

# Consolidated Statements of Income

Barrick Gold Corporation  
(in millions of United States dollars, except per share data) (Unaudited)

Three months ended March 31,

	2018	2017
<b>Revenue (notes 5 and 6)</b>	<b>\$1,790</b>	<b>\$1,993</b>
<b>Costs and expenses (income)</b>		
Cost of sales (notes 5 and 7)	1,152	1,342
General and administrative expenses	48	72
Exploration, evaluation and project expenses	73	75
Impairment (reversals) charges (notes 9B and 13)	2	(1,125)
Loss on currency translation (note 9C)	15	3
Closed mine rehabilitation	(9)	8
Income from equity investees (note 12)	(16)	(11)
Gain on non-hedge derivatives	(2)	(4)
Other expense (note 9A)	1	2
<b>Income before finance costs and income taxes</b>	<b>\$526</b>	<b>\$1,631</b>
Finance costs, net	(133)	(150)
<b>Income before income taxes</b>	<b>\$393</b>	<b>\$1,481</b>
Income tax expense (note 10)	(201)	(592)
<b>Net income</b>	<b>\$192</b>	<b>\$889</b>
<b>Attributable to:</b>		
Equity holders of Barrick Gold Corporation	\$158	\$679
Non-controlling interests	\$34	\$210

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

Net income		
Basic	\$0.14	\$0.58
Diluted	\$0.14	\$0.58

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

# Consolidated Statements of Comprehensive Income

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

Three months ended March 31,

	2018	2017
Net income	\$192	\$889
<b>Other comprehensive income (loss), net of taxes</b>		
<b>Movement in equity investments fair value reserve:</b>		
Net unrealized change on equity investments, net of tax \$nil and \$nil	(4)	1
<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 (\$3) and \$nil	6	(12)
Realized losses on derivatives designated as cash flow hedges, net of tax \$nil and \$nil	—	1
Currency translation adjustments, net of tax \$nil and \$nil	—	11
<b>Total other comprehensive income</b>	<b>2</b>	<b>1</b>
<b>Total comprehensive income</b>	<b>\$194</b>	<b>\$890</b>
<b>Attributable to:</b>		
Equity holders of Barrick Gold Corporation	\$160	\$680
Non-controlling interests	\$34	\$210

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

# Consolidated Statements of Cash Flow

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

Three months ended March 31,

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Net income	\$192	\$889
Adjustments for the following items:		
Depreciation	325	414
Finance costs	138	153
Impairment (reversals) charges (note 13)	2	(1,125)
Income tax expense (note 10)	201	592
(Gain) loss on sale of non-current assets/investments	(46)	3
Currency translation losses	15	3
Change in working capital (note 11)	(176)	(196)
Other operating activities (note 11)	(64)	(84)
Operating cash flows before interest and income taxes	587	649
Interest paid	(28)	(35)
Income taxes paid	(52)	(119)
<b>Net cash provided by operating activities</b>	<b>507</b>	<b>495</b>
<b>INVESTING ACTIVITIES</b>		
Property, plant and equipment		
Capital expenditures (note 5)	(326)	(334)
Sales proceeds	2	7
Investment purchases	(1)	—
Sale of mineral royalty	45	—
Funding of equity method investments	(4)	(4)
<b>Net cash used in investing activities</b>	<b>(284)</b>	<b>(331)</b>
<b>FINANCING ACTIVITIES</b>		
Debt		
Repayments	(23)	(180)
Dividends	(31)	(31)
Funding from non-controlling interests	8	—
Disbursements to non-controlling interests	(26)	(67)
<b>Net cash used in financing activities</b>	<b>(72)</b>	<b>(278)</b>
<b>Effect of exchange rate changes on cash and equivalents</b>	<b>(1)</b>	<b>2</b>
Net increase (decrease) in cash and equivalents	150	(112)
<b>Cash and equivalents at the beginning of period</b>	<b>2,234</b>	<b>2,389</b>
<b>Cash and equivalents at the end of period</b>	<b>\$2,384</b>	<b>\$2,277</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 March 31, As at December 31,  
2018 2017

