

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
Nc 500-06-000693-149

(Class Action)

SUPERIOR COURT

STEVEN BODZIN, resident in [REDACTED]
[REDACTED]

Petitioner

- vs -

BARRICK GOLD CORPORATION, a legal person with an elected domicile at 1, Place Ville-Marie, Suite 2500, Montreal, Quebec, H3B 1R1

- and -

AARON REGENT, TD Canada Trust Tower, 161 Bay Street, Suite 3700, P.O. Box 212, Toronto, Ontario, M5J 2S1

- and -

JAMIE SOKALSKY, TD Canada Trust Tower, 161 Bay Street, Suite 3700, P.O. Box 212, Toronto, Ontario, M5J 2S1

- and -

AMMAR AL-JOUNDI, TD Canada Trust Tower, 161 Bay Street, Suite 3700, P.O. Box 212, Toronto, Ontario, M5J 2S1

- and -

PETER KINVER, TD Canada Trust Tower, 161 Bay Street, Suite 3700, P.O. Box 212, Toronto, Ontario, M5J 2S1

Respondents

**CONSOLIDATED MOTION FOR AUTHORIZATION TO PURSUE
AN ACTION IN DAMAGES UNDER THE *SECURITIES ACT*, AND
FOR AUTHORIZATION TO INSTITUTE A CLASS ACTION AND
OBTAIN THE STATUS OF REPRESENTATIVE**

(*Securities Act* article 225.4, and C.C.P. articles 1002 et seq.)

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT OF QUEBEC
SITTING IN AND FOR THE DISTRICT OF MONTREAL, THE PETITIONER ALLEGES
THE FOLLOWING:

IMPRIMÉ
Par le Gouvernement du Québec
Palais de Justice MONTREAL

0294619-034-1004
123,00
2014-04-30

1. The Petitioner wishes to institute a class action on behalf of persons forming part of the Class hereinafter described and of which he is also a member, namely:

All natural persons and legal persons, which in the 12 months previous to April 30, 2014 had fewer than 50 employees, who reside in Quebec and acquired securities of Barrick Gold Corporation from May 7, 2009 to November 1, 2013, except the Respondents, all officers and directors of Barrick Gold Corporation during the class period, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which the excluded persons have a controlling interest now or during the class period;

Toutes les personnes physiques et les personnes morales qui, au cours des 12 mois précédent le 30 avril 2014, avaient moins de 50 employés, qui résident au Québec et qui ont acquis des valeurs mobilières de Barrick Gold Corporation entre le 7 mai 2009 et le 1^{er} novembre 2013, sauf les Intimés, tout administrateur ou dirigeant de Barrick Gold Corporation durant la période visée par le Recours, ainsi que leurs représentants légaux et ayants droit, ou toute entité liée ou contrôlée par une personne exclue ou dans laquelle une personne exclue est un initié;

2. The facts that give rise to an individual action on behalf of the Petitioner and which give rise to individual actions on behalf of class members against the Respondents are as follows:

- 2.1. The Petitioner alleges that the Respondents have contravened their obligations under the Quebec *Securities Act*, particularly article 73 of the Act which reads as follows:

73. A reporting issuer shall provide periodic disclosure about its business and internal affairs, including its governance practices, timely disclosure of a material change and any other disclosure prescribed by regulation in accordance with the conditions determined by regulation.

- 2.2. They have further violated their duty not to make misrepresentations in the secondary market under Division II of Chapter II of Title VIII of the Act (articles 225.2 to 225.33);
- 2.3. The available evidence demonstrates that the Respondents failed to provide timely disclosure of material changes and made several misrepresentations regarding the progress, cost, and feasibility of the Pascua-Lama mine;

The Parties

- 2.4. The Petitioner purchased 200 shares of Barrick Gold Corporation on August 11, 2011, as appears from a copy of his trade confirmation, filed as Exhibit P-1;

