

## MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

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This portion of the Quarterly Report provides management's discussion and analysis ("MD&A") of the financial condition and results of operations to enable a reader to assess material changes in financial condition and results of operations as at and for the three and six month periods ended June 30, 2015, in comparison to the corresponding prior-year periods. The MD&A is intended to help the reader understand Barrick Gold Corporation ("Barrick", "we", "our" or the "Company"), our operations, financial performance and present and future business environment. This MD&A, which has been prepared as of August 5, 2015, is intended to supplement and complement the condensed unaudited interim consolidated financial statements and notes thereto, prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), for the three and six month periods ended June 30, 2015 (collectively, the "Financial Statements"), which are included in this Quarterly Report on pages 57 to 81. You are encouraged to review the Financial Statements in conjunction with your review of this MD&A. This MD&A should be read in conjunction with both the annual audited

consolidated financial statements for the two years ended December 31, 2014, the related annual MD&A included in the 2014 Annual Report, and the most recent Form 40-F/Annual Information Form on file with the US Securities and Exchange Commission ("SEC") and Canadian provincial securities regulatory authorities. Certain notes to the Financial Statements are specifically referred to in this MD&A and such notes are incorporated by reference herein. All dollar amounts in this MD&A are in millions of US dollars, unless otherwise specified.

For the purposes of preparing our MD&A, we consider the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. We evaluate materiality with reference to all relevant circumstances, including potential market sensitivity.

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### CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain information contained or incorporated by reference in this MD&A, including any information as to our strategy, projects, plans or future financial or operating performance constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intend", "project", "continue", "budget", "estimate", "potential", "may", "will", "can", "could" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company in light of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the spot and forward price of gold, copper or certain other commodities (such as silver, diesel fuel and electricity); changes in national and

local government legislation, taxation, controls or regulations and/or changes in the administration of laws, policies and practices, expropriation or nationalization of property and political or economic developments in Canada, the United States, Zambia and other jurisdictions in which the Company does or may carry on business in the future; failure to comply with environmental and health and safety laws and regulations; timing of receipt of, or failure to comply with, necessary permits and approvals; diminishing quantities or grades of reserves; increased costs and risks related to the potential impact of climate change; increased costs, delays, suspensions and technical challenges associated with the construction of capital projects; the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows; adverse changes in our credit rating; the impact of inflation; operating or technical difficulties in connection with mining or development activities, including disruptions in the maintenance or provision of required infrastructure and information technology systems; damage to the Company's reputation due to the actual or perceived occurrence

of any number of events, including negative publicity with respect to the Company's handling of environmental matters or dealings with community groups, whether true or not; the speculative nature of mineral exploration and development; the possibility that future exploration results will not be consistent with the Company's expectations; changes in mineral production performance, exploitation and exploration successes; risks that exploration data may be incomplete and considerable additional work may be required to complete further evaluation, including but not limited to drilling, engineering and socio-economic studies and investment; risk of loss due to acts of war, terrorism, sabotage and civil disturbances; fluctuations in the currency markets; changes in U.S. dollar interest rates; risks arising from holding derivative instruments; litigation; contests over title to properties, particularly title to undeveloped properties, or over access to water, power and other required infrastructure; business opportunities that may be presented to, or pursued by, the Company; our ability to successfully integrate acquisitions or complete divestitures; employee relations; availability and increased costs associated with mining inputs and labor; and the organization of our previously held African gold operations and properties under a separate listed company. In addition, there are risks

and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion, copper cathode or gold or copper concentrate losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements. Specific reference is made to the most recent Form 40-F/Annual Information Form on file with the SEC and Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements. We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

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## RESULTS OVERVIEW

### Review of 2015 Second Quarter Results and Full Year Outlook

(\$ millions, except where indicated)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
<b>Financial Data</b>				
Revenue	\$ 2,231	\$ 2,458	\$ 4,476	\$ 5,105
Net earnings (loss) <sup>1</sup>	(9)	(269)	48	(181)
Per share ("EPS") <sup>2</sup>	(0.01)	(0.23)	0.04	(0.16)
Adjusted net earnings <sup>3</sup>	60	159	122	397
Per share ("adjusted EPS") <sup>2,3</sup>	0.05	0.14	0.10	0.34
Adjusted EBITDA	725	990	1,523	1,997
Total project capital expenditures <sup>4</sup>	22	(4)	37	47
Total capital expenditures - expansion <sup>4</sup>	31	84	120	173
Total capital expenditures - sustaining <sup>4</sup>	361	422	713	791
Operating cash flow	525	488	841	1,073
Free cash flow <sup>3</sup>	\$ 26	\$ (128)	\$ (172)	\$ (159)
<b>Operating Data</b>				
<b>Gold</b>				
Gold produced (000s ounces) <sup>5</sup>	1,445	1,485	2,835	3,073
Gold sold (000s ounces) <sup>5</sup>	1,466	1,516	2,851	3,134
Realized price (\$ per ounce) <sup>3</sup>	\$ 1,190	\$ 1,289	\$ 1,204	\$ 1,287
Cash costs (\$ per ounce) <sup>3</sup>	624	594	640	588
Cash costs on a co-product basis (\$ per ounce) <sup>3</sup>	648	615	666	610
All-in sustaining costs (\$ per ounce) <sup>3</sup>	895	865	918	849
All-in sustaining costs on a co-product basis (\$ per ounce) <sup>3</sup>	919	886	944	871
All-in costs (\$ per ounce) <sup>3</sup>	954	945	995	940
All-in costs on a co-product basis (\$ per ounce) <sup>3</sup>	\$ 978	\$ 966	\$ 1,021	\$ 962
<b>Copper</b>				
Copper produced (millions of pounds)	115	67	233	171
Copper sold (millions of pounds)	112	73	233	184
Realized price (\$ per pound) <sup>3</sup>	\$ 2.66	\$ 3.17	\$ 2.60	\$ 3.08
C1 cash costs (\$ per pound) <sup>3</sup>	\$ 1.94	\$ 2.04	\$ 1.89	\$ 2.08
C3 cash costs (\$ per pound) <sup>3</sup>	\$ 2.50	\$ 2.52	\$ 2.42	\$ 2.59

<sup>1</sup> Net earnings/loss represents net earnings/loss attributable to the equity holders of the Company.

<sup>2</sup> Calculated using weighted average number of shares outstanding under the basic method.

<sup>3</sup> These are non-GAAP financial performance measures with no standardized definition under IFRS. For further information and detailed reconciliations, please see pages 50 - 56 of this MD&A.

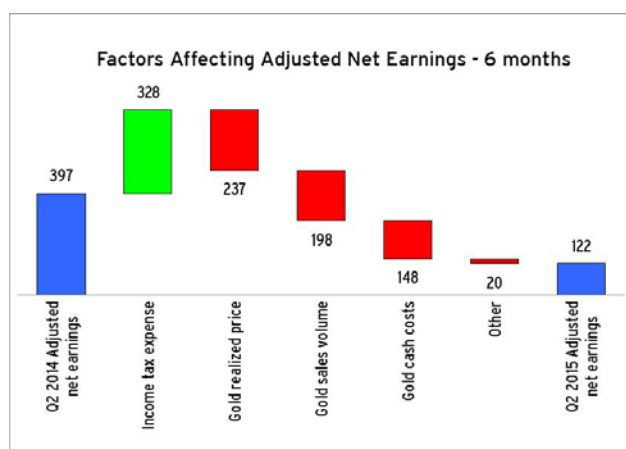
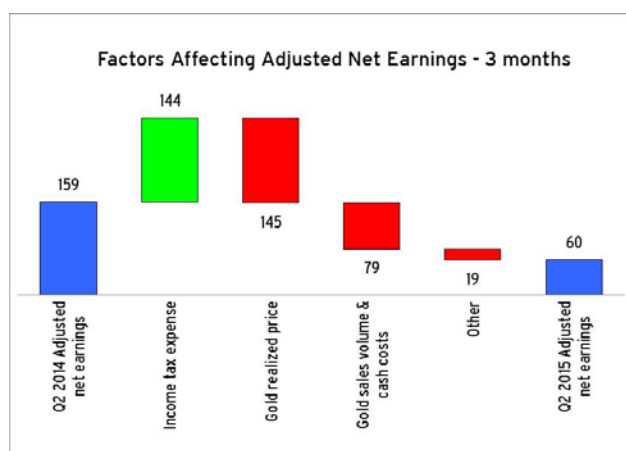
<sup>4</sup> These amounts are presented on a 100% accrued basis. Project and expansion capital expenditures are included in our calculation of all-in costs, but not included in our calculation of all-in sustaining costs.

<sup>5</sup> Gold production and sales include our pro rata share of Acacia and Pueblo Viejo at our equity share.

## FINANCIAL AND OPERATING HIGHLIGHTS

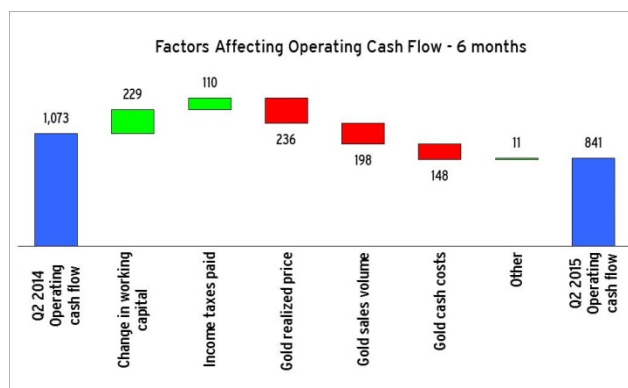
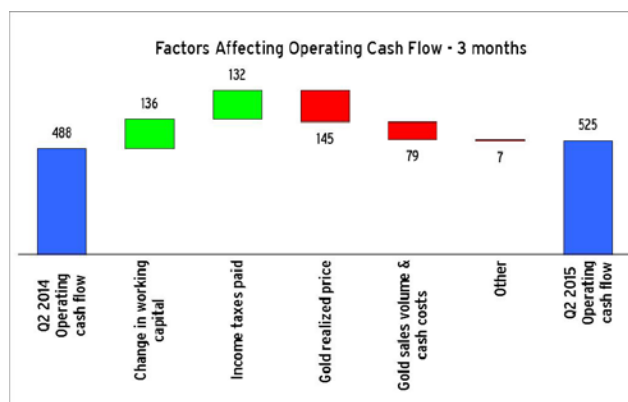
### *Net Income, Adjusted Net Income, Adjusted EBITDA, Operating Cash Flow and Free Cash Flow*

- Net earnings and adjusted net earnings were 97% higher and 62% lower, respectively, in second quarter 2015 than in the same prior year period. For the six month period ended June 30, 2015, net earnings and adjusted net earnings were 127% higher and 69% lower, respectively, compared to the first half of 2014.
- The increases in net earnings are primarily due to the impact of a \$514 million impairment charge recorded in second quarter 2014 relating to the reclassification of the Jabal Sayid copper project as held for sale, partially offset by a decrease in gold sales volume and a lower realized gold and copper price.
- The decreases in adjusted net earnings are primarily due to a decrease in gold sales volumes combined with a decrease in gold and copper realized prices, partially offset by a 53% and 27% increase in copper sales volume in second quarter and the first half of 2015, respectively, compared to the same prior year periods.



- Significant adjusting items (net of tax and non-controlling interest effects) in second quarter 2015 include:
  - \$22 million in impairment charges primarily related to power assets at our Pueblo Viejo mine;
  - \$30 million in unrealized foreign currency translation losses; and
  - \$17 million in costs relating to the closure of our Perth office; partially offset by
  - \$15 million positive adjustment reflecting the impact of the increase in the discount rate used to calculate the provision for environmental remediation at our closed mines.
- Significant adjusting items (net of tax and non-controlling interests effects) in the first half of 2015 include:
  - \$25 million in impairment charges primarily related to power assets at our Pueblo Viejo mine;
  - \$36 million in unrealized foreign currency translation losses; and
  - \$17 million in costs relating to the closure of our Perth office; partially offset by
  - \$26 million in gains on sale of assets.
- Adjusted EBITDA was 27% and 24% lower for the three and six month periods ended June 30, 2015, respectively, compared to the same prior year periods. The decreases were primarily due to a decrease in gold sales volumes combined with a decrease in realized gold and copper prices, partially offset by an increase in copper sales volume.
- Operating cash flow for the three and six month period ended June 30, 2015 of \$525 million and \$841 million, respectively, was 8% higher and 22% lower, respectively than the same prior year periods.
- The increase in operating cash flow for second quarter 2015 primarily reflects working capital improvements, particularly a lower draw down of accounts payable and accruals relating to our Pascua-Lama project, combined with a decrease in income tax payments.
- The decrease in operating cash flow for the first half of 2015 is primarily due an increase in inventory due to increased leachpad inventory

levels at Zaldívar as a result of the severe rain event that occurred at the end of first quarter 2015. The decrease was partially offset by working capital improvements, particularly a lower draw down of accounts payable and accruals relating to our Pascua-Lama project.



- Free cash flow for the three and six month periods ended June 30, 2015 was an inflow of \$26 million and an outflow of \$172 million, respectively, compared to an outflow of \$128 million and \$159 million, respectively, in the same prior year periods.
- The inflow in second quarter 2015 reflects the higher operating cash flows combined with the impact of lower capital expenditures. For the six month period ended June 30, 2015, the larger outflow reflects the lower operating cash flows, partially offset by the impact of lower capital expenditures.
- Our portfolio continues to generate positive free cash flow positive at a gold price of \$1,100 per ounce.

### Gold production, cash costs and all-in sustaining costs

- Gold production for the three and six month periods ended June 30, 2015 was 3% and 8% lower, respectively, compared to the same prior year periods largely due to a decrease in production at Cortez, Goldstrike, Pueblo Viejo and Veladero, partially offset by an increase in production at Lagunas Norte. Also contributing to the decreased production for the first half of 2015 was the impact of the asset sales that occurred in the first half of 2014. The lower production was in line with our operating plan for 2015 and consistent with our guidance that 55% of our production will come in the second half of the year. Higher second half production is primarily due to higher production at Goldstrike as the thiosulfate circuit ramps up to commercial production levels; higher production at Cortez as the open pit transitions into higher grade material and the thiosulfate circuit at Goldstrike allows for the processing of existing Cortez stockpiles; and higher production at Pueblo Viejo due to the availability of higher grade ore and increased throughput due to higher autoclave availability. We now expect gold production for 2015 to be in the range of 6.1 to 6.4 million ounces, compared to our previous guidance range of 6.2 to 6.6 million ounces, reflecting the divestiture of our Cowal mine, which closed on July 23, and 50% of our Porgera mine, which is expected to close in the third quarter.
- For the three and six month periods ended June 30, 2015, cash costs increased 5% and 9%, respectively, compared to the same prior year periods, primarily due to the impact of lower sales volume on unit costs. All-in sustaining costs for the three and six month periods ended June 30, 2015 increased 3% and 8%, respectively, compared to the same prior year periods, as the higher cash costs were partially offset by lower sustaining capital expenditures, primarily due to a reduction in capitalized stripping costs. As expected, second quarter 2015 was our highest cost quarter for both cash costs and all-in sustaining costs, largely due to the impact of higher costs at Goldstrike due to the impact of lower sales volume as a significant portion of thiosulfate circuit production from the second quarter will not be sold until the third quarter, partially offset by lower sustaining capital expenditures.

- We continue to expect 2015 cash costs to be within our guidance ranges of \$600 to \$640 per ounce and now expect all-in sustaining costs to be \$840 to \$880 per ounce, compared to our previous range of \$860 to \$895 per ounce. Costs are expected to be about 10% lower in second half 2015 due to the impact of higher production levels on unit costs as well as lower sustaining capital expenditures following rigorous application of our capital allocation framework.
- All-in costs for the three and six month periods ended June 30, 2015 were 1% and 6% higher, respectively, than the same prior year periods. The increases were primarily due to the same factors affecting all-in sustaining costs combined with an increase in project capital expenditures relating to our South Arturo project, partially offset by a decrease in expansion capital expenditures.

#### *Copper production and C1 costs*

- For the three and six month periods ended June 30, 2015, copper production increased 72% and 36%, respectively, compared to the same prior year periods, due to higher production at Lumwana as a result of the partial conveyor collapse that shutdown the mill and concentrate production for much of second quarter 2014. Production at Zaldívar was slightly down compared to the same prior year periods largely due to the impact on production of the severe rain event that occurred at the end of first quarter 2015.
- C1 cash costs were 5% and 9% lower, respectively, than the same prior year periods due to the impact of higher sales volume on unit production costs.

#### *Capital Expenditures*

- Capital expenditures for the three and six month period ended June 30, 2015 were 18% and 14% lower, respectively, compared to the same prior year periods. The decreases are primarily due to a 14% and 10% reduction, respectively, in minesite sustaining capital expenditures due to lower capitalized stripping costs across most sites, partially offset by an increase in project capital expenditures relating to our South Arturo project. As at June 30, 2015, we have incurred \$870 million in capital expenditures.
- As a result of rigorous application of our capital allocation framework, we now expect minesite

sustaining capital expenditures to be in the range of \$1.4 to \$1.6 billion; minesite expansion capital expenditures to be in the range of \$100 to \$150 million, driven by efficiencies at Turquoise Ridge, Cortez and Ruby Hill; project expenditures to be in the range of \$100 to \$150 million, reflecting reduced spending at Pascua-Lama, Donlin Gold and Spring Valley; and total capital expenditures to be in the range of \$1.6 to \$1.9 billion. These compare to our previous guidance ranges of \$1.5 to \$1.7 billion, \$150 to \$200 million, \$150 to \$200 million and \$1.8 to \$2.1 billion, respectively. All significant new and ongoing projects will be reviewed by our investment committee against our target 15% hurdle rate.

