



July 15th, 2011

ICMI RECERTIFICATION AUDIT REPORT

VELADERO GOLD MINE

Preparado para:

Minera Argentina Gold S.A.
MAGSA
Francisco de Villagra 531 - Este
C.P. J5402CPI - San Juan
Argentina

INFORME



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1.0 SUMMARY AUDIT REPORT FOR GOLD MINING OPERATIONS

Name of Mine: Veladero

Name of Mine Owner: Barrick

Name of Mine Operator: MAGSA

Name of Responsible Manager: Dante Vargas

Address:

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2.0 LOCATION DETAIL AND DESCRIPTION OF OPERATION

MAGSA is the Argentinean affiliate of Barrick Gold Corporation, which has headquarters located in the city of Toronto, Canada. MAGSA operates Mina Veladero, located in the province of San Juan, in the Republic of Argentina. The main activity of MAGSA is mining, including prospecting, exploration and exploitation of minerals.

Veladero Mine (Mine) includes the exploitation of gold and silver mineral resources by traditional methods including open pit, crushing, heap leaching, Merrill-Crowe type processing plants and supplementary facilities. These methods are used to obtain gold/silver bearing material as a final product.

Veladero is located in the northeast of Argentina, in the province of San Juan, in the western watershed of Andean Cordillera, 5 km from the western border with Chile. The site is at an approximate elevation of between 3,800 and 5,000-meters above sea level (masl).

The mine is located in the district of Iglesia, approximately 370 km northeast of the city of San Juan by road.



VELADERO ICMI RECERTIFICATION SUMMARY AUDIT REPORT

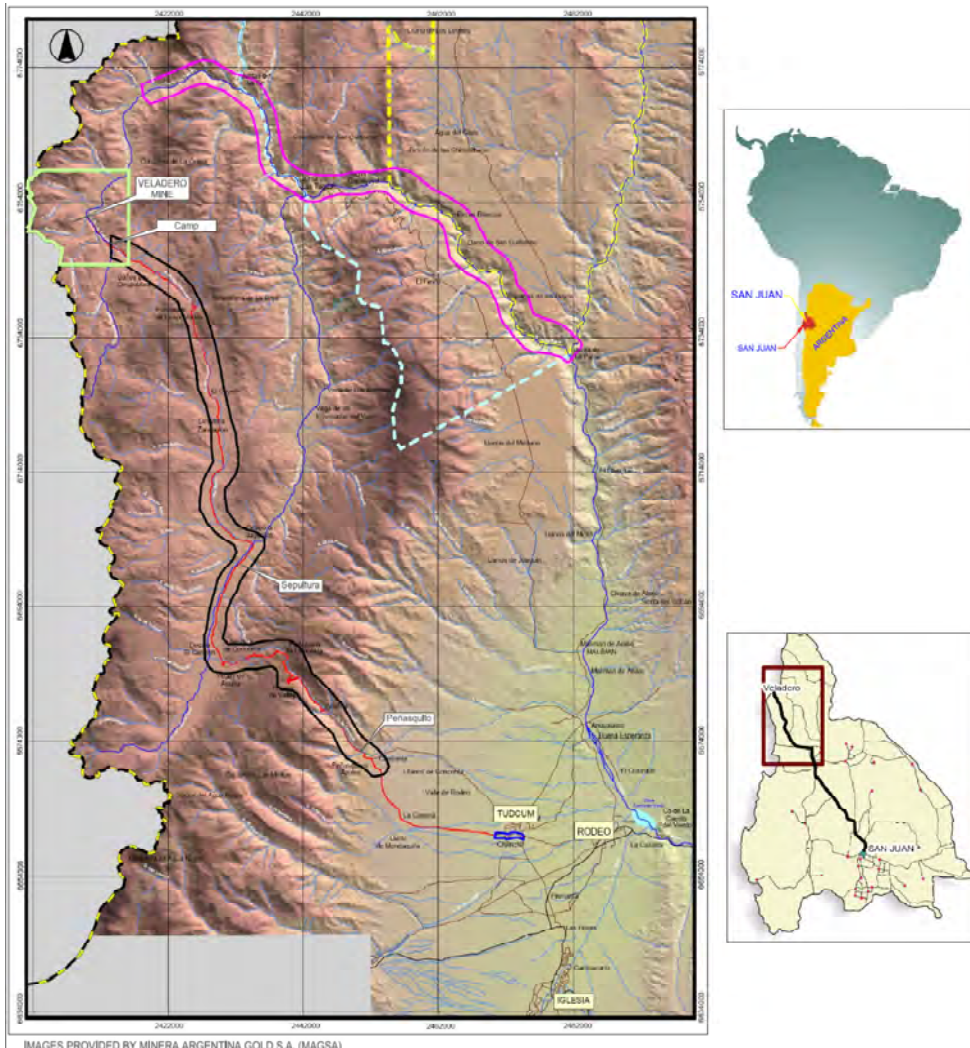


Figure 1: Regional Location Map

Alexis Calder



SUMMARY AUDIT REPORT

Auditors Findings

This operation is:

- in full compliance with**
 - in substantial compliance
 - not in compliance with
- with the International Cyanide Management Code.**

During the audit period there were no significant cyanide related incidents at the mine requiring reporting to the ICMI or incidents requiring public disclosure or reporting to the Standard of Practice 9.3.3.

