regard for their own safety. Organized crime has also traditionally been involved in the industry, indenturing countless artisanal miners who have few alternatives.

These miners rely on knowledge passed down from their parents, and use outdated technology. Most are unaware of fluctuations in the market value of



EXPOSURE TO MERCURY POSES A SERIOUS HEALTH THREAT TO ARTISANAL MINERS.

gold, and often sell their gold for a pittance, perpetuating a cycle of poverty.

When large-scale mining came to Tanzania in the 1990s, companies such as Barrick purchased mineral rights from their legal owners. As a consequence, so-called artisanal miners were often displaced from land they held no legal title to. Today, many of them now search for gold in and around the country's large mines, posing numerous safety and environmental risks.

Barrick's Artisanal and Small-Scale Mining Initiative aims to change all that. Officials from Barrick and the Tanzanian government launched the project at an event in Dar es Salaam in August.

Tanzania's Minister of Energy and Minerals, William Ngeleja, called the initiative the "greatest opportunity" his country has to develop a safe and sustainable artisanal and small-scale mining sector. He also heralded Barrick's leadership on the issue and encouraged other mining companies to follow suit.

"At Barrick, we believe artisanal and small-scale miners play an important role in the country's mining sector," says Gareth Taylor, Barrick's Africa region vice president. "This initiative will ensure sufficient land is set aside for small-scale miners, while giving them the tools they need to mine safely and prosper in Tanzania's vibrant mining industry."

Under the program, artisanal and small-scale miners will have access to financing in order to legally acquire land for mining. The initiative will introduce training, efficient tools and clean technology to artisanal miners, making their work easier and leaving the land healthy for future generations.

Safety will also be a focus, ensuring miners do not harm themselves, their families or the community by improper use of mercury and other chemicals.

Artisanal and Small-Scale Mining Committees have already been formed at North Mara and Bulyanhulu mines.

They include representatives from village leaders, artisanal and small-scale miners, women and youth groups, local government and Barrick. To date, four cooperative mining societies have registered in the Tarime District employing over 1,500 people.

The transformation of the artisanal industry will be a long-term process, involving a wide range of stakeholders. People like Alfaxad Chaca are now a part of that process.

ARTISANAL AND SMALL-SCALE MINING INITIATIVE AT A GLANCE – KEY STEPS:

In consultation with the community, Barrick has identified key steps that are being implemented in sequence to arrive at regulated, productive and sustainable small-scale mining operations.

MOBILIZATION involves educating and informing artisanal communities to build a desire to transform the industry. The aim is to impart a sense of ownership, civic responsibility and entrepreneurial skills to ensure there is a common sense of purpose within the community.

ACCESS TO LAND is essential, since most artisanal miners do not own land. Adequate land must be acquired to accommodate responsible mining and waste containment. To accomplish this, Barrick's ASM initiative is organizing artisanal miners into registered Cooperative Societies, which will be granted legal mineral rights.

MODERN TECHNOLOGY is not available to most artisanal miners. The ASM initiative will identify and distribute the most appropriate technology that is safe, environmentally friendly and easy to operate and maintain. Artisanal miners will be trained on how to operate the new technology and improve their current methods.

FUNDING is required for artisanal operations to run efficiently enough to be sustainable as businesses. Barrick is spearheading the ASM initiative but welcomes other stakeholders who wish to support the development of this sector.

STAKEHOLDER MANAGEMENT is crucial. To be successful, the project must be embraced and supported by the government and communities. Barrick is committed to open and two-way dialogue with all interested parties.



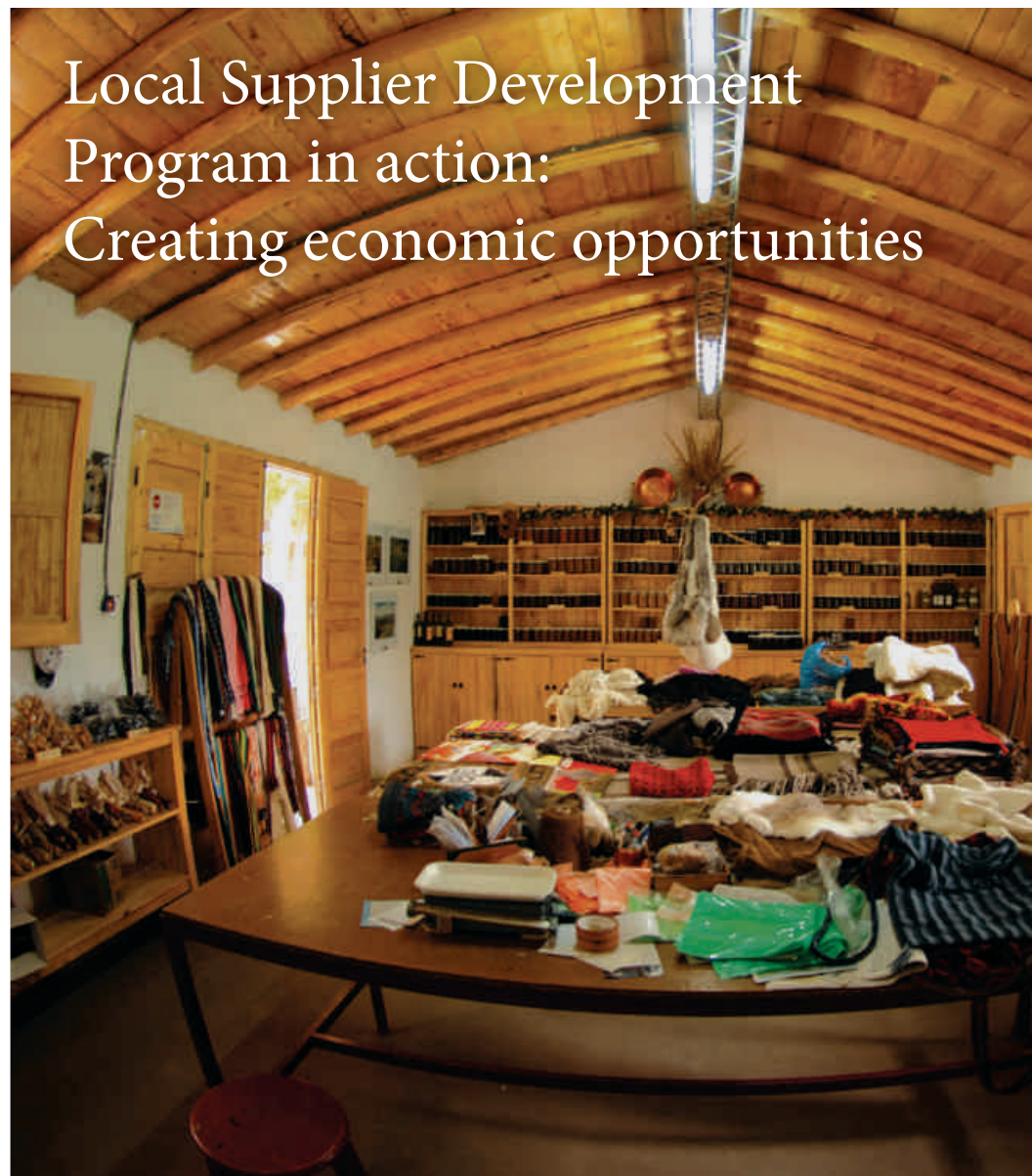
BARRICK'S ARTISANAL MINING INITIATIVE WILL INTRODUCE MODERN TECHNOLOGIES TO THE INDUSTRY.