#### *Strengthening the Balance Sheet*

- Earlier this year, we set a debt reduction target of \$3 billion for 2015. Thus far, we have announced agreements representing \$2.45 billion from asset sales, joint ventures and streaming. In addition, we have also retired approximately \$250 million in debt using cash on hand in the first half of this year. Collectively, these actions represent \$2.7 billion, or 90 percent of our target. Transactions announced to date include:
  - Sale of our Cowal mine for cash proceeds of \$550 million, which closed on July 23, 2015;
  - Sale of 50% of our interest in the Porgera mine for cash proceeds of \$298 million, which is expected to close in third quarter 2015;
  - Sale of 50% of our Zaldívar mine for \$1.005 billion, which is expected to close in late 2015; and
  - Streaming agreement on a portion of Barrick's share of gold and silver production from Pueblo Viejo for cash proceeds of \$610 million, expected to close in fourth quarter 2015.
- To begin with, we intend to use a portion of the net proceeds from the sale of the Cowal mine to redeem the outstanding \$229 million aggregate principal amount of 2.90% notes due 2016 issued by Barrick. The notes will be redeemed on September 9, 2015 in accordance with their terms.
- Over the last several months, Barrick has received a number of proposals and expressions of interest relating to the proposed acquisition of various non-core assets in Nevada and Montana. Over the next several weeks, we intend to commence a formal process to sell Bald

Mountain, Round Mountain (50 percent interest), Spring Valley (70 percent interest), Ruby Hill, Hilltop and Golden Sunlight. These assets represent an attractive portfolio of producing and development-stage assets in a politically stable and highly prospective region.

- Lowered our quarterly dividend to two cents per share and introduced a dividend reinvestment plan

#### *Operational Focus*

- Anticipating the potential for a weaker gold price environment in the second half of 2015, we have carried out a series of planning exercises that detail actions we can take to optimize mine plans and increase flexibility in a lower gold price environment.
- These actions include: adjusting life-of-mine plans to maximize short-term cash flow; placing higher cost operations on care and maintenance; deferring stripping activities; close or divest mines that do not meet capital allocation objectives; increase cut-off grades; reduce mining/processing rates; further reduce G&A and exploration; further reduce sustaining capital; and process higher grade stockpiles.

## Full Year 2015 Outlook

(\$ millions, except per ounce/pound data)	2015E
<b>Gold production and costs</b>	
Production (millions of ounces) <sup>1</sup>	6.1 - 6.4
<b>Gold unit production costs</b>	
All-in sustaining costs (\$ per ounce) <sup>2</sup>	840 - 880
Cash costs (\$ per ounce) <sup>3</sup>	600 - 640
Depreciation (\$ per ounce)	240 - 260
<b>Copper production and costs</b>	
Production (millions of pounds) <sup>4</sup>	480 - 520
<b>Copper unit production costs</b>	
C1 cash costs (\$ per pound)	1.75 - 2.00
Depreciation (\$ per pound) <sup>5</sup>	0.25 - 0.35
C3 fully allocated costs (\$ per pound) <sup>4</sup>	2.35 - 2.65
<b>Exploration and project expenses<sup>6</sup></b>	330 - 420
Exploration and evaluation <sup>6</sup>	180 - 230
Project expenses	150 - 190
<b>General and administrative expenses</b>	~225
Corporate administration	~145
Stock-based compensation	~50
Acacia	~30
Other expense	40 - 60
<b>Finance costs</b>	800 - 825
<b>Capital expenditures:</b>	
Minesite sustaining <sup>7</sup>	1,400 - 1,600
Minesite expansion <sup>7</sup>	100 - 150
Projects <sup>7</sup>	100 - 150
<b>Total capital expenditures<sup>7</sup></b>	1,600 - 1,900
Effective income tax rate	~53%
<b>Key Assumptions</b>	
Gold Price (\$/ounce)	\$1,100
Copper Price (\$/pound)	\$2.50
Oil Price (\$/barrel)	\$60
AUD Exchange Rate	\$0.80
ARS Exchange Rate	9.88
CAD Exchange Rate	\$1.25
CLP Exchange Rate	610

<sup>1</sup> We now expect gold production to be in the range of 6.1 - 6.4 million ounces, compared to our previous guidance of 6.2 - 6.6 million ounces, reflecting the divestiture of our Cowal mine and 50% of our Porgera mine.

<sup>2</sup> We now expect all-in sustaining costs to be \$840 to \$880 per ounce, compared to our previous guidance ranges of \$860 to \$895 per ounce. All-in sustaining costs are calculated in accordance with the standard published by the World Gold Council ("WGC"). See page 52 of this MD&A for further details.

<sup>3</sup> Cash costs reflect our equity share of unit production costs, including the impact of by-product credits, which is calculated in accordance with the standard published by the WGC. See pages 52 of this MD&A for further details.

<sup>4</sup> As a result of the decision to continue operations at Lumwana, we continue to expect copper production to be in the range of 480 to 520 million lbs and C3 fully allocated costs to be in the range of \$2.35 to \$2.65 per pound compared to our previous guidance ranges of 310 to 340 million lbs and \$2.30 to \$2.60 per pound, respectively.

<sup>5</sup> We now expect depreciation per pound to be in the range of \$0.25 - \$0.35 per pound compared to our previous guidance range of \$0.35 - \$0.45 per pound to reflect the lower asset base at Lumwana following the recognition of year-end impairment charges on full year depreciation.

<sup>6</sup> We now expect exploration and evaluation expenditures to be in the range of \$180 to \$230 million and total exploration and project expenses to be in the range of \$330 to \$420 million compared to our previous guidance

ranges of \$220 to \$270 million and \$370 to \$460 million, respectively.

<sup>7</sup> We now expect minesite sustaining capital expenditures to be in the range of \$1,400 to \$1,600 million, minesite expansion capital expenditures to be in the range of \$100 to \$150 million, projects expenditures to be in the range of \$100 to \$150 million and total capital expenditures to be in the range of \$1,600 to \$1,900 million compared to our previous guidance ranges of \$1,500 to \$1,700 million, \$150 to \$200 million, \$150 to \$200 million and \$1,800 to \$2,100 million, respectively.

## Key Business Developments

### *Divestitures*

On July 30, 2015, we announced the sale of 50% of our Zaldívar copper mine in Chile to Antofagasta Plc for total cash consideration of \$1.005 billion. As a result, we expect to record a goodwill impairment of approximately \$400 million in third quarter 2015. The transaction is expected to be completed in late 2015 and is subject to customary closing conditions.

On July 23, 2015, we completed the sale of our Cowal mine in Australia for cash consideration of \$550 million. As at June 30, 2015, all of the assets and liabilities of Cowal were classified as held for sale. We intend to use a portion of the net proceeds from the sale of the Cowal mine to redeem the outstanding \$229 million aggregate principal amount of 2.90% notes due 2016 issued by Barrick. The notes will be redeemed on September 9, 2015 in accordance with their terms.

On May 26, 2015, we announced the sale of 50% of our interest in the Porgera mine in Papua New Guinea to Zijin Mining Group Company ('Zijin') for cash consideration of \$298 million. As at June 30, 2015, all of the assets and liabilities of Porgera were classified as held for sale as the transaction will result in a loss of control. The transaction is expected to close in third quarter 2015.

### *Streaming Agreement*

On August 5, 2015 we announced that we had entered into a gold and silver streaming agreement with Royal Gold, Inc. ("Royal Gold") for production linked to Barrick's 60 percent interest in the Pueblo Viejo mine. In return, Royal Gold has agreed to make an upfront cash payment of \$610 million plus continuing cash payments for gold and silver delivered under the agreement.

Under the terms of the agreement, Barrick will sell gold and silver to Royal Gold equivalent to:

- 7.5 percent of Barrick's interest in the gold produced at Pueblo Viejo until 990,000 ounces of gold have been delivered, and 3.75 percent thereafter.
- 75 percent of Barrick's interest in the silver produced at Pueblo Viejo until 50 million ounces

have been delivered, and 37.5 percent thereafter. Silver will be delivered based on a fixed recovery rate of 70 percent. Silver above this recovery rate is not subject to the stream.

Ongoing cash payments to Barrick are tied to prevailing spot prices rather than fixed in advance, maintaining material exposure to higher gold and silver prices in the future. Barrick will receive ongoing cash payments from Royal Gold equivalent to 30 percent of the prevailing spot prices for the first 550,000 ounces of gold and 23.1 million ounces of silver delivered. Thereafter payments will double to 60 percent of prevailing spot prices for each subsequent ounce of gold and silver delivered.

#### *Royalty Changes in Zambia*

On April 20, 2015, the Zambian government announced amendments to the country's mining tax regime that would replace the recently adopted 20 percent gross royalty on open pit mines with a nine percent royalty, along with the reintroduction of a 30 percent corporate income tax and a 15 percent variable profits tax. The legislation was passed in late July. In third quarter 2015 we will evaluate the potential for a reversal of previous impairments recorded in fourth quarter 2014.

#### *Zambia Power Reductions*

In second quarter 2015, the Zambian power authority ("ZESCO") announced reduction to power generation necessitated by the low water levels in its reservoirs as a result of the poor rainfall experienced during the recent rainy season. We are working with industry and ZESCO to develop an optimal load shedding program to minimize the impact to production.

#### *Jabal Sayid Financing Facility*

On April 2, 2015, Ma'aden Barrick Copper Company (our 50% Barrick owned equity method investment) signed a financing agreement with the Saudi British Bank to finance the Jabal Sayid copper project for SAR 750 million (\$200 million USD). The proceeds will be used to fund the expenditures remaining to bring the mine into commercial production.

#### *Pascua-Lama Chilean Environmental Court Ruling*

On March 23, 2015, Chile's Environmental Court ruled that the Pascua-Lama project has not damaged glaciers in the project area. The plaintiffs did not file an appeal and the matter is now closed.

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

On April 22, 2015, Chile's environmental regulator (known as the SMA) reopened the administrative proceeding against Compañía Minera Nevada ('CMN'), Barrick's Chilean subsidiary that holds the Chilean portion of the

Pascua-Lama project (the 'Project') in accordance with the March 3, 2014 decision of the Environmental Court of Santiago, Chile. A decision from the SMA is pending in this matter.

Also on April 22, 2015, CMN was notified that the SMA has initiated a new administrative proceeding for alleged deviations from certain requirements of the Project's environmental approval, including with respect to the Project's environmental impact and a series of monitoring requirements. In May 2015, CMN submitted a compliance program to address certain of the allegations and presented its defense to the remainder of the alleged deviations. The SMA rejected CMN's proposed compliance program on June 24, 2015. CMN filed an administrative appeal of this decision on July 3, 2015. A decision from the SMA on the administrative appeal and on CMN's defense to the remainder of the alleged deviations is pending. Further submissions may be required if CMN's administrative appeal is denied. Refer to Note 22 to the consolidated financial statements for more information.

#### *Hemlo Land Acquisition*

In March 2015, Barrick acquired certain surface and mineral lands adjacent to the Hemlo property in Ontario from subsidiaries of Newmont Mining Corporation for \$37.5 million. The acquisition will enable Hemlo to realize additional value through near-term, lower-cost ounces, optimize its current operation, and increase exploration potential, which will allow for potential mine life extensions.

#### *Alturas Gold Discovery*

We have made a new gold discovery located in the Andean region of Chile. The new discovery is the result of a methodical re-evaluation of the El Indio belt led by our exploration team. Drilling has concluded for the current season and we expect to report an initial resource at the end of the year.

#### *Exploration Partnership with QPX*

Our focus is gold and we have no plans to expand our existing copper position. However, we seek to maximize the value of our highly prospective land holdings where there is currently little to no exploration taking place, so we have formed a strategic partnership with Quantum Pacific Exploration ("QPX") to explore for copper deposits on our land in northern Chile. Any gold deposits located on Barrick land will remain 100 percent Barrick-owned. If a copper deposit project is identified on either Barrick or QPX land, it will be 50 percent owned by each company.

## Market Overview

### Gold and Copper

The market prices of gold and, to a lesser extent, copper are the primary drivers of our profitability and our ability to generate free cash flow for our shareholders.

The price of gold is subject to volatile price movements over short periods of time and is impacted by numerous industry and macroeconomic factors. During second quarter, the price of gold ranged from \$1,163 to \$1,232 per ounce. The price of gold closed at \$1,171 per ounce on June 30, 2015, while the average quarterly market price of \$1,192 per ounce represented a \$96 per ounce or 7% decrease from the \$1,288 per ounce average market price in the same prior year period.

Copper prices in second quarter traded in a range of \$2.56 per pound to \$2.94 per pound. The average price for second quarter was \$2.74 per pound and the closing price was \$2.60 per pound on June 30, 2015. Copper prices should continue to be influenced by demand from emerging markets, specifically China, the availability of scrap and production levels of mines and smelters in the future.

We have provisionally priced copper sales for which final price determination versus the relevant copper index is outstanding at the balance sheet date. As at June 30, 2015, we have recorded 61 million pounds of copper sales subject to final settlement at an average provisional price of \$2.61 per pound. The impact to net income before taxation of a 10% movement in the market price of copper would be approximately \$16 million, holding all other variables constant.

### Silver

Silver prices do not significantly impact our current operating earnings, cash flows or gold cash costs. Silver prices, however, will have a significant impact on the overall economics for our Pascua-Lama project.

In second quarter, silver prices traded in a range of \$15.50 per ounce to \$17.78 per ounce, averaged \$16.39 per ounce and closed the quarter at \$15.70 per ounce. The silver price is driven by factors similar to those influencing investment demands for gold.

### Currency Exchange Rates

The results of our mining operations outside of the United States are affected by US dollar exchange rates with non-US denominated currencies comprising approximately 25% of our operating and capital cost exposures. We have exposure to the Australian and Canadian dollars through a combination of mine operating and corporate administration costs, as well as exposure to the Chilean

peso through expected future capital and operating costs at our Pascua-Lama project and mine operating costs at Zaldívar. We also have exposure to the Argentinean peso through operating costs at our Veladero mine, peso denominated VAT receivable balances and expected future capital and operating costs at our Pascua-Lama project. In addition, we have exposure to the Papua New Guinea kina, Peruvian sol, Zambian kwacha, Tanzanian shilling and Dominican peso through mine operating and capital costs.

As a means of minimizing the volatility on our operating costs from fluctuations in the US dollar, we have put in place protection through our currency hedging program on our three largest currency exposures, namely the Australian dollar, the Canadian dollar and the Chilean peso. In second quarter 2015, the Australian dollar traded in a range of \$0.75 to \$0.82 against the US dollar, while the US dollar against the Canadian dollar and Chilean peso traded in ranges of \$1.19 to \$1.27 and CLP 593 to CLP 640, respectively.

In second quarter 2015, we recorded losses in earnings of approximately \$34 million from our Australian, Canadian and Chilean peso hedges, primarily impacting our operating and corporate administration costs (Q2 2014: \$33 million gain).

### AUD Currency Contracts

	Effective Average Hedge (AUD Rate AUDUSD) millions	% of Total Expected Exposure <sup>1</sup> Hedged	% of Expected Operating Cost Exposure Hedged	Crystallized Gain/(Loss) in OCI <sup>2</sup> (USD millions)	
2015	165	0.93	69%	80%	2
2016	85	0.91	20%	23%	(14)

### CAD Currency Contracts

	Effective Average Hedge (CAD Rate USDCAD) millions <sup>3</sup>	% of Total Expected CAD Exposure <sup>1</sup> Hedged	% of Expected Operating Cost Exposure Hedged	Crystallized Gain/(Loss) in OCI <sup>2</sup> (USD millions)	
2015	120	1.03	52%	59%	-

## CLP Currency Contracts

Contracts (CLP millions) <sup>4</sup>	Effective Average Hedge Rate (USDCLP)	% of	% of	Crystallized Gain/(Loss) in OCI <sup>2</sup> (USD millions)	
		Total Expected CLP Exposure <sup>1</sup> Hedged	Expected Operating Cost Exposure Hedged		
2015	51,000	521	40%	68%	-

<sup>1</sup> Includes all forecasted operating, administrative, sustainable and eligible project capital expenditures.

<sup>2</sup> To be reclassified from Other Comprehensive Income ("OCI") to earnings when indicated.

<sup>3</sup> Includes C\$120 million CAD collar contracts with an average range of \$1.03 - \$1.15.

<sup>4</sup> Includes CLP 51,000 million collar contracts with an average range of 521 - 601.

### Fuel

For second quarter, the price of West Texas Intermediate ("WTI") crude oil traded in a range of \$47 to \$63 per barrel, averaged \$58 per barrel, compared to an average of \$103 per barrel in the same prior year period, and ended the quarter at \$59 per barrel.

In second quarter 2015, we recorded a hedge loss of \$1 million on our fuel hedge positions (Q2 2014: \$4 million gain).

### Financial Fuel Hedge Summary

	Barrels (thousands)	Average Price	% of Expected Exposure	Impact of \$10 change on Pre- tax Earnings (USD millions) <sup>1</sup>
2015	1,378	90	60%	9
2016	2,933	85	64%	17
2017	1,984	81	48%	21
2018	1,080	79	26%	30

<sup>1</sup> Includes the impact of hedges currently in place.