- 2.5. The Respondent Barrick Gold Corporation ("**Barrick**") is a mining corporation incorporated under the laws of Ontario and is headquartered in Toronto, Ontario, as appears from a copy of its entry in the Quebec Régistraire des entreprises, filed as Exhibit P-2;
- 2.6. Barrick is a reporting issuer on the Toronto Stock Exchange and the New York Stock Exchange;
- 2.7. The following Respondent Directors and Senior Officers of Barrick had actual, implied or apparent authority to act and speak on behalf of Barrick and did so in making the misrepresentations and failures to disclose described below;
- 2.8. The Respondent Aaron Regent was Chief Executive Officer and a director of Barrick from January 2009 until he was terminated on June 6, 2012;
- 2.9. The Respondent Jamie Sokalsky was Chief Financial Officer of Barrick from 1999 until June 2012, after which he became Chief Executive Officer and a director;
- 2.10. The Respondent Ammar Al-Joundi has been the Chief Financial Officer and Executive Vice President of Barrick since June 2012;
- 2.11. The Respondent Peter Kinver was Chief Operating Officer of Barrick from January 1, 2004 to May 2, 2012 and Executive Vice President from September 9, 2012 to May 2, 2012;

The Pascua-Lama Project

- 2.12. Barrick owns the Pascua-Lama mine located underneath glaciers in the Andes Mountains on the border between Chile and Argentina;
- 2.13. From at least 2006 until October 31, 2013, when its operations were suspended, Barrick claimed to be developing the Pascua-Lama mine;
- 2.14. From the outset, the Respondents understood that the mine would present considerable challenges for development and production because of its location and the extreme weather changes regularly found in such an environment. They further maintained that their proven track record in harsh conditions would enable them to push forward with the Pascua-Lama mine;
- 2.15. In June 2006, the Chilean government approved the Pascua-Lama project but imposed 400 conditions, including a variety of environmental conditions;

- 2.16. From May 7, 2009 to November 1, 2013 (“the class period”), the Respondents repeatedly represented that Barrick was complying with these environmental conditions and working to safeguard the environment of the area and water surrounding the mine.
- 2.17. These representations were inaccurate, misleading, or omitted material facts regarding Barrick’s failure to safeguard the environment and comply with various environmental conditions, regulations and permits;
- 2.18. Throughout the class period, Barrick repeatedly misrepresented the progress, cost and feasibility for development and production of the Pascua-Lama mine;
- 2.19. On May 7, 2009, the beginning of the class period, Barrick announced that it would start construction on the project and estimated the cost in the range of \$2.8 to \$3 billion, with production beginning in early 2013;
- 2.20. This timing and cost estimate was inaccurate and unreasonable. The Respondents knew or ought to have known that Barrick could not complete the Pascua-Lama project for such a low cost and in such a short time period, particularly in light of the significant and apparent challenges unique to the Pascua-Lama mine;
- 2.21. In 2006 or 2007, Barrick had received an estimate from Bechtel Corporation that the project would cost \$5 billion and take 4 to 5 years to complete;
- 2.22. On February 17, 2011, Barrick increased its cost estimate for the mine to \$3.3 to \$3.6 billion, still far below a reasonable cost estimate. The Respondents misrepresented the reason for the cost increase as being inflationary pressures, high labour costs, exchange rates and increased commodity prices. They further claimed that production was expected to begin in the first half of 2013, along with other misstatements about the progress, cost, and feasibility of the mine;
- 2.23. On July 28, 2011, Barrick announced that it was increasing the cost estimate for the Pascua-Lama project to between \$4.7 to \$5.0 billion, but reassured the investing public that production was still on schedule for mid-2013;
- 2.24. On June 6, 2012, Barrick terminated Respondent Aaron Regent with almost no explanation;
- 2.25. On July 26, 2012, Barrick increased the expected costs of the project to \$8 billion and extended the production schedule for the commencement of production to mid-2014;

