

From: Jim Rogers [rogersji@inac-ainc.gc.ca]
Sent: Tuesday, July 26, 2005 2:23 PM
To: p.brugger@sympatico.ca
Cc: mwinsselboorda@barrick.com; vbetts@barrick.com;
licensing@nwb.nunavut.ca
Subject: Re: Cullaton Lake visit August 4 2005

Further to your note, Cullaton Lake Type B Water Licence NWB1CUL0207 issued to Homestake Canada was transferred to Barrick Gold Corp. by the Nunavut Water Board in April 2004 with a condition that the security be maintained, along with conditions for provisions to the Water Board of an annual assessment of restoration liability be provided; an annual spill contingency plan, with necessary modifications; and an annually updated and revised A & R plan. Indian and Northern Affairs Canada holds the securities required by the Water Licence.

I wrote an email to Margi Winsel-Boorda, Lands Manager, Barrick Gold Corp. in Salt Lake City, Utah on June 28, 2005 about maintenance of the security but have not received a reply. The Nunavut Regional Office of Indian and Northern Affairs holds Barrick Gold Corporation's Letter of Credit from the Scotia Bank, No. S18572/169910, for the sum of fifty thousand dollars (\$50,000.) as security for abandonment and reclamation of your Cullaton Lake Mine in Nunavut, Canada. The original Letter of Credit was renewed to September 30, 2003 through an amendment from the Scotia Bank dated September 2002 which then automatically renewed for one year. Your company confirmed the original renewal in a May 29, 2003 fax message from L. S. Hobbs of Barrick in Toronto. Our legal opinion on the wording in the Letter of Credit "AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE PRESENT AND ANY FUTURE EXPIRATION DATE HEREOF" is that it would be automatically renewed each year until revoked with 90 days notice and/or returned. However, we would prefer notice that the expiry date of the Letter of Credit has/will be extended.

Therefore, would you have your land manager or financial institution confirm the status of the Letter of Credit. Also, would you have the address of the Beneficiary modified in the notice or amendment to the Letter of Credit to:

Receiver General for Canada
on behalf of the Minister of Indian Affairs and Northern Development
P.O. 2200
Bldg. 969
Iqaluit, Nunavut X0A 0H0

Thank-you

J. D. Rogers
Manager, Water Resources

(867) 975-4550

>>> "Paul J Brugger" <p.brugger@sympatico.ca> 26/07/2005 8:27:20 am >>>
Good Morning Gentlemen,

We will be conducting the Cullaton Lake 2005 annual site visit on August 4th. We would like to this opportunity to invite you to the site via our charter from Thompson so that you can inspect the final physical condition of the site and allow us to answer any questions you have. Please indicate whether this is a possibility and I will forward the flight details.

Rgds,
Paul