### US Dollar Interest Rates

During second quarter 2015, the Federal Open Market Committee of the US Federal Reserve ("FOMC") released a statement reiterating its view that a highly accommodative stance of monetary policy remains appropriate. In determining how long to maintain the current 0% to 0.25% range for the benchmark rate, the FOMC noted that it will use a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments, to assess progress towards its objectives of maximum employment and 2 percent inflation.

At present, our interest rate exposure mainly relates to interest receipts on our cash balances (\$2.1 billion at June

30, 2015); the mark-to-market value of derivative instruments; the fair value of and ongoing payments under US dollar interest-rate swaps; the carrying value of certain long lived assets and liabilities; and to the interest payments on our variable-rate debt (\$1.0 billion at June 30, 2015). Currently, the amount of interest expense recorded in our consolidated statement of income is not materially impacted by changes in interest rates, because the majority of debt was issued at fixed interest rates. The relative amounts of variable-rate financial assets and liabilities may change in the future, depending on the amount of operating cash flow we generate, as well as the level of capital expenditures and our ability to borrow on favorable terms using fixed rate debt instruments.

## REVIEW OF FINANCIAL RESULTS

### Revenue

(\$ millions, except per ounce/pound data in dollars)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
<b>Gold</b>				
000s oz sold <sup>1</sup>	1,466	1,516	2,851	3,134
Revenue	\$ 1,921	\$ 2,150	\$ 3,840	\$ 4,429
Market price <sup>2</sup>	1,192	1,288	1,206	1,291
Realized price <sup>2,3</sup>	\$ 1,190	\$ 1,289	\$ 1,204	\$ 1,287
<b>Copper</b>				
millions lbs sold <sup>1</sup>	112	73	233	184
Revenue	\$ 257	\$ 237	\$ 524	\$ 542
Market price <sup>2</sup>	2.74	3.08	2.69	3.14
Realized price <sup>2,3</sup>	2.66	3.17	2.60	3.08
Other sales	\$ 53	\$ 71	\$ 112	\$ 134

<sup>1</sup> Includes our equity share of gold ounces from Acacia and Pueblo Viejo.

<sup>2</sup> Per ounce/pound weighted average.

<sup>3</sup> Realized price is a non-GAAP financial performance measure with no standard meaning under IFRS. For further information and a detailed reconciliation, please see page 56 of this MD&A.

For the three and six month periods ended June 30, 2015, gold revenues were down 11% and 13%, respectively, compared to the same prior year periods. The decreases were primarily due to lower gold sales volume and lower realized gold prices compared to the same prior year periods. Copper revenues for the three and six month periods ended June 30, 2015 were up 8% and down 3%, respectively, compared to the same prior year periods. The increase in second quarter 2015 was primarily due to the impact of higher copper sales volume, partially offset by the lower realized copper price compared to the same prior year periods. For the six month period ended June 30, 2015 the decrease in copper revenue was primarily due to the lower copper realized price, partially offset by an increase in sales volume.

Realized gold prices for the three and six month periods ended June 30, 2015 were down \$99 and \$83 per ounce, respectively, compared to the same prior year periods. The decrease in realized gold prices reflects the lower market gold prices in the second quarter and first half of 2015 compared to the same prior year periods. For the three and six month periods ended June 30, 2015, realized copper prices were down \$0.51 and \$0.48 per pound, respectively, compared to the same prior year periods, due to the 11% and 14% decline in market copper prices, respectively, over the same prior year periods.

Gold production for the three and six month periods ended June 30, 2015 of 1.45 million and 2.84 million ounces, respectively, were 3% and 8% lower, respectively, than the same prior year periods. The decrease was primarily due to lower production at Cortez, Goldstrike, Pueblo Viejo and Veladero, combined with the impact of asset sales that occurred in the first half of 2014, partially offset by an increase in production at Lagunas Norte.

For the three and six month periods ended June 30, 2015, copper production increased by 72% and 36%, respectively, compared to the same prior year periods due to higher production at Lumwana, partially offset by slightly lower production at Zaldívar. The increased production at Lumwana was primarily due to the partial conveyor collapse that shutdown the mill and concentrate production for much of second quarter 2014. Production at Zaldívar was negatively impacted by the severe rain event that occurred in first quarter 2015.

### Production Costs

(\$ millions, except per ounce/pound data in dollars)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
<b>Cost of sales</b>				
Direct mining costs	\$ 1,164	\$ 1,139	\$ 2,350	\$ 2,367
Depreciation	419	400	840	802
Royalty expense	89	73	179	148
Community relations	17	19	28	33
Cost of sales - gold <sup>1</sup>	1,410	1,407	2,834	2,851
Cash costs <sup>2,3</sup>	624	594	640	588
All-in sustaining costs - gold <sup>2,3</sup>	895	865	918	849
Cost of sales - copper <sup>1</sup>	237	196	488	451
C1 cash costs <sup>2,3</sup>	1.94	2.04	1.89	2.08
C3 fully allocated costs <sup>2,3</sup>	\$ 2.50	\$ 2.52	\$ 2.42	\$ 2.59

<sup>1</sup> 2014 figures restated to include community relations costs.

<sup>2</sup> Per ounce/pound weighted average.

<sup>3</sup> Cash costs, all-in sustaining costs, C1 cash costs and C3 fully allocated costs are non-GAAP financial performance measures with no standard meaning under IFRS. For further information and a detailed reconciliation, please see pages 52 - 55 of this MD&A.

For the three and six month periods ended June 30, 2015, cost of sales applicable to gold was in line with the same prior year periods. For second quarter and first half 2015, lower direct mining costs resulting from decreased sales volumes were offset by an increase in depreciation expense as well as the impact of inventory write-downs taken in the first half of the year.

Gold cash costs for the three and six month periods ended June 30, 2015 were up \$30 and \$52 per ounce, respectively, compared to the same prior year periods. The increases were primarily due to the impact of lower production levels on unit production costs combined with an increase in shared services costs allocated to the operating sites. All-in sustaining costs for the three and six months ended June 30, 2015 were up \$30 and \$69 per ounce, respectively, compared to the same prior year periods. The increases were primarily due to the higher cash costs per ounce partially offset by lower minesite sustaining capital expenditures.

For the three and six month periods ended June 30, 2015, cost of sales applicable to copper increased \$41 million and \$37 million, respectively, compared to the same prior year periods. The increases were primarily due to significantly higher royalty expense at Lumwana resulting from the increase in the royalty rate from 6% to 20% in first quarter 2015. This was partially offset by lower depreciation expense as a result of the impairment charge recorded in fourth quarter 2014.

C1 cash costs per pound for the three and six month periods ended June 30, 2015 were 5% and 9% lower, respectively, than the same prior year periods reflecting the impact of higher sales volume on unit production costs. C3 fully allocated costs were in line and 7% lower, respectively, than the same prior year periods, primarily reflecting the effect of the above factors on C1 cash costs combined with lower depreciation.

### Capital Expenditures<sup>1</sup>

(\$ millions)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
Project capital expenditures <sup>2</sup>	\$ 22	(\$4)	\$ 37	\$47
Minesite sustaining	152	175	305	308
Mine development	209	247	409	482
Minesite expansion <sup>2</sup>	23	77	102	160
Capitalized interest	8	7	17	14
Total consolidated capital expenditures	\$ 414	\$ 502	\$ 870	\$ 1,011

<sup>1</sup> These amounts are presented on a 100% accrued basis.

<sup>2</sup> Project and expansion capital expenditures are included in our calculation of all-in costs, but not included in our calculation of all-in sustaining costs.

For the three and six month periods ended June 30, 2015, capital expenditures decreased 18% and 14%, respectively, compared to the same prior year periods. The decreases are primarily due to a decrease in minesite sustaining and development capital expenditures combined with lower minesite

expansion capital expenditures, partially offset by an increase in project capital expenditures. The decreases in minesite sustaining capital expenditures are primarily due to the deferral of non-critical capital spending across sites, partially offset by an increase in costs at Veladero relating to the phase 4B and 5A leach pad expansions. The 15% reduction in minesite development capital expenditures for the three and six month periods ended June 30, 2015 is due to lower capitalized stripping costs, primarily at Cortez and Pueblo Viejo, partially offset by an increase in those costs at Veladero and at Porgera. Minesite expansion capital expenditures decreased 70% and 36%, respectively, over the same prior year periods due to a decrease in expenditures at Goldstrike, as the construction of the thiosulfate technology project neared completion. The increase in project capital expenditures compared to the same prior year periods is primarily due to costs incurred at our South Arturo project. In second quarter 2015, capitalized interest was in line with the same prior year period, whereas for the first half of 2015 capitalized interest was 21% higher due to increased interest capitalized for the thiosulfate technology project.

### Additional Significant Statement of Income Items

(\$ millions)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
General & administrative expenses	\$ 70	\$ 82	\$ 137	\$ 185
Corporate administration <sup>1</sup>	\$ 49	\$ 41	\$ 100	\$ 95
Operating segment administration <sup>2</sup>	\$ -	\$ 31	\$ -	\$ 64
Stock-based compensation	\$ 5	-	\$ 10	\$ 6
Acacia	\$ 16	\$ 10	\$ 27	\$ 20
Other expense/(income)	\$ 32	\$ 17	\$ 14	\$ 36
Exploration, evaluation & project costs	\$ 97	\$ 105	\$ 183	\$ 205
Finance costs	\$ 194	\$ 200	\$ 390	\$ 401
Finance income	\$ 2	\$ 3	\$ 4	\$ 6
Impairments	\$ 35	\$ 512	\$ 40	\$ 524

<sup>1</sup> For the three and six month period ended June 30, 2015, corporate administration costs include approximately \$8 million and \$13 million, respectively, of non-recurring severance costs.

<sup>2</sup> In 2015, operating segment administration costs have been allocated to our operating sites and are now included in cost of sales.

### ***General and Administrative Expenses***

For the three and six month periods ended June 30, 2015, general and administrative expenses were \$12 million and \$48 million lower, respectively, than the same prior year periods. The decreases were primarily due to an increase in the allocation of shared services costs from general and administrative expenses to cost of sales, partially offset by an increase in corporate administrative costs and an increase in costs relating to Acacia. For second quarter 2015, the increase in corporate administrative costs reflects \$8 million in severance costs incurred as a result of restructuring, whereas the increase for the first six months of 2015 reflects \$13 million in severance costs, partially offset by \$11 million in corporate administrative costs that were allocated to the sites. We are on track to achieve our targeted reduction of \$50 million in general and administrative and overhead costs in 2015, exceeding our original target of \$30 million for the year. We now expect to reach \$90 million in annualized savings in 2016, up from our original target of \$70 million.

### ***Other Expense (Income)***

Other expense for the three and six month periods ended June 30, 2015 increased by \$15 million and decreased by \$22 million, respectively, compared to the same prior year periods. The increase in second quarter 2015 reflects \$24 million in office closure costs primarily related to our Perth office. The decrease for the six month period ended June 30, 2015 was primarily due to a \$14 million reduction in consulting fees, partially offset by the \$24 million in office closure costs. For a further breakdown of other expense (income), refer to note 10 to the consolidated financial statements.

### ***Exploration, Evaluation and Project Costs***

Exploration, evaluation and project costs for the three and six months ended June 30, 2015 decreased \$8 and \$22 million, respectively, compared to the same prior year periods. The decrease in second quarter 2015 is primarily due to a \$7 million decrease in project costs at Jabal Sayid combined with a \$4 million decrease in community relations costs relating to projects. For the six month period ended June 30, 2015, the decrease was primarily due to a \$17 million reduction in project costs at Jabal Sayid combined with a \$13 million decrease in project costs at Pascua-Lama as we continue to drive down the cost of ongoing care and maintenance activities. This was partially offset by a 15% increase in costs relating to global exploration programs, specifically relating to Goldrush and Alturas, as well as an increase in corporate development costs. In line with our

strategic objectives to identify, explore, and develop only those districts that show potential for superior returns on invested capital, we have revised our exploration and evaluation guidance to \$180 million to \$230 million from our previous guidance of \$220 million to \$270 million. For a further breakdown of exploration, evaluation and project costs, refer to note 8 to the consolidated financial statements.

### ***Finance Costs***

For the three and six month periods ended June 30, 2015, finance costs were \$6 million and \$11 million lower, respectively, compared to the same prior year periods. The decreases in finance costs were primarily due to a \$4 million and \$9 million decrease, respectively, in accretion expense. Interest costs incurred were in line with the same prior year period. For a further breakdown of finance costs/income, refer to note 11 to the consolidated financial statements.

### ***Impairment Charges***

For the three and six month periods ended June 30, 2015, impairment charges of \$35 million and \$40 million were incurred, respectively, compared to \$512 million and \$524 million, respectively, in the same prior year periods. Impairment charges in second quarter and the first half of 2015 primarily relate to a write-down of power assets at our Pueblo Viejo mine. Impairment charges in the same prior year periods primarily relate to the reclassification of the Jabal Sayid project as held-for-sale in second quarter 2014. For a further breakdown of impairment charges, refer to note 10B and 17 to the consolidated financial statements.

### ***Income Tax Expense***

Income tax expense was \$103 million in second quarter 2015. The tax rate for income in second quarter 2015 was 110%. After adjusting for the impact of de-recognition of a deferred tax asset, the impact of net currency translation losses on deferred tax balances, the impact of impairments, asset sales and non-hedge derivatives, and the impact of non-deductible foreign exchange losses, the underlying effective tax rate for ordinary income in the second quarter 2015 was 53%.

We record deferred tax charges or credits if changes in facts or circumstances affect the estimated tax basis of assets and therefore the amount of deferred tax assets or liabilities to reflect changing expectations in our ability to realize deferred tax assets. The interpretation of tax regulations and legislation and their application to our business is complex and subject to change. We have significant amounts of deferred tax assets, including tax

loss carry forwards, and also deferred tax liabilities. Potential changes of any of these amounts, as well as our ability to realize deferred tax assets, could significantly affect net income or cash flow in future periods.

## **Operating Segments Performance**

### *Review of Operating Segments Performance*

Barrick's business is organized into fourteen individual mine sites, one publicly traded company and one project. Barrick's Chief Operating Decision Maker ("CODM"), the Co-Presidents, review the operating results, assess performance and make capital allocation decisions at the mine site, Company and/or project level. Therefore, each individual mine site and Acacia are operating segments for financial reporting purposes. For segment reporting purposes, we present our reportable operating segments as follows: eight individual gold mines, two individual copper mines, Acacia and our Pascua-Lama project. The remaining operating segments have been grouped into an "other" category consisting of our remaining gold mines.

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. Starting January 1, 2015, we updated the allocation of our general and administration costs to individual mine sites to reflect the removal of all regional oversight and hold the mine sites directly accountable for the cost of the functional services they require to run their business.

Summary of Operations

For the three months ended June 30

	2015				2014 <sup>1</sup>			
	Gold Produced (ozs)	Gold Sold (ozs)	Cash Costs (\$/oz)	All-In sustaining Costs (\$/oz)	Gold Produced (ozs)	Gold Sold (ozs)	Cash Costs (\$/oz)	All-In sustaining Costs (\$/oz)
Cortez	193	201	\$599	\$811	217	228	\$474	\$759
Goldstrike	206	164	522	732	214	201	532	890
Pueblo Viejo (60%)	131	151	553	682	161	157	421	601
Lagunas Norte	155	160	325	509	115	118	395	593
Veladero	151	153	510	961	189	222	582	740
<b>Total Core Mines</b>	<b>836</b>	<b>829</b>	<b>\$ 506</b>	<b>\$ 741</b>	<b>896</b>	<b>926</b>	<b>\$493</b>	<b>\$735</b>
Turquoise Ridge (75%)	52	53	\$575	\$780	48	45	\$482	\$687
Porgera (95%)	118	125	910	1,128	120	119	952	1,026
Kalgoorlie (50%)	81	85	778	886	84	80	805	958
Acacia (63.9%) <sup>2</sup>	119	118	777	1,149	114	110	749	1,105
Cowal	71	81	550	593	64	63	661	840
Hemlo	42	43	868	1,147	48	51	867	1,091
Round Mountain (50%)	47	47	564	807	41	43	851	1,077
Bald Mountain	52	53	541	1,055	39	40	783	991
Golden Sunlight	16	19	992	1,265	15	19	894	1,166
Ruby Hill	3	3	665	600	14	13	771	841
<b>Total Continuing Operations</b>	<b>1,437</b>	<b>1,456</b>	<b>\$604</b>	<b>\$841</b>	<b>1,483</b>	<b>1,509</b>	<b>\$609</b>	<b>\$835</b>
Pierina	8	10	786	1,297	2	5	2,049	2,794
Marigold	-	-	-	-	-	2	1,057	1,057
<b>Total Divested/Closed Sites</b>	<b>8</b>	<b>10</b>	<b>\$786</b>	<b>\$1,297</b>	<b>2</b>	<b>7</b>	<b>\$1,766</b>	<b>\$2,298</b>
<b>Total Gold<sup>3</sup></b>	<b>1,445</b>	<b>1,466</b>	<b>\$605</b>	<b>\$844</b>	<b>1,485</b>	<b>1,516</b>	<b>\$615</b>	<b>\$841</b>
<b>Total Consolidated Barrick</b>	<b>1,445</b>	<b>1,466</b>	<b>\$624</b>	<b>\$895</b>	<b>1,485</b>	<b>1,516</b>	<b>\$594</b>	<b>\$865</b>
	Copper Produced (lbs)	Copper Sold (lbs)	C1 Cash Costs (\$/lb)	C3 Cash Costs (\$/lb)	Copper Produced (lbs)	Copper Sold (lbs)	C1 Cash Costs (\$/lb)	C3 Cash Costs (\$/lb)
Zaldívar	52	46	\$ 1.85	\$ 2.18	54	50	\$ 1.85	\$ 2.23
Lumwana	63	66	2.01	2.73	13	23	2.49	3.17
<b>Total Copper</b>	<b>115</b>	<b>112</b>	<b>\$ 1.94</b>	<b>\$ 2.50</b>	<b>67</b>	<b>73</b>	<b>\$ 2.04</b>	<b>\$ 2.52</b>

<sup>1</sup> 2014 cash costs per ounce for individual mine sites have been restated to exclude the impact of hedges.

