



HAROLD F. BARNES, P.E., C.S.P.
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June 28, 2001

Mr. Ken Hooks
US NRC, Div. Waste Mgmt., MST-7J9
11555 Rockville Pike
Rockville, MD 20852

40-8903

Re: 2000 Environment, Health & Safety Report

Dear Mr. Hooks:

Enclosed for your review and information is a copy of Homestake's eighth annual report for stakeholders on Environment, Health and Safety performance.

Since our founding 125 years ago, we have endeavored to provide industry leadership on a variety of issues including health, safety, environmental stewardship, and community involvement and support. We published our first external report for stakeholders and interested parties in 1993 with the objective of providing meaningful information regarding our policies, practices, goals, challenges and results. We encourage our contractors and suppliers to adopt environmental, health and safety practices that protect their employees, the public and the environment, and to report those practices and results to their stakeholders.

We provide our annual EHS report to shareholders, employees, investors, and other external parties who share an interest in environmental, health and safety stewardship and the social aspects of business activities. The report is also available for viewing on our website (www.homestake.com) along with other environmental, health and safety information. Please visit the Homestake website and let us know if we are providing the information you need.

We would appreciate your comments and suggestions for improvement. A survey form is included that may be useful in organizing your comments and suggestions, however it is not necessary to confine your thoughts to the subjects on the form. We would appreciate any observations you may wish to provide regarding our environmental, health, safety and social performance.

Toward our goal of continuous improvement, we regularly benchmark our environmental, health and safety reporting by comparisons, surveys and discussion groups. Your comments are an integral part of this benchmarking and improvement process.

We thank you for your time and assistance.

Sincerely,

Harold Barnes, P.E., C.S.P.
Vice President
Environmental, Health, Safety and Government Affairs

Enclosures

HOMESTAKE MINING COMPANY

1600 RIVIERA AVENUE, SUITE 200 • WALNUT CREEK, CA 94596-3568 (925) 817-1300

NHSS01 Public

What best describes you:

- | | |
|---|--|
| <input type="checkbox"/> Shareholder | <input type="checkbox"/> Homestake Contractor/Supplier |
| <input type="checkbox"/> Employee/Shareholder | <input type="checkbox"/> University Educator/Student |
| <input type="checkbox"/> Employee | <input type="checkbox"/> Other Educator/Student |
| <input type="checkbox"/> Legislator | <input type="checkbox"/> Investment Advisor |
| <input type="checkbox"/> Government Official | <input type="checkbox"/> Mining Industry Advocate |
| <input type="checkbox"/> Other | <input type="checkbox"/> Environmental Advocate |

Country of residence: _____

How many company EHS reports do you read annually: _____

Please comment on subject areas best covered in the report:

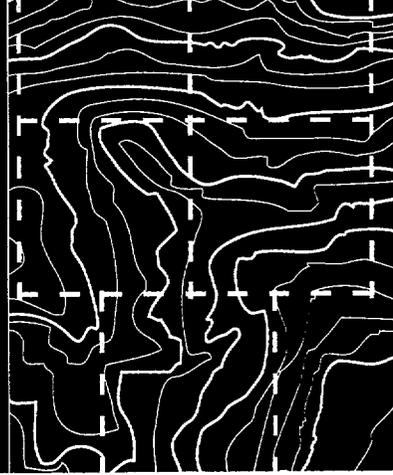
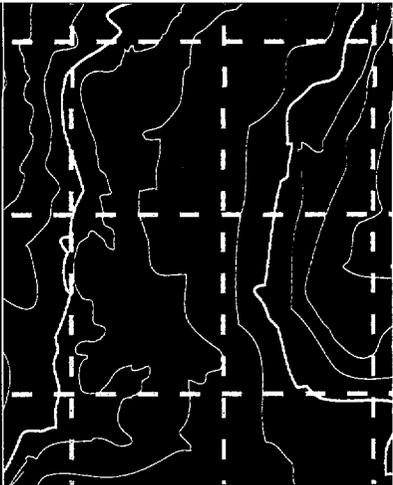
Please comment on subject areas in which improvements would be helpful to stakeholders:

Based upon your knowledge of Homestake performance, on which areas should we focus or efforts for improvement or addition:

What information, if any, could be eliminated from the report:

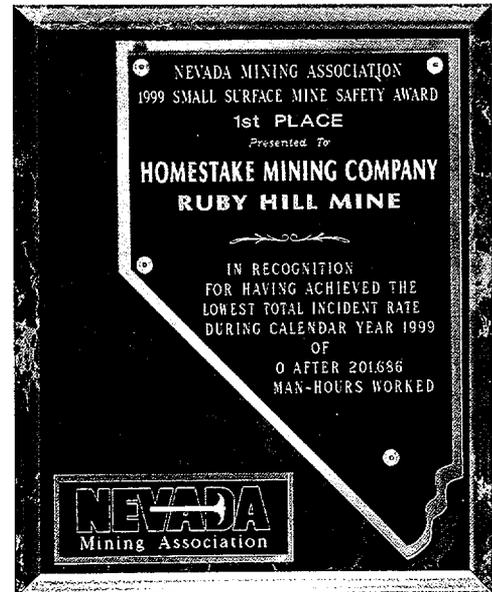
Additional Comments/Suggestions:

2000 ENVIRONMENT, HEALTH & SAFETY HOMESTAKE MINING COMPANY



Highlights

- The Ruby Hill and Marigold mines had no lost-time injuries
- No spills of chemicals or process solutions escaped Homestake property, all other spills were minor and have been removed
- Reclaimed over 2,500 acres of land worldwide disturbed by mining
- Performed seven comprehensive environmental, health and safety audits at operations and implemented corrective action
- Completed detailed reclamation cost audits at all producing and non-producing operations and made appropriate financial adjustments
- Completed tailings management risk assessments at all producing operations and implemented risk reduction measures
- Received several awards for outstanding safety performance including first place from the Nevada Mining Association to the Ruby Hill mine



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PICTURED AT RIGHT
Jack E. Thompson

PICTURED AT LEFT
Walter T. Segsworth

While gold prices remained depressed during 2000, Homestake continued its efforts to cut costs, improve operating efficiencies, and improve safety and environmental protection. Over the last 10 years Homestake has led the industry in environmental, health and safety management and protection while reducing its average cash and total costs. These achievements are in line with our mission to be the most successful and environmentally sustainable precious metals mining company in the world.

During 2000 the difficult decision was made to proceed with mine-out and closure of the Homestake mine in South Dakota. As the Company completes mining, closure and reclamation activities are being expanded. The Homestake mine for 125 years has been a significant economic engine contributing to society in many ways. In fact, society will continue to reap benefits from the mine long after its closure. We are committed to the closure of the mine in a way that will support the sustainability of the surrounding community and environment.

Homestake did not achieve its safety performance objectives during 2000. In January an employee at Homestake's Eskay Creek mine drowned while

operating equipment adjacent to Albino Lake. This was the first fatality for a Homestake employee or contractor in five years. Also during 2000 Homestake's work-related injury frequencies increased relative to the previous year. This inability to continue to improve safety performance caused us to refocus our safety measures at all operations. During 2001 we are committed to having zero injuries.

Current low gold prices and other challenges to our industry will serve to make us stronger and increase our value to society. Key to increased value is continuous improvement in all areas including environmental, health and safety performance. To ensure that our goals are in line with the expectations of our stakeholders, we carefully listen to their comments. With this in mind, we set very aggressive goals for all managers. We then measure and hold them accountable for their performance. We look forward to your comments on Homestake's goals and performance and have provided a response card at the end of this report for your use. We look forward to hearing from you.

Jack E. Thompson, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

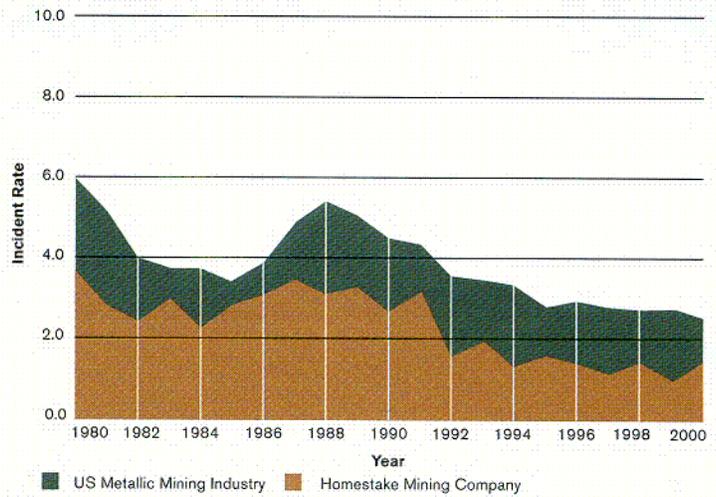
Walter T. Segsworth, PRESIDENT AND CHIEF OPERATING OFFICER

Homestake's Committment

Homestake is proud of its many accomplishments as it enters its 125th year, yet we realize that significant objectives remain to be accomplished. One of Homestake's highest priorities is employee health and safety, an area in which the Company has achieved significant improvement over the years. As shown in the figure (Lost-Time Injury Incident Rates), Homestake's lost-time injury frequency has been reduced by more than 63 percent since 1980. The Company achieved much of this improvement by making safety and health performance an integral part of management's responsibility. However, over the last few years the Company has achieved smaller levels of improvement than desired.

Homestake has several operations that operate with no work-related injuries and illness. Over the past several years we have evaluated those operations, as well as injury and illness-free operations at other companies. We concluded that significant future improvements in Homestake's already low injury rate would require much greater participation by all employees than achieved to-date. As a result, the Company established objectives at all operations for zero injuries and illness. This year employees will be encouraged to participate in the development and implementation of a behavior-based safety component of our safety and health management systems.