- 2.26. On November 1, 2012, Barrick again increased its cost estimate for the mine to \$8.5 billion;
- 2.27. On each of these dates, the Respondents repeatedly failed to disclose material changes and made misrepresentations regarding the progress, cost, and feasibility of the Pascua-Lama mine;
- 2.28. On April 10, 2013, a Chilean court ordered Barrick to halt construction at the Pascua-Lama project based on environmental infractions, as appears from copies of two press releases Barrick issued on that date, filed as Exhibit P-3;
- 2.29. On June 28, 2013, Barrick announced it expected to take an after-tax impairment charge of \$4.5 to 5.5 billion relating to the Pascua-Lama mine and that production would not begin until mid-2016;
- 2.30. On October 31, 2013, Barrick announced it was indefinitely suspending the Pascua-Lama project and it would only proceed if a more effective, phased approach was developed;
- 2.31. After the close of trading that day, Barrick announced a \$3 billion offering of its shares and indicated that the proceeds would be used to pay down debt, strengthen its balance sheet and cover general corporate expenses, including the ongoing operating and capital costs of Barrick's mines;

The Respondents' Misrepresentations Regarding the Progress, Cost, and Feasibility of the Pascua-Lama Project

- 2.32. Throughout the class period, the Respondents made, authorized or acquiesced in misrepresentations regarding the progress, cost, and feasibility of the Pascua-Lama project, including its development in compliance with environmental requirements;
- 2.33. These misrepresentations include the following:
 - a. May 7, 2009 press release titled "Barrick Announces Go-Ahead of Pascua Lama";
 - b. May 7, 2009 conference call titled "Barrick Gold update on the Pascua-Lama project Conference Call";
 - c. June 4, 2009 presentation at the Goldman Sachs Basic Materials Conference;
 - d. July 30, 2009 earnings conference call for Q2 2009;
 - e. July 31, 2009 press release, interim financial statements and management's discussion & analysis ("MD&A") for Q2 2009;

- f. September 8, 2009 press release titled "Barrick Announces Silver Sale Agreement";
- g. September 8, 2009 preliminary short form prospectus and amendment on September 9, 2009, including documents incorporated by reference;
- h. September 15, 2009 final short form prospectus, including documents incorporated by reference;
- i. October 13, 2009 earnings conference call for Q3 2009;
- j. October 30, 2009 press release, interim financial statements and MD&A for Q3 2009;
- k. November 7, 2009 final short form prospectus, including documents incorporated by reference;
- l. December 10, 2009 statements at the Bank of America-Merrill Lynch 2009 Global Industries Conference;
- m. January 2010 statements at the CIBC Whistler Institutional Investor Conference;
- n. February 18, 2010 earnings conference call for Q4 2009;
- o. March 23, 2010 press release, annual report, annual financial statements and MD&A for 2009;
- p. March 29, 2010 annual information form;
- q. April 1, 2010 amended annual report;
- r. April 28, 2010 earnings conference call for Q1 2010;
- s. April 29, 2010 press release, interim financial statements and MD&A for Q1 2010;
- t. June 4, 2010 statements at the 2010 Goldman Sachs Basic Materials Conference;
- u. July 29, 2010 earnings conference call for Q2 2010;
- v. July 30, 2010 press release, interim financial statements and MD&A for Q2 2010;
- w. October 28, 2010 earnings conference call for Q3 2010;
- x. October 29, 2010 press release, interim financial statements and MD&A for Q3 2010;
- y. February 17, 2011 earnings conference call for Q4 2010;

