

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N :

JOSEPH S. MANCINELLI, CARMEN PRINCIPATO, DOUGLAS SERROUL,
LUIGI CARROZZI, MANUEL BASTOS, JACK OLIVEIRA and COSMO MANELLA,
in their capacity as
THE TRUSTEES OF THE LABOURERS' PENSION FUND
OF CENTRAL AND EASTERN CANADA,

MIKE GALLAGHER, JOE REDSHAW, RICK KERR, ALEX LAW, BRIAN FOOTE,
RON MARTIN, JOHN HARTLEY, NICK DEKONING and JOE KEYES,
in their capacity as
THE TRUSTEES OF INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 793, MEMBERS PENSION BENEFIT TRUST OF ONTARIO,

MICHAEL WIENER

Plaintiffs

- and -

BARRICK GOLD CORPORATION,
AARON REGENT, JAMIE SOKALSKY, AMMAR AL-JOUNDI and PETER KINVER

Defendants

Proceeding under the *Class Proceedings Act, 1992*

FRESH AS AMENDED STATEMENT OF CLAIM

NOTICE OF ACTION ISSUED APRIL 24, 2014
STATEMENT OF CLAIM FILED MAY 21, 2014
AMENDED NOTICE OF ACTION ISSUED JUNE 10, 2014
AMENDED STATEMENT OF CLAIM FILED JUNE 10, 2014
SECOND AMENDED NOTICE OF ACTION ISSUED JUNE 20, 2014
SECOND AMENDED STATEMENT OF CLAIM FILED JUNE 20, 2014

CURRENCY AND DEFINITIONS

1. Unless otherwise stated, all dollar amounts stated herein are in United States dollars.
2. In this Statement of Claim, in addition to the terms that are defined elsewhere herein, the following terms have the following meanings:
 - (a) “**AIF**” means Annual Information Form;
 - (b) “**Al-Joundi**” means the defendant Ammar Al-Joundi;
 - (c) “**Barrick**” means Barrick Gold Corporation;
 - (d) “**CJA**” means the Ontario *Courts of Justice Act*, RSO 1990, c C-43, as amended;
 - (e) “**Class**” and “**Class Members**” means all persons, wherever they may reside or be domiciled, who purchased or acquired securities of **Barrick** during the **Class Period**, except for **Excluded Persons**;
 - (f) “**Class Period**” means the period from and including October 29, 2010 to and including October 30, 2013;
 - (g) “**CMN**” means Compañía Minera Nevada SpA, Barrick’s wholly-owned Chilean subsidiary through whom it holds an ownership interest in the mining property known as the Pascua portion (the Chilean side) of the **Pascua-Lama Project** area;
 - (h) “**CPA**” means the Ontario *Class Proceedings Act, 1992*, SO 1992, c 6, as amended;
 - (i) “**EIA**” means Estudio de Impacto Ambiental, that is, an environmental impact study;
 - (j) “**Excluded Persons**” means the defendants, their past and present subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors, and assigns, and any member of the families of the Individual Defendants and any entity in which the defendants have a controlling interest now or had during the Class Period;
 - (k) “**Impugned Documents**” means the disclosure documents issued by **Barrick** during the **Class Period** and referenced in paragraphs 45 to 118 herein;
 - (l) “**Individual Defendants**” means, collectively, **Al-Joundi**, **Regent**, **Sokalsky** and **Kinver**;
 - (m) “**Kinver**” means the defendant Peter Kinver;

- (n) “**Labourers Trustees**” means Joseph S. Mancinelli, Carmen Principato, Douglas Serroul, Luigi Carrozzi, Manuel Bastos, Jack Oliveira and Cosmo Manella in their capacity as The Trustees of the Labourers’ Pension Fund of Central and Eastern Canada;
- (o) “**MD&A**” means Management’s Discussion and Analysis;
- (p) “**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*, as amended;
- (q) “**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*, as amended;
- (r) “**NI 52-109**” means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*, as amended;
- (s) “**NYSE**” means the New York Stock Exchange;
- (t) “**Offering Memoranda**” means, collectively, the offering documents issued in connection with the offerings in June 2011, April 2012 and May 2013, by way of which debt securities (notes) were offered;
- (u) “**Operating Engineers Trustees**” means Mike Gallagher, Joe Redshaw, Rick Kerr, Alex Law, Brian Foote, Ron Martin, John Hartley, Nick DeKoning, and Joe Keyes in their capacity as The Trustees of International Union of Operating Engineers Local 793, Members Pension Benefit Trust of Ontario;
- (v) “**OSA**” means the Ontario *Securities Act*, RSO 1990, c S.5, as amended;
- (w) “**Other Canadian Securities Legislation**” means, collectively, the *Securities Act*, RSA 2000, c S-4, as amended; the *Securities Act*, RSBC 1996, c 418, as amended; *The Securities Act*, CCSM c S50, as amended; the *Securities Act*, SNB 2004, c S-5.5, as amended; the *Securities Act*, RSNL 1990, c S-13, as amended; the *Securities Act*, SNWT 2008, c 10, as amended; the *Securities Act*, RSNS 1989, c 418, as amended; the *Securities Act*, S Nu 2008, c 12, as amended; the *Securities Act*, RSPEI 1988, c S-3.1, as amended; the *Securities Act*, RSQ c V-1.1, as amended; *The Securities Act, 1988*, SS 1988-89, c S-42.2, as amended; and the *Securities Act*, SY 2007, c 16, as amended;
- (x) “**Pascua-Lama**” or “**Pascua-Lama Project**” means Barrick’s proposed large-scale open pit gold and silver mining operation located in San Juan Province, Argentina and the Atacama Region of Chile;
- (y) “**RCA**” or “**RCAs**” means, in Spanish, Resolución de Calificación Ambiental or, in English, an approval with conditions, but in this claim means specifically Resolution No. 39, dated April 25, 2001, including any addenda thereto, and/or Qualification Resolution No. 24, dated February 15, 2006, including any addenda

thereto, two of CMN's key permits to develop and mine the **Pascua-Lama Project**;

- (z) “**Regent**” means the defendant Aaron Regent;
- (aa) “**SEDAR**” means the system for electronic document analysis and retrieval of the Canadian Securities Administrators;
- (bb) “**SMA**” means Superintendencia del Medio Ambiente, Chile’s Superintendence of the Environment;
- (cc) “**Sokalsky**” means the defendant Jamie Sokalsky;
- (dd) “**TSX**” means the Toronto Stock Exchange;
- (ee) “**Weiner**” means the plaintiff Michael Weiner.

RELIEF SOUGHT

3. The plaintiffs claim:

- (a) an order certifying this action as a class proceeding and appointing the plaintiffs as the representative plaintiffs for the Class or such other class as may be certified by the Court;
- (b) a declaration that throughout the Class Period, the defendants, or some of them, made misrepresentations relating to the compliance of development of the Pascua-Lama Project in accordance with existing environmental approvals;
- (c) a declaration that multiple misrepresentations referred to herein that have common subject matter or content may be treated as a single misrepresentation, including for the purposes of s 138.3(6) of the *OSA* and, if necessary, the equivalent provisions of the Other Canadian Securities Legislation;
- (d) leave to amend this pleading on a *nunc pro tunc* basis (if necessary) as of the date of the issuance of the Notice of Action, to pursue the causes of action set out in Part XXIII.1 of the *OSA* and, if necessary, the equivalent sections of the Other Canadian Securities Legislation;
- (e) a declaration that the defendants, or some of them, made a misrepresentation;

- (f) a declaration that the defendants, or some of them, made the misrepresentation negligently;
- (g) a declaration that Barrick is vicariously liable for the acts and/or omissions of the Individual Defendants;
- (h) damages for misrepresentation pursuant to section 130.1 of the *OSA*, and, if necessary the equivalent sections of the Other Canadian Securities Legislation;
- (i) general and special damages in the sum of C\$3 billion or such other sum as this Court finds appropriate at the trial of the common issues or at a reference or references;
- (j) an order directing a reference or giving such other directions as may be necessary to determine issues not determined at the trial of the common issues;
- (k) prejudgment and post judgment interest pursuant to the *CJA*;
- (l) costs of this action on a substantial indemnity basis or in an amount that provides full indemnity plus, pursuant to section 26(9) of the *CPA*, the costs of notice and of administering the plan of distribution of the recovery in this action plus applicable taxes; and
- (m) such further and other relief as to this Honourable Court may seem just.

OVERVIEW

4. Barrick operates mines and advanced exploration and development projects world-wide. Its portfolio of mineral interests includes the Pascua-Lama Project, located on the border of Chile and Argentina, in the Frontera mining district.
5. Pascua-Lama is one of the world's largest known gold and silver resources. The Pascua-Lama Project has been a major asset of Barrick since, at least, as early as it commenced construction there in October 2009. Barrick's cash outlay in developing the Pascua-Lama Project has been significant, reflecting its importance to Barrick.

