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Headnote

Mutual Reliance Review System for Exemptive Relief Applications – variation of decision granting exemption to issuer of exchangeable shares from certain continuous disclosure requirements, subject to certain conditions. Conditions amended to permit issuer to issue debt obligations to its parent and its parent's subsidiaries

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 171

**IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH
COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUEBEC, NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD
ISLAND, NEWFOUNDLAND AND LABRADOR, THE YUKON
TERRITORY, THE NORTHWEST TERRITORIES AND NUNAVUT**

AND

**IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

IN THE MATTER OF BARRICK GOLD CORPORATION

AND

HOMESTAKE CANADA INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the Decision Maker) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Yukon Territory, the Northwest Territories and Nunavut (the Jurisdictions) has received an application from Barrick Gold Corporation (Barrick) and Homestake Canada Inc. (HCI) (together, the Filer), for a decision pursuant to the securities legislation of the Jurisdictions (the Legislation) that the decision dated September 18, 2001 granted to Barrick and HCI by the Decision Maker in each Jurisdiction (the Existing Decision) be varied so that:

- (a) paragraph 4(f) is deleted and replaced with the following so that HCI is permitted to issue debt to Barrick and/or its subsidiaries:

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HCI does not issue any third preference shares or fourth preference shares or debt obligations, other than debt obligations issued to Barrick and/or its subsidiaries, banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the System), the Ontario Securities Commission is the principal regulator for this Application;

AND WHEREAS the Filer has represented to the Decision Makers as follows:

1. On December 14, 2001, Homestake Merger Co., a U.S. subsidiary of Barrick, merged with Homestake Mining Company (Homestake) pursuant to an agreement and plan of merger dated June 24, 2001 (the Merger). In connection with the Merger, the exchangeable shares issued to the public by HCI (the Exchangeable Shares) remained outstanding, but each such Exchangeable Share became exchangeable for 0.53 Barrick common shares, rather than for one share of Homestake common stock.
2. In contemplation of the Merger, the Existing Decision was obtained to, among other things, exempt HCI from the requirements contained in the Legislation of the Jurisdictions in which HCI is a reporting issuer (or equivalent) to issue a press release and file a report upon the occurrence of a material change, to file and deliver an annual report, where applicable, to file and deliver interim and annual financial statements and to file an information circular or analogous report, provided the conditions of the Existing Decision, including in particular the requirement that holders of Exchangeable Shares receive all disclosure material furnished to holders of Barrick common shares pursuant to the Legislation, were satisfied.
3. HCI intends to undertake an internal borrowing whereby it will borrow funds from its ultimate parent, Barrick, or one of its subsidiaries.
4. Barrick was formed by the amalgamation of three mining companies on July 14, 1984 under the *Business Corporations Act* (Ontario). Its head office is located at BCE Place, Canada Trust Tower, Suite 3700, 161 Bay Street, P.O. Box 212, Toronto, ON M5J 2S1.
5. The authorized capital of Barrick consists of (i) an unlimited number of common shares, (ii) an unlimited number of first preferred shares, issuable in series of which one has been designated as first preferred shares, series C special voting share, and (iii) an unlimited number of second preferred shares,

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issuable in series. As of April 30, 2003, Barrick had 541,460,118 common shares, one first preferred share series C special voting share and no second preferred shares outstanding.

6. Barrick is a reporting issuer (or equivalent) in each of the provinces and territories of Canada and is not on the list of reporting issuers in default in any of those jurisdictions.
7. The Barrick common shares are listed and posted for trading on The Toronto Stock Exchange, the New York Stock Exchange, the London Stock Exchange, the Swiss Exchange and the Paris Bourse.
8. HCI is a corporation governed by the *Business Corporations Act* (Ontario).
9. HCI is an indirect subsidiary of Barrick.
10. The authorized capital of HCI consists of (i) an unlimited number of Class A common shares, (ii) an unlimited number of Class B common shares, (iii) an unlimited number of Exchangeable Shares, (iv) an unlimited number of third preference shares, issuable in series, of which 10,000,000 have been designated as third preference shares, series 1, and (v) an unlimited number of fourth preference shares. As of April 30, 2003, 100,000 Class A common shares, 1,570,522 Exchangeable Shares (excluding shares held by Barrick and its affiliates), 103,986,397 Class B common shares, no third preference shares and 277,775,266 fourth preference shares were outstanding. All of HCI's outstanding shares, other than the Exchangeable Shares held by the public, are held by Barrick and its affiliates.
11. HCI is a reporting issuer (or equivalent) in Ontario, Quebec, British Columbia, Saskatchewan, Manitoba and Nova Scotia and is not on the list of reporting issuers in default in any of those jurisdictions.
12. The Exchangeable Shares are listed and posted for trading on The Toronto Stock Exchange.
13. Each Exchangeable Share provides the holder thereof with the economic and voting equivalent, to the extent practicable, of 0.53 Barrick common shares and the holders of Exchangeable Shares receive the same disclosure that Barrick provides to holders of Barrick common shares.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

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AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Existing Decision is varied to replace the existing paragraph 4(f) with the following:

HCI does not issue any third preference shares or fourth preference shares or debt obligations, other than debt obligations issued to Barrick and/or its subsidiaries, banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.

DATED this 30th day of May, 2003.

Harold P. Hands

Robert W. Korthals