- z. February 18, 2011 press release, annual financial statements and MD&A for 2010;
- aa. March 1, 2011, amended MD&A for 2010;
- bb. March 22, 2011 annual report for 2010;
- cc. March 31, 2011 annual information form;
- dd. March 31, 2011 NI43-101 technical report for the Pascua-Lama project;
- ee. April 27, 2011 earnings conference call for Q1 2011;
- ff. April 28, 2011 press release, interim financial statements and MD&A for Q1 2011;
- gg. May 25, 2011 statements at Goldman Sachs Basic Materials Conference;
- hh. June 27, 2011, registration statement, as amended on August 3, 2011 and filed on SEDAR on August 4, 2011, including documents incorporated by reference;
- ii. June 28, 2011 earnings conference call for Q2 2011;
- jj. July 29, 2011 press release, interim financial statements and MD&A for Q2 2011;
- kk. September 7, 2011 Investor Day presentation;
- ll. October 27, 2011 earnings conference call for Q3 2011;
- mm. October 27, 2011 press release, interim financial statements and MD&A for Q3 2011;
- nn. December 14, 2011 statement in response to outside concerns regarding the impact on glaciers of the Pascua-Lama project;
- oo. February 16, 2012 earnings conference call for Q4 2011;
- pp. February 17, 2012 press release, annual financial statements and MD&A for 2011;
- qq. March 27, 2012 annual report for 2011;
- rr. April 20, 2012 registration statement, as amended on May 9, 2012 and filed on SEDAR on May 9, 2012, including documents incorporated by reference;
- ss. May 2, 2012 earnings conference call for Q1 2012;
- tt. May 3, 2012 press release, interim financial statements and MD&A for Q1 2012;
- uu. July 26, 2012 press release and earnings conference call for Q2 2012;

- vv. July 27, 2012 press release, interim financial statements and MD&A for Q2 2012;
- ww. November 1, 2012 earnings conference call for Q3 2012;
- xx. November 2, 2012 press release, interim financial statements and MD&A for Q3 2012;
- yy. January 24, 2013 statements at the CIBC World Markets Whistler Institutional Investor Conference;
- zz. February 14, 2013 earnings conference call for Q4 2012;
- aaa. February 14, 2013 press release, annual financial statements and MD&A for 2012;
- bbb. March 25, 2013 annual report for 2012;
- ccc. March 28, 2013 annual information form;
- ddd. April 24, 2013 earnings conference call for Q1 2013;
- eee. April 24, 2013 press release, interim financial statements and MD&A for Q1 2013;
- fff. June 28, 2013 press release regarding update on the Pascua-Lama project; and
- ggg. August 1, 2013 press release, interim financial statements and MD&A for Q2 2013.

The documents referred to above are filed *en liasse* as Exhibit **P-4**;

- 2.34. These documents and public oral statements contained material misrepresentations and omitted material facts regarding challenges to the progress, cost, and feasibility of the Pascua-Lama project;
- 2.35. The Respondents also failed to make timely disclosure of material changes relating to the progress, cost, and feasibility of the Pascua-Lama project;
- 2.36. The Respondents ought to have known of the misrepresentations and failures to disclose at the time they were made;

3. The composition of the Class makes the application of articles 59 and 67 C.C.P. difficult or impracticable in that:

- 3.1. The size of the Class is conservatively estimated to include thousands of Quebecers;

3.2. It is impossible for the Petitioner to contact and obtain mandates from every class member;

4. If this Court grants authorization for an action in damages under Division II of Chapter II of Title VIII of the *Securities Act*, the Petitioner seeks to have the following questions of fact and law, which are identical, similar or related and unite each member of the Class, decided by a class action:

4.1. Did the Respondents fail to make timely disclosures of material changes pertaining to Barrick's Pascua-Lama project?

4.2. Did the Respondents make misrepresentations pertaining to Barrick's Pascua-Lama project?

4.3. Are the Respondents liable to the class members under Division II of Chapter II of Title VIII of the Quebec *Securities Act*?