	As at March 31, 2018	As at December 31, 2017
<b>ASSETS</b>		
Current assets		
Cash and equivalents (note 14A)	\$2,384	\$2,234
Accounts receivable	173	239
Inventories	1,887	1,890
Other current assets	352	321
<b>Total current assets</b>	<b>\$4,796</b>	<b>\$4,684</b>
Non-current assets		
Equity in investees (note 12)	1,233	1,213
Property, plant and equipment	13,755	13,806
Goodwill	1,330	1,330
Intangible assets	255	255
Deferred income tax assets	1,071	1,069
Non-current portion of inventory	1,711	1,681
Other assets	1,245	1,270
<b>Total assets</b>	<b>\$25,396</b>	<b>\$25,308</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities		
Accounts payable	\$1,046	\$1,059
Debt (note 14B)	57	59
Current income tax liabilities	340	298
Other current liabilities	255	331
<b>Total current liabilities</b>	<b>\$1,698</b>	<b>\$1,747</b>
Non-current liabilities		
Debt (note 14B)	6,344	6,364
Provisions	3,078	3,141
Deferred income tax liabilities	1,319	1,245
Other liabilities	1,691	1,744
<b>Total liabilities</b>	<b>\$14,130</b>	<b>\$14,241</b>
Equity		
Capital stock (note 16)	\$20,897	\$20,893
Deficit	(11,572)	(11,759)
Accumulated other comprehensive loss	(167)	(169)
Other	321	321
<b>Total equity attributable to Barrick Gold Corporation shareholders</b>	<b>\$9,479</b>	<b>\$9,286</b>
Non-controlling interests	1,787	1,781
<b>Total equity</b>	<b>\$11,266</b>	<b>\$11,067</b>
Contingencies and commitments (notes 5 and 17)		
<b>Total liabilities and equity</b>	<b>\$25,396</b>	<b>\$25,308</b>

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

# Consolidated Statements of Changes in Equity

Barrick Gold Corporation

Attributable to equity holders of the company

(in millions of United States dollars) (Unaudited)	Common Shares (in thousands)	Capital stock	Retained deficit	Accumulated other comprehensive income (loss) <sup>1</sup>	Other <sup>2</sup>	Total equity attributable to shareholders	Non- controlling interests	Total equity
<b>At December 31, 2017</b>	<b>1,166,577</b>	<b>\$20,893</b>	<b>(\$11,759)</b>	<b>(\$169)</b>	<b>\$321</b>	<b>\$9,286</b>	<b>\$1,781</b>	<b>\$11,067</b>
Impact of adopting IFRS 15 on January 1, 2018 (note 2B)	—	—	64	—	—	64	—	64
<b>At January 1, 2018 (restated)</b>	<b>1,166,577</b>	<b>\$20,893</b>	<b>(\$11,695)</b>	<b>(\$169)</b>	<b>\$321</b>	<b>\$9,350</b>	<b>\$1,781</b>	<b>\$11,131</b>
Net income	—	—	158	—	—	158	34	192
Total other comprehensive income	—	—	—	2	—	2	—	2
Total comprehensive income	—	—	158	2	—	160	34	194
Transactions with owners								
Dividends	—	—	(31)	—	—	(31)	—	(31)
Funding from non-controlling interests	—	—	—	—	—	—	8	8
Other decrease in non- controlling interest	—	—	—	—	—	—	(36)	(36)
Dividend reinvestment plan (note 16)	316	4	(4)	—	—	—	—	—
Total transactions with owners	316	4	(35)	—	—	(31)	(28)	(59)
<b>At March 31, 2018</b>	<b>1,166,893</b>	<b>\$20,897</b>	<b>(\$11,572)</b>	<b>(\$167)</b>	<b>\$321</b>	<b>\$9,479</b>	<b>\$1,787</b>	<b>\$11,266</b>
<b>At January 1, 2017</b>	<b>1,165,574</b>	<b>\$20,877</b>	<b>(\$13,074)</b>	<b>(\$189)</b>	<b>\$321</b>	<b>\$7,935</b>	<b>\$2,378</b>	<b>\$10,313</b>
Net income	—	—	679	—	—	679	210	889
Total other comprehensive income	—	—	—	1	—	1	—	1
Total comprehensive income	—	—	679	1	—	680	210	890
Transactions with owners								
Dividends	—	—	(31)	—	—	(31)	—	(31)
Funding from non-controlling interests	—	—	—	—	—	—	—	—
Other decrease in non- controlling interests	—	—	—	—	—	—	(90)	(90)
Dividend reinvestment plan	201	4	(4)	—	—	—	—	—
Total transactions with owners	201	4	(35)	—	—	(31)	(90)	(121)
<b>At March 31, 2017</b>	<b>1,165,775</b>	<b>\$20,881</b>	<b>(\$12,430)</b>	<b>(\$188)</b>	<b>\$321</b>	<b>\$8,584</b>	<b>\$2,498</b>	<b>\$11,082</b>

<sup>1</sup> Includes cumulative translation losses at March 31, 2018: \$73 million (March 31, 2017: \$71 million).

<sup>2</sup> Includes additional paid-in capital as at March 31, 2018: \$283 million (December 31, 2017: \$283 million; March 31, 2017: \$283 million) and convertible borrowings - equity component as at March 31, 2018: \$38 million (December 31, 2017: \$38 million; March 31, 2017: \$38 million).