Audit Company: Golder Associates Argentina S.A.
Audit Team Leader: Alistair Cadden, Lead Auditor and Technical Specialist
Email: acadden@golder.com

Name and Signatures of Other Auditors

Name	Position
Patricia Oliver	Auditor

Dates of Audit

The Certification Gold Mining Operations Verification Audit was undertaken within four days (eight person-days) between 27th February and 4th March 2011.

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.

I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Gold Mining Operations and using standard and accepted practices for health, safety and environmental audits.



PRINCIPLE 1 – PRODUCTION

Encourage Responsible Cyanide Manufacturing by Purchasing from Manufacturers that Operate in a Safe and Environmentally Protective Manner

Production Practice 1.1: Purchase cyanide from manufacturers employing appropriate practices and procedures to limit exposure of their workforce to cyanide, and to prevent releases of cyanide to the environment

in full compliance with

The operation is

in substantial compliance with

Production Practice 1.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 1.1, which requires that the site encourage responsible cyanide manufacturing by purchasing from manufacturers that operate in a safe and environmentally protective manner.

Veladero was certified as fully compliant with the Code 13 December 2007. Up until 31 December 2008, the site bought cyanide from Dupont which was certified as fully compliant with the Code 05 April 2006. From 01 January 2009, Veladero has bought cyanide from Orica, which was certified as fully compliant with the code 28 November 2006 and recertified as code compliant on 17 March 2010. The cyanide purchase contract requires that only cyanide from a fully compliant cyanide manufacturer is supplied to the site.



PRINCIPLE 2 – TRANSPORTATION

Protect Communities and the Environment during Cyanide Transport

Transport Practice 2.1: Establish clear lines of responsibility for safety, security, release prevention, training and emergency response in written agreements with producers, distributors and transporters.

in full compliance with

The operation is

in substantial compliance with

Transport Practice 2.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 2.1 which requires that the site establish clear lines of responsibility for safety, security, release prevention, training and emergency response in written agreements with producers, distributors and transporters.

Veladero was certified as fully compliant with the Code 03 march 2008 when it purchased cyanide from Dupont.

Since 01 January 2009, Veladero buys its cyanide from Orica under a cyanide purchase contract which requires that the entire supply chain is fully Code compliant.

Clause 13.1 Orica is responsible for itself and its subcontractors, including transportation, for Code compliance

Clause 13.2 of the NaCN supply contract specifies the requirements for manufacturing, handling, storing, packaging labelling, transporting and emergency response to be compliant with the Code.

Transport Practice 2.2: Require that cyanide transporters implement appropriate emergency response plans and capabilities and employ adequate measures for cyanide management

in full compliance with

The operation is

in substantial compliance with

Transport Practice 2.2

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with the Standard of Practice 2.2 which requires the mine protect communities and the environment during cyanide transport.

Veladero was certified as fully compliant with the code 03 march 2008. At this time cyanide to supply to the mine was subject to supply agreement with Dupont. Since 01 January 2009 the cyanide supply contract for the mine is with Orica. The new cyanide supply contract requires that the supply chain be certified as fully compliant under the Code.

Clause 13.1 Orica is responsible for itself and its subcontractors, including transportation, for Code compliance.

Clause 13.2 of the NaCN supply contract specifies the requirements for manufacturing, handling, storing, packaging labelling, transporting and emergency response to be compliant with the Code.



VELADERO ICMI RECERTIFICATION SUMMARY AUDIT REPORT

Transport from Yarwun to the Port of Brisbane is covered under a code equivalent third party due diligence audit dated March 2007. The supply chain in Australia to the Port of Brisbane was certified as fully compliant 05 October 2010. Transport from the Port of Brisbane to the mine site was found to be fully compliant in a code equivalent audit and due diligence review in April 2009.

Veladero maintains full chain of custody records for the delivery of NaCN as part of the delivery documentation. These records are held by the warehouse department.

A handwritten signature in black ink, appearing to read "Alexia Calder".



PRINCIPLE 3 – HANDLING AND STORAGE

Protect Workers and the Environment during Cyanide Handling and Storage

Handling and Storage

Practice 3.1:

Design and construct unloading, storage and mixing facilities consistent with sound, accepted engineering practices, quality control/quality assurance procedures, spill prevention and spill containment measures.

in full compliance with

The operation is

in substantial compliance with

Handling and Storage Practice 3.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Handling and Storage Practice 3.1, requiring that cyanide handling and storage facilities are designed and constructed consistent with sound, accepted engineering practices, quality assurance/quality control (QA/QC) procedures, spill prevention and spill containment measures.

The cyanide storage and mix facilities are the same as were certified as fully compliant in 2008. An improvement has been made to the cyanide off load facility to facility handling of cyanide boxes with a forklift. The cyanide storage and mix facilities have been maintained in good order since the original certification audit in 2008.

