



HOMESTAKE MINING COMPANY  
Of California  
136 East South Temple, Suite 1050  
Salt Lake City, UT 84111  
801-539-0660

June 27, 2002

**VIA OVERNIGHT COURIER**

Daniel M. Gillen, Chief  
Fuel Cycle Facilities Branch  
Division of Fuel Cycle Safety and Safeguards  
Office of Nuclear Material Safety and Safeguards  
Nuclear Regulatory Commission  
Washington, D.C. 20555-0001

Re: ***Homestake Mining Company of California***  
***Docket 40-8903***  
***License SUA 1471***

Dear Mr. Gillen:

Enclosed are the following:

1. Barrick Gold Corporation's Financial Test to Demonstrate Assurance; and
2. Resolutions of the Executive Committee of Barrick Gold Corporation authorizing Barrick Gold Corporation's parent guarantee.

I hope you find these documents to be in order. Please call me if you have any questions.

Very truly yours,

Richie D. Haddock  
Senior Counsel, U.S. Operations

Enclosure

cc: Elaine Brummet, NRC

NmSSOIRPublic



BARRICK GOLD CORPORATION      Tel: (416) 861-9911  
Royal Bank Plaza, South Tower      Fax: (416) 861-2492  
Suite 2700, 200 Bay Street  
P.O. Box 119  
Toronto, Canada  
M5J 2J3

June 26, 2002

U.S. Nuclear Regulatory Commission  
Division of Waste management  
11555 Rockville Pike  
Rockville, MD 20852-2738

Attn: Mr. Melvyn N. Leach  
Branch Chief  
Fuel Cycle Licensing Branch NMSS  
Mail Stop T-8A33  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Re:    Docket # 40-8903, License # SUA 1471  
      Financial Test to Demonstrate Financial Assurance

Dear Mr. Leach:

I am the Vice President and Controller of Barrick Gold Corporation, an Ontario Corporation having a principal place of business at Royal Bank Plaza, South Tower, Suite 2700, 200 Bay Street, Toronto, ON, Canada M5J 2J3 ("Barrick" and "Guarantor"). This letter is in support of Barrick's use of the financial test to demonstrate financial assurance, as specified in 10 CFR Part 40, Appendix A.

Homestake Mining Company of California ("Licensee") is an indirect wholly owned subsidiary of Guarantor and holds the license SUA 1471 ("License") for the Milan Mill Uranium recovery facilities ("Facilities"). The Facilities are a closed property at which the remaining activities are decommissioning, reclamation and long-term surveillance and control.

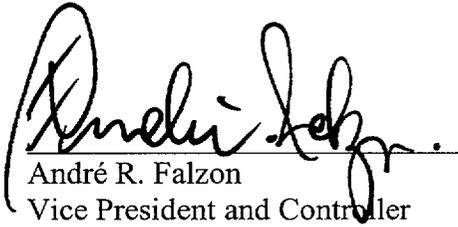
Barrick guarantees, through the parent company guarantee submitted for compliance under 10 CFR Part 40, Appendix A, the decommissioning, reclamation and long-term surveillance and control of the Licensee's facilities. The cost estimate for reclamation, decommissioning and long-term surveillance and control so guaranteed for these facilities is \$35.2 million.

I further attest that the Licensee for which this parent company guarantee is being made has a positive tangible net worth.

Guarantor is required to file a Form 40-F with the Securities and Exchange Commission ("SEC") for the latest fiscal year.

The fiscal year for Barrick ends December 31. The figures in the attached schedule are contained in or have been derived from Barrick's independently audited, year-end financial statements and footnotes for the latest completed fiscal year ended in December 31, 2001.

I hereby certify that the content of this letter is true and correct to the best of my knowledge.

  
André R. Falzon  
Vice President and Controller

June 26, 2002  
Date

**FINANCIAL TEST TO DEMONSTRATE FINANCIAL ASSURANCE**  
(In Millions)

1	Sum of decommissioning, reclamation and long-term surveillance and control estimates for facilities SUA 1471.	\$	35
2.	Total liabilities (excluding Grants reclamation accrual).	\$	1,998
3.	Tangible net worth (excluding Grants reclamation accrual).	\$	3,204
4.	Net Worth (excluding Grants reclamation accrual).	\$	3,204
5.	Current assets.	\$	1,014
6.	Current liabilities.	\$	530
7.	Net working capital (line 5 minus line 6).	\$	484
8.	The sum of net income plus depreciation, depletion and amortization	\$	597
9.	Total assets in U.S. (required only if less than 90 percent of firm's assets are located in the U.S.).	\$	1,873

