



PRIME MINISTER
PORT MORESBY

CONFIDENTIAL

"Without Prejudice"

28th April 2020

Mr Mark Bristow
Chief Executive Officer
Barrick Gold Corporation
161 Bay Street, Suite 3700
Toronto, Ontario M5J 2S1
Canada

Dear Mr Bristow,

SUBJECT: REFUSAL OF THE EXTENSION APPLICATION FOR SML 1(P)

I, as the Prime Minister of the Independent State of Papua New Guinea, write this letter to formally advise you of the State's decision in relation to the SML 1(P) extension application.

The Mining Advisory Council had deliberated on Barrick Niugini Limited's (BNL) application and made its recommendation to the National Executive Council through the Minister for Mining pursuant to the *Mining Act* 1992.

The NEC has considered the recommendations and your extension application, and I regret to inform you that the NEC has made a decision to refuse your extension application for SML 1 (P) for the Porgera Gold Mine.

The operation of the Porgera Gold Mine Project was preserved under Section 112 of the *Mining Act* 1992 until the determination was made. I hereby advise that the Head of State had acted on the advice of the NEC to refuse the application for the extension of SML1(P) and the termination of the Porgera Mining Development Contract and had gazetted the notice in the National Gazette.

I therefore urge BNL and MRE to work together with the appointed State Negotiation Team led by Ambassador Isaac Lupari to frame an exit strategy.

Furthermore, it is absolutely necessary that BNL must commit to its outstanding commitments and post-closure obligations under the *Mining Act* 1992, *Mining (Safety) Act* 1977 and the *Environment Act* 2000 and the Mining Development

Contract to ensure a smooth transition and decommissioning is achieved. All concerns will be addressed through the discussions with the State Negotiation Team for the transitional agreement.

On behalf of the people of Papua New Guinea, I wish to thank BNL and MRE for being a development partner in the PNG mining sector. The Marape-Steven Government will continue to strive to maximise the full potential of our natural resources as permitted by our National Constitution that calls for equal distribution of wealth and wise use and protection of our natural resources for the present and future generations.

Yours sincerely



HON. JAMES MARAPE, MP
Prime Minister

cc : Hon. Johnson Tuke, MP
Minister for Mining

: Mr. Jerry Garry
Managing Director
Mineral Resources Authority

: Amb. Isaac B. Lupari, CBE
a/ Chief Secretary to Government