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

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## 1 > CORPORATE INFORMATION

Barrick Gold Corporation ("Barrick", "we" or the "Company") is a corporation governed by the Business Corporations Act (Ontario). The Company's head and registered office is located at Brookfield Place, TD Canada Trust Tower, 161 Bay Street, Suite 3700, Toronto, Ontario, M5J 2S1. We are principally engaged in the production and sale of gold and copper, as well as related activities such as exploration and mine development. Our producing gold mines are located in Canada, the United States, Peru and the Dominican Republic and our producing copper mine is in Zambia. We hold a 50% interest in Veladero, a gold mine located in Argentina, a 50% interest in KCGM, a gold mine located in Australia and hold a 50% equity interest in Barrick Niugini Limited ("BNL"), which owns a 95% interest in Porgera, a gold mine located in Papua New Guinea. We also hold a 63.9% equity interest in Acacia Mining plc ("Acacia"), a company listed on the London Stock Exchange that owns gold mines and exploration properties in Africa. We have a 50% interest in Zaldívar, a copper mine located in Chile and a 50% interest in Jabal Sayid, a copper mine located in Saudi Arabia. We also have various gold projects located in South America and North America. We sell our gold and copper production into the world market.

## 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, 2017 ("2017 Annual Financial Statements"), and have been consistently applied in the preparation of these interim financial statements, except as otherwise noted in Note 2(b). These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on April 23, 2018.

## B) New Accounting Standards Effective in 2018

### *Impact of Adoption of IFRS 15 Revenue from Contracts with Customers*

We have adopted the requirements of IFRS 15 Revenue from Contracts with Customers ("IFRS 15") as of January 1, 2018. IFRS 15 covers principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. We elected to apply IFRS 15 using a modified retroactive approach by recognizing the cumulative effect of initially adopting IFRS 15 as an adjustment to the opening balance sheet through equity at January 1, 2018. Therefore, the comparative information has not been restated and continues to be reported under IAS 18 Revenue ("IAS 18"). The details of accounting policy changes and the quantitative impact of these changes are described below.

### **Gold Bullion Sales**

IFRS 15 requires that revenue from contracts with customers be recognized upon the transfer of control over goods or services to the customer. The recognition of revenue upon transfer of control to the customer is consistent with our revenue recognition policy as set out in Note 2(f) of the 2017 Annual Financial Statements, as the condition is generally satisfied when title transfers to the customer. As such, upon adoption, this requirement under IFRS 15 resulted in no impact to our financial statements as the timing of revenue recognition on our gold bullion sales is unchanged.

### **Concentrate Sales**

We assessed all of our existing concentrate sales agreements and determined that there is no change in the timing of revenue recognition, as control transfers to the smelting companies at the time of shipment, consistent with our current accounting policy as set out in Note 2(f) of the 2017 Annual Financial Statements. Although IFRS 15 identifies the shipping component associated with concentrate sales as a separate performance obligation, requiring a portion of the revenue to be deferred and only recognized once the shipment has reached the destination port, we have determined that the deferred revenue would be insignificant and thus, have not accounted for the shipping component as a separate performance obligation. IFRS 15 does not consider provisional price adjustments associated with concentrate sales to be revenue from contracts with customers as they arise from changes in market gold and copper prices between the shipment date and settlement date. As such, we have separately presented provisional price adjustments in Note 6 of these condensed interim consolidated financial statements in line with the requirements of IFRS 15.

### **Streaming Agreements**

IFRS 15 requires that for contracts containing variable consideration, the transaction price be continually updated and re-allocated to the transferred goods and services. As a result, we have updated our accounting policy for revenue earned on streaming agreements such that we will treat the deferred revenue component as variable, requiring an adjustment to the transaction price per unit each time there is a change in the underlying production profile of a mine (typically in the fourth quarter of each year). The change in the transaction price per unit results in a retroactive adjustment to revenue in the period in which the change is made, reflecting the new production profile expected to be delivered under the streaming agreement. A corresponding retroactive adjustment is made to accretion expense, reflecting the impact of the change in the deferred revenue balance. The impact of the initial adoption of this change in accounting policy was an adjustment to reduce the opening deficit on January 1, 2018 of \$64 million with a corresponding adjustment to reduce the deferred revenue balance. There was no impact to net income for the period.

If in the first quarter of 2018 we had continued to recognize revenue on streaming agreements in accordance with IAS 18, the amounts recognized for revenue, deferred revenue and interest expense would have been insignificantly different from those recognized in accordance with IFRS 15.