<sup>2</sup> Acacia presented on a 73.9% basis until February 28, 2014 and a 63.9% basis thereafter.

<sup>3</sup> Total gold cash costs and all-in sustaining costs per ounce exclude the impact of hedges and/or costs allocated to non-operating sites.

Cortez, Nevada USA

Summary of Operating Data

	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	38,610	38,381	1%	78,258	75,776	3%
Ore tonnes processed (000s)	4,026	5,176	(22%)	9,183	12,309	(25%)
Average grade (grams/tonne)	1.73	1.53	13%	1.33	1.46	(9%)
Gold produced (000s/oz)	193	217	(11%)	326	444	(27%)
Gold sold (000s/oz)	201	228	(12%)	356	425	(16%)
Cost of sales (\$ millions)	\$ 195	\$ 171	14%	\$ 391	\$ 300	30%
Cash costs (per oz) <sup>1</sup>	\$ 599	\$ 474	26%	\$ 693	\$ 436	59%
All-in sustaining costs (per oz) <sup>1</sup>	\$ 811	\$ 759	7%	\$ 877	\$ 711	23%
All-in costs (per oz) <sup>1</sup>	\$ 898	\$ 776	16%	\$ 961	\$ 734	31%

Summary of Financial Data

	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 43	\$ 121	(64%)	\$ 34	\$ 240	(86%)
Segment EBITDA (\$ millions) <sup>1</sup>	\$ 117	\$ 184	(36%)	\$ 178	\$ 355	(50%)
Capital expenditures (\$ millions) <sup>2</sup>	\$ 57	\$ 66	(14%)	\$ 90	\$ 120	(25%)
Minesite sustaining	\$ 39	\$ 62	(37%)	\$ 60	\$ 110	(45%)
Minesite expansion	\$ 18	\$ 4	350%	\$ 30	\$ 10	200%

<sup>1</sup> These are non-GAAP financial performance measures; for further information and a detailed reconciliation, please see pages 52 - 56 of this MD&A.

<sup>2</sup> Amounts presented exclude capitalized interest.

Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 64% and 86% lower, respectively, than the same prior year periods primarily due to a significant reduction in sales volumes combined with a lower realized gold price.

Gold production for the three and six month period ended June 30, 2015 was 11% and 27% lower, respectively, compared to the same prior year periods. The decrease in second quarter 2015 was primarily due to the mining of mostly refractory ore from the underground, which is being stockpiled for shipment to Goldstrike, compared to the mining of primarily oxide ore from the Breccia zone in second quarter 2014. For the six month period ended June 30, 2015, the decrease was primarily due to the concentration of mining in the Cortez Hills phase 4, which has been primarily low grade leach ore, combined with the processing of lower grade Pipeline ore, whereas higher grade ore from the open pit was available for processing in the same prior year period.

Cost of sales for the three and six month period ended June 30, 2015 was 14% and 30% higher, respectively, compared to the same prior year periods. The increase for the three month period ended June 30, 2015 was primarily due to a reduction in capitalized stripping costs coming from Cortez Hills phase 4, partially offset by the impact of lower fuel costs and lower fuel consumption due to shorter hauls, productivity gains and a reduction in sales volumes. For the six month period ended June 30, 2015 the increase was primarily due to the

recognition of \$75 million in inventory write-downs in the first half of 2015 as a result of the mining of low grade ore combined with the impact of high depreciation base for the Cortez Hills open pit, as well as the impact of lower capitalized stripping costs from Cortez Hills phase 4. Cash costs were \$125 per ounce and \$257 per ounce higher, respectively, for the three and six month periods ended June 30, 2015, compared to the same prior year periods. The increases were primarily due to higher cost of sales combined with the impact of lower sales volume on unit production costs. All-in sustaining costs increased by \$52 per ounce and \$166 per ounce over the same prior year periods due to higher cash costs, partially offset by a decrease in minesite sustaining capital expenditures.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 14% and 25%, respectively, compared to the same prior year periods. The decreases were primarily due to a reduction in minesite sustaining capital expenditures due to lower capitalized stripping costs, partially offset by an increase in minesite expansion capital expenditures relating to the Lower Zone and CHUG Deep South expansion.

We are committed to improving our cost structure, and in 2015 the focus will be on improving efficiency and reducing costs through several initiatives, including increased efficiency of open pit equipment, reduced administration staff and decreased diesel consumption. This has allowed us to mine more efficiently, but with the

current lower grades, per ounce costs remain elevated. Once we move back into the higher grade areas of the mine, we expect to recognize significant savings on a per ounce basis. Efforts to reduce operating costs in 2015 are on track, and as a result planned capital expenditures for the year have been reduced.

Our guidance remains unchanged from our previous guidance range of 825 to 900 thousand ounces at cash costs of \$560 to \$610 per ounce and all-in sustaining costs of \$760 to \$835 per ounce. Production is expected to be higher in the second half of the year as the open pit transitions into higher grade material and the ramp-up of the thiosulfate circuit at Goldstrike allows for processing of existing Cortez stockpiles.

#### Goldstrike, Nevada USA

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	11,336	20,848	(46%)	31,965	41,299	(23%)
Ore tonnes processed (000s)	1,417	1,123	26%	2,931	2,385	23%
Average grade (grams/tonne)	5.53	6.97	(21%)	5.36	7.24	(26%)
Gold produced (000s/oz)	206	214	(4%)	413	476	(13%)
Gold sold (000s/oz)	164	201	(18%)	363	483	(25%)
Cost of sales (\$ millions)	\$ 113	\$ 137	(18%)	\$ 262	\$ 342	(23%)
Cash costs (per oz)	\$ 522	\$ 532	(2%)	\$ 556	\$ 558	-
All-in sustaining costs (per oz)	\$ 732	\$ 890	(18%)	\$ 811	\$ 812	-
All-in costs (per oz)	\$ 760	\$ 1,205	(37%)	\$ 903	\$ 1,074	(16%)
Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 72	\$ 125	(42%)	\$ 158	\$ 278	(43%)
Segment EBITDA (\$ millions)	\$ 100	\$ 155	(35%)	\$ 218	\$ 350	(39%)
Capital expenditures (\$ millions)	\$ 29	\$ 132	(78%)	\$ 113	\$ 243	(53%)
Minesite sustaining	\$ 24	\$ 68	(65%)	\$ 80	\$ 116	(31%)
Minesite expansion	\$ 5	\$ 64	(92%)	\$ 33	\$ 127	(74%)

#### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 42% and 43% lower, respectively, than the same prior year periods. The decreases were primarily due to a lower realized gold price combined with a decrease in sales volume, partially offset by a decrease in open pit and underground mining costs.

Gold production for the three and six month period ended June 30, 2015 was 4% and 13% lower, respectively, compared to the same prior year periods. The decreases are primarily due to a reduction in ore tonnes mined as a result of the stripping activities on the North Betze layback, with minimal ore mined to date. The increase in tonnes processed and the decrease in recoveries are related to the commissioning of the thiosulfate circuit, which is running low grade stockpiles during the ramp up phase.

Cost of sales for the three and six month period ended June 30, 2015 was 18% and 23% lower, respectively, compared to the same prior year periods. The decreases were primarily due to a decrease in open pit and underground mining costs resulting from a reduction in

fuel costs and fuel consumption as a result of shorter hauls; lower contractor services costs due to the completion of an underground development project; and an increase in capitalized development costs due to the capitalization of the stripping costs related to the North Betze layback. For the three and six month periods ended June 30, 2015 cash costs were \$10 per ounce lower and in line, respectively, compared to the same prior year periods as the impact of the lower sales volume on unit production costs was offset by the decrease in cost of sales. All-in sustaining costs were \$158 per ounce lower and in line over the same prior year periods. The decrease in all-in sustaining costs in second quarter 2015 was primarily due to the lower cash costs combined with a decrease in minesite sustaining and minesite expansion capital expenditures.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 78% and 53%, respectively, compared to the same prior year periods. The decreases were primarily due to a decrease in minesite expansion capital expenditure as a result of a

reduction in costs associated with the thiosulfate circuit as it nears completion.

We are committed to improving our cost structure, and in 2015 we are working towards improving operating performance and reducing costs through several initiatives, including enhanced integration between maintenance and supply chain, which is resulting in

inventory optimizations, and also incremental improvements in underground contractor costs.

Our guidance remains unchanged from our previous guidance range of 1,000 to 1,150 thousand ounces at cash costs of \$540 to \$590 per ounce and all-in sustaining costs of \$700 to \$800 per ounce. Production will be largely weighted to the second half of the year as a result of the ramp up of the thiosulfate circuit.

### *Pueblo Viejo, Dominican Republic*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	5,781	5,251	10%	10,325	10,364	-
Ore tonnes processed (000s)	1,042	975	7%	2,158	1,956	10%
Average grade (grams/tonne)	4.54	5.47	(17%)	4.41	5.50	(20%)
Gold produced (000s/oz)	131	161	(19%)	266	320	(17%)
Gold sold (000s/oz)	151	157	(4%)	285	330	(14%)
Cost of sales (\$ millions)	\$ 224	\$ 218	3%	\$ 455	\$ 441	3%
Cash costs (per oz)	\$ 553	\$ 421	31%	\$ 526	\$ 442	19%
All-in sustaining costs (per oz)	\$ 682	\$ 601	13%	\$ 673	\$ 599	12%
All-in costs (per oz)	\$ 682	\$ 601	13%	\$ 673	\$ 599	12%

Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 91	\$ 164	(45%)	\$ 228	\$ 347	(34%)
Segment EBITDA (\$ millions)	\$ 161	\$ 230	(30%)	\$ 367	\$ 467	(21%)
Capital expenditures (\$ millions)	\$ 17	\$ 24	(29%)	\$ 37	\$ 43	(14%)
Minesite sustaining	\$ 17	\$ 24	(29%)	\$ 37	\$ 43	(14%)
Minesite expansion	-	-	-	-	-	-
Project capex	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 45% and 34% lower, respectively, than the same prior year periods primarily due to a lower realized gold price combined with a decrease in sales volume.

Gold production for the three and six month period ended June 30, 2015 was 19% and 17% lower, respectively, compared to the same prior year periods. The decreases were primarily due to lower ore grades and decreased recovery rates as the ore mined in the first six months of 2015 was from the upper benches of Montenegro and Moore phase 2, which have lower ore grades and recoveries. The lower grades and recoveries in second quarter 2015 were partially offset by an increase in ore tonnes processed compared to the same prior year period.

Cost of sales for the three and six month period ended June 30, 2015 was 3% higher compared to the same prior year periods. The increases are primarily due to an

increase in the allocation of shared services costs to the site, partially offset by lower fuel costs, lower energy costs, and lower royalty costs. For the three and six month periods ended June 30, 2015, cash costs were \$132 per ounce and \$84 per ounce higher, respectively, compared to the same prior year periods. The increases were primarily due to the impact of lower sales volume on unit production costs. All-in sustaining costs increased by \$81 per ounce and \$74 per ounce, respectively, compared to the same prior year periods due to the higher cash costs, partially offset by a reduction in minesite sustaining capital expenditures.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 29% and 14%, respectively, compared to the same prior year periods. The decreases were primarily due to the deferral and cancellation of non-critical minesite sustaining capital expenditures in 2015.

We are committed to improving our cost structure, and in 2015 the focus will be on improving efficiency and reducing costs through several initiatives, including optimizing ore blending and increasing autoclave availability, optimizing our maintenance strategies, as well as assessing alternatives to reduce energy costs.

Our guidance remains unchanged from our previous guidance range of 625 to 675 thousand ounces at cash

costs of \$390 to \$425 per ounce and all-in sustaining costs of \$540 to \$590 per ounce. Production is expected to be higher in the second half of the year as improved grades and higher recoveries are anticipated and higher throughput is anticipated due to higher autoclave availability (two planned maintenance shutdowns in the first half and only one in the second half of the year.)

### *Lagunas Norte, Peru*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	12,315	13,115	(6%)	24,977	22,384	12%
Ore tonnes processed (000s)	5,356	5,261	2%	11,005	10,785	2%
Average grade (grams/tonne)	1.04	1.00	4%	1.11	0.95	18%
Gold produced (000s/oz)	155	115	35%	333	249	34%
Gold sold (000s/oz)	160	118	36%	327	270	21%
Cost of sales (\$ millions)	\$ 103	\$ 61	69%	\$ 202	\$ 132	53%
Cash costs (per oz)	\$ 325	\$ 395	(18%)	\$ 321	\$ 365	(12%)
All-in sustaining costs (per oz)	\$ 509	\$ 593	(14%)	\$ 483	\$ 552	(13%)
All-in costs (per oz)	\$ 509	\$ 593	(14%)	\$ 483	\$ 552	(13%)

Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 90	\$ 93	(3%)	\$ 194	\$ 220	(12%)
Segment EBITDA (\$ millions)	\$ 136	\$ 104	31%	\$ 281	\$ 246	14%
Capital expenditures (\$ millions)	\$ 18	\$ 19	(5%)	\$ 31	\$ 42	(26%)
Minesite sustaining	\$ 18	\$ 19	(5%)	\$ 31	\$ 42	(26%)
Minesite expansion	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 3% and 12% lower, respectively, than the same prior year periods. The decrease was primarily due to a lower realized gold price combined with higher depreciation expense, partially offset by an increase in sales volume.

Gold production for the three and six month period ended June 30, 2015 was 35% and 34% higher, respectively, compared to the same prior year periods. The increases were primarily due to the acceleration in the recovery of ounces as a result of the new leach pad and increased capacity provided by the carbon-in-circuit and Merrill-Crowe plants combined with the processing of higher grade ore.

Cost of sales for the three and six month period ended June 30, 2015 was 69% and 53% higher, respectively, compared to the same prior year periods. The increases were primarily due to higher depreciation expense arising from the depreciation of the carbon-in-circuit plant and new phase 5 leach pad and related facilities, which were

both commissioned at the end of 2014, as well as the newly commissioned water treatment plant. This was partially offset by a decrease in fuel, cyanide and lime costs. For the three and six month periods ended June 30, 2015, cash costs were \$70 per ounce and \$44 per ounce lower, respectively, compared to the same prior year periods. The decreases were primarily due to the impact of increased sales volumes on unit production costs together with the above reductions in costs of consumables. All-in sustaining costs decreased by \$84 per ounce and \$69 per ounce over the same prior year periods due to the lower cash costs combined with a decrease in minesite sustaining capital expenditures.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 5% and 26%, respectively, compared to the same prior year periods. The decreases were primarily due to completion in 2014 of the carbon-in-circuit plant, water treatment plants and the new phase 5 leach pad and related facilities. Capital expenditures in the first half of 2015 mainly include the

construction of phase 6 of the leach pad, which is currently in the early stages of construction.

As part of our commitment towards continuous improvement of our cost structure, our focus in 2015 is improving efficiency and reducing costs through several initiatives, including reducing leach pad inventory, improving our maintenance strategy for the mine fleet engines, improving contract sourcing and pricing for consumables such as lime, reducing cyanide consumption and general and administrative costs.

In 2015, we continue to expect production to be in the range of 600 to 650 thousand ounces and now expect cash costs to be in the range of \$350 to \$400 per ounce and all-in sustaining costs to be in the range of \$600 to \$650 per ounce.

### *Veladero, Argentina*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	23,130	16,824	37%	42,249	33,483	26%
Ore tonnes processed (000s)	7,628	7,597	-	14,808	14,382	3%
Average grade (grams/tonne)	0.80	1.00	(20%)	0.79	0.97	(19%)
Gold produced (000s/oz)	151	189	(20%)	300	347	(14%)
Gold sold (000s/oz)	153	222	(31%)	321	361	(11%)
Cost of sales (\$ millions)	\$ 110	\$ 172	(36%)	\$ 238	\$ 292	(18%)
Cash costs (per oz)	\$ 510	\$ 582	(12%)	\$ 542	\$ 581	(7%)
All-in sustaining costs (per oz)	\$ 961	\$ 740	30%	\$ 978	\$ 768	27%
All-in costs (per oz)	\$ 961	\$ 740	30%	\$ 978	\$ 768	27%

Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 67	\$ 101	(34%)	\$ 140	\$ 159	(12%)
Segment EBITDA (\$ millions)	\$ 93	\$ 137	(32%)	\$ 192	\$ 225	(15%)
Capital expenditures (\$ millions)	\$ 68	\$ 33	106%	\$ 136	\$ 64	113%
Minesite sustaining	\$ 68	\$ 33	106%	\$ 136	\$ 64	113%
Minesite expansion	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 34% and 12% lower, respectively, than the same prior year periods. The decreases were primarily due to a decrease in sales volume combined with a lower realized gold price; partially offset a decrease in cost of sales.