Lost-Time Injury Incident Rates

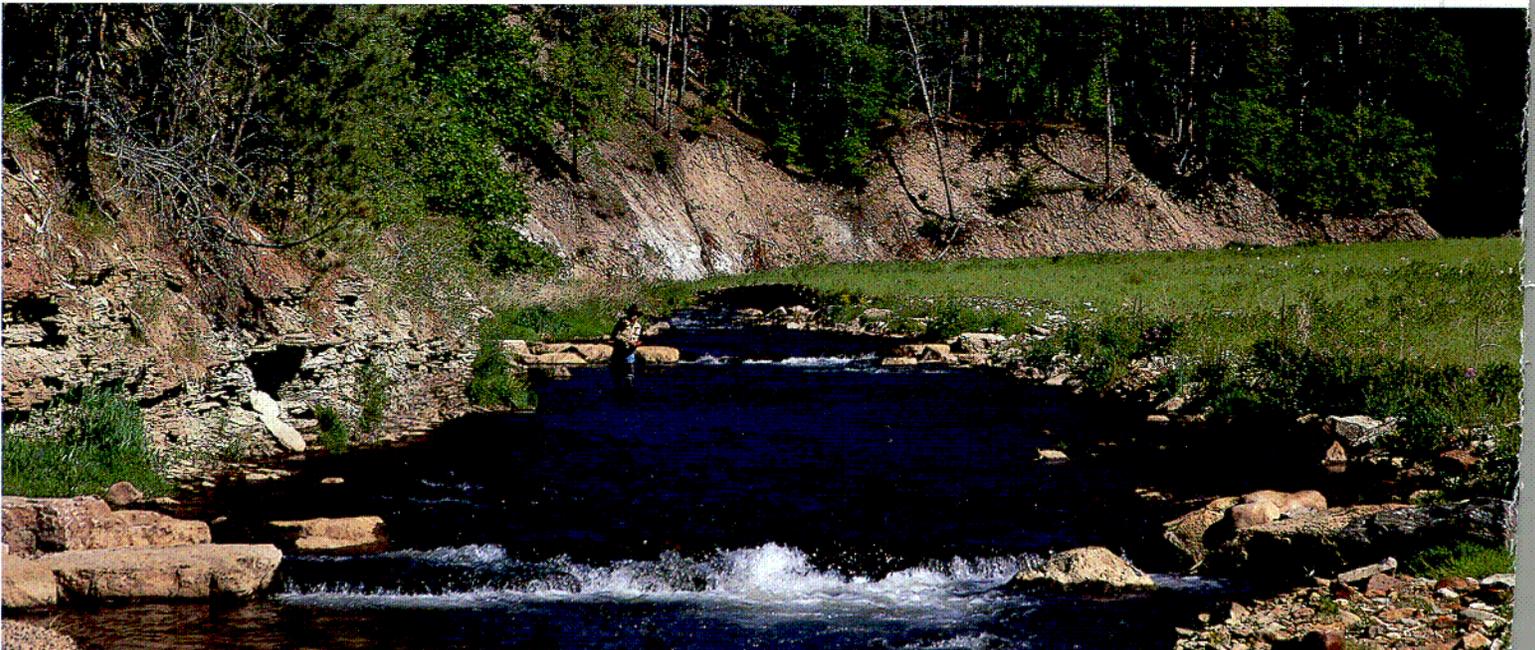


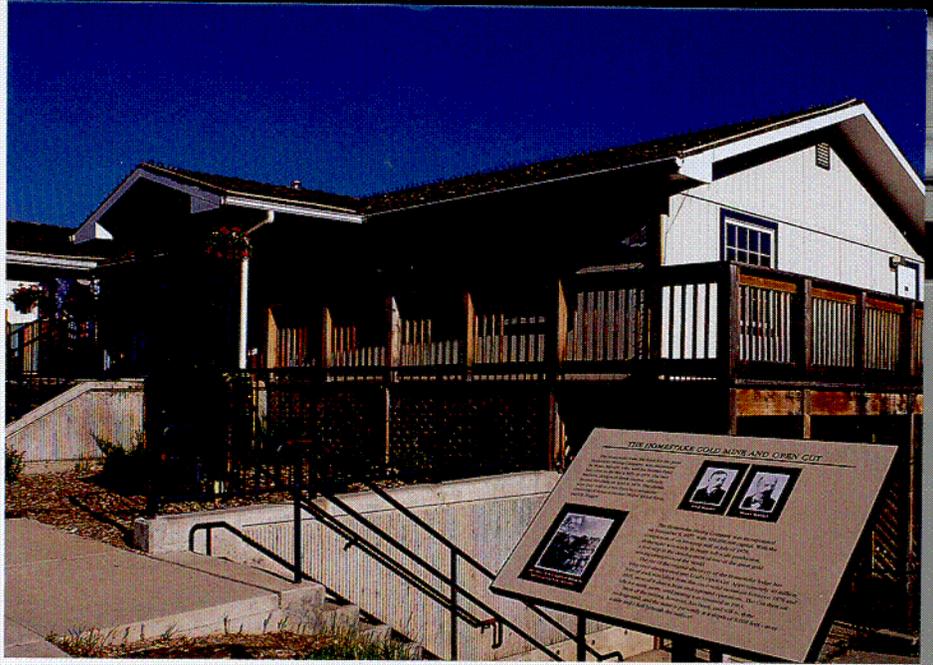
Timely and responsible reclamation of land disturbed by mining is a visible and important part of responsible environmental stewardship and sustainable development. Homestake has established a comprehensive and systematic process for the closure and reclamation of land disturbed by mining that assures that issues are identified and resolved in a responsible, timely, and cost-effective manner. Homestake has had a policy of reclaiming disturbed land concurrently with mining for almost two decades, resulting in significant benefits for wildlife and the general environment. To achieve contemporaneous reclamation the Company requires that reclamation plans be developed prior to mine startup and to be updated routinely through the life of the mine. This focus has provided Homestake opportunities to address issues early and avoid or minimize environmental effects and reclamation costs.

To ensure adequate financial support for environmental protection and reclamation, Homestake regularly audits all active and closed mining operations. Audits include independent assessment of environmental protection and reclamation requirements in addition to estimates of costs. Based upon audit results, Homestake adjusts its financial provisions for mine reclamation and closure. The figure (Reclamation Closure Liability and Accrual Status) presents

Restoration efforts by Homestake, including mines abandoned by others, have helped establish a productive fishery within Whitewood Creek.

COI





Homestake's Visitor Center in Lead, S. Dakota provides the public information concerning the role of gold mining in the economy, environment, and infrastructural development of the region.

the status of Homestake's reclamation closure estimated liability and financial accruals. While all closed mining operations are fully accrued, producing mines conduct concurrent reclamation and accrue for post-closure reclamation costs on a units-of-production basis. As a result, at the end of 2000 Homestake had accrued approximately 65 percent of its estimated reclamation closure liability.

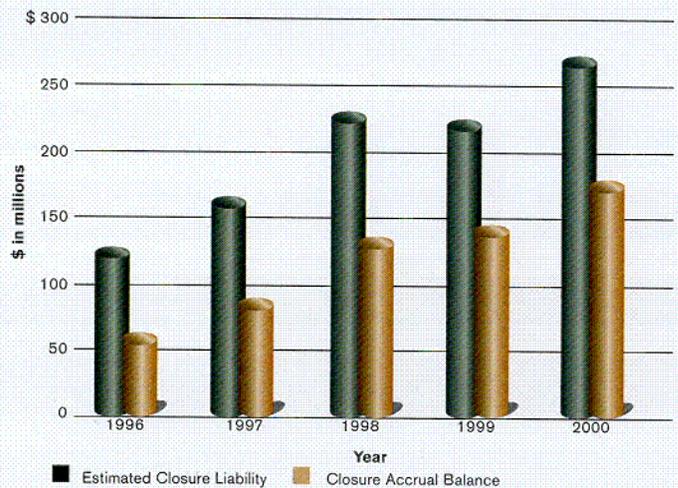
In addition, Homestake has focused on the reclamation of lands disturbed by others on the properties it now owns or leases. Reclamation of these areas is an example of Homestake's commitment to environmental stewardship and community support. During 2000, Homestake permanently closed and reclaimed over 100 abandoned mines worldwide.

Mining operations are major investments having long-term social, environmental, and economic consequences. Understanding that we operate with society's consent, Homestake has for more than two decades required existing mine operations, as well as new mine development projects, to identify stakeholders and establish constructive dialogue concerning Company activities and community expectations. While satisfying the competing objectives of all stakeholders through these dialogues is impossible, each Homestake operation is expected to achieve consensus with its stakeholders and to operate within the bounds of that consensus.

Harold F. Barnes

Harold F. Barnes
Vice President, Environmental, Health, Safety and Government Affairs

Reclamation Closure Liability and Accrual Status



CO2

Zero-Injury Objective

Homestake has for many decades placed the highest priority on safety and our record reflects that commitment. The Company philosophy is that, if a job can't be done safely, it's not worth doing. Safety performance and issues are addressed first at all Homestake production meetings. Annual goals and objectives for safety performance are established for the Company as a whole, and individually for all staff. Evaluations are conducted regularly to assess annual performance and ensure accountability. These attitudes and efforts have resulted in outstanding safety performances and programs often receiving the highest recognition of industry organizations.

In 2000 Homestake recognized that safety performance for the organization as a whole was not meeting expectations. In an effort to refocus the safety program, Homestake committed to become a zero-injury company. This commitment will require continued improvement of existing programs as well as investigation and adoption of new and innovative measures.

Key to Homestake's safety culture is a commitment to continuous improvement. Innovation is encouraged and supported at all operations. An example is the Homestake mine which, in 1991, adopted and modified the Neil George 5 Point Safety System. This system requires employees and supervisors to assess the workplace, work activities and equipment on a continuous basis thus increasing safety awareness and accountability. With this system, the Homestake mine dramatically reduced its accident frequencies. Elements of this system have since been adopted by operations worldwide.

Routine workplace assessments and inspections are supplemented at Homestake operations by regular audits of safety management systems and

compliance. Besides providing verification that appropriate safety measures are in place and effective, audits identify opportunities for improvement. Facility managers are required to prepare corrective action plans and routinely report their progress.

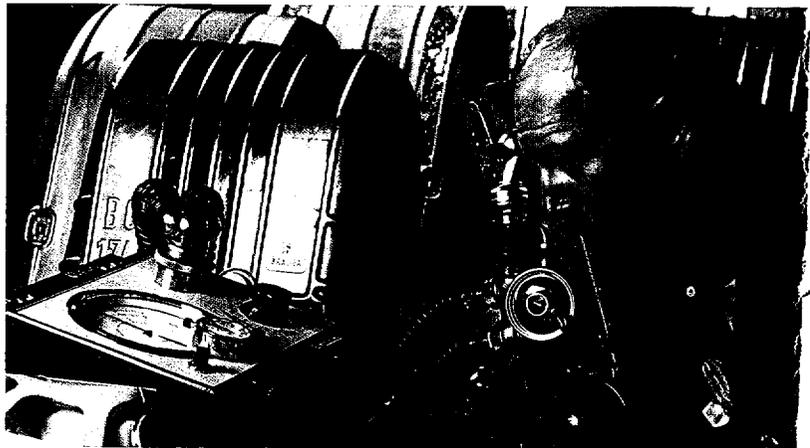
To improve communication of safety information between sites, incident reports and potential hazard alert bulletins are circulated to all sites. Managers' meetings include safety discussions and review of current incidents and innovations. In North America and Australia, safety coordinators from operations meet regularly to share information and brainstorm safety issues.

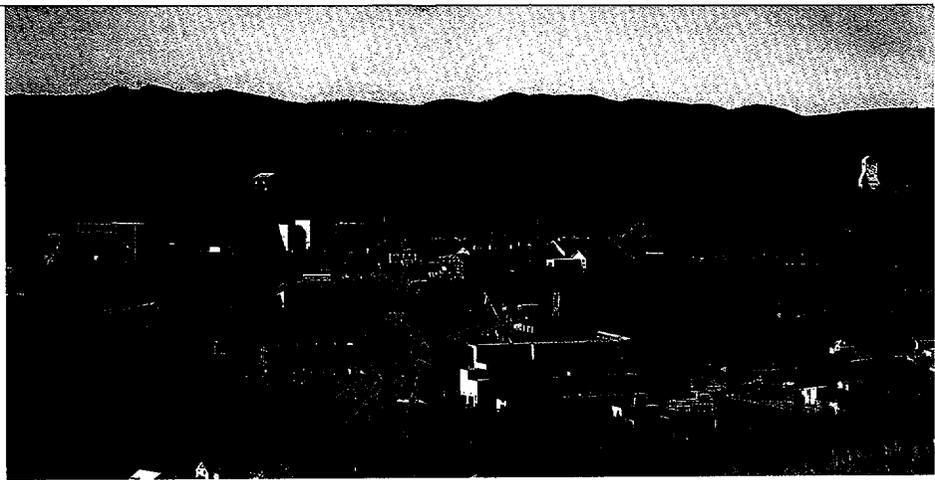
Recognizing the importance of contractor performance, Homestake requires contractors to adopt comparable safety programs. Safety records and programs are a key consideration in the selection of all contractors. In addition, contractors are subject to the same oversight and reporting requirements as Homestake employees.

Homestake's commitment to zero-injuries will include testing more extensive behavioral based safety systems. The Company will provide resources and guidance to employees to develop and implement a job observation process. In addition to peer feedback, data will be collected to measure the frequency of at-risk behavior and to provide follow-up training. This program will aim to identify and prevent at-risk behavior before an accident occurs.

While zero-injuries will not be easily achieved, several Homestake operations have already demonstrated that it is possible. We look forward to communicating our progress towards this goal in future annual Environment, Health and Safety Reports.

Emergency response equipment is routinely tested as part of Homestake's standard of operations.





The Homestake Mine, Lead, South Dakota

Closure and Reclamation of the Homestake Mine

While the decision to proceed with mine-out and closure of the Homestake mine was made in late 2000, reclamation planning for the mine has been underway for several years. The Company has a long-held policy to reclaim and restore mine lands to other productive land uses in a timely manner. To achieve this objective the Company requires all mines to prepare reclamation plans and to update those plans as required. Regular environmental, health and safety audits review plan maintenance, issue identification and resolution, and cost estimation. As a result of these audits in the early 1990s, the need for additional environmental studies was identified for reclamation planning at the Homestake mine.

Unlike most mines today, the 125 year-old Homestake mine was largely constructed before the advent of modern environmental laws and planning requirements. Reclamation plan development required the collection of baseline information such as regional hydrology and geochemistry characterization. Those studies concluded that following termination of mine dewatering, groundwater is not expected to reach the surface for 35 to 40 years. Based upon these studies Homestake has been assessing reclamation options and opportunities and is currently focusing its reclamation plans.

Other major considerations for reclamation planning include community expectations, historic preservation requirements, site cleanup requirements, and environmental restoration opportunities. While planning continues for the still-active portions of the mine, reclamation of the closed portions of the mine is progressing well.

For example, investigations completed in 1999 on approximately 10,000 acres previously owned by others in the vicinity of the Homestake mine identified 174 mine openings abandoned by previous owners. Homestake initiated reclamation efforts during 2000 and, following measures to protect potential wildlife habitat including bat habitat, permanently closed 96 mine openings. All remaining openings will be closed during 2001.

Another example is the reclamation of the historic Wasp and Bismarck mines, approximately two miles south of the Homestake mine. Reclamation focused on the removal of mine tailings left by others that were prone to erosion into Whitewood Creek. Homestake excavated over 270,000 cubic yards of tailings and reclaimed the area. Today the area resembles its pre-mining condition with historical descriptions and mining equipment left for viewing by hikers along the adjacent Mickelson Trail.

These examples are typical of Homestake's commitment to the environment and the communities in which we work. While Homestake mines bring significant economic value to society, mine development is not allowed at the cost of environmental quality or social well-being. Through careful planning and communication with stakeholders, Homestake has been able to demonstrate time and again its contribution to sustainable development.

The reclaimed Wasp mine in South Dakota.