4.4. Are the class members entitled to compensatory damages, and if so, to how much?

5. The questions of fact and law individual to each member of the Class are the following:

5.1. What amount must the Respondents reimburse to each class member?

6. It is appropriate to authorize a class action on behalf of the class members for the following reasons:

6.1. A class action will provide the class members with reasonable access to justice;

6.2. The cost of bringing each individual action would disproportionately exceed the amount sought by each against the Respondents;

6.3. If class members actually exercised their rights, the sheer number of victims would lead to a multitude of individual actions instituted in various jurisdictions, which could lead to contradictory rulings on questions of fact and law that are for all intents and purposes identical to all the class members;

6.4. A class action would help deter the Respondents and other issuers and corporate directors and senior officers from ignoring their legal obligations under the Quebec *Securities Act*;

7. The nature of the action that the Petitioner seeks to institute is:

7.1. An action in damages;

8. The conclusions that the Petitioner seeks are the following:

GRANT the Petitioner's motion for authorization to bring an action for damages under Division II of Chapter II of Title VIII of the *Securities Act*;

AUTHORIZE the class action of the Petitioner and class members against the Respondents;

GRANT the Petitioner' Motion to obtain the Status of Representative of all class members;

DECLARE that the Respondents failed to make timely disclosures of material changes and made misrepresentations pertaining to the Pascua-Lama project;

ORDER the Respondents to pay each member of the Class their respective claims, plus interest at the legal rate as well as the additional indemnity provided for by law in virtue of article 1619 C.C.Q.;

ORDER the collective recovery of the damages awarded to class members;

THE WHOLE with costs, including the cost of experts and notices;

9. The Petitioner is apt to assume an adequate representation of the class members that he intends to represent for the following reasons:

9.1. The Petitioner is a class member;

9.2. The Petitioner has the time, energy, will and determination to assume all the responsibilities incumbent upon him in order to diligently carry out the action;

9.3. The Petitioner cooperates and will continue to fully cooperate with his attorneys;

9.4. The Petitioner is represented by two law firms that specialize in class actions;

10. The Petitioner requests and proposes that the class action be brought before the Superior Court, sitting in the district of Montreal, for the following reasons:

10.1. The Petitioner resides in Quebec, in the district of Montreal;

10.2. Counsel for the Petitioner practice in the district of Montreal;

10.3. It is likely that a high proportion of class members reside in Montreal;

FOR THESE MOTIVES, MAY IT PLEASE THE COURT:

GRANT the Petitioner's Motions;

AUTHORIZE the class action hereinafter described as:

All natural persons and legal persons, which in the 12 months previous to April 30, 2014 had fewer than 50 employees, who reside in Quebec and acquired securities of Barrick Gold Corporation from May 7, 2009 to November 1, 2013, except the Respondents, all officers and directors of Barrick Gold Corporation during the class period, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which the excluded persons have a controlling interest now or during the class period;

Toutes les personnes physiques et les personnes morales qui, au cours des 12 mois précédent le 30 avril 2014, avaient moins de 50 employés, qui résident au Québec et qui ont acquis des valeurs mobilières de Barrick Gold Corporation entre le 7 mai 2009 et le 1^{er} novembre 2013, sauf les Intimés, tout administrateur ou dirigeant de Barrick Gold Corporation durant la période visée par le Recours, ainsi que leurs représentants légaux et ayants droit, ou toute entité liée ou contrôlée par une personne exclue ou dans laquelle une personne exclue est un initié;

IDENTIFY as follows the principle questions of fact and law to be determined collectively:

Did the Respondents fail to make timely disclosures of material changes pertaining to Barrick's Pascua-Lama project?

Did the Respondents make misrepresentations pertaining to Barrick's Pascua-Lama project?

Are the Respondents liable to the class members under Division II of Chapter II of Title VIII of the Quebec Securities Act?

Are the class members entitled to compensatory damages, and if so, to how much?