By developing local suppliers in communities where it operates, Barrick is stimulating economic growth and creating business opportunities for thousands of people in Chile, Peru and Argentina. The company's Local Supplier Development Program has already pumped millions of dollars into communities where previously few economic opportunities existed.

The program is designed to maximize the number of local businesses that can supply goods or services to the company's mines and projects. But it also equips companies with the tools they need to expand into other sectors, ensuring they have a sustainable future that doesn't depend on the mining sector alone.

"Enabling local communities to benefit from our investment has always been one of the key tenets of our approach to Responsible Mining," says Igor Gonzales, president of Barrick's South America region. "But more importantly, we want to give them the tools they need to develop successful businesses over the long term."

The benefits of the program are nowhere more evident than in Chile's Huasco province. Unemployment in the area is as high as 10.3 per cent in the city of Vallenar. Before Barrick arrived, local businesses had few opportunities to upgrade their skills in business planning and management. Many entrepreneurs were also unaware of how to apply for business development funding from both public and private sources.



Local Supplier Development Program in action: Creating economic opportunities



A LOCAL SUPPLIER COMPANY IN PERU

Lyanfer, a local company that manufactures and sells clothing products to Barrick's Lagunas Norte mine, has been a true success story. The company is run by eight women from Peru's Santiago de Chuco province. The idea for their business started after they attended a Barrick-sponsored course in cutting and sewing. After honing their skills, the group decided to launch an entrepreneurial venture with Barrick as a key customer.

Barrick continued to provide training and support to the women of

Lyanfer, while their start-up business began to provide safety vests to the company's Lagunas Norte mine. Since then, the sewing business has expanded its customer base to include local public institutions and residents in the town of Quiruvilca. Most recently, Lyanfer has started to market and sell industrial fabrics.

"Today, we not only manufacture vests and other safety garments for Barrick, but also jackets, thermal clothes, formal cotton clothes, undershirts, hats and various other articles," says Yolanda Bolaños,

Fast forward to today. By the end of 2007, Barrick had forged working relationships with about 200 suppliers in the Huasco Valley, injecting \$16 million into the local economy. In total, 700 local companies have been identified as potential suppliers for the construction phase at Pascua-Lama. Barrick has also provided more than 100 business leaders with training in organizational and management skills.

Four years after starting up the local supplier development program in Chile's Huasco province, many businesses, both new and existing, have begun to flourish. The region has seen a 63 per cent increase in new businesses in one community alone. Many of these entrepreneurial ventures have taken advantage of funds set up by Barrick and local governments that provide investment to new businesses.

In the early stages of its local supplier program, Barrick studied statistical data and polled 670 existing businesses in the area to determine their strengths and weaknesses. The information helped the company tailor the program to the Huasco province.

As part of the process, Barrick identified potential suppliers for the Pascua-Lama project. The company met with local leaders and business owners to explain what the company's needs would be, and how they could prepare to take advantage of those opportunities. In cases where local companies were not adequately equipped

to supply Barrick, the company conducted an analysis with them to explain where improvements could be made.

In early 2005, Barrick created a wide range of training programs, workshops and seminars for local businesses, and began building alliances with various public and private sector institutions and non-governmental organizations that support local business development.

Together, these initiatives have focused on helping local enterprises in four key areas: knowledge transfer, technical assistance, training programs and business infrastructure development. Barrick has funded many of these activities, along with government programs and investments made by the local businesses themselves.

Building networks to support business growth has also been integral to Barrick's local supplier development program. Three municipal governments, a number of public institutions and national and regional business organizations such as the chambers of commerce and tourism are already involved in the program. Barrick has facilitated public-private partnerships between local businesses and many of these organizations.

In South America and around the world, the company favors local suppliers as part of its commitment to share the benefits of mining with the communities where it operates.



LOCAL WOMEN MAKE A SUCCESS OF SEWING BUSINESS IN PERU.



NEARLY 100 ENTREPRENEURS FROM THE CITY OF VALLENAR IN THE HUASCO VALLEY ATTEND A TRAINING COURSE FOR SMALL BUSINESS. THEY LEARNED ABOUT BARRICK'S LOCAL SUPPLIER PROGRAM, SUSTAINABLE DEVELOPMENT, AND SMALL BUSINESS SUCCESS STORIES IN CHILE. NEW START-UP COMPANIES ARE IMPROVING THE LOCAL STANDARD OF LIVING.

chairperson of Lyanfer. "We have grown and gained more knowledge. Now we are capable of supporting our children and families. We are learning, exchanging ideas and also participating in events," adds Bolaños.