Goals and Results

Each year Homestake reports on its environmental, health and safety performance during the previous year and goals for the future. Feedback from Homestake's many stakeholder groups provides important dialogue as well as assuring that the Company's continuous improvement efforts are properly focused. You are invited to provide your comments on Homestake's performance and goals by returning the enclosed response card.

COMPLIANCE

Homestake's compliance goal for 2000: Achieve full compliance with all regulatory obligations and commitments evidenced by no environmental, safety or health regulatory actions, no exceedance of regulatory discharge or emission limits, and no compliance audit findings.

Homestake received 202 regulatory actions for health and safety issues during the year. Fines totaled \$5,445 for health and safety violations. Most of these regulatory actions (90) and fines (\$5,005) were received at the Homestake mine. Most regulatory actions were for minor issues and all issues have been corrected. In addition, operations have taken additional measures to minimize the potential for future regulatory actions. For example, the Homestake mine has established an employee committee responsible for the inspection and correction of regulatory violations.

The Company also received 20 regulatory actions for environmental issues in 2000, an increase from the previous year's total of seven. No fines were assessed or are expected. All issues are being addressed.

Homestake operations discharged in excess of 2.7 billion gallons of treated water from permitted locations worldwide in 2000, a reduction from 4.5 billion gallons in 1999. Minor short-term water discharge limit exceedances occurred six times during the year, an improvement over the previous year. Five of these exceedances occurred at the Eskay Creek mine and were for minor exceedance of limits for antimony, total suspended solids, and biological oxygen demand. Each incident was limited to a period of a day or less. The Homestake mine also had one minor exceedance of its daily discharge limit for ammonia. No detrimental environmental effects resulted from these exceedances and measures have been implemented to minimize the potential for reoccurrence.

Air emission limits were not exceeded at any of the 365 permitted emission points at Homestake operations during 2000.

No noncompliance findings were discovered during environmental, health and safety audits at Homestake operations during 2000.

Homestake's compliance goal for 2001: Full compliance with all regulatory obligations and commitments as evidenced by no regulatory actions, no exceedance of regulatory discharge or emission limits, and no compliance audit findings.

HEALTH AND SAFETY PERFORMANCE

Homestake's health and safety goals for 2000: No work-related fatal injuries, no lost-time injuries, 10% reduction in work-related injuries, and 10% reduction in the severity rate for work-related injuries.

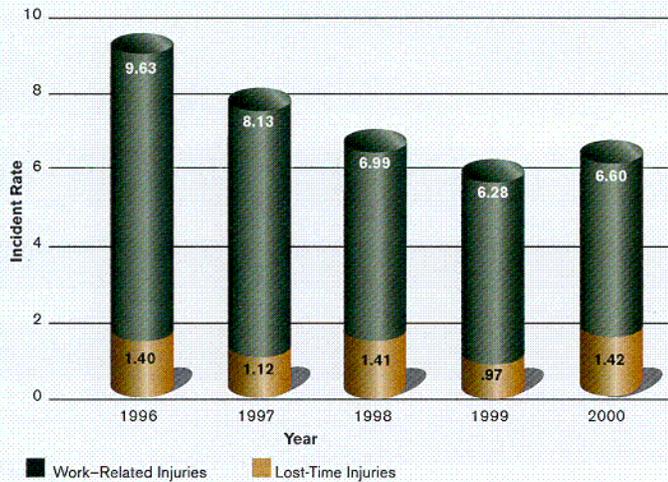
One employee at the Eskay Creek mine was fatally injured during 2000. This tragic accident occurred when the employee drowned while operating equipment near a frozen lake. Investigations by authorities resulted in no charges against the Company; however, the mine subsequently strengthened operating procedures and management controls to prevent similar incidents in the future.

Homestake's year 2000 lost-time injury rate for employees and contractors increased over the previous year from 0.97 to 1.42. The Company's goal of no lost-time injuries was achieved at two producing operations during the year. All work-related injuries also increased over the previous year from a rate of 6.28 to 6.60. The Company's goal to achieve a 10% reduction in work-related injuries was achieved at five producing operations during the year.

The severity rate of work-related injuries during 2000 increased over the previous year from 58 to 169. Homestake's goal to reduce the severity rate of work-related injuries by at least 10% was achieved at six of twelve producing operations during the year.

Homestake's health and safety goals for 2001: No work-related fatal injuries, no lost-time injuries, and no work-related injuries.

Work-Related and Lost-Time Injury Performance



ENVIRONMENTAL PERFORMANCE

Homestake's environmental performance goals for 2000: No chemical spills outside site containment systems, reductions in discharges and emissions per production unit, and regular evaluation and improvement of process solution management systems.

During 2000 Homestake had no spills that escaped site containment systems. The most significant spill occurred at the Lawlers mine when a contractor's diesel fuel tank spilled on the adjacent roadway. In addition to contaminated soil cleanup, the contractor's fueling facility was eliminated, and Homestake's environmental performance requirements were reinforced with contractors.

Water discharge and air emission reporting was expanded in 2000. Discharge rates per ounce of gold produced are very low and of questionable value for performance reporting. Annual changes in discharges and emissions are affected significantly by rainfall, operational differences, ore types, and environmental controls. Only three producing operations, Eskay Creek, Hemlo, and Homestake, discharged water during the year. Because air emissions are largely

controlled by design or operating limits; actual emissions are measured only at KCGM's Gidji Roaster. Discharge and emissions reporting will receive additional attention during 2001 to determine how to best communicate Homestake's environmental performance.

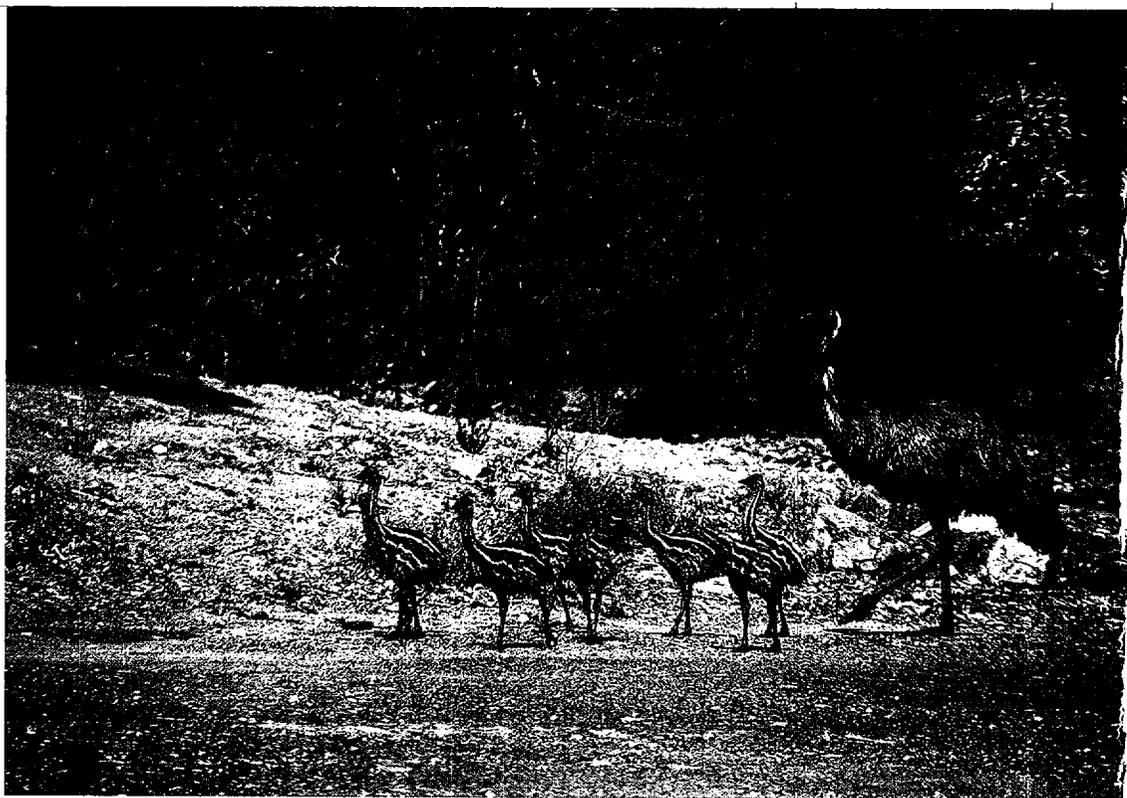
Recognizing that tailings facilities are one of the mining industry's most significant environmental hazards, Homestake completed risk assessments for tailings facilities at all active operations during 2000. Performed by a third-party engineer, Homestake's tailings facilities were determined to present a lower risk to the environment than the comparable industry group. Some areas for improvement were identified and actions have been taken at each operation to further reduce risk.

Homestake's environmental performance goals for 2001: No chemical spills outside site containment systems, reductions in discharges and emissions, and continued reduction of environmental risk associated with process solution management systems.



KCGM's nursery provides native plant seedlings for revegetation efforts.

C03



Emu are a common resident of reclaimed lands at Homestake's mining operations in Western Australia.

ENVIRONMENTAL EFFECT REDUCTION

Homestake's environmental effect reduction goals for 2000: To reclaim 2,000 acres of mining-disturbed land, to obtain final completion approval for 1,000 previously reclaimed acres, the expansion of wildlife mitigation and habitat enhancement strategies at each operating mine, and no chemical-related wildlife mortalities.

In 2000, Homestake reclaimed over 2,533 acres at producing and nonproducing operations, plus an additional 13 acres of historic mining disturbance. While final completion approval for reclamation was received for no areas during the year, Western Australian authorities reduced reclamation bonds by over \$2.5 million in response to Homestake's reclamation of over 5,750 acres over the past several years.

Wildlife mitigation and habitat enhancement efforts expanded during 2000. The most significant effort occurred at the McLaughlin mine, which sold 7,800 acres below market value to the California Department of Fish and Game for the long-term preservation of wildlife habitat.

During 2000, there were 19 chemical-related wildlife mortalities at Homestake operations. The largest number of mortalities occurred at KCGM (11). In an effort to reduce wildlife mortalities, KCGM installed netting over the Gidji tailings ponds during the year.

Homestake's environmental effect reduction goals for 2001: To reclaim 2,000 acres of mining-disturbed land, obtain recognition for reclamation efforts as evidenced by reductions in reclamation bonding or final completion approval for 1,000 previously reclaimed acres, expand and enhance wildlife mitigation and habitat enhancement efforts, and no chemical-related wildlife mortalities.

SUSTAINABLE DEVELOPMENT

Homestake's sustainable development goals for 2000: Improved conservation and recycling per production unit, improved documentation and reporting of the Company's environmental, social and financial contributions, and formalization of policies concerning community relations and indigenous peoples.

Energy, water, and cyanide consumption rates per ounce of gold produced increased modestly during 2000. Improved operating efficiencies were achieved at a number of locations; however, these improvements did not offset more challenging ore types, grades, and mining requirements causing Company-wide consumption rates to increase slightly.

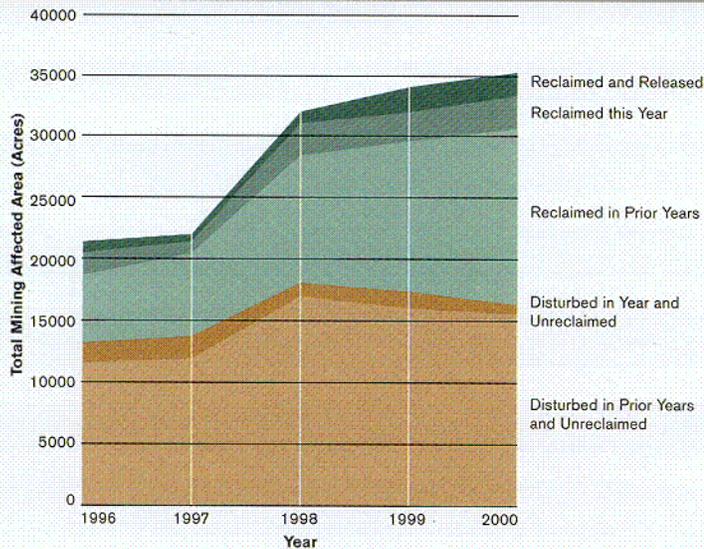
Recycling efforts continued to expand during 2000. Due to variations in the supply of recyclable materials as well as Homestake's success in depleting material inventories, comparison of recycling rates per unit of production is not considered to be a useful performance metric. Recycling reporting will receive additional attention in 2001 to determine how best to communicate Homestake's sustainable development performance.

Improved documentation and reporting of the Company's environmental, social, and financial contributions are included in this report. Improved resource conservation metrics in this report is one example of this effort.

Homestake made progress towards updating its environmental, health, and safety policies during 2000. Completion of this effort is expected during 2001 and will include policies concerning community relations and indigenous peoples.

Homestake's sustainable development goals for 2001: Improved conservation per production unit, continued improvement in recycling, improved documentation and reporting of the Company's environmental, social and financial contributions, and completion of efforts to update and expand corporate policies.