6. From the commencement of construction to December 31, 2013, Barrick spent approximately \$5.7 billion developing the Pascua-Lama Project. Barrick publicly issued debt securities, in part, for the purposes of funding the development of Pascua-Lama Project, which increased Barrick's debt leverage.
7. While the development of the Pascua-Lama Project may have been subject to the numerous uncertainties, changes and risks that are commonly expected in mine development of such magnitude; many, if not all, of Barrick's obligations pursuant to the RCAs were, in fact, unambiguous and final.
8. The RCA conditions were imposed by the Chilean government on Barrick's approval to develop the Pascua-Lama Project. The purpose of the RCA conditions was to ensure that the development and, later, the mining of the Pascua-Lama Project would have the least possible adverse impact on the community and the environment. This was to be achieved through the imposition of conditions relating to, amongst other things:
 - (a) the engineering and construction of impact mitigation infrastructure and, as applicable, the requirement to obtain pre-authorization for their operation;
 - (b) establishing and monitoring compliance with baseline standards in order to adequately assess impacts; and
 - (c) periodic reporting of compliance with conditions, including the reporting of known contraventions of a condition(s), and reporting known but unanticipated adverse impacts.

9. The RCA conditions were neither vague nor uncertain, and contravention of RCA conditions could pose significant risk to the feasibility of the Pascua-Lama Project and in particular, its cost and the timeline for completion.
10. During the Class Period, Barrick released AIFs, annual and quarterly MD&As and other continuous disclosure documents. These documents often highlighted the significant development milestones that had been achieved at the Pascua-Lama Project. Barrick also disclosed that it had put in place a comprehensive range of measures to protect areas and resources in and near the development of the Pascua-Lama Project.
11. While Barrick often cautioned that:
 - (a) its “failure to comply with applicable environmental and health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties”;
 - (b) “there can be no assurance [of] full compliance with all such laws and regulations and with its environmental permits...”; and
 - (c) there is a related risk of material adverse effect on Barrick’s business, results of operations or financial position;

at no time, until April 10, 2013, was it disclosed that, in fact, certain key development activities at the Pascua-Lama Project were not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. The plaintiffs allege that, for this reason and others

set out herein, each of the Impugned Documents contained representations that were materially misleading and/or inaccurate.

12. The plaintiffs also allege that Barrick did not disclose the specific, identifiable risks that contravention of the RCAs and/or conditions posed, namely:

- (a) contravention of conditions contained in the RCAs would be reasonably likely to result in a state imposed fine(s) and/or regulatory authority or court ordered suspension of the development of the Pascua-Lama Project; or
- (b) an adjudicated finding of a contravention of a condition(s) contained in the RCAs, would be reasonably likely to result in:
 - (i) a material increase in the capital expenditure budget needed to bring the Pascua-Lama Project into compliance and/or into production; and/or
 - (ii) to the extent the Pascua-Lama Project might be suspended, an impairment to the recorded value Barrick assigned to the Pascua-Lama Project.

13. In the absence of this information, the plaintiffs say that Barrick's Class Period disclosure relating to the development of the Pascua-Lama Project was misleading and unrepresentative of the true state of affairs. The Plaintiffs say that during the Class Period this caused:

- (a) the price of Barrick's securities traded in the secondary market to be artificially high; and

- (b) the rates of interest payable to holders of new Barrick's debt securities issued in the primary market to be lower than they otherwise would have been.

- 14. The truth was revealed through a series of disclosures Barrick made, starting on April 10, 2013.

THE PARTIES

The Plaintiffs

- 15. The Labourers Trustees are the trustees of a multi-employer pension plan providing benefits for employees working in the construction industry. The fund is a union-negotiated, collectively-bargained defined benefit pension plan established on February 23, 1972 which currently has approximately \$2 billion in assets, over 39,000 members and over 13,000 pensioners and beneficiaries and approximately 2,000 participating employers. A board of trustees representing members of the plan governs the fund. The plan is registered under the *Pension Benefits Act*, RSO 1990, c P.8 and the *Income Tax Act*, RSC 1985, 5th Supp, c,1. In their capacity as trustees for the pension fund, the Labourers Trustees acquired Barrick shares on the TSX during the Class Period and continued to hold shares at the end of the Class Period.
- 16. The Operating Engineers Trustees are the trustees of a multi-employer pension plan providing pension benefits for operating engineers in Ontario. The pension plan is a union-negotiated, collectively-bargained defined benefit pension plan established on November 1, 1973 which currently has approximately \$1.5 billion in assets, over 9,000 members and pensioners and beneficiaries. The fund is governed by a board of trustees representing members of the plan. The plan is registered under the *Pension Benefits Act*,

RSO 1990, c P.8 and the *Income Tax Act*, RSC 1985, 5th Supp, c.1. The Operating Engineers Trustees acquired Barrick shares on the TSX during the Class Period and continued to hold shares at the end of the Class Period.

17. Wiener, a resident of Toronto, acquired Barrick common shares during the Class Period on various exchanges or alternative trading platforms, including the TSX. He continued to hold shares at the end of the Class Period.
18. The plaintiffs bring this action pursuant to the *CPA* on their own behalf and on behalf of all other Class Members.

The Defendants

19. Barrick is a corporation incorporated under the laws of Ontario and is headquartered in Toronto, Ontario. Barrick is a reporting issuer whose shares trade on the TSX and the NYSE under the ticker symbol “ABX”. Barrick common shares are also listed for trading on alternative trading venues in Canada and elsewhere. Barrick also has debt securities outstanding, which securities are held by investors in Ontario and elsewhere.
20. Regent was Chief Executive Officer and a director of Barrick from January 2009 until he was terminated on June 6, 2012. Regent resides in Toronto.
21. Sokalsky was Chief Financial Officer of Barrick from 1999 until June 2012, at which time he became Chief Executive Officer and a director, succeeding Regent. Sokalsky resides in Toronto.
22. Al-Joundi has been Chief Financial Officer and Executive Vice President of Barrick since June 2012. Al-Joundi resides in Toronto.

23. Kinver was Chief Operating Officer of Barrick from January 1, 2004 to May 2, 2012 and Executive Vice President from September 9, 2012 to May 2, 2012. Kinver resides in Toronto.
24. The Individual Defendants, as senior officers of Barrick, had actual, implied or ostensible authority to act and speak on behalf of Barrick.

BARRICK'S DISCLOSURE OBLIGATIONS

25. Barrick was a reporting issuer throughout the Class Period within the meaning of the *OSA* and the Other Canadian Securities Legislation. Barrick became a reporting issuer in order to make its securities publicly tradable, which provided it with a broader ability to raise capital. By doing so, Barrick assumed specific obligations relating to its disclosures.
26. In order to maintain its status as a reporting issuer, Barrick was required throughout the Class Period to:
 - (a) release and file with SEDAR quarterly interim financial statements and audited annual financial statements prepared in accordance with applicable accounting principles; and, contemporaneously with each of the foregoing, MD&A¹ and, annually, AIF²; and

1 MD&As are a narrative explanation of how the company performed during the period covered by the financial statements, and of the company's financial condition and future prospects. The MD&A must discuss important trends and risks that have affected the financial statements, and trends and risks that are reasonably likely to affect them in future.

2 AIFs are an annual disclosure document intended to provide material information about the company and its business at a point in time in the context of its historical and future development. AIF describes the company, its operations and prospects, risks and other external factors that impact the company specifically.

- (b) provide full, true and plain disclosure in any prospectus of all material facts relating to the securities issued or proposed to be distributed.
27. The plaintiffs plead and rely on:
- (a) ss 77 and 78 of the *OSA*; Parts 4, 5 and 6 of National Instrument 51-102; item 1.4(g) of Form 51-102F1 – *Management’s Discussion & Analysis* (which required Barrick to disclose in each annual and interim MD&A any commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick’s future performance); and
 - (b) item 5.2 of Form 51-102F2 – *Annual Information Form* (which required Barrick to disclose environmental risks and any other matter that would be most likely to influence an investor’s decision to purchase Barrick securities).
28. The defendants controlled the contents of Barrick’s MD&As, AIFs and the other documents particularized herein and the representations made therein were made by the defendants. These documents were released by Barrick, and Regent, Sokalsky and Kinver, as directors and/or officers authorized and/or permitted and/or acquiesced in the releases.

INDIVIDUAL DEFENDANTS’ ROLE IN DISCLOSURE

29. Each of the Individual Defendants knew, from the time that he accepted his position with Barrick, that Barrick was a reporting issuer and that in his role as a director and/or officer of Barrick, he would have direct responsibility for ensuring the accuracy of Barrick’s disclosure documents.