### **C) New Accounting Standards Issued But Not Yet Effective**

#### ***IFRS 16 Leases***

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019, with earlier application permitted, provided the new revenue standard, IFRS 15 Revenue from Contracts with Customers, has been applied or is applied at the same date as IFRS 16. We are not early adopting IFRS 16. We expect that IFRS 16 will result in an increase in assets and liabilities as fewer leases will be expensed as payments are made. We expect an increase in depreciation and accretion expenses and also an increase in cash flow from operating activities as these lease payments will be recorded as financing outflows in our cash flow statement. We have developed a full implementation plan to determine the impact on our financial statements and internal controls. In the fourth quarter of 2017, we formed an IFRS 16 working group and began the process of compiling all of our existing operating leases and service contracts. In the first quarter of 2018, we began reviewing the relevant agreements to identify which of the operating leases and service contracts are in scope for IFRS 16. We will provide further updates in our subsequent interim financial statements.

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

The judgments, estimates, assumptions and risks discussed here reflect updates from the 2017 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 2017 Annual Financial Statements.

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

Provisions are updated each reporting period for changes to expected cash flows and for the effect of changes in the discount rate and foreign exchange rate, and the change in estimate is added or deducted from the related asset and depreciated over the expected economic life of the operation to which it relates. We recorded a decrease of \$106 million (2017: \$55 million increase) to the PER at our minesites for the three months ended March 31, 2018, primarily due to an increase 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.

Under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") and its state law equivalents, present or past owners of a property may be held jointly and severally liable for cleanup costs or forced to undertake remedial actions in response to unpermitted releases of hazardous substances at such property, in addition to, among other potential consequences, potential liability to governmental entities for the cost of damages to natural resources, which may be substantial. These subject properties are referred to as "superfund" sites. There is a chance that our current or legacy operations in the U.S. could be designated as a superfund site in the future, exposing Barrick to potential liability under CERCLA. The U.S. Environmental Protection Agency recently announced it is considering listing on the CERCLA National Priorities List a 322 square mile site in the San Mateo basin in New Mexico ("San Mateo Site") due to alleged surface and ground water contamination from past uranium mining. The San Mateo Site includes legacy operations of Homestake Mining Company of California.

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

The Pascua-Lama project received \$499 million as at March 31, 2018 (December 31, 2017: \$484 million) in value added tax ("VAT") refunds in Chile relating to the

development of the Chilean side of the project. Under the current arrangement this amount plus interest of \$333 million (December 31, 2017: \$313 million) must be repaid if the project does not evidence exports for an amount of \$3,538 million within a term that expires on December 31, 2026. The terms of the current VAT arrangement in Chile are applicable to either an open pit or an underground mine design. We have recorded \$206 million in VAT recoverable in Argentina as at March 31, 2018 (December 31, 2017: \$221 million) relating to the development of the Argentine side of the project. These amounts may not be recoverable if the project does not enter into production and are subject to devaluation risk as the amounts are recoverable in Argentinean 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

## **4 > DIVESTITURES**

### **A) Sale of 25% of Cerro Casale**

On March 28, 2017, we announced an agreement with Goldcorp Inc. ("Goldcorp") to form a new partnership at the Cerro Casale Project in Chile. The transaction closed on June 9, 2017. Under the terms of the agreement, Goldcorp agreed to purchase a 25 percent interest in Cerro Casale from Barrick. This transaction, coupled with the concurrent purchase by Goldcorp of Kinross Gold Corporation's ("Kinross") 25 percent interest in Cerro Casale, resulted in Barrick and Goldcorp each holding a 50 percent interest in the joint operation.

## **5 > SEGMENT INFORMATION**

Barrick's business is organized into eleven individual minesites, one grouping of two minesites, one publicly traded company and one project. Barrick's Chief Operating Decision Maker ("CODM"), the President, reviews the operating results, assesses performance and makes capital allocation decisions at the minesite, grouping, Company and/or project level. Therefore, each individual minesite, with the exception of Barrick Nevada, Acacia and the Pascua-Lama project are operating segments for financial reporting purposes. Our presentation of our reportable operating segments is four individual gold mines (Pueblo Viejo, Lagunas Norte, Veladero and Turquoise Ridge), Barrick Nevada, Acacia and our Pascua-Lama project. The remaining operating segments, our remaining gold and copper mines, 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.

outcome of future events. Refer to note 17 for further details on contingencies.

### **D) Streaming Transactions**

As discussed in Note 2(b) of these condensed interim consolidated financial statements, the deferred revenue component of our streaming agreements is considered variable and is subject to retroactive adjustment when there is a change in the timing of the delivery of ounces or in the underlying production profile of the relevant mine. The impact of such a change in the timing or quantity of ounces to be delivered under a streaming agreement will result in retroactive adjustments to both the deferred revenue recognized as at and the accretion recorded prior to the date of the change. The adjustments will be calculated based upon the revised production profile. There were no retroactive adjustments recorded in the first quarter of 2018, with the exception of the adjustment recorded to reflect the initial adoption of IFRS 15 as outlined in Note 2(b).