Gold production for the three and six month periods ended June 30, 2015 was 20% and 14% lower, respectively, compared to the same prior year periods. The decreases were primarily due to lower ore grades from Federico phase 3, partially offset by increased throughput due to improved primary crusher availability.

Cost of sales for the three and six month period ended June 30, 2015 was 36% and 18% lower, respectively, compared to the same prior year periods. The decreases were primarily due to a reduction in operating costs resulting from an increase in capitalized stripping costs

combined with lower royalty costs as a result of lower sales volume, partially offset by an increase in the allocation of shared services costs to the site. For the three and six month periods ended June 30, 2015, cash costs were \$72 per ounce and \$39 per ounce lower, respectively, compared to the same prior year periods. The decreases were primarily due to the lower cost of sales, partially offset by the impact of lower production levels on unit production costs. All-in sustaining costs increased by \$221 per ounce and \$210 per ounce over the same prior year periods primarily due to an increase in minesite sustaining costs, partially offset by lower cash costs.

Capital expenditures for the three and six month period ended June 30, 2015 increased by 106% and 113%, respectively, compared to the same prior year periods. The increases were primarily due to an increase in minesite sustaining capital expenditures relating to the

construction of the phase 4B and phase 5A leach pad expansions combined with higher capitalized stripping costs.

As part of our commitment to continuous cost improvement, we continue to work towards improving operating performance and reducing costs through improved maintenance and blasting activities, reduced contractor services costs, strict optimized capital allocation and recovery of ounces from inventory through management of the leach pad.

In 2015, we continue to expect production to be in the range of 575 to 625 thousand ounces and now expect cash costs to be in the range of \$580 to \$630 per ounce and all-in sustaining costs to be in the range of \$950 to \$1,035 per ounce.

### *Turquoise Ridge, Nevada USA*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	90	78	15%	183	152	20%
Ore tonnes processed (000s)	94	85	11%	178	170	5%
Average grade (grams/tonne)	18.91	19.31	(2%)	19.23	20.26	(5%)
Gold produced (000s/oz)	52	48	8%	101	102	(1%)
Gold sold (000s/oz)	53	45	18%	99	101	(2%)
Cost of sales (\$ millions)	\$ 37	\$ 26	42%	\$ 68	\$ 53	28%
Cash costs (per oz)	\$ 575	\$ 482	19%	\$ 576	\$ 442	30%
All-in sustaining costs (per oz)	\$ 780	\$ 687	14%	\$ 747	\$ 595	26%
All-in costs (per oz)	\$ 780	\$ 687	14%	\$ 747	\$ 595	26%
Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 26	\$ 31	(16%)	\$ 50	\$ 77	(35%)
Segment EBITDA (\$ millions)	\$ 32	\$ 35	(9%)	\$ 61	\$ 85	(28%)
Capital expenditures (\$ millions)	\$ 10	\$ 9	11%	\$ 16	\$ 15	7%
Minesite sustaining	\$ 10	\$ 9	11%	\$ 16	\$ 15	7%
Minesite expansion	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 16% and 35% lower, respectively, than the same prior year periods. The decreases were primarily due to lower realized price combined with an increase in underground mining costs, partially offset by an increase in sales volume in second quarter 2015.

Gold production for the three and six month period ended June 30, 2015 was 8% higher and 1% lower, respectively, compared to the same prior year periods. The increased production in second quarter 2015 was primarily due to the processing of more ore tonnes resulting from increased productivity due to transitioning to fully mechanized topcuts in first quarter 2015, which were subsequently processed in second quarter 2015. For the six months ended June 30, 2015, the decrease in gold production was primarily due to the processing of lower grade ore.

Cost of sales for the three and six month period ended June 30, 2015 was 42% and 28% higher, respectively, compared to the same prior year periods. The increases were primarily due to an increase in underground labor costs, as we added manpower to support production growth, higher maintenance costs due to the timing of planned replacement of major components and higher processing costs resulting from the processing of increased ore tonnes. For the three and six month periods ended June 30, 2015, cash costs per ounce were \$93 per ounce and \$134 per ounce higher, respectively, compared to the same prior year periods. The increases were primarily due to higher costs of sales. For second quarter 2015, the increase was partially offset by the impact of higher sales volume on unit production costs. All-in sustaining costs increased by \$93 per ounce and \$152 per ounce over the same prior year periods due to

the higher cash costs combined with slightly higher capital expenditures.

Capital expenditures for the three and six month period ended June 30, 2015 increased by 11% and 7%, respectively, compared to the same prior year periods. The increases were primarily due to higher minesite sustaining capital expenditures for water treatment and ventilation, partially offset by lower capitalized development costs, compared to the same prior year periods.

As part of our commitment to continuous cost improvement, we are working towards improving operating performance and reducing costs through increased productivity, including an initiative to increase tonnage per foot mined by increasing mining dimensions. This initiative has been successful and as a result will be extended to all topcut headings.

In 2015, we continue to expect production to be in the range of 175 to 200 thousand ounces at cash costs of \$570 to \$600 per ounce and now expect all-in sustaining costs to be in the range of \$775 to \$825 per ounce.

### *Porgera, Papua New Guinea*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	4,727	3,634	30%	9,624	7,639	26%
Ore tonnes processed (000s)	1,435	1,406	2%	2,723	2,673	2%
Average grade (grams/tonne)	2.95	3.02	(2%)	3.13	3.03	3%
Gold produced (000s/oz)	118	120	(2%)	236	230	3%
Gold sold (000s/oz)	125	119	5%	240	236	2%
Cost of sales (\$ millions)	\$ 126	\$ 133	(5%)	\$ 234	\$ 267	(12%)
Cash costs (per oz)	\$ 910	\$ 952	(4%)	\$ 861	\$ 952	(10%)
All-in sustaining costs (per oz)	\$ 1,128	\$ 1,026	10%	\$ 1,099	\$ 1,019	8%
All-in costs (per oz)	\$ 1,128	\$ 1,026	10%	\$ 1,099	\$ 1,019	8%

Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 20	\$ 18	11%	\$ 55	\$ 34	62%
Segment EBITDA (\$ millions)	\$ 32	\$ 37	(14%)	\$ 82	\$ 75	9%
Capital expenditures (\$ millions)	\$ 26	\$ 7	271%	\$ 54	\$ 12	350%
Minesite sustaining	\$ 26	\$ 7	271%	\$ 54	\$ 12	350%
Minesite expansion	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 11% and 62% higher, respectively, than the same prior year periods. The increases were primarily due to a decrease in operating costs combined with an increase in sales volume, partially offset by a lower realized gold price.

Gold production for the three and six month period ended June 30, 2015 was 2% lower and 3% higher, respectively, compared to the same prior year periods. The decrease in second quarter 2015 was primarily due to lower ore grades as a result of processing low sulfur ore to mitigate current low lime availability issues and allow for continued mill production. For the six month period ended June 30, 2015, the increase in production was primarily due to higher head grade driven by the improved performance from both open pit and underground operations.

Cost of sales for the three and six month period ended June 30, 2015 was 5% and 12% lower, respectively, compared to the same prior year periods. The decreases were primarily due to lower operating costs as a result of a decrease in power and diesel costs, the impact of the devaluation of the Australian dollar, as well as an increase in capitalized stripping costs. For the three and six month periods ended June 30, 2015, cash costs were \$42 and \$91 per ounce lower, respectively, compared to the same prior year periods primarily due to the decrease in cost of sales combined with the impact of higher sales volumes on unit production costs. All-in sustaining costs increased by \$102 per ounce and \$80 per ounce over the same prior year periods due to a significant increase in capitalized stripping.

Capital expenditures for the three and six month period ended June 30, 2015 increased by 271% and 350%, respectively, compared to the same prior year periods. The increases were primarily due to a significant increase in capitalized stripping costs as a result of a change in the 2015 mine plan that increased open pit mining activity combined with an increase in minesite sustaining capital expenditures due to the commencement of the

concentrate export project as well as a gas turbine power management system and controls project.

Due to the divestment of 50% of our ownership interest in Porgera, we now expect 2015 gold production to be in the range of 400 to 450 thousand ounces at cash costs of \$775 to \$825 per ounce and all-in sustaining costs of \$1,025 to \$1,125 per ounce.

### *Kalgoorlie, Australia*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	10,243	8,606	19%	19,518	17,543	11%
Ore tonnes processed (000s)	1,535	1,471	4%	2,679	2,955	(9%)
Average grade (grams/tonne)	2.03	2.05	(1%)	1.96	1.98	(1%)
Gold produced (000s/oz)	81	84	(4%)	140	162	(14%)
Gold sold (000s/oz)	85	80	6%	145	170	(15%)
Cost of sales (\$ millions)	\$ 78	\$ 75	4%	\$ 144	\$ 160	(10%)
Cash costs (per oz)	\$ 778	\$ 805	(3%)	\$ 853	\$ 814	5%
All-in sustaining costs (per oz)	\$ 886	\$ 958	(8%)	\$ 1,045	\$ 987	6%
All-in costs (per oz)	\$ 886	\$ 958	(8%)	\$ 1,045	\$ 987	6%
Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 18	\$ 29	(38%)	\$ 27	\$ 58	(53%)
Segment EBITDA (\$ millions)	\$ 31	\$ 39	(21%)	\$ 49	\$ 79	(38%)
Capital expenditures (\$ millions)	\$ 6	\$ 10	(40%)	\$ 23	\$ 26	(12%)
Minesite sustaining	\$ 6	\$ 10	(40%)	\$ 23	\$ 26	(12%)
Minesite expansion	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 38% and 53% lower, respectively, than the same prior year periods. The decrease in second quarter 2015 was primarily due to a lower realized gold price combined with an increase in depreciation expense, partially offset by an increase in sales volume. For the six month period ended June 30, 2015, the decrease was primarily due to a reduction in sales volume combined with a lower realized gold price.

Gold production for the three and six month period ended June 30, 2015 was 4% and 14% lower, respectively, compared to the same prior year periods. The decreases were primarily due to increased maintenance time on the SAG mill and operational downtime as a result of issues relating to the conveyor and lube system.

Cost of sales for the three and six month period ended June 30, 2015 was 4% higher and 10% lower, respectively, compared to the same prior year periods. The increase in second quarter 2015 was primarily due to

more ore tonnes mined resulting in a decrease in capitalized stripping costs. For the six month period ended June 30, 2015 the decrease was primarily due to lower operating costs resulting from a decrease in ore tonnes processed combined with the impact of the devaluation of the Australian dollar. For the three and six month periods ended June 30, 2015, cash costs were \$27 per ounce lower and \$39 per ounce higher, respectively, compared to the same prior year periods. The decrease in second quarter 2015 was primarily due to the impact of higher sales volume on unit production costs. For the six month period ended June 30, 2015, the increase in cash costs per ounce were primarily due to the impact of lower sales volume on unit production costs combined with an increase in shared services costs allocated to the mine site. All-in sustaining costs were \$72 per ounce lower and \$58 per ounce higher, respectively, compared to the same prior year periods primarily reflecting the impact of lower and higher cash costs, respectively.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 40% and 12%, respectively, compared to the same prior year periods. The decreases were primarily due to lower capitalized stripping costs, partially offset by higher capital expenditures associated with an emissions reduction program.

Our guidance remains unchanged from our previous guidance range of 315 to 330 thousand ounces at cash costs of \$775 to \$800 per ounce and all-in sustaining costs of \$915 to \$940 per ounce.

*Acacia Mining plc<sup>1</sup>, Africa*

100% basis

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Total tonnes mined (000s)	10,322	10,355	-	20,475	19,892	3%
Ore tonnes processed (000s)	2,484	1,925	29%	4,559	3,770	21%
Average grade (grams/tonne)	2.60	3.20	(19%)	2.80	3.20	(13%)
Gold produced (000s/oz)	186	178	5%	367	347	6%
Gold sold (000s/oz)	184	172	7%	355	331	7%
Cost of sales (\$ millions)	\$ 187	\$ 172	9%	\$ 361	\$ 334	8%
Cash costs (per oz)	\$ 777	\$ 749	4%	\$ 780	\$ 752	4%
All-in sustaining costs (per oz)	\$ 1,149	\$ 1,105	4%	\$ 1,133	\$ 1,118	1%
All-in costs (per oz)	\$ 1,140	\$ 1,169	(2%)	\$ 1,130	\$ 1,198	(6%)
Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 36	\$ 44	(18%)	\$ 69	\$ 90	(23%)
Segment EBITDA (\$ millions)	\$ 70	\$ 79	(11%)	\$ 136	\$ 155	(12%)
Capital expenditures (\$ millions)	\$ 42	\$ 59	(29%)	\$ 83	\$ 113	(27%)
Minesite sustaining	\$ 44	\$ 49	(10%)	\$ 84	\$ 89	(6%)
Minesite expansion	(\$ 2)	\$ 10	(120%)	(\$ 1)	\$ 24	(104%)

<sup>1</sup> Formerly African Barrick Gold plc.

**Financial Results**

Segment EBIT for the three and six month periods ended June 30, 2015 were 18% and 23% lower, respectively, than the same prior year periods. The decreases were primarily due to higher cost of sales combined with a lower realized gold price, partially offset by an increase in sales volume.

Gold production for the three and six month period ended June 30, 2015 was 5% and 6% higher, respectively, compared to the same prior year periods. The increase for second quarter 2015 was due to increased production at Bulyanhulu, partially offset by lower production at North Mara and Buzwagi. For the six month period ended June 30, 2015, the increased production was due to higher production at Bulyanhulu and North Mara, partially offset by lower production at Buzwagi. Production at Bulyanhulu for the three and six month periods ended June 30, 2015 increased 42% and 26%, respectively, over the same prior year periods primarily due to increased production from the new CIL plant, which was commissioned in fourth quarter 2014,

combined with the mining of higher grade ore from the underground and improved throughput, partially offset by lower recoveries, due to instability issues relating to the elution circuit. The lower production at North Mara in second quarter 2015 was primarily due to the mining of lower grade ore from the Nyabirama pit and moving away from the main higher grade ore zone of the Gokona pit. Increased production at North Mara in the first half of 2015 was primarily due to increased throughput as a result of business improvement initiatives in the mining and milling areas. Production at Buzwagi decreased 17% and 10% compared to the same prior year periods, respectively, primarily due to lower grade, partially offset by increased recoveries resulting from process plant enhancements made in 2014 and increased throughput resulting from improved plant availability.

Cost of sales for the three and six month period ended June 30, 2015 was 9% and 8% higher, respectively, compared to the same prior year periods. The increases were primarily due to a decrease in capitalized stripping

costs combined with an increase in contractor services costs, increased maintenance costs and higher consumable costs resulting from the CIL plant becoming operational. This was partially offset by lower labor costs as a result of headcount reductions and lower fuel costs. Cash costs were up 4% from the same prior year periods, primarily due to the increase in cost of sales, partially offset by the impact of higher sales volume on unit production costs. All-in sustaining costs for the three and six month periods ended June 30, 2015 increased 4% and 1%, respectively, over the same prior year periods reflecting the higher cash costs, partially offset by a decrease in minesite sustaining capital expenditures.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 29% and 27%, respectively, compared to the same prior year periods. The decreases were primarily due to a reduction in minesite expansion capital expenditures attributable to lower costs relating to the CIL plant which was commissioned in fourth quarter 2014 combined with a decrease in minesite sustaining capital expenditures arising from a reduction in capitalized stripping costs.

Our guidance remains unchanged from our previous guidance range of 480 to 510 thousand ounces (Barrick's share) at cash costs of \$695 to \$725 per ounce and all-in sustaining costs of \$1,050 to \$1,100 per ounce.

### Zaldívar, Chile

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Copper produced (millions of lbs)	52	54	(4%)	104	108	(4%)
Copper sold (millions of lbs)	46	50	(8%)	99	105	(6%)
Cost of sales (\$ millions)	\$ 101	\$ 123	(18%)	\$ 215	\$ 234	(8%)
C1 cash costs (per lb)	\$ 1.85	\$ 1.85	-	\$ 1.81	\$ 1.76	3%
C3 fully allocated costs (per lb)	\$ 2.18	\$ 2.23	(2%)	\$ 2.18	\$ 2.13	2%
Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	\$ 22	\$ 50	(56%)	\$ 49	\$ 110	(55%)
Segment EBITDA (\$ millions)	\$ 38	\$ 65	(42%)	\$ 84	\$ 143	(41%)
Capital expenditures (\$ millions)	\$ 15	\$ 22	(32%)	\$ 28	\$ 52	(46%)
Minesite sustaining	\$ 15	\$ 22	(32%)	\$ 28	\$ 52	(46%)
Minesite expansion	-	-	-	-	-	-
Project capex	-	-	-	-	-	-

### Financial Results

Segment EBIT for the three and six month periods ended June 30, 2015 were 56% and 55% lower, respectively, than the same prior year periods. The decreases were primarily due to a lower realized copper price combined with a decrease in sales volume.

Copper production for the three and six month periods ended June 30, 2015 was 4% lower compared to the same prior year periods. The decrease was primarily due to flooding at the mine as a result of a severe rain event at the end of first quarter 2015, which negatively impacted production in the first half of the year.