Lyanfer is a relatively young company, but its success demonstrates that with perseverance and initiative, local residents can gain the skills and experience they need to benefit from the investment opportunities that come with mining.



Patricio Arevalo is General Manager and owner of Security Express in Chile's Husasco Valley. Arevalo became involved in Barrick's local

supplier development program in 2006, when his company had just eight employees. Training courses were offered, in partnership with local and national organizations, covering such subjects as entrepreneurial skills and business planning. Two years later, the security firm employs 270 local people and has earned the contract to provide security services for Barrick. Security Express has also expanded into numerous other sectors, serving a variety of companies in the region.



AN INNOVATIVE PROJECT TO CREATE A SUSTAINABLE AGRI-BUSINESS IN THE SMALL SUBSISTENCE FARMING COMMUNITY OF CUNCASHCA, PERU HAS GENERATED EXCELLENT RESULTS. THE RESIDENTS PRODUCED 5,322 KILOGRAMS OF CHEESE IN 2007, UP OVER 400 PER CENT FROM 2005. THE PROJECT'S CATTLE HERD GREW BY 260 PER CENT OVER THE SAME PERIOD.

From subsistence farming to agribusiness: The Cuncashca story

In the remote community of Cuncashca, Peru, poverty and subsistence farming were a way of life for decades. Few options existed to improve the economic prospects of this small farming community of 64 families living near Barrick's Pierina mine. Despite a strong work ethic, parents struggled to provide for their families and many children were chronically malnourished.

Beyond simply mitigating the potential social impacts of mining, Barrick's team in South America set out a more ambitious plan for the small community.

When the Cuncashca project first began in 2000, the goal of pulling these families out of poverty and fostering economic growth presented a major challenge. With full community involvement, a business-based solution was developed that built on existing agricultural practices and know-how. The key was to improve the skills of local farmers and provide the necessary training and infrastructure to foster local entrepreneurship.

The Cuncashca Business Development Project was tailor-made for the people of Cuncashca. It integrates farming, livestock and dairy practices with the fundamentals of business development. Eight years on, the success of this project is evidenced by an increase in household incomes and a marked transition away from subsistence farming toward economic growth.

In 2006, the Cuncashca project received the Award for Excellence for Corporate Social and Ethical Responsibility from the Association of Exporters and Manufacturers of Canada and the Canadian International Development Agency (CIDA).

The Cuncashca program consists of four elements:

AGRICULTURE

Barrick partnered with community leaders to build a model farm, where local farmers received training in modern agricultural methods and animal husbandry techniques. New water management infrastructure was also installed to significantly improve irrigation and help cultivate grasslands for cattle grazing. As a result, crop production increased significantly. The model farm is a key resource in the community today.

ANIMAL HUSBANDRY

To strengthen the cattle herd, genetic improvements were made to local dairy cows through interbreeding with Brown Swiss bulls. Over 250 cattle have been genetically improved, resulting in significant improvements in milk production. Corrals for livestock were installed, creating an environment more conducive to animal breeding.

DAIRY PRODUCTION PLANT

A new dairy plant was built for the manufacture of milk and dairy products. The families of Cuncashca now own the plant and produce milk, butter, cheese, yogurt and ice creams. These products are sold at the local market, the Pierina mine and in the city of Huaraz. The plant currently operates based on artisanal methods and complies with all health and sanitation standards. The facility will be automated in the future to allow for even greater productivity.

ENTREPRENEURIAL TRAINING

Extensive business training courses and workshops were held for local residents, covering marketing and commercial production methods. As the local Cuncashca economy continues to gain strength, the project has also created new markets in a variety of areas.

“We’ve been working very well with Barrick and we hope to keep it that way. We want our community to remain as a model of sustainable development,” said Leonardo Espinoza Mejía, a member of the Cuncashca community.

RESULTS

The most significant result of this project has been a marked shift away from subsistence farming toward a more prosperous and self-reliant way of life. Families that previously had only enough produce to make ends meet are now able to sell surplus produce in nearby markets and raise their household income. Currently the average household income is \$166 a month, compared to \$46 in 2002, when the project started.

Although more work needs to be done to eradicate chronic child malnutrition, today the children of Cuncashca are living healthier lives. The rate of chronic malnutrition has been reduced to 38 per cent from 46 per cent among children under three years of age.

Thanks to advanced animal husbandry techniques, the dairy plant is producing 4,200 liters of milk per month and has created new jobs, particularly for women who had few employment prospects in the past. Over 5,300 kilograms of cheese were produced in 2007, up over 400 per cent from 2005.

Overall in 2007, dairy and agricultural product sales generated a total income of approximately \$22,000 – a significant contribution to improving the standard of living in the community. In addition, the number of women that are participating in herding, traditionally a male task, has increased by 60 per cent. Water conservation techniques have also reduced water usage by 40 per cent.

LOOKING AHEAD

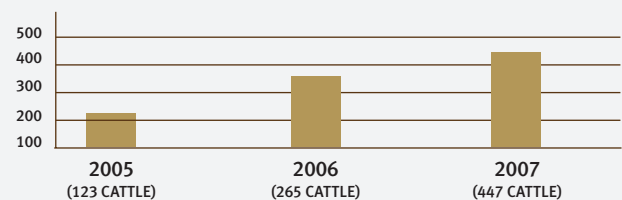
With the project now in its final stages, both the dairy plant and model farm have become increasingly self-sustainable. Community members are looking for new ways to apply their entrepreneurial training, increase production capacity, and expand the sale of their cheese and milk products into new markets as far as Lima, 300 kilometers to the south.

