Barrick Niugini Limited Challenges Non-Extension of Special Mining Lease

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PORT MORESBY, April 24, 2020 - Barrick Niugini Limited (BNL), majority owner and operator of the Porgera gold mine in the Enga province of Papua New Guinea (PNG), said today the Government’s decision not to extend its Special Mining Lease was tantamount to nationalisation without due process and in violation of the Government’s legal obligations to BNL.

BNL said it remained willing to discuss the issue with Prime Minister James Marape and his Government in the hope of averting what it described as a catastrophic situation for the communities at Porgera and in Enga, and for the country as a whole.

It will, however, pursue all legal avenues to challenge the Government’s decision and to recover any damages that BNL may suffer as a result of the Government’s decision. It also said it had no interest in discussing transitional arrangements for the management of the mine, as proposed by the Government, as this was not consistent with BNL’s rights. BNL’s right to the renewal was confirmed by the PNG National Court in August 2019.

BNL applied for the extension of the SML in June 2017 and has been engaging with the Government on this matter since then. In 2019, in response to a request from Prime Minister Marape, the company proposed a benefit-sharing arrangement that would deliver more than half the economic benefits to PNG stakeholders including the government for 20 years.

Barrick President and Chief Executive Mark Bristow has met with Prime Minister Marape four times to discuss the extension issue and to re-affirm BNL’s commitment to a long-term partnership with PNG. After their first meeting in June last year, the Prime Minister wrote to Bristow stating that “the Government values our continued partnership with Barrick and it is our intention to do everything possible to ensure that arrangements are in place to enable continued operations of the Porgera Gold Mine once the current SML expires in August 2019”.

Despite this and other assurances, and numerous encouraging conversations with Government ministers and representatives, neither the Prime Minister nor anyone acting on behalf of the Government has ever proposed any alternative terms on which the SML could be extended, or indicated that it would not be extended.

The Government has also ignored the wishes of the Porgera landowners, who overwhelmingly support the extension of BNL’s lease, and the Prime Minister has refused to consult them or even hear their views.

BNL also notes that the Government has advanced the existence of alleged environmental damage claims and resettlement issues as a reason for the non-extension. The company says the environmental management practices at the mine were studied and approved by the Government. The PNG Conservation and Environmental Protection Authority (CEPA) has carried out regular audits of the mine and has always found it to be in compliance with its permits. In fact, BNL’s environmental management system exceeds the requirements of its permits. As far as resettlement is concerned, BNL has compensated and relocated more than 1,400 households impacted by the mine’s operations, and at no stage has the government indicated that the mine had not complied with its obligations in this regard.

About Porgera

The Porgera Joint Venture is an open pit and underground gold mine located at an altitude of 2,200-2,600

metres in the Enga Province of Papua New Guinea, about 600 kilometres north-west of Port Moresby. Barrick and Zijin Mining Group each own 47.5% of the operation, with the remaining 5% interest held by Mineral Resources Enga. Mineral Resources Enga Limited's 5% interest is divided between the Enga Provincial government (2.5%) and local landowners (2.5%).

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Cautionary Statement on Forward-Looking Information

Certain information contained or incorporated by reference in this press release, including any information as to our strategy, projects, plans or future financial or operating performance, constitutes “forward-looking statements”. All statements, other than statements of historical fact, are forward-looking statements. The words “remain”, “pursue”, “propose”, “affirm”, “would”, “commit”, “partnership”, “intend”, “will”, “future”, “opportunities” and similar expressions identify forward-looking statements. In particular, this press release contains forward-looking statements including, without limitation, with respect to: Barrick and BNL’s response to the Government’s decision not to extend the Special Mining Lease including legal challenges to the Government’s decision and avenues to recover any damages that BNL may suffer as a result of the Government’s decision; the future for Porgera, including opportunities identified by Barrick and BNL to deliver economic benefits to PNG stakeholders including the Government for up to 20 years under a potential benefit-sharing arrangement; BNL’s environmental management system and compliance with its environmental permits and resettlement obligations at the Porgera mine; and discussions to reach agreement with the PNG government regarding an extension of the Special Mining Lease.

Forward-looking statements are necessarily based upon a number of estimates and assumptions including material estimates and assumptions related to the factors set forth below that, while considered reasonable by the Company as at the date of this press release in light of management’s experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: timing of receipt of, or failure to comply with, necessary permits and approvals, including with respect to BNL’s application for an extension of Porgera special mining lease; changes in national and local government legislation, taxation, controls or regulations and/or changes in the administration of laws, policies and practices, expropriation or nationalization of property and political or economic developments in PNG; lack of certainty with respect to foreign legal systems, corruption and other factors that are inconsistent with the rule of law; the risks associated with Covid-19 and other infectious diseases presenting as major health issues; risks associated with illegal and artisanal mining; fluctuations in the spot and forward price of gold, copper or certain other commodities (such as silver, diesel fuel, natural gas and electricity); the speculative nature of mineral exploration and development; changes in mineral production performance, exploitation and exploration successes; risks associated with projects in the early stages of evaluation and for which additional engineering and other analysis is required; diminishing quantities or grades of reserves; increased costs, delays, suspensions and technical challenges associated with the construction of capital projects; operating or technical difficulties in connection with mining or development activities, including geotechnical challenges and disruptions in the maintenance or provision of required infrastructure and information technology systems; failure to comply with environmental and health and safety laws and regulations; uncertainty whether some or all of Barrick's targeted investments and projects will meet the Company’s capital allocation objectives and internal hurdle rate; the impact of global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future cash flows; adverse changes in our credit ratings; the impact of inflation; fluctuations in the currency markets; disruption of supply routes which may cause delays in construction and mining activities; damage to the Company’s reputation due to the actual or perceived occurrence of any number of events, including

negative publicity with respect to the Company’s handling of environmental matters or dealings with community groups, whether true or not; the possibility that future exploration results will not be consistent with the Company’s expectations; risks that exploration data may be incomplete and considerable additional work may be required to complete further evaluation, including but not limited to drilling, engineering and socioeconomic studies and investment; risk of loss due to acts of war, terrorism, sabotage and civil disturbances; litigation and legal and administrative proceedings; contests over title to properties, particularly title to undeveloped properties, or over access to water, power and other required infrastructure; business opportunities that may be presented to, or pursued by, the Company; risks associated with working with partners in jointly controlled assets; employee relations including loss of key employees; increased costs and physical risks, including extreme weather events and resource shortages, related to climate change; and availability and increased costs associated with mining inputs and labor. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion, copper cathode or gold or copper concentrate losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks).

Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All the forward-looking statements made in this press release are qualified by these cautionary statements. Specific reference is made to the most recent Form 40-F/Annual Information Form on file with the SEC and Canadian provincial securities regulatory authorities for a more detailed discussion of some of the factors underlying forward-looking statements and the risks that may affect Barrick’s ability to achieve the expectations set forth in the forward-looking statements contained in this press release.

We disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

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