The total consideration received by Barrick and Kinross implies a fair value of \$1.2 billion for 100 percent of Cerro Casale, which resulted in a reversal of impairment of \$1.12 billion in the first quarter of 2017.

This joint venture is now referred to as Norte Abierto and includes the Cerro Casale, Caspiche and Luciano deposits.

## Consolidated Statement of Income Information

For the three months ended March 31, 2018	Cost of Sales					Segment income (loss)
	Revenue	Direct mining, royalties and community relations	Depreciation	Exploration, evaluation and project expenses	Other expenses (income) <sup>1</sup>	
Barrick Nevada	\$614	\$243	\$148	\$2	\$1	\$220
Turquoise Ridge	84	38	7	—	—	39
Pueblo Viejo <sup>2</sup>	356	126	41	4	—	185
Veladero	101	45	31	—	—	25
Lagunas Norte	96	27	11	—	2	56
Acacia <sup>2</sup>	157	86	24	—	(24)	71
Pascua-Lama	—	—	2	23	5	(30)
Other Mines <sup>3,4</sup>	382	260	55	3	20	44
	<b>\$1,790</b>	<b>\$825</b>	<b>\$319</b>	<b>\$32</b>	<b>\$4</b>	<b>\$610</b>

## Consolidated Statement of Income Information

For the three months ended March 31, 2017	Cost of Sales					Segment income (loss)
	Revenue	Direct mining, royalties and community relations	Depreciation	Exploration, evaluation and project expenses	Other expenses (income) <sup>1</sup>	
Barrick Nevada	\$646	\$280	\$207	\$4	\$7	\$148
Turquoise Ridge	67	30	7	—	—	30
Pueblo Viejo <sup>2</sup>	307	120	40	—	—	147
Veladero	210	102	38	—	—	70
Lagunas Norte	115	37	16	1	2	59
Acacia <sup>2</sup>	232	116	35	—	6	75
Pascua-Lama	—	—	2	22	(5)	(19)
Other Mines <sup>3,4</sup>	416	236	56	3	7	114
	<b>\$1,993</b>	<b>\$921</b>	<b>\$401</b>	<b>\$30</b>	<b>\$17</b>	<b>\$624</b>

<sup>1</sup> Includes accretion expense, which is included within finance costs in the consolidated statement of income. For the three months ended March 31, 2018, accretion expense was \$17 million (2017: \$14 million).

<sup>2</sup> Includes non-controlling interest portion of revenues, cost of sales and segment income for the three months ended March 31, 2018 for Pueblo Viejo of \$138 million, \$66 million, \$70 million (2017: \$121 million, \$61 million, \$60 million) and Acacia of \$57 million, \$40 million, \$26 million (2017: \$84 million, \$55 million, \$27 million).

<sup>3</sup> Includes cost of sales of Pierina for the three months ended March 31, 2018 of \$32 million (2017: \$34 million).

<sup>4</sup> Includes provisional pricing adjustments for the three months ended March 31, 2018 of \$23 million losses (2017: \$8 million losses).

## Reconciliation of Segment Income to Income Before Income Taxes

	For the three months ended March 31	
	2018	2017
Segment income	<b>\$610</b>	\$624
Other cost of sales/amortization <sup>1</sup>	<b>(8)</b>	(20)
Exploration, evaluation and project expenses not attributable to segments	<b>(41)</b>	(45)
General and administrative expenses	<b>(48)</b>	(72)
Other income (expense) not attributable to segments	<b>(14)</b>	1
Impairment reversals (charges) not attributable to segments	<b>(2)</b>	1,125
Loss on currency translation	<b>(15)</b>	(3)
Closed mine rehabilitation	<b>9</b>	(8)
Income from equity investees	<b>16</b>	11
Finance costs, net (includes non-segment accretion)	<b>(116)</b>	(136)
Gain on non-hedge derivatives <sup>2</sup>	<b>2</b>	4
<b>Income before income taxes</b>	<b>\$393</b>	\$1,481

<sup>1</sup> Includes all realized hedge gains and losses for the three months ended March 31, 2018 of \$1 million losses (2017: \$6 million losses).

<sup>2</sup> Includes unrealized non-hedge gains and losses for the three months ended March 31, 2018 of \$nil losses (2017: \$3 million losses).

## Capital Expenditures Information

	Segment capital expenditures <sup>1</sup>	
	For the three months ended March 31	
	2018	2017
Barrick Nevada	\$146	\$130
Turquoise Ridge	13	9
Pueblo Viejo	38	21
Veladero	31	50
Lagunas Norte	3	5
Acacia	26	46
Pascua-Lama	9	3
Other Mines	52	48
Segment total	\$318	\$312
Other items not allocated to segments	13	6
Total	\$331	\$318

<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 March 31, 2018, cash expenditures were \$326 million (2017: \$334 million) and the increase in accrued expenditures was \$5 million (2017: \$16 million decrease).