Planning has also begun for an eco-tourism initiative that would enable visitors to stay at the farm and participate in local production and recreational activities at Cuncashca.

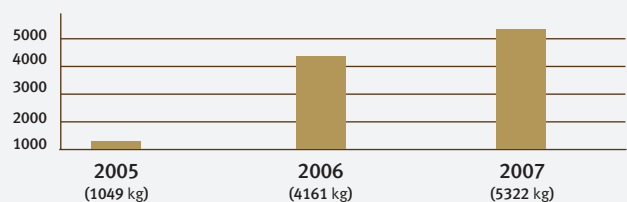
While Barrick provided extensive training, expertise and support, the success of Cuncashca project reflects the hard work and determination of the people living in this close-knit community.



TOTAL CATTLE POPULATION



CHEESE PRODUCTION (KILOGRAMS)



PIERINA QUICK FACTS

LOCATION: The Pierina mine is located in the Andes Mountains in north-central Peru, approximately 32 kilometers northwest of the city of Huaraz, at an altitude of approximately 4,100 meters.

OPERATION: Began production in 1998

INITIAL INVESTMENT: US\$374 million.

RESERVES: Approximately 1.2 million ounces of proven and probable gold.

ESTIMATED LIFE: Until 2011

JOBS: 587 direct and more than 1,187 indirect.





IMAGES FROM IGLESIA'S NEW TOURISM CAMPAIGN. THE COMMUNITY HOPES TO BUILD A THRIVING TOURISM INDUSTRY TO COMPLEMENT MINING ACTIVITY.

Tourism campaign opens doors for Iglesia, Argentina

Nestled among the foothills of the Andes Mountains, the remote community of Iglesia, Argentina is blessed with natural beauty and a peaceful way of life. Fiery fragments of red, orange and purple scar the rugged mountainsides in a spectacular display of color, a patchwork quilt only nature could design.

Yet the community is one of San Juan, Argentina's poorest, surviving on limited agricultural production and suffering from a lack of economic development. Today, tourism has emerged as an industry with a lot of potential in the area, thanks in part to the construction of a large dam 10 years ago. The lake it created has become a global hot spot for windsurfers, who come to catch the fierce Andean winds that blow through the area.

As more and more visitors began trickling into the area, local residents and town officials saw an opportunity. Iglesia, they realized, could become a destination for Argentinean tourists, and possibly even foreign visitors. But for this small agricultural community,

where farmers produce seeds for vegetable crops, and grow sun-dried tomatoes and garlic, developing a tourism industry was no easy task.

The municipality had a small tourist office, but little information to give to tourists who stopped in. They didn't have enough resources to produce maps to local attractions on a regular basis, had no list of Iglesia's artisan craftspeople, and few promotional materials of any kind.

In late 2007, Barrick began a series of consultations with community leaders and residents about the prospect of putting Iglesia on Argentina's tourist map.

"The residents told us they were interested in developing a comprehensive tourism strategy for the area, but they just didn't know where to start," says Julio Claudeville, Barrick's manager of Corporate Affairs in Argentina. "We looked at how we could help Iglesia market itself as a viable tourist destination, creating economic opportunities for local business people outside of the mining sector."

Barrick worked with the community to develop a tourism strategy for the area, and contracted a graphic design company to create a fresh visual brand and a full range of printed and online materials to promote Iglesia. Barrick agreed to fund the development and initial supply of these materials, after which the community would take on responsibility for the tourism program.

The multi-media approach also featured television ads, a branded website and an online database of local attractions and accommodations. Iglesia's mayor and officials from the tourism office provided input throughout the process.

When the final materials for the tourism program were presented to the community in June 2008, the feedback was universally positive.

"Barrick collaborated with us on something very important, the design of tools to promote tourism in our region," says Andrea Sánchez, a local hotel manager and president of Iglesia's Chamber of Tourism. "All this contributes to the development of the community. Plus, it demonstrates that mining and tourism are compatible activities. I see it here every day."

The tourism project provided the community with 5,000 printed post cards, 2,000 high-quality brochures, an image gallery with 100 photos, 100 copies of a promotional DVD and 500 copies of a photo book about Iglesia.

Since the launch, officials from Iglesia have begun using the materials to promote the area at tourism fairs in the provincial capital of San Juan, and elsewhere in Argentina. Television advertisements to promote Iglesia have begun to air and a multilingual website is up and running.

To date, much of the promotion is marketing Iglesia as a four-season destination, great for a peaceful long-weekend get-away or longer stays. The campaign also capitalizes on the area's reputation as a destination for windsurfing and extreme sports.

Launched in June 2008, the tourism campaign is in its early stages. However, with the right tools in place, the community of Iglesia is confident it can build a sustainable tourism industry for the future.

FOR MORE INFORMATION, VISIT WWW.IGLESIAOTROTIEMPO.COM.AR

GLOBAL REPORT

FOCUS ON BUILDING INFRASTRUCTURE

SOUTH AMERICA

A hospital ward for sick kids in Argentina

A three-year project to build a pediatric ward at Rodeo Hospital in San Juan province, Argentina, is now a reality. The hospital, located 200 kilometers south of Barrick’s Veladero mine in the town of Rodeo, lacked a dedicated and properly equipped space to serve the needs of its youngest patients. As a result, families were often forced to travel with their children to receive specialized medical treatment in Jáchal, an hour away by car.

Miguel Greco, a pediatrician and Barrick’s Community Relations superintendent in San Juan, dedicated himself to the task of working with the hospital and the community to establish a children’s ward that would meet international medical standards. Under his direction, the company initiated a partnership with San Juan’s health authorities and with the local government of Iglesia.

Barrick donated \$200,000 for the ward and contributed construction materials. The funding allowed the hospital to purchase new medical equipment, such as respirators and monitors, and an ambulance. Barrick also paid for labor in the final stages of the ward’s construction. Rodeo’s 7,000 residents rallied behind the project and volunteers rolled up their sleeves to help build the facility.

