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To provide an overview of the multiple values and unique issues of access and development associated with public lands in the western United States

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Good morning, Chairwoman Murkowski, Ranking Member Manchin and distinguished members of the committee. I am Patrick Malone, Head of Legal and Regulatory Affairs for Barrick Gold of North America. Thank you for inviting me to this important roundtable to discuss the unique issues associated with operating on western lands in the United States. I appreciate the opportunity to share Barrick's perspective with you.

Barrick is a hard rock metal miner. Specifically, we mine gold and, to a lesser extent, copper. Hardrock mining is a very challenging business. Mineral bodies cannot be relocated to a lower cost location which can make mining a capital intensive and sometimes financially risky business. Once found, metal ores must undergo extensive and expensive processing before they have any value. And once a mine is played out, it costs a mining company tens or even hundreds of millions of dollars to reclaim the mine site to meet strict closure standards. Adding to the challenge, metal prices can be very fickle and returns on investments have a long lead time. Despite the financial risks, however, mining is how we obtain the crucial raw materials that make our 21<sup>st</sup> century technology and standard of living possible. Mining is also an important source of high quality jobs in rural areas.

Barrick's largest footprint is in Nevada, where we directly employ 3,800 employees, as well as thousands of contractors and service providers. Barrick's average wage in Nevada is \$93,000, more than twice the average wage in the state. Tax revenue and other benefits from our operations are also vital to the economic health of the counties where we do business. Last year mining accounted for \$11.3B of GDP in Nevada.

As you probably know, 85 percent of Nevada's lands are federally managed. What you may not know is that, in 2018, Nevada was recognized by the Fraser Institute's 2018 Annual Survey of Mining Companies as the most important mining jurisdiction in the world. This speaks to the exceptional mineral endowment of Nevada, but just as importantly to the stable, attractive investment climate created by our state and federal partners. In fact, Barrick intends to invest more than a billion dollars over the next two years developing its next project in Nevada – the Goldrush underground gold mine.

It's important to note that investment friendly does not mean lacking in protections to the public or environment. Before Barrick, or any other mining company, can explore, build, or operate on the public lands, we must prepare extensive Plans of Operations that satisfy the requirements of the Federal Land Policy and Management Act. And before the Bureau of Land Management can approve our Plans of Operation, they must undertake NEPA reviews to make sure that the potential impacts of our operations are fully understood. Then the companies must work cooperatively with federal, state and local authorities to find ways to minimize those impacts and satisfy the requirements of substantive environmental statutes like the Clean Water Act, the Clean Air Act, and the Endangered Species Act, and to do so in a way that still makes financial sense. It is extremely challenging, but extremely satisfying

work – work that requires our regulatory partners to be fully-staffed with committed, well-trained professionals. We're very lucky in Nevada to have some of the very best that the Department of Interior has to offer, as well as a helpful and knowledgeable Congressional delegation who understand the challenges of developing projects on public lands.

Speaking personally, finding solutions to satisfy and benefit as many users of public lands is possibly one of the things I find most rewarding about my work. Before becoming a lawyer, I was trained as a conservation biologist. I entered my profession hoping to find ways to restore the health of fragile western ecosystems, while also creating jobs in some of the most economically depressed areas in the country. During the last administration, I had opportunity to do just that when I negotiated a landmark agreement between Barrick, the BLM, and the US Fish and Wildlife Service, that allowed Barrick, in partnership with The Nature Conservancy, to voluntarily restore and enhance habitat for the Greater Sage Grouse on both public and private lands. Barrick currently has plans, pending approval, to improve more than 1,300 functional acres of sage grouse habitat in Nevada. This is an obvious win for the sage grouse, and sage brush obligate species, but it is also an example of how government, business and conservation can work together to ensure balanced use of public lands.

While I've focused mainly on Nevada, as public lands are at the heart of everything we do in Nevada, I would be remiss if I failed to mention one of Barrick's most interesting opportunities – the Donlin Gold project in Alaska. Donlin is an Alaskan company that is fifty percent owned by Novogold Alaska and Barrick Gold of North America. The proposed project is on land owned by The Kuskokwim Corporation, which owns most of the surface rights, and Calista Corporation, which owns the subsurface rights and a portion of the surface rights. Donlin reached agreements with these Alaska Native Corporations to work together to develop the mine and to ensure that the project is built with exceptional standards of safety and that it benefits shareholders, their families, their communities and the Yukon Kuskokwim region overall.

Barrick is grateful for the trust that has been given to us to develop mineral resources from public lands for the benefit of our workers, our investors and the people of the states where we operate. We also thank you for the opportunity to share our experience and perspective with you. Thank you for the work you do, I look forward to your questions.