### Purchase Commitments

At March 31, 2018, we had purchase obligations for supplies and consumables of \$1,088 million (December 31, 2017: \$1,147 million).

### Capital Commitments

In addition to entering into various operational commitments in the normal course of business, we had capital commitments of \$134 million at March 31, 2018 (December 31, 2017: \$118 million).

## 6 > REVENUE

	For the three months ended March 31	
	2018	2017
<b>Gold sales</b>		
Spot market sales	\$1,640	\$1,780
Concentrate sales	3	46
Provisional pricing adjustments	—	1
	\$1,643	\$1,827
<b>Copper sales</b>		
Copper concentrate sales	\$134	\$134
Provisional pricing adjustments	(23)	(9)
	\$111	\$125
<b>Other sales<sup>1</sup></b>	\$36	\$41
<b>Total</b>	<b>\$1,790</b>	<b>\$1,993</b>

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

## 7 > COST OF SALES

	Gold		Copper		Pascua-Lama/Other <sup>3</sup>		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
For the three months ended March 31								
Direct mining cost <sup>1,2</sup>	\$690	\$794	\$66	\$60	\$2	\$7	\$758	\$861
Depreciation	298	385	19	14	8	15	325	414
Royalty expense	50	51	9	7	—	—	59	58
Community relations	8	8	2	1	—	—	10	9
	\$1,046	\$1,238	\$96	\$82	\$10	\$22	\$1,152	\$1,342

<sup>1</sup> Direct mining cost includes charges to reduce the cost of inventory to net realizable value as follows: \$3 million for the three months ended March 31, 2018 (2017: \$3 million).

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

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

## 8 > EARNINGS PER SHARE

	For the three months ended March 31			
	2018		2017	
	Basic	Diluted	Basic	Diluted
Net income	\$192	\$192	\$889	\$889
Net income attributable to non-controlling interests	(34)	(34)	(210)	(210)
Net income attributable to equity holders of Barrick Gold Corporation	\$158	\$158	\$679	\$679
Weighted average shares outstanding	1,167	1,167	1,166	1,166
Earnings per share data attributable to the equity holders of Barrick Gold Corporation				
Net income	\$0.14	\$0.14	\$0.58	\$0.58

## 9 > OTHER EXPENSE

### A) Other Expense (Income)

	For the three months ended March 31	
	2018	2017
Other expense:		
Bank charges	\$7	\$5
Bulyanhulu reduced operations program cost <sup>1</sup>	8	—
Litigation	27	2
Other	13	1
Total other expense	\$55	\$8
Other income:		
(Gain)/loss on sale of long-lived assets <sup>2</sup>	(\$46)	\$3
Other	(8)	(9)
Total other income	(\$54)	(\$6)
Total	\$1	\$2

<sup>1</sup> Primarily consists of severance, contractor and inventory write-down costs.

<sup>2</sup> Primarily consists of a gain related to the sale of a non-core royalty asset at Acacia.

### B) Impairment (Reversals) Charges

	For the three months ended March 31	
	2018	2017
Impairment (reversals) of non-current assets	\$2	(\$1,125)
Total	\$2	(\$1,125)

### C) Loss on Currency Translation

	For the three months ended March 31	
	2018	2017
Currency translation losses released as a result of the disposal and reorganization of entities	\$—	\$11
Foreign currency translation losses (gains)	15	(8)
Total	\$15	\$3

## 10 > INCOME TAX EXPENSE

	For the three months ended March 31	
	2018	2017
Current	\$133	\$140
Deferred	68	452
Total	\$201	\$592

Income tax expense was \$201 million for the three months ended March 31, 2018. The underlying effective tax rate for ordinary income for the three months ended March 31, 2018 was 42% after adjusting for the impact of the Dominican Republic tax audit; the net impact of foreign currency translation losses on deferred tax balances; the impact of impairment (reversals) charges; the impact of asset sales and non-hedge derivatives; and the impact of non-deductible foreign exchange losses. The unadjusted tax rate for income for the three months ended March 31, 2018, was 51% of the income before income taxes.

### Currency Translation

Deferred tax balances are subject to remeasurement for changes in currency exchange rates each period. The most significant balances are Argentine net deferred tax liabilities. In the three months ended March 31, 2018 and 2017, tax expense of \$4 million and tax recovery of \$3 million, respectively, primarily arose from translation losses/gains on tax balances in Argentina, due to the weakening of the Argentine peso against the U.S. dollar. These translation losses/gains are included within deferred income tax expense/recovery.