The new ward opened earlier this year. It features two rooms: one for girls and a second for boys. To ensure the facility is properly staffed, the company also funded two medical scholarships for local doctors to specialize in intensive care therapies. Finally, as part of the project, a pediatrician is now available on a full-time basis at the hospital.

“This project is a blessing for every parent in the community who knows what it means to wake up at night with a sick child,” said Dr. Greco. “People here are proud that their community has one of the best equipped medical wards for children in the province.”



SAN JUAN GOVERNOR JOSÉ LUIS GIOJA (SECOND FROM RIGHT) PREPARES TO CUT THE RIBBON ON RODEO’S NEWLY UPGRADED HOSPITAL.



COMMUNITY MEMBERS INAUGURATE A NEW BRIDGE SPANNING THE SANTA RIVER.

New bridge means safer crossing for Peruvian village

The people living in Ramon Castilla, Peru call it Sylvia’s bridge. The concrete bridge was named in memory of a little girl who lost her life trying to cross the Santa River. She was one of several fatalities associated with the river crossing over the years.

The project to construct the bridge began in 2006, when Barrick held a workshop with local residents to assess community development needs near its Pierina mine. The need for a modern bridge had been a long-standing requirement, met first by a wooden structure, built by residents themselves and, when that later failed, a cable-chair crossing.

The bridge was identified as a top priority that would allow people, cars and other vehicles to cross the river safely and conveniently. Many saw it as a transportation lifeline, giving people living in the rural countryside easy access to markets and opportunities for commerce and employment in the larger urban centres. The municipality facilitated permitting and technical requirements. Barrick funded the project and provided construction materials. And the town, named after one of Peru’s historic military leaders and presidents, Ramon Castilla, has never looked back.

GLOBAL REPORT

FOCUS ON BUILDING INFRASTRUCTURE



AFRICA

A legacy of safe water in Tanzania

Sometimes the practical necessities of operating a mine can trigger life-changing improvements for people living nearby.

In 2002, Barrick constructed a 47-kilometer water pipeline from Lake Victoria to the Bulyanhulu mine in Tanzania. Before the pipeline was built, some 30,000 people living in villages along the route lacked easy access to safe, clean water. Many used contaminated water sources and travelled distances of up to eight kilometers each day to collect enough safe water to drink. In 1999, almost 14,000 cases of waterborne diseases were reported in the area.

Making clean water available to these villages took a little ingenuity, but was a natural for miners with engineering expertise. A spigot was installed in the pipeline at each village and a total of 15 community water points were created, which communities continue to access to this day. Barrick maintains the piped water system, and engaged a local NGO to provide support for additional community water supplies.

“The impact of the Lake Victoria water pipeline has been dramatic in terms of health and quality of life,” said Samantha Chadwick, Barrick’s Community Relations manager for Africa.

“It marked the beginning of the company’s water supply projects in Tanzania, enabling the community and the company to work together to meet this basic need.” According to Chadwick, the outcome was particularly positive for women in the area, reducing the drudgery of carrying buckets of water on their heads over great distances.

In total, Barrick has invested nearly US\$2.8 million in water infrastructure in this region, including the Lake Victoria pipeline project (US\$2.2 million) and approximately US\$600,000 in community water projects. An additional 23 new water wells were built to supply villages, schools, health centers and other facilities in the area. This year alone, the company plans to drill a total of 26 water boreholes serving a further 35,000 people living near Bulyanhulu. Each village will continue to play a role in the water projects by providing workers to construct the wells, ensuring cost effectiveness and community involvement.

MORE THAN 1.1 BILLION PEOPLE, OR ABOUT ONE-FIFTH OF THE WORLD’S POPULATION, LACK ACCESS TO SAFE DRINKING WATER. (SOURCE: WHO/UNICEF JOINT MONITORING PROGRAMME FOR WATER SUPPLY AND SANITATION, 2005).

GLOBAL REPORT

FOCUS ON BUILDING INFRASTRUCTURE

NORTH AMERICA

Nevada housing program aided growth

In Elko, Nevada, the rapid growth of Goldstrike and other mines in the area caused a severe housing shortage in the late 1980s and early 1990s. In response, Barrick funded the construction of nearly 700 housing units and provided bridge financing and mortgage guarantees to help many employees buy their first home. The units - which consisted of houses, apartments and mobile homes - were built between 1987 and 1996 at a cost of US\$44 million. This housing program and other civic improvements resulting from the growth of mining in the area led to Elko winning the accolade “Best Small Town in America” in a nationwide survey during the 1990s.

As one of the largest private employers and corporate taxpayers in the region, the company has also invested in public schools, colleges, universities and many other municipal and community projects. So while other parts of the U.S. struggle economically, Elko and other mining communities in Nevada have fared significantly better.

“The success of the mining business in Elko and other rural communities creates relative islands of prosperity,” says Greg Lang, Barrick’s regional president for North America. “The foreclosures and business failures affecting much of the U.S. aren’t a real problem in our communities.”



HOUSING BUILT BY BARRICK IN ELKO, NEVADA.

AUSTRALIA PACIFIC

Modern aid post for PNG community

A new, modern medical aid post in the nomadic Tomu community of Papua New Guinea’s Western Province means local residents will now have access to basic health care services.

Established by Porgera mine as part of the government’s tax credit program, the aid post provides a two-bed ward, an

examination room, an out-patient area, and a solar hot water system to sterilize equipment. In addition, Porgera also helped to establish accommodation for a health care worker to be able to live in the community.



GLOBAL REPORT

FOCUS ON BUILDING INFRASTRUCTURE



STUDENTS LEARN ABOUT ENVIRONMENTAL STEWARDSHIP AT THE LAKE COWAL CONSERVATION CENTER IN AUSTRALIA.