30. The *OSA*, the Other Canadian Securities Legislation and certain National Instruments and Companion Policies promulgated thereunder imposed specific obligations on the Individual Defendants in the preparation of Barrick's continuous disclosure documents.
31. The plaintiffs plead and rely on:
- (a) ss 77 and 78 of the *OSA*, and the concordant provisions of the Other Canadian Securities Legislation, and Parts 4 and 5 of NI 52-109 (which required Regent, Sokalsky and Al-Joundi to review, approve and certify the accuracy of Barrick's interim and annual filings released during the Class Period when each was a director and/or officer of Barrick); and
 - (b) Parts 4 and 5 of NI 51-102 (which required Regent and Sokalsky, as directors of Barrick, to approve each set of financial statements and MD&A that Barrick released).
32. Each Individual Defendant was aware of and accepted these obligations, as applicable, in assuming his position as a director and/or officer of Barrick.

BACKGROUND ON BARRICK'S PASCUA-LAMA PROJECT

33. Barrick's Pascua-Lama Project is designed as an open pit mine, centered at an elevation of 4,800 meters. The project proposes to produce both gold and silver.
34. Pascua-Lama is located in San Juan Province, Argentina and the Atacama Region of Chile. It straddles the Chile-Argentina border. The Pascua portion of the Pascua-Lama Project, which contains over 80% of the estimated gold/silver mineralization, is situated on the Chilean side of the border. The Lama portion of the Pascua-Lama Project is located on the Argentinean side of the border.

35. The topography of the property is steep and rugged, characterized by high sierras and deep valleys with natural slopes of 20 to 40 degrees. Of note, the Pascua portion of the property is proximate (within approximately one (1) kilometre of the Pascua portion pit limit) to three (3) glacierets or ice-reservoirs known as ‘Toro 1’, ‘Toro 2’ and ‘Esperanza’.
36. Barrick purports to invest in environmental management systems for the purpose of eliminating or mitigating environmental risks as they are identified. For the purposes of the Pascua portion of the Pascua-Lama Project, many, if not all, such environmental risks were identified in the course of EIAs prepared by Barrick and/or CMN and their agents. The EIAs were informed by, amongst other things, community concern as to potentially adverse impacts, and scientific studies voluntarily prepared, or otherwise prepared at the request of Chilean regulatory authorities, by Barrick and/or CMN.
37. The Pascua portion of the Pascua-Lama Project was first approved by Resolution No. 39, with conditions, in April 2001. Barrick received approval of a modified proposal, by Qualified Resolution No. 24, in February 2006.
38. Qualified Resolution No. 24 approved the current configuration of the Pascua portion of the Pascua-Lama Project. Importantly, because the Pascua-Lama Project:
 - (a) will handle ore with the potential to be organically acid generating; and
 - (b) may generate potentially significant amounts of dust,the planned configuration for the Pascua portion includes diversion and containment systems for the collection, storage and treatment of water that may come into contact with mining operations, and requires dust impact mitigation measures.

39. Barrick acknowledged, in its technical disclosure on the Pascua-Lama Project, that compliance with the RCA conditions relating to construction of the Pascua-Lama Project was a legal requirement.
40. Barrick also said that it had implemented plans to comply with the conditions and that the monitoring of compliance would take place throughout construction.

THE MISREPRESENTATIONS AND MATERIALITY

41. Throughout the Class Period, Barrick released the Impugned Documents, each of which, except for those identified herein at paragraph 118:
 - (a) is a 'core document' as that term is defined in Part XXIII.1 of the *OSA*; and
 - (b) when released, contained one or more misrepresentations.
42. Barrick made statements concerning the continuing development of the Pascua-Lama Project pursuant to existing environmental approvals. However, at no time prior to April 10, 2013, did Barrick disclose that the development activities at the Pascua portion of the Pascua-Lama Project were not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein; and, at no time prior to April 24, 2013, did Barrick disclose the specific, identifiable risks such contravention(s) posed, namely:
 - (a) contravention of a condition(s) contained in the RCAs would be reasonably likely to result in a state imposed fine(s) and/or suspension of the development of the Pascua portion of the Pascua-Lama Project; and
 - (b) contravention of a condition(s) contained in the RCAs, would be reasonably likely to result in:

- (i) an order to remedy a contravention that may require a material increase in the capital expenditure budget needed to bring the Pascua-Lama Project into compliance and/or into production; and
 - (ii) an impairment to the recorded value Barrick assigned to the Pascua-Lama Project, to the extent the Pascua portion of the Pascua-Lama Project might be suspended from further development.
- 43. Non-compliance with the RCAs and the attendant specific, identifiable risks were required to be disclosed from the beginning of the Class Period in order to render the defendants' statements about the development of the Pascua-Lama Project not misleading.
- 44. Each instance of non-compliance with RCAs was individually material or, in the alternative, cumulatively, instances of non-compliance with RCAs were material because:
 - (a) they put the regulatory approval of the Pascua-Lama Project at risk; and/or
 - (b) they rendered Barrick's statements about expenditures to date on the development of Pascua Lama misleading because those statements implied that the project was being developed in accordance with regulatory requirements when in fact significant additional costs were required to be incurred in order to do so; and/or
 - (c) non-compliance with RCAs subjected Barrick to the risk that the Pascua-Lama Project would be temporarily or permanently suspended.

Three and Nine Month Period Ended September 30, 2010

45. Barrick released its MD&A for the three month period ended September 30, 2010 on October 29, 2010.

46. The MD&A contained the following statement (on page: 14):

Our activities do not take place on glaciers, and **are undertaken pursuant to existing environmental approvals** issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and Pascua-Lama. **We have a comprehensive range of measures in place to protect such areas and resources.**

[Emphasis added.]

47. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF. The AIF, despite CMN's past and/or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above, and therefore was materially false and/or misleading.

48. The statement referred to in paragraph 46 was inaccurate. Development of the Pascua portion of the Pascua-Lama Project was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55 and 3.77 of RCA 24, which required minimization of dust through the intensive wetting of roads and highly controlled vehicular traffic; a contravention for which Barrick had already been sanctioned in January 2010;

- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
 - (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.
49. The MD&A (on page 26) also stated that Pascua-Lama Project was in line with its pre-production capital budget of about \$3 billion. This was an estimate that was subject in part to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.
50. The MD&A was released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Year Ended December 31, 2010

51. Barrick released its MD&A for the year ended December 31, 2010 on February 18, 2011 (as amended March 1, 2011). Barrick released its Annual Report and AIF, for the same reporting period, on March 22, 2011 and March 31, 2011, respectively.

52. Barrick's MD&A, Annual Report and AIF contained the following statement in the same, or materially similar, terms (on pages: 14, 35, and 83, respectively):

Our activities do not take place on glaciers, and **are undertaken pursuant to existing environmental approvals** issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and Pascua-Lama. **We have a comprehensive range of measures in place to protect such areas and resources.**

[Emphasis added.]

53. The AIF also contained generic, non-specific risk disclosure in the following terms (at page 104):

Failure to comply with applicable environmental and health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties. There can be no assurance that Barrick has been or will at all times be in full compliance with all such laws and regulations and with its environmental and health and safety permits or that Barrick has all required permits. The costs and delays associated with compliance with these laws, regulations and permits could stop Barrick from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production and may materially adversely affect Barrick's business, results of operations or financial condition. Barrick may also be held responsible for the costs of addressing contamination at the site of current or former activities or at third party sites. Barrick could also be held liable for exposure to hazardous substances. The costs associated with such responsibilities and liabilities may be significant. While Barrick has implemented extensive health and safety initiatives at its sites to ensure the health and safety of its employees, contractors and members of the community affected by its operations, there is no guarantee that such measures will eliminate the occurrence of accidents or other incidents which may result in personal injuries or damage to property, and **in certain instances such occurrences could give rise to regulatory fines and/or civil liability.**

[Emphasis added.]

54. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF. The AIF, despite Barrick's past breaches of and/or then non-compliance with the RCA conditions, did not disclose the specific,

identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above, and therefore was materially false and/or misleading in respect of the Pascua-Lama Project.

55. The statements referred to in paragraphs 52 and 53 were inaccurate. Development of the Pascua portion of the Pascua-Lama Project was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55 and 3.77 of RCA 24, which required minimization of dust through the intensive wetting of roads and highly controlled vehicular traffic;
- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
- (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.

56. The MD&A, Annual Report and AIF (on pages: 41, 64 and 80, respectively) stated that Barrick's pre-production capital expenditure for the Pascua-Lama Project was expected to be \$3.3 - \$3.6 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions

contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.

57. The MD&A, Annual Report and AIF were released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in the releases.

Three Month Period Ended March 31, 2011

58. Barrick released its MD&A for the reporting period ended March 31, 2011 on April 28, 2011.
59. The MD&A contained the following statement (at page 11):

Our activities do not take place on glaciers, and **are undertaken pursuant to existing environmental approvals** issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and Pascua-Lama. **We have a comprehensive range of measures in place to protect such areas and resources.**

[Emphasis added.]

60. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF (for the year ended December 31, 2010), which, despite Barrick's past breaches of, or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above.
61. The statement referred to in paragraph 59 was inaccurate. Development of the Pascua portion of the Pascua-Lama Project was not in compliance, or substantial compliance,

with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55 and 3.77 of RCA 24, which required minimization of dust through the intensive wetting of roads and highly controlled vehicular traffic;
 - (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
 - (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.
62. The MD&A (on page 24) also stated that Barrick's pre-production capital budget for the Pascua-Lama Project was \$3.3 - \$3.6 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.
63. The MD&A was released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Three and Six Month Period Ended June 30, 2011

64. Barrick released its MD&A for the reporting period ended June 30, 2011 on July 29, 2011.

65. The MD&A contained the following statement (at page 14):

Our activities do not take place on glaciers, and **are undertaken pursuant to existing environmental approvals** issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and Pascua-Lama. **We have a comprehensive range of measures in place to protect such areas and resources.**

[Emphasis added.]

66. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF (for the year ended December 31, 2010), which, despite Barrick's past breaches of, or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above.

67. The statement referred to in paragraph 65 was inaccurate. Development of the Pascua portion of the Pascua-Lama Project was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55 and 3.77 of RCA 24, which required minimization of dust through the intensive wetting of roads and highly controlled vehicular traffic;
- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of

which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or

- (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.

68. The MD&A (on page 32) also stated that Barrick's pre-production capital for the Pascua-Lama Project was estimated to be \$4.7 - \$5.0 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.
69. The MD&A was released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Three and Nine Month Period Ended September 30, 2011

70. Barrick released its MD&A for the reporting period ended September 30, 2011 on October 27, 2011.
71. The MD&A contained the following statement (at page 13):

Our activities do not take place on glaciers, and **are undertaken pursuant to existing environmental approvals** issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and

Pascua-Lama. We have a comprehensive range of measures in place to protect such areas and resources.

[Emphasis added.]

72. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF (for the year ended December 31, 2010), which, despite Barrick's past breaches of, or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above.
73. The statement referred to in paragraph 71 was inaccurate. Development of the Pascua portion of the Pascua-Lama Project was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:
- (a) items 3.55 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, which required the minimization of dust dispersion by intensive wetting of roads and highly controlled vehicular traffic, the monitoring of the accumulation of dust and the delivery of monitoring reports;
 - (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or

(c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.

74. The MD&A (on page 34) also stated that Barrick's pre-production capital for the Pascua-Lama Project was estimated to be \$4.7 - \$5.0 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.
75. The MD&A was released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Year Ended December 31, 2011

76. Barrick released its MD&A for the year ended December 31, 2011 on February 16, 2012. Barrick released its Annual Report and AIF, for the same reporting period, on March 26, 2012 and March 28, 2012, respectively.
77. Barrick's MD&A, Annual Report and AIF contained the following statement in the same, or materially similar, terms (on pages: 19, 18, and 88, respectively):

At the Pascua-Lama Project, approximately 55% of the previously announced pre-production capital of \$4.7-\$5.0 billion has been committed and first production is expected in mid-2013.

...

In Chile, earthworks were about 95% complete at the end of Q4...

[Emphasis added.]

78. The AIF also contained generic, non-specific risk disclosure in the following terms (at page 119):

Failure to comply with applicable environmental and health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties. There can be no assurance that Barrick has been or will at all times be in full compliance with all such laws and regulations and with its environmental and health and safety permits or that Barrick has all required permits. The costs and delays associated with compliance with these laws, regulations and permits could stop Barrick from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production and may materially adversely affect Barrick's business, results of operations or financial condition. Barrick may also be held responsible for the costs of addressing contamination at the site of current or former activities or at third party sites. Barrick could also be held liable for exposure to hazardous substances. The costs associated with such responsibilities and liabilities may be significant. While Barrick has implemented extensive health and safety initiatives at its sites to ensure the health and safety of its employees, contractors and members of the community affected by its operations, there is no guarantee that such measures will eliminate the occurrence of accidents or other incidents which may result in personal injuries or damage to property, and **in certain instances such occurrences could give rise to regulatory fines and/or civil liability.**

[Emphasis added.]

79. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF, which, despite Barrick's past breaches of or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed in paragraph 42 above, and therefore was materially false and/or misleading in respect of the Pascua-Lama Project.

80. The statements referred to in paragraphs 77 and 78 were inaccurate. Development of the Pascua portion of the Pascua-Lama Project, which at this time included pre-stripping³, was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:
- (a) items 3.55 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, which required the minimization of dust dispersion by intensive wetting of roads and highly controlled vehicular traffic, the monitoring of the dispersion and accumulation of dust, and the delivery of monitoring reports in relation to same;
 - (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
 - (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.
81. The MD&A, Annual Report and AIF (on pages: 19, 42 and 88, respectively) stated that Barrick's pre-production capital expenditure for the Pascua-Lama Project was expected to be \$4.7 - \$5.0 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development

³ Pre-stripping is the removal of earth or non-ore rock materials as required to gain access to the desired ore.

of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.

82. The MD&A, Annual Report and AIF were released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in the releases.

Three Month Period Ended March 31, 2012

83. Barrick released its MD&A for the reporting period ended March 31, 2012 on May 3, 2012.
84. The MD&A contained the following statement (at page 14):

At the Pascua-Lama Project, about 70 percent of the previously announced mine construction capital of \$4.7-\$5.0 billion has been committed. First production is anticipated in mid-2013. The project is being impacted by labor and commodity cost pressures, primarily as a result of: high inflation in Argentina, and to a lesser extent, Chile, competition for skilled labor and lower than expected labor productivity in underground development. Barrick has added experienced supervisors and miners from its North American and South American regions to the project team, increased oversight of external contractors, accelerated procurement of long lead items and necessary equipment. In conjunction with these activities, the company intends to complete a detailed capital cost and schedule review in the second quarter of 2012.

In Chile, earthworks construction was approximately 97 percent complete and in Argentina, 73 percent complete at the end of the first quarter. During the quarter, the initial phase of pioneering road construction was completed, which will help enable the planned commencement of pre-stripping in the second quarter of the year.

[Emphasis added.]

85. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF, which, despite Barrick's past breaches of or

existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed in paragraph 42 above, and therefore was materially false and/or misleading in respect of the Pascua-Lama Project.

86. The statement referred to in paragraph 84 was inaccurate. Development of the Pascua portion of the Pascua-Lama Project, which at this time included pre-stripping, was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55, 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, which required the minimization of dust dispersion by intensive wetting of roads and highly controlled vehicular traffic, the monitoring of the dispersion and accumulation of dust, and the delivery of monitoring reports in relation to same;
- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
- (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation.

87. The MD&A (on page 14) also stated that Barrick's pre-production capital for the Pascua-Lama Project was estimated to be \$4.7 - \$5.0 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development.

However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.

88. The MD&A was released by the defendant, Barrick, and the defendants Regent, Sokalsky and Kinver were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Three and Six Month Period Ended June 30, 2012

89. On June 6, 2012, Barrick terminated Regent as Chief Executive Officer.
90. Barrick released its MD&A for the reporting period ended June 30, 2012 on July 26, 2012.
91. The MD&A contained the following statement (at page 16):

During the second quarter, **the project achieved critical milestones with completion of Phase 1 of the pioneering road and also the water management system in Chile, both of which enabled the commencement of pre-stripping activities.**

92. The MD&A also contained the following statement (at page 18):

Our activities do not take place on glaciers, and are undertaken pursuant to existing environmental approvals issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and Pascua-Lama. We have a comprehensive range of measures in place to protect such areas and resources.

[Emphasis added.]

93. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors

disclosure in Barrick's then most recent AIF, which, despite Barrick's past breaches of or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed in paragraph 42 above, and therefore was materially false and/or misleading in respect of the Pascua-Lama Project.

94. The statements referred to in paragraphs 91 and 92 were inaccurate. Development of the Pascua portion of the Pascua-Lama Project, which at this time included pre-stripping and the construction of diversion and containment and treatment systems for the collection storage and treatment of waters that may come into contact with mining operations, was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, which required the minimization of dust dispersion by intensive wetting of roads and highly controlled vehicular traffic, the monitoring of the dispersion and accumulation of dust, and the delivery of monitoring reports in relation to same;
- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
- (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation; and/or

- (d) the requirements of RCA 24 relating to: the implementation, construction and authorized operation of water diversion, containment and treatment system(s), the construction of an inverse osmosis plant, and the discharge of waters from the above-mentioned water treatment system(s).
95. The MD&A (on page 15) also stated that Barrick's pre-production capital for the Pascua-Lama Project was expected to increase by 50 – 60 percent from the top end of the previously announced estimate of \$4.7 - \$5.0 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.
96. The MD&A was released by the defendant, Barrick, and the defendants Sokalsky and Al-Joundi were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Three and Nine Month Period Ended September 30, 2012

97. Barrick released its MD&A for the reporting period ended September 30, 2012 on November 1, 2012.
98. The MD&A contained the following statement (at pages 14-15):

In September and October 2012, two constitutional rights protection **actions were filed in Chile** by representatives of an indigenous community and certain other individuals, **seeking the suspension of construction of the Chilean portion of the Pascua-Lama Project due to alleged non-compliance with the requirements of the Project's Chilean environmental approval.** The Court declined to issue an immediate injunction suspending pre-stripping activities,

but both cases have been admitted for review by the Court. We intend to vigorously defend these actions.