Reclamation Status



ENVIRONMENTAL, HEALTH AND SAFETY OVERSIGHT

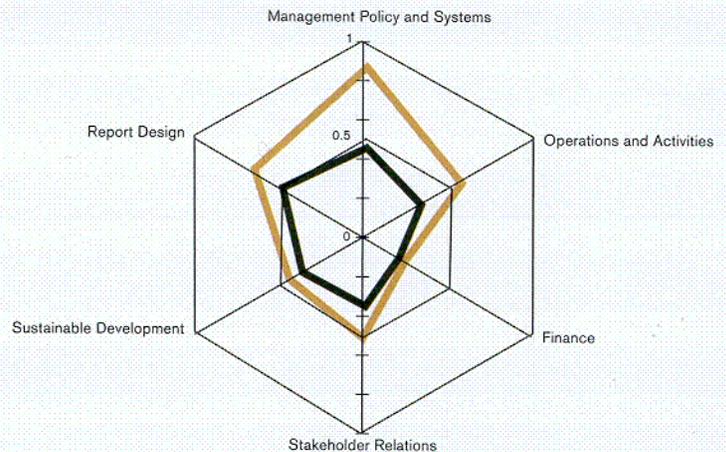
Homestake's environmental, health and safety oversight goals for 2000: Maintain an independent oversight system that assures the effectiveness of management systems at each operating unit as evidenced by performance of six environmental, health and safety audits, four reclamation/closure audits, timely and effective response to audit findings, follow-up verification of audit response, and independent review of the audit program.

Independent, environmental, health and safety audits by Homestake were performed at seven operations in 2000. In addition, Homestake's goal to perform four reclamation and closure audits was achieved thereby completing audits at all active and inactive operations within the past three years.

Audit response plans were received from all audited operations and response status was monitored regularly and verified by management. Arthur D. Little performed a third-party evaluation and review of the corporate environmental, health and safety audit program. The result of that review is summarized on page 24.

Homestake's goal to maintain an independent environmental, health, and safety (EHS) oversight system that assures the effectiveness of management systems at each operating unit will be evidenced in 2000 by: Completion of six EHS audits, the update of reclamation and closure estimates for all closed operations and for active operations as required, timely and effective response to audit findings, follow-up verification of audit response, and independent review of the audit program.

Comparison of Homestake's 1999 Environment, Health and Safety Report with Industry Average



Comparison performed by the International Institute for Sustainable Development. Report Analyzed using 51 point checklist. Rankings from zero to 100% (maximum score).

■ Homestake's 1999 EHS Report ■ 1999 Industry Average

STAKEHOLDER COMMUNICATIONS

Homestake's communication goals for 2000: Independent evaluation of the quality and candor of stakeholder environmental, health and safety communications, and implementation of communication improvements.

Homestake's 1999 EHS Report was reviewed as part of the CICA - Financial Post Contest by the International Institute for Sustainable Development (IISD). IISD scored the report using a 51-point checklist of items that an environmental or sustainable development report might contain. As portrayed in the adjacent chart prepared by IISD, Homestake ranked above the average of other companies in the contest.

IISD commented "the environment, health and safety report for Homestake Mining Company is concise and well-detailed. Their commitment to sustainable development is very evident. As well they have good detailing with regards to their goals and results. The site-by-site information is an asset. It would benefit from more financial information." Homestake has increased financial information in its EHS report over the past several years; however, to minimize the potential for misreporting, most financial information is restricted to the Company's Annual Report.

Homestake's stakeholder communications goals for 2001: Continued monitoring of the effectiveness of communication efforts and implementation of improvements.

BENCHMARKING

Homestake's benchmarking goal for 2000: Conduct an independent evaluation of the Company's EHS management systems compared with other industry leaders and the criteria of international standards organizations.

Homestake's previously initiated independent evaluation of the Company's EHS management systems compared with other industry leaders and the criteria of international standards organizations is ongoing.

Homestake's benchmarking goal for 2001: Complete the independent evaluation of the Company's EHS management systems compared with other industry leaders and the criteria of international standards organizations.

Canada National Pollutant Release Inventory Program (NPRI) 1999 and 1998 Reported Releases (pounds)

| Substance: | Operation: | Eskay Creek | Hemlo | Nickel Plate | Snip ⁶ |
|--------------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Ammonia ² | % change 1998/99 | | 52.1% | -50.0% | |
| | 1999 | None ¹ | 58,356 | 66 | None |
| | 1998 | None | 38,356 | 132 | None |
| Cobalt & its compounds | % change 1998/99 | | | | |
| | 1999 | None | None ² | None ² | None |
| | 1998 | None | None | 1181 | None |
| Copper & its compounds | % change 1998/99 | | | | |
| | 1999 | None | None | None | None |
| | 1998 | None | None | 7 | None |
| Cyanides (ionic) ³ | % change 1998/99 | | 13.0% | | |
| | 1999 | None | 26 | None | None |
| | 1998 | None | 23 | 53 | None |
| Nitrate [ionic at pH≥6] ⁴ | % change 1998/99 | | 72.3% | | |
| | 1999 | None | 740,299 | None | None |
| | 1998 | None | 428,694 | 683 | None |
| Manganese ⁵ | % change 1998/99 | | | | |
| | 1999 | | 2,646 | | |
| | 1998 | | | | |

1) All table references to 'None' mean that the "manufacture, process, or use" reporting threshold of 22,040 pounds (10,000 kgs) was not met for NPRI reporting.

2) Ammonia releases at the Hemlo operations are permitted by discharge permit at 20 ppm; no exceedances were reported in 1998 or 1999.

3) Cyanide releases at the Hemlo operations are permitted by discharge permit at 2 ppm; no exceedances were reported in 1998 or 1999.

4) Discharge limit has not been set for nitrate at Hemlo.

5) Manganese was reported for the first time in 1999 as it is now included in water quality analysis at the Hemlo camp.

6) Snip mine closed in 1999.

US Toxic Release Inventory Program (TRI) 1999 and 1998 Reported Releases (pounds)

| Substance: | Operation: | Homestake | | | | McLaughlin | | | | Pinson | | | | Ruby Hill | | | |
|---------------------|------------------|-----------|---------|-------------------|------------------------------|------------|-------|-------------------|------------------------------|--------|-------|-------------------|------------------------------|-----------|-------|-------------------|------------------------------|
| | | Air | Water | Land ¹ | Managed on-site ² | Air | Water | Land ¹ | Managed on-site ² | Air | Water | Land ¹ | Managed on-site ² | Air | Water | Land ¹ | Managed on-site ² |
| Ammonia | Releases to: | | | | | | | | | | | | | | | | |
| | % change 1998/99 | -24.3% | 265.4% | | | -46.9% | | | | | | | | | | | |
| | 1999 | 19,000 | 73 | | | 23,937 | | 7,027 | | | | | | | | | |
| Antimony | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | 1 | | 128,582 | | | | | | | | | |
| | 1998 | | | | | | | | | | | | | | | | |
| Arsenic | % change 1998/99 | -93.9% | 9.1% | -55.5% | | | | 13.0% | | | | | | | | | |
| | 1999 | 248 | 335 | 4,400,000 | | | | 1,065,537 | | | | | | | | | |
| | 1998 | 4,094 | 307 | 9,888,218 | 542,954 | 9 | | 942,603 | | | | | | | | | |
| Chromium | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | | | 28,226 | | | | | | | | | |
| | 1998 | | | | | | | | | | | | | | | | |
| Copper | % change 1998/99 | | | | | | | -54.8% | | | | | | | | | |
| | 1999 | | | | | | | 29,611 | | | | | | | | | |
| | 1998 | 64 | 225 | 359,171 | | 1 | | 65,561 | | | | | | | | | |
| Cyanide Compounds | % change 1998/99 | | 10.2% | | | | | 3.6% | | | | | | | | | |
| | 1999 | | 790 | | | | | 104,585 | | | | | | | | | |
| | 1998 | | 717 | 2 ³ | 3,064,554 | | | 100,925 | 5,682,898 | | | | | | | | 63,296 |
| Hydrogen Cyanide | % change 1998/99 | 18.2% | | | | | | | | | | | | | | | |
| | 1999 | 45,000 | | | | | | | | | | | | | | | |
| | 1998 | 38,079 | | | | | | | | | | | | | | | |
| Lead | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | | | 439,575 | | | | | | | | | |
| | 1998 | | | | | | | | | | | | | | | | |
| Manganese Compounds | % change 1998/99 | | -99.6% | -99.8% | | 0.0% | | -3.3% | | | | | | | | | |
| | 1999 | | 1 | 13,000 | | 2 | | 26,069 | | | | | | | | | |
| | 1998 | 1,271 | 235 | 6,168,331 | | 2 | | 26,970 | | | | | | | | | |
| Nickel Compounds | % change 1998/99 | | | | | | | -83.3% | | | | | | | | | |
| | 1999 | | | | | 1 | | 351,462 | | | | | | | | | |
| | 1998 | | | | | 6 | | 698,936 | | | | | | | | | |
| Nitrate Compounds | % change 1998/99 | | -1.9% | | | | | | | | | | | | | | |
| | 1999 | | 201,700 | | | | | 657,176 | | 1,468 | | | | | | | |
| | 1998 | | 205,571 | 773 | | | | 870,957 | | | | | | | | | |
| Nitric Acid | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | | | -1.6% | | | | | | | | | |
| | 1998 | | | | | | | 660,213 | | | | | | | | | |
| Propylene | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | | | | | | | | | | | | |
| | 1998 | | | | | | | | | | | | | | | | |
| Silver | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | | | | | | | | | | | | |
| | 1998 | | | | | 1 | | 53,699 | | 653 | | | | | | | |
| Zinc Compounds | % change 1998/99 | | | | | | | | | | | | | | | | |
| | 1999 | | | | | | | | | | | | | | | | |
| | 1998 | | | | | 5 | | 533,792 | | | | | | | | | |

1) Reported releases to water at the Homestake Mine are permitted under an approved water discharge permit.

2) All releases to "land" or "managed on-site" are located within permitted tailings disposal facilities or rock disposal sites, or are otherwise managed & contained within the ore processing systems.

3) Reported release was associated with two separate spills to land at the Homestake Mine and Pinson Mine involving 2 pounds of cyanide compound at each; the spill area was cleaned up.

4) Reported release is associated with use of nitrate fertilizer for concurrent revegetation of permitted rock disposal site.

Environmental Release Reporting

Homestake is committed to open and responsive dialogue concerning its environmental, health and safety management. This commitment includes periodic open meetings in the communities near Homestake operations, as well as the publication of environmental discharge and emission information in this annual report (pages 20-21). The Company is also required by regulation in Australia, Canada, and the U.S. to report information about certain releases¹ to the environment. This section supplements those required reports in an effort to make that information more useful and available to Homestake's stakeholders.

COMMON MISCONCEPTIONS

While release reporting is required by the Community Right to Know Act in the U.S., the Canadian Environmental Protection Act, and the Australian Environmental Protection Act (1999 Amendment), these reports do not provide information on the potential risks or environmental effects associated with a release. Risk evaluation requires information on both concentration and potential exposure pathways, neither of which are included in these reports. Environmental release concentrations and exposure pathways are the focus of the permitting process and result in specified facility design and operation requirements such as the design of containment structures, specific discharge limits, and material handling requirements to prevent exposure risks and environmental effects.

CANADA

In Canada, Homestake has reported under regulations of the National Pollutant Release Inventory (NPRI) program since its inception in 1993. NPRI reporting is triggered by the manufacture, processing or use of an NPRI listed substance in amounts greater than 22,040 pounds (10,000 kilograms). Once the usage trigger is exceeded, each facility is required to report the amount of that substance released from permitted discharge points. For the 1999 reporting year, Homestake's Canadian operations reported releases of ammonia, manganese, cyanides and nitrate. For a number of substances, even though the reporting trigger was exceeded, there were no releases. Canadian operations had no incidents of releases exceeding permitted discharge limits. Release increases at Hemlo reflect increased production in 1999 coupled with closing the David Bell mill and the processing of David Bell ore at the Williams mill.

UNITED STATES

In the U.S., the Environmental Protection Agency's (EPA) Toxic Release Inventory² (TRI) reporting program was expanded in 1998 to include the

mining industry. While there are similarities between the NPRI and TRI reporting programs, the EPA defined releases to include listed substances that are placed into permitted tailings storage facilities, rock storage sites, and managed sites such as heap leach pads. It is estimated that 80 to 95 percent of the reported releases from a typical mine are naturally occurring substances that are not discharged, but are simply relocated during mining and processing. Recently a U.S. federal district court determined that EPA had erred when it included the natural constituents of rock in the reporting requirement for TRI. While it is unclear what will require reporting, this court decision should eliminate the reporting of naturally-occurring unmanufactured constituents in the future.

The large percentage variations shown in the table for certain U.S. operations between 1998 and 1999 are primarily due to changes in the amount of rock handled or ore material processed and placed in permitted storage facilities at the particular site. U.S. operations had no incidents of releases exceeding permitted limits.