Handling and Storage

Practice 3.2:

Operate unloading storage and mixing facilities using inspections, preventative maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

in full compliance with

The operation is

in substantial compliance with

Handling and Storage Practice 3.2

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Handling and Storage Practice 3.2 requiring that the site operate unloading storage and mixing facilities using inspections, preventative maintenance and contingency plans to prevent or contain releases and control and respond to worker exposures.

The system for dealing with old cyanide containers is the same as in 2008 for the original certification audit, although the procedure has been regularly updated since then. The bags and boxes are treated as hazardous waste, and washed and then taken to San Juan for incineration.

- a) The cyanide mix procedure PRO-PVL_116 Rev 09 contains detailed information regarding the operation of all valves during cyanide mixing.
- b) The cyanide mix procedure details the handling requirements of the cyanide containers to ensure they are not damaged during handling. The site has made improvements to the cyanide offload facility to further reduce the risk of the cyanide boxes being punctured during unloading.
- c) Boxes are stacked 3 high in the store, which complies with Orica's recommendations.
- d) Veladero has a spill response procedure to ensure timely clean up of any spills during the handling of cyanide boxes PRO-PVL-409 procedimiento de control de derrame de cianuro de sodio.



- e) During the cyanide unloading and mixing process all operators use Tyvek suits and dust masks. Portable HCN monitors are also used at the warehouse and during the mix. Operators are in two way radio communication with the control room, from where the operation can be observed by CCTV.

A handwritten signature in black ink, appearing to read "Alexia Calderon".



PRINCIPLE 4 – OPERATIONS

Manage Cyanide Process Solutions and Waste Streams to Protect Human Health and the Environment

Operations Practice 4.1: Implement management and operating systems designed to protect human health and the environment including contingency planning and inspection and preventative maintenance procedures.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.1, requiring that the operation implement management and operating systems designed to protect human health and the environment including contingency planning and inspection and preventive maintenance procedures.

Veladero has a suite of operating procedures that were certified as fully compliant in 2008. Since then they have been updated regularly since the certification audit in 2008. The operation has not changed although the leach pad has expanded. Veladero has numerous operational procedures that identify the design parameters of the facility, such as the heap leach operating manual, pH control during the process and maximum and minimum solution levels in the pregnant pond.

Veladero has upgraded the site water balance using Goldsim probabilistic model which is updated daily using meteorological data collected on site. This tool is used to actively manage the operation of the heap leach to ensure that water balance issues do not arise.

Veladero uses a change management procedure to assess any proposed change in the operating procedures and to identify any increase in the risk of use of cyanide. A recent example of modifications to the cyanide unloading facility was reviewed by the auditors.

The site has a number of 'Pre-Plans' that deal with responses to situations outside normal operating conditions. These include plans for scenarios such as extreme weather, failure of the electricity generating systems, failure of critical equipment such as the riser pumps.

Regular inspections are carried out at Veladero to ensure that equipment and the process is operating within design parameters. Inspections range from daily logs kept by plant and heap leach operators to a computerised planned maintenance system, an Oracle database, for major equipment items. The Oracle database system is also used for tracking corrective maintenance.

Veladero produces all site power by an onsite system consisting of 10 generators with a capacity of 10 MW. Veladero only uses 6 or 7 generators at any one time. The generators that are not being operated are part of a regular preventative maintenance and start up by a contractor.



Operations Practice 4.2: Introduce management and operating systems to minimise cyanide use, thereby limiting concentrations of cyanide in mill tailings.

Operations Practice 4.2 is not applicable at Veladero because the site is a heap leach facility and no mill tailings are produced.

Operations Practice 4.3: Implement a comprehensive water management programme to protect against unintentional releases.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.3

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.3, requiring the operation to implement a comprehensive water management programme to protect against unintentional releases.

Veladero has upgraded its water balance to a probabilistic Goldsim model and models issues such as a design storm. 1:100yr 24 hr event 22mm, power outages and solution application rates. The model is updated daily with data from site such as irrigation areas and solution flow rates, rainfall and ore deposition areas. The model is used to control daily operations and to predict behaviour into the future assisting both production and identifying potential water balance issues.

Operations Practice 4.4: Implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.4

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.4, requiring the operation implement measures to protect birds, other wildlife and livestock from adverse effects of cyanide process solutions.

Since the 2008 audit, Veladero has backfilled the pregnant solution pond to prevent wildlife access. Use of buried drip irrigation systems prevents surface ponding at the site. Leak collection and recovery system solutions are contained in enclosed chamber for direct pumping back to the Valley Fill Leach Facility. There is a perimeter fence to prevent livestock access and chain link fences around the ponds. There is generally no open water in the site except the pond at toe of leach facility, which has CNwad concentrations below detection limits.

There have been no reported wildlife mortalities at Veladero

Operations Practice 4.5: Implement measures to protect fish and wildlife from direct or indirect discharges of cyanide process solutions to surface water.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.5

not in compliance with



Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.5, requiring the operation implement measures to protect fish and wildlife from direct or indirect discharges of cyanide process solutions to surface water.

Veladero does not have a direct discharge to surface water. Surface water monitoring results show cyanide concentrations to be below detection limits. There is no indirect discharge to surface water from Veladero.