99. The MD&A also contained the following statement (at page 16):

Our activities do not take place on glaciers, and **are undertaken pursuant to existing environmental approvals** issued on the basis of comprehensive environmental impact studies that fully considered potential impacts on water resources, glaciers and other sensitive environmental areas around Veladero and Pascua-Lama. **We have a comprehensive range of measures in place to protect such areas and resources.**

[Emphasis added.]

100. Whereas Barrick was required to disclose commitments, events, risks or uncertainties that it reasonably believed would materially affect Barrick's future performance, the aforementioned MD&A did not do so, but directed readers to consider the risk factors disclosure in Barrick's then most recent AIF, which, despite Barrick's past breaches of or existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed in paragraph 42 above, and therefore was materially false and/or misleading in respect of the Pascua-Lama Project.

101. The statements referred to in paragraphs 98 and 99 were inaccurate. Development of the Pascua portion of the Pascua-Lama Project, which at this time included blasting, pre-stripping and the construction of diversion and containment and treatment systems for the collection storage and treatment of waters that may come into contact with mining operations, was not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, it was not in compliance with:

- (a) items 3.55 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, which required the minimization of dust dispersion by intensive wetting of roads and highly

controlled vehicular traffic, the monitoring of the dispersion and accumulation of dust, and the delivery of monitoring reports in relation to same;

- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or
 - (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation; and/or
 - (d) the requirements of RCA 24 relating to the implementation, construction and authorized operation of water diversion, containment and treatment system(s), the construction of an inverse osmosis plant, and the discharge of waters from the above-mentioned treatment system(s) into the Estrecho River.
102. The failure to minimize dust dispersion through compliance with items 3.55 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, particularly in light of the then intensive blasting and pre-stripping activities, put CMN at heightened risk of breaching Article 341 of the Chilean Mining Safety Regulations (Supreme Decree No. 132/2012), which was later be found to have been breached and resulted in the interim suspension of blasting and pre-stripping.
103. The MD&A (on page 14) also stated that Barrick's pre-production capital for the Pascua-Lama Project would be closer to \$8.0 - \$8.5 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on

and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.

104. The MD&A was released by the defendant, Barrick, and the defendants Sokalsky and Al-Joundi were directors and/or officers who authorized and/or permitted and/or acquiesced in its release.

Year Ended December 31, 2012

105. Barrick released its MD&A for the year ended December 31, 2012 on February 14, 2013. Barrick released its Annual Report and AIF, for the same reporting period, on March 25, 2013 and March 28, 2013, respectively.
106. Barrick's MD&A, Annual Report and AIF contained the following statement in the same, or materially similar, terms (on pages: 20-21, 37, and 80, respectively):

During the fourth quarter of 2012, considerably stronger than normal winds contributed to increased dust in the open pit area. We immediately voluntarily halted pre-stripping activities in order to implement additional dust mitigation and control measures. **Subsequently, regulatory authorities in Chile issued an order to suspend pre-stripping until such dust-related concerns are addressed.** The project is strengthening dust mitigation and control measures, including enhanced tunnel ventilation, revised blasting fragmentation, use of more robust protective equipment and a dust monitoring system. **Restrictions may also be placed on the project due to the need to repair and improve certain aspects of the water management system in Chile.**

Pre-stripping is unlikely to recommence until matters related to dust and water management are resolved. To date, the suspension of pre-stripping has not altered our target of first production in the second half of 2014. However, the outcomes of the regulatory processes, and of constitutional rights protection actions, are uncertain. We will continue to assess the potential for impacts on the timing of first gold production.

[Emphasis added.]

107. Barrick's AIF also contained the following statement (at page 83):

In March 2013, the environmental authority in Chile issued a resolution alleging certain non-compliances related to the acid rock drainage water management system in Chile. CMN will review and evaluate the resolution once it is formally notified of the same and will respond to the allegations as required, including by presenting a plan to bring the system into compliance with the project's environmental RCA.

108. Barrick's AIF also contained the following statement (at page 90):

In May and August of 2012, the Chilean environmental authority initiated two regulatory sanction processes against CMN alleging certain non-compliances with the environmental approval for the Pascua-Lama Project. **The first matter related primarily to alleged transportation and waste handling noncompliance and resulted in a fine of approximately \$217,000. The second matter related to the alleged failure to comply with dust control mitigation measures and certain failures in the implementation of the glacier monitoring plan and resulted in a fine of approximately \$42,000.** CMN intends to appeal both of these fines.

109. These statements were inaccurate or otherwise incomplete. They identified the potential for issues relating to dust and acid rock drainage water management and, specifically, allegations made and fines levied in relation to the latter, but the statements did not clearly disclose the fact of Barrick's non-compliance in these respects, and still omitted to disclose that the development activities in the Pascua portion of the Pascua-Lama Project were not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein. More particularly, development was not in compliance with:

- (a) items 3.55, 3.77, 3.78, 4.4.3, 4.4.8 and 6.2 of RCA 24, which required the minimization of dust dispersion by intensive wetting of roads and highly controlled vehicular traffic, the monitoring of the dispersion and accumulation of dust, and the delivery of monitoring reports in relation to same;
- (b) item 7.1(g) of RCA 24, which required CMN to monitor glaciers in the area of the Pascua-Lama Project and provide complete and timely reporting, the purpose of

which was to identify possible variations in physical characteristics, which may be attributable to dust dispersion from development activities; and/or

- (c) item 4.3.19(b) of RCA 39, which required CMN to effectively monitor and report data relating to wind speed/direction, rainfall, snow, temperature, humidity and solar radiation; and/or
- (d) the requirements of RCA 24 relating to the implementation, construction and authorized operation of water diversion, containment and treatment system(s), the construction of an inverse osmosis plant, and the discharge of waters from the above-mentioned treatment system(s) into the Estrecho River.

110. The AIF also contained generic, non-specific risk disclosure in the following terms (at page 112):

Failure to comply with applicable environmental and health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties. There can be no assurance that Barrick has been or will at all times be in full compliance with all such laws and regulations and with its environmental and health and safety permits or that Barrick has all required permits. The costs and delays associated with compliance with these laws, regulations and permits could stop Barrick from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production and may materially adversely affect Barrick's business, results of operations or financial condition. Barrick may also be held responsible for the costs of addressing contamination at the site of current or former activities or at third party sites. Barrick could also be held liable for exposure to hazardous substances. The costs associated with such responsibilities and liabilities may be significant. While Barrick has implemented extensive health and safety initiatives at its sites to ensure the health and safety of its employees, contractors and members of the community affected by its operations, there is no guarantee that such measures will eliminate the occurrence of accidents or other incidents which may result in personal injuries or damage to property, and **in certain instances such occurrences could give rise to regulatory fines and/or civil liability.**

[Emphasis added.]

111. The AIF, despite Barrick's existing non-compliance with the RCA conditions, did not disclose the specific, identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above.
112. The MD&A, AIF and Annual Report (on pages: 20, 79 and 14, respectively) also stated that Barrick's pre-production capital expenditure was expected to be \$8.0 - \$8.5 billion. This was an estimate that was subject, in part, to assumptions and contingencies common in mine development. However, the statement was materially misleading because the estimate was premised on and presupposed that the development of Pascua-Lama Project had been, to date, completed in accordance with the conditions contained in the RCAs, and it failed to disclose that significant additional costs were required to be incurred in order to bring the Pascua-Lama Project into compliance with existing environmental approvals.
113. The MD&A, Annual Report and AIF were released by the defendant, Barrick, and the defendants Sokalsky and Al-Joundi were directors and/or officers who authorized and/or permitted and/or acquiesced in the releases.

Certifications Accompanying Interim and Annual Filings

114. Pursuant to NI 52-109, and the analogous provisions of United States law, the defendants, Regent, a Chief Executive Officer during part of the Class Period, Sokalsky, a Chief Financial Officer and, later, a Chief Executive Officer during the Class Period, and Al-Joundi, a Chief Financial Officer for part of the Class Period, were required at the material times to certify Barrick's annual and quarterly MD&As and financial statements as well as Barrick's AIFs (and all documents incorporated into the AIFs).

115. With respect to Barrick's 2010, 2011 and 2012 annual filings, including MD&As and AIFs, the certifications included statements that the documents do "not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading."
116. With respect to Barrick's interim filings, including interim MD&As, the certifications included statements that the documents do "not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made."
117. As particularized elsewhere herein, the Impugned Documents contained misrepresentations. Accordingly, the certifications given by the defendants Regent, Sokalsky and Al-Joundi were false and were themselves misrepresentations.