AUSTRALIA

The Australian National Pollutant Inventory (NPI) reporting program is similar to the Canadian NPRI program. Homestake's Australian operations are presently working toward development of NPI reporting data for the first mandatory reporting year 2000/2001. In 1999/2000, two operations (KCGM and Darlot) voluntarily submitted reports to the government and a summary of that data is presented in the table. KCGM and Darlot had no incidents of releases exceeding permitted limits.

CONCLUSION

Homestake is committed to eliminating or minimizing the environmental effects of its operations. Where environmental effects are unavoidable, Homestake takes steps to mitigate those effects. Homestake regularly reviews its discharges to determine whether controls are adequate and to identify opportunities for further reductions.

To review additional information concerning the NPRI, TRI and NPI regulatory reporting programs and Homestake's environmental release information, please visit the Environmental, Health and Safety section of the Company's web site, <http://www.homestake.com>.

1) The term "release" used herein is defined by the relevant regulatory jurisdiction.

2) The Toxic Release Inventory reports on more than "toxics". For example, reporting can include substances such as nitrate compounds, the normal components of lawn fertilizer, that may require reporting if reporting thresholds are met.

Australia National Pollutant Inventory (NPI) 1999/2000 Reported Releases (pounds)

| Substance: | Operations: | | | KCGM | | | |
|----------------------------------|--------------|-----------|--------------|------|------------|-------|------|
| | Releases to: | Air | Darlot Water | Land | Air | Water | Land |
| Arsenic & Compounds | | 816 | | | 4,588 | | |
| Benzene | | | | | 17 | | |
| Cadmium & Compounds | | 1 | | | | | |
| Carbon monoxide | | 555,258 | | | 331 | | |
| Chromium (VI) Compounds | | < 1 | | | | | |
| Cobalt & Compounds | | 141 | | | 162 | | |
| Cyanide (inorganic) Compounds | | | | 240 | | | 434 |
| Fluoride & Compounds | | 2,321 | | | | | |
| Lead & Compounds | | 35 | | | | | |
| Mercury & Compounds | | < 1 | | | | | |
| Nitrogen Oxides | | 1,591,094 | | | 3,485,780 | | |
| Polycyclic Aromatic Hydrocarbons | | 113 | | | 1 | | |
| Sulfur dioxide | | 66,566 | | | 30,462,112 | | |
| Toluene | | 125 | | | | | |
| Xylenes | | 87 | | | | | |

Operations Overview

Homestake Mining Company has mining operations and exploration programs in Australia, Canada, Chile, and the United States. In addition to these locations, the Company has active exploration programs in Argentina. Homestake operations and joint ventures produced a total of 3,344,812 ounces of gold in 2000. Homestake's share of gold production was 2,206,128 ounces.

Total Homestake assets at the end of 2000 were US \$1,419,375,000 and revenues for the year were \$666,789,000. Over 5,000 people were directly employed at Homestake mines (including joint-ventures), offices, and exploration sites worldwide during 2000. Based upon research that shows that each mining job indirectly supports at least 1.25 other jobs, approximately

Producing Operations

Agua de la Falda

51% owned; operated by Homestake

Dariot

100% owned and operated by Homestake

Eskay Creek

100% owned and operated by Homestake

Hemlo

50% owned; operated by Teck-Corona and Williams Operating Corporations

Homestake

100% owned and operated by Homestake

KCGM

50% owned; operated by Kalgoorlie Consolidated Gold Mines

Lawlers

100% owned and operated by Homestake

Marigold

33% owned; operated by Glamis Gold Ltd.

McLaughlin

100% owned and operated by Homestake

Plutonic

100% owned and operated by Homestake

Round Mountain

50% owned; operated by Echo Bay Mines Ltd.

Ruby Hill

100% owned and operated by Homestake

Manager and Address

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Homestake Canada Inc., No. 1 Airport Way Smithers, British Columbia V0J 2 W0 Canada

Peter Rowlandson

Williams Operating Corp. P.O. Bag 500 Marathon, Ontario P0T 2E0 Canada

Bruce Bried

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John Shipp

KCGM Private Mail Bag 27 Kalgoorlie, WA 6430 Australia

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Michael Hulmes

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Mike Doyle

P.O. Box 480 Round Mountain, Nevada 89045 U.S.A.

Tim Janke

P.O. Box 676 Eureka, Nevada 89316 U.S.A.

Description of Operations

Located 600 miles north of Santiago, Chile, at an elevation of 12,500 feet. Underground mine operations began in 1997 following completion of surface mining at the adjacent El Hueso mine. Ore is processed by heap leaching and milling at the El Hueso facilities.

Located 70 miles north of Leonora, Western Australia. Underground mine operations began in 1996 following completion of surface mining. Ore processing capacity by milling and CIP leaching exceeds 700,000 tons per year. Approximately 30% of recovered gold reports to a gravity circuit.

Located 51 air miles north of Stewart, British Columbia. Underground mine operations began in 1995. The mine produces both direct ship ore and concentrates that are sold to third-party smelters and refineries.

Located 217 miles east of Thunder Bay, Ontario. Hemlo includes the Williams and David Bell mines, primarily underground operations that began in 1985. Surface mining at Williams also produces ore and backfill for underground operations. Ore is processed at the Williams mill, which is rated in excess of 11,000 tons per day. Cyanidation and CIP leaching are the major processes used at Williams.

Located in Lead, South Dakota, where mining operations began in 1876. Surface mining was completed in 1998; underground mining is scheduled to end at the end of 2001. Ore processing capacity is 7400 tons per day through a combination of gravity, CIP, and vat leaching.

Located adjacent to Kalgoorlie-Boulder, Western Australia, approximately 300 miles northeast of Perth. Mining began in 1893 and Homestake acquired its original joint venture interest in 1975. Ore is mined using surface and underground methods. Ore processing capacity is 12.7 million tons per year through milling, CIP and refractory sulfide flotation. Sulfide concentrates are processed by the Gidji roaster complex, 12 miles north, which has an annual capacity of 420,000 tons.

Located 75 miles northwest of Leonora, Western Australia. Mining operations began in the mid 1890s. In 1998 surface mining concluded and underground mining commenced. Ore processing capacity exceeds 660,000 tons per year through gravity and CIP leaching.

Located 40 miles southeast of Winnemucca, Nevada, surface mining began in 1989. Ore is processed by heap leaching.

Located 15 miles east of Clear Lake, California. Surface mining began in 1985. Since decommissioning of the autoclave and flotation circuits in 1996, ore is processed by direct cyanide and CIP leaching.

Located 110 miles northeast of Meekatharra, Western Australia. Mining operations began in 1990. Ore is mined with both surface and underground methods. Ore processing capacity is 3.0 million tons per year by milling and leaching.

Located 60 miles north of Tonopah, Nevada. Surface mining operations began in 1977. While most of the ore is heap leached, higher-grade sulfide ore is processed through an 8,000 ton per day mill containing gravity and cyanide leaching circuits.

Located one mile northwest of Eureka, Nevada. Surface mining operations began in 1997. Higher-grade ore is ground in a ball mill, leached and filtered before it is agglomerated with crushed low-grade ore, and heap leached.

1) 100% operation basis

2) Number of personnel is the average for the year

6,250 additional jobs are supported by Homestake's business activities. Homestake paid \$18,274,000 in taxes during 2000.

More detailed descriptions of each operation, along with financial information can be found in Homestake's Annual Report, 10-K, and other documents available either on Homestake's web page <http://www.homestake.com>, or from one of these Homestake offices.

Investor Relations
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Las Condes, Santiago
Chile

| 2000 Production ¹ | Personnel ² | Community Affairs |
|---|---|---|
| 333,363 tons of ore processed 44,931 ounces of gold produced | Approximately 58 employees and 250 contractors including one health and safety and one environmental specialist | Located in a remote area of northern Chile, mine employees are accommodated at a Homestake camp. In addition to supporting the local economy through the purchase of goods and services, the mine supports education programs at two technical schools. |
| 796,080 tons of ore processed 127,099 ounces of gold produced | Approximately 96 employees and 210 contractors including three health and safety and one environmental specialist | Located in a remote area of Western Australia, the mine is a fly-in fly-out operation with all personnel accommodated at a Homestake camp. Homestake owns and manages pastoral leases covering 600,000 acres on which the mine is located. The mine supports the local communities through the purchase of goods and services and contributions to support the Royal Flying Doctor Service and Princess Margaret Hospital for Children. |
| 212,112 tons of ore processed 333,169 ounces of gold produced | Approximately 124 employees and 156 contractors including two health and safety and one environmental specialist | Located in a remote area of northwestern British Columbia, the mine is a fly-in fly-out operation with all personnel accommodated at a Homestake camp. The mine is located on First Nations' land claims. Approximately 35 percent of mine employees are members of the Tahltan Nation and several service contracts have been entered into with the Tahltan Nation Development Corporation. The mine supports economic and education programs for the Tahltan Nation through employment, apprenticeship programs, and contributions to local community improvement projects. |
| 3,246,435 tons of ore processed 587,042 ounces of gold produced | Approximately 786 employees and 87 contractors including 9 health and safety and two environmental specialists | Employees live in adjacent communities such as the town of Marathon. The mines provide direct and indirect support to the regional economy through the purchase of a variety of goods, services, and contributions to local community activities. |
| 837,563 tons of ore processed 170,907 ounces of gold produced | Approximately 358 employees and 64 contractors including three health and safety and four environmental specialists | Employees live in adjacent communities. The mine has a long history of supporting local community programs and activities. Surrounded by the communities of Lead and Deadwood, the mine maintains an interactive center that attracts thousands of visitors a year and provides tours of the mining facilities. The mine works with local groups to preserve and document the rich mining history of the area. |
| 13,821,850 tons of ore processed 787,590 ounces of gold produced | Approximately 512 employees and 559 contractors including 7 health and safety and 6 environmental specialists | Employees live in the adjacent communities of Kalgoorlie and Boulder. The mine supports many programs and activities within the Kalgoorlie-Boulder community including educational facilities and programs, civic activities, and sporting facilities. To reduce the safety hazards associated with historic mining, the operation, for the past ten years, has had a program of closing orphaned mine openings, removing associated wastes, and reclaiming these areas. |
| 740,941 tons of ore processed 101,144 ounces of gold produced | Approximately 78 employees and 163 contractors including two health and safety and one environmental specialist | Located in a remote area of Western Australia, the mine is a fly-in fly-out operation with all personnel accommodated at a Homestake camp. The mine supports the local communities through the purchase of goods and services, as well as contributions to the Royal Flying Doctor. The mine, through a partnership with a Perth high school, supports the education and awareness of students and faculty about the mining industry. |
| 2,548,300 tons of ore processed 66,142 ounces of gold produced | Approximately 106 employees and 6 contractors including one health and safety and one environmental specialist | Employees live in nearby communities such as the town of Winnemucca. The mine supports the local community through the purchase of goods and services, as well as contributions and support for sporting activities and emergency response. |
| 2,841,982 tons of ore processed 107,819 ounces of gold produced | Approximately 101 employees and 7 contractors including one health and safety and three environmental specialists | Employees live in nearby communities such as the town of Lower Lake. The mine supports many community programs and activities, with primary focus towards educational and emergency support services. The mine will ultimately become part of a larger ecological field station and reserve managed by the University of California. |
| 3,035,445 tons of ore processed 253,643 ounces of gold produced | Approximately 162 employees and 375 contractors including two health and safety and one environmental specialist | Located in a remote area of Western Australia, the mine is a fly-in fly-out operation with all personnel accommodated at a Homestake camp. Homestake owns and manages the Three Rivers pastoral station comprising 1,200,000 acres on which the mine is located. The mine supports the local communities through the purchase of goods and services, as well as providing emergency assistance in the event of accidents on the Great Northern Highway. |
| 63,091,437 tons of ore processed 640,133 ounces of gold produced | Approximately 608 employees and 46 contractors including 6 health and safety and 5 environmental specialists | Most employees live in the nearby mine-built subdivision of Hadley in the town of Round Mountain. The mine supports the adjacent communities to become economically sustainable and has donated community services and infrastructure. |
| 1,199,814 tons of ore processed 125,193 ounces of gold produced | Approximately 96 employees and 10 contractors including two health and safety and one environmental specialist | Most employees live in nearby communities such as the town of Eureka. The mine supports community development through the purchase of goods and services, as well as contributions and support for local schools, housing, and medical services. |