Ground watering monitoring from Jan 2008 to date below detection limits.

Veladero does not have any indirect discharge of cyanide solutions to surface waters. Veladero operates with zero discharge of process solutions. Veladero conducts monitoring to characterize the leak collection and recovery system, the underdrain system and downstream surface water quality. Veladero has an extensive surface water monitoring program with key points to establish cyanide facility performance as the Primary Sump (PS), Contingency Pond (CP), downstream on the Potrerillos River (SW-6) and the downstream regulatory compliance point on Rio Las Taguas (LA-6). Review of data from 2007 for these points indicates that WAD cyanide is below detection <0.01 mg/L.

Operations Practice 4.6: Implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of groundwater.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.6

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.6, requiring the operation implement measures designed to manage seepage from cyanide facilities to protect the beneficial uses of groundwater.

Veladero has a number of systems in place to protect the beneficial use of groundwater, including use of a composite clay and geomembrane liner system with the valley leach facility, underdrainage and leak detection systems and secondary containment for all process tanks containing cyanide solutions, Groundwater monitoring results show all measurements of cyanide to be below detection limit (0.01mg/L). The operation at Veladero is open pit mining and heap leaching. There are no mill tailings produced. No cyanide has been detected in groundwater therefore no remediation measures are being undertaken.

Operations Practice 4.7: Provide spill prevention or containment measures for process tanks and pipelines.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.7

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.7 requiring that the operation provide spill prevention or containment measures for process tanks and pipelines.

Secondary containment is available for all cyanide storage facilities. This is the same as for the 2008 audit report and visual inspection showed that they had been maintained in good condition.



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Veladero has spill prevention and containment measures for the two cyanide storage areas, the associated process tanks in the Tank Farm, and Merrill-Crowe process areas. Veladero has automated sump pumps with level controls within the containments to pump collected solutions into the process circuit. The containments are constructed of cast-in-place reinforced concrete. Veladero has completed an extensive internal analysis of the containment areas to verify the tank sizes and the available secondary containment. Procedures are in place to prevent spills and ensure that the available capacity is present.

The cyanide preparation and storage tanks each have a 108 m³ capacity and are located under a roof within a 27 m³ containment that flows to the Merrill-Crowe containment area of 762 m³. The Merrill-Crowe process containment has been connected with a 12-inch pipe to the adjacent Tank Farm containment providing a combined capacity of 2,519 m³. The barren tank is the single largest tank in the Tank Farm with a operating capacity of 2206 m³.

Veladero has automated the collection sumps in the containment areas to automatically pump any cyanide solution to the process circuits. Veladero, in addition to the containment areas for the process, has constructed an Emergency Pond with an additional 3,449 m³. Operation and sampling of water collected in the Emergency Pond in a Procedure Manejo de La Pileta De Derivacion de Planta de Procesos (Management of Process Solution in the Emergency Pond). The Operation Pre-Plans address and evaluate potential scenarios where solution is collected in the secondary containments and provide contingency planning. The Veladero operating procedures require that all spills be addressed immediately. Veladero also has procedures in place to immediately address any critical pump failure to assure that the resources are always in place to manage spills.

Veladero has constructed all pipelines with spill prevention and containment measures to collect leaks and prevent releases. The pipelines outside the leach pad or the process plant containments are constructed within HDPE lined conveyance channels or within concrete lined tunnels. In addition all pipelines are encased in thermo protection layers or encased in a layer of HDPE that further prevents the possibility of spraying off the lined containment in the case of a pipe break.

All of the process pipelines at Veladero have secondary containment, within an HDPE lined conveyance channel. Pressure sensors have been placed on the pregnant and barren pipelines on the section between the Process Plant and Valley Fill Leach Facility with the pressure differential indicator in the Control Room. Based on our review Veladero does not have any perennial or ephemeral surface water bodies that require special protection needs for pipelines over and above the secondary containment measures and pressure sensors already taken.

All Veladero cyanide process tanks and pipelines are constructed with materials compatible with high pH cyanide solutions. These include Carbon Steel ANSI B36.10, Schedule 40, 150-pound class pipelines for the Pregnant and Barren lines, API 650 steel tanks and HDPE pipelines.

Operations Practice 4.8: Implement quality control/quality assurance procedures to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.8

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.8 requiring that operations implement QA/QC procedures to confirm that cyanide facilities are constructed according to accepted engineering standards and specifications.



Veladero has quality assurance programmes for all new facilities. Since the 2008 audit new works have included:

- Valley leach expansion;
- Pipework extension;
- Cyanide store unloading bay modifications.

Since the certification audit in 2008 a number of projects have been undertaken: extension of leach pad, extension of pipework for leach solutions:

Valley 3 main controls

Soils – soil liner and structural fill, moisture content, density, sieve liner, plasticity. Contractor and Vector both have laboratories

Geomembrane – fusion welding records; air pressure tests; extrusion welding vacuum and spark tests; register of repairs. Vector is controlling this.

Drainage system - gravel drainage is checked for particle size distribution. Pipework tested by visual inspection. Sometimes carry out visual inspection by loading and unloading sections of the work and checking it is OK.