### Dominican Republic Tax Audit

In the first quarter of 2018, current tax expense of \$5 million and deferred tax expense of \$37 million were recorded, resulting from a tax audit of Pueblo Viejo in the Dominican Republic. The deferred tax expense relates to additional tax deductions included in the audit that reduced deferred tax assets, but did not reduce tax expense due to the application of annual minimum tax (AMT) in certain taxation years.

## 11 > CASH FLOW – OTHER ITEMS

Operating Cash Flows – Other Items	For the three months ended March 31	
	2018	2017
Adjustments for non-cash income statement items:		
Gain on non-hedge derivatives	(\$2)	(\$4)
Stock-based compensation expense	2	25
Income from investment in equity investees	(16)	(11)
Change in estimate of rehabilitation costs at closed mines	(9)	8
Net inventory impairment charges	3	3
Change in other assets and liabilities	(26)	(96)
Settlement of rehabilitation obligations	(16)	(9)
Other operating activities	(\$64)	(\$84)
Cash flow arising from changes in:		
Accounts receivable	\$66	\$16
Inventory	(76)	(77)
Other current assets	(62)	(44)
Accounts payable	(106)	(51)
Other current liabilities	2	(40)
Change in working capital	(\$176)	(\$196)

## 12 > EQUITY ACCOUNTING METHOD INVESTMENT CONTINUITY

	Kabanga	Jabal Sayid	Zaldívar	GNX	Total
At January 1, 2017	\$30	\$180	\$974	\$1	\$1,185
Funds invested	1	—	—	11	12
Dividend	—	—	(60)	—	(60)
Equity pick-up (loss) from equity investees	(1)	26	61	(10)	76
At December 31, 2017	\$30	\$206	\$975	\$2	\$1,213
Funds invested	—	—	—	4	4
Equity pick-up (loss) from equity investees	—	12	10	(6)	16
At March 31, 2018	\$30	\$218	\$985	\$—	\$1,233

## 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. Refer to note 21 of the 2017 Annual Financial Statements for further information.

For the three months ended March 31, 2018, we recorded impairments of \$2 million (2017: \$1,125 million impairment reversals) for non-current assets, as summarized in the following table:

### Summary of impairments (reversals)

	For the three months ended March 31	
	2018	2017
Cerro Casale	\$—	(\$1,120)
Pascua-Lama	(1)	(6)
Other	3	1
Total	\$2	(\$1,125)

## Indicators of impairment

### Cerro Casale - First Quarter 2017

As noted in note 4(a), on March 28, 2017, we announced the sale of a 25% interest in the Cerro Casale Project in Chile, which would result in Barrick retaining a 50% interest in the Project and this was deemed to be an indicator of impairment reversal in the first quarter of 2017. As such, in first quarter 2017, we recognized a partial reversal of the non-current asset impairment

recorded in the fourth quarter of 2014 in the amount of \$1.12 billion. The recoverable amount, based on the fair value less cost to dispose as implied by the transaction price, was \$1.2 billion.

## 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. Cash and equivalents also include \$378 million cash that is held in subsidiaries that have regulatory regulations or contractual restrictions, or operate in countries where exchange controls and other legal restrictions apply and are therefore not available for general use by the Company.

### B) Debt<sup>1</sup>

	As at March 31, 2018	As at December 31, 2017
4.4%/5.7% notes <sup>2,9</sup>	\$1,468	\$1,468
3.85%/5.25% notes	1,079	1,079
5.80% notes <sup>3,9</sup>	395	395
6.35% notes <sup>4,9</sup>	594	593
Other fixed-rate notes <sup>5,9</sup>	1,326	1,326
Capital leases <sup>6</sup>	38	46
Other debt obligations	602	603
5.75% notes <sup>7,9</sup>	842	842
Acacia credit facility <sup>8</sup>	57	71
	<b>\$6,401</b>	<b>\$6,423</b>
Less: current portion <sup>10</sup>	(57)	(59)
	<b>\$6,344</b>	<b>\$6,364</b>

<sup>1</sup> The agreements that govern our long-term debt each contain various provisions which are not summarized herein. These provisions allow Barrick to, at its option, redeem indebtedness prior to maturity at specified prices and also may permit redemption of debt by Barrick upon the occurrence of certain specified changes in tax legislation.

<sup>2</sup> Consists of \$1.5 billion in conjunction with our wholly owned subsidiary Barrick North America Finance LLC ("BNAF"). This consists of \$629 million of BNAF notes due 2021 and \$850 million of BNAF notes due 2041.

<sup>3</sup> Consists of \$400 million of 5.80% notes which mature in 2034.

<sup>4</sup> Consists of \$600 million of 6.35% notes which mature in 2036.

<sup>5</sup> Consists of \$1.3 billion in conjunction with our wholly owned subsidiary BNAF and our wholly-owned subsidiary Barrick (PD) Australia Finance Pty Ltd. ("BPDAF"). This consists of \$248 million of BPDAF notes due 2020, \$250 million of BNAF notes due 2038 and \$850 million of BPDAF notes due 2039.