Cost of sales for three and six month periods ended June 30, 2015 were 18% and 8% lower, respectively, than the same prior year periods. The decrease in second quarter 2015 was primarily due to the purchase of copper cathode at market prices to satisfy contractual copper sales obligations in second quarter 2014. For the six

month period ended June 30, 2015, the decrease was primarily due to lower acid and maintenance costs. For the three and six month period ended June 30, 2015, C1 cash costs were in line and 3% higher, respectively, than the same prior year periods. The increase in the first half of 2015 was primarily due to the impact of lower sales volume on unit production costs combined with the an increase in shared services costs allocated to the mine site. C3 fully allocated costs per pound were \$0.05 per pound lower and \$0.05 per pound higher, respectively, compared to the same prior year periods, reflecting the effect of the above factors on C1 cash costs.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 32% and 46%, respectively, compared to the same prior year periods due to lower capitalized stripping costs.

Our guidance remains unchanged from our previous guidance range of 230 to 250 million pounds at C1 cash costs of \$1.65 to \$1.95 per pound and C3 fully allocated costs to be in the range of \$2.00 to \$2.30 per pound.

*Lumwana, Zambia*

Summary of Operating Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Copper produced (millions of lbs)	63	13	385%	129	63	105%
Copper sold (millions of lbs)	66	23	187%	134	79	70%
Cost of sales (\$ millions)	\$ 136	\$ 73	86%	\$ 273	\$ 219	25%
C1 cash costs (per lb)	\$ 2.01	\$ 2.49	(19%)	\$ 1.95	\$ 2.55	(24%)
C3 fully allocated costs (per lb)	\$ 2.73	\$ 3.21	(15%)	\$ 2.60	\$ 3.24	(20%)
Summary of Financial Data	For the three months ended June 30			For the six months ended June 30		
	2015	2014	% Change	2015	2014	% Change
Segment EBIT (\$ millions)	(\$ 6)	(\$ 11)	45%	(\$ 17)	(\$ 24)	29%
Segment EBITDA (\$ millions)	\$ 3	\$ 2	50%	\$ 10	\$ 12	(17%)
Capital expenditures (\$ millions)	\$ 29	\$ 59	(51%)	\$ 43	\$ 91	(53%)
Minesite sustaining	\$ 29	\$ 59	(51%)	\$ 43	\$ 91	(53%)
Minesite expansion	-	-	-	-	-	-
Project capex	-	-	-	-	-	-

**Financial Results**

Segment EBIT for the three and six month periods ended June 30, 2015 were 45% and 29% higher, respectively, than the same prior year periods. The increases are primarily due to an increase in sales volume resulting from the mill shutdown that occurred in second quarter 2014 as a result of the partial collapse of the terminal end of the main conveyor that negatively impacted production, partially offset by a lower realized copper price.

Copper production for the three and six month period ended June 30, 2015 was 385% and 105% higher, respectively, compared to the same prior year periods. The increases were primarily due to the conveyor collapse mentioned above combined with better operating conditions at the mine in 2015 resulting from less rainfall.

Cost of sales for the three and six month period ended June 30, 2015 was 86% and 25% higher, respectively, compared to the same prior year periods. The increases were primarily due to higher mining costs as a result of more ore tonnes mined compared to the same prior year periods, partially offset by lower depreciation expense resulting from the impairment charge taken in fourth quarter 2014. For the three and six month period ended June 30, 2015, C1 cash costs were 19% and 24% lower, respectively, than the same prior year periods. The decreases were primarily due to the impact of higher

sales volume on unit production costs and a continued positive trend in mining and processing efficiency resulting in a lower unit cost. C3 fully allocated costs per pound were \$0.48 and \$0.64 per pound lower respectively, compared to the same prior year periods reflecting the impact of lower C1 cash costs and lower depreciation as a result of the impairment taken in fourth quarter 2014. This was partially offset by a higher royalty rate of 20%, which was effective in the first six months of 2015, compared to 6% in the same prior year periods.

Capital expenditures for the three and six month period ended June 30, 2015 decreased by 51% and 53%, respectively, compared to the same prior year periods. The decreases were primarily due to lower capitalized stripping costs combined with the deferral of minesite sustaining expenditures in anticipation of the suspension of operations.

On April 20, 2015, the Zambian government announced amendments to the country's mining tax regime that would replace the recently adopted 20 percent gross royalty on open pit mines with a nine percent royalty, along with the reintroduction of a 30 percent corporate income tax and a 15 percent variable profits tax. The legislation was passed in late July. In third quarter 2015 we will evaluate the potential for a reversal of previous impairments recorded in fourth quarter 2014.

Also in second quarter 2015, the Zambian power authority (“ZESCO”) announced reduction to power generation necessitated by the low water levels in its reservoirs as a result of the poor rainfall experienced during the recent rainy season. We are working with industry and ZESCO to develop an optimal load shedding program to minimize the impact to production.

Our guidance remains unchanged from our previous guidance range of 250 to 270 million pounds at C1 cash costs of \$1.90 to \$2.15 per pound and C3 fully allocated costs to be in the range of \$2.65 to \$2.95 per pound.

## FINANCIAL CONDITION REVIEW

### Summary Balance Sheet and Key Financial Ratios

(\$ millions, except ratios and share amounts)	As at June 30, 2015	As at December 31, 2014
Total cash and equivalents	\$ 2,122	\$ 2,699
Current assets	4,668	3,451
Non-current assets	26,403	27,729
<b>Total Assets</b>	<b>\$ 33,193</b>	<b>\$ 33,879</b>
Current liabilities excluding short-term debt	\$ 2,126	\$ 2,227
Non-current liabilities excluding long-term debt	5,472	5,709
Debt (current and long-term)	12,823	13,081
<b>Total Liabilities</b>	<b>\$ 20,421</b>	<b>\$ 21,017</b>
Total shareholders' equity	10,169	10,247
Non-controlling interests	2,603	2,615
<b>Total Equity</b>	<b>\$ 12,772</b>	<b>\$ 12,862</b>
Total common shares outstanding (millions of shares) <sup>1</sup>	1,165	1,165
<b>Key Financial Ratios:</b>		
Current ratio <sup>2</sup>	2.62:1	2.40:1
Debt-to-equity <sup>3</sup>	1.00:1	1.02:1
Debt-to-total capitalization <sup>4</sup>	0.38:1	0.39:1

<sup>1</sup> Total common shares outstanding do not include 3.9 million stock options.

<sup>2</sup> Represents current assets divided by current liabilities (including short-term debt) as at June 30, 2015 and December 31, 2014.

<sup>3</sup> Represents debt divided by total shareholders' equity (including minority interest) as at June 30, 2015 and December 31, 2014.

<sup>4</sup> Represents debt divided by capital stock and debt as at June 30, 2015 and December 31, 2014.

### Balance Sheet Review

Total assets were \$33.2 billion at June 30, 2015, in line with total assets at December 31, 2014. Our asset base is primarily comprised of non-current assets such as property, plant and equipment and goodwill, reflecting the capital intensive nature of the mining business and our history of growing through acquisitions. Other significant assets include production inventories, indirect taxes and other government receivables, and cash and equivalents. We typically do not carry a material accounts receivable balance, since only sales of concentrate and copper cathode have a settlement period.

Total liabilities at June 30, 2015 totaled \$20 billion, consistent with total liabilities at December 31, 2014.

### Shareholders' Equity

As at July 27, 2015	Number of shares
Common shares	1,164,669,758
Stock options	4,936,361

### Comprehensive Income

Comprehensive income consists of net income or loss, together with certain other economic gains and losses, which, collectively, are described as “other comprehensive income” or “OCI”, and excluded from the income statement.

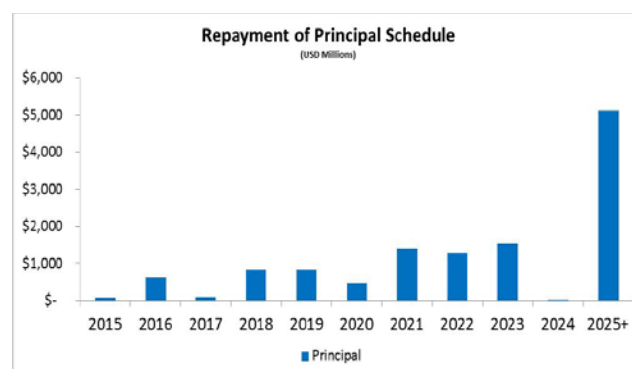
For second quarter 2015 other comprehensive income was a gain of \$57 million on an after-tax basis. The gain reflected gains of \$37 million on hedge contracts

designated for future periods, caused primarily by changes in currency exchange rates, copper prices, and fuel prices, reclassification adjustments totaling \$35 million for losses on hedge contracts designated for 2015 (or ineffective amounts) that were transferred to earnings or PPE in conjunction with the recognition of the related hedge exposure, \$2 million in gains for currency translation adjustments, and \$1 million of gains recorded as a result of realized changes in equity investments, partially offset by \$6 million of losses recorded as a result in changes in the fair value of investments held during the quarter, and \$12 million loss due to tax expense on the overall increase in OCI.

Included in accumulated other comprehensive income at June 30, 2015 were unrealized pre-tax losses on currency, commodity and interest rate hedge contracts totaling \$77 million. The balance primarily relates to currency hedge contracts that are designated against operating costs and capital expenditures, primarily over the next two years, including \$12 million remaining in crystallized hedge losses related to our Australian dollar contracts that were settled in third quarter 2012 or closed out in the second half of 2013 and \$16 million in crystallized hedge gains related to our silver contracts. These hedge gains/losses are expected to be recorded in earnings at the same time the corresponding hedged operating costs/depreciation are recorded in earnings.

### Financial Position and Liquidity

Our capital structure comprises a mix of debt and shareholders' equity. As at June 30, 2015, our total debt was \$12.8 billion (debt net of cash and equivalents was \$10.7 billion) and our debt-to-equity ratio and debt-to-total capitalization ratios were 1:1 and 0.38:1, respectively. This compares to debt as at December 31, 2014 of \$13.1 billion (debt net of cash and equivalents was \$10.4 billion), and debt-to-equity and debt-to-total capitalization ratios of 1.02:1 and 0.39:1, respectively. We have attributable debt principal of less than \$100 million maturing by the end of 2015 and less than \$800 million due by the end of 2017 (refer to note 18B to the consolidated financial statements). Our \$4.0 billion revolving credit facility ("2012 Credit Facility") is fully undrawn and expires in January 2020.



<sup>1</sup> Amounts exclude capital leases and include 60% of the Pueblo Viejo financing and 100% of the Acacia financing.

Our top priority is restoring a strong balance sheet and we have targeted a reduction in our debt of \$3 billion by the end of 2015. Thus far, we have announced agreements representing \$2.45 billion from asset sales, joint ventures and streaming. In addition, we have also retired approximately \$250 million in debt using cash on hand in the first half of this year. Collectively, these actions represent \$2.7 billion, or 90 percent of our target. To begin with, we intend to use a portion of the net proceeds from the sale of the Cowal mine to redeem the outstanding \$229 million aggregate principal amount of 2.90% notes due 2016 issued by Barrick. The notes will be redeemed on September 9, 2015 in accordance with their terms.

Our primary source of liquidity is our operating cash flow, which is dependent on the ability of our operations to deliver projected future cash flows. The company's Board of Directors has reduced the quarterly dividend by 60 percent to \$0.02 per share as a prudent measure to increase financial flexibility in light of current market conditions<sup>1</sup>. The Board of Directors has also approved a Dividend Reinvestment Plan (the "DRIP"), which we intend to make available to eligible shareholders for the first time with payment of the above-mentioned dividend on September 15, 2015 to shareholders of record on August 31, 2015. The DRIP will allow registered or beneficial holders of Barrick's common shares who reside in Canada or the United States to reinvest cash dividends paid on their common shares in additional common shares at a discount to the average market price (as defined in the DRIP), currently set at 3% and subject to change at the discretion of the board of directors. Other options to enhance liquidity include drawing the \$4.0 billion available under our 2012 Credit Facility (subject to

<sup>1</sup> The declaration and payment of dividends is at the discretion of the Board of Directors and will depend on the company's financial results, cash requirements, future prospects and other factors deemed relevant by the Board.

compliance with covenants and the making of certain representations and warranties, this facility is available for drawdown as a source of financing); further non-core asset sales or joint ventures opportunities; and issuances of debt or equity securities in the public markets or to private investors, which could be undertaken for liquidity enhancement and/or in connection with establishing a strategic partnership. Many factors, including but not limited to, general market conditions and then prevailing metals prices could impact our ability to issue securities on acceptable terms, as could our credit ratings. Moody's and S&P currently rate our long-term debt Baa2 (negative) and BBB- (stable), respectively after our credit rating was downgraded by S&P on March 2, 2015 to BBB- (stable), which is the lowest investment grade rating. Further changes in our ratings could affect the trading prices of our securities and our cost of capital. If we were to borrow under our 2012 Credit Facility, the applicable interest rate on the amounts borrowed would be based, in part, on our credit ratings at the time. The key financial covenant in the 2012 Credit Facility (undrawn as at August 5, 2015) requires Barrick to maintain a consolidated tangible net worth ("CTNW") of at least \$3.0 billion. Barrick's CTNW was \$5.7 billion as at June 30, 2015.

#### *Cash and equivalents and cash flow*

Total cash and cash equivalents as at June 30, 2015 were \$2.1 billion<sup>2</sup>. Our cash position consists of a mix of term deposits, treasury bills and money market investments and is primarily denominated in US dollars.

<sup>2</sup> Includes \$591 million cash held at Acacia and Pueblo Viejo, which may not be readily deployed outside of Acacia and/or Pueblo Viejo.

#### Summary of Cash Inflow (Outflow)

(\$ millions)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
<b>Operating inflows</b>	<b>\$ 525</b>	<b>\$ 488</b>	<b>\$ 841</b>	<b>\$ 1,073</b>
<b>Investing activities</b>				
Capital Expenditures <sup>1</sup>	\$ (499)	\$ (616)	\$ (1,013)	\$ (1,232)
Divestitures	-	86	2	166
Other	1	(10)	45	10
<b>Total investing outflows</b>	<b>\$ (498)</b>	<b>\$ (540)</b>	<b>\$ (966)</b>	<b>\$ (1,056)</b>
<b>Financing activities</b>				
Net change in debt	\$ (85)	\$ (18)	\$ (267)	\$ 40
Dividends	(58)	(58)	(116)	(116)
Proceeds from divestment of 10% of issued ordinary share capital of Acacia	-	-	-	186
Other	1	-	(42)	2
<b>Total financing (outflows) inflows</b>	<b>\$ (142)</b>	<b>\$ (76)</b>	<b>\$ (425)</b>	<b>\$ 112</b>
Effect of exchange rate	(1)	1	(7)	(4)
<b>Increase/(decrease) in cash and equivalents</b>	<b>\$ (116)</b>	<b>\$ (127)</b>	<b>(557)</b>	<b>125</b>

<sup>1</sup> The amounts include capitalized interest of \$13 million and \$17 million for the three and six months ended June 30, 2015, respectively (2014: \$11 million and \$13 million, respectively).

In second quarter 2015, we generated \$525 million in operating cash flow, compared to \$488 million of operating cash flow in the same prior year period. The increase in operating cash flow primarily reflects working capital improvements, particularly a lower draw down of accounts payable and accruals relating to our Pascua-Lama project, partially offset by lower realized gold and copper prices and lower gold sales volume. The most significant driver of the change in operating cash flow is market gold and copper prices. The ability of our operations to deliver projected future cash flows within the parameters of a reduced production profile, as well as future changes in gold and copper market prices, either favorable or unfavorable, will continue to have a material impact on our cash flow and liquidity. The principal uses of operating cash flow are to fund our capital expenditures, interest and dividend payments.

Cash used in investing activities in second quarter 2015 amounted to \$498 million compared to \$540 million in the same prior year period. The decrease of \$42 million compared to second quarter 2014 is primarily due to a decrease in capital expenditures, partially offset by lower proceeds from divestitures as we completed the sale of two of our Australian mines and one of our North American mines in first half 2014. In second quarter 2015, capital expenditures on a cash basis were \$499

million compared to \$616 million in second quarter 2014. The decrease of \$117 million is primarily due to a decrease in project capital expenditures due to the suspension of our Pascua-Lama project, combined with a decrease in minesite development capital due to a reduction in capitalized stripping costs across most sites.

Net financing cash outflows for second quarter 2015 amounted to \$142 million, compared to \$76 million of cash outflows in the same prior year period. The net financing cash outflows for second quarter 2015 primarily consist of \$88 million of debt repayments and \$58 million of dividend payments. The net financing cash outflows for second quarter 2014 primarily consist of \$18 million in debt repayments combined with \$58 million of dividend payments.