Operations Practice 4.9: Implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and groundwater quality.

in full compliance with

The operation is

in substantial compliance with

Operations Practice 4.9

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 4.9 requiring that operations implement monitoring programs to evaluate the effects of cyanide use on wildlife, surface and groundwater quality.

Veladero’s written monitoring plans were found to be fully compliant with the Code in 2008. These plans were updated in 2010 to reflect the expansion of the activities at the site.

Frequency of monitoring has changed:

- SP 3x week
- BCRP was 3x week now fortnightly (suggested by authorities based on the results)

Number of monitoring points has been increased with additional groundwater quality wells being added: GWQ12-15 and GWQ16-19.

In 2008 Veladero changed their laboratory from Induser; now use Corplab (San Juan). Both are certified laboratories in Argentina

Other aspects of the monitoring plan have remained the same as for the initial certification audit on 2008.

The plan has been updated by Environmental Engineers (Leandro Poblete and Roberto Caso with review by Jose Fornes all certified civil engineers through the College of Professional Engineers and Land Surveyors) and was reviewed and approved by Mining Secretariat as part of the mining approvals.



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Documents are updated at least every 2 years in accordance with Barrick's document management systems

Analysis methods use the Standard Methods for the Examination of Water & Wastewater: SM4500 CN-E (CNfree); C/E (CNtotal); I/E (CNwad).

Sampling procedures are the same as were found to be fully compliant in 2008

The water quality sampling documents (MAGSA, updated 2010) specifies the standard operating procedures for surface water, process water and groundwater including sample preservation requirements. Locations of sampling sites and sample parameter lists including cyanide species are also specified. Chain of Custody procedures are included.

Veladero has no discharges to surface water. Groundwater and surface water monitoring is undertaken downstream.

Veladero provides wildlife mortality training to all company and contract employees with an annual refresher. Each employee is responsible for contacting the Environmental Department should they encounter wildlife mortality or activity. Any animal carcasses cannot be moved without permission from the Environmental Department. There have been no reported wildlife mortalities at Veladero.



PRINCIPLE 5 – DECOMMISSIONING

Protect Communities and the Environment from Cyanide through Development and Implementation of Decommissioning Plans for Cyanide Facilities.

Decommissioning

Practice 5.1: Plan and implement procedures for effective decommissioning of cyanide facilities to protect human health, wildlife and livestock.

in full compliance with

The operation is in substantial compliance with **Decommissioning Practice 5.1**

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 5.1, which requires that the site plan and implement procedures for effective decommissioning of cyanide facilities to protect human health, wildlife and livestock.

Written closure plan is available. Original produced in 2007 by Golder Associates Argentina SA. This was current at the time of the original certification audit and was found to be fully compliant. This report has been updated by Barrick staff since the original issue. Cost estimates have been updated annually as part of the Asset Retirement Obligation reporting requirements. Latest version of ARO and LOM were calculated in 2010. The quantities have also changed as the plan has been updated. The concepts of closure have not changed. The costs have changed as areas are reclaimed progressively and new facilities developed. Latest version contains an annex of Plan de descontaminación y desmantelamiento de instalaciones con cianuro (Plan for decontamination and dismantling cyanide facilities) produced May 2009.

The plan contains a GANTT chart and this has been updated (Chpt 8 of closure plan) annually as it is used to calculate the ARO and the LOM.

Decommissioning

Practice 5.2: Establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.

in full compliance with

The operation is in substantial compliance with **Decommissioning Practice 5.2**

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with the Standard of Practice 5.2 which requires that the site establish an assurance mechanism capable of fully funding cyanide related decommissioning activities.

Cost estimates have been updated annually as part of the Asset Retirement Obligation reporting requirements. Latest version of ARO and LOM were calculated in 2010. The quantities have also changed as the plan has been updated. The unit rates are obtained from contractors bidding for projects on the site and other Barrick sites nearby. Cost estimates have been updated annually as part of the Asset Retirement Obligation reporting requirements.

The Argentine authorities do not require a financial guarantee. Veladero used a self-guarantee to assure sufficient finance for detoxification and decommissioning of its cyanide facilities.





VELADERO ICMI RECERTIFICATION SUMMARY AUDIT REPORT

To supplement the audited financial statements, certified Public Accountants, McMullen, McPhee & Company, LLC (McMullen McPhee) prepared the document titled *“Agreed Upon Procedures and Report of Independent Certified Public Accountants, Barrick Gold Corporation, Statement of Financial Strength for the ICMI (April 30, 2010)”* for Barrick Gold Corporation (BGC). The report was prepared to assist BGC in obtaining a financial guarantee for its cyanide-related decommissioning activities using 10 CFR 30, Appendix A, and in accordance with attestation standards established by the American Institute of Certified Public Accountants. Certified annual financial statements and quarterly financial statements for the previous five (5) fiscal years as well as other reports or amendments submitted to the Securities Exchange Commission were used in evaluating financial information and ratios for BGC. All financial information used, was prepared in accordance with US GAAP. McMullen McPhee did not conduct an audit or express an opinion on the accounting records of BGC.