Health and Safety Management

| Operations | Year | Health and Safety Management | | | |
|-------------------------|------|--|---|------------------------------|-------------------|
| | | Health & Safety Management Expenditures (US\$) | Health & Safety Capital Expenditures (US\$) | Number of Regulatory Actions | Fines Paid (US\$) |
| Agua de la Falda | 2000 | 85,000 | 0 | 2 | 0 |
| | 1999 | 37,000 | 1,200 | 0 | 0 |
| Darlot | 2000 | 128,000 | 125,000 | 3 | 0 |
| | 1999 | 170,000 | 60,000 | 0 | 0 |
| Eskay Creek | 2000 | 382,200 | 88,900 | 47 | 0 |
| | 1999 | 277,200 | 265,500 | 45 | 0 |
| Hemlo | 2000 | 1,437,900 | 0 | 44 | 0 |
| | 1999 | 1,630,200 | 0 | 16 | 0 |
| Homestake | 2000 | 623,000 | 0 | 60 | 5,005 |
| | 1999 | 1,391,800 | 0 | 34 | 1,049 |
| KCGM | 2000 | 1,019,300 | 294,000 | 2 | 0 |
| | 1999 | 99,000 | 0 | 7 | 0 |
| Lawlers | 2000 | 145,000 | 18,100 | 0 | 0 |
| | 1999 | 14,900 | 105,500 | 0 | 0 |
| Marigold | 2000 | 200,000 | NR | 7 | 0 |
| | 1999 | 82,500 | 2,500 | 6 | 407 |
| McLaughlin | 2000 | 167,000 | 0 | 2 | 55 |
| | 1999 | 175,800 | 0 | 26 | 827 |
| Plutonic | 2000 | 63,000 | 4,500 | 0 | 0 |
| | 1999 | 113,300 | 12,000 | 0 | 0 |
| Round Mountain | 2000 | 336,000 | 52,700 | 4 | 220 |
| | 1999 | 817,400 | 0 | 8 | 1,214 |
| Ruby Hill | 2000 | 129,900 | 3,600 | 1 | 165 |
| | 1999 | 111,700 | 9,800 | 8 | 165 |
| Nonproducing Operations | 2000 | 49,200 | 500 | 0 | 0 |
| | 1999 | 176,300 | 0 | 2 | 0 |
| Exploration | 2000 | 357,000 | 82,200 | 0 | 0 |
| | 1999 | 155,300 | 27,400 | 0 | 0 |
| TOTAL COMPANY | 2000 | 5,122,500 | 669,500 | 202 | 5,445 |
| | 1999 | 5,252,400 | 483,900 | 152 | 3,662 |

NR = Not Reported

The health and safety of Homestake's personnel is one of the Company's highest priorities. Performance for each operating unit is reported monthly and managers are held accountable for the health and safety performance of their operating units. Emergency response plans are in place at all operations and personnel routinely receive training and conduct drills to ensure they are prepared should the need arise.

This focus on health and safety performance has led to significant improvements over the past number of years. While Homestake's health and safety performance in general deteriorated during 2000, overall performance is still significantly better than the average for other mining companies (See figure on page 2).

| Employee Health and Safety Training Hours | Training | | Health and Safety Statistics | | | | External Awards and Recognition |
|---|---|-----------------------------------|------------------------------|-------------------------|--------------------------|----------------------|--|
| | Contractor Health and Safety Training Hours | Emergency Response Training Hours | Number of Fatalities | Lost-Time Incident Rate | All-Injury Incident Rate | Injury Severity Rate | |
| 350 | 400 | 160 | 0 | 1.62 | 2.27 | 72 | National Geology & Mining Service Award |
| 1,000 | 4,000 | 60 | 0 | 0.97 | 0.97 | 28 | |
| 2,340 | 6,789 | 5,280 | 0 | 0.33 | 5.23 | 14 | |
| 654 | 803 | 7,128 | 0 | 0.99 | 5.63 | 33 | |
| 543 | 595 | 948 | 1 | 2.50 | 8.21 | 2,291 | John T. Ryan Award |
| 1,254 | 798 | 240 | 0 | 1.27 | 6.34 | 37 | John T. Ryan Award |
| 22,423 | 2,140 | 5,988 | 0 | 0.92 | 8.71 | 23 | Mines and Aggregates Safety & Health Association - Award of Excellence |
| 18,651 | 1,856 | 5,573 | 0 | 0.83 | 8.51 | 71 | |
| 3,000 | 850 | 2,344 | 0 | 1.66 | 6.64 | 165 | |
| 3,280 | 1,263 | 8,328 | 0 | 1.85 | 4.11 | 103 | |
| 2,280 | 4,580 | 1,506 | 0 | 0.37 | 8.03 | 61 | |
| 5,780 | 7,140 | 544 | 0 | 0.74 | 12.50 | 103 | |
| 863 | 158 | 1,000 | 0 | 0.83 | 4.15 | 30 | |
| 2,310 | 933 | 1,450 | 0 | 0 | 5.12 | 0 | |
| 824 | 50 | 144 | 0 | 0 | 0.89 | 0 | Nevada Mining Association Award |
| 1,265 | 8 | 174 | 0 | 0 | 2.03 | 0 | Nevada Mining Association Award |
| 2,382 | 370 | 100 | 0 | 3.70 | 5.55 | 68 | |
| 2,320 | 137 | 200 | 0 | 2.74 | 6.40 | 24 | |
| 1,082 | 2,699 | 5,836 | 0 | 1.49 | 2.23 | 60 | Commendation from Meekatharra Police |
| 3,269 | 7,052 | 5,616 | 0 | 0 | 1.20 | 0 | |
| 9,231 | 2,434 | 2,304 | 0 | 0.61 | 2.45 | 29 | Nevada Mining Association Award |
| 32,200 | 1,056 | 1,920 | 0 | 1.33 | 3.99 | 56 | Nevada Mining Association Award |
| 2,350 | 105 | 396 | 0 | 0 | 1.89 | 0 | Nevada Mining Association Award |
| 2,500 | 288 | 932 | 0 | 0 | 0 | 0 | |
| 620 | 234 | 32 | 0 | 0 | 1.47 | 0 | New Mexico Mining Assoc. Award - Grants Mill Nevada Mining Assoc. Award - Pinson Mine |
| 332 | 730 | 2,365 | 0 | 1.76 | 6.35 | 36 | Holmes Award - Pinson Mine New Mexico Mining Assoc. Award - Grants Mill |
| 4,522 | 17,164 | 24,710 | 0 | 5.42 | 16.43 | 104 | |
| 2,300 | NR | NR | 0 | 1.95 | 6.64 | 94 | |
| 52,810 | 38,568 | 50,548 | 1 | 1.42 | 6.60 | 189 | |
| 77,115 | 26,064 | 34,530 | 0 | 0.97 | 6.28 | 58 | |

Environmental Management

| Operations | Year | Environmental Management | | | | Number of Chemical-Related Wildlife Mortalities |
|-------------------------|------|--|---|------------------------------|-------------------|---|
| | | Environmental Management Expenditures (US\$) | Environmental Capital Expenditures (US\$) | Number of Regulatory Actions | Fines Paid (US\$) | |
| Agua de la Falda | 2000 | 40,000 | 0 | 2 | 0 | 0 |
| | 1999 | 6,400 | 0 | 0 | 0 | 0 |
| Darlott | 2000 | 90,400 | 19,000 | 1 | 0 | 0 |
| | 1999 | 113,000 | 5,000 | 0 | 0 | 0 |
| Eskay Creek | 2000 | 524,700 | 633,000 | 2 | 0 | 0 |
| | 1999 | 478,100 | 86,300 | 6 | 0 | 0 |
| Hemlo | 2000 | 1,005,300 | 1,023,700 | 0 | 0 | 0 |
| | 1999 | 1,323,900 | 3,388,200 | 0 | 0 | 0 |
| Homestake | 2000 | 3,399,300 | 47,500 | 1 | 0 | 0 |
| | 1999 | 1,100,000 | 650,000 | 0 | 0 | 0 |
| KCGM | 2000 | 1,827,700 | 0 | 8 | 0 | 11 |
| | 1999 | 1,800,000 | 6,600 | 0 | 0 | 0 |
| Lawlers | 2000 | 56,700 | 3,500 | 0 | 0 | 0 |
| | 1999 | 79,400 | 39,700 | 0 | 0 | 0 |
| Marigold | 2000 | 340,000 | NR | 3 | 0 | 2 |
| | 1999 | 78,600 | 2,900 | 0 | 0 | 0 |
| McLaughlin | 2000 | 611,000 | 2,442,000 | 0 | 0 | 0 |
| | 1999 | 840,300 | 1,327,600 | 0 | 0 | 0 |
| Plutonic | 2000 | 119,500 | 400 | 1 | 0 | 3 |
| | 1999 | 124,300 | 132,500 | 0 | 0 | 0 |
| Round Mountain | 2000 | 748,700 | 9,100 | 0 | 0 | 2 |
| | 1999 | 769,400 | 0 | 0 | 0 | 2 |
| Ruby Hill | 2000 | 231,100 | 21,100 | 1 | 0 | 1 |
| | 1999 | 194,900 | 0 | 0 | 0 | 2 |
| Nonproducing Operations | 2000 | 2,861,600 | 600 | 0 | 0 | 0 |
| | 1999 | 1,350,800 | 0 | 1 | 0 | 15 |
| Exploration | 2000 | 124,900 | 46,000 | 1 | 0 | 0 |
| | 1999 | 342,000 | 65,400 | 0 | 0 | 0 |
| TOTAL COMPANY | 2000 | 11,980,900 | 4,245,900 | 20 | 0 | 19 |
| | 1999 | 8,601,100 | 5,704,200 | 7 | 0 | 21 |

NR = Not Reported

Recognizing that Homestake must have the approval of society to successfully develop and operate its mining operations, the Company has established environmental protection as a key business strategy. Environmental management begins during exploration and continues long after mine closure. A key part of this effort includes regular

communications with stakeholders. During 2000, the Company held, in addition to 18 open public meetings, numerous meetings with various stakeholder groups to discuss environmental issues and ensure that Homestake's plans are responsive to stakeholder concerns.

| Training | | Spill Management | | | | |
|-------------------------|---------------------------|---|--|---|---------------------------|------------------------------------|
| Employee Training Hours | Contractor Training Hours | Volume Escaping First Level Spill Containment (gallons) | Volume Escaping Second Level Spill Containment (gallons) | Volume Escaping Site Boundary (gallons) | Spill Cleanup Cost (US\$) | Spill Prevention Plan Last Updated |
| 120 | 140 | 26,420 | 0 | 0 | 500 | 9/00 |
| 78 | 0 | 15,850 | 0 | 0 | 49,500 | |
| 13 | 59 | 0 | 0 | 0 | 0 | 12/00 |
| 54 | 59 | 11,000 | 0 | 0 | 1,000 | |
| 54 | 2 | 213 | 213 | 0 | 2,000 | 12/99 |
| 56 | 2 | 0 | 0 | 0 | 0 | |
| 300 | 183 | 78,611 | 0 | 0 | 2,000 | 3/00 |
| 612 | 160 | 715 | 0 | 0 | NR | |
| 1,562 | 480 | 8,110 | 1,110 | 0 | 2,000 | 10/00 |
| 1,690 | 125 | 600 | 0 | 0 | 45,000 | |
| 46 | 7 | 0 | 0 | 0 | 1,400 | 10/99 |
| 36 | 0 | 58,000 | 58,000 | 58,000 | 93,000 | |
| 0 | 0 | 34,342 | 2,641 | 0 | 3,900 | Under Development |
| 140 | 8 | 0 | 0 | 0 | 0 | |
| 104 | 10 | 0 | 0 | 0 | 0 | 2/99 |
| 52 | 6 | 0 | 0 | 0 | 0 | |
| 0 | 0 | 800 | 800 | 0 | 5,000 | 10/00 |
| 0 | 0 | 20,000 | 0 | 0 | 0 | |
| 360 | 899 | 528 | 0 | 0 | NR | 6/99 |
| 31 | 269 | 0 | 0 | 0 | 0 | |
| 660 | 176 | 7,646 | 0 | 0 | 400 | 10/00 |
| 1,120 | 176 | 7,283 | 0 | 0 | NR | |
| 85 | 4 | 0 | 0 | 0 | 1,800 | 8/00 |
| 136 | 12 | 0 | 0 | 0 | 1,400 | |
| 86 | 83 | 3,825 | 0 | 0 | 7,600 | 98 and 99 |
| 258 | 147 | 4,459 | 0 | 0 | NR | |
| 20 | 11,850 | 0 | 0 | 0 | 0 | NR |
| NR | NR | 0 | 0 | 0 | 0 | |
| 3,410 | 13,893 | 160,495 | 4,764 | 0 | 26,600 | |
| 4,263 | 984 | 117,907 | 58,000 | 58,000 | 189,900 | |

