[CONFIDENTIAL]

BRIEF FOR : **PRIME MINISTER**
FROM : **ACTING CHIEF SECRETARY**
DATE : **8 NOVEMBER 2020**
MATTER : **MEETING WITH BARRICK OFFICIALS**

PM,
Our meeting with Barrick has concluded.
It did not go well.
Barrick raised six issues regarding the draft framework agreement. These were:

1) **They will not accept SML 11 and continue to insist that SML 1 should prevail.** They have a list of issues, mostly related to legal challenges and content, but they do not seem to be able to get passed the fact that SML1 ceased as a matter of law and that SML 11 has been lawfully granted to KMHL. Given these issues, I have proposed that MRA review them and that we get back to them as soon as possible.
2) **They continue to insist that resolution of legacy tax issues be conditional on a new agreement.** We maintain that this is a matter for them to resolve with the IRC. I have consistently said I will do what I can to encourage IRC to engage.
3) **Barrick also maintain that other legacy issues must be resolved before an agreement is signed.** Again, I have emphasised that we are negotiating a new Porgera, under a new licence and a new agreement, and it is for Barrick to resolve legacy issues over time and separate to the new process. They are insisting on regulatorily stability, we are offering fiscal stability. I have been clear there is no legal pathway for regulatory stability and that fiscal stability is what has been agreed.
4) **They are now saying the 10% transfer for landowners on signing can't go to MRE and insist a new entity be established.** With respect, this is not for them to dictate and is more likely an attempt to appease a small group of stakeholders that have been advocating for Barrick to return. Ipatas needs to be informed.
5) **On legal claims, there position is a pause on legal proceedings on signing of the framework agreement and withdrawal once final agreements are signed.** This is acceptable, but we'll want to get legal sign off.
6) **We commenced discussing the SML issue, but Mr Lee for Barrick became demanding with respect to convening a meeting with MRA.** I agreed that a meeting would be practical, but I also said that MRA must have time to review the Barrick position. Lee claimed they have been waiting for a meeting for a week. My notes clearly show that last week at Loloata I made it clear that they provide their concerns in writing first, and that then we arrange a meeting.

Lee insists on bringing up other issues and claims we are wasting his time.
We need to reach resolution.
I will speak to MD MRA and State Sol on a way forward.
But things have not gone well.
Isaac.