A handwritten signature in black ink, appearing to read "Alexia Calder".



PRINCIPLE 6 – WORKER SAFETY

Protect Workers' Health and Safety from Exposure to Cyanide

Worker Safety

Practice 6.1: Identify potential cyanide exposure scenarios and take measures as necessary to eliminated, reduce and control them.

in full compliance with

The operation is

in substantial compliance with

Worker Safety Practice 6.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 6.1 which requires that the site has developed procedures describing how cyanide-related tasks such as unloading, mixing plant operations, entry into confined spaces, and equipment decontamination prior to maintenance should be conducted to minimise worker exposure.

Veladero has operating plans and procedures that describe the management and operation of the cyanide facilities. These plans and procedures cover the safe operation of the entire cyanide management facilities.

The procedures detail the risk involved with each task and adequately describe safe work practices. Task specific personal protective equipment (PPE) requirements are stated in each operating procedure.

Daily and weekly inspections are conducted to assess work areas and equipment. Additionally, job safety assessments are completed and documented prior to every cyanide related task.

Veladero solicits and consider worker input through a suggestion system. Any proposed change in process operations and cyanide management is formally evaluated prior to implementation.

Worker Safety

Practice 6.2: Operate and monitor cyanide facilities to protect worker health and safety and periodically evaluate the effectiveness of health and safety measures.

in full compliance with

The operation is

in substantial compliance with

Worker Safety Practice 6.2

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

The operation is in full compliance with Standard of Practice 6.2 which requires that the site operate and monitor cyanide facilities to protect worker health and safety and periodically evaluate the effectiveness of health and safety measures.

Veladero has established the minimum pH level for limiting the evolution of hydrogen cyanide gas at VFLF and Process Plant.

Veladero has established requirements for personal protective equipment at all relevant process areas and for all cyanide related activities.

Fixed HCN monitors are installed in areas of potential exposure to cyanide. In addition, operators working in areas where cyanide is present are required to wear portable HCN monitors to conduct their tasks. HCN sensors are set at 4.7 ppm low level alarm and 10 ppm high level alarm. HCN monitors are maintained, calibrated and inspected as recommended by the manufacturer.



Warning signs are posted in areas where cyanide is used. Pipes containing cyanide are marked as containing cyanide solution and show flow direction. Veladero also uses a color-coded piping system to further identify pregnant solution, barren solution, makeup water, etc. The cyanide storage, mixing and process tanks are marked as containing cyanide and include hazardous material risk diagrams and signage for confined areas at the tank entry points.

The operation has implemented an incident investigation process to report and investigate all kind of incidents, which include cyanide related incidents.

No cyanide related incidents have been recorded for the operation.

Worker Safety

Practice 6.3: Develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.

in full compliance with

The operation is in substantial compliance with **Worker Safety Practice 6.3**

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 6.3 that requires that the site develop and implement emergency response plans and procedures to respond to worker exposure to cyanide.

Veladero has the necessary equipment and means of communication readily available for use at specific locations in the plant. Inspections of the first aid equipment are regularly carried out to ensure that it is available when needed, and materials are replaced on a schedule to ensure that they are effective when needed.

The operation has specific written emergency response plans and procedures to respond to cyanide exposures.

Regarding first aid and/or medical assistance, the operation have its own on-site capability and has procedures to transport workers exposed to cyanide to locally available qualified off site medical facilities.

The operation has made formalized arrangements with local hospitals establishing training plans with them to ensure that the medical facilities has adequate, qualified staff, equipment and expertise to respond to cyanide exposures.

Mock emergency drills are conducted periodically to test response procedures for various cyanide exposure scenarios, Documentation for each mock drill includes; sequence of events, communication and technical performance, Brigade reaction, organization of personnel, function of equipment and materials, photos, conclusions, corrective actions and training records.



PRINCIPLE 7 – EMERGENCY RESPONSE

Protect Communities and the Environment through the Development of Emergency Response Strategies and Capabilities

Emergency Response

Practice 7.1: Prepare detailed emergency response plans for potential cyanide releases.

in full compliance with

The operation is in substantial compliance with **Emergency Response Practice 7.1**

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 7.1 which requires that the site prepare detailed emergency response plans for potential cyanide releases.

Veladero has an emergency response plan named POE (Procedimiento de Operaciones de Emergencia) that defines objectives, addresses emergency telephones, emergency response protocols, and responsibilities, being some specific emergency plans originated from this plan. The operation has also developed a Cyanide Management Plan, which includes a transport Plan, and an emergency response plan, among other topics.

The cyanide is supplied to the site by Orica and the transport contractor is Cruz del Sur. Orica and Cruz del Sur are responsible for transportation of Cyanide from the Buenos Aires Port to the site, maintain ownership of the cyanide until offloading occurs at the mine. Both contractors have plans that consider transportation route, condition of road and the design of the transport vehicle. Additionally, Veladero’s Cyanide Management Plan also considers the transportation route hazards.

Emergency Response

Practice 7.2: Involve site personnel and stakeholders in the planning process.

in full compliance with

The operation is in substantial compliance with **Emergency Response Practice 7.2**

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 7.2 which requires that the site involve site personnel and stakeholders in the planning process.