Conservation and Recycling

| Operations | Year | Energy Consumption ¹ | | Water Consumptive Use | |
|------------------|------|---------------------------------|----------|-----------------------|-----------|
| | | MegaJoules (MJ) | MJ/ounce | Gallons (Gal) | Gal/ounce |
| Agua de la Falda | 2000 | 36,497,745 | 812 | 39,668,600 | 883 |
| | 1999 | 61,406,928 | 1,283 | 43,352,200 | 906 |
| Darlot | 2000 | 482,533,008 | 3,797 | 99,600,000 | 784 |
| | 1999 | 468,050,935 | 4,137 | 101,858,000 | 900 |
| Eskay Creek | 2000 | 250,640,449 | 752 | 47,500,500 | 143 |
| | 1999 | 251,777,955 | 815 | 45,884,900 | 143 |
| Hemlo | 2000 | 1,109,697,201 | 1,895 | 303,405,400 | 518 |
| | 1999 | 1,146,701,160 | 1,951 | 268,023,500 | 456 |
| Homestake | 2000 | 641,592,347 | 3,754 | 632,663,800 | 3,702 |
| | 1999 | 687,723,049 | 3,233 | 763,623,900 | 3,590 |
| KCGM | 2000 | 2,999,870,165 | 3,809 | 1,316,105,400 | 1,671 |
| | 1999 | 2,663,994,162 | 3,699 | 1,328,000,000 | 1,844 |
| Lawlers | 2000 | 356,027,577 | 3,520 | 211,878,500 | 2,095 |
| | 1999 | 429,706,076 | 4,119 | 163,203,400 | 1,756 |
| Marigold | 2000 | 215,168,384 | 3,253 | 186,515,300 | 2,820 |
| | 1999 | 211,245,993 | 2,846 | 224,131,300 | 3,020 |
| McLaughlin | 2000 | 371,385,796 | 3,445 | 311,691,300 | 2,891 |
| | 1999 | 379,577,308 | 3,124 | 272,833,800 | 2,246 |
| Plutonic | 2000 | 1,701,447,548 | 6,708 | 804,948,700 | 3,174 |
| | 1999 | 1,463,397,409 | 6,189 | 788,646,800 | 3,335 |
| Round Mountain | 2000 | 2,319,441,739 | 3,623 | 1,727,625,600 | 2,699 |
| | 1999 | 2,044,998,898 | 3,773 | 1,079,913,800 | 1,992 |
| Ruby Hill | 2000 | 184,862,267 | 1,477 | 63,469,900 | 507 |
| | 1999 | 196,188,673 | 1,585 | 72,200,000 | 583 |
| TOTAL COMPANY | 2000 | 10,669,164,225 | 3,191 | 5,745,073,200 | 1,718 |
| | 1999 | 10,004,768,546 | 3,133 | 5,171,671,600 | 1,620 |

1) Energy Consumption = total electricity, natural gas, diesel, and gasoline usage.

NR = Not Reported

While the economic cost of resource use has always been a powerful incentive for conservation, there is a growing awareness that the full environmental cost of resource consumption is not fully captured within

current economic pricing. Homestake's ability to reduce resource consumption rates is affected by ore type and grade as well as mining and processing requirements.

| Cyanide Consumption | | Scrap Metal (pounds) | Recycling | |
|---------------------|-----------|-------------------------|------------------------|-----------------------|
| Pounds(lbs) | Lbs/ounce | | Waste Oil (gallons) | Batteries (pounds) |
| 291,270 | 6 | 60,000 | 0 | 0 |
| 241,400 | 5 | 6,000 | 0 | 0 |
| 851,600 | 7 | 35,000 | 17,000 | 0 |
| 887,400 | 8 | 0 | 18,611 | 0 |
| 0 | 0 | 403,000 | 12,604 | 6,360 |
| 0 | 0 | 624,480 | 9,075 | 6,675 |
| 1,819,887 | 3 | 1,856,718 | 62,681 | 28,245 |
| 1,505,500 | 3 | 3,280,403 | 55,310 | 25,787 |
| 1,441,300 | 8 | 688,000 | 17,211 | 124,708 |
| 2,811,000 | 13 | 613,612 | 10,344 | 84,366 |
| 12,803,650 | 16 | 55,115 | 55,476 | 2,645 |
| 10,890,800 | 15 | 4,400,000 | 252,000 | 66,000 |
| 421,083 | 4 | 165,347 | 10,567 | 1,544 |
| 515,900 | 5 | 147,938 | 3,745 | NR |
| 1,089,793 | 16 | 3,000 | 18,575 | 750 |
| 1,160,500 | 16 | NR | NR | NR |
| 5,403,000 | 50 | 2,236,340 | 11,356 | 3,000 |
| 6,777,000 | 56 | 1,060,530 | 10,216 | 3,500 |
| 4,032,935 | 16 | 220,462 | 27,216 | 15,278 |
| 3,699,700 | 16 | 0 | 59,181 | 10,670 |
| 17,389,049 | 27 | 182,920 | 172,407 | 14,557 |
| 11,688,600 | 22 | 197,780 | 190,069 | 12,227 |
| 334,190 | 3 | 0 | 6,700 | 500 |
| 302,200 | 2 | 20,640 | 3,500 | 1,600 |
| 45,877,757 | 14 | 5,905,902 | 411,793 | 197,587 |
| 40,480,000 | 13 | 10,351,383 | 612,051 | 210,825 |

Environmental Discharges and Emissions

| Operations | Year | Number of Permitted Water Discharge Points | Total Gallons Water Discharged | Water Discharges | | | | | | | Lead (pounds) |
|-------------------------|------|--|--------------------------------|-------------------|------------------|-------------------|------------------|------------------|-----------------|---------------|---------------|
| | | | | Aluminum (pounds) | Ammonia (pounds) | Antimony (pounds) | Arsenic (pounds) | Cadmium (pounds) | Copper (pounds) | Iron (pounds) | |
| Agua de la Falda | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 0 | 0 | | | | | | | | |
| Darlot | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 0 | 0 | | | | | | | | |
| Eskay Creek | 2000 | 2 | 802,752,920 | 2,236 | 3,251 | 2,423 | 39 | 37 | 39 | 4,479 | 313 |
| | 1999 | 2 | 415,918,700 | 1,214 | NR | 2,174 | 61 | NR | 41 | NR | 280 |
| Hemlo | 2000 | 4 | 561,746,800 | | 43,828 | 1,027 | 9 | | 215 | | 35 |
| | 1999 | 4 | 611,490,600 | | NR | 982 | 9 | | 108 | | 47 |
| Homestake | 2000 | 6 | 1,054,357,457 | 72 | 295 | | 568 | 0 | 213 | | 2 |
| | 1999 | 6 | 1,208,380,400 | NR | NR | | 359 | NR | 335 | | 3 |
| KCGM | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 0 | 0 | | | | | | | | |
| Lawlers | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 2 | 9,184,400 | | | | 442 | | | | 0 |
| Marigold | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 0 | 0 | | | | | | | | |
| McLaughlin | 2000 | 3 | 0 | | | | | | | | |
| | 1999 | 3 | 0 | | | | | | | | |
| Plutonic | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 0 | 0 | | | | | | | | |
| Round Mountain | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 1 | 53,100 | | | | | | | | |
| Ruby Hill | 2000 | 0 | 0 | | | | | | | | |
| | 1999 | 0 | 0 | | | | | | | | |
| Nonproducing Operations | 2000 | 9 | 294,939,000 | 43 | 81 | | 18 | | 3 | 9 | 5 |
| | 1999 | 11 | 2,285,846,200 | 58 | NR | | 136 | | 24 | NR | 22 |
| TOTAL COMPANY | 2000 | 24 | 2,713,796,177 | 2,351 | 47,455 | 3,450 | 633 | 37 | 470 | 4,488 | 355 |
| | 1999 | 29 | 4,530,873,400 | 1,272 | NR | 3,156 | 1,007 | NR | 508 | NR | 352 |

Discharges and emissions are materials that are required to be measured and reported on a regular basis.

Discharges and emissions are not necessarily equal to environmental releases that are required to be calculated and reported annually. (see pages 11-12).

NR = Not Reported

Homestake operations are designed to minimize environmental effects. Consequently, many Homestake operations have no water discharges.

Air emissions are largely controlled by design or operating limits. Consequently, KCGM's Gidgi roaster is the only facility required by permit to measure and report air emissions.

The effectiveness of discharge and emission controls is monitored regularly. During 2000 Homestake operations had no exceedance of air emission limits and 6 minor, short-term (less than 24 hours) exceedances of water discharge limits.

| Nickel (pounds) | Water Discharges | | | | | | | Air Emissions | | | Emission Amount |
|-----------------|------------------|-------------------|-----------------|---------------|--|------------------------|---------------------------------|---------------------------------------|---|------------------------------------|------------------------------------|
| | Nitrate (pounds) | Selenium (pounds) | Silver (pounds) | Zinc (pounds) | Weak-acid Dissociable Cyanide (pounds) | Total Cyanide (pounds) | Total Suspended Solids (Pounds) | Number of Water Discharge Exceedances | Number of Permitted Air Emission Points | Number of Air Emission Exceedances | |
| | | | | | | | | | 0 | | |
| | | | | | | | | | 0 | | |
| | | | | | | | | | 0 | | |
| 185 | | | 37 | 285 | | | 61,658 | 5 | 2 | 0 | |
| 100 | | | 35 | 180 | | | NR | 5 | 2 | 0 | |
| 417 | 122,765 | | | 145 | 104 | 2047 | 10,781 | 0 | 75 | 0 | |
| 604 | NR | | 0 | 65 | 25 | 87 | NR | 1 | 127 | 0 | |
| 44 | 219,296 | 11 | 1 | 4 | 172 | 1,016 | | 1 | 19 | 0 | |
| 24 | NR | NR | 0 | 60 | 435 | 3,533 | | 0 | 19 | 0 | |
| | | | | | | | | | 1 | 0 | 304,261,100 pounds SO ₂ |
| | | | | | | | | | 1 | 0 | 106,400,000 pounds SO ₂ |
| | | | | | 0 | | | 0 | 0 | | |
| | | | | | | | | | 12 | 0 | |
| | | | | | | | | | 22 | 0 | |
| | | | | | | | | 0 | 79 | 0 | |
| | | | | | | | | 0 | 81 | 0 | |
| | | | | | | | | | 2 | 0 | |
| | | | | | | | | | 2 | 0 | |
| | | | | | | | | | 97 | 0 | |
| | | | | | | | | 0 | 96 | 0 | |
| | | | | | | | | | 71 | 0 | |
| | | | | | | | | | 71 | 0 | |
| | 123 | | | 13 | 22 | 238 | | 0 | 7 | 0 | |
| 20 | NR | | | 74 | 36 | 370 | | 6 | 13 | 0 | |
| 646 | 342,184 | 11 | 38 | 447 | 298 | 1,458 | 72,439 | 6 | 365 | 0 | 304,261,100 |
| 748 | NR | NR | 35 | 379 | 496 | 3,990 | NR | 12 | 434 | 0 | 106,400,000 |

Reclamation and Mitigation

| Operations | Year | Area Disturbed and Unreclaimed (acres) | Total Area Reclaimed (acres) | Area Reclaimed During Year (acres) | Reclamation | | Yearly Cost to Reclaim Areas Disturbed by Others (US\$) |
|-------------------------|------|--|------------------------------|------------------------------------|-----------------------------------|--|---|
| | | | | | Yearly Cost of Reclamation (US\$) | Reclamation of Areas Disturbed by Others (acres) | |
| Agua de la Falda | 2000 | 679 | 772 | 229 | 43,000 | 0 | 0 |
| | 1999 | 908 | 543 | 153 | 58,000 | 0 | 0 |
| Darlot | 2000 | 708 | 387 | 39 | 88,300 | 0 | 0 |
| | 1999 | 693 | 348 | 28 | 88,700 | 23 | 17,000 |
| Eskay Creek | 2000 | 45 | 16 | 0 | 16,500 | 0 | 0 |
| | 1999 | 38 | 16 | 0 | 2,100 | 0 | 0 |
| Hemlo | 2000 | 739 | 175 | 25 | 8,000 | 0 | 0 |
| | 1999 | 739 | 157 | 42 | 4,300 | 0 | 0 |
| Homestake | 2000 | 451 | 449 | 0 | 0 | 0 | 0 |
| | 1999 | 451 | 449 | 47 | 195,000 | 0 | 0 |
| KCGM | 2000 | 2,400 | 1,843 | 43 | 220,300 | 0 | 0 |
| | 1999 | 2,373 | 1,793 | 160 | 745,000 | 50 | 807,000 |
| Lawlers | 2000 | 878 | 825 | 78 | 70,800 | 0 | 0 |
| | 1999 | 955 | 747 | 135 | 110,800 | 0 | 0 |
| Marigold | 2000 | 1,228 | 225 | 0 | 0 | 0 | 0 |
| | 1999 | 1,221 | 225 | 0 | 0 | 0 | 0 |
| McLaughlin | 2000 | 428 | 450 | 0 | 0 | 1 | 3,000 |
| | 1999 | 428 | 450 | 0 | 0 | 0 | 0 |
| Plutonic | 2000 | 1,444 | 1,307 | 80 | 106,400 | 0 | 0 |
| | 1999 | 1,355 | 1,227 | 412 | 347,200 | 0 | 0 |
| Round Mountain | 2000 | 4,914 | 412 | 31 | 282,500 | 0 | 0 |
| | 1999 | 4,945 | 381 | 52 | 339,600 | 0 | 0 |
| Ruby Hill | 2000 | 400 | 222 | 0 | 0 | 0 | 0 |
| | 1999 | 378 | 222 | 76 | 101,100 | 0 | 0 |
| Nonproducing Operations | 2000 | 847 | 9,422 | 1,670 | 4,540,200 | 11 | 35,300 |
| | 1999 | 2,373 | 7,752 | 1,112 | 9,660,800 | 14 | 22,500 |
| Exploration | 2000 | 918 | 1,455 | 338 | 150,700 | 1 | 5,000 |
| | 1999 | 1,086 | 1,118 | 545 | 193,600 | 206 | 21,100 |
| TOTAL COMPANY | 2000 | 16,079 | 17,960 | 2,533 | 5,526,700 | 13 | 43,300 |
| | 1999 | 17,943 | 15,428 | 2,762 | 11,846,200 | 293 | 867,600 |