## Summary of Financial Instruments

As at June 30, 2015

Financial Instrument	Principal/Notional Amount			Associated Risks
Cash and equivalents	\$ 2,122	million		<ul style="list-style-type: none"> <li>• Interest rate</li> <li>• Credit</li> </ul>
Accounts receivable	\$ 354	million		<ul style="list-style-type: none"> <li>• Credit</li> <li>• Market</li> </ul>
Other investments	\$ 12	million		<ul style="list-style-type: none"> <li>• Market</li> <li>• Liquidity</li> </ul>
Accounts payable	\$ 1,319	million		<ul style="list-style-type: none"> <li>• Liquidity</li> </ul>
Debt	\$ 12,920	million		<ul style="list-style-type: none"> <li>• Interest rate</li> </ul>
Restricted share units	\$ 52	million		<ul style="list-style-type: none"> <li>• Market</li> </ul>
Deferred share units	\$ 4	million		<ul style="list-style-type: none"> <li>• Market</li> </ul>
Derivative instruments - currency contracts	CAD	120	million	<ul style="list-style-type: none"> <li>• Market/liquidity</li> </ul>
	CLP	51,000	million	<ul style="list-style-type: none"> <li>• Credit</li> </ul>
	AUD	250	million	<ul style="list-style-type: none"> <li>• Interest rate</li> </ul>
	ZAR	171	million	
Derivative instruments - energy contracts	Diesel	7	million bbls	<ul style="list-style-type: none"> <li>• Market/liquidity</li> <li>• Credit</li> <li>• Interest rate</li> </ul>
Derivative instruments - interest rate contracts	Receive float interest rate swaps	\$ 142	million	<ul style="list-style-type: none"> <li>• Market/liquidity</li> </ul>

## Commitments and Contingencies

### *Litigation and Claims*

We are currently subject to various litigation proceedings as disclosed in note 22 to the consolidated financial statements, and we may be involved in disputes with other parties in the future that may result in litigation. If we are unable to resolve these disputes favorably, it may have a material adverse impact on our financial condition, cash flow and results of operations.

## Contractual Obligations and Commitments

(\$ millions)	Payments due						Total	
	As at June 30, 2015	2015 <sup>1</sup>	2016	2017	2018	2019		2020 and thereafter
Debt <sup>2</sup>								
Repayment of principal		\$ 83	\$ 660	\$ 127	\$ 873	\$ 871	\$ 9,985	\$ 12,599
Capital leases		41	65	62	56	42	55	321
Interest		329	651	630	620	549	6,443	9,222
Provisions for environmental rehabilitation <sup>3</sup>		76	112	71	77	127	2,035	2,498
Operating leases		35	49	48	46	36	58	272
Restricted share units		18	9	20	5	-	-	52
Pension benefits and other post-retirement benefits		12	22	22	22	22	433	533
Derivative liabilities <sup>4</sup>		85	95	34	16	1	-	231
Purchase obligations for supplies and consumables <sup>5</sup>		390	349	216	145	119	264	1,483
Capital commitments <sup>6</sup>		72	18	9	9	5	8	121
Social development costs <sup>7</sup>		28	8	6	6	6	174	228
<b>Total</b>		<b>\$ 1,169</b>	<b>\$ 2,038</b>	<b>\$ 1,245</b>	<b>\$ 1,875</b>	<b>\$ 1,778</b>	<b>\$ 19,455</b>	<b>\$ 27,560</b>

<sup>1</sup> Represents the obligations and commitments for the remainder of the year.

<sup>2</sup> Debt and Interest - Our debt obligations do not include any subjective acceleration clauses or other clauses that enable the holder of the debt to call for early repayment, except in the event that we breach any of the terms and conditions of the debt or for other customary events of default. The debt and interest amounts include 100% of the Pueblo Viejo financing, even though our attributable share is 60 per cent of this total, consistent with our ownership interest in the mine. We are not required to post any collateral under any debt obligations. Projected interest payments on variable rate debt were based on interest rates in effect at June 30, 2015. Interest is calculated on our long-term debt obligations using both fixed and variable rates.

<sup>3</sup> Provisions for Environmental Rehabilitation - Amounts presented in the table represent the undiscounted uninflated future payments for the expected cost of provisions for environmental rehabilitation.

<sup>4</sup> Derivative Liabilities - Amounts presented in the table relate to derivative contracts disclosed under note 18C to the consolidated financial statements. Payments related to derivative contracts may be subject to change given variable market conditions.

<sup>5</sup> Purchase Obligations for Supplies and Consumables - Includes commitments related to new purchase obligations to secure a supply of acid, tires and cyanide for our production process.

<sup>6</sup> Capital Commitments - Purchase obligations for capital expenditures include only those items where binding commitments have been entered into.

<sup>7</sup> Social Development Costs - Includes Pascua-Lama's commitment related to the potential funding of a power transmission line in Argentina of \$93 million, expected to be paid in 2020 and thereafter.

## INTERNAL CONTROL OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure controls and procedures as defined in our 2014 annual MD&A.

Together, the internal control over financial reporting and disclosure controls and procedures frameworks provide internal control over financial reporting and disclosure. Due to its inherent limitations, internal control over financial reporting and disclosure may not prevent or detect all misstatements. Further, the effectiveness of internal control is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change.

Management will continue to monitor the effectiveness of its internal control over financial reporting and disclosure controls and procedures under the new organizational structure and may make modifications from time to time as considered necessary.

## REVIEW OF QUARTERLY RESULTS

### Quarterly Information<sup>1</sup>

(\$ millions, except where indicated)	2015			2014			2013	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	\$ 2,231	\$ 2,245	\$ 2,510	\$ 2,598	\$ 2,458	\$ 2,647	\$ 2,942	\$ 2,985
Realized price per ounce - gold <sup>2</sup>	1,190	1,219	1,204	1,285	1,289	1,285	1,272	1,323
Realized price per pound - copper <sup>2</sup>	2.66	2.55	2.91	3.09	3.17	3.03	3.34	3.40
Cost of sales	1,689	1,708	1,799	1,642	1,631	1,719	1,853	1,788
Net earnings (loss)	(9)	57	(2,851)	125	(269)	88	(2,830)	172
Per share (dollars) <sup>2,3</sup>	(0.01)	0.05	(2.45)	0.11	(0.23)	0.08	(2.61)	0.17
Adjusted net earnings <sup>2</sup>	60	62	174	222	159	238	406	577
Per share (dollars) <sup>2,3</sup>	0.05	0.05	0.15	0.19	0.14	0.20	0.37	0.58
Operating cash flow	525	316	371	852	488	585	1,016	1,231
Adjusted operating cash flow <sup>2</sup>	\$ 525	\$ 316	\$ 371	\$ 852	\$ 488	\$ 585	\$ 1,085	\$ 1,300

<sup>1</sup> Sum of all the quarters may not add up to the annual total due to rounding.

<sup>2</sup> Calculated using weighted average number of shares outstanding under the basic method of earnings per share.

<sup>3</sup> Realized price, adjusted net earnings, adjusted EPS and adjusted operating cash flow are non-GAAP financial performance measures with no standard meaning under IFRS. For further information and a detailed reconciliation, please see pages 50 - 56 of this MD&A.

Our recent financial results reflect a trend of declining spot gold prices, and as a result of an emphasis on cost control and maximizing free cash flow, costs have also decreased. Our adjusted net earnings and adjusted operating cash flow levels have fluctuated with gold and copper realized prices and production levels each quarter. In fourth quarter 2014, we recorded asset and goodwill impairments of \$2.8 billion (net of tax effects and non-controlling interests), primarily at Lumwana, Zaldívar and Cerro Casale. The net loss in second quarter 2014 reflected asset and goodwill impairment charges of \$514 million relating to Jabal Sayid as a result

of classifying the project as held for sale. In fourth quarter 2013, we recorded asset and goodwill impairment charges totaling \$2.8 billion (net of tax effects and non-controlling interests), primarily at Pascua-Lama, Porgera, Veladero and goodwill related to our Australia Pacific segment. The net loss in second quarter 2013 reflected asset and goodwill impairment charges totaling \$8.7 billion (net of tax and non-controlling interest effects), primarily at Pascua-Lama, Buzwagi, Jabal Sayid and goodwill related to our global copper, Australia Pacific and Capital Projects segments.

## IFRS CRITICAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Management has discussed the development and determination of our critical accounting estimates and significant accounting policies with the Audit Committee of the Board of Directors, and the Audit Committee has reviewed the disclosure relating to such estimates and policies in conjunction with its review of this MD&A. The accounting policies and methods we utilize determine how we report our financial condition and results of operations, and they may require management to make estimates or rely on assumptions about matters that are inherently uncertain. Our significant accounting policies are disclosed in note 2 of our most recent Annual Consolidated Financial Statements. A summary of current and future accounting policy changes is disclosed in notes 2B and 2C of the accompanying interim consolidated financial statements, respectively, including our early adoption of IFRS 9 Financial Instruments in first quarter 2015.

### Critical Accounting Estimates and Judgments

Certain accounting estimates have been identified as being "critical" to the presentation of our financial condition and results of operations because they require us to make subjective and/or complex judgments about matters that are inherently uncertain; or there is a reasonable likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates. Our significant accounting judgments, estimates and assumptions are disclosed in note 3 of the Annual Consolidated Financial Statements and an update is provided in note 3 of the accompanying interim consolidated financial statements.

#### *Pascua-Lama*

The Pascua-Lama project received \$570 million in value added tax ("VAT") refunds in Chile relating to the development of the Chilean side of the project. These amounts must be repaid if the project does not enter

production by 2017. However, in light of the temporary suspension of construction of the Pascua-Lama project, Barrick currently expects to be able to extend the 2017 deadline in order to avoid repayment of these amounts. The Pascua-Lama project has also recorded \$437 million in VAT recoverable in Argentina 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 Argentine pesos.

#### *Accounting for impairment of non-current 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 when events or changes in circumstances suggest that the carrying amount may not be recoverable. No potential indicators of impairment at our operating segment level were identified in second quarter 2015. Based on the results of our last impairment test performed in fourth quarter 2014, the carrying value of the CGUs that are most sensitive to the change in sales prices used in the annual test are:

As at June 30, 2015	Carrying value
Cortez <sup>1</sup>	\$3,824
Zaldívar <sup>1,2</sup>	2,420
Pascua-Lama <sup>2</sup>	1,263
Veladero <sup>1</sup>	1,090
Bald Mountain <sup>2</sup>	522
Cerro Casale <sup>2</sup>	514
Lumwana <sup>2</sup>	335
Round Mountain <sup>2</sup>	151

<sup>1</sup> Carrying value includes goodwill.

<sup>2</sup> These CGUs have been impaired or had an impairment reversal in 2014 and therefore their fair value approximates carrying value.

As disclosed on page 25, the Zambian government announced amendments to the country's mining tax regime. The legislation was passed in late July. In third quarter 2015 we will evaluate the potential for a reversal of previous impairments recorded in fourth quarter 2014.

Subsequent to quarter end, the trading price of the company's shares declined such that the carrying value of our net assets exceeded our market capitalization, which is a potential indicator of impairment. If this potential indicator of impairment exists at the end of third quarter 2015, we may be required to conduct an impairment assessment.

As noted on page 45, the key financial covenant in the 2012 Credit Facility requires Barrick to maintain a CTNW of at least \$3.0 billion. Barrick's CTNW would be reduced by the amount of any non-current asset impairments, repayments of VAT refunds or write-downs of VAT receivables. Barrick's CTNW was \$5.7 billion as at June 30, 2015.

## NON-GAAP FINANCIAL PERFORMANCE MEASURES

We use certain non-GAAP financial performance measures in our MD&A. For a detailed description of each of the non-GAAP measures used in this MD&A, please refer to the Non-GAAP Financial Performance Measures in our 2014 annual MD&A. The non-GAAP financial performance measures set out in this MD&A are intended to provide additional information to investors and do not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Starting with our first quarter 2015 MD&A, we have amended our calculation of cash costs to exclude hedge gains/losses in the individual mine site figures. Hedge gains/losses will be included in the

consolidated company cash costs, but are not allocated because hedging is done at a corporate level and not within the control of the mine site. Comparative figures have been restated to reflect this change.

Also starting with our first quarter 2015 MD&A, we have begun including costs that were formerly part of operating segment administration costs in cash costs. This was done to reflect the change in our operating structure that occurred at the end of 2014 to remove all regional oversight and hold the mine sites directly accountable for the cost of the functional services they require to run their business.

## Reconciliation of Net Earnings to Adjusted Net Earnings and Adjusted Net Earnings per Share<sup>1</sup>

(\$ millions, except per share amounts in dollars)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
Net earnings (loss) attributable to equity holders of the Company	\$ (9)	(\$ 269)	\$ 48	(\$ 181)
Impairment charges related to intangibles, goodwill, property, plant and equipment, and investments <sup>2</sup>	22	525	25	536
Acquisition/disposition (gains)/losses <sup>3</sup>	(4)	(24)	(26)	(23)
Foreign currency translation (gains)/losses <sup>4</sup>	30	31	36	144
Tax adjustments <sup>5</sup>	12	(112)	12	(112)
Other expense adjustments <sup>6</sup>	3	42	21	85
Unrealized losses/(gains) on non-hedge derivative instruments <sup>7</sup>	6	(34)	6	(52)
<b>Adjusted net earnings</b>	<b>\$ 60</b>	<b>\$ 159</b>	<b>\$ 122</b>	<b>\$ 397</b>
Net earnings (loss) per share <sup>8</sup>	(0.01)	(0.23)	0.04	(0.16)
<b>Adjusted net earnings per share<sup>8</sup></b>	<b>0.05</b>	<b>0.14</b>	<b>0.10</b>	<b>0.34</b>

<sup>1</sup> Amounts presented in this table are after-tax and net of non-controlling interest.

<sup>2</sup> Impairment charges for the three and six month period ended June 30, 2015 is presented net of tax and non-controlling interest \$13 million and \$14 million expense, respectively (2014: (\$13) million and (\$11) million benefit, respectively).

<sup>3</sup> Acquisition/disposition losses for the three and six month period ended June 30, 2015 is presented net of tax (\$2) million benefit and \$1 million expense, respectively (2014: (\$3) million and (\$1) million benefit, respectively).

<sup>4</sup> Foreign currency translation losses for the three and six month period ended June 30, 2015 is presented net of tax \$8 million and \$7 million expense, respectively (2014: \$4 million and \$9 million expense, respectively).

<sup>5</sup> Tax adjustments for the three and six month period ended June 30, 2015 is presented net of non-controlling interest \$8 million expense, respectively (2014: nil, respectively).

<sup>6</sup> Other expense adjustments for the three and six month period ended June 30, 2015 is presented net of tax nil and \$8 million expense, respectively (2014: \$13 million and \$19 million expense, respectively).

<sup>7</sup> Unrealized losses/(gains) on non-hedge derivative instruments for the three and six month period ended June 30, 2015 is presented net of tax (\$3) million and (\$2) million benefit, respectively (2014: \$11 million and \$17 million expense, respectively).

<sup>8</sup> Calculated using weighted average number of shares outstanding under the basic method of earnings per share.

## Reconciliation of Operating Cash Flow to Free Cash Flow

(\$ millions)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
Operating cash flow	\$ 525	\$ 488	\$ 841	\$ 1,073
Capital expenditures	(499)	(616)	(1,013)	(1,232)
<b>Free cash flow</b>	<b>\$ 26</b>	<b>(\$ 128)</b>	<b>(\$ 172)</b>	<b>(\$ 159)</b>

## Reconciliation of Gold Cost of Sales to Cash costs per ounce, All-in sustaining costs per ounce and All-in costs per ounce

(\$ millions, except per ounce information in dollars)	Reference	For the three months ended		For the six months ended	
		2015	2014	2015	2014
Cost of sales	A	\$ 1,410	\$ 1,407	\$ 2,834	\$ 2,851
Cost of sales applicable to non-controlling interests <sup>1</sup>	B	(137)	(131)	(294)	(252)
Cost of sales applicable to power sales	C	(16)	(22)	(29)	(35)
Other metal sales	D	(32)	(44)	(74)	(92)
Realized non-hedge (gains)/losses	E	27	(5)	47	(9)
Treatment and refinement charges	F	3	3	6	3
<b>Total production costs</b>		<b>\$ 1,255</b>	<b>\$ 1,208</b>	<b>\$ 2,490</b>	<b>\$ 2,466</b>
Depreciation	G	(\$ 339)	(\$ 306)	(\$ 668)	(\$ 623)
<b>Cash Costs</b>		<b>\$ 916</b>	<b>\$ 902</b>	<b>\$ 1,822</b>	<b>\$ 1,843</b>
General & administrative costs	H	56	66	111	153
Rehabilitation - accretion and amortization (operating sites)	I	37	31	71	64
Mine on-site exploration and evaluation costs	J	15	6	21	8
Mine development expenditures <sup>2</sup>	K	164	177	330	365
Sustaining capital expenditures <sup>2</sup>	K	125	130	259	224
<b>All-in sustaining costs</b>		<b>\$ 1,313</b>	<b>\$ 1,312</b>	<b>\$ 2,614</b>	<b>\$ 2,657</b>
Community relations costs not related to current operations	L	4	7	7	12
Rehabilitation - accretion and amortization not related to current operations	I	3	3	6	8
Exploration and evaluation costs (non-sustaining)	J	34	44	69	72
Non-sustaining capital expenditures <sup>2</sup>					
Pascua-Lama	K	(4)	(12)	-	31
Cortez	K	18	4	30	10
Goldstrike thiosulfate project	K	5	63	33	127
Bulyanhulu CIL	K	-	6	(1)	15
Hemlo	K	-	-	37	-
Other	K	27	7	39	11
<b>All-in costs</b>		<b>\$ 1,400</b>	<b>\$ 1,434</b>	<b>\$ 2,834</b>	<b>\$ 2,943</b>
Ounces sold - consolidated basis (000s ounces)		1,624	1,683	3,208	3,464
Ounces sold - non-controlling interest (000s ounces) <sup>1</sup>		(158)	(167)	(357)	(330)
Ounces sold - equity basis (000s ounces)		1,466	1,516	2,851	3,134
<b>Total production costs per ounce<sup>3</sup></b>		<b>\$ 855</b>	<b>\$ 796</b>	<b>\$ 874</b>	<b>\$ 787</b>
Cash costs per ounce <sup>3</sup>		\$ 624	\$ 594	\$ 640	\$ 588
Cash costs per ounce (on a co-product basis) <sup>3,4</sup>		\$ 648	\$ 615	\$ 666	\$ 610
<b>All-in sustaining costs per ounce<sup>3</sup></b>		<b>\$ 895</b>	<b>\$ 865</b>	<b>\$ 918</b>	<b>\$ 849</b>
<b>All-in sustaining costs per ounce (on a co-product basis)<sup>3,4</sup></b>		<b>\$ 919</b>	<b>\$ 886</b>	<b>\$ 944</b>	<b>\$ 871</b>
<b>All-in costs per ounce<sup>3</sup></b>		<b>\$ 954</b>	<b>\$ 945</b>	<b>\$ 995</b>	<b>\$ 940</b>
<b>All-in costs per ounce (on a co-product basis)<sup>3,4</sup></b>		<b>\$ 978</b>	<b>\$ 966</b>	<b>\$ 1,021</b>	<b>\$ 962</b>

<sup>1</sup> Relates to interest in Pueblo Viejo and Acacia held by outside shareholders.

