



June 7, 2011

Response to Article on North Mara Mine, Tanzania

Barrick Gold Corporation appreciates the opportunity to respond to the article "Barrick's Bodysnatchers", by Sakura Saunders, editor of Protestbarrick. Protestbarrick is an on-line networking organization which, it claims, is a portal for "groups researching and organizing around mining issues." As its name implies, however, its focus is to promote anti-Barrick protest activity. Indeed, most recently, on June 3, 2011, Ms. Saunders attempted to storm the company's corporate offices and enter private property without permission. Police intervened and prevented this from occurring.

Protestbarrick also publishes and republishes stories about Barrick, many of which are slanted to portray the company in a negative light. Some material is premised on rumor or suffers from basic factual inaccuracies. This article is one such example. Overall, it distorts the responsible actions of Barrick and its subsidiary African Barrick Gold (ABG), which owns and operates the North Mara mine in Tanzania.

Barrick and ABG have been proactive in communicating accurate and substantive reports concerning the May 16, 2011 violent confrontation between a large group of intruders and police at the mine, which resulted in loss of life. A company statement concerning this police action was issued on May 19, 2011.

As background, the North Mara mine operates in a geopolitically complex region. The mine is located in a remote, underdeveloped part of the country with limited police resources, resulting in breakdowns in law and order and violence. Organized crime is also present in the region. This complex environment is further complicated by regular misinformation on the ground that is sometimes reported in different media outlets, as well as online by Protestbarrick.

Barrick is a member of the Voluntary Principles on Security and Human Rights and its policies and those of ABG are clear. Both companies are aligned in their zero tolerance approach to human rights violations. Should human rights violations occur at any operation, we will not hide from the truth. At the same time, we will not hesitate to correct the record whenever necessary.

The following highlights some of the inaccuracies contained in the Saunders article:

May 2011 Incursion

• The claim that the May 16 incursion involved "artisanal miners" is a clear attempt to legitimize illegal and dangerous conduct. In this instance, an organized and armed mob of up to 1,500 people entered the mine site with the intent of stealing ore. The approximately 35 Tanzanian police who arrived at the scene attempted to contain the situation based on escalating use of force; however, a violent confrontation ensued as the intruders engaged in a sustained attack on police. The police have reported that five intruders were killed and a number of their officers were injured in the

confrontation. ABG is fully cooperating with the police investigation into the fatal shootings by police and is conducting its own internal investigation.

Claim of "Bodysnatching"

- The reference to "Barrick's Bodysnatchers" is both misinformed with respect to actual events and misleading in relation to the role of the company. Based on a recent statement by the Tarime District Commissioner, the lead government authority in the District, claims of the police stealing the bodies of the deceased and dumping coffins containing bodies by the roadside are entirely false.
- These are the facts:
 - Funerals were conducted peacefully following discussions and agreement reached by police and the families of the deceased in order to ensure the funerals were carried out without incident;
 - Members of the political opposition party (Chadema) were arrested for attempting to interfere with the burials, including distributing empty coffins and organizing a political rally around the funerals;
 - The photograph of a coffin that initially ran in some media outlets appears to be one of several of the coffins distributed and later abandoned by the opposition party in the area. According to the Tarime District Commissioner, police authorities identified the coffin as belonging to Chadema, for a farewell rally that was cancelled by the police for security reasons.

Relationship of ABG and Tanzanian Police

- The relationship of ABG and the Tanzanian police is also misrepresented to falsely imply that the company is directing Tanzanian police operations.
 - Tanzania is a sovereign country, with a sovereign police force. Police operations in the region are solely the responsibility of the Tanzanian police and ABG has no authority in this area. All decision and directions are made by the Tanzanian police.
 - The company's relationship with police is governed by clear parameters to which both parties have agreed. ABG has a Memorandum of Understanding with the police that stipulates that officers providing services in and around the mine operate based on national and international laws, the Voluntary Principles on Security and Human Rights, and the U.N. Convention for Law Enforcement Officials. Under the MOU, the Tanzanian police are required to assign officers who receive proper training based on these laws and standards and are required to discharge their responsibilities accordingly. ABG provides or arranges for human rights training for these officers.
 - The MOU is not an agreement to provide security services to the mine. It establishes a broader role of upholding law and order (the role of the State as

per the Voluntary Principles). The police provide protection primarily to the community, as well as the mine and its employees. The police are stationed off the mine site and only upon request do the police enter the mine area.

- To assist in addressing the severe lack of police resources in the region, ABG provides a small amount of support to the police (in the form of a per diem according to rates set by the Tanzanian government for food and accommodation, fuel, the use of vehicles, and certain office supplies).
- At this time, operational decisions related to Tanzanian police are being made at the national police level. Senior police resources have been dispatched from the capital to investigate and oversee the situation on the ground in the Mara region. Decisions are currently being made by these senior police authorities and ABG does not have any role in these matters.

December 2008 Incursion

• The characterization of the incursion of December 2008 as a "civilian uprising" substantially downplays the very violent nature of this event, the aim of those illegally entering the mine, and the threat associated with such incidents to North Mara's 1,000 employees. The author omits to mention that in 2008, two North Mara employees were murdered in separate incidents by intruders to the mine. This specific incident involved a large group of intruders and occurred immediately after employees had completed blasting high grade ore in the pit. A number of intruders were armed. Under attack, security personnel contacted the police. Regrettably, one man, who was part of the group of invaders, was shot by police and fatally injured. In addition to theft of ore, mining equipment was set on fire and destroyed, resulting in an estimated \$7 million in damages.

In addition, on May 30, 2011, Barrick and ABG publicly reported on deeply disturbing allegations of sexual assault by members of the Tanzanian police and employees of ABG's security unit. These were incidents that ABG itself identified through its own internal controls. ABG and Barrick have met with and briefed the police, a major international NGO working in the area, and stakeholders. Both companies have been forthcoming in identifying these allegations, ABG's responses and next steps. Our deepest concern is for the women who may have been victimized in this manner and we will explore possible ways to assist them. Globally, we recognize that violence against women is a major social problem and want to contribute to broader solutions, especially in the communities where we operate.

Barrick and ABG are taking a wide range of concrete, comprehensive actions to strengthen human rights compliance, improve security practices, and assist the community at North Mara in working toward long-term solutions to complex social and economic challenges. For more information, please read <u>Barrick's</u> and <u>ABG's</u> latest public statements, which detail these initiatives. Both Barrick and ABG will continue to publicly report on the findings of company investigations and share information with our stakeholders.

We remain committed to the long-term future of North Mara and to the long-term stability and security of the communities surrounding this operation.