Offering Documents for the Distribution of Barrick Securities

118. On or about June 1, 2011, April 3, 2012 and May 2, 2013 Barrick issued debt securities from which it raised amounts of \$4 billion, \$2 billion and \$3 billion, respectively. In each instance, issuance was made in the U.S. pursuant to registration statements (in the form of prospectuses) filed under U.S. law. In Canada, issuance was made pursuant to prospectus exemptions, and such issuances were reported in Ontario Securities Bulletins: Issue 34/24; Issue 35/19 and Issue 36/22, respectively.
119. The Offering Memoranda related to the prospectus exempt distribution of notes in Canada contained misrepresentations.
120. More particularly, each of the aforementioned offering documents failed to disclose that the development activities in the Pascua portion of the Pascua-Lama Project were not in

compliance, or substantial compliance, with the RCAs generally and, specifically, in compliance, or substantial compliance, with all conditions contained therein, nor did they disclose the specific, identifiable risks that contravention(s) posed, as pleaded in paragraph 42 above.

121. Barrick issued the notes the subject of the Offering Memoranda.

THE TRUTH EMERGES

122. On April 10, 2013, Barrick released two (2) news releases, filed on SEDAR the same day.

123. The first press release announced that Barrick:

[Is] aware of media reports indicating that a Chilean court has issued a preliminary injunction pending a full hearing, halting construction activities on the Chilean side of the Pascua-Lama Project. The company has not yet been formally notified of the court order and will assess the potential implications once it has received official notification.

124. The second press release announced that Barrick:

[Is] suspending construction work on the Chilean side of the Pascua-Lama Project while working to address environmental and other regulatory requirements to the satisfaction of Chilean authorities. In the interim, activities deemed necessary for environmental protection will continue as authorized.

125. However, the defendants failed to disclose the number and magnitude of their environmental breaches and stated merely that “[i]t is too early to assess the impact, if any, on the overall capital budget and schedule of the project”. The defendants also downplayed the significance of the halt construction order by stating that “[c]onstruction activities in Argentina, where the majority of Pascua-Lama’s critical infrastructure is located, including the process plant and tailings storage facility, are not affected.”

126. On April 9, 2013, the price of Barrick’s TSX traded common shares closed at C\$27.16, and the price of Barrick’s NYSE traded common shares closed at \$26.69. In the ten

trading days following the April 10, 2013 announcements, the price of Barrick's TSX traded common shares declined to C\$19.38 per share, and its NYSE traded common shares declined to \$18.91 per share. The TSX and NYSE volume weighted average prices for the ten trading day period following the disclosure were, respectively, approximately C\$20.00 and \$19.30. These declines, or parts of them, were caused by the partial correction of Barrick's prior misrepresentations particularized herein.

127. On April 24, 2013, Barrick announced its financial results for the reporting period ended March 31, 2013. In its MD&A for that reporting period, filed on SEDAR the same date, Barrick stated:

During the fourth quarter of 2012, pre-stripping activities in Chile were halted to address increased dust in the open pit area following stronger than normal winds. The project has strengthened dust mitigation and control measures. **Regulatory restrictions have also been placed on the project due to the need to repair and improve certain aspects of the water management system in Chile.** Completion of measures to address these aspects is targeted for first quarter 2014.

On April 9, 2013, the Copiapó Court of Appeals in Chile granted a request for a preliminary injunction to suspend construction activities on the Chilean side of the project pending a hearing on a constitutional rights action filed in September of 2012. The action alleges noncompliance with the environmental requirements of the project's Chilean environmental approval. Upon confirming the court order, Barrick took immediate steps to suspend construction activities in Chile, which includes work on the primary crusher and the Chilean side of the tunnel that conveys ore from Chile to Argentina. Activities determined to be necessary for environmental protection are expected to continue, upon appropriate authorization as contemplated by the Court. Construction in Argentina, where the majority of Pascua-Lama's critical infrastructure is located, including the process plant and tailings storage facility, has not been affected. Until we have clarity on the regulatory and legal aspects, we are unable to fully assess the impact on the capital budget, operating costs and schedule of the project. The company is at an early stage of evaluating an alternative development plan that involves accelerating the development of another smaller pit in Argentina in order to provide a source of ore for initial production. This alternative could provide ore for about six months of production during commissioning and ramp up, following which the mine plan would be dependent on a continuous supply of Chilean ore. Therefore, **if resumption of construction activities in Chile, including the prestripping, is delayed beyond late 2013, or if such development alternative is determined not to be feasible, there could be a significant change to the mine plan and an impact on the capital cost and production schedule of the project. The company will continue to evaluate**

all alternatives, in light of the uncertainties associated with the legal and regulatory actions, and the current environment, including the possibility of suspending the project.

[Emphasis added.]

128. Barrick also reported that it had spent \$4.8 billion on developing the Pascua-Lama Project.

129. In a related conference call, held the same day, the following statements were made:

Sokalsky: **The share price has suffered in the wake of lower gold prices and uncertainty related to Pascua-Lama...**

...

And although it is too early to assess the impact on CapEx and schedule, I can assure you that we will not continue to spend on the project if we do not have a strong indication of the required timeframe [to completion] in short order.

...

Dushnisky: Well, the injunction is - proceeds a hearing on the merits, which has been scheduled, and the court is awaiting information from the agencies before they'll get to that point. In the meanwhile, I think an important step that's happening is **we're working with the government to prepare a compliance plan, which is in essence going to show what the company will do over the course of the next period to come back into compliance with the RCA or the underlying approval.** And our sense is that as we work towards that and we come to agreement on what it looks like, that should be persuasive in terms of showing that there's no imminent risk of harm, and therefore that the court hearing should go in our favor. Can't guarantee that obviously, but that's the position we're in. But as far as certainty around the date for that, we don't know at this point.

[Emphasis added.]

130. Following the April 24, 2013 statements, the credit ratings given to Barrick's outstanding debt securities were downgraded. The reasons for the downgrades included the court imposed temporary suspension of construction at the Pascua portion of the Pascua-Lama Project.

131. On May 24, 2013, Barrick announced that it had:

[R]eceived a resolution from Chile's Superintendence of the Environment (Superintendencia del Medio Ambiente or "SMA") that requires the company to

complete Pascua-Lama's water management system in accordance with the project's environmental permit before resuming construction activities in Chile.

The SMA also announced that the company will be subject to an administrative fine of approximately \$16 million for deviations from certain requirements of the project's Chilean environmental approval, including a series of reporting requirements and instances of noncompliance related to the project's water management system.

The company is in the process of reviewing the SMA resolution in detail. Barrick is fully committed to complying with all aspects of the resolution and to operating at the highest environmental standards.

132. The SMA identified 23 violations; Barrick admitted 22 of these violations. Barrick's disclosure stated that "[t]he company is in the process of reviewing the SMA resolution in detail and is in discussions with Chilean authorities regarding the implications of the resolution. Barrick is unable to fully assess the impact of the SMA resolution on the capital budget, operating costs and schedule of the Pascua-Lama Project at this time."
133. On June 3, 2013, Barrick announced in a material change report that the work required to meet the conditions of the SMA resolution would delay initial production beyond 2014 and would result in an increase in construction costs.
134. On June 28, 2013, Barrick provided an update on the Pascua-Lama Project, and stated in part:

The company has submitted a plan, subject to review by Chilean regulatory authorities, to construct the project's water management system in compliance with permit conditions for completion by the end of 2014, after which Barrick expects to complete remaining construction works in Chile, including pre-stripping. Under this scenario, ore from Chile is expected to be available for processing by mid-2016.

...

In line with this timeframe, and in light of challenging market conditions and materially lower metal prices, the company intends to re-sequence construction of the process plant and other facilities in Argentina in order to target first production by mid-2016 (compared to the previous schedule of the second half of 2014).

...

As a result of recent and continued significant declines in gold and silver prices, and the delay in first gold production, Barrick is conducting impairment testing. Preliminary analysis indicates an after-tax asset impairment charge in the range of approximately \$4.5-\$5.5 billion in the second quarter for the Pascua-Lama Project. The company will complete a final impairment assessment by its second quarter 2013 results release.

[Emphasis added.]