YES/NO

		<u>Yes</u>	<u>No</u>
10.	Is line 3 at least \$20 million?	✓	
11.	Is line 3 at least 6 times line 1?	✓	
12.	Is line 7 at least 6 times line 1?	✓	
13.	Are at least 90 percent of firm's assets located in the US? If not complete line 14.		✓
14.	Is line 9 at least 6 times line 1?	✓	
	Guarantor must pass two of the following three tests.	✓	
15.	Is line 2 divided by line 4 less than 2.0?	✓	
16.	Is line 8 divided by line 2 greater than 0.1?	✓	
17.	Is line 5 divided by line 6 greater than 1.5?	✓	

**PricewaterhouseCoopers LLP**  
**Chartered Accountants**  
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Royal Trust Tower, Suite 3000  
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Barrick Gold Corporation  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2700  
P.O. Box 119  
Toronto, Ontario  
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June 26, 2002

Dear Sirs:

We have audited the consolidated financial statements of Barrick Gold Corporation and subsidiaries (the Company) for the year ended December 31, 2001, and have issued our report thereon dated February 8, 2002. Our audit was made in accordance with auditing standards generally accepted in the United States of America and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. This letter is based on our knowledge as of February 8, 2002 obtained in performing our audit of such financial statements and should be read with that understanding.

At your request, we have performed the procedures enumerated below with respect to the accompanying letter from Mr. André Falzon, Vice President and Controller of Barrick Gold Corporation, to the United States Nuclear Regulatory Commission (NRC) dated June 26, 2002, which includes documents prepared by the Company regarding its financial responsibility under the NRC financial assurance regulations, in compliance with Appendix A of 10 CFR Part 40. It is understood that this letter is furnished solely for filing with the NRC in accordance with these regulations and is not to be used for any other purpose. The procedures that we performed are summarized as follows:

1. We compared the amounts included in items 5 and 6 in the letter referred to above with the corresponding amounts included in the financial statements referred to in the first paragraph.

2. We recomputed from, or reconciled to the financial statements referred to in the first paragraph above, the information included in items 2, 3, 4, 7, 8 and 9 in the letter referred to above.
3. We proved the mathematical accuracy of the responses to items 10 through 17, inclusive, in the letter referred to above.

Because the procedures referred to in the preceding paragraph were not sufficient to constitute an audit made in accordance with auditing standards generally accepted in the United States of America, we do not express an opinion on any of the information or amounts listed above which are included in the aforementioned letter. In performing the procedures referred to above, however, no matters came to our attention that caused us to believe the information included in items 2 through 17, inclusive, in the aforementioned letter should be adjusted.

Yours very truly,

*PriceWaterhouseCoopers LLP*

Chartered Accountants

# BARRICK GOLD CORPORATION

## Resolutions of the Executive Committee of the Board of Directors

### "Grants Guarantee

WHEREAS Homestake Mining Company of California ("HMCOC"), an indirect wholly-owned subsidiary of Barrick Gold Corporation (the "Corporation"), holds license SUA 1471 (the "License") for the Milan Mill and uranium recovery facilities (the "Facilities") located at Grants, New Mexico;

AND WHEREAS the United States Nuclear Regulatory Commission (the "NRC") has promulgated regulations in Title 10, Chapter 1 of the Code of Federal Regulations, Part 40, Appendix A, Criteria 9 and 10, requiring that a licensee of a uranium recovery facility provide assurance that funds will be available when needed in accordance with the approved Reclamation and Decommissioning Plan and for any long-term surveillance and control at the uranium recovery facility;

AND WHEREAS, in order to provide the necessary financial assurance, the Corporation proposes to guarantee the obligations of HMCOC pursuant to the Reclamation and Decommissioning Plan for the Facilities (the "Plan");

NOW THEREFORE BE IT RESOLVED THAT:

1. the Corporation is hereby authorized to enter into a guarantee in favour of the NRC, pursuant to which the Corporation guarantees to the NRC that in the event HMCOC fails to perform the activities required in the Plan, as required by the License, the Corporation will:
    - (a) carry out the required activities, or
    - (b) set up a trust fund in favour of the NRC, its successors and assigns, in the amount of the NRC approved cost estimates for the activities, and
    - (c) cover the eventual payment of the amount required for long-term surveillance and control, if any, as required by 10 CFR Part 40, Appendix A.
  2. Any officer of the Corporation is hereby authorized to take all actions and to execute and deliver all documents and instruments, including without limitation the required form of guarantee, which such officer may determine necessary or desirable to give effect and purpose to the foregoing resolutions, such determination being conclusively evidenced by the performance of such acts or the execution of such documents or instruments by such officer."
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I, Sybil E. Veenman, Associate General Counsel and Secretary of Barrick Gold Corporation (the "Corporation") hereby certify on behalf of the Corporation that the foregoing is a true and correct copy of a resolution passed by the Executive Committee of the Board of Directors on June 18, 2002, and as at the date hereof is in full force and effect, unamended and unrevoked.

DATED the 19<sup>th</sup> day of June, 2002.

A handwritten signature in black ink, appearing to read 'S. Veenman', written over a horizontal line.

Sybil E. Veenman  
Associate General Counsel  
and Secretary