

BNL Response to Purported Appointment of Kumul Minerals Holdings Limited Manager for Porgera Mine

PORT MORESBY, PAPUA NEW GUINEA (PNG) – THURSDAY 8 OCTOBER, 2020: Barrick (Niugini) Limited (“**BNL**”), majority owner and operator of the Porgera Gold Mine in Papua New Guinea, provides the following response to the statement issued by Kumul Minerals Holdings Limited (**KMHL**) on 8 October 2020, regarding the purported appointment of a KMHL employee as the registered Mine Manager of the Porgera Mine.

BNL disputes that any valid lease has been granted to KMHL under which KMHL would have any rights or interests in areas the subject of BNL’s tenements, including the Porgera mine, and the company has commenced proceedings in the National Court challenging the purported grant of a Special Mining Lease covering the Porgera Mine to KMHL.

On that basis, BNL does not recognise the validity of KMHL purporting to appoint a registered Mine Manager over the Porgera Mine.

BNL notes the decision delivered by Justice Makail in the Supreme Court on 27 September this year (SCM No. 18 of 2020) that it is in the interests of justice that the present status quo be maintained in relation to SML 1 while legal proceedings remain ongoing. This effectively means BNL remaining in possession of the Porgera mine site and maintaining it in a state of care and maintenance, without the interference of the State or other parties.

BNL further notes that Porgera landowners have launched their own legal challenges to the purported grant of a Special Mining Lease to KMHL, and related legislative amendments.

Mine management functions in regards to the Porgera Mine during the current state of care and maintenance will continue to be managed by BNL.

BNL notes that it reserves all of its legal rights in respect of this matter, and cautions all parties to have due regard for current legal processes regarding the Porgera Mine issue.

>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).

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