<sup>2</sup> Amounts represent our share of capital expenditures.

<sup>3</sup> Total production costs, cash costs, all-in sustaining costs, and all-in costs per ounce may not calculate based on amounts presented in this table due to rounding.

<sup>4</sup> Amounts presented on a co-product basis remove the impact of other metal sales (net of non-controlling interest) from cost per ounce calculations that are produced as a by-product of our gold production.

(\$ millions, except per ounce information in dollars)

For the three months ended June 30

For the six months ended June 30

	2015	2014	2015	2014
<b>References</b>				
<b>A Cost of sales - gold</b>				
Cost of sales (statement of income)	\$ 1,689	\$ 1,631	\$ 3,397	\$ 3,350
Less: cost of sales - copper	(237)	(198)	(488)	(451)
Direct mining, royalties and community relations	212	169	426	384
Depreciation	25	30	62	71
Hedge gains	-	(1)	-	(4)
Less: cost of sales - non-operating sites	-	(2)	-	(5)
Less: cost of sales - corporate	(42)	(24)	(75)	(43)
<b>Total Cost of Sales - Gold</b>	<b>\$ 1,410</b>	<b>1,407</b>	<b>\$ 2,834</b>	<b>2,851</b>
<b>B Cost of sales applicable to non-controlling interests</b>				
Cost of sales applicable to Acacia (Note 5)				
Direct mining, royalties and community relations	\$ 153	\$ 137	\$ 294	\$ 269
Depreciation	34	35	67	65
<b>Total related to Acacia</b>	<b>\$ 187</b>	<b>\$ 172</b>	<b>\$ 361</b>	<b>\$ 334</b>
Portion attributable to non-controlling interest	\$ 63	\$ 60	\$ 124	\$ 104
Cost of sales applicable to Pueblo Viejo (Note 5)				
Direct mining, royalties and community relations	\$ 154	\$ 152	\$ 316	\$ 321
Depreciation	70	66	139	120
<b>Total related to Pueblo Viejo</b>	<b>\$ 224</b>	<b>\$ 218</b>	<b>\$ 455</b>	<b>\$ 441</b>
Portion attributable to non-controlling interest	\$ 74	\$ 71	\$ 170	\$ 148
<b>Cost of sales applicable to non-controlling interests</b>	<b>\$ 137</b>	<b>\$ 131</b>	<b>\$ 294</b>	<b>\$ 252</b>
<b>C Cost of sales applicable to power sales</b>				
Equal to the cost of sales related to power sales from our Pueblo Viejo mine that are included in consolidated costs of sales but excluded from cash costs. These figures cannot be tied directly to the financial statements or notes.				
<b>D Other metal sales</b>				
By-product revenues from metals produced in conjunction with gold are deducted from the costs incurred to produce gold (Note 6). By product revenues from metals produced net of copper, power revenues and non-controlling interest for the three and six months ended June 30, 2015 were \$18 million and \$43 million, respectively (2014: \$33 million and \$70 million, respectively).				
<b>E Realized non-hedge gains/losses on fuel hedges</b>				
(Gains)/Losses on non-hedge derivatives (Note 18D)	(\$ 8)	\$ 44	(\$ 11)	\$ 65
Less: unrealized (gains)/losses and de-designated realized losses	35	(49)	58	(74)
<b>Realized non-hedge (gains)/losses</b>	<b>\$ 27</b>	<b>(\$ 5)</b>	<b>\$ 47</b>	<b>(\$ 9)</b>
<b>F Treatment and refinement charges</b>				
Treatment and refinement charges, which are recorded against concentrate revenues, for the three and six months ended June 30, 2015 were \$3 million and \$6 million, respectively (2014: \$3 million and \$3 million, respectively).				

(\$ millions, except per ounce information in dollars)

For the three months ended June 30

For the six months ended June 30

	2015	2014	2015	2014
<b>G Depreciation - gold</b>				
Depreciation (Note 7)	\$ 419	\$ 400	\$ 840	\$ 802
Less: copper depreciation	(25)	(30)	(62)	(71)
Less: NCI portion	(39)	(38)	(83)	(66)
Less: Depreciation - corporate assets	(16)	(26)	(27)	(42)
<b>Total depreciation - gold</b>	<b>\$ 339</b>	<b>\$ 306</b>	<b>\$ 668</b>	<b>\$ 623</b>
<b>H General &amp; administrative costs</b>				
Total general & administrative costs (statement of income)	\$ 70	\$ 82	\$ 137	\$ 185
Less: non-gold and non-operating general & administrative costs	(5)	(13)	(12)	(26)
Less: NCI portion	(6)	(4)	(10)	(7)
Add: World Gold Council fees	-	1	-	2
Less: non-recurring items	(3)	-	(4)	(1)
<b>Total general &amp; administrative costs</b>	<b>\$ 56</b>	<b>\$ 66</b>	<b>\$ 111</b>	<b>\$ 153</b>
<b>I Rehabilitation - accretion and amortization</b>				
Includes depreciation (Note 7) on the assets related to rehabilitation provisions of our gold operations of \$27 million and \$50 million for the three and six months ended June 30, 2015, respectively (2014: \$18 million and \$37 million, respectively) and accretion (Note 11) on the rehabilitation provision of our gold operations of \$13 million and \$27 million for the three and six months ended June 30, 2015, respectively (2014: \$16 million and \$35 million, respectively).				
<b>J Exploration and evaluation costs</b>				
Exploration and evaluation costs (Note 8)	\$ 52	\$ 53	\$ 97	\$ 85
Less: exploration and evaluation costs - non-gold & NCI	(3)	(3)	(7)	(5)
<b>Total exploration and evaluation costs - gold</b>	<b>\$ 49</b>	<b>\$ 50</b>	<b>\$ 90</b>	<b>\$ 80</b>
Exploration & evaluation costs (sustaining)	15	6	21	8
Exploration and evaluation costs (non-sustaining)	34	44	69	72
<b>Total exploration and evaluation costs - gold</b>	<b>\$ 49</b>	<b>\$ 50</b>	<b>\$ 90</b>	<b>\$ 80</b>
<b>K Capital expenditures</b>				
Gold segments (Note 5)	\$ 369	\$ 417	\$ 792	\$ 813
Pascua-Lama operating unit (Note 5)	(4)	(12)	-	31
Other gold projects	5	16	7	24
<b>Capital expenditures - gold</b>	<b>\$ 370</b>	<b>\$ 421</b>	<b>\$ 799</b>	<b>\$ 868</b>
Less: NCI portion	(27)	(39)	(55)	(71)
Less: capitalized interest (Note 11)	(8)	(7)	(17)	(14)
<b>Total capital expenditures - gold</b>	<b>\$ 335</b>	<b>\$ 375</b>	<b>\$ 727</b>	<b>\$ 783</b>
Mine development expenditures	164	177	330	365
Sustaining capital expenditures	125	130	259	224
Non-sustaining capital expenditures	46	68	138	194
<b>Total capital expenditures - gold</b>	<b>\$ 335</b>	<b>\$ 375</b>	<b>\$ 727</b>	<b>\$ 783</b>
<b>L Community relations costs</b>				
Community relations costs (Note 7)	\$ 17	\$ 19	\$ 28	\$ 33
Less: community relations costs relating to current operations	(13)	(12)	(21)	(21)
<b>Community relations costs not related to current operations</b>	<b>\$ 4</b>	<b>\$ 7</b>	<b>\$ 7</b>	<b>\$ 12</b>

## Reconciliation of Copper Cost of Sales to C1 cash costs per pound and C3 fully allocated costs per pound

(\$ millions, except per pound information in dollars)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
Cost of sales	\$ 237	\$ 196	\$ 488	\$ 451
Depreciation/amortization	(25)	(28)	(62)	(69)
Treatment and refinement charges	41	14	83	47
Less: royalties	(36)	(6)	(69)	(17)
Non-routine charges	-	-	-	(1)
Other metal sales	-	-	-	(1)
Other <sup>1</sup>	-	(27)	-	(27)
<b>C1 cash cost of sales</b>	<b>\$ 217</b>	<b>\$ 149</b>	<b>\$ 440</b>	<b>\$ 383</b>
Depreciation/amortization	25	28	62	69
Royalties	36	6	69	17
Non-routine charges	-	-	-	1
Other expense (income)	1	2	(7)	3
<b>C3 fully allocated cost of sales</b>	<b>\$ 279</b>	<b>\$ 185</b>	<b>\$ 564</b>	<b>\$ 473</b>
Pounds sold - consolidated basis (millions pounds)	112	73	233	184
<b>C1 cash cost per pound<sup>2</sup></b>	<b>\$ 1.94</b>	<b>\$ 2.04</b>	<b>\$ 1.89</b>	<b>\$ 2.08</b>
<b>C3 fully allocated cost per pound<sup>2</sup></b>	<b>\$ 2.50</b>	<b>\$ 2.52</b>	<b>\$ 2.42</b>	<b>\$ 2.59</b>

<sup>1</sup> Includes \$17 million related to copper cathode purchases and \$10 million of abnormal costs related to the conveyor collapse at Lumwana, as these costs are not indicative of our normal production costs.

<sup>2</sup> C1 cash costs per pound and C3 fully allocated costs may not calculate based on amounts presented in this table due to rounding.

## EBITDA and Adjusted EBITDA

(\$ millions, except per share amounts in dollars)	For the three months ended June 30		For the six months ended June 30	
	2015	2014	2015	2014
Net earnings (loss)	\$ (9)	\$ (223)	\$ 80	\$ (96)
Income tax expense	103	123	208	412
Finance costs <sup>1</sup>	179	181	359	361
Finance income	(2)	(3)	(4)	(6)
Depreciation	419	400	840	802
EBITDA	\$ 690	\$ 478	\$ 1,483	\$ 1,473
Impairment charges	35	512	40	524
Adjusted EBITDA	\$ 725	\$ 990	\$ 1,523	\$ 1,997
Reported as:				
Cortez	117	184	178	355
Goldstrike	100	155	218	350
Pueblo Viejo	161	230	367	467
Lagunas Norte	136	104	281	246
Veladero	93	137	192	225
Turquoise Ridge	32	35	61	85
Porgera	32	37	82	75
Kalgoorlie	31	39	49	79
Acacia	70	79	136	155
Zaldívar	38	65	84	143
Lumwana	3	2	10	12
Other	(88)	(77)	(135)	(195)
Impairment charges	(35)	(512)	(40)	(524)
EBITDA	\$ 690	\$ 478	\$ 1,483	\$ 1,473
Impairment charges	35	512	40	524
Adjusted EBITDA	\$ 725	\$ 990	\$ 1,523	\$ 1,997

<sup>1</sup> Finance costs exclude accretion.

## Reconciliation of Sales to Realized Price per ounce/pound

(\$ millions, except per ounce/pound information in dollars)	For the three months ended June 30				For the six months ended June 30			
	Gold		Copper		Gold		Copper	
	2015	2014	2015	2014	2015	2014	2015	2014
Sales	\$ 1,921	\$ 2,150	\$ 257	\$ 237	\$ 3,840	\$ 4,429	\$ 524	\$ 542
Sales applicable to non-controlling interests	(189)	(215)	-	-	(432)	(426)	-	-
Realized non-hedge gold/copper derivative (losses) gains	-	-	-	(3)	-	-	-	(6)
Treatment and refinement charges	3	3	41	14	6	3	83	47
Export duties	9	15	-	-	19	25	-	-
Other <sup>1</sup>	-	-	-	(17)	-	-	-	(17)
Revenues - as adjusted	\$ 1,744	\$ 1,953	\$ 298	\$ 231	\$ 3,433	\$ 4,031	\$ 607	\$ 566
Ounces/pounds sold (000s ounces/millions pounds)	1,466	1,516	112	73	2,851	3,134	233	184
Realized gold/copper price per ounce/pound <sup>2</sup>	\$ 1,190	\$ 1,289	2.66	\$ 3.17	\$ 1,204	\$ 1,287	\$ 2.60	\$ 3.08

<sup>1</sup> Revenue related to copper cathode purchases made in second quarter 2014.

<sup>2</sup> Realized price per ounce/pound may not calculate based on amounts presented in this table due to rounding.

## HEAD OFFICE

### **Barrick Gold Corporation**

Brookfield Place  
TD Canada Trust Tower  
161 Bay Street, Suite 3700  
Toronto, Ontario M5J 2S1

Telephone: +1 416 861-9911

Toll-free: 1-800-720-7415

Fax: +1 416 861-2492

Email: [investor@barrick.com](mailto:investor@barrick.com)

Website: [www.barrick.com](http://www.barrick.com)

## SHARES LISTED

ABX - The New York Stock Exchange  
The Toronto Stock Exchange

## INVESTOR CONTACT:

### **Susan Muir**

Senior Director  
Investor Relations

Telephone: +1 416 307-5107

Email: [s.muir@barrick.com](mailto:s.muir@barrick.com)

## TRANSFER AGENTS AND REGISTRARS

### **CST Trust Company**

P.O. Box 700, Postal Station B  
Montreal, Quebec H3B 3K3

or

### **American Stock Transfer & Trust Company, LLC**

6201 - 15 Avenue  
Brooklyn, New York 11219

Telephone: 1-800-387-0825

Fax: 1-888-249-6189

Email: [inquiries@canstockta.com](mailto:inquiries@canstockta.com)

Website: [www.canstockta.com](http://www.canstockta.com)

## MEDIA CONTACT:

### **Andy Lloyd**

Senior Vice President  
Communications

Telephone: +1 416 307-7414

Email: [alloyd@barrick.com](mailto:alloyd@barrick.com)

## CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain information contained or incorporated by reference in this Second Quarter 2015 Report, including any information as to our strategy, projects, plans or future financial or operating performance, constitutes "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intend", "project", "continue", "budget", "estimate", "potential", "may", "will", "can", "could" and similar expressions identify forward-looking statements. In particular, this Second Quarter Report 2015 contains forward-looking statements with respect to cash flow forecasts, projected capital, operating and exploration expenditure, targeted cost reductions, mine life and production rates, potential mineralization and metal or mineral recoveries, and information pertaining to Barrick's Value Realization project (including potential improvements to financial and operating performance and mine life at Barrick's Lagunas Norte and Pueblo Viejo mines that may result from certain Value Realization initiatives). Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the company in light of management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the spot and forward price of gold, copper or certain other commodities (such as silver, diesel fuel, liquefied natural gas and electricity); the speculative nature of mineral exploration and development; changes in mineral production performance, exploitation and exploration successes; risks associated with the fact that Value Realization initiatives are still in the early stages of evaluation and additional engineering and other analysis is required to fully assess their impact; diminishing quantities or grades of reserves; increased costs, delays, suspensions and technical challenges associated with the construction of capital projects; operating or technical difficulties in connection with mining or development activities, including disruptions in the maintenance or provision of required infrastructure and information technology systems; uncertainty whether some or all of the Value Realization initiatives will meet the company's capital allocation objectives; the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows; adverse changes in our credit rating; the impact of inflation; risk of loss due to acts of war, terrorism, sabotage and civil disturbances; fluctuations in the currency markets; changes in U.S. dollar interest rates; risks arising from holding derivative instruments; changes in national and local government legislation, taxation, controls or regulations and/or changes in the administration of laws, policies and practices, expropriation or nationalization of property and political or economic developments in Canada, the United States, Zambia and other jurisdictions in which the company does or may carry on business in the future; failure to comply with environmental and health and safety laws and regulations; timing of receipt of, or failure to comply with, necessary permits and approvals; litigation; contests over title to properties, particularly title to undeveloped properties, or over access to water, power and other required infrastructure; business opportunities that may be presented to, or pursued by, the company; our ability to successfully integrate acquisitions or complete divestitures; increased costs and risks related to the potential impact of climate change; damage to the company's reputation due to the actual or perceived occurrence of any number of events, including negative publicity with respect to the company's handling of environmental matters or dealings with community groups, whether true or not; employee relations; availability and increased costs associated with mining inputs and labor; and the organization of our previously held African gold operations and properties under a separate listed company. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion, copper cathode or gold or copper concentrate losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks).

Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made in this Second Quarter 2015 Report are qualified by these cautionary statements. Specific reference is made to the most recent Form 40-F/Annual Information Form on file with the SEC and Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements.

The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.