The POE 2010, corresponds to the third update of the emergency response plan, being revised every 2 years or in case of accidents or mock drills, show that procedures need to be changed. No outside stakeholders have been involved on the development of the plan since they do not have designated responsibilities under the plan.

Veladero has various programs that allow communication and feedback with stakeholders. Every two years the mine hires a third-party trainer (Garner, 2005; Calcic, 2007; CEBE; 2010) to train the staff as part of their regular training program and continual improvement. They also invite Fire-fighters and Police from the nearest communities to participate in this training.

Veladero medical services team has also trained the community hospitals on cyanide emergency response.

In the case of emergency away from the site, Barrick resources are made available to the local authorities to assist in the response.



Emergency Response

Practice 7.3:

Designate appropriate personnel and commit necessary equipment and resources for emergency response.

in full compliance with

The operation is

in substantial compliance with

Emergency Response Practice 7.3

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 7.3 which requires that the site designate appropriate personnel and commit necessary equipment and resources for emergency response.

Veladero has not introduced significant changes to the POE since the 2008 audit, remaining almost the same protocols to face cyanide related incidents.

The POE designates people in charge in case of emergency and defines duties and responsibilities for each of them. There are boards located at key locations with the photograph, name and contact information of first responders and the incident commander team.

The POE includes a list of training requirements by the Emergency Response Team, which includes emergency psychology, incident command, trauma management, fire fighting including cyanide related fires, rope handling, confined space search and rescue, Level III Hazmat, defensive driving.

Veladero has a list of hazmat response equipment by area. Lists include response materials, vehicles and vehicles equipment. Equipment is inspected periodically by the Emergency Response Team Area.

Veladero does not use offsite responders for onsite emergencies, however local hospital personnel, policemen and fire-fighter have participated on training sessions provided by Veladero staff and outside training companies.

Emergency Response

Practice 7.4:

Develop procedures for internal and external emergency notification and reporting.

in full compliance with

The operation is

in substantial compliance with

Emergency Response Practice 7.4

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 7.4 which requires that the site develop procedures for internal and external emergency notification and reporting.

The POE includes procedures and contact information for notifying outside agencies and stakeholders. Given the remote location of the mine cyanide related incidents with a potential to impact communities are not identified as a significant risk. However, each department within Veladero is responsible for reporting information timely and accurately to the Communications Department, who will forward the information to appropriate government organizations, the media and wider community.



Emergency Response

Practice 7.5:

Incorporate in response plans and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.

in full compliance with

The operation is

in substantial compliance with

Emergency Response Practice 7.5

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 7.5 which requires that the site incorporate in response plans and remediation measures monitoring elements that account for the additional hazards of using cyanide treatment chemicals.

The Plan clearly prohibits the use of sodium hypochlorite, ferrous sulphate and hydrogen peroxide to treat contaminated water that would leave the site.

Veladero uses bottled water for its drinking water supply.

Responses to cyanide release include: contact and notification; immediate response actions consisting of having trained personnel stop the release when safe to do so, and collection of a sample of the release to determine concentrations; treatment, clean up and remediation; and collection of analytical information on released material and confirmation samples from the clean up. Response also identifies key sampling points and frequency both during normal operations and during emergency response.

Emergency Response

Practice 7.6:

Periodically evaluate response procedures and capabilities and revise them as needed.

in full compliance with

The operation is

in substantial compliance with

Emergency Response Practice 7.6

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 7.6 which requires that the site periodically evaluate response procedures and capabilities and revise them as needed.

Veladero has committed to evaluate and update the POE at least every two years, based on review of the incidents and drills it could be updated more frequently. Veladero also conducts cyanide related mock drills to practice and prepare for emergencies and to provide insight into the effectiveness of its emergency response plans. The operation has conducted three cyanide related mock drills since the Initial Certification Audit.



PRINCIPLE 8 – TRAINING

Train Workers and Emergency Response Personnel to Manage Cyanide in a Safe and Environmentally Protective Manner

Training Practice 8.1: Train workers to understand the hazards associated with cyanide use.

in full compliance with

The operation is

in substantial compliance with

Training Practice 8.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 8.1. which requires that the site train workers to understand the hazards associated with cyanide use.

Veladero has a training program that provides training to workers at different levels: “New Man” , Secondary Training and Tertiary Training.

Cyanide hazard recognition refresher training is part of the annual refresher training courses.

Veladero retains both hard copy and electronic employee training records.

Training Practice 8.2: Train appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment.

in full compliance with

The operation is

in substantial compliance with

Training Practice 8.2

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 8.2 which requires that the site train appropriate personnel to operate the facility according to systems and procedures that protect human health, the community and the environment.

The training system is essentially the same as in 2008. All personnel in job positions that involve the use of cyanide receive training on how to perform their assigned tasks with minimum risk to health and safety.

Necessary cyanide management training elements are identified in training materials and cover worker safety and environmental considerations.

There is a procedure that establishes that trainers on cyanide management activities must have undertaken the NaCN supplier’s “Train the Trainer” course, or have at least one year of experience working with cyanide at mines.

