

Barrick's Corporate Land Management Initiative

A Message from Margie Winsel Boorda

**FlexiCadastre
User's Conference
Cape Town
February 2008**



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The Opportunity

Conferences like this provide such a wonderful opportunity to come together to share needs and ideas and to collaborate on finding solutions that benefit us all – both for the client and the developer.

As I look at the list of attendees I assume that we bring many common needs but that these needs are really shared amongst two groups.



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Government and Corporate Sectors

- Many of you represent what I call the Government Sector – the Public Agency or Authority charged with protecting the interests of your country and ensuring that all conditions of granted rights are met.
- Likely most such conditions are governed or regulated specifically by code but the process that you are required to follow is quite lengthy and requires action from numerous divisions within your department.



Government and Corporate Sectors

- Myself and others in attendance represent the Corporate sector. We are charged with the responsibility of ensuring that our Corporate assets are not lost due to mismanagement.
- We must not only meet the conditions set out in granted rights BUT we must also meet the contractual conditions created by our business transactions with third parties.
- Sometimes we grant specific rights to others – these obligations must be managed in similar form.



Government and Corporate Sectors

- Different needs – yes
- Common needs – yes
- Yet - we both choose FlexiCadastre as our solution.
- Why did Barrick choose FlexiCadastre?
That's the “Barrick Story”



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Barrick – the Company

- The world's largest gold producer
- A young company – 25 years old
- Holds land assets in Africa, Australia, Canada, Dominican Republic, Europe, Former Soviet Union, Indonesia, Pakistan, Papua New Guinea, South America and the United States
- Most assets obtained thru corporate acquisition – major acquisitions occurred in 2001 (Homestake Mining) and 2006 (Placer Dome)



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Regional Organization

- Headquartered in Toronto, Canada
- North American Region having its main business office in Salt Lake City, UT
- South American Region having its main business office in Santiago, Chile
- Australia-Asia, having its main office in Perth, WA and another in Port Morsby, PNG
- Africa, having its main business office in Johannesburg, SA and its main operating office in Dar es Salaam, TZ



The Initiative - 2006

- Decision made to develop and implement a Corporate Land Management Initiative
- Director, Corporate Land given global responsibility
- A five member Corporate Initiative Steering Committee was created April 2006



Goals and Objectives of the Initiative

- Develop Land Services Policy
- Develop Confidentiality Agreement Policy
- Prepare guidelines to meet minimum requirements of the Policy
- Conduct preliminary global risk assessment
- Select software application and develop a global land information system
- Implement the Policy in each Country/Region
- Develop an effective land management department in each Country/Region



Initiative Challenges

- Change in Corporate philosophy
- Barrick's growth thru corporate acquisition
- Complexity of communications
- Cultural differences
- Global standard processes
- Management of technology changes and enhancements thru appropriate risk and change processes



Business Drivers for Global Land System

- Ensure land management activities comply with business processes
- Avoid loss of property interests
- Ability to handle additional mergers and acquisitions
- Globalization and scalability of land management within Barrick worldwide
- Clear definition of regional and jurisdictional land management workflows and responsibilities
- Ability to interface with other Corporate systems including Spatial Data Infrastructure, accounting and records management
- Provide audit trails and demonstrate regulatory compliance
- Facilitate reporting of global land holdings



Technical Drivers for Global Land System

- Standardized platform
- Development of single interface to Oracle financials
- Development of single interface to document management system
- Support, enhancement requests, and bug fixes responsibility of vendor



Barriers to Success

- Lack of appropriate Corporate commitment
- Resistance to change from jurisdictional/regional groups
- Insufficient number of knowledgeable land staff to complete implementation tasks in a timely fashion



Available Options

- Enhance existing systems in each Country/ Region
- Build or buy systems in each Country/ Region that does not have an existing system
- Buy a commercially available software package capable of meeting the needs of all jurisdictions for global use
- Build a system capable of meeting the needs of all jurisdictions for global use



Decision

- Enter into a license arrangement with FlexiCadastre
- In concert with Spatial Dimension, develop the Barrick Land Information System (BLIS) by enhancement of the FlexiCadastre software
- Customize the BLIS work flow and business rules to meet the jurisdictional requirements of each country in which we have land assets



Initiative – 2007

System Development

- The NAM Region commenced development of the basic Barrick Land Information System designed specifically to meet the multi-jurisdictional needs of that Region.
- My colleague, Mary Kay Coroneos, is here and will speak to you at length about that project.
- We anticipated that the basic design of the NAM system would be used in each of the other Regions.



Initiative Activities - 2007

- Director traveled to each Jurisdiction and Region
- Barrick land and legal teams were established at each site
- Land system requirements were identified
- Barrick land teams completed preliminary work in advance of FlexiCadastre development



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Lessons Learned

- Project Management is critical to success
- Systems development requires commitment of extensive man hours
- Land systems managers are invaluable resources to successful development
- Land knowledgeable GIS support is vital
- Communication is key to project success



Successes to Remember

- Enthusiastic acceptance by members of the jurisdictional land teams
- Support from other departments
- An environment of team players
- Preliminary gathering of source data for systems development



Global Common Issues

- Insufficient staff levels
- Lack of multi-disciplinary expertise
- Rotation schedules of mine staff
- Land Services provided by various departments
- Users of land systems in satellite locations
- Time differences



Global Common Issues

- Mineral resources nationalized in nearly all jurisdictions except US and Canada
- Acquisition of mineral rights in all South American jurisdictions is laborious
- Exorbitant number of man hours dedicated to defending property ownership in South American jurisdictions
- Relocation/resettlement/and compensation of native peoples
- Failure to meet and report expenditure requirements results in loss of land asset
- Lack of access to land related records from satellite locations



Need for Standardization

- Provide for ease in systems administration within multi-jurisdictional regions
- Better enable Corporate reporting
- Comply with Corporate governance guidelines regarding global applications



The Plan - 2008

- Barrick and Spatial Dimension have agreed on an implementation time table for 2008
- Consideration had to be given to available resources on both our parts



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The Plan - 2008

- Integrate with Barrick Spatial Data Infrastructure
- Commence pilot project to integrate with Oracle Financial
- Commence pilot project to integrate with LiveLink Records Management
- Standardization of symbology
- Standardization of procedural documentation
- Standardization of records protocol



The Plan - 2008

Identify Auxiliary Software Tools

- South America needs software to “read and report” on information contained in the published Gazette
- PNG and Tanzania need software to assist in person recognition



Conclusion

- We have demonstrated to Senior Management success in meeting the goals established for 2007.
- We continue to have their commitment to achieve the goals established for 2008 and beyond.
- We recognize that quality software provided the flexibility needed to accomplish those goals.
- We acknowledge the value of both our internal and external resources.
- We accept that our goals can only be achieved if we
 - continue to work together as a team;
 - be prepared to accept new ideas;
 - be prepared to share new ideas;
 - be willing to compromise; and most of all

COMMUNICATE



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THANK YOU

- Thank you to Spatial Dimension for your invitation to share the “Barrick Story”.
- Thank you to the audience for your interest.
- We hope you enjoy and benefit from Mary Kay’s presentation and discussions with her.
- If I can be of any assistance to you please contact me via E-Mail: mwinzelboorda@barrick.com

• Or by phone at:

My office 801-990-3791

My cell 801-209-3971



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