<sup>6</sup> Consists primarily of capital leases at Pascua-Lama of \$12 million, and Lagunas Norte of \$21 million (2017: \$13 million and \$27 million, respectively).

<sup>7</sup> Consists of \$850 million in conjunction with our wholly owned subsidiary BNAF.

<sup>8</sup> Consists of an export credit backed term loan facility.

<sup>9</sup> We provide an unconditional and irrevocable guarantee on all BNAF, BPDAF, Barrick Gold Finance Company ("BGFC") and Barrick (HMC) Mining ("BHMC") notes and generally provide such guarantees on all BNAF, BPDAF, BGFC and BHMC notes issued, which will rank equally with our other unsecured and unsubordinated obligations.

<sup>10</sup> The current portion of long-term debt consists of other debt obligations of \$4 million (2017: \$4 million), capital leases of \$25 million (2017: \$27 million) and Acacia credit facility of \$28 million (2017: \$28 million).

## 15 > FAIR VALUE MEASUREMENTS

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

As at March 31, 2018	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Aggregate fair value
Cash and equivalents	\$2,384	\$—	\$—	\$2,384
Other investments	30	—	—	30
Derivatives	—	(11)	—	(11)
Receivables from provisional copper and gold sales	—	60	—	60
	<b>\$2,414</b>	<b>\$49</b>	<b>\$—</b>	<b>\$2,463</b>

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

	As at March 31, 2018		As at December 31, 2017	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
<b>Financial assets</b>				
Other assets <sup>1</sup>	\$570	\$570	\$572	\$572
Other investments <sup>2</sup>	30	30	33	33
Derivative assets	3	3	3	3
	<b>\$603</b>	<b>\$603</b>	<b>\$608</b>	<b>\$608</b>
<b>Financial liabilities</b>				
Debt <sup>3</sup>	\$6,401	\$7,296	\$6,423	\$7,715
Derivative liabilities	14	14	32	32
Other liabilities	526	526	252	252
	<b>\$6,941</b>	<b>\$7,836</b>	<b>\$6,707</b>	<b>\$7,999</b>

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

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

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

We do not offset financial assets with financial liabilities.

The Company's valuation techniques were presented in Note 26 of the 2017 Annual Financial Statements, and have been consistently applied in these interim financial statements.

## 16 > CAPITAL STOCK

### A) Authorized Capital Stock

Our authorized capital stock includes an unlimited number of common shares (issued 1,166,892,835 common shares); an unlimited number of first preferred shares issuable in series (the first series is designated as the "First Preferred Shares, Series A" and consists of 10,000,000 first preferred shares (issued nil); the second series is designated as the "First Preferred Shares, Series B" and consists of 10,000,000 first preferred shares (issued nil); and the third series is designated as the "First Preferred Share, Series C Special Voting Share" and consists of 1 Special Voting Share (issued nil)); and an unlimited number of second preferred shares issuable in series (the first series is designated as the "Second Preferred Shares, Series A" and consists of 15,000,000 second preferred shares (issued nil)). 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 315,357 common shares issued to shareholders for the three months ended March 31, 2018.

## **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 2017 Annual Financial Statements, and no new contingencies have occurred that are material to the Company since the issuance of the 2017 Annual Financial Statements.

The description set out below should be read in conjunction with Note 36 “Contingencies” to the 2017 Annual Financial Statements.

### **Litigation and Claims Update**

#### *US Shareholder Class Action*

Briefing on the motion to dismiss was completed on April 18, 2018.

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

#### **Criminal Matters**

On March 5, 2018, the Court of Appeals confirmed the indictment against the four former federal officials in relation to the enforcement of the national glacier legislation. On April 11, 2018, the federal judge indicted two additional former federal officials and confirmed a second charge against one of the former federal officials originally indicted on November 27, 2017, alleging breach of duty in connection with their actions and omissions related to the failure to maintain adequate environmental controls. In total, six former federal officials have now been indicted under these proceedings (one of whom has been indicted on two separate charges).

#### *Veladero - September 2016 Release of Crushed Ore Saturated with Process Solution*

#### **Temporary Suspension of Operations and Regulatory Infringement Proceeding**

On March 28, 2018, MAG was notified that the San Juan Provincial mining authority had rejected the request for reconsideration. A further appeal will be heard and decided by the Governor of San Juan.

#### *Veladero - March 2017 Release of Gold-bearing Process Solution*

#### **Regulatory Infringement Proceeding and Temporary Suspension of Addition of Cyanide**

On March 28, 2018, MAG was notified that the San Juan Provincial mining authority had rejected the request for reconsideration. A further appeal will be heard and decided by the Governor of San Juan.