General Training on procedures are conducted by supervisors whereas training on management of CN is given by properly trained personal.

Before undertaking any cyanide related activity, 5 minutes talks are held going through the process that needs to be done or covering any cyanide related topic, the same

Veladero requires written tests to evaluate the effectiveness of cyanide training. Training records are retained throughout an individual's employment with Veladero, documenting the training received.



Training Practice 8.3: Train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.

in full compliance with

The operation is

in substantial compliance with

Training Practice 8.3

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 8.3 which requires that the site train appropriate workers and personnel to respond to worker exposures and environmental releases of cyanide.

Personnel responsible for unloading, mixing, production, and maintenance are trained in decontamination and first aid procedures for cyanide release incidents.

Emergency Response Team at Veladero is composed of professional emergency responders and voluntary responders, and they receive the following specialized training every two years:

Basic Trauma Life Support, Vehicle Rescue, Rescue with Ropes, Basic CPR, Hazardous Materials, Cyanide Intoxication First Aid, Mine Rescue, Cyanide Management, Cyanide Use, Hazmat and Emergency Psychology.

The operation conducts mock drills based on likely release/exposure scenarios. Cyanide emergency drills are evaluated from a training perspective to determine if personnel have knowledge and skills required for effective response. Training procedures are revised, if needed, as a result of the findings of the mock drill debriefing.

Veladero retains training records for each employee, including test results, supervisor and qualification.



PRINCIPLE 9 – DIALOGUE

Engage in Public Consultation and Disclosure

Dialogue Practice 9.1: Provide stakeholders the opportunity to communicate issues of concern.

in full compliance with

The operation is

in substantial compliance with

Dialogue Practice 9.1

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 9.1 which requires that the operation provide stakeholders the opportunity to communicate issues of concern.

Veladero provides multiple opportunities to third parties and to local residents to communicate issues of concern with mine staff.

The operation manages these opportunities through a Communication Department with staff trained in its use.

Veladero has documented a high level of participation in the three year period since the 2008 audit.

- Website: www.barricksudamerica.com;
- Blog: www.construyendodialogo.com; and
- Mailbox: comunicacionesargentina@barrick.com.

Dialogue Practice 9.2: Initiate dialogue describing cyanide management procedures and responsively address identified concerns.

in full compliance with

The operation is

in substantial compliance with

Dialogue Practice 9.2

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 9.2 which requires that the site initiate dialogue describing cyanide management procedures and responsively address identified concerns.

Veladero, by means of four (4) different community programs, provides multiple opportunities to interact with stakeholders and to provide them information regarding cyanide management.

Veladero also distributes an internal magazine delivered to families of Veladero staff, dealing with various issues related to the operation, including cyanide management.

Additionally, the operation finances research works to mass media for publishing issues of interest to the community regarding Veladero, and invites journalists, both national and provincial, to visit the project. Veladero is continuously trying to improve the way to reach people to inform about the operation, and considers that the best way to this is “face to face”.



Dialogue Practice 9.3: Make appropriate operational and environmental information regarding cyanide available to stakeholders.

in full compliance with

The operation is

in substantial compliance with

Dialogue Practice 9.3

not in compliance with

Summarise the basis for this Finding/Deficiencies Identified:

Veladero is in full compliance with Standard of Practice 9.3 which requires that the site make appropriate operational and environmental information regarding cyanide available to stakeholders.

Veladero continuously makes information regarding the operation, including cyanide activities, available to stakeholders in a variety of written, verbal, and visual formats for different levels of education and ages.

The operation has developed written leaflets for the communities and other stakeholders that provide detailed information on cyanide management at the mine, however, the main way in which Veladero provides information is verbally and/or visually via the Programs Puerta a Puerta, Programa de Visitas, Programa de Difusión Comunitaria and Programa de Muestreo Participativo.

Specific information on exposures and releases is required to be reported to the local mining authority. Barrick also voluntarily makes this information available at their website.

There were no cyanide incidents during the audit period requiring public disclosure or reporting under applicable regulations.



Página para firmas de Informe

GOLDER ASSOCIATES ARGENTINA S.A.

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Golder, Golder Associates y el logotipo formado por los símbolos GA junto al globo terráqueo son marcas registradas de Golder Associates Corporation.

En Golder Associates ofrecemos a nuestros clientes la oportunidad de trabajar con empresas locales que se esfuerzan por ser el grupo global de servicios de consultoría en Ingeniería del Terreno y Ciencias Ambientales más respetado a nivel mundial. Caracterizada por ser una empresa de propiedad de sus empleados desde su formación en 1960, Golder Associates ha logrado crear una cultura única de compromiso que, sin duda, ha redundado en una estabilidad organizacional a largo plazo. Como resultado, nuestros clientes cuentan con profesionales que se dedican a entender las necesidades de los ambientes específicos en los que desarrollan sus actividades. En nuestro afán por ofrecer cada vez mejores servicios continuamos creciendo en capacidad técnica e incrementando el equipo humano que en la actualidad integra las oficinas de Golder en África, América del Norte, América del Sur, Asia, Europa y Oceanía.

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