



PM MARAPE: GOVERNMENT SET TO SIGN AGREEMENT WITH BARRICK TO REOPEN PORGERA GOLD MINE

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Prime Minister Hon. James Marape, MP, announced today that the Government is poised to sign an agreement with Barrick Gold for reopening of the Porgera Gold Mine in Enga, 12 months after its closure last April over rejection of renewing the mining lease by the State.

PM Marape, announcing the breakthrough in negotiations by the State and Barrick, said Papua New Guinea would receive a "far superior deal" than the 31 years from 1989 to 2021.

"I'm announcing to our country that within the principles of my Government, which includes getting more from our natural resources, we are in a better position now to sign an agreement with Barrick for what will be a new Porgera," he said.

"I can assure our country that this is a far-superior and better deal, meaning our landowners and Enga Provincial Government will get more, and the balance of equity through Kumul Minerals will mean we hold majority in equity.

"Other benefits includes securing an increased and upfront tax with no concession as is the case with other resource projects, an increase in royalties as well as a better handle on environment and resettlement issues at Porgera and a Barrick exit option.

"Those are some core issues I was not going to compromise on and I am happy to announce that we are almost there."

PM Marape said State-owned Kumul Minerals Holdings, since being granted the Special Mining Lease (SML) over Porgera, could have started" but many court cases Barrick had filed caused delays to reopen Porgera, hence we entered into these negotiations".

"We realised that these court cases could have dragged on for years, so we have reached out for a possible commercial negotiation with Barrick," he said.

"Today, as I speak, I am happy to announce to the country that Government has not compromised our core principles of 'Take Back PNG' resources.

"Those principles were outlaid to Barrick as conditions to start commercial negotiations.



" And to date, under Mr Mark Bristow of Barrick Gold, they viewed our nation's principles with respect.

"We are almost at the point of signing an agreement with Barrick.

" If the last round of negotiation is good, then I intend to meet Enga Provincial Government and all SML and LMP plus impact area landowners at the earliest to discuss on the benefit sharing.

"Let me assure my landowners:there is more for you.

"Let me assure Enga: there is more for you.

"Let me assure PNG: we are restarting Porgera to a better deal for all of us, with better project economics for the county.

PM Marape thanked the Barrick team led by CEO Mark Bristow for understanding his desire to get back more for PNG.

He also thanked Enga Governor Hon. Sir Peter Ipatas, Mining Minister Hon. Johnson Tuke, Minister for Kumul Minerals Hon Tomait Kapili and other ministers, plus all Government officials led by Treasury Secretary Dairi Vele for negotiations thus far.

PM Marape said:"To those who questioned Government and Kumul Minerals Holdings on why this turn in Porgera, I inform all that we have every capacity to operate Porgera like we are doing in Ok Tedi right now.

"But with Barrack's court cases, we had to go down this path.

" Barrick has agreed with us on an exit option in the new Porgera agreement 10 years from now."

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