Mining, by its very nature, involves the disturbance of land. Homestake operations are designed to minimize the area disturbed and to reclaim in a timely manner. Regular audits verify that plans for reclamation are well developed and adequate financial provisions have been made to

restore all disturbed areas to other productive land uses. In many cases mitigation efforts offset short-term habitat losses resulting from mining operations.

| Number of Exploration Drill Holes in Year | Number of Exploration Drill Holes Capped and Reclaimed in Year | Mitigation | | External Awards and Recognition | |
|---|--|---|------------------------------------|---------------------------------|--|
| | | Habitat Stewardship Efforts | Cost of Habitat Stewardship (US\$) | | Environmental Research Expenditures (US\$) |
| 81 | 0 | Chinchilla habitat | 0 | 0 | |
| 110 | 0 | Chinchilla habitat | 0 | 0 | |
| 32 | 15 | Protection of priority-listed flora species | 300 | 0 | |
| 720 | 109 | Protection of priority-listed flora species | 0 | 0 | |
| 76 | 45 | Bear protection | 0 | 0 | |
| 63 | 63 | Bear protection | 0 | 74,500 | |
| 48 | 2 | Stream flow management | 0 | 0 | |
| 35 | 0 | Fish habitat | 17,700 | 0 | |
| 0 | 0 | Habitat improvements along Whitewood Creek and bat survey | 40,400 | 0 | |
| 0 | 0 | | 0 | 20,000 | |
| 361 | 361 | Propagation of rare shrub | 1,400 | 0 | Golden Gecko Award Finalist |
| 270 | 2,000 | Native Vegetation Monitoring | 6,500 | 17,000 | Kalgoonlie Boulder Garden Beautiful Award |
| 318 | 265 | | 0 | 0 | |
| 190 | 95 | | 0 | 800 | |
| 160 | 160 | | 0 | 0 | |
| 126 | 126 | | 0 | 12,200 | State of Nevada, US BLM, USFS - Wildlife Habitat Enhancement Award |
| 0 | 20 | Transfer of 9000 acres to California Fish and Game for habitat protection | 0 | 400 | |
| 0 | 0 | Monitoring of sensitive plant communities | 4,200 | 0 | Wildlife Habitat Council (WHC) Certification |
| 1,890 | 1,890 | Mulgara study | 0 | 2,200 | |
| 64 | 59 | | 0 | 9,000 | |
| 27 | 27 | Spotted Frog Conservation | 0 | 0 | |
| 95 | 95 | Spotted Frog Conservation | 6,000 | 0 | |
| 39 | 39 | Hawk nest construction and bat monitoring | 0 | 0 | |
| 9 | 9 | Ferruginous hawk and bat monitoring | 5,500 | 7,500 | State of Nevada, USBLM, USFS - Reclamation Innovation Award |
| 0 | 100 | Numerous | 15,300 | 111,200 | |
| 138 | 158 | Numerous | 3,000 | 99,200 | British Columbia Ministry of Mines – Reclamation Innovation Award – Nickel Plate Mine State of Nevada, USBLM, USFS - Reclamation Innovation Award |
| 3,990 | 3,592 | | 5,400 | 0 | |
| 2,687 | 2,997 | | 0 | 0 | |
| 7,022 | 6,516 | | 62,800 | 113,800 | |
| 4,507 | 5,711 | | 42,900 | 240,200 | |

Independent Evaluation of Homestake Mining Company's Environmental, Health and Safety Audit Program

Arthur D. Little, Inc., has reviewed the Environmental, Health, and Safety (EHS) Audit Program at Homestake Mining Company (Homestake) for the period of January 1, 2000, through December 31, 2000. Our evaluation is based on a review of Homestake's EHS Audit Program this year (including extensive interviews and document reviews), our knowledge of the audit program from reviews in previous years, and our knowledge of internationally recognized EHS auditing standards. We conducted our evaluation relying upon our extensive consulting experience in this area as well as our familiarity with similar programs established by many other corporations, including those that aim to achieve and maintain a leadership position.

Homestake's audit program is a key part of its companywide EHS management system. Other important aspects of that system include corporate EHS policies and procedures, line management responsibility for performance, routine internal reporting on EHS performance from the sites to corporate management, regular briefings to the EHS Committee of the Board of Directors, and annual public EHS reports.

In our opinion, Homestake's EHS Audit Program is designed and implemented in a manner that is generally consistent with, and in some instances exceeds, international EHS auditing standards. It provides a high level of assurance that all sites, including joint venture operations and inactive sites, have implemented and continue to improve EHS management systems, consistent with good industry practice in multinational industrial companies. These management systems are designed to assure compliance; reduce risks; prevent pollution, injuries and illnesses, and damages to property, plant and equipment; and maintain open and responsive relations with local stakeholders.

The audit program is mature and well-accepted within the organization. Homestake has conducted several audits at all of its sites over the years, except for the ones acquired in 1998, which have been audited once (in 1999). The company uses an effective mix of seasoned external consultants and internal EHS professionals to staff its audit teams. In addition to conducting EHS compliance and management systems audits at its own operating locations, it also audits inactive sites, joint venture operations, and exploration sites with a high level of activity. Homestake has also conducted detailed third party closure cost audits to better estimate, accrue and reduce long term closure costs, while striving to minimize environmental impacts.

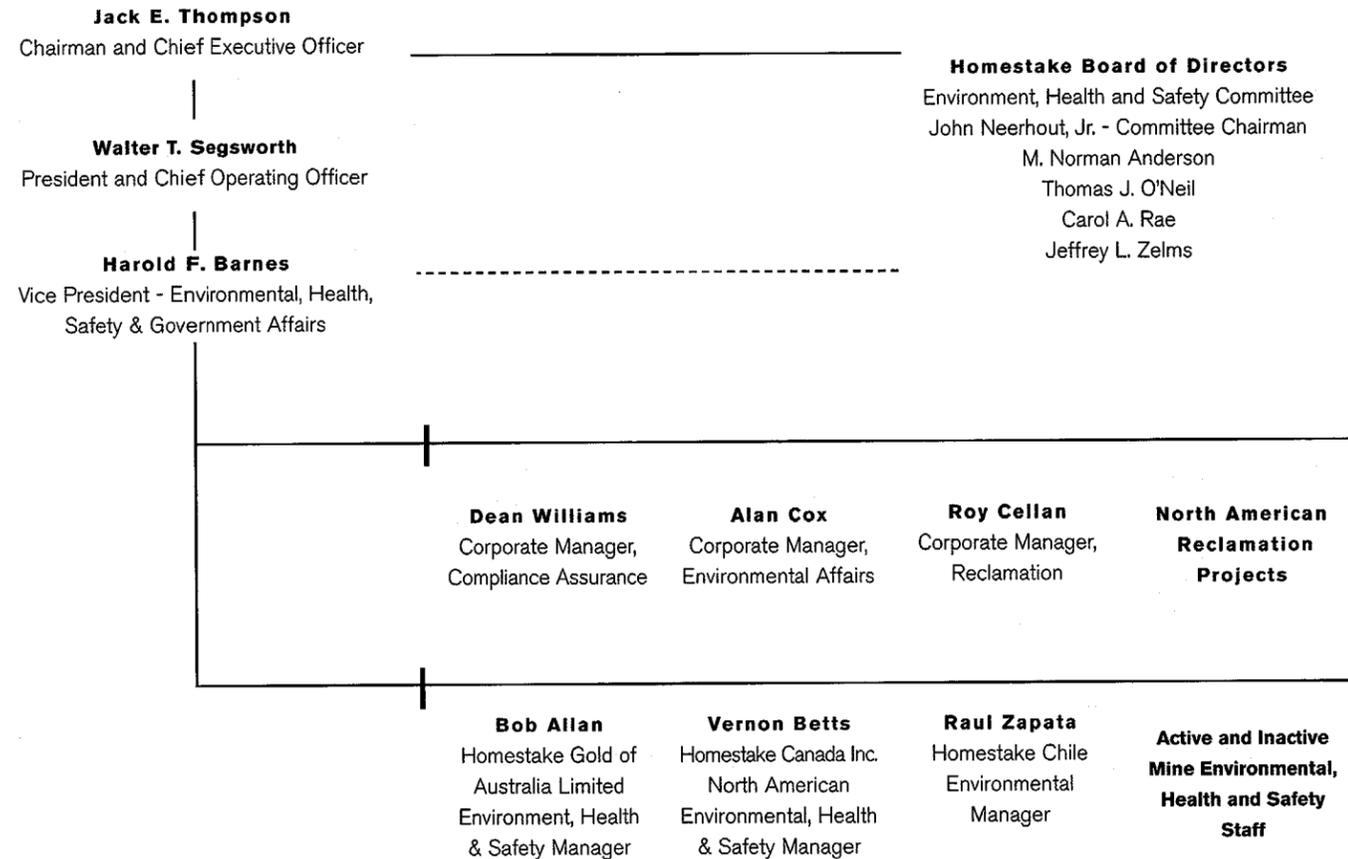
As part of our review, we have identified some opportunities to further strengthen the audit program. The primary area for improvement relates to the corrective/preventive action plans and status reports that are developed by the sites in response to the audit findings. We are confident that Homestake will take appropriate actions to continue to improve its EHS Audit Program.



James Margolis
Associate Director

Arthur D. Little, Inc.
February 2000

Environmental, Health and Safety Organization and Information



Information:

The following information is available from Homestake at the addresses below. Much of this information is also available on Homestake's web page: <http://www.homestake.com>

Environmental, Health, Safety and Government Affairs Management Brochure
Homestake Mining Company 2000 Annual Report
Form 10-K Report on Homestake Mining Company

Homestake Mining Company
 1600 Riviera Avenue, Suite 200
 Walnut Creek, CA 94596-3568

Homestake Canada Inc.
 1055 West Georgia Street, Suite 1100
 Vancouver, BC V6E 3P3

Homestake Gold of Australia Limited
 Locked Bag 12
 Cloisters Square
 Perth, Western Australia 6850

Minera Homestake Chile, S.A.
 Nueva Tajamar #481
 Torre Sur, Oficina 2101
 Las Condes
 Santiago, Chile

Selected Glossary

Abandoned Mine - A closed mining operation that was mined by a company other than Homestake and left in an unreclaimed condition.

All Injuries - All work related injuries excluding first-aid (the combination of fatal, lost-time, restricted duty, and medical treatment injuries). All-injury incidents rate is calculated as the number of incidents for each 200,000 hours worked.

Containment Structure - Curbing, collection areas, and berms designed to collect and contain solution spills. Homestake operations are typically designed with redundant spill containment to ensure that spillage does not escape the site.

Heap Leach - A method of recovering gold from a heap of ore placed on an impervious pad, whereby a leaching solution is allowed to percolate through the heap to dissolve the gold, which is subsequently collected and processed.

Injury Severity Rate - Severity rate is calculated as the number of workdays lost, restricted-duty workdays, and charged workdays for every 200,000 hours worked (e.g. 6,000 days are charged for each fatal injury).

Lost Time Injury - Any work related injury that results in workdays away from work. Lost-time incidents rate is calculated as the number of incidents for each 200,000 hours worked.

Megajoule - 10^6 Joules - A unit of energy having the following equivalents:

1 British thermal unit (Btu) = 1.055×10^3 joules
 1 kilowatt-hour = 3.60×10^6 joules

Reclamation - The process of converting lands disturbed by mining activities to other productive land uses. This process typically involves reshaping areas to an erosionally stable configuration, establishment of drainage systems, placement of topsoil or plant growth media, and planting.

Reclamation Accrual - An accounting reserve to recognize future reclamation obligations.

Regulatory Action - Written directions from a regulatory agency specifying that certain existing conditions must be corrected.

Stakeholders - People or groups of people that have an interest in the activities of the Company. This includes Homestake's shareholders, employees and their families, contractors, the communities near Homestake operations, legislative representatives, regulatory personnel, environmental activists, and interested non-governmental organizations.

Sustainable Development - Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Unit Conversion Table

Imperial measures are used in this report. To convert to the metric system, the following factors apply:

1 troy ounce = 31.103 grams
 1 (short) ton = 0.907 (metric) tonnes
 1 foot = 0.305 meters
 1 mile = 1.609 kilometers.
 1 acre = 0.405 hectares
 1 pound = 0.45 kilograms
 1 (US) gallon = 3.7854 liters

All dollars (\$) reported are US.

Selected Glossary



HOMESTAKE MINING COMPANY

10/1/01
10/1/01



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