

Porgera Special Mining Lease Extension

PORT MORESBY, PAPUA NEW GUINEA (PNG) – TUESDAY 7 April, 2020: Barrick Niugini Limited (“BNL”) provides the following statement in response to recent comments by the Prime Minister regarding a potential announcement on the future of the Porgera Mine.

Barrick Niugini Limited notes that it has had very positive ongoing discussions with the legitimate Porgera Special Mining Lease landowners regarding the future of the Porgera Mine, and that the mandated landowner representative group, the Porgera Landowners Association (PLOA), and the company are unified in their view that the application to extend the Porgera Special Mining Lease should be granted by the Government as soon as practicable.

We firmly believe that the best possible outcome – both for Porgera Landowners and the Nation – is continued operation of the Porgera Mine by BNL, under the revised and improved benefit sharing arrangements as proposed by Barrick Niugini Limited in correspondence and meetings with the Government over the past eight months. The alternative would lead to a significant loss of economic benefits to the National and Enga Provincial governments, landowners, communities, employees and businesses resulting from an indefinite and possibly permanent closure of the mine.

The Porgera SML extension application was filed in July of 2017. The economic benefits package proposed by BNL would result in a benefit sharing outcome that provides a fair and equal sharing between the developer and Papua New Guinea of the economic benefits that arise from mining at Porgera – indeed on terms more favourable than the 50/50 arrangement that Prime Minister Marape himself has called for from the nation’s major resource projects and discussed with senior executives from Barrick and Zijin during their first meeting in June of last year.

By extending the Porgera Special Mining Lease, the Marape Government will be guaranteeing much-needed, significant additional economic benefits for PNG, and will have heeded the voices of the legitimate Porgera landowners, who aspire to a prosperous future for their communities, and for future generations.

Finally, we note that the PLOA, the representative group of SML landowners recognized by both the government and PNG courts, has called on the government repeatedly to make no decision or announcement regarding SML extension before Prime Minister Marape has visited Porgera and conducted consultations personally with the legitimate landowners on their own land in the customary way.

>ENDS<

ADDITIONAL INFORMATION

The Porgera Mine is a joint venture between Barrick Gold and the Zijin Mining Group, which each owns 47.5%, with the remaining 5% interest held by Mineral Resources Enga (owned equally by Porgera Special Mining Lease landowners and the Enga Provincial Government). The Mine is operated by Barrick Niugini Limited (BNL).

Porgera Gold Mine – Part of the Community

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