AUSTRALIA PACIFIC

Building environmental infrastructure in Australia

In Australia, the company has been involved in numerous community infrastructure projects in recent years. This includes support for the construction of the Bland Shire Children's Services Unit, which opened in September 2006.

Barrick is also a founder and ongoing supporter of the Lake Cowal Foundation, a not-for-profit environmental trust established to protect and enhance Lake Cowal, a nationally recognized wetland ecosystem in New South Wales. The Lake Cowal Conservation Centre, which opened in 2007, is a major joint initiative of the Foundation and Barrick, in partnership with West Wyalong High School and the Lachlan Catchment Management Authority. Located on Barrick's Hillgrove property, the facility is an education, training and resource centre for students, landholders and members of the community to learn about conservation and land management practices. It is estimated that 2,000 people will visit the Centre this year.

New road drives development at Porgera

For the first time in many years, the people of Andita in the Porgera District of Papua New Guinea are able to travel to Porgera Station in safety and comfort to do business.

Porgera Station is a bustling market center near the mine, where the local community gathers to buy and sell their products. The Andita people had been forced to travel long distances along a run-down dirt road to reach the Station.

That changed when Barrick invested close to \$1 million to reconstruct 23 kilometers of the Paiela Road, a major infrastructure development project for the area. The newly refurbished road will allow public motor vehicles, buses and trucks to make the journey from Andita to Porgera Station, where local residents can sell their garden produce.

Barrick's Porgera mine, which funded the project, has been working closely with the local population to improve vital infrastructure and other services.

The road construction project employed local residents to clear brush and carry out other tasks, offering them a chance to earn additional income, while fostering a sense of ownership of the road among the community.

"Having a quality road and other vital infrastructure in place generates economic opportunities for the community," says Tim Omundsen, manager of Communities and Environment at Porgera. "At the same time, it ensures they have access to education and health care services that are not available in more remote communities."



A NEW ROAD GIVES REMOTE VILLAGERS ACCESS TO PORGERA STATION, A BUSTLING MARKET NEAR BARRICK'S PORGERA MINE.

Barrick guarantees market for Tanzanian farmers



FARMERS NEAR BARRICK'S BULYANHULU OPERATION IN TANZANIA ARE NOW SUPPLYING FOOD TO THE MINE THROUGH ITS SUPPLIER, SODEXHO.

In Tanzania, a practical idea that enables local farmers to supply Barrick's Bulyanhulu mine has taken root. When Barrick acquired the mine in 1999, management faced the prospect of importing as much as 11,000 kilograms of vegetables every month to feed the workforce. The solution? Encourage local farmers to become suppliers.

Frida Kyesi is the community development manager at the Bulyanhulu mine, located 55 kilometers south of Lake Victoria. When she started work at the mine in 2005, she joined a team dedicated to supporting sustainable development in a region that is home to 38,000 people. What has unfolded over the past three years makes her proud. In particular, she takes pride in the Farmers Support Project, which was developed in partnership with Barrick's catering service provider.

Local farmers were given seeds for planting, and over time, Barrick agriculturalists trained hundreds of farmers in modern techniques. Today, farmers in the seven communities near the mine have a guaranteed market for their produce.

Kyesi, who grew up 600 kilometers away in Kilimanjaro, admits cultural differences have posed a challenge. Many farmers around

the mine had difficulty believing that if they grew quality crops for a guaranteed market, they could earn a steady income for their families, and achieve an improved quality of life. In many areas in Tanzania, fruit growers have little choice but to watch their crops rot for lack of markets.

The agricultural history of the region presented additional challenges. For hundreds of years, families have survived on subsistence crop farming. Farmers grew crops and raised animals to feed the family for a year at a time. In short, you only grow what you eat.

Local farmers needed to learn how to operate as businesses, producing beyond the needs of their families, with an eye to meeting market demands. "They told us they had enough land for agriculture but they were lacking agricultural skills and seeds," explains Kyesi.



FRIDA KYESI

There were other reasons to encourage changes in the region. The growth of gold mining has attracted newcomers and has driven population numbers up dramatically. For example, in 1996 the nearby village of Kakola had fewer than 900 residents. Today, it has a population of 17,000.

Greg Walker is general manager at Bulyanhulu. “Up until now, the plans the villages put forward tended to be shopping lists that were really *wish lists* for construction projects,” he says.

“What we have now is a good example of what can be done. We call it the farmers co-op. It is making a difference in the local community and it can make a difference for generations to come.”

Kyesi says there is no doubt the program is improving the lives of families who live in the nearby villages of Kakola, Busulwangili,

Busindi, Igwamanoni, Bugarama, Ilogi and Buyenga. She says that both Barrick and its catering supplier, Sodexo, have strong policies of buying and hiring locally and corporate cultures that support sustainability.

“Many farmers have built modern houses,” she says. “There has been an improvement in nutrition and increased income for families. The formation of this cooperative has turned the farmers into a cohesive unit and they can decide their affairs democratically. And now our supplier Sodexo has access to local markets and better markets.”

She rhymes off a list of the foods that are now supplied by local farmers. Items like peppers, papaya, lemons, pineapples, rice, bananas. Plans are now underway to organize training sessions for the farmers on growing mushrooms.

“The list of products is expected to grow. Farmers are being encouraged to grow more carrots, beetroots, radishes and potatoes,” says Cyrille Putz, Sustainable Development manager for Sodexo remote sites. The carrot, for example, is relatively unknown locally, so he is suggesting basic training to grow this vegetable.

Today, 91 per cent of Sodexo’s purchasing for the Bulyanhulu operation is in Tanzania. As well, Sodexo is able to supply more than 20 per cent of the fruit and vegetables needed at the mine site from local sources. This figure is up from 12 per cent. Monthly revenue for local farmers is up 50 per cent.