135. On June 27, 2013, the price of Barrick's TSX traded common shares had closed at C\$15.57, and the price of Barrick's NYSE traded common shares had closed at \$14.87. In the ten trading days following the June 28, 2013 announcement, the price of Barrick's TSX traded common shares rose to C\$15.69 per share, and its NYSE traded common shares rose to \$15.06 per share. However, the TSX and NYSE volume weighted average prices for that ten trading day period were, respectively, approximately C\$15.02 and \$14.51. These declines, or parts of them, were caused by the further partial correction of Barrick's misrepresentations that are particularized herein.
136. On August 2, 2013, Barrick confirmed impairment to the recorded value of the Pascua-Lama Project in an amount of \$5.1 billion.
137. Finally, on October 31, 2013, Barrick announced that it:

[Has] decided to temporarily suspend construction activities at Pascua-Lama, except those required for environmental protection and regulatory compliance. This decision will postpone and reduce near term cash outlays, and allows the company to proceed with development at the appropriate time under a more effective, phased approach. The decision to re-start will depend on improved project economics such as go-forward costs, the outlook for metal prices, and reduced uncertainty associated with legal and other regulatory requirements.
138. On October 30, 2013, the price of Barrick's TSX traded common shares closed at C\$21.55, and the price of Barrick's NYSE traded common shares closed at \$20.50. In the ten trading days following the October 31, 2013 announcement, the price of Barrick's TSX traded common shares declined to C\$18.93 per share, and its NYSE traded common shares declined to \$18.11 per share. The TSX and NYSE volume weighted average

prices for that ten trading day period were, respectively, approximately C\$18.98 and \$18.16. These declines, or parts of them, were caused by the final correction of Barrick's misrepresentations that are particularized herein.

139. In a related conference call on December 3, 2013, Sokalsky stated:

Let me talk a little bit about Pascua-Lama and the decision to suspend. This project has been a top priority for Barrick and, at the same time, it has been our biggest challenge, as I think everyone knows. It is the right thing to do, particularly in this current price environment, but also as a result of some of the other regulatory and legal challenges we have. All options with respect to this project, I've always said, remained on the table. And this suspension is going to allow us to really recalibrate the project and allow us to get the timing and the uncertainty behind us of some of the permits that we have, and also some of the legal matters that are out there.

...

And water treatment is a priority for us. It's being prioritized with other important environmental protections. We are not going to cut any corners on that.

RIGHTS OF ACTION

Negligent Misrepresentation

140. The plaintiffs plead negligent misrepresentation as against Barrick, Regent, Sokalsky, Al-Joundi and Kinver, on behalf of all Class Members who acquired Barrick's securities in the secondary market.
141. The plaintiffs assert this right of action in respect of each Impugned Document, except the Offering Memoranda.
142. The plaintiffs plead and rely on the facts alleged in paragraphs 24, 28, 36-40, 42-117 and 122-139 herein.
143. The defendants were subject to the statutory requirements referred to in paragraphs 26-27 and 30-31.

144. Performance of those statutory requirements, as applicable, was an obligation that each of the defendants assumed, and those requirements were imposed to protect the interests of investors relying on the Impugned Documents in making investment decisions.
145. Barrick maintained its status as a reporting issuer in order to access the capital markets. The Impugned Documents were thus prepared for the purpose of attracting investment and inducing members of the investing public to purchase Barrick securities.
146. The defendants knew and intended at all material times that the Impugned Documents had been prepared for the purpose of attracting investment, and that the Class Members would rely reasonably and to their detriment upon such documents in making the decision to purchase Barrick securities.
147. The defendants further knew and intended that the information contained in the documents would be incorporated into the price of Barrick's traded securities such that the trading price of those securities would at all times reflect the information contained in the documents.
148. Throughout the Class Period, the defendants had exclusive access to information about Barrick's business and operations. As such, they were the primary source of information specifically related to Barrick's business which was relevant to the decision to acquire Barrick's securities and the price at which they would be acquired.
149. As Barrick's Chief Executive Officers, Regent and, later, Sokalsky, certified the accuracy of the annual and quarterly MD&As issued by Barrick. Therein, they asserted that such documents did "not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under

which such statements were made, not misleading.” They authorized, permitted or acquiesced in the release of Barrick’s Class Period disclosure documents and adopted the statements contained therein by certifying their accuracy.

150. As Barrick’s Chief Financial Officers, Sokalsky and, later, Al-Joundi, certified the accuracy of the annual and quarterly MD&As issued by Barrick. Therein, they asserted that such documents did “not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading.” They authorized, permitted or acquiesced in the release of Barrick’s Class Period disclosure documents and adopted the statements contained therein by certifying their accuracy.
151. As Barrick’s Chief Operations Officer, the preparation and reporting of Barrick’s disclosure documents relating to the Pascua-Lama Project were substantially within Kinver’s purview. As such, he authorized, permitted or acquiesced in the release of Barrick’s Class Period disclosure documents containing misrepresentations.
152. The defendants owed a duty of care to the Class Members who purchased Barrick securities during the Class Period because they were in a relationship of proximity and it was reasonably foreseeable that the Class Members would rely upon the misrepresentations by purchasing the securities at artificially inflated prices and would suffer damages as a result. That duty was informed by the *OSA* and the Other Canadian Securities Legislation as well as subsidiary instruments cited herein, including NI 51-102 and NI 52-109.
153. The defendants breached the standard of care required in the circumstances by:

- (a) failing to take due care in the monitoring, or design and implementation of controls to monitor, the development activities in the Pascua portion of the Pascua Lama Project;
 - (b) failing to ensure that all conditions of RCAs were satisfied before making statements that Barrick's development activities related to the Pascua Lama Project were undertaken pursuant to existing environmental approvals; and
 - (c) failing to disclose that development activities in the Pascua portion of the Pascua-Lama Project were not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein, and the specific, identifiable risks such non-compliance posed, namely:
 - (i) a material increase in the capital expenditure budget needed to bring the Pascua-Lama Project into compliance and/or into production; and
 - (ii) to the extent the Pascua-Lama Project might be suspended, an impairment to the recorded value Barrick assigned to the Pascua-Lama Project.
154. The plaintiffs and the other Class Members directly or indirectly relied upon the misrepresentations in making a decision to purchase the securities of Barrick and suffered damages when the truth was revealed.
155. Alternatively, the plaintiffs and the other Class Members relied upon the misrepresentations by the act of purchasing Barrick securities in an efficient market that promptly incorporated into the price of those securities all publicly available material

information regarding the securities of Barrick. As a result, the repeated misrepresentations caused the price of Barrick's shares to trade at inflated prices during the Class Period, thus directly resulting in damage to the plaintiffs and the other Class Members.

Simple Negligence

156. The plaintiffs plead simple negligence as against:

(a) Barrick, Regent and Sokalsky, on behalf of all Class Members who acquired Barrick's securities in the distributions related to the prospectus exempt note offerings in Canada on or about June 1, 2011 and April 3, 2012 (referred to in paragraph 118 herein); and

(b) Barrick, Sokalsky and Al-Joundi, on behalf all Class Members who acquired Barrick's securities in the distribution related to the prospectus exempt note offering in Canada on or about May 2, 2013 (also referred to in paragraph 118 herein).

157. Barrick, Regent, Sokalsky and Al-Joundi owed a duty to the Class Members who acquired securities in the primary market, which duty is informed by the obligations imposed upon them by the *OSA* and the Other Canadian Securities Legislation, to take reasonable care in the preparation of the offering documents and the documents incorporated by reference.

158. Given the critical importance of RCA compliant development to the completion and future production from the Pascua-Lama Project and, by extension, to the value of the securities to be offered, these defendants owed a duty to Class Members who acquired

Barrick securities in the primary market to ensure that all reasonable steps were taken to ensure the completeness of the Offering Memoranda.

159. Barrick, Regent, Sokalsky and Al-Joundi failed to meet the standard of care required in the circumstances by:

(a) failing to take due care in the monitoring, or design and implementation of controls to monitor, the development activities in the Pascua portion of the Pascua Lama Project; and

(b) failing to disclose that development activities in the Pascua portion of the Pascua-Lama Project were not in compliance, or substantial compliance, with the RCAs generally and, specifically, not in compliance, or substantial compliance, with all conditions contained therein, and the specific, identifiable risks such non-compliance posed, namely:

(i) a material increase in the capital expenditure budget needed to bring the Pascua-Lama Project into compliance and/or into production; and

(ii) to the extent the Pascua-Lama Project might be suspended, an impairment to the recorded value Barrick assigned to the Pascua-Lama Project.

160. Had Barrick, Regent, Sokalsky and Al-Joundi exercised reasonable care and diligence in connection with the issuance of the securities to which this right of action relates, the offerings made thereunder would not have occurred, or the notes would have been issued with an obligation to pay a higher rate of interest reflecting the higher risk of investing in Barrick notes.

Statutory Liability for Misrepresentations in an Offering Memorandum

161. As against Barrick and on behalf of those Class Members in Canada who acquired notes in prospectus exempt offerings on June 1, 2011, April 3, 2012 and May 2, 2013, the plaintiff asserts the right of action found in section 130.1 of the *OSA* and, if necessary, the equivalent provisions of the Other Canadian Securities Legislation.
162. The plaintiff pleads and relies on the facts alleged in paragraphs 42 and 118-121 herein.
163. Barrick issued or caused to be issued Offering Memoranda while, as particularized above, they contained misrepresentations. The Class Members who acquired the notes did so during the periods of distribution and while the Offering Memoranda contained the misrepresentations.