IDENTIFY as follows the conclusions sought in relation thereof:

GRANT the Petitioner's motion for authorization to bring an action for damages under Division II of Chapter II of Title VIII of the *Securities Act*;

AUTHORIZE the class action of the Petitioner and class members against the Respondents;

GRANT the Petitioner' Motion to obtain the Status of Representative of all class members;

DECLARE that the Respondents failed to make timely disclosures of material changes and made misrepresentations pertaining to the Pascua-Lama project;

ORDER the Respondents to pay each member of the Class their respective claims, plus interest at the legal rate as well as the additional indemnity provided for by law in virtue of article 1619 C.C.Q.;

ORDER the collective recovery of the damages awarded to class members;

THE WHOLE with costs, including the cost of experts and notices;

DECLARE that, unless excluded, the class members will be bound by all judgments to be rendered with respect to the class action in accordance with the law;

FIX the delay for exclusion from the Class at sixty (60) days from the date of the notice to the members, after which those members which did not avail themselves of their option to be excluded shall be bound by all judgments to be rendered with respect to the class action;

ORDER the publication of a summary notice (in accordance with article 1046 C.C.P.) to the members of the Class according to the terms to be determined by the Court;

REFER the present file to the Chief Justice for determination of the district in which the class action should be brought and to designate the Judge who shall preside over the hearing;

THE WHOLE with costs, including the cost of all notices;

MONTREAL, April 30, 2014

Trudel & Johnston

TRUDEL & JOHNSTON
Counsel for the Petitioner

Laizon Bélanger L'Espérance

LAUZON BÉLANGER L'ESPERANCE
Counsel for the Petitioner

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No.: 500-06-

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SUPERIOR COURT

STEVEN BODZIN

Petitioner

- vs -

BARRICK GOLD CORPORATION

- and -

AARON REGENT

- and -

JAMIE SOKALSKY

- and -

AMMAR AL-JOUNDI

- and -

PETER KINVER

Respondents

NOTICE OF PRESENTATION

BARRICK GOLD CORPORATION

1, Place Ville-Marie
Suite 2500
Montreal, Quebec, H3B 1R1

AARON REGENT

Brookfield Place
TD Canada Trust Tower
161 Bay Street, Suite 3700
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JAMIE SOKALSKY

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PETER KINVER

Brookfield Place,
TD Canada Trust Tower
161 Bay Street, Suite 3700
P.O. Box 212
Toronto, Ontario, M5J 2S1

NOTICE IS HEREBY GIVEN that the present *Consolidated Motion for Authorization to Pursue an Action in Damages under the Securities Act, and for Authorization to Institute a Class Action and Obtain the Status of Representative* will be presented for adjudication before this Honourable Court sitting in and for the District of Montreal, at the Palais de Justice, located at 1, Notre-Dame E., on the date set by the coordinating judge of the class actions chamber.

PLEASE ACT ACCORDINGLY

Montreal, 30 April 2014

Trudel & Johnston

TRUDEL & JOHNSTON
Attorneys for Petitioner

Laizon Belanger Lespérance

LAUZON BELANGER LESPÉRANCE
Attorneys for Petitioner

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No.: 500-06-

(Class Action)

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Petitioner

- vs -

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- and -

AARON REGENT

- and -

JAMIE SOKALSKY

- and -

AMMAR AL-JOUNDI

- and -

PETER KINVER

Respondents

**NOTICE OF DISCLOSURE OF EXHIBITS
(C.C.P. art. 331.2(3))**

In support of his consolidated *Motion for Authorization to Pursue an Action in Damages under the Securities Act, and for Authorization to Institute a Class Action and Obtain the Status of Representative*, the Petitioner discloses the following exhibits:

- Exhibit P-1** Copy of the petitioners' trade confirmation;
- Exhibit P-2** Copy of Respondent Barrick Gold Corporation's entry in the Quebec Régistrare des entreprises;
- Exhibit P-3** Copies of two press releases issued by Respondent Barrick Gold Corporation on April 10, 2013 (*en liasse*);
- Exhibit P-4** Copies of communications issued by Respondent Barrick Gold Corporation (*en liasse*);

Said exhibits are available on demand.

Montreal, 30 April 2014

Trudel Johnston

TRUDEL & JOHNSTON
Attorneys for Petitioner

Laizon Bélanger Lespérance

LAUZON BÉLANGER LESPÉRANCE
Attorneys for Petitioner