“Through a local network of 24 regular suppliers, we buy from more than 200 farmers,” Putz says. He calculates Sodexo’s service for a typical 1,000 person mining and processing operation in a remote location. “We supply 11,000 kilos of vegetables, 6,100 kilos of poultry and 62,530 eggs per month.”

When Kyesi talks about it, you know that she has a personal stake in the Farmers Support Project. “I love my job because we help and empower people. This program promises to do that for years to come.”

SUCCESSFUL FARMERS PROJECT AT BULYANHULU COMING SOON TO NORTH MARA

“If we can roll this out into other areas we can make a greater difference,” says Greg Walker. Soon that will be a reality.

Planning is underway to replicate the Farmers Support Project at Bulyanhulu at Barrick’s North Mara mine. North Mara is located in Tanzania about 100 kilometers east of Lake Victoria and 20 kilometers south of the Kenyan border. Sodexo, the catering service provider at Bulyanhulu, has been commissioned to supply North Mara as well.

Cyrille Putz of Sodexo estimates that Bulyanhulu saves as much as US\$15,000 per month through the Farmers Support Project and similar savings can be enjoyed at North Mara.

Just as hundreds of local farmers in the region around Bulyanhulu have benefited from the cooperative project, so will farmers and their families in villages around North Mara.



Barrick helps farmers in Argentina cultivate new markets



A NEW MARKET IN JÁCHAL, ARGENTINA HAS GIVEN FARMERS MORE OPPORTUNITIES TO SELL THEIR MEAT AND PRODUCE. THE REGION IS NOW EXPANDING ITS PRODUCTION FOR EXPORT MARKETS WITH BARRICK'S SUPPORT.

Barrick has teamed up with farmers in San José de Jáchal in Argentina to help strengthen the local economy. A milestone in this city of 22,000 was reached in June with the official opening of a new building to house a farmers' market. Barrick funded its construction.

At the opening ceremonies, Alfredo Rodríguez, president of the 400-member Agricultural Farmers Association of Jáchal, led a tour of the two-storey facility. "It is a project we have been longing for, for a long time," he told the crowd. "This is going to be a place for the farmers to build business."

The first floor of the new building will be used as a year-round indoor market for farmers to sell their produce directly to the public. It features 14 fruit and vegetable stalls, a large room for meat sales, cold storage and a training room that can seat 60.

In the past, farmers sold their produce from their own backyards and had little appreciation for commercial farm production and market dynamics. They received a fraction of what their produce was worth on the open market. As local farmer Gilbert Gomez told the gathering: "Sometimes they paid us a very, very low price and sometimes they didn't pay us at all." Farmers in the crowd nodded knowingly.



The building has also been equipped with internet access, providing the latest food pricing and purchasing information. "We now know the value of what we produce each day and each hour," said Alfredo.

The goal is to enable farmers to transition from an informal to a formal, competitive economy. Here and in the fields, an agronomic engineer employed by Barrick is helping local farmers improve their business and marketing skills and grow a greater variety of produce.

In Jáchal, a town known as the onion capital of Argentina, this shift is a bold break from tradition. Most farming families here have cultivated only onions for more than 50 years. In support of this diversification effort, Barrick contributed \$675,000 to the farmers' association to establish a vegetable and fruit seed bank and for fertilizer for its members.

The strategy is working. Last year, farmers shipped 40,000 crates of garlic to Mexico. Alfredo Rodríguez says this diversification to a wider variety of crops is their key to survival and success. "This is our introduction to national markets in Argentina and we will have more opportunity to sell what we produce in other countries."



KANOWNNA GENERAL MANAGER EVAN SPENCER (LEFT) SHARES A MOMENT WITH ABORIGINAL STUDENTS ENROLLED IN A NEW ACADEMY DESIGNED TO INCREASE GRADUATION RATES AMONG AT-RISK GIRLS IN WESTERN AUSTRALIA. BARRICK EMPLOYEES ARE SERVING AS ROLE MODELS AT THE SCHOOL.

New partnership provides opportunities for Indigenous Girls

Studies indicate that young, at-risk Indigenous girls are the most vulnerable and disadvantaged group in Western Australia. In addition, only around a quarter of full-time Indigenous students continue their education through to grade 12, compared with close to 75 per cent of non-Indigenous students.

A new partnership between Barrick and Role Models Western Australia, an organization which provides assistance and support to remote Indigenous communities, will provide the opportunity for Indigenous girls in the Goldfields region to achieve their best at school, work and sport.

The two-year partnership, officially launched this year, has established the

Kalgoorlie Girls Academy, which is targeted at students in grades eight to 12, and aims to increase retention rates for Indigenous girls.

The Academy will operate at the local Kalgoorlie-Boulder Community High School and the Eastern Goldfields College. It offers a unique program combining sport with education, workplace training and mentoring to foster leadership and confidence, aimed at encouraging young Indigenous women to continue in education, training and employment.

In addition to financial support to the Academy, Barrick will provide work experience opportunities and leadership programs. Female Barrick employees will offer their time as mentors to the young girls.

Kanownna General Manager Evan Spencer said the mine was proud to be involved in a program for Indigenous girls in the Goldfields. “This program encourages them to ‘go for gold’ and achieve their best in all that they do, whether it be sport, school or work,” said Spencer. “The program’s philosophy is very similar to the way we work at Barrick. We have a culture of encouraging our employees to achieve their best and provide the avenues to help them get there.”

Role Models Western Australia Director Ricky Grace said, “It’s important to us that we partner with organizations that hold similar values to the Academy, which is why we are thrilled to have Barrick on board.”



Driving local procurement: Porgera's trucking suppliers go national

On the developing island nation of Papua New Guinea (PNG), the growth of the trucking and transport industry is closely associated with the Porgera gold mine. The success of locally-owned and operated transport companies is arguably one of the most important business development stories in recent PNG history. The Ipili Landowners of Porgera Valley were the first to seize on the opportunity to supply this essential service to the remote mine site.

Today, the mine procures the services of about 14 contract transport companies, with a combined fleet of over 60 modern transport trucks. The fleet is responsible for moving 8,500 tonnes of critical fuel and dry goods per month, often from the Port of Lae over approximately 700 kilometers of rugged, high altitude terrain to the Porgera site.

Mark Krueger is Barrick's supply manager at Porgera. Consistent with Barrick's "Buy Local First" procurement policy, a key part of his role is to work with qualified local and regional suppliers to meet ongoing requirements at the mine. At Porgera, this has also involved working with the community relations team to strengthen the capacity of local businesses, building on the local skills base.

Apart from direct employment at the mine, communities expect to benefit from local or regional procurement as a key economic driver that comes with mining development. This practice also gives local people a greater stake in the mine's success.

However, in developing countries, fledgling companies often lack the capital or the capacity to be competitive enough to generate benefits such as cost savings for the company. Business training, access to development capital, and guidance on company standards in such areas as ethics and health and safety may be required.

Over the years, staff at Porgera have played a key advisory role in fostering the development of a professional, competitive and sustainable transport business not only for Porgera but for a growing country.

As Krueger points out, these suppliers are now able to provide national transport capability. "They have reached the point over the last five to 10 years where they are fully independent and profitable, providing transport services to a range of customers. Our suppliers are no longer solely reliant on the Porgera mine, so it can be expected that they will be sustainable beyond mine life."

An example is the IPI Group, a diversified company with interests in trucking and transport, catering and other services in PNG and Australia. IPI is one of Porgera's original trucking companies and was established as an initiative of the Ipili Landowners of the Porgera Valley. The company currently meets 60 per cent of the mine's fuel haul requirements. Today, IPI has become a major commercial enterprise, with a workforce of 700 and a payroll of \$US3.8 million, making it a significant contributor to the PNG economy.

"We are well aware that our association with the Porgera gold mine is our strongest commercial relationship. We're proud of what we've achieved, and proud that the mine has been there to partner with us in our achievements and remains our strong ally," said Scott O'Reilly, IPI Group chief executive officer.

The ongoing growth of the company was evident in 2007, when IPI won a large fuel trucking contract with InterOil and made numerous other business wins. "We owe a debt of gratitude to the Porgera mine for this growth."

PORGERA GOLD MINE IS LOCATED IN ENGA PROVINCE IN THE HIGHLANDS OF PAPUA NEW GUINEA, 600 KILOMETERS NORTHWEST OF THE CAPITAL OF PORT MORESBY. BARRICK ACQUIRED A 75 PER CENT SHARE OF THE PORGERA MINE IN 2006 AND INCREASED ITS OWNERSHIP IN THE JOINT VENTURE TO 95 PER CENT IN 2007. IN 2008, BARRICK'S SHARE OF PRODUCTION IS EXPECTED TO BE 560,000 TO 590,000 OUNCES OF GOLD AT CASH COSTS OF \$450 TO \$490 PER OUNCE.

New, improved primary school opens near Buzwagi

Children in the Shinyanga region of Tanzania will now be able to pursue their studies in a facility that some claim may be one of the best primary schools in the country.

The new Ishinabulandi Primary School is the result of a collaborative effort by Barrick and the community to provide a better education for children near the company's Buzwagi mining project.

The new school was built to replace the original, smaller facility that was partially relocated during the construction of power lines needed to supply electricity to Barrick's Buzwagi project. As a further benefit, the Buzwagi power substation has been configured to be able to supply electricity to homes and businesses in the region in the future.



The company had been required by government to invest US\$225,000 to replace the former school. Instead, Barrick Tanzania more than doubled that amount, investing US\$600,000 to construct a vastly improved facility – one that had the unwavering support of the community, gave children room to learn, and teachers a place to call home.

The design of the new school was based on extensive input from its headmaster, Mr. Mathias, and community leaders. The facility features 12 fully furnished classrooms, staff offices and housing for 11 teachers. It's a big improvement over the previous school, which had only eight classrooms to accommodate 650 students and housing for just four teachers.

Barrick also funded the construction of washrooms and 17 water tanks to collect rain water, with plans for upgrades including a water well, a pump and electricity for the teachers' housing and offices. The new playground is fully equipped with swings, slides and roundabouts, and features a soccer field and a netball court.

Over 1,200 people attended the school's inauguration, including Tanzanian Vice President Ali Mohammed Shein. He addressed students, parents and community members on the importance of supporting children in their education.

"The government wants a literate nation," he said. "But education of our children should not be left to teachers alone." Shein, who is particularly concerned with the drop-out rates of girls, urged every parent and neighbor to play a role in the attendance, academic studies and development of Tanzania's future leaders. He also thanked Barrick for its assistance.

"Barrick did not do all this work just because it had the money to spend, but rather out of a commitment to support the community and help to improve education," Shein said.

Gareth Taylor, Barrick's vice president for Africa, was also present at the school's inauguration. He spoke to the Ishinabulandi students and expressed his excitement about the opportunities that lay ahead of them.

"It is a pleasure to see the benefits of a mine that hasn't even been constructed yet," said Taylor. "The school will have a positive impact on the area's youth and the community at large."

To celebrate the school's opening, each student was invited to plant an orange tree seedling, creating two orange groves with over 650 trees. Headmaster Mathias, who ardently believes that he now runs the best primary school in the country, looks forward to the day when his students will be able to harvest oranges as a healthy snack.

BARRICK IS PROCEEDING WITH CONSTRUCTION OF THE \$400 MILLION BUZWAGI PROJECT IN TANZANIA. WHEN COMPLETE, BUZWAGI IS EXPECTED TO PRODUCE 250,000-260,000 OUNCES OF GOLD PER YEAR. THE FIRST GOLD POUR IS EXPECTED IN MID-2009. BUZWAGI WILL BE BARRICK'S FOURTH PRODUCING MINE IN TANZANIA.



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