Statutory Secondary Market Liability

164. On behalf of all Class Members who acquired Barrick's securities in the secondary market, the plaintiffs will seek leave to pursue the right of action found in Part XXIII.1 of the *OSA* and, if necessary, the equivalent provisions of the Other Canadian Securities Legislation as against Barrick, Regent, Sokalsky, Al-Joundi and Kinver.
165. The plaintiff pleads and relies on the facts alleged in paragraphs 36-117 and 122-139 herein.
166. Each of the documents referred to in paragraphs 45-113 herein:
- (a) is a "core document" within the meaning of the *OSA* and the Other Canadian Securities Legislation; and
 - (b) contained one or more misrepresentations, as particularized above.
167. Such misrepresentations are misrepresentations for the purposes of the *OSA* and the Other Canadian Securities Legislation.

168. Each of the Individual Defendants was an officer and/or director of Barrick at material times. Each of the Individual Defendants authorized, permitted or acquiesced in the release of some or all of the documents referred to in paragraphs 45-113 herein.
169. Barrick is a reporting issuer within the meaning of the *OSA* and the Other Canadian Securities Legislation.

THE RELATIONSHIP BETWEEN BARRICK'S DISCLOSURES AND THE PRICE OF BARRICK'S SECURITIES

170. The price of Barrick's securities was directly affected during the Class Period by the issuance of the documents containing the misrepresentations particularized herein. The defendants were aware at all material times of the effect of Barrick's disclosure documents upon the price of its securities.
171. The documents were filed, among other places, with SEDAR and the TSX and thereby became immediately available to, and were reproduced for inspection by, the Class Members, other members of the investing public, financial analysts and the financial press.
172. Barrick routinely transmitted the documents referred to above to the financial press, financial analysts and certain prospective and actual holders of Barrick securities. Barrick provided either copies of the above referenced documents or links thereto on its website.
173. Barrick regularly communicated with the public investors and financial analysts via established market communication mechanisms, including through regular disseminations of their disclosure documents, including press releases on newswire services in Canada, the United States and elsewhere. Each time Barrick communicated

new material information about Barrick's development activities at Pascua-Lama to the public, the price of Barrick securities was directly affected.

174. Barrick was the subject of analysts' reports that incorporated certain of the information contained in the disclosure documents, with the effect that any recommendations to purchase Barrick securities in such reports during the Class Period were based, in whole or in part, upon that information.
175. Barrick's securities were and are traded, among other places, on the TSX, which is an efficient and automated market. The price at which Barrick's securities traded promptly incorporated material information from Barrick's disclosure documents about Barrick's business and affairs, including the misrepresentations alleged herein, which was disseminated to the public through the documents referred to above and distributed by Barrick, as well as by other means.

VICARIOUS LIABILITY

176. Barrick is vicariously liable for the acts and omissions of the Individual Defendants particularized herein, and for the acts and omissions of its other officers, directors, employees, agents and representatives.
177. The Individual Defendants were authorized by Barrick to speak for it and on its behalf. It was incumbent on them that their statements were accurate, complete and reliable, because such statements were:
 - (a) statements they made for and on behalf of Barrick; and/or
 - (b) statements released by Barrick in circumstances where the Individual Defendants authorized and/or permitted and/or acquiesced in such release.

178. The authority held by the Individual Defendants to speak for and on behalf of Barrick and/or influence the content of statements Barrick released carried with it the risk that, if Barrick made a material misrepresentation, the Class Members could be harmed.
179. When that risk materialized, it caused injury to the plaintiff and the Class Members.
180. The acts or omissions particularized and alleged herein to have been done by Barrick were authorized, ordered and done by the Individual Defendants and other agents, employees and representatives of Barrick, while engaged in the management, direction, control and transaction of the business and affairs of Barrick. Such acts and omissions are, therefore, not only the acts and omissions of the Individual Defendants, but are also the acts and omissions of Barrick.
181. At all material times, the Individual Defendants were officers and/or directors of Barrick. As their acts and omissions are independently tortious, they are personally liable for same to the plaintiff and the other Class Members.

DAMAGES

182. The plaintiffs and each other Class Member suffered damages as a result of relying upon the misrepresentations. Such damages includes:
- (a) losses suffered by Class Members who acquired Barrick's shares when the price of the shares dropped to their true value as the truth regarding the Pascua-Lama Project was revealed; and/or
 - (b) losses suffered by Class Members who acquired Barrick's notes when the truth regarding the Pascua-Lama Project was revealed and, by extension, so was a higher degree of risk to an investment in the notes.

183. If the defendants had not made the misrepresentations described herein:
- (a) the price of Barrick's securities would not have traded at an artificially high level and the Class Members, who acquired the securities during the Class Period, would not have suffered loss when the truth about the Pascua-Lama Project was revealed; and
 - (b) the note offerings during the Class Period would not have occurred, or the notes would have been issued with an obligation to pay a higher rate of interest, reflecting the higher degree of risk attached to an investment in the notes.

REAL AND SUBSTANTIAL CONNECTION WITH ONTARIO

184. The plaintiffs plead that this action has a real and substantial connection with Ontario because, among other things:
- (a) Barrick is a reporting issuer in Ontario;
 - (b) the defendants are domiciled in Ontario;
 - (c) Barrick's shares trade on the TSX, which is located in Toronto, Ontario;
 - (d) Barrick's executive and registered office is in Toronto, Ontario;
 - (e) the Barrick disclosure documents referred to herein were disseminated in and from Ontario;
 - (f) a substantial proportion of the Class Members reside in Ontario;
 - (g) Barrick carries on business in Ontario; and
 - (h) a substantial portion of the damages sustained by the Class were sustained by persons and entities domiciled in Ontario.

SERVICE OUTSIDE OF ONTARIO

185. The plaintiffs may serve the Notice of Action, Statement of Claim and Fresh as Amended Statement of Claim outside of Ontario without leave in accordance with rule 17.02 of the *Rules of Civil Procedure*, because this claim is:

- (a) a claim in respect of personal property in Ontario (para 17.02(a));
- (b) a claim in respect of damage sustained in Ontario (para 17.02(h));
- (c) a claim against a person outside of Ontario who is a necessary or proper party to a proceeding properly brought against another person served in Ontario (para 17.02(o)); and
- (d) a claim against a person ordinarily resident or carrying on business in Ontario (para 17.02(p)).

RELEVANT LEGISLATION AND PLACE OF TRIAL

186. The plaintiffs plead and rely on the *CJA*, the *CPA*, the *OSA* and the Other Canadian Securities Legislation.

187. The plaintiffs propose that this action be tried in the City of Toronto, in the Province of Ontario, as a proceeding under the *CPA*.

September 5, 2014

KOSKIE MINSKY LLP
20 Queen Street West, Suite 900, Box 52
Toronto, ON M5H 3R3

Kirk Baert (LSUC#: 30942O)
Celeste Poltak (LSUC#: 46207A)
Garth Myers (LSUC #: 62307G)
Tel: (416) 595-2701/Fax: (416) 204-2909

SUTTS, STROSBERG LLP

Lawyers

600 – 251 Goyeau Street

Windsor, ON N9A 6V4

Harvey T. Strosberg, Q.C. (LSUC #: 126400)

Jay Strosberg (LSUC #: 47288F)

Tel: 519-561-6285/Fax: 519-591-6203

GROIA & COMPANY PROFESSIONAL CORPORATION

365 Bay Street, Suite 1100

Toronto, ON M5H 2V1

Joseph Groia (LSUC #: 20612J)

Kevin Richard (LSUC #: 43160P)

Bonnie Roberts Jones (LSUC #: 41256L)

Tel: 416-203-4472/Fax: 416-203-9231

SISKINDS LLP

Barristers & Solicitors

680 Waterloo Street

London, ON N6A 3V8

A. Dimitri Lascaris (LSUC#: 50074A)

Michael G. Robb (LSUC#: 45787G)

Nicholas C. Baker (LSUC#: 59642T)

Tel: (519) 672-2121

Fax: (519) 672-6065

Lawyers for the Plaintiffs

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

Proceeding under the *Class Proceedings Act, 1992*

**FRESH AS AMENDED
STATEMENT OF CLAIM**

Koskie Minsky LLP

20 Queen Street West, Suite 900
Toronto, ON M5H 3R3
Kirk Baert (LSUC#: 309420)
Tel: 416.595.2701
Fax: 416.204.2909

Groia & Company

365 Bay Street, Suite 1100
Toronto, ON M5H 2V1
Joseph Groia (LSUC#: 20612J)
Tel: 416.203.4472
Fax: 416.203.9231

Sutts Strosberg LLP

600-251 Goyeau Street
Windsor, ON N9A 6V4
Harvey T. Strosberg (LSUC#: 126400)
Tel: 519.561.6285
Fax: 519.591.6203

Siskinds LLP

680 Waterloo Street
London, ON N6A 3V8
A. Dimitri Lascaris
(LSUC#: 50074A)
Tel: 519.672